

# **Webshare Series Sept-Oct 2021**

## **Better and Faster Decision Making in an Uncertain World**

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## **Sept 17 : Scenario Planning as an Enrichment of ERM**



Scenario planning provides a platform for a structured analysis and discussion of the uncertain future business environment, and thus the external systemic risks. It will promote exploring possible trends and making logical connections between them. This can help decision makers adapt their existing perceptions of the current and future business environment using the insights provided. Combined with horizon scanning, it can provide a lens through which observed events and developments in the outside world can be rapidly understood and acted upon. This will allow an organization to operate with agility. In that way, the scenarios live up to their characterization of being 'memories of the future'.

In this webshare we will explain the concept of scenario planning and how it relates to decision making and risk management.

Attendees of the session will receive a free copy in pdf format of the chapter 'Scenario Planning as an Enrichment of ERM' in the book 'Enterprise Risk Management: Today's Leading Research and Best Practices for Tomorrow's Executives', Second Edition. 2021, Wiley.

## **Sept 30/Oct 1 : Merging Risk Management with Decision Science**

In the world of risk management it is increasingly realized that most of the effort expended primarily targets near-term operational risks. Risk management activities are therefore usually confined to the 'ongoing' part of the business cycle and target much less the strategy development and new investment phases. When an organization has to make important decisions aiming for growth, for example with regard to substantial investments or strategies, of course the 'risk element' is crucial. Yet, the way this is handled is different across contributing disciplines within an organization. Sometimes it is up to the decision-maker to make sense of the various pieces of analysis – for example financial, risk, strategic fit, technical, economics, legal. We believe that alignment and integration across the organization is key for providing full clarity on issues to decision-makers.

In this webshare we will touch on some of the differences between the ways that 'risks' are typically interpreted and addressed. We will also look at some possibilities for a more aligned approach.

Attendees of the session will receive a free copy in pdf format of the chapter 'Leveraging ERM for Growth' in the book 'Enterprise Risk Management: Today's Leading Research and Best Practices for Tomorrow's Executives', Second Edition. 2021, Wiley.

## **Oct 15 : Integrated Framing**

It is increasingly realized that proper framing of projects or key decisions is a indispensable first step. A decision frame is a set of issues and considerations that are relevant for the decision to be taken and that will require some form of evaluation. The crux is that when defining the frame we look wide enough but not too wide. If the frame is too narrow we do not consider potentially relevant issues, if the frame is too wide we will spend time on irrelevant matters. An important issue category is composed of the uncertainties and risks. It is good practice to – up front – aim for a holistic perspective of all uncertainties. Such an overview can serve as a starting point for the evaluation of a decision problem (e.g. investment opportunity) but at the same time form the basis of a risk management program.

In this webshare we will explain in broad terms the decision framing concept and how to derive a risk management program from it.