

*Big Sky Associates, Inc. is a professional services firm with offices in Atlanta and Washington, D.C. Our business model is founded on establishing long-term client relationships that are based on trust, integrity, and shared values*

*Big Sky has deep experience in helping large companies and government agencies understand and optimize their business processes from the formulation of strategic objectives and outcomes, through analysis, and process redesign. We count among our clients some of the largest organizations in the world, including the US Army, Navy Federal Credit Union, IPL, PPG Industries, and the US Intelligence Community.*

*For more information contact Big Sky Associates at:*

*Phone:  
(877) 864-1110*

*E-mail:  
info@bigskyassociates.com*

*Web Site:  
www.bigskyassociates.com*

## Decision Analysis and Optimization

The convergence of several emerging trends make decision optimization—the continuous evaluation and improvement of decisions—the most important priority for successful organizations. The trends that are driving the need for decision optimization are:

1. **Business model innovation.** Innovations in business models have been accelerating at a geometric rate during the last 15 years. Successful organizations are hyper-adaptive to new opportunities, increasing competition.
2. **Regulatory compliance pressures.** Companies and governments entered a new era after 9/11 and the Enron scandal, marked by a dramatic intensification of oversight by shareholders and regulatory authorities.
3. **Compressing decision cycles.** As business models shift and information becomes more accessible and available, organizations are faced with compressing decision cycles, particularly in critical capability processes.
4. **Advances in decision automation.** Advances in IT and artificial intelligence allow more and more decisions to be automated every year, placing great pressure on manual decisions to be expedited or automated.
5. **Accelerating acceleration.** What places ever greater pressure on decision cycles is that the rate of change is also accelerating. Why? Because enablers of innovation are themselves undergoing, exponential change.

## Methodology

1. **Identify core capabilities.** First and foremost, every organization must understand those very few things at which it must be great. In this step, we identify which capabilities are the most important.
2. **Describe each capability as a process.** Every capability should be expressed in terms of a process. That process will be comprised of tasks, inputs, outputs, and decisions, which allows us to decompose and analyze how effective the organization is in delivering on its core capabilities.
3. **Identify the important decisions.** The organization should evaluate its processes to understand the key decisions that affect the final results. These decisions will vary in complexity, importance, and frequency, but they are the turning points of every process.
4. **Optimize the critical decisions.** Once it's clear where the decisions are in your most important processes, we proceed by optimizing the most important decisions (i.e. that have the biggest impact on outcomes).