

Framing a Decision

Introduction

Would you build a house without a frame? Would you build a car without first creating a frame to support the vehicle? Of course not! Without a correctly built and solid foundation, these objects would fall apart. The same can be said for making a good decision.

Framing a decision is the process by which select areas of a situation are evaluated, explored, and then factored into the final decision. Framing a decision provides the foundation for how that decision will be made and is the first step in the decision-making process.

In this reading, we will explore the importance of framing a decision and the questions that need to be asked and answered for an effective framing process.

Benefits of Framing a Decision

Framing a decision allows for a full examination of all the issues, options, and available information that can contribute to making a good decision, and framing a decision sets the groundwork for making good choices. The process helps you to address the questions necessary for arriving at the most effective decision. Without framing a decision, choices might be made in haste or based on past decisions. The chances of success become reduced, because the strategies for reaching the desired outcomes are not fully examined.

There are many benefits to be realized by framing a decision in preparation for the actual decision-making process. Framing enables all participants to take the time to examine the full range of available options and to explore the potential risks and benefits of each alternative. An effective framing process will ensure that multiple points of view are examined, that biases toward a specific decision be eliminated through the evaluation of concrete data, and that the tendency toward avoiding negative information be removed. Framing a decision also gives you the opportunity to:

- use information from past decisions,
- prioritize actions,
- develop timelines,
- recognize anticipated outcomes,
- identify potential pitfalls,
- determine qualified personnel, and
- identify appropriate resources.

Each of these actions provides supporting information for the decision-making process. The result of these activities will help to identify the optimal choice and

will likely lead to a more successful outcome. By recognizing these benefits, an organization can save time, effort, and money by ensuring that all avenues are explored before a decision is made. While one may argue that it takes time to frame a decision, in the long run this process saves time. If a decision is made without the benefits of framing, the wrong option might be chosen and implemented. This will cost the organization the time spent on the first decision plus the time spent on evaluating next steps and other alternatives. The same applies to saving effort. Having the right people evaluate the options and develop a framing process can result in positive outcomes that might not occur without first framing the decision. If a decision fails, additional effort would then be needed to explore new choices.

Money can also be saved by ensuring that the correct option is chosen as a result of framing the decision. It is important to note, though, that sometimes decisions, even if framed, do not provide the expected positive outcomes. In these situations, it is important for organizations to recognize the problem and seek new options. For example, if a company makes a decision that does not provide optimum results (whether that decision has been framed or not), the organization may feel that it should stay with that decision because of the money already spent. This money spent is called *sunk costs*; these are costs that have been incurred but cannot be recovered. An example of this would be an organizational purchase of software that was expected to save time for employees, when in fact it created more work. The company may feel that it should stay with the software because of the money already spent on purchase and implementation. If an organization faces a situation like this, the most effective course of action will be to evaluate the decision to keep the software compared with buying new software and determining which option provides the best financial outcome.

Questions for Framing a Decision

The following list includes questions that should be considered in an effective framing process.

- What problem needs to be solved?
- What market conditions exist?
- What limits, if any, are we facing?
- What is the timing for making this decision?
- Do other decisions need to be made prior to this one?
- What is the cost of making the wrong decision?
- How will we evaluate the effectiveness of our decision?
- What information do we have?
- What information do we need?
- Are there emotional implications to the decision?
- Who, if at all, will be impacted by this decision?
- What factors are flexible?



- What factors are fixed?
- Can our process result in more than one decision? Can it result in an if/then scenario?

Only when these questions are answered will an effective framing process be complete, enabling the organization to come to the most effective and productive decision possible.

Additionally, it is important to make sure that the language used in framing decision questions does not negatively impact the outcome of the framing process or the decision itself. An interesting example is when Coke introduced a new product back in the 1980's. The company conducted a great deal of research in advance of the product being brought to market. Questions addressed in the framing decision process included issues about the ingredients, the product's recipe and formula, conducting taste tests, advertising messages, potential sales and market share, and timing of the new product introduction. However, once the product failed, it was clear that the questions used in the framing decision process must have had language that resulted in the negative outcome. It was evident that had the questions about the product introduction been asked in other ways, or had different questions been asked, the decision to introduce might have gone the other way. The company's evident biases toward a decision to bring a new product to market impacted the types of questions it asked in advance of the product introduction and prevented the company from recognizing that different questions needed to be asked. Because of the company's leanings, it neglected to ask the most important question, which was whether or not a new Coke product would be welcomed by the public. This example clearly illustrates that when developing framing questions, it is essential to ensure that the questions themselves do not have built-in biases.

Mistakes in the Framing Decision Process

While all processes are developed with good intentions, mistakes can occur. The biggest mistake companies make is to not do the framing process at all. By not taking the time to engage in this important process, an organization can run the risk of making rash decisions that are not properly thought-out. Additionally, framing processes offer the chance to explore all potential solutions.

Other factors that can help to ensure that mistakes are avoided during the framing process include:

- ensuring that current and reliable data is being used,
- including a wide range of different viewpoints,
- avoiding biases in determining expected outcomes,
- ignoring negative opinions, and
- neglecting to question unknowns.

Summary:

- Framing a decision is the first step in the decision-making process.
- There are many benefits to framing a decision including being able to use past information, to identify potential pitfalls, to select qualified personnel and vendors, and to identify potential outcomes.
- Some considerations in an effective decision framing process include defining the problem, evaluating market conditions, exploring limits, identifying time frames, evaluating decision effectiveness, and addressing if/then scenarios.
- The language used in questions for the framing decision process can impact the outcome.
- The biggest mistake that a company can make is not engaging in the decision framing process.
- Biases and pre-determined opinions about a potential decision can have a negative impact on the process and the decision itself. Organizations should ensure an unbiased approach to the questions asked during the decision framing process.

