

Maxim Sharshun

THE ART OF DECISION-MAKING

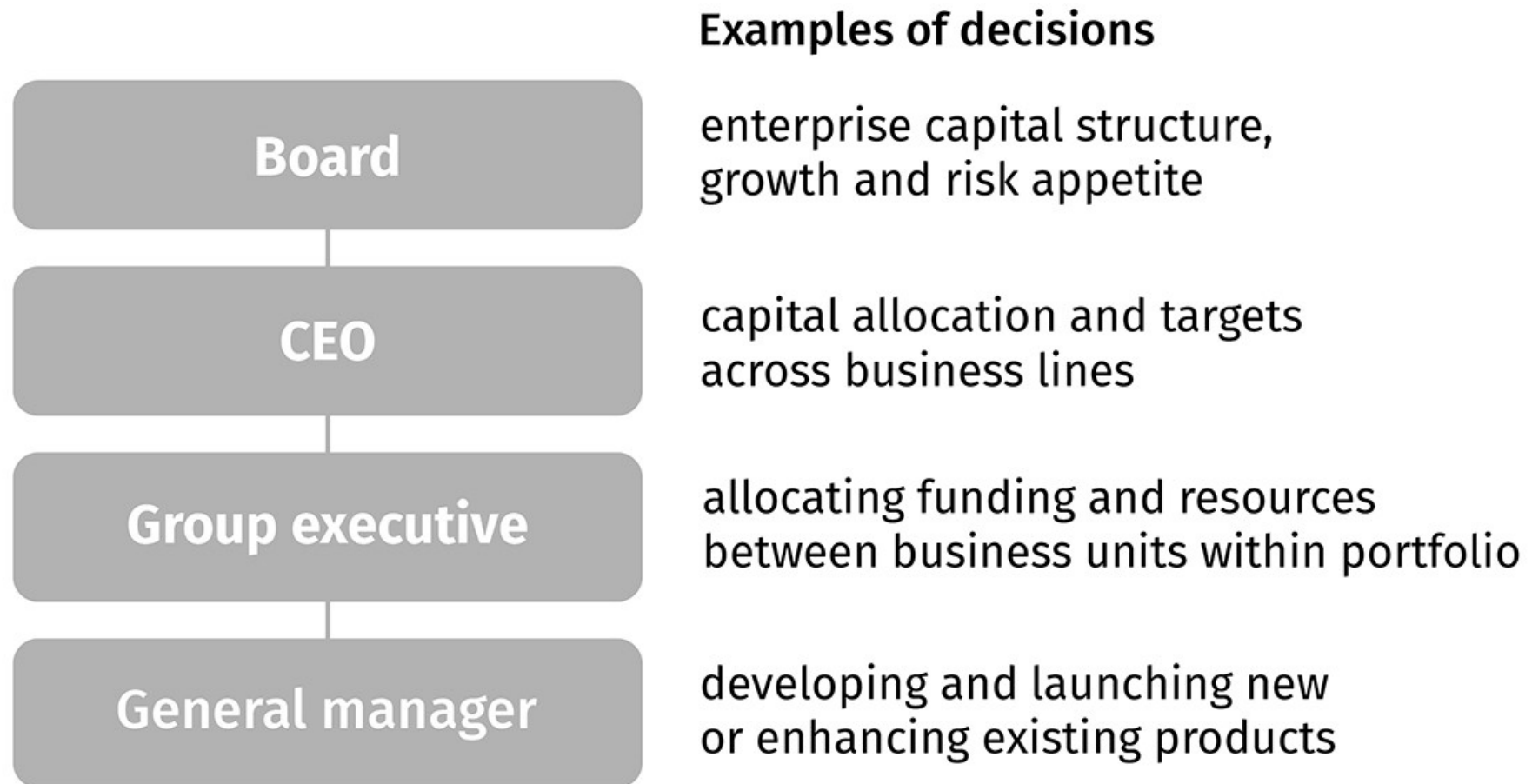
The ~~80:20~~ 50:1
Method for Nailing
the Decisions That
Define Success

50 | 1

*Audiobook
Companion
Pack*

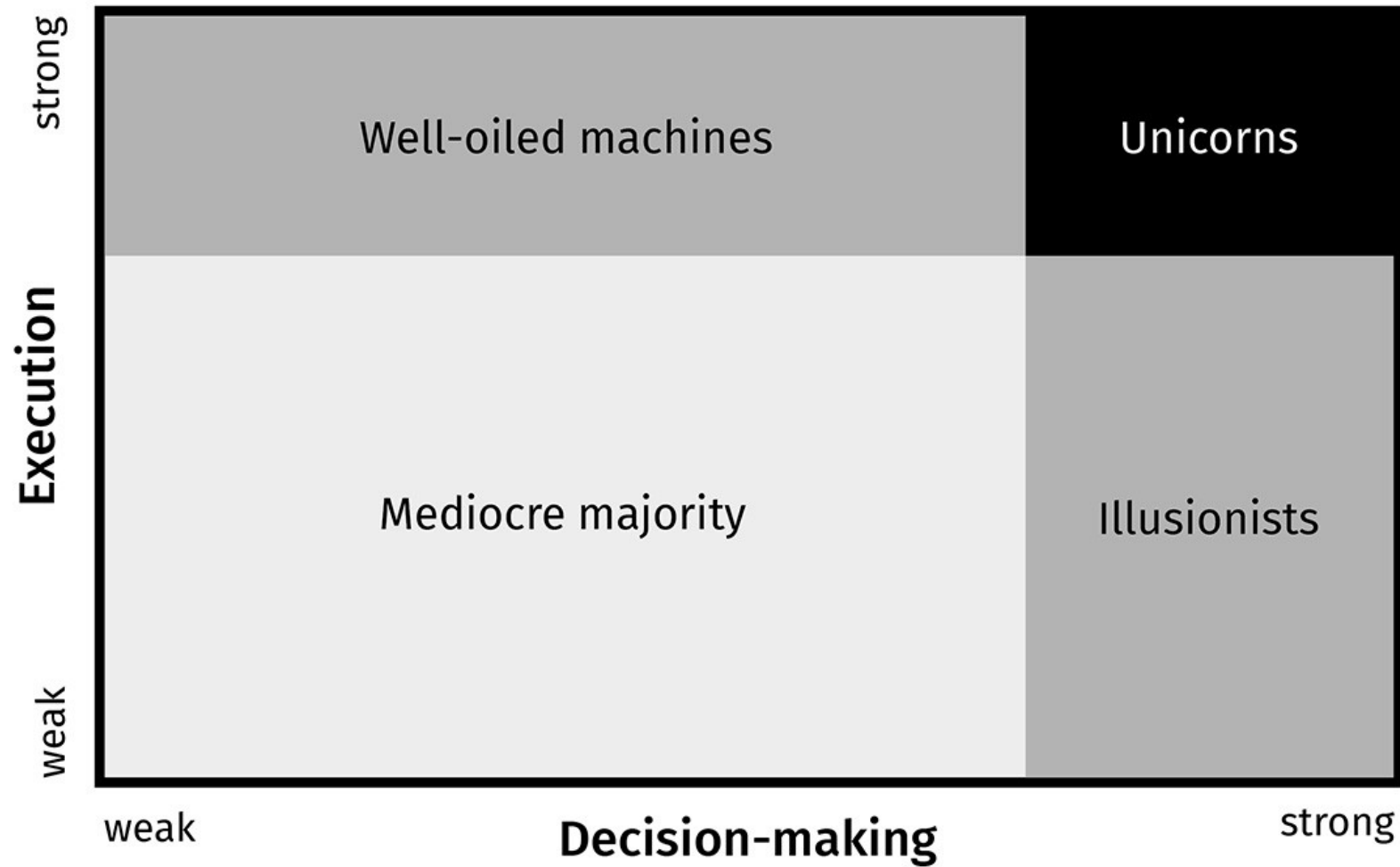
Chapter 1

FIGURE 1.1: DECISION-MAKING HIERARCHY



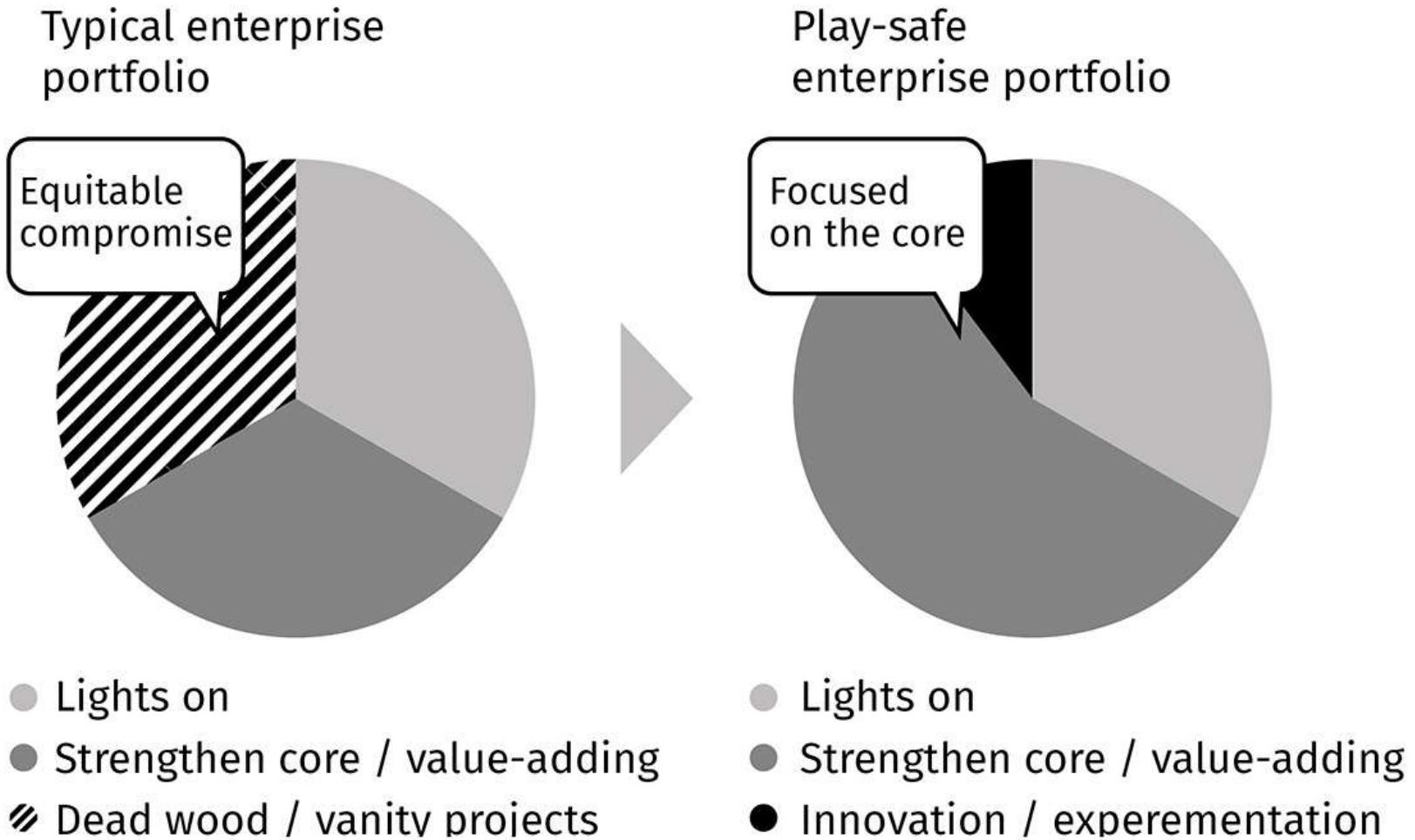
Chapter 1

FIGURE 1.2: DECISION-MAKING VS EXECUTION



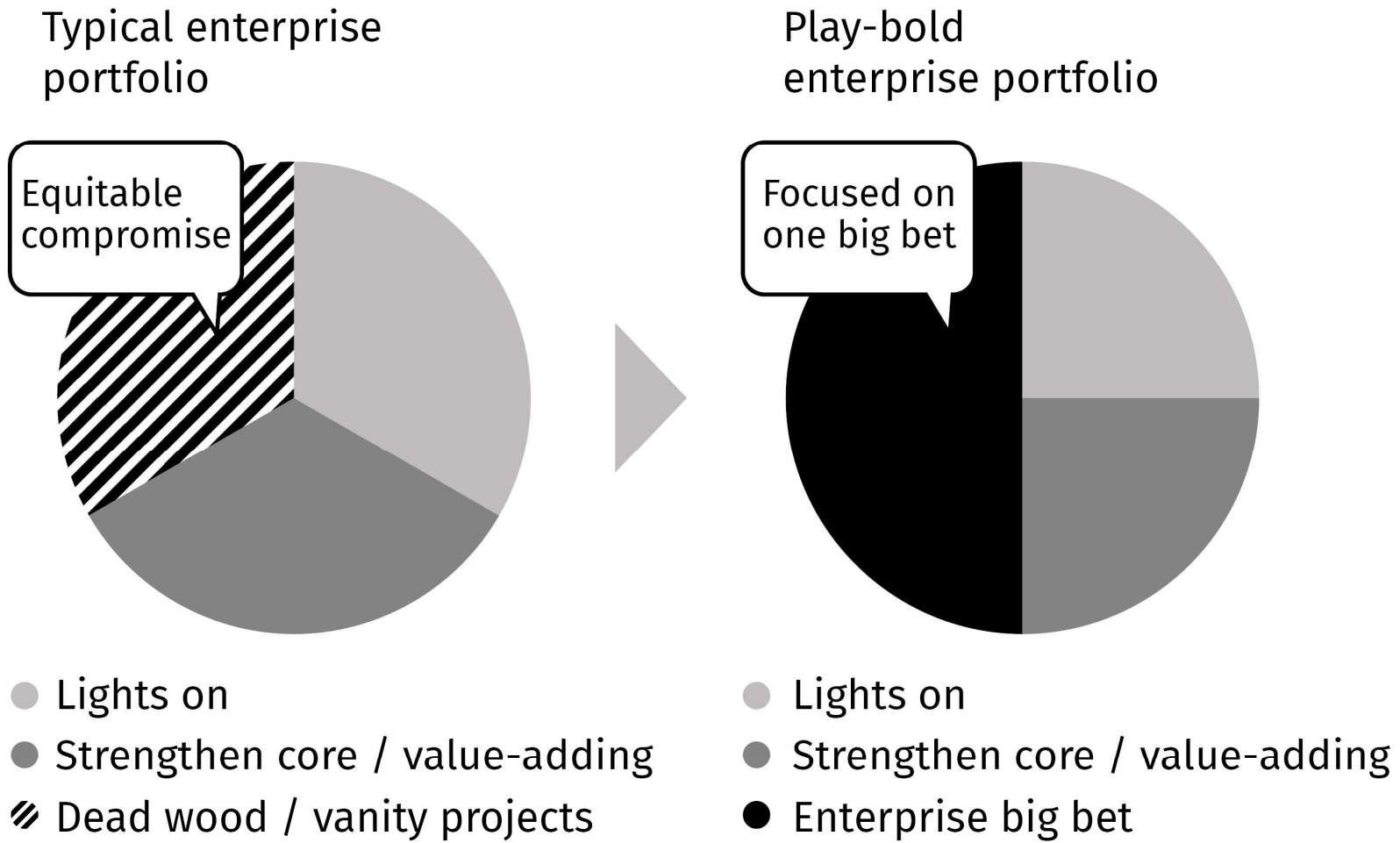
Chapter 2

FIGURE 2.1: PLAY-SAFE ENTERPRISE PORTFOLIO



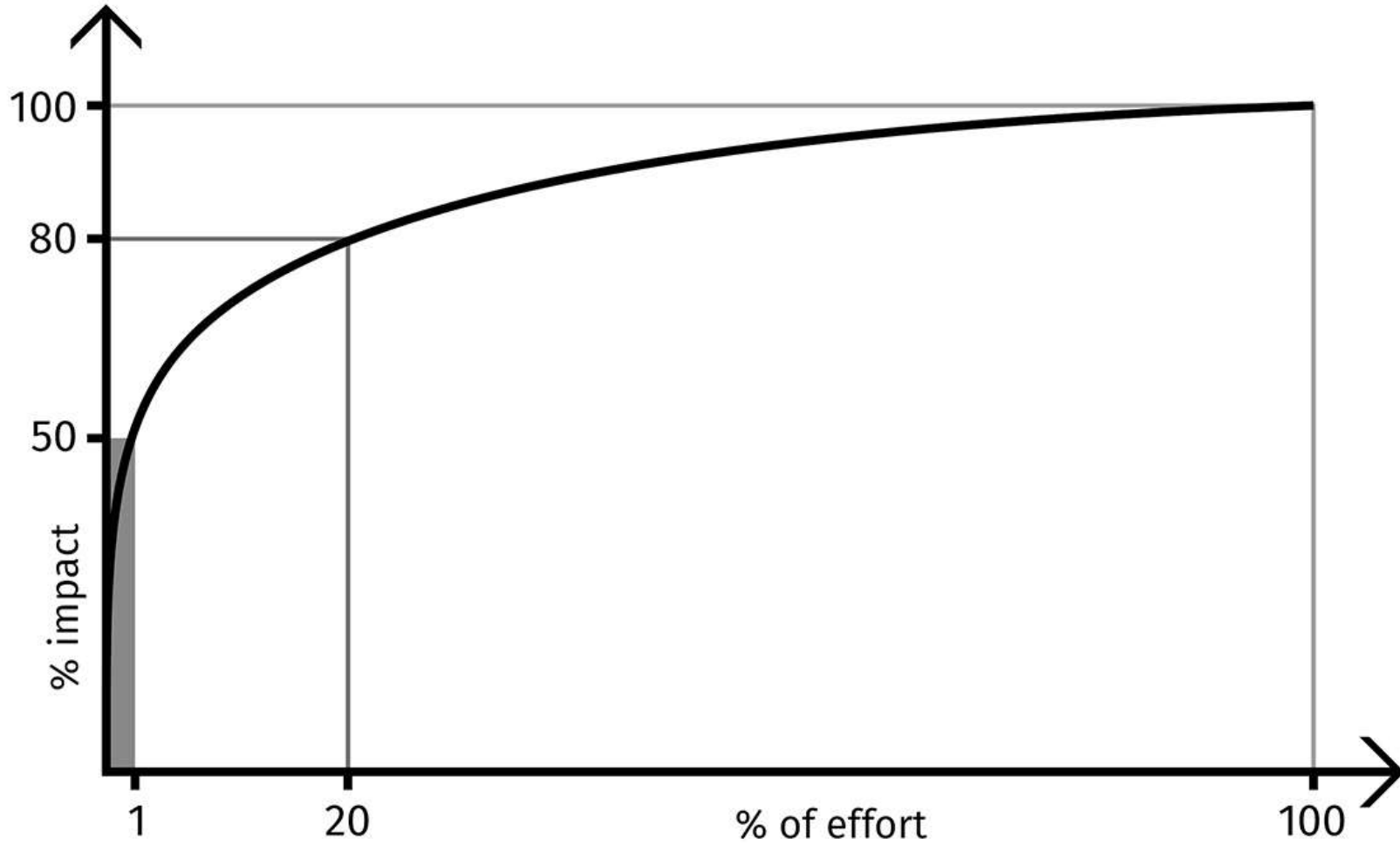
Chapter 2

FIGURE 2.2: PLAY-BOLD ENTERPRISE PORTFOLIO



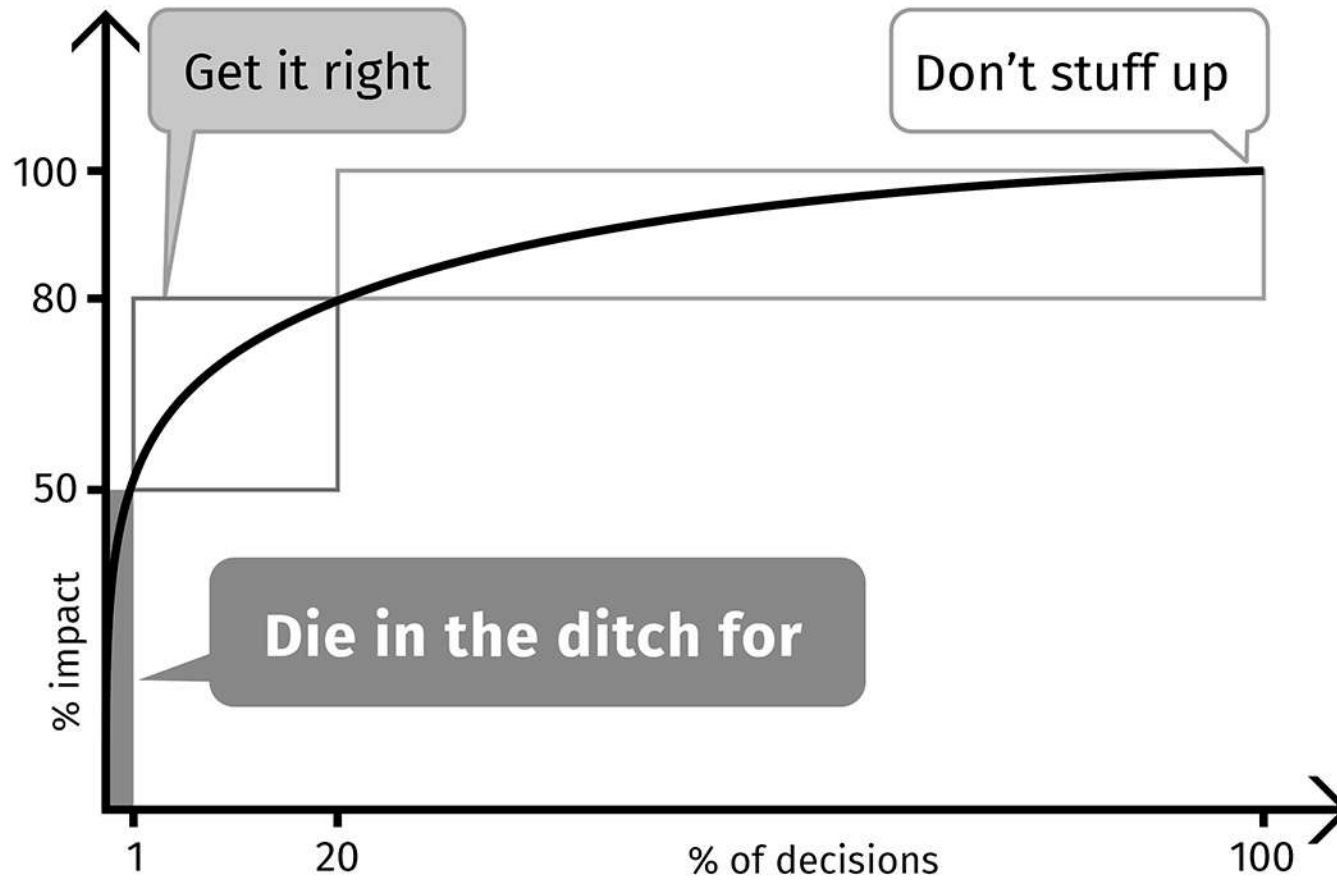
Chapter 3

FIGURE 3.1: POWER LAW CURVE



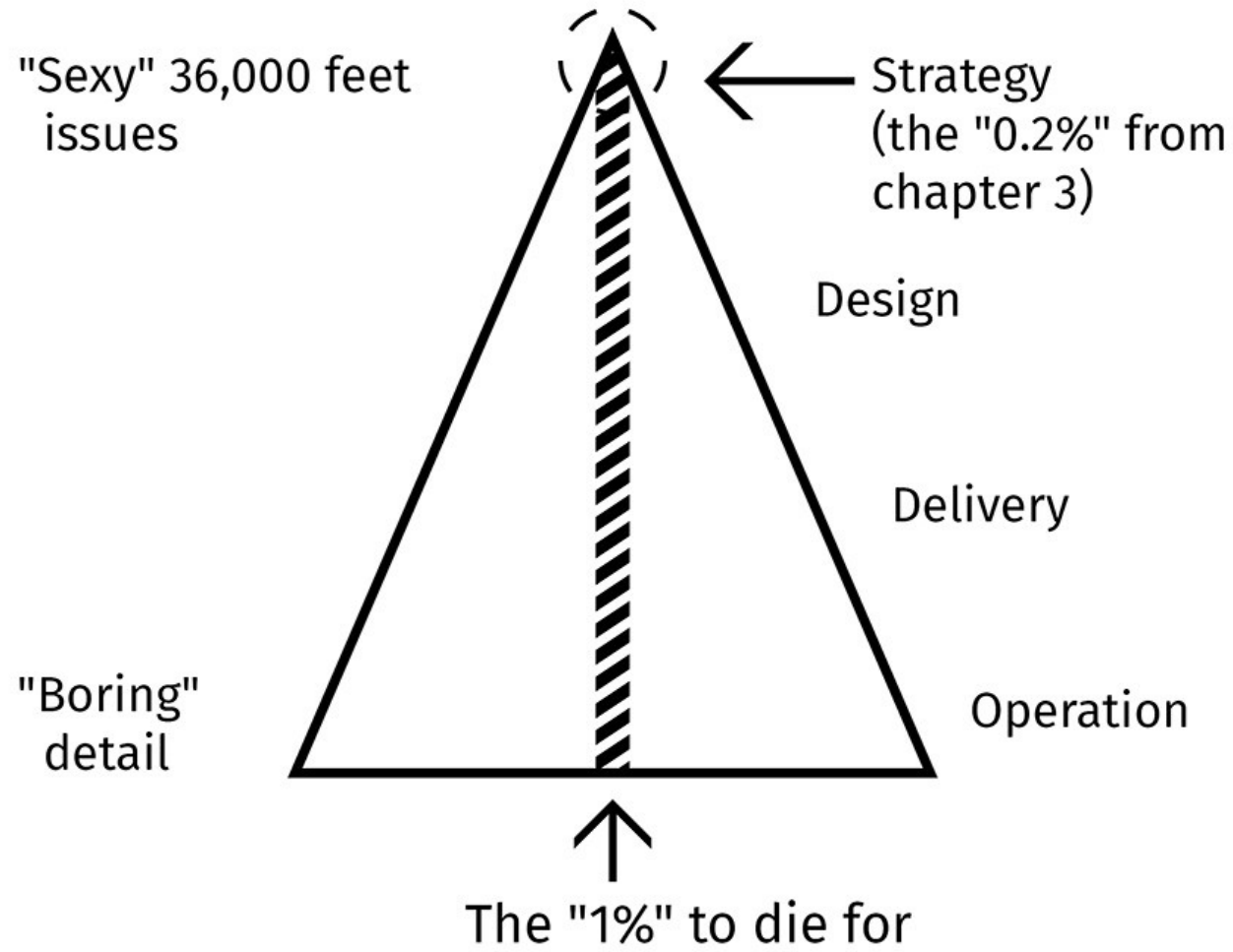
Chapter 3

FIGURE 3.2: POWER LAW IN DECISION-MAKING



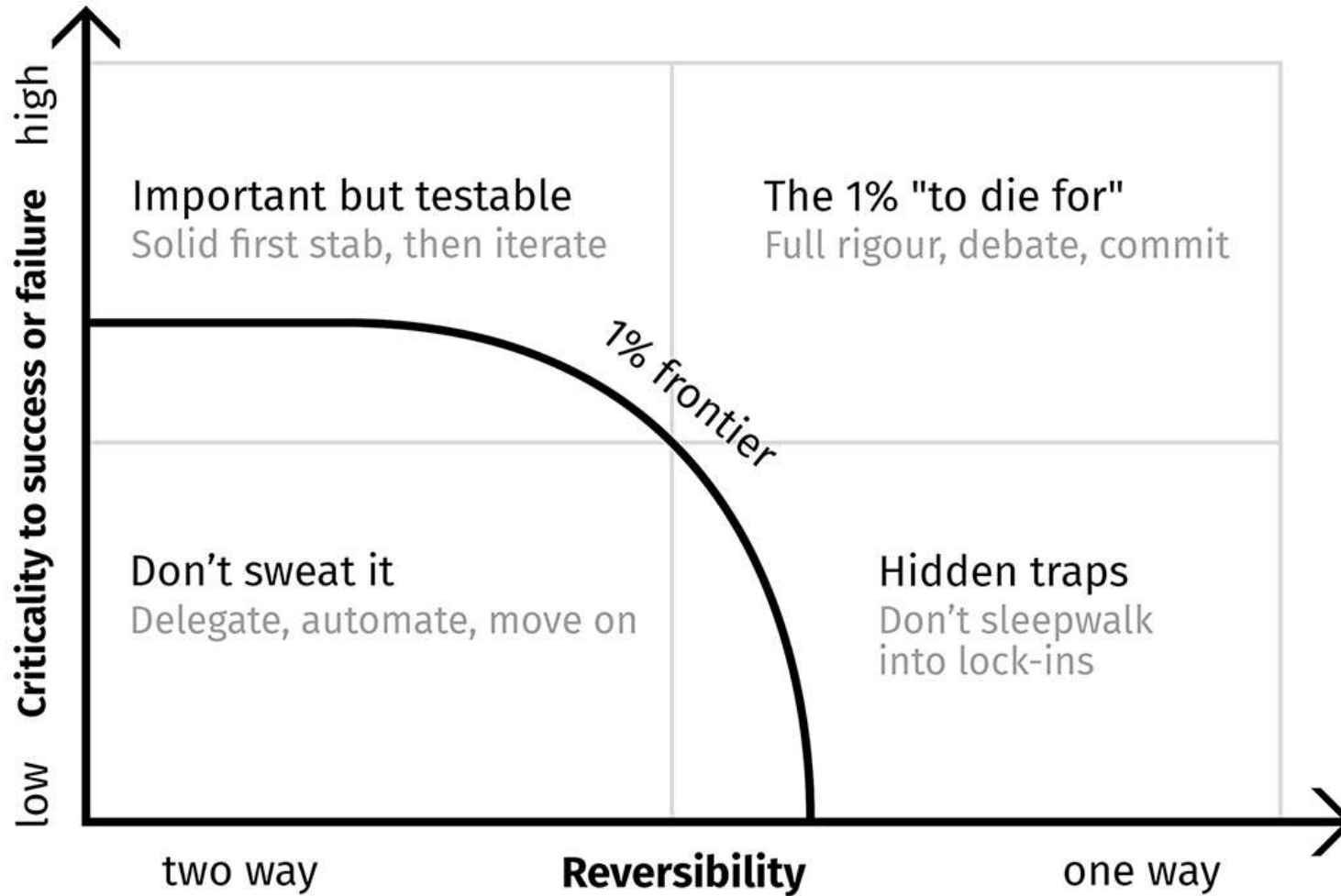
Chapter 4

FIGURE 4.1: DECISION-MAKING PYRAMID



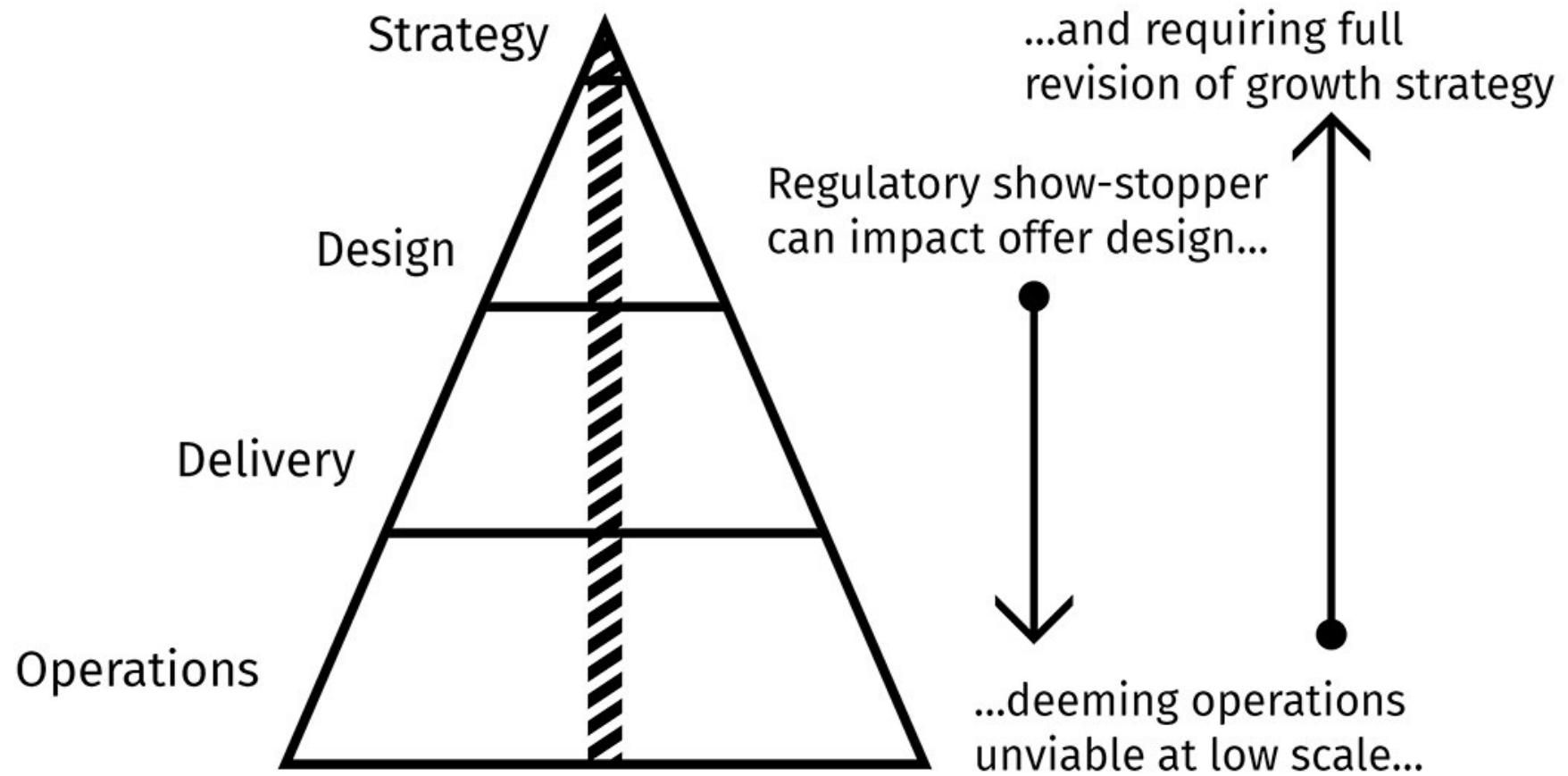
Chapter 4

FIGURE 4.2: THE 1% FRONTIER







Chapter 4

FIGURE 4.3: DECISION-MAKING PYRAMID IN ACTION



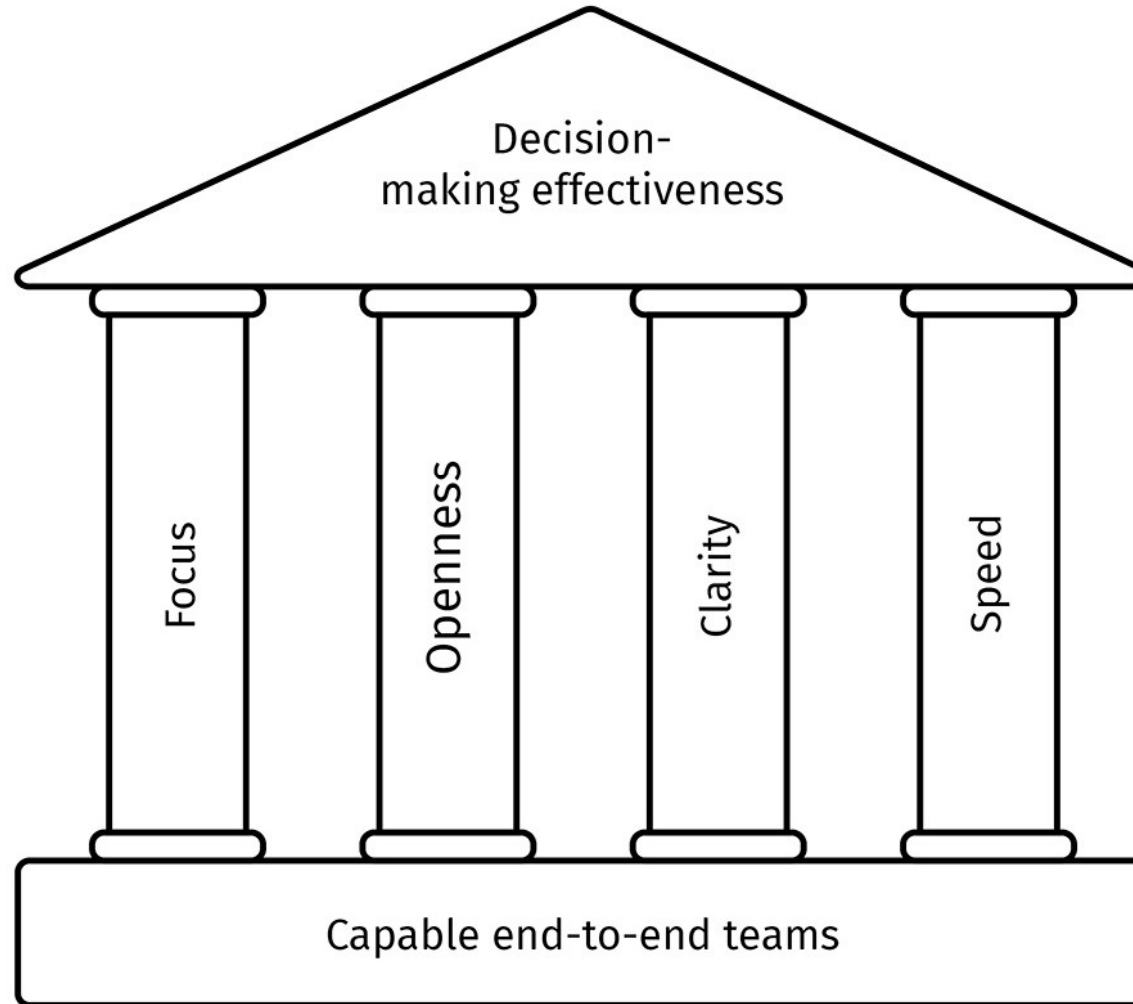
Chapter 6

FIGURE 6.1: BEHAVIORAL ARCHETYPES OF DECISION-MAKERS

| | Low Proactivity | High Proactivity |
|----------------|---|---|
| High Ownership |  Safe pairs of hands – dependable, reliable, deliver what’s asked, but rarely push boundaries. |  Make magic happen – rare leaders who take full accountability and proactively create positive change. |
| Low Ownership |  Passengers – drift with the current, avoid accountability, and rarely drive impact. |  Wheel spinners – always busy, full of ideas and motion, but lack follow-through or responsibility. |

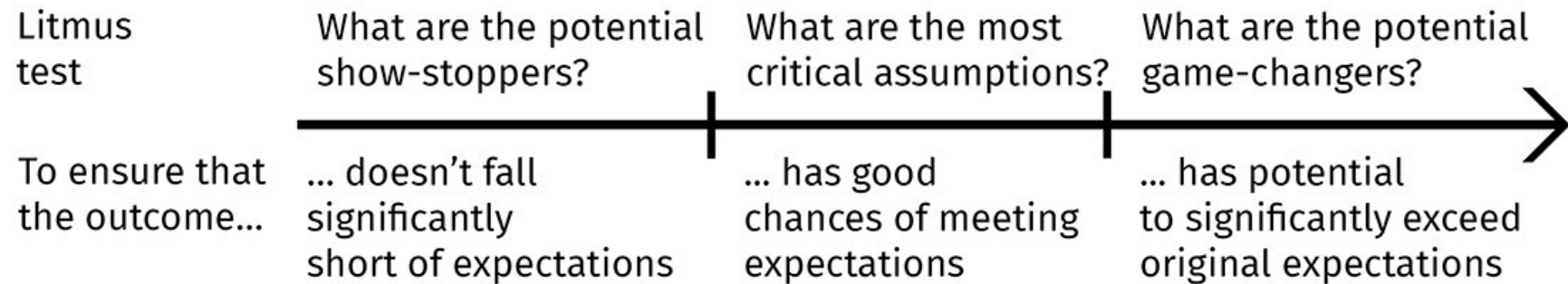
Chapter 7

FIGURE 7.1: FOUR PILLARS OF DECISION-MAKING CULTURE



Chapter 8

FIGURE 8.1: THREE LITMUS TESTS



Chapter 9

FIGURE 9.1: REAL OPTIONS TABLE TEMPLATE

| | Option 1 | Option 2 | Option 3 | Option 4 |
|--------------------------|----------|----------|----------|----------|
| Option description | | | | |
| Pros | | | | |
| Cons | | | | |
| What you need to believe | | | | |

Chapter 9

FIGURE 9.2: REAL OPTIONS TABLE EXAMPLE

| | Conservative | Medium | Most generous |
|--------------------------|--|---|---|
| Option description | 10% off on travel, pet and life, excluding family members | 20% off on travel, pet and life, 10% off car insurance, excluding family members | 30% off on all products, also available to all family members |
| Pros | <ul style="list-style-type: none"> - low cost to the business - simpler to implement across only two product lines | <ul style="list-style-type: none"> - employee value proposition broadly in line with market - aligned with product margins | <ul style="list-style-type: none"> - category leading employee value proposition - high penetration and advocacy impact among staff and families - simple to communicate |
| Cons | <ul style="list-style-type: none"> - below-market employee value proposition - exclusion of car insurance may be negatively perceived - unlikely to drive internal take-up and advocacy | <ul style="list-style-type: none"> - more complex to communicate market parity of staff discounts is sufficient to retain employees and drive advocacy | <ul style="list-style-type: none"> - negative margins, particularly on car insurance, for staff and families |
| What you need to believe | discounts above 10% may undermine employee perception of the premium status and exclusivity of access to our products | market parity of staff discounts is sufficient to retain employees and drive advocacy | despite negative net margin on sales to staff and family members, maximising product uptake will improve internal advocacy and lead to a material uplift in the staff retention and sales performance |

Chapter 9

FIGURE 9.3: DECISION MATRIX EXAMPLE

| | Keep 30% | 50% for 3 days | 50% for two weeks |
|----------------------------------|---|---|--|
| Rivals go first with 50% | Likelihood: Highly unlikely Outcome: Badly miss sales plan | N/A | Likelihood: Highly unlikely Outcome: Disaster – sales and profit badly impacted |
| Rivals respond with 50% | N/A | Likelihood: 1/3 probability Outcome: Miss plan, take profit hit | Likelihood: Highly likely Outcome: Disaster – sales and profit badly impacted |
| Rivals do not respond (keep 30%) | Likelihood: Likely Outcome: Miss sales plan | Likelihood: 2/3 probability Outcome: Exceed plan – with volumes offsetting margin loss | Likelihood: Unlikely Outcome: Significantly exceed sales plan, get bonuses |

Shaded cells – indicate plausible scenarios

Chapter 10

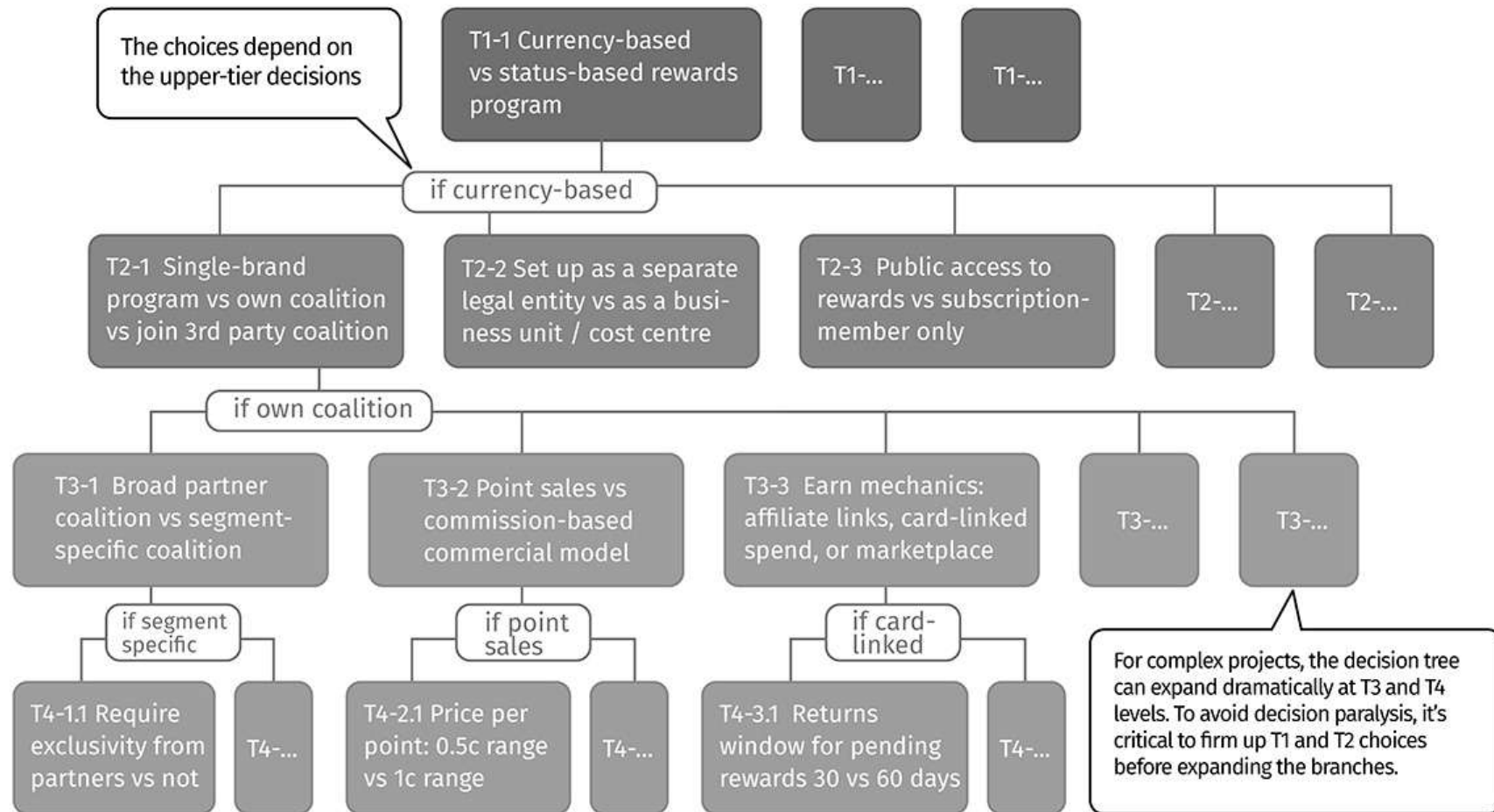
FIGURE 10.1: THE DECISION TIERING FRAMEWORK

| | Examples | Who typically decides |
|---|--|--|
| Tier 1 – The most fundamental, structural choices. High influence on downstream decisions, high consequence, hard to reverse. | Target customer definition, core proposition structure (e.g. are we building a currency-based vs status-based rewards program), business model fundamentals (e.g. capex, budget per user). | Group executives or board endorse (in line with corporate delegations) based on team recommendations. |
| Tier 2 – Highly consequential choices that underpin economics or design. Material downstream dependencies. Includes decisions involving above-medium risk. | Points expiry rules, rewards earn mechanics, major scoping decisions with significant cost or complexity implications, platform and vendor selection. | Accountable Senior Executive or Steering Committee endorses based on team recommendations. |
| Tier 3 – Significant design choices that are reversible in the short to medium term. Limited downstream dependencies. Medium or low risk. | Coalition partner commercial model (e.g. commissions vs points sales), breadth of partner portfolio, launch configuration of product features, program comms rules. | Team decides, ensuring the team lead is comfortable and making it visible to the Steering Committee and/or Accountable Senior Executive. |
| Tier 4 – Tactical and reversible decisions. No downstream dependencies. Below-medium risk. | Individual partner selection, launch campaign channels, media allocation, partner campaign configuration. | Team members decide autonomously, keeping the team lead informed. |

Chapter 10

FIGURE 10.2: DECISION TREE: REWARDS PROGRAM DESIGN

Illustrative example of tiered decisions cascading from Tier 1 structural choices to Tier 4 tactical decisions



Chapter 10

FIGURE 10.3: ILLUSTRATIVE CAPITAL BUDGETING PORTFOLIO

An illustrative portfolio of a fictional financial services organisation allocating ~\$7.3 million of enterprise capital investment

| | Initiative | Duration, cost est. | Impact x confidence | Cost + effort x risk | Teams / bottlenecks | Dependencies | | |
|---|--|--|---------------------|----------------------|---|--|-------------------------------------|---------------------------|
| Commit funding | Privacy reform compliance – update consent collection UX in line with new regulations | 3 months / \$200k | must do | • | Digital | N/A | Must do | |
| | Legacy payment platform migration to mitigate high risk related to out-of-support technology | 3 months / \$400k | must do | •• | Digital, finance | N/A | | |
| | Upgrade identity management and onboarding UX to mitigate \$6m pa of identity-related fraud | 5 months / \$700k | ••••• | ••• | Digital, product, core platform | N/A | High-value | |
| | New insurance product development and launch to grow EBITDA by \$3m pa in the premium segment | 6 months / \$1,500k | •••• | ••• | Digital, product, core platform, marketing | Needs multi-product sales capability | | |
| | Sales website rebuild to enable multi-product sales within one flow to drive \$4m in EBITDA over 3 years | 6 months / \$1,200 | •••• | •••• | Digital, product, core platform, marketing | Supports new product build | Long-term enabler | |
| | App and web code base modularisation to enable ~30% faster pace of parallel delivery across 4 digital squads | 12 months / \$2,500k | ••• | ••• | Digital, product, core platform, marketing | Takes out half of digital capacity per squad | | |
| | AI chat-bot capability to handle basic service and sales queries (cost reduction target of \$1.5m pa) | 4 months / \$800k | ••• | •• | Digital, core platform, enablement tech, data | Value unlock before frontline tools | Best to sequence | |
| | Frontline workflow rebuild to handle complex queries (cost reduction of \$700k pa from year 2 and risk mitigation) | 3 months / \$400k | •• | • | Channels, product, core platform | Depends on launching AI bots | | |
| | Maybe | Brand relaunch campaign to grow awareness (incremental to base spend) – \$2m EBITDA over 3 years | 3 months / \$2,000 | •• | •• | Marketing, external relations | Value maximised post product launch | Lower impact / confidence |
| | Revisit next cycle | Customer contact data remediation, including incentives for customers to update to improve comms efficiency and remove data gaps | 9 months / \$800k | • | •• | Digital, data, marketing | Lower impact if after AI chat-bot | |
| Migration to a new procurement platform to enable faster and more robust purchasing (improved staff experience) | | 9 months / \$1,100k | • | ••• | Enablement tech, procurement, finance | N/A | | |
| Retail reshaping, close 5 underperforming stores and open 2 in high growth areas (\$2m pa saving from year 2) | | 12 months / \$4,000k | ••• | •••• | Channels, people & culture, procurement | N/A | | |
| | Move to a 4-day work week, incl. training, tools, op model change to lift engagement and reduce churn (cost neutral) | 12 months / \$2,500k | •• | ••••• | People & culture, all BUs | Significant workload on people leaders | | |