The Top 10 Tips for Agile Decision Making

Consistently, when we survey teams for the 15 capabilities to be agile, decision-making scores the lowest. Agile decision making is one of the biggest problems in business these days. Decision making just isn’t agile enough to keep up with the accelerating VUCA (Volatility, Uncertainty, Complexity, Ambiguity) world in which we live.

Conversation-Flow to Cash-Flow

Where your conversation-flow goes your cash-flow will follow.

**Tip #1: A Transaction Flow of Decisions (Transacting with the Future)**

We can boil a business down to a transaction flow of decisions. Transacting with what? The Future. The future of a project (in the case of project manager), the future of a product (in the case of product development manager), the future of a department (in the case of a department manager or functional leader) or whatever role you fulfill in a business. The future of a business in the case of a CEO. The future trajectory of anything pivots on how we link and accumulate decisions.

**Tip #2: Decisions & the Associated Thinking/Questions/Actions, Divergently and Convergently**

Also essential are the thoughts and questions which go into those decisions and the actions which flow from them. Plus, the thoughts and questions which go into those actions and the next level of decisions which flow from them. The trajectory of our future unfolds in the trajectory of how we link and accumulate thoughts, questions, decisions and actions, divergently and convergently. Divergently, we broaden our exploration and discovery with divergent thoughts and questions, and decisions and actions which flow from them. Convergently, we narrow our exploration and discovery with convergent decisions and actions, and thoughts and questions which flow from them. This is the nature of innovation. It is a compounding flow of how we link and accumulate thoughts, questions, decisions and actions, simultaneously divergently and convergently into a trajectory of exploration, discovery and innovation which delivers new trajectories of revenue, profit and cash-flow to the business and contribution from a project, a product or a department/function.

**Tip #3: The QQC (Quantity, Quality & Cadence) of Conversation Flow to Cash-Flow**

We call it C2C: Conversation-Flow to Cash-Flow. To change the trajectory of cash-flow you must change the trajectory of conversation-flow. Show us a business with poor cash-flow and we will show you a business with poor conversation-flow. If you want your business to be in traction on a better trajectory in the future, your conversation flow will have to go there first. The same applies to contribution flow from a project, a product or a department/function. Unfortunately, consistently, when we survey teams, the scores clearly indicate that the conversation-flow trajectory is often not what it needs to be, in the vast majority of cases. This is often expressed as decision-making which is not agile enough or poor communication, coordination and collaboration or lack of clarity regarding direction, alignment and empowerment of decision making, enterprise wide and enterprise deep.

Clarifying Decision Rights

Where is the water line?

**Tip #4: The most Mission Critical Enterprise Capability & Capacity**

The most mission critical capability and capacity of an organization, a function/department and a team is decision making (and the rest of the associated conversation-flow). It is how we transact with the future. Yet, in most enterprises, decision making is a bottleneck. It is too slow, too by committee and too bureaucratic. Too “Waterfall” ([Waterfall vs Agile](#)). Ask yourself:

- What are you doing which limits, weakens and constrains the decision-making capability and capacity of your team?
- What are you doing which expands, strengthens and unleashes the decision-making capability and capacity of your team?

**Tip #5: Optimizing the AND-Proposition of Centralized & Decentralized Decision-Making**

The key to agility is to recognize the and-proposition of both at the same time. Some higher-stakes decisions should be centralized, necessarily so, as they are more multi-functional in nature, have to be more aligned with other things in motion and are more strategic in nature. Some decisions should be decentralized, as they are more tactical, specific and time sensitive. It’s an and-proposition of both at the same time, to optimize the flow of decision making.

**Tip #6: Defining Decision Rights Enterprise Wide/Deep (Above and Below the “Waterline”)**

Therefore, we must define Decision Rights – by category of decision and by level in the organization, we define who has what right to make what kinds of and what magnitudes of decisions. David Marquet (Former Nuclear Submarine Commander) calls it the “waterline”. Decisions above the waterline of a ship which go wrong leaving a hole in the hull don’t sink the ship. Decisions below the waterline which go wrong leaving a hole in the hull sink the ship. At every level of the organization, for different categories of decisions, it’s about defining and clarifying where the waterline is. Enterprise wide and enterprise deep it’s about making the waterline as low as possible, so that decisions are empowered to the lowest level possible, closest to the action.

**Clarifying the Culture/Core-Values/Behaviors with Which You Want Decisions Being Made**

More and more decisions need to be made when you aren’t there.

**Tip #7: Embedding Principles & Practices**

In parallel, we must clarify the culture, core-values and behaviors with which we want those decisions being made, embedding the principles and practices of Agile (not “Waterfall“!). We want agile decision-making for

agile-innovation, enterprise wide and enterprise deep, not waterfall-decision-making for waterfall-innovation, enterprise wide and enterprise deep. There is no more important context for clarifying our culture, core-values and behaviors than to influence the trajectory of agile decision-making and the rest of the associated agile conversation-flow, enterprise wide and enterprise deep.

**Tip #8: Training & Storytelling**

Which requires a lot of training therefore. We can’t expect our team to magically understand how to exhibit agile principles and practices with decision-making and conversation-flow. It doesn’t happen by accident, it happens by design. Indeed, in the absence of this, “Waterfall” happens by accident. A story-telling is crucial. Stories are the best way to help people understand and remember the nuances of a situation in which people got agility right (or not). Harvesting, memorializing and leveraging stories is a powerful way to train for agile principles and practices.

**Tip #9: Fast/Good Decisions.**

For a bottom line of fast/good decisions being made enterprise wide and enterprise deep. Not slow/perfect decisions (which often degrade into becoming bureaucratic, by committee, bad decisions) and not fast/reckless decisions. Fast/good decisions, embedding the principles and practices of agile.

**Choosing Your Future**

Are you choosing your future or is your future choosing you?

**Tip #10: The Essence of Agile Innovation**

This is the essence of agile innovation. Fast/good thinking, questions, decisions and actions, enterprise wide and enterprise deep, divergently and convergently, creating traction on a trajectory of conversation-flow which our cash-flow can follow.