

# : *When is a decision framed properly?*

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Decisions occur in the context of a situation. Placing boundaries or creating a frame for a decision in terms of who the decision maker(s) is/are, the time period for making a decision, the objectives relevant to making the decision, and other factors can help us provide any needed decision support. A poorly framed decision results in bad decisions. Poor framing can lead to choosing inappropriate decision support and may make the consequences of a bad decision worse. Both managers and decision support staff need to know a decision is properly framed.

The first issues that must be resolved are: what is a decision "frame" and what does it mean to "frame" a decision? A frame in terms of a decision can be quite abstract, but if we think of a picture frame or a door frame or the frame for a house the metaphor becomes more meaningful. A frame creates a boundary or a border. We want to focus on what the frame encloses. The frame also is a structure and the structure has form and function. So a picture frame may be made of wood and have beveled edges and yet it continues to serve its function and enclose a photo. Also, framing is a process whether we are framing a house or framing a decision. Processes have steps and purposes. Each step in a process may have outputs or results. Explaining the frame metaphor can perhaps improve our ability to frame decisions.

## **Some questions to assist in framing a decision:**

1. What problem or problems need to be resolved?
2. What constraints, if any, limit alternatives?
3. What is the timing for making this decision?

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4. Is this decision part of a sequence of decisions? Do other decisions need to be made prior to making this decision?
5. What are the negative consequences of making the wrong decision?
6. Who is/are the decision maker(s)?
7. What information is needed? What information do we have?
8. Who will be impacted by this decision?
9. What factors, if any, are flexible? are fixed?
10. What objectives are relevant to making the decision?
11. How will the effectiveness of the decision be determined or measured?

Framing is done using language. People can perceive the same decision situation and frame it differently. Conceivably multiple frames can be appropriate and useful in understanding a complex decision situation. Arguably, the more important the decision or the more frequently it is made the greater the need to understand whether the decision is well-framed and correctly formulated.

According to Stephen Barrager (2015), a strategic decision is properly framed when we have identified four elements: 1) a decision hierarchy, 2) a strategy table, 3) a decision diagram, and 4) scenarios.

- 1) A Decision Hierarchy helps to define and focus the decision and explains how it relates to other decisions in the organization.
- 2) A Strategy Table illustrates and documents the main logical and alternate paths possible in a decision situation.
- 3) A Decision diagram is a depiction of the relationship between a decision and relevant decision goals and objectives.
- 4) A Scenario depicts uncertainties related to a decision and helps consider “what-if” questions.

These four tools are only some of the techniques that may be used to help managers explicitly

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articulate the scope and boundary of a decision and subsequently operationalize the appropriate decision making process. Essentially, these four are candidate tools. The wide range of tools highlights the importance of decision framing or problem formulation. Most importantly, the notion of a formal decision framing activity is integral to the success of the decision and to selecting appropriate decision support. Often DSS projects do not allocate enough resources to explicitly support framing the decision and creating a shared vision of the decision situation, including the level of uncertainty involved and how the future is perceived.

Concluding that a frame is appropriate and useful results from asking and answering questions.

### **Some questions to evaluate a decision frame:**

1. Are we focused on the right problem? or problems?
2. How well defined is the scope of the problem?

Answering these questions is an important step to ensure that a Type III error is reduced, i.e. we want to reduce “the probability of having solved the wrong problem when we should have solved the right problem”, cf., Mitroff and Featheringham, 1974.

Framing influences choices (Tversky and Kahneman, 1981). A decision frame provides the window to gather intelligence, generate alternatives, make choices and implement a decision. Proper framing increases the likelihood of good decisions.

### References

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