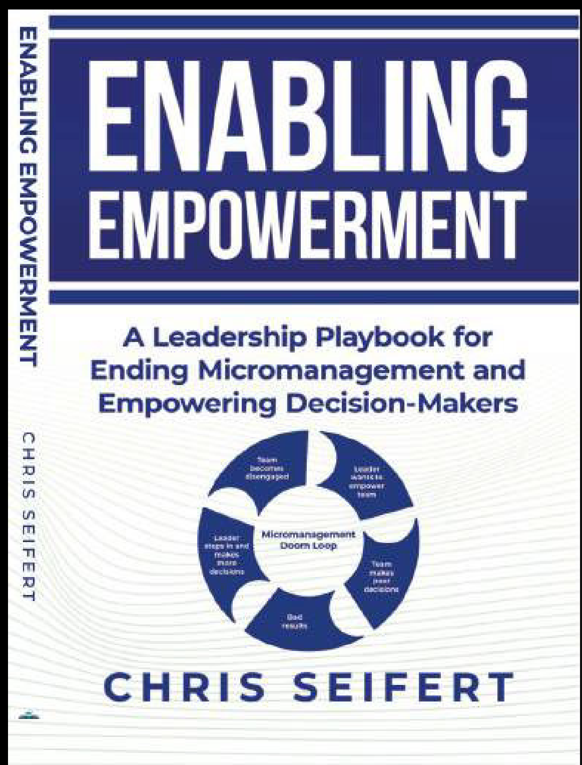


CHRIS SEIFERT

25+ years leading teams and advising executives

2,000+ leaders trained, coached, and mentored

$500MM+ in capital investment decisions made or facilitated w/ 30%+ ROI

$250MM+ in EBITDA improvements delivered

25+ large-scale culture transformations delivered

ENABLING EMPOWERMENT

End Micromanagement.
Empower Decision-Makers.

Decision-Making Training Matters

Transform Your Leadership Development Program for Maximum ROI

June 4, 2025

Why decision-making should be part of your Leadership Development Program.

Why that training should focus on applying a structured decision-making framework.

Why Enabling Empowerment’s framework is uniquely effective.

How to deliver this training in a way that generates measurable ROI.

Great companies.

Great leaders.

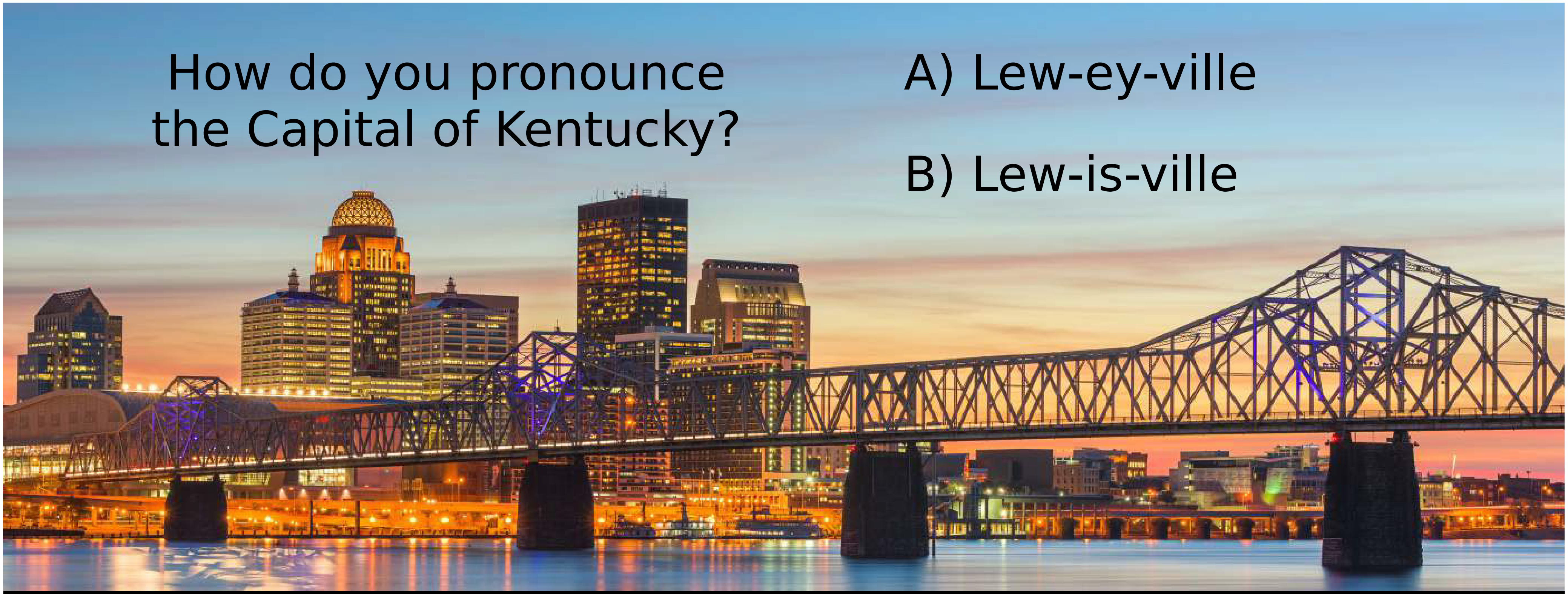
Terrible decisions.

Your company's frontline and midlevel leaders make hundreds of decisions daily!

Without training and practice, we depend on intuition and experience.

Schools aren't teaching decision-making

Our brains aren't wired for making business decisions



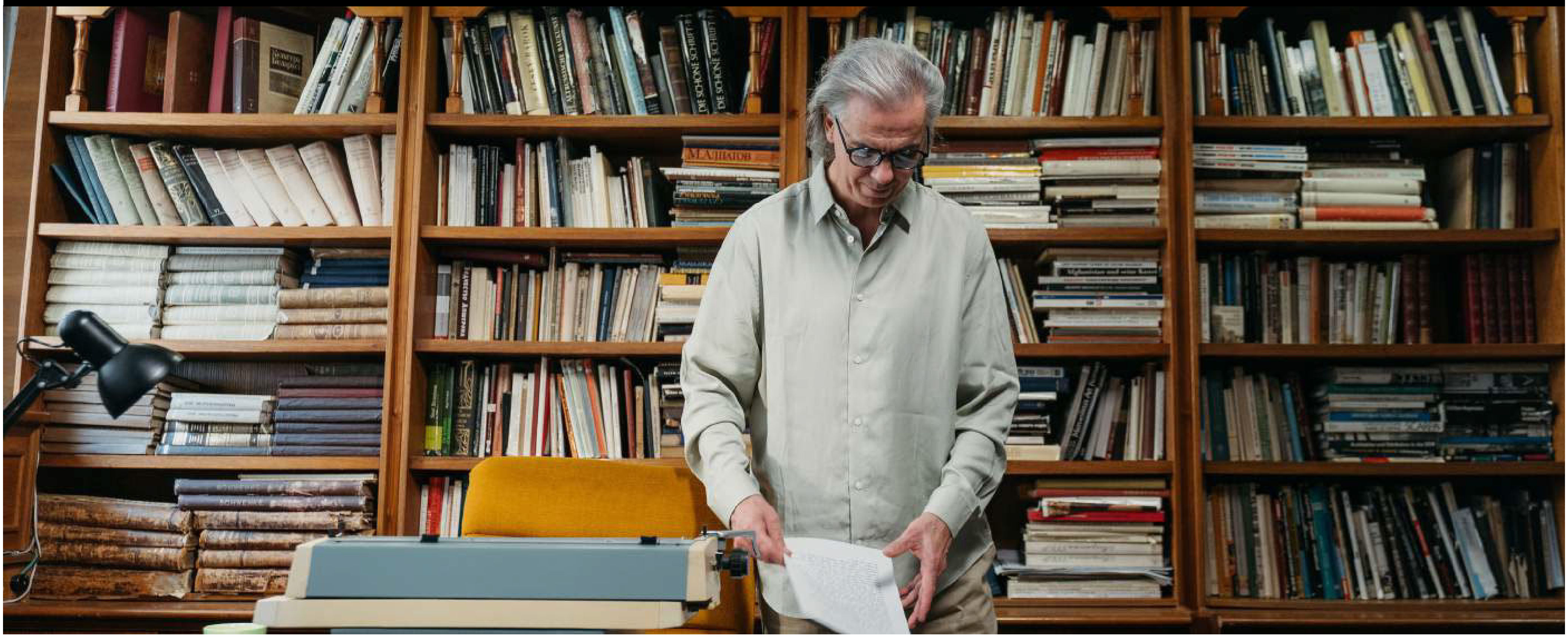
The Framing Trap

- Decisions are influenced by how the question is framed.
- People tend to adopt the framing of the situation as it is presented to them rather than restating the problem in their own way.

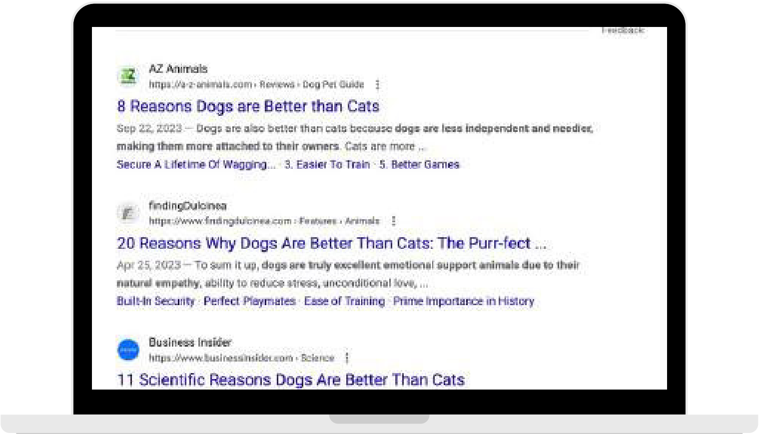
Ronald is either a librarian or a salesman.

His personality can best be described as reserved. It is no doubt that he is an introvert.

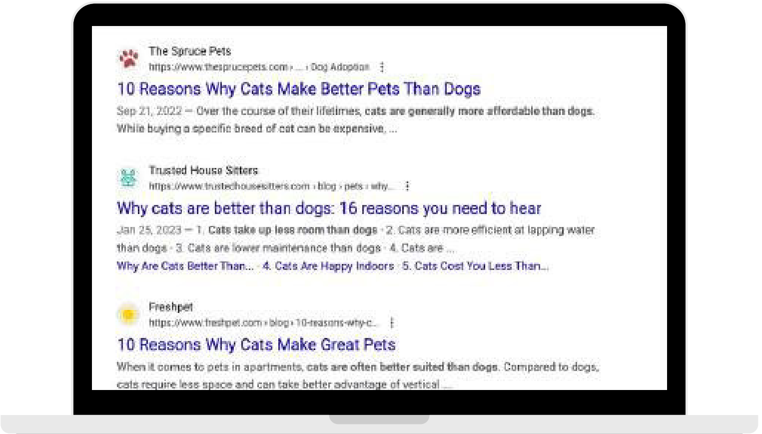
Is Ronald more likely a librarian or a salesman?



Are Dogs Better Than Cats?



Are Cats Better Than Dogs?



A study of the incidence of kidney cancer in the 3,141 counties of the United States reveals a remarkable pattern.

The counties in which the incidence of kidney cancer is the lowest are mostly rural, sparsely populated, and located in traditionally Republican states in the Midwest, the South, and the West.

What if I told you the same study also found that....

The counties in which the incidence of kidney cancer is the highest are mostly rural, sparsely populated, and located in traditionally Republican states in the Midwest, the South, and the West.

Decision Traps

Mental shortcuts we take when making decisions

What is happening?

$17 \times 24 =$

SYSTEM 1

Fast, snap judgments

Unconscious reasoning

Judgments based on intuition

Correlation and association

Large capacity

Effortlessly and automatically

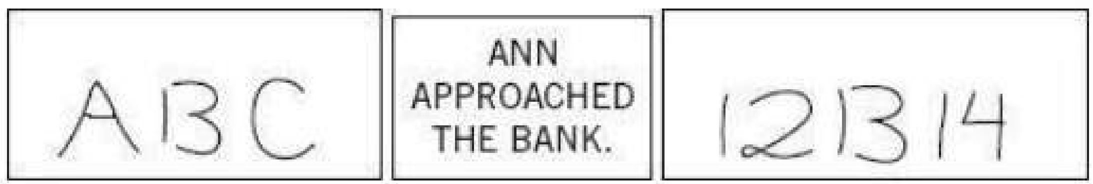
Influenced by experiences, emotions, and memories

SYSTEM 2

17 x 24

=

- Slow, deliberate decisions
- Conscious reasoning
- Judgments based on examination
- Cause and effect
- Small capacity
- Requires effort and control
- Influenced by facts, logic, and evidence


A B C
ANN APPROACHED THE BANK.
12 13 14

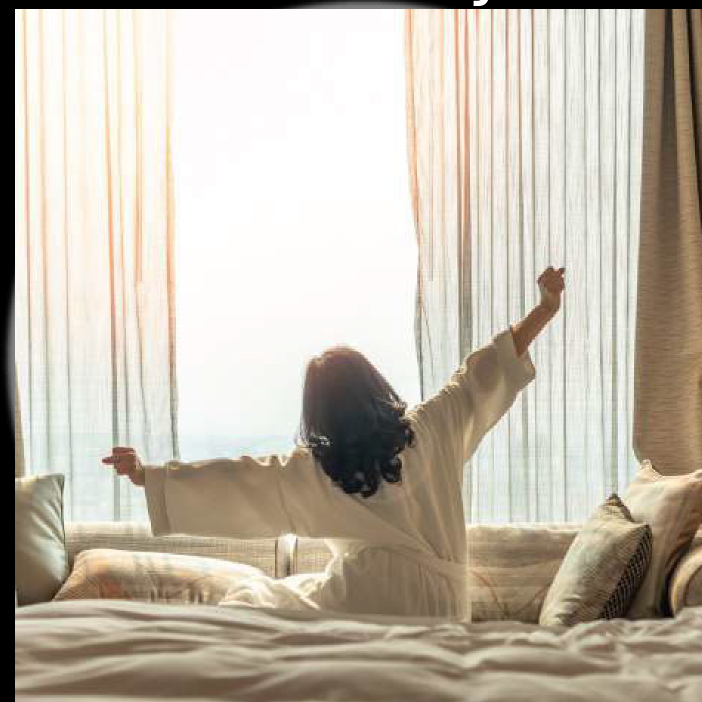
A bat and a ball cost $1.10

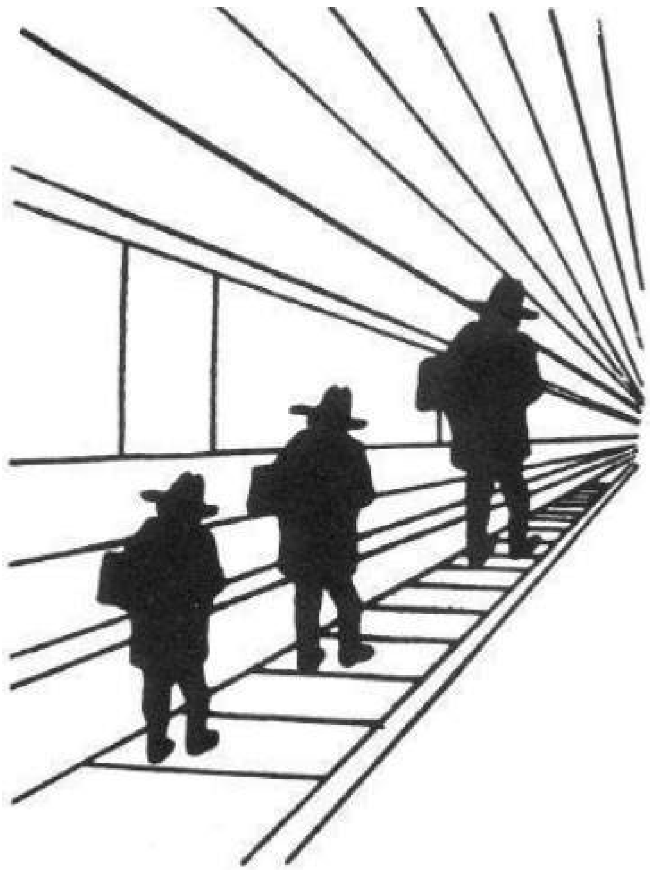
The bat costs one dollar more than the ball.

How much does the ball cost?

System 1 Takes Shortcuts to Make Decisions Quickly

System 2 Checks System 1 But....System 2 is Lazy!!





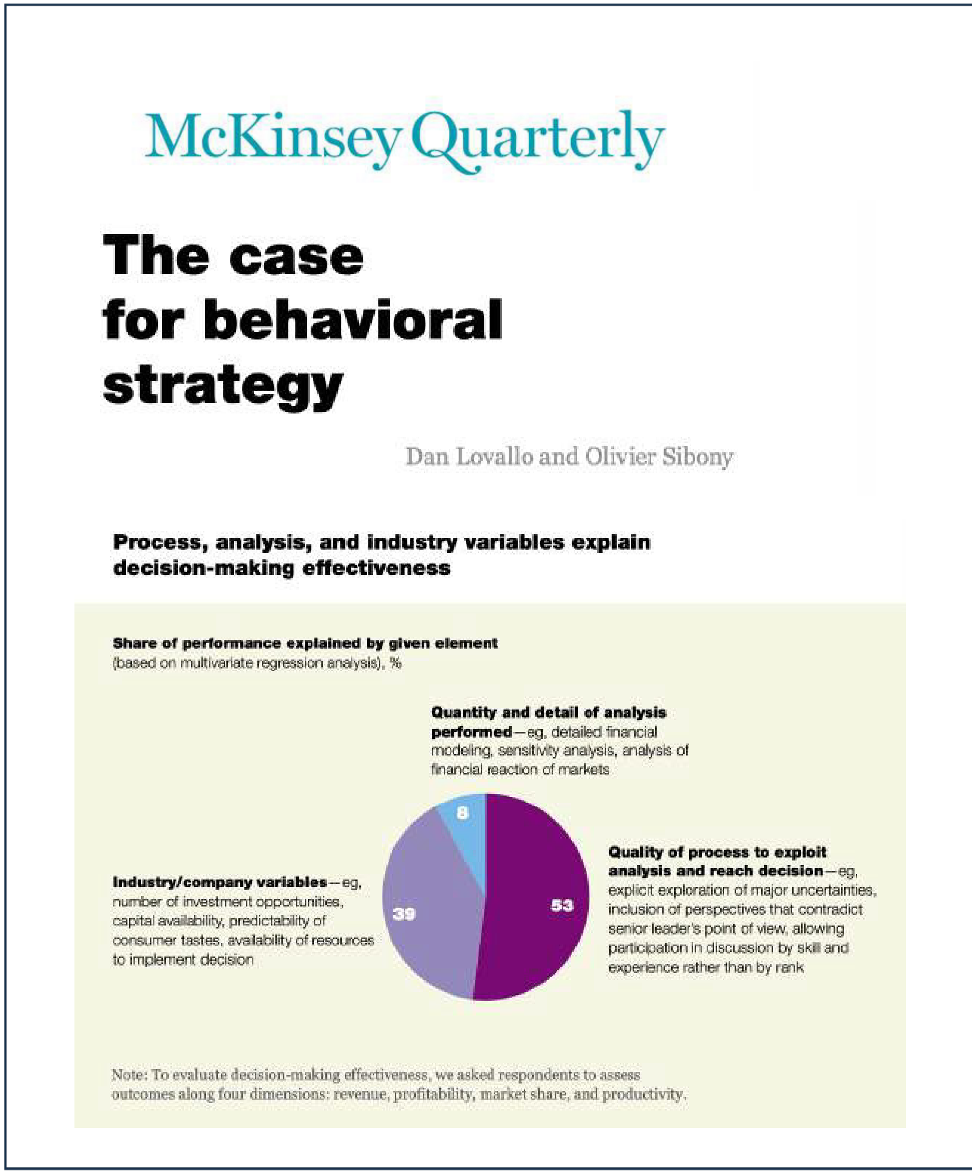
“The best we can do is a compromise: learn to recognize situations in which mistakes are likely and try harder to avoid significant mistakes when the stakes are high.”

- Daniel Kahneman

Training Works!

"In our experiment, a single training intervention reduced biased decision making by almost a third."

- Debiasing Training Improves Decision Making in the Field by Sellier, Scopelliti, and Morewedge


McKinsey Quarterly

The case for behavioral strategy

Dan Lovallo and Olivier Sibony

Process, analysis, and industry variables explain decision-making effectiveness

Note: To evaluate decision-making effectiveness, we asked respondents to assess outcomes along four dimensions: revenue, profitability, market share, and productivity.

Process Too! Works

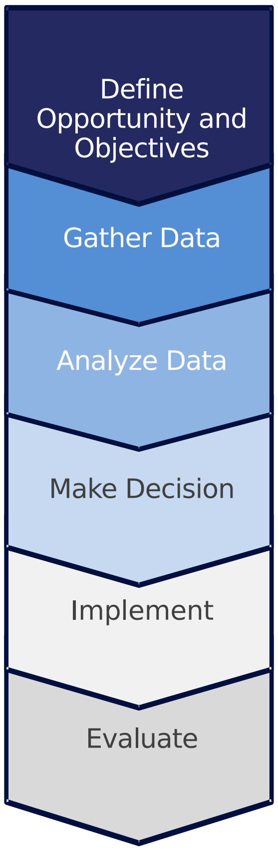
After controlling for factors like industry, geography, and company size, we used regression analysis to calculate how much of the variance in decision outcomes was explained by the quality of the process and how much by the quantity and detail of the analysis. The answer: Process mattered more than analysis—by a factor of six.

A DECISION-MAKING FRAMEWORK (DMF) IS THE PROCESS TO AVOID DECISION TRAPS

	Key Questions/Actions	Decision Traps to Avoid
Define Opportunity and Objectives	• Write a statement that defines the opportunity… not the solution • Determine the "size of the prize" • Brainstorm ways the opportunity could be captured • List advantages/disadvantages of each	• Framing Trap • Curse of Knowledge • Risk Aversion, Conservatism • Opportunity Cost •
Develop a Range of Creative Alternatives	idea • Narrow down list to top 3 or 4 ideas • Identify the Key Drivers of success • What are the 3 to 4 variables that drive 80% of the outcome?	Anchoring Trap • Halo Effect • Status-quo Trap • Base-Rate Neglect & WYSIATI •
Identify Key Drivers		Representativeness • Availability Bias
Manage Risk and Upside	• Determine the full range of outcomes for each of the Key Drivers • What is the best and the worst outcome for each Driver?	• Law of Small Numbers • Overconfidence • Confirmation Bias
Perform Economic Analysis	• Calculate cashflow and return on investment for each alternative and the upside/downside case	• Diminishing Returns • Sunk Costs • Time Value of Money
Determine Required Capabilities and Next Steps	• Identify what capabilities will be needed to implement • What is the next step and who owns it? • How will we measure progress? • Document your decision-making framework •	• Planning Fallacy • Comparative Advantage • Hindsight Bias •
Show Your Work	Validate the actual results	Recallability Trap

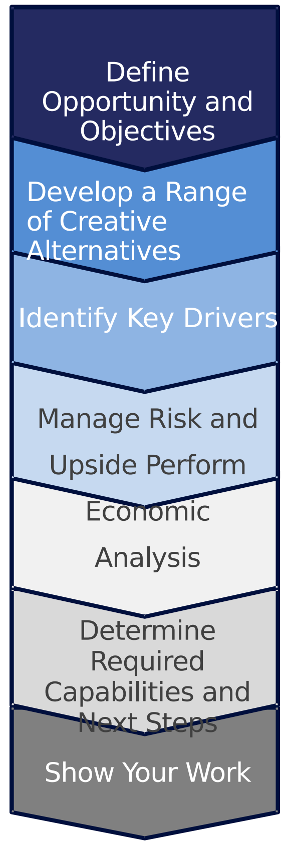
ENABLING EMPOWERMENT'S DECISION-MAKING FRAMEWORK IS MORE EFFECTIVE

<u>TYPICAL DMF</u>



- The bottom-up approach leads to Analysis Paralysis
- Doesn't allow for uncertainty
- Doesn't address Decision Traps

<u>ENABLING EMPOWERMENT</u>



- Top-down approach simplifies data collection and analysis
- Acknowledges and embraces uncertainty
- Incorporates best practices to avoid Decision Traps

ENABLING EMPOWERMENT
End Micromanagement.
Empower Decision-Makers.

HOW TO GENERATE ROI FROM DECISION-MAKING TRAINING

Step 1

Decision Trap & DMF Training

■Live or online ■Topics covered: - Decision-Making Framework - Decision Traps and Best Practices - Communicating your Recommendation ■Utilize client cases to demonstrate framework

Step 2

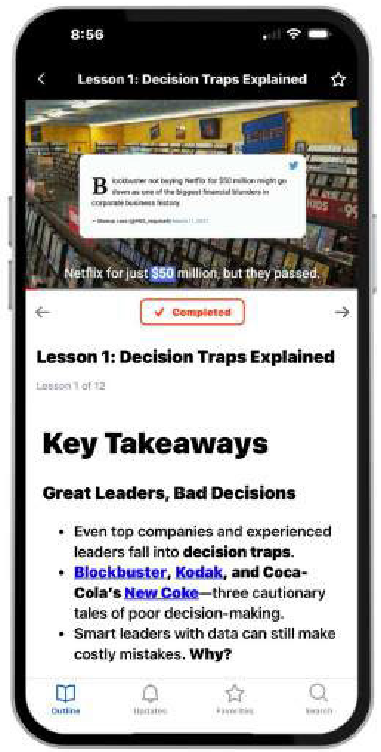
One-on-One Training

■4 x 30 min sessions to receive one-on-one coaching applying DMF to an opportunity ■ Opportunity identified by individual or team during workshop

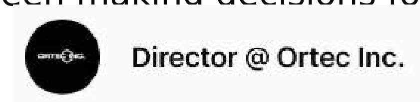
Step 3

Business Case Presentation

■Learners present their business cases/recommendations to leadership team ■Provides opportunity to: - Model write behaviors - Coach leaders on providing feedback - Recognize Champions - Real projects with positive ROI



"This is incredible training broken down into digestible modules! It's well-produced and easy to follow. The provided tools are excellent for those just starting the DMF journey and for those who've been making decisions for a



If you have employees who need to make sound decisions - you need to put them in Decision-Making Framework training. It helps take the guesswork out of the decision-making process and uses real world examples that

HOW WE DO IT

Over four 30- minute sessions, we'll work together to identify, analyze, and develop a strong recommendation for your chosen problem or opportunity. You will then present your recommendation to the Leadership Team.

Session #1

- Problem Identification and Framing
- Brainstorming Creative Alternatives

Session #2

- Identifying Key Drivers
- Managing Risks and Upside

Session #3

- Economic Analysis
- Determining Next Steps

Session #4

- Communicating your recommendation
- Getting buy-in

Presentation

- You will present your recommendation to the leadership team

Four 30-minute sessions over the course of 4 weeks

ASSIGNMENT #1: PROBLEM/OPPORTUNITY FRAMING

ASSIGNMENT:
- Draft your problem/opportunity statement using the tips to the right. Don't forget to include the "size of the prize"
- Brainstorm a list of alternatives and add them to the table below, including any key assumptions about them

PROBLEM/OPPORTUNITY STATEMENT

Problem Statement

ALTERNATIVE	KEY ASSUMPTIONS
Optimized Base Case	• Assumption 1 • Assumption 2 • Assumption 3
Alternative 1	• Assumption 1 • Assumption 2 • Assumption 3
Alternative 2	• Assumption 1 • Assumption 2 • Assumption 3
Alternative 3	• Assumption 1 • Assumption 2 • Assumption 3

Tips for Writing a Good Problem/Opportunity Statement

✓ Understand the problem: Go see the problem (GEMBA) and interview a variety of stakeholders.

✓ Identify the "Size of the Prize": What is it worth to solve this problem or capture this opportunity? How does it compare to other opportunities? How should it be prioritized?

✓ Perform Root Cause Analysis: Identify and understand the problem's root causes. Address the causes, not the symptoms.

✓ Develop your initial Problem/Opportunity Statement:
- o If you start with a problem, try reframing it as an opportunity.
- o Ask yourself the following questions. If the answer is yes to any, keep working.
  - ▪ Does the problem appear to have only one possible solution?
  - ▪ Does the statement lead to too many possible solutions?
  - ▪ Does the statement describe a symptom instead of the problem?
  - ▪ Does the statement suggest the problem is that you don't have enough time, money, or people?

✓ Test your framing with others:
- o Get feedback from various stakeholders, including decision-makers, end users, and front-line employees.
- o Don't automatically accept the initial frame, whether it was formulated by you or someone else. Always try to reframe the problem in various ways. Look for distortions caused by the frames.
- o When others recommend decisions, examine the way they framed the problem. Challenge them with different frames.

ASSIGNMENT #2: IDENTIFY KEY DRIVERS AND RANGE OF OUTCOMES

ASSIGNMENT:

- Identify the key drivers for each viable alternative and list them in the table below
- Determine the range of outcomes for each key driver that represents the 90% confidence interval
- Explain the assumptions for each key driver. What must happen for the upside to occur? What must happen for the downside to occur?

KEY DRIVER	EXPECTED	UPSIDE	DOWNSIDE	ASSUMPTIONS
INCREMENTAL PRODUCTION	100K units/yr	120K units/yr	70K units/yr	Expected: Production increase of 12 units/hr based on experimental data Up: Production increase of 14 units/hr based on manufacturer's claims Down: Reduced raw material supply limits production
CONTRIBUTION MARGIN	$1.20/unit	$1.32/unit	$0.90/unit	Expected: Based on current production margin Up: Sales estimates ability to increase price Down: Sales has to discount price by 25% to sell incremental units
LABOR COST SAVINGS	$80K/yr	$88K/yr	$40K/yr	Expected: 2 positions are eliminated Up: Burden (health insurance) will be higher in the future Down: Only 1 position is able to be eliminated
RAW MATERIAL SAVINGS	2%	3%	1.8%	Expected: Based on average of experimental data Upside: Based on manufacturer's estimates Down: Based on worst results of experiment
ELECTRICITY COST	50HP at $.12/kwhr	45HP at $.12/kwhr	50HP at $.15/kwhr	Expected: Based on OEM specifications Upside: Estimated by OEM Down: Worst case assumption on future electrical pricing