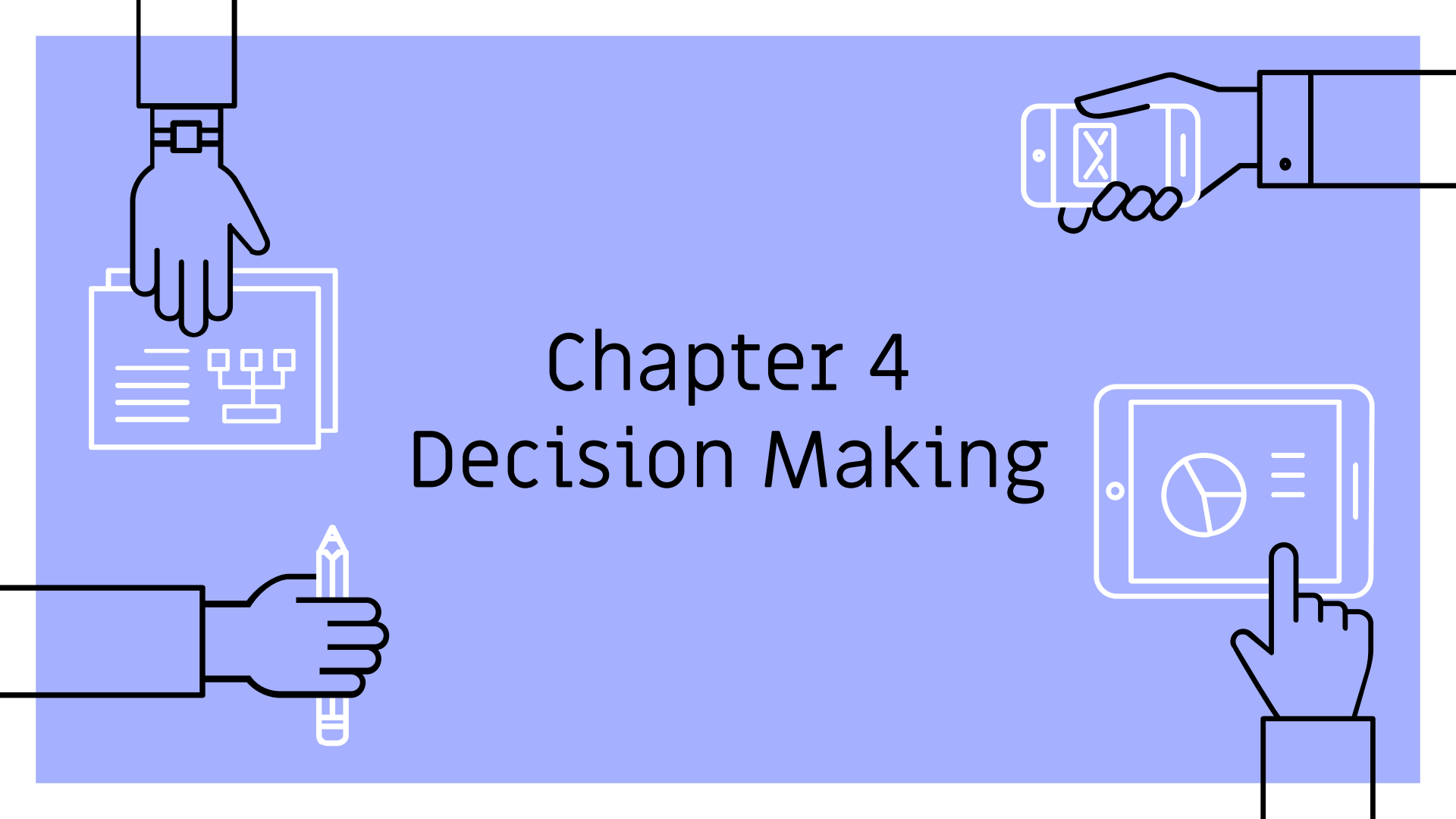
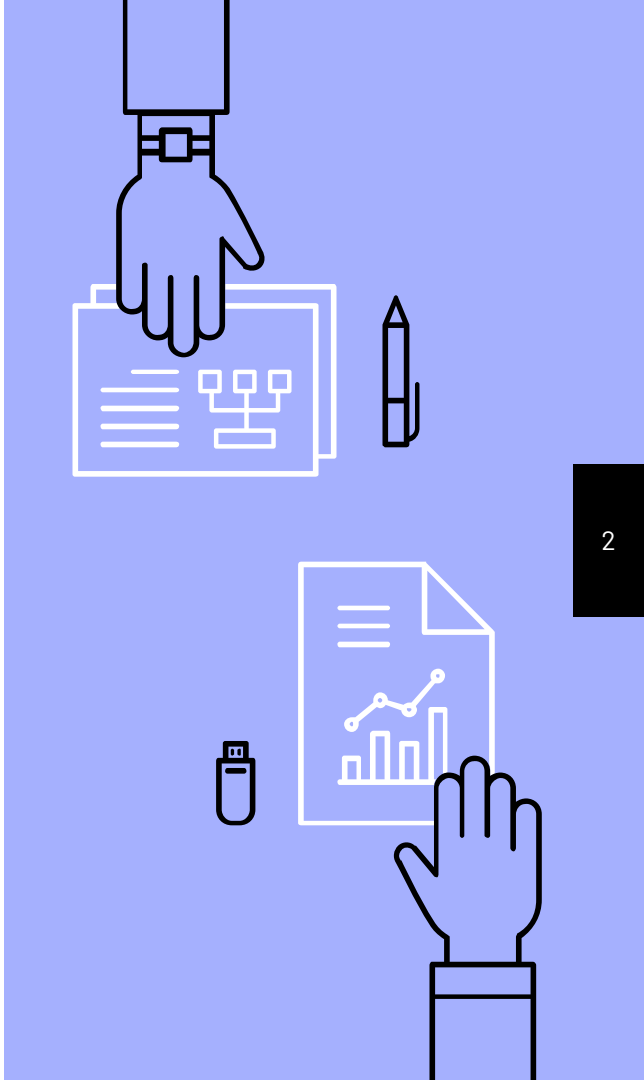


Chapter 4
Decision Making

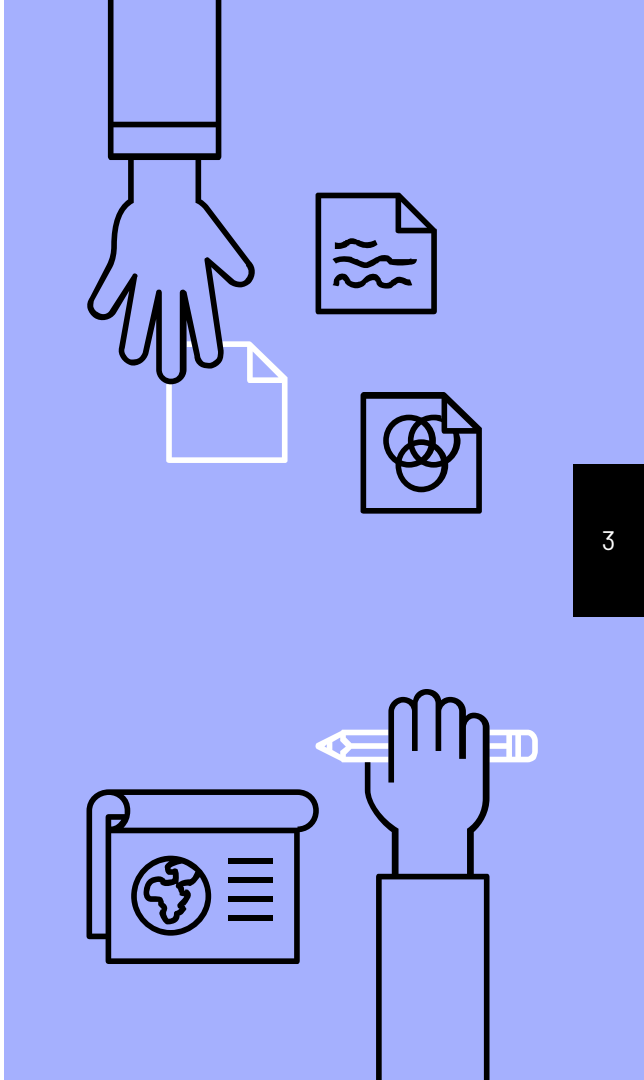
Decision Making Structure

- Determine the decision maker
- Select a decision mechanism
- Make a timely decision
- Build support with peers/stakeholders
- Communicate the decision
- Enact the decision

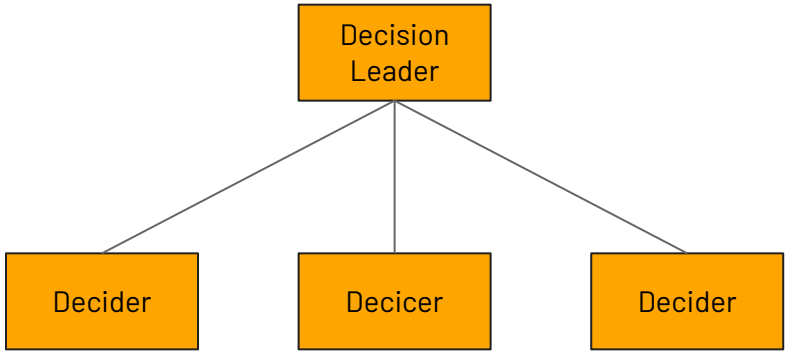


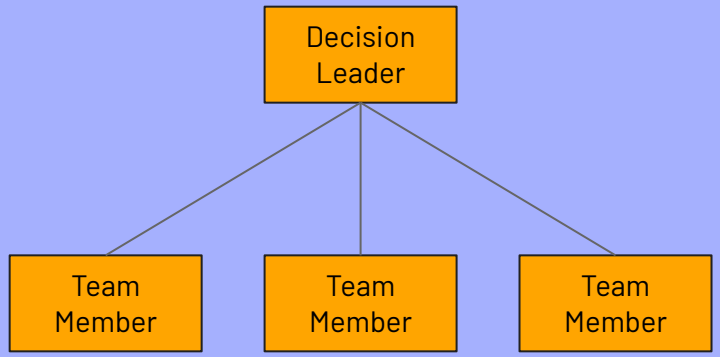
Determine Decision Maker

- "Knowing who is going to make the decision impacts the mechanism used to make the decision."
- The Product Owner (BA) is the key decision maker in agile approaches
  - either as the decider or the decision leader
  - and also has the responsibility for the outcome of the project



Two Models of Decision Makers





Decide How to Decide

Spontaneous Agreement
Rare... can be a sign of GroupThink

Decider decides with Discussion
This is the Product Owner approach.

Decider decides without Discussion
This is a Dictator Model approach.

Delegation
Primary decision maker identifies someone to decide.

Arbitrary
Can be a coin flip, not usually the best approach.

Negotiation
Team attempts to find solution everyone agrees with.

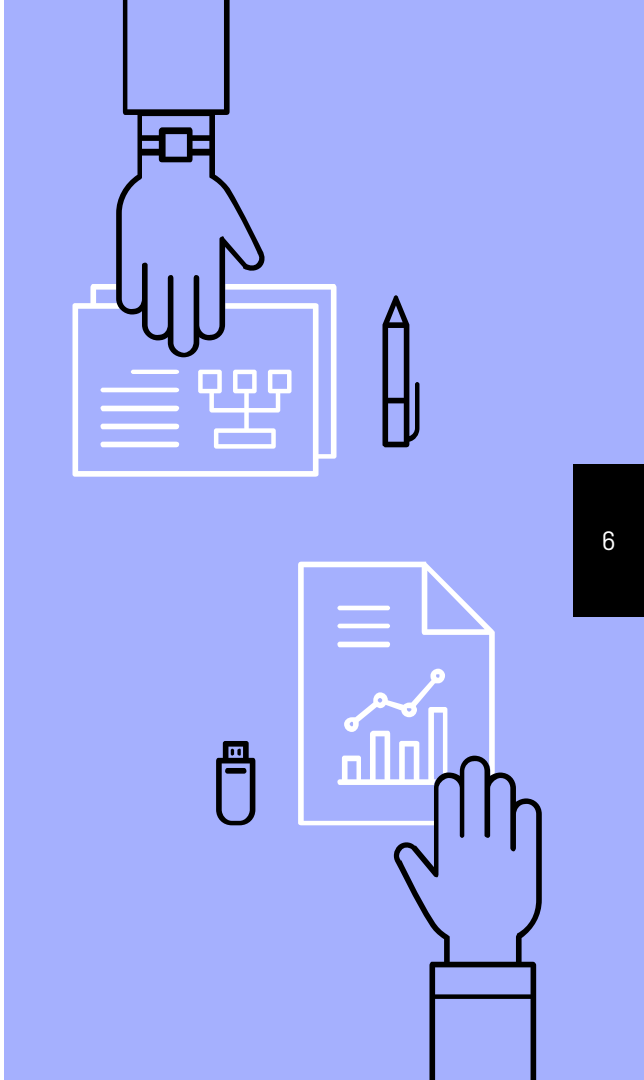
Majority Vote
Downside is that losers and winners are identified

Consensus
This is a collaborative approach.

Select a Decision Mechanism

Determine what information is needed

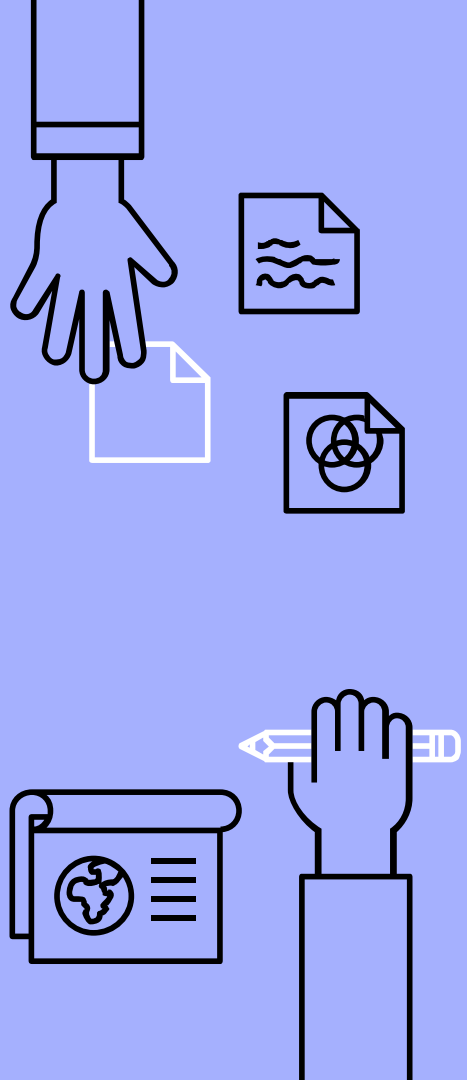
- Gather additional information about the available options
- Choosing the most informed decision
- Figure out what you don't know and fill in as many knowledge gaps as possible
- How to manage to get to approval
  - Give stakeholders needed data to make an informed decision
  - Give them enough time to consider, discuss, and question to resolve issues and get to a solution
- Avoid "paralysis"



Make a timely decision

“Timing of decisions is all about information”

- Deciding too quickly may mean overlooking critical information needed to make the best decision.
- Important options are not considered.
- There is a fine balance between gathering enough information and spending too much time trying to gather information
- At least attempt to identify what information is needed to make a decision



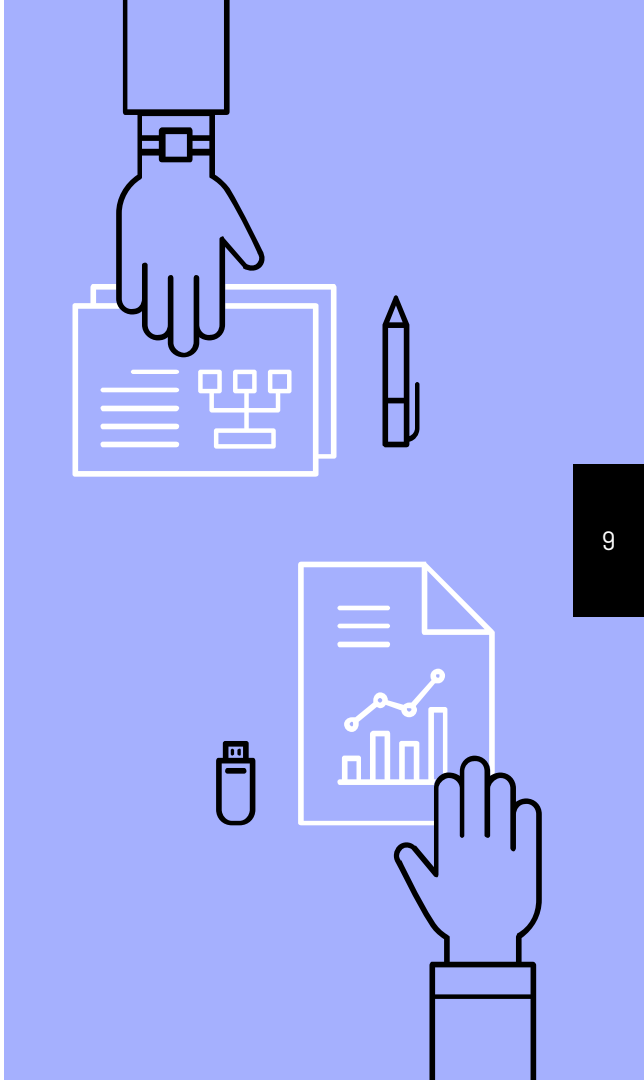
Build Support with Peers & Stakeholders

Questions:

- Have you identified all those that should be included?
- If you are making the decision alone, how do you build support?
- Have you "listened" and "considered input" from key people whose support is needed?
- The way the decision is communicated may be the key to getting the needed support!

Communicate the Decision

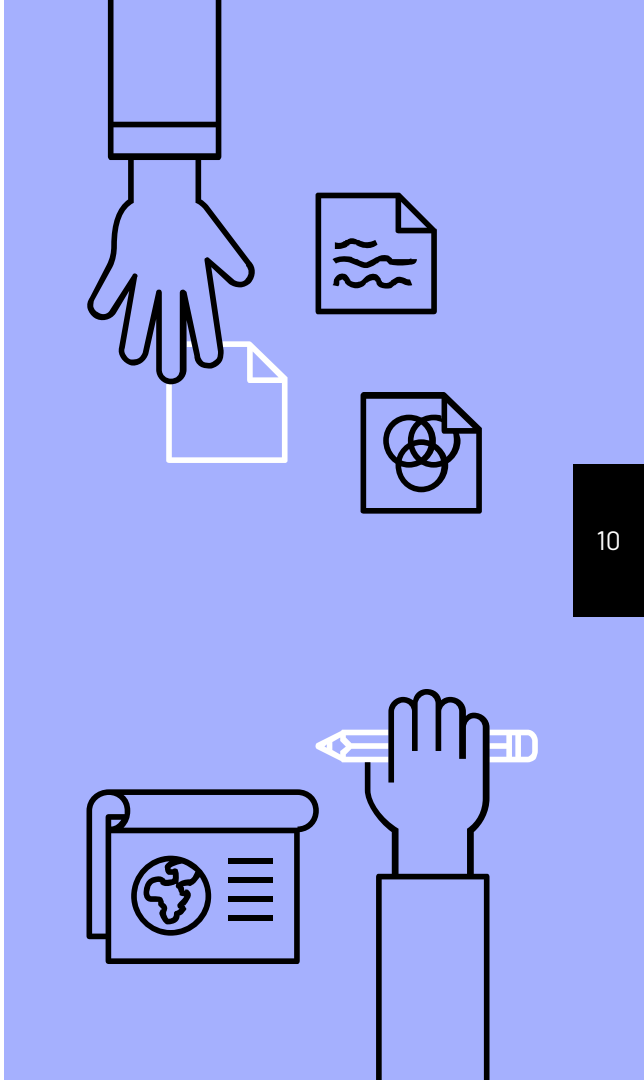
- Once the decision is made, ensure that those affected by the decision are informed
- The surprise (usually bad) comes from not informing everyone!



Enact the Decision

- The trap... after the decision is made, no one is in charge of ensuring steps to make “It” a reality
- The execution of a decision determines whether it produces the results envisioned by those making the decision actually had a chance to materialize?

“When making a decision, it’s best to think about how it will be enacted at the same time.”



Real Options

- **First,** don't confuse options with commitments
  - Commitments are things you must do
    - Options have value
    - Options expire
    - Never commit early, unless you know why
- **Second,** take some to consider
  - Some options require quick action otherwise they may no longer available
  - You either decide on the option being considered, or spend additional time to consider other options that may provide a better result

- Referencing the “Mercury space program” and the identification of choices
- The decision making in a time of crises was represented in the movie “Hidden Figures”
- First options were considered but not taken
- The “story” also includes the team of female African-American mathematicians that served a vital role in the implementation of the option that was chosen.

Real Options

Patterns of deviation in judgement that occur in particular situations

Cognitive Bias!

Elicitation (collecting information)

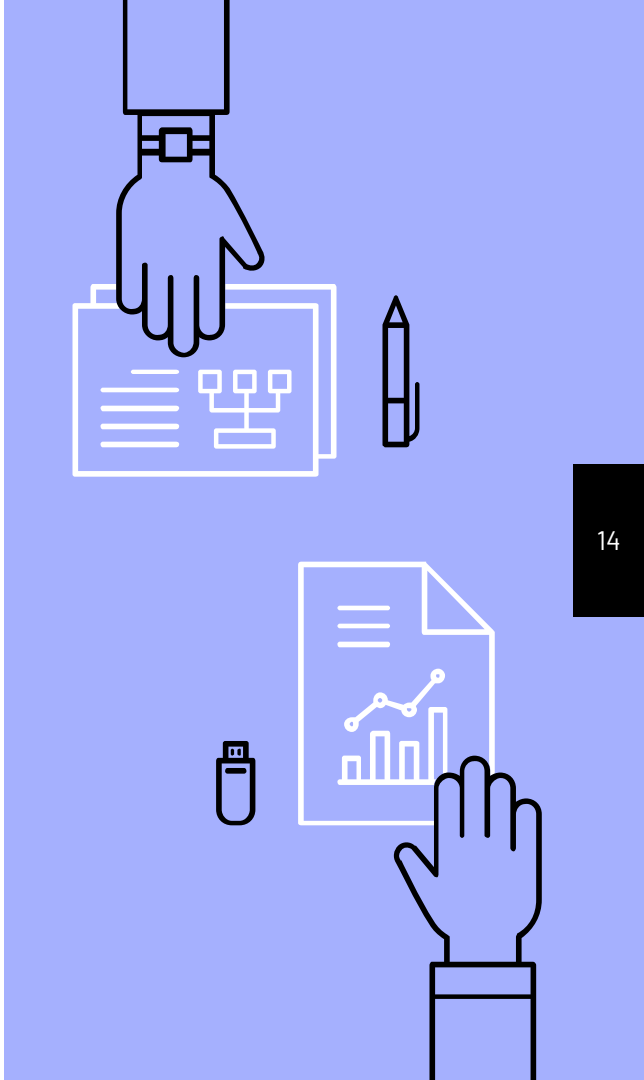
Biases affecting Stakeholders

Response Bias: answering a question based on what the stakeholder thinks the analyst wants

Groupthink: stakeholders all convey the same information whether or not they believe it

Bandwagon Effect: go along to get along

Curse of Knowledge: stakeholders being unable to consider a less informed and more neutral perspective




THE BANDWAGON EFFECT
WHEN OUR DESIRE FOR HARMONY OR CONFORMITY SWAYS OUR DECISION-MAKING
WHAT YOU THINK
WHAT EVERYONE ELSE THINKS
PARTY!
JOIN US!

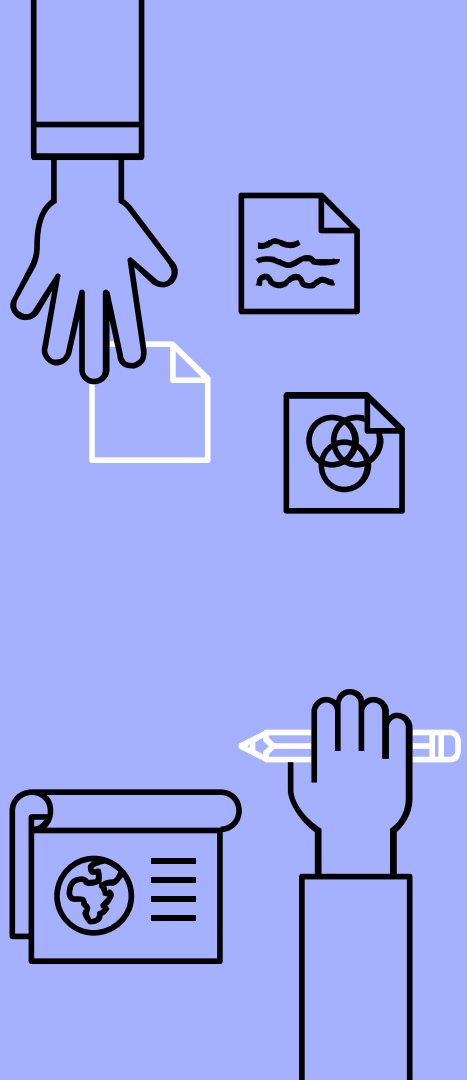
Biases Affecting Analysis

The curse of knowledge, the analyst's bias

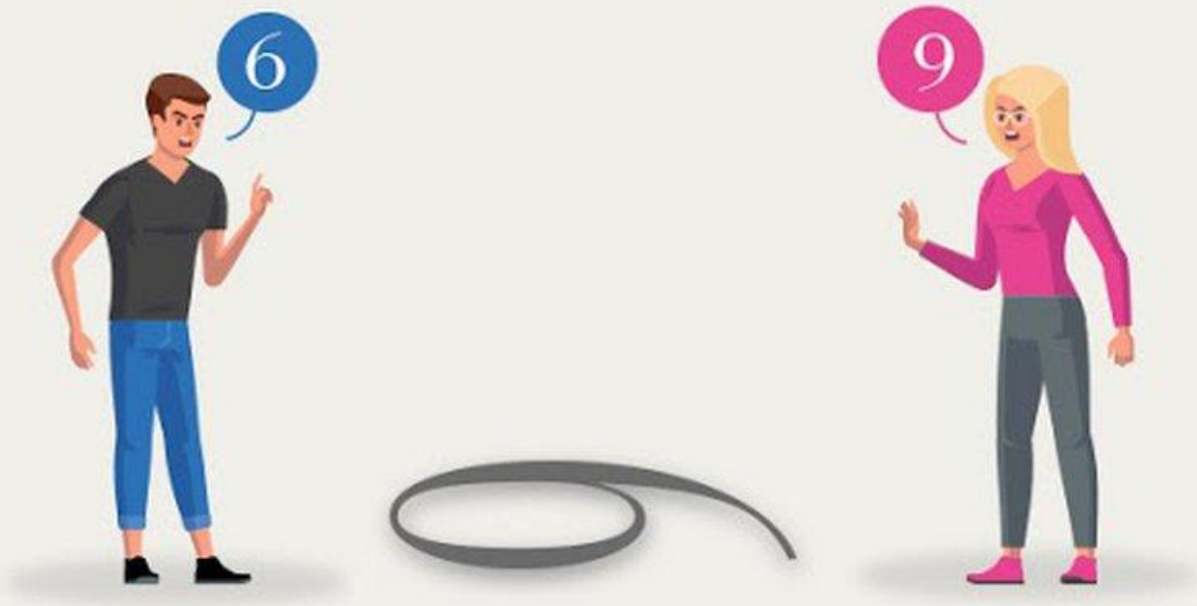
Confirmation Bias: Tendency to search for, interpret, and remember information that confirms your own preconceptions

Observer-Expectancy Effect: The analyst expecting a certain result, subconsciously manipulate or misinterprets data in order validate that "certain result"

Framing Effect: where you draw different conclusions from the same information depending on how it is presented



CONFIRMATION BIAS

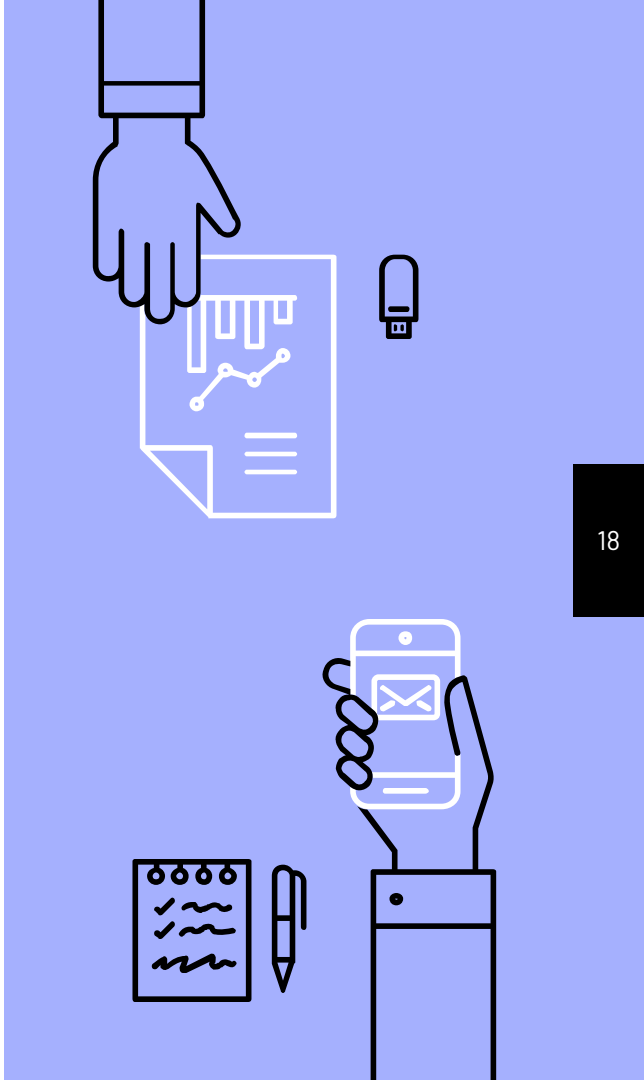


Framing effect

The basis for the tendency to pay more attention to people who are paying for an IT project...

... even when they are not the ones to use the solution

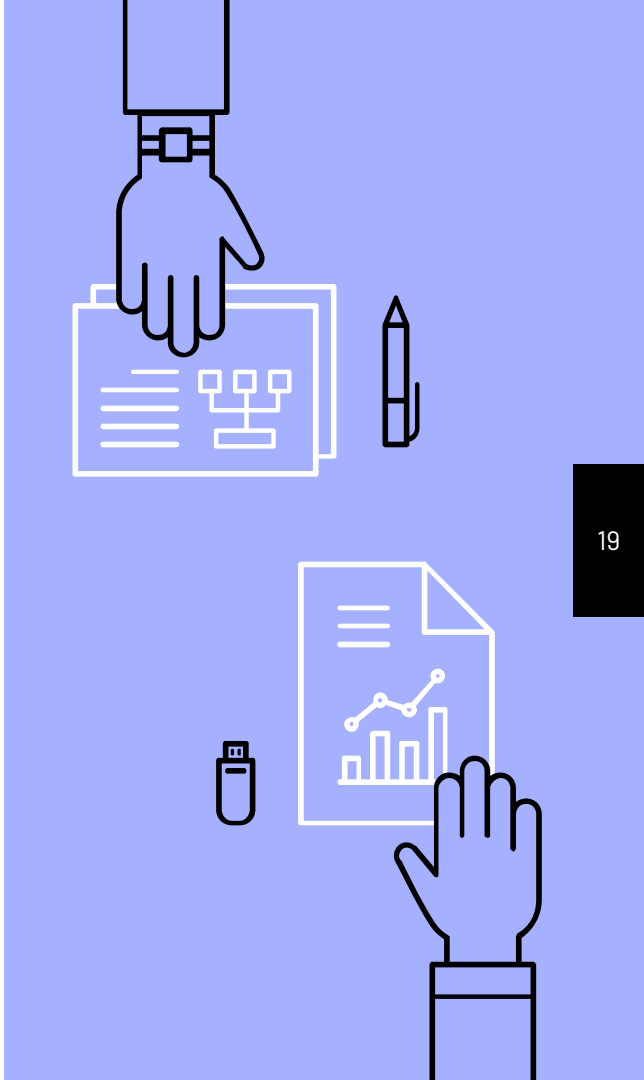
- Business Analyst and the UX designers
  - Analysts typically focus on the stakeholders paying for the solution and not the actual users
  - UX experts pay attention to those that will actually use the solution



Mirror Imaging

- When the analyst assumes that stakeholders (users) think like they do…
  - How they "like" to work
  - How they express ideas
  - How they learn new information
- Author's suggested remedy:

  "… for sessions where the intent is to have substantive discussions about the project and its requirements, it's always helpful to have multiple perspectives."



Analysis Bias

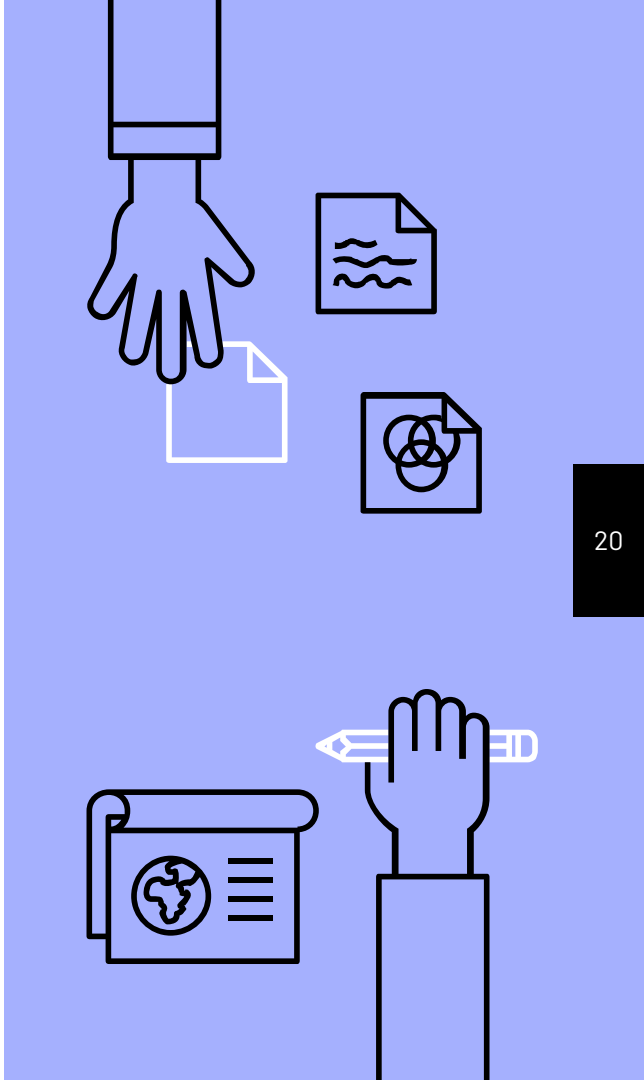
Bias that occur in analyzing the elicited information

Anchoring Effect or Focusing Effect: Too much emphasis on a particular piece of information

Survivorship Bias: Focus on those that had a successful interaction and not considering those that did not

Availability Heuristic: Overestimate the likely of an event because of its recent occurrence

Observation Selection Bias: A new occurrence of what was not previously noticed, but assuming the frequency of its occurrence has increased



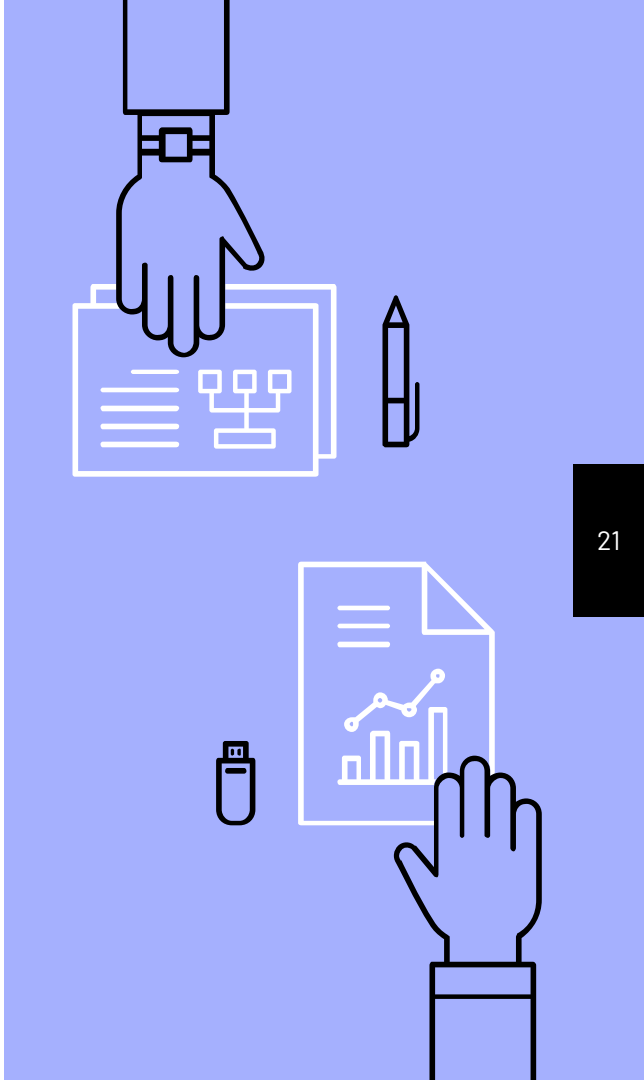
Analysis Bias (cont.)

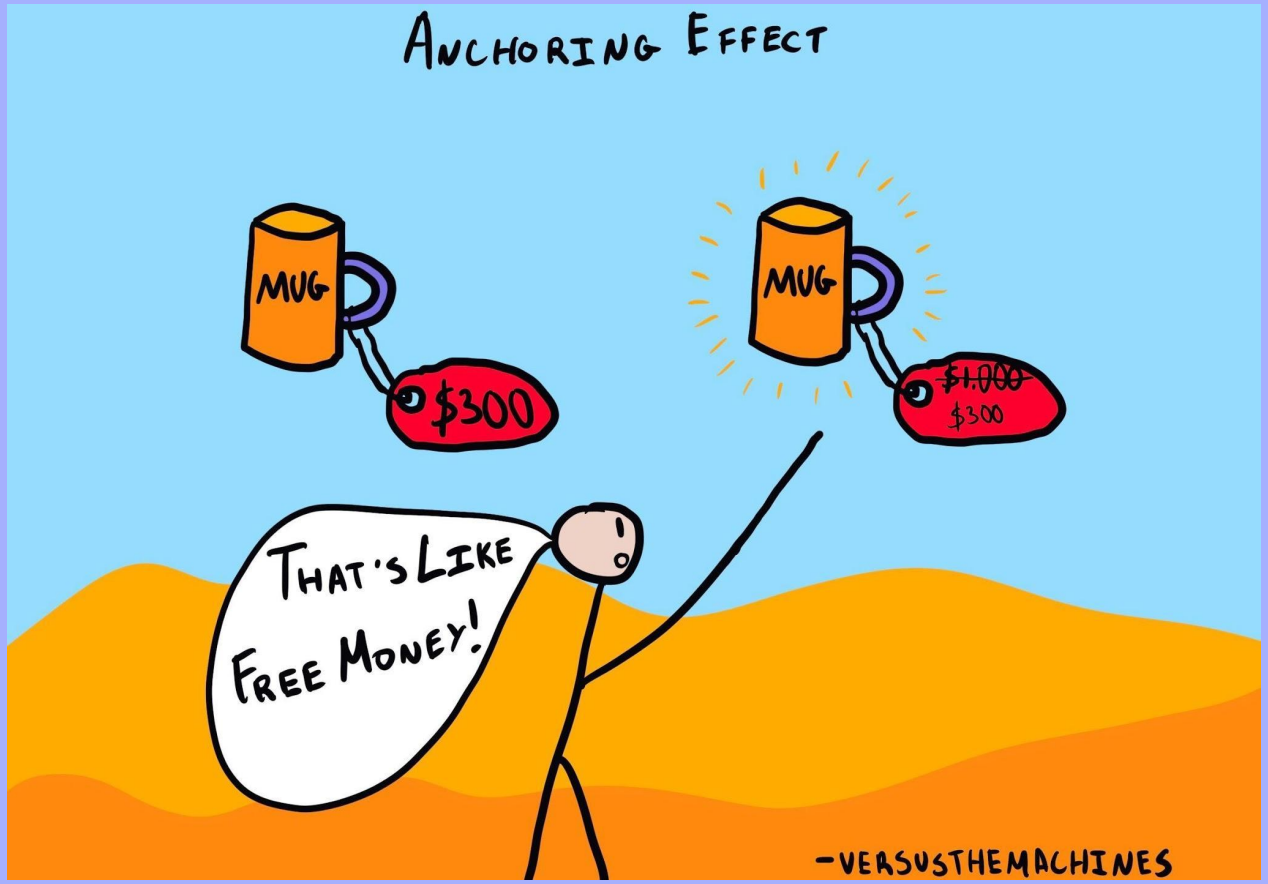
Bias that occur in analyzing the elicited information

Frequency illusion: What was familiar, but recently comes to your attention is perceived as occurring in increased frequency

Clustering illusion: Seeing patterns that actually don't exist

Sharpshooter illusion: Interpreting pieces of information with no real relationships to actually have a pattern




ANCHORING EFFECT
MUG
$300
MUG
$1.000
$300
THAT'S LIKE FREE MONEY!
-VERSUSTHEMACHINES

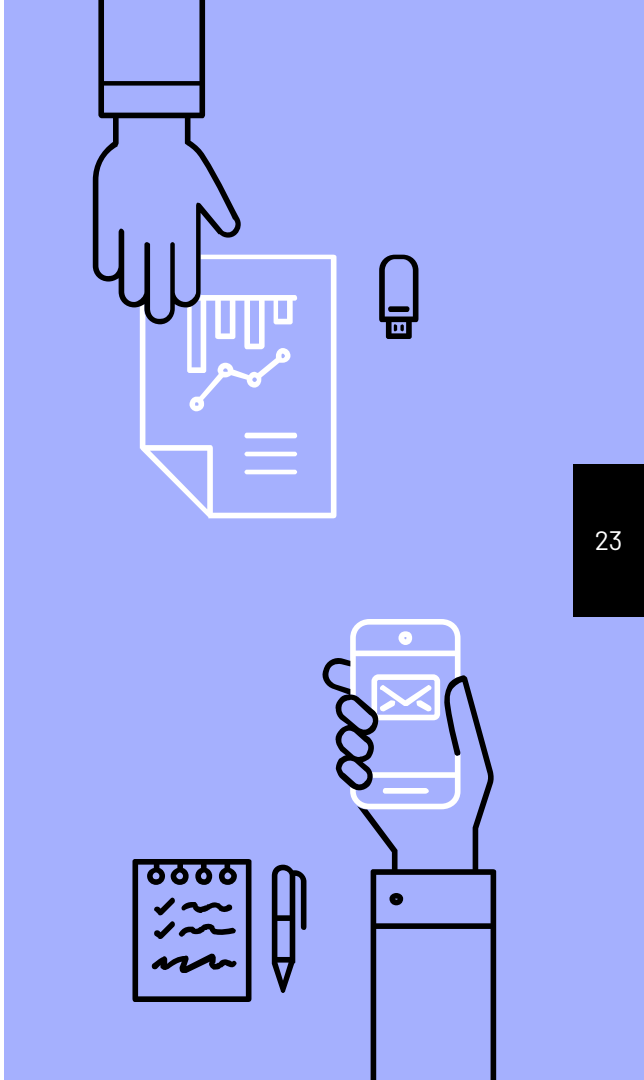
Decision Making

Bias that occur in groups that are collectively trying to make decisions

False Consensus Effect: Overestimating the degree to which others agree

Group Attribution: Stakeholder falsely assumes that the decision of a group reflects the preferences of the members of the group

Irrational Escalation: Decision maker wants to avoid looking foolish for stopping work on an initiative he or she originally approved... even though there is no proof the outcome will be positive



Irrational Escalation

If You Remember Nothing Else

- Agree ahead of time who will make certain types of decisions and be aware of the approach taken to make those decisions.
- When you face a decision, your first question should be “When do I have to decide?”
- Be aware of your cognitive biases and those of your stakeholders, and take steps to reduce their effect in your elicitation, analysis, and decision making.