



# How to make breakthrough decisions quickly

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## The theory of breakthrough decisions

Most executives believe their decision making skills are above average, which means to stand out one's decisions have to be exceptionally good, breakthrough level. Breakthrough decisions are prized, since it is breakthrough decisions that truly drive the firm ahead and enable it to be successful.

To make a breakthrough decision is neither simple nor easy since there is no overall approach or theory to achieve them—that is, until now. We herein present the Theory of Breakthrough Decisions along with the Decision Breakthrough Technology software.

## The higher you are the more you see

The underlying concept is immediate. Imagine there were some wonderful knowledge mountain you could climb higher and higher. The higher you climb, the more you can see. Soon, you ascend so high you can peer over the nearby mountains to the valleys, hills and other mountains that were obscured previously. That is the breakthrough, as these beautiful new sights open up.

Decision-making is similar, and now as the ideas build higher and higher, more and more understanding is obtained, until we see beyond the nearby mountains and obtain the beautiful breakthrough perceptions.

But how can that be accomplished? Prior to the Theory of Breakthrough Decisions and the Decision Breakthrough Technology, the most common means to accomplish this was hard work along with an abundance of chance and luck. Breakthrough ideas occurred rather randomly, if at all. What we want is a more rapid approach to more consistently generate them, a systematic method to quickly construct the ideas high and higher until we perceive the breakthrough.

## Thomas Edison's Wisdom

Insight might be obtained from the person who produced more breakthroughs than anyone else in recent history, Edison. To develop the practical incandescent light bulb, he tried thousands of different filaments in trial after trial, at each test he learned more and more, each iteration climbing higher and higher until developing one of the greatest breakthroughs in history.

## Apply the agile philosophy of rapid testing and learning

For an extension that is a hot topic today, consider the concept of rapid testing that is common in the agile philosophy of software and product development that has revolutionized those fields. This is Edison's testing and iteration concepts taken a few steps further.

One very quickly develops the product, tests it with customers in order to discover their reaction, and learn how to improve the product. This rapid test cycle is iterated several times, each time learning and improving the product. This process of rapid iterative testing greatly improves the product and can be accomplished quickly.

## How to instantly test and learn

We will accomplish the analogous with decision-making. One shining concern here is how to test the decision without actually implementing it or taking the time to do that. Until now that has been the blockage to applying this concept to decision making. DBT, however, is able to accomplish that testing instantly, enabling the user to develop an idea and immediately obtain feedback on its quality as well as strengths and weaknesses. DBT does that because it has metrics for the quality of the decision, the probability it will be successful. This metric is calculated by considering the underlying factors that will create success for the decision. Estimating their probabilities provides the probability the entire decision would be successful, and the software accomplishes this process automatically and instantly.

This advancement enables you to almost instantly test a preliminary or trial decision, learn how good it is and its strengths and weakness. Then you improve the decision based upon what was learned. This entire cycle can then be repeated perhaps a couple of times until the breakthrough occurs. Also, it is very fast, typically faster than the tradition approach, in part because the testing is instantaneous since the DBT software automatically does it.

## What then is different about how DBT operates?

In the traditional approach you examine the situation and make a decision. DBT operates differently because it employs trial solutions in order to learn and improve. With DBT you very quickly develop a trial decision, determine its quality, probability of success, and various strengths and weakness. With that information, you now very quickly develop another trial solution, but a better one because you have learned and resolved the problems the DBT evaluation exposed.

Typically, only one or two iterations are required to develop the breakthrough decision. Moreover, since the DBT iteration is extremely rapid, it usually requires less time than the traditional approach.

Let us now investigate this process in more detail. To accomplish that, we examine the three major steps in the iteration process to achieve breakthroughs, and contrast it with the traditional approach. As will be seen, the traditional approach fails on each step.

### **STEP 1: Evaluate the Quality of the Decision—Probability of Success**

Here a trial solution is developed. DBT's metric then determines its probability of success. The metric is critical to obtaining the breakthrough as it informs us how good the decision is and if it has achieved breakthrough level or not.

The traditional approach, however, lacks such metrics. This is a serious failing. To think of a world without metrics, consider the following everyday examples: Suppose physicians had no means to determine blood pressure or blood sugar or any other health indicators in the body. Obviously such a lack of metrics in health care would be a medical disaster. Or for a more entertaining example, consider if there were no means to determine the score in a baseball or football game. That would be tragic. As these examples illustrate, metrics are the essence of progress. However, the problem is that there have been no metrics for the quality of decisions, until DBT.

DBT provides those metrics which enables you to estimate the quality of the decision and if you have achieved a decision that is likely to win and be a breakthrough. If the metric value is not sufficiently high, then DBT lends a hand and assists to improve the decision, as in the next step.

### **STEP 2: Improve the Decision. Identify If Issues Have Been Missed or If There Are Possible Surprises or Black Swans**

Given the trial decision, DBT statistically determines its strengths and weakness by examining its component factors. That provides the information needed to develop a new trial solution that is superior. These capabilities enable us to pursue the relevant goal, the breakthrough decision, as in the next step. The traditional approach, of course, lacks the ability to automatically identify areas to possibly improve.

### **STEP 3: Using Rapid Testing Of Ideas, Quickly Improve The Trial Decision, Making It Better And Better Until The Breakthrough Occurs**

As mentioned, the traditional approach has no means to systematically build the quality of the ideas and make them increasingly valuable until the breakthrough is achieved. Breakthroughs rarely occur without such a building up of increasingly good ideas.

DBT achieves that with an ultra fast testing and development of ideas, as mentioned above. The error in traditional decision-making is to make a decision and then stop. DBT operates differently as it employed very fast iterations to quickly develop and test solutions, and thereby obtain increasingly good decisions until obtaining the breakthrough. And this is done very quickly.

## **Putting it all together**

The DBT software helps to organize this entire process of achieving breakthrough ideas. It provides the metrics, the means to identify breakthrough and the rapid improvement testing that produces the breakthrough. The net result is a considerably higher percentage of decisions that are on the breakthrough level and truly propel the firm ahead.

## About Decision Command

Decision Command's software designed by Professor Zangwill of the U of C Booth Business School helps decision-makers at every level achieve breakthroughs far beyond traditional strategic planning. We help key decision-makers focus on success through the following:

- Highlight areas ripe for improvement or considerations that may have been missed
- Identify and address risks; Expose possible biases and assumptions
- Estimate the probability of outliers, black swans, and other highly unlikely events
- Test your decision against key metrics
- Compare alternative solutions that are not directly comparable and iterate as many times as needed to improve your outcome

For more information visit us online:

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