

# STRATEGIC DECISION ANALYTICS

A M D C

STRATEGY  
= EXPEDITION  
= CAMPAIGN

ONLY DECISIONS AND THEIR IMPLEMENTATION  
= REALITY

CANNOT CHANGE THE WORLD

THE ANSWER

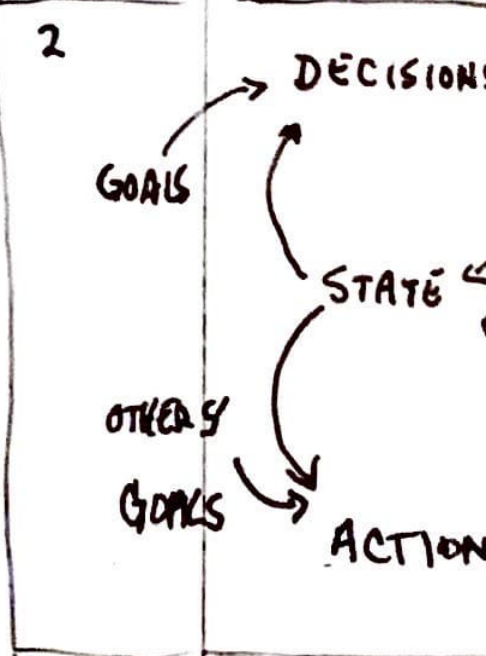
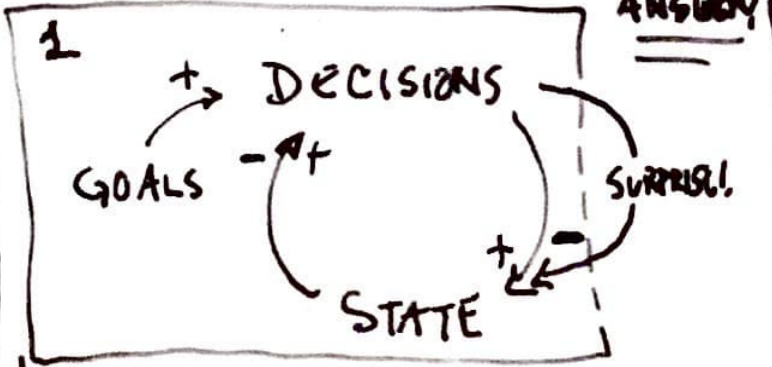
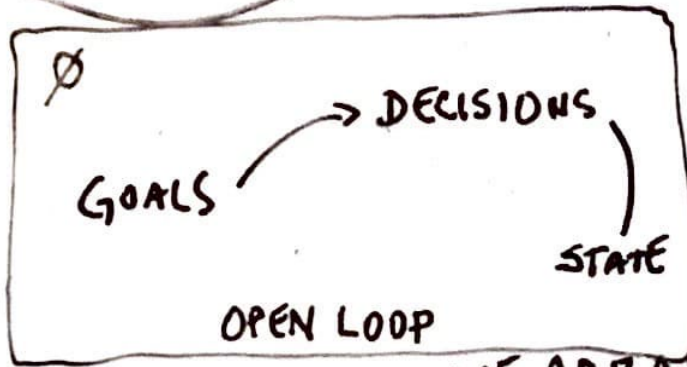
MENTAL MODELS

ONLY DRIVER OF INSIGHT

STRUCTURE

INT

- Phys
- MOR
- DEC



FUNDAMENTAL ATTRIBUTION ERROR  
BLAME SO S/T NOT ME!

WE ARE ALL

- ① INTELLIGENT
- ② CAPABLE
- ③ CARE ABOUT
- ④ WANT TO LEARN

GIVE 4 SANITIES

"WE ARE NOT A"

INSTINCT

A M D C

3 TRAPS  
Leverage

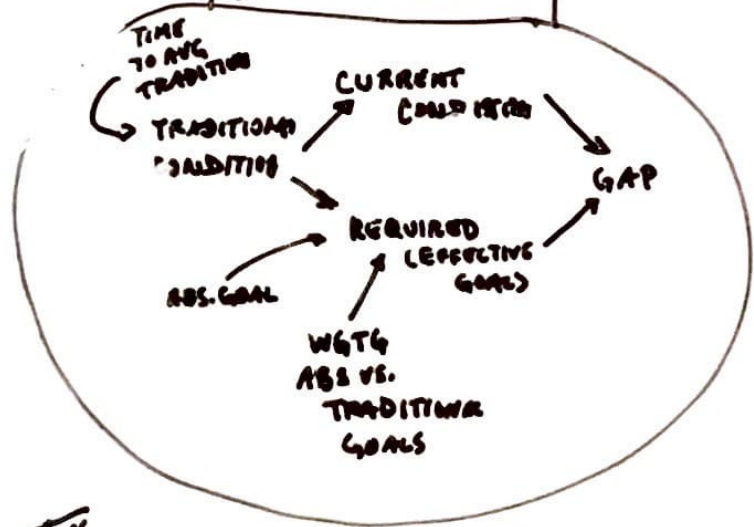
TECHNO  
METAL  
RETAIL

- Physical
- Mental = Innovation
- DECISION RULES = RIGHTS

STRUCTURE > INTERACTIONS > BEHAVIOR

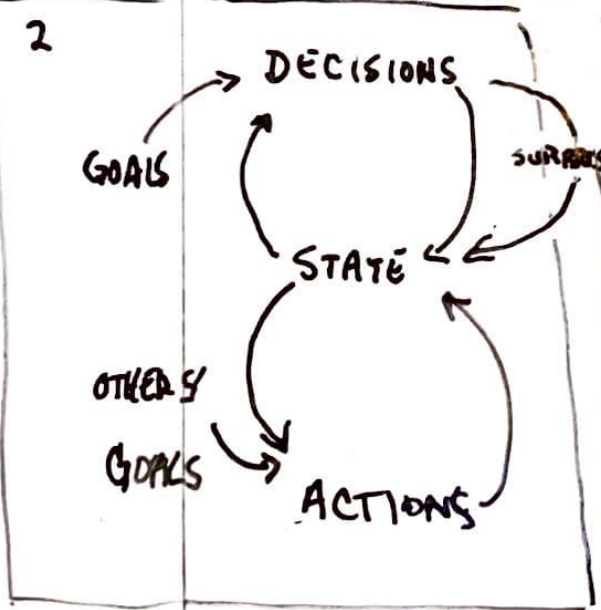


ERODING GOALS



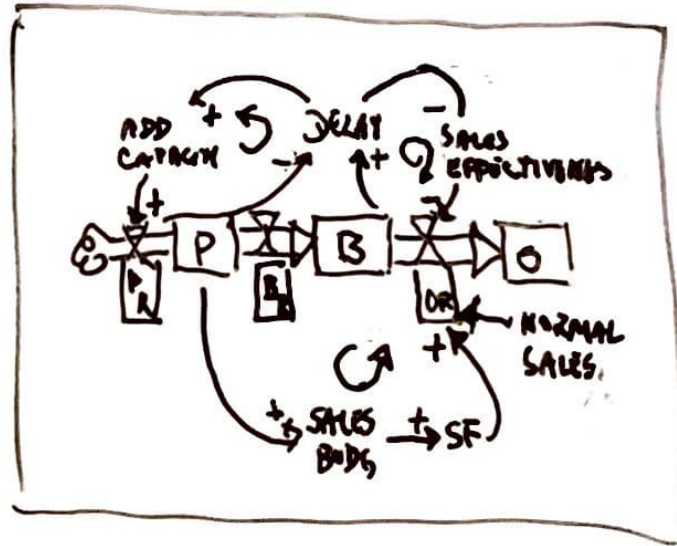
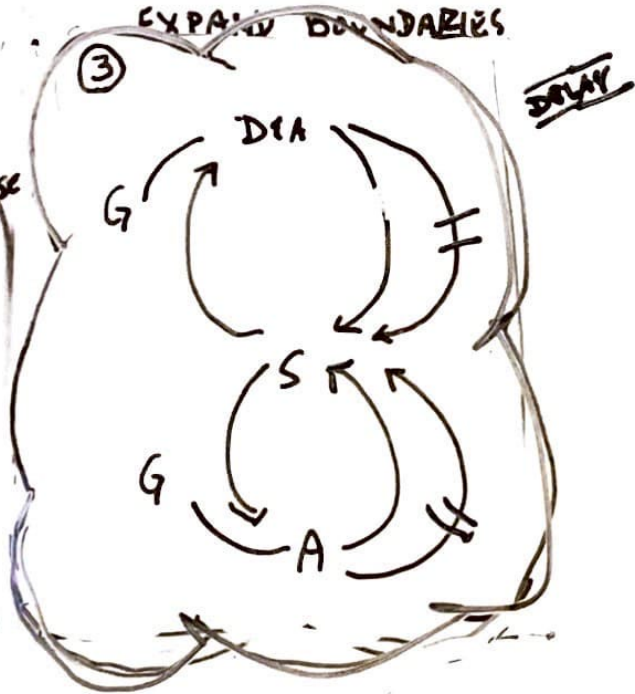
SYSTEM BOUNDARIES

2

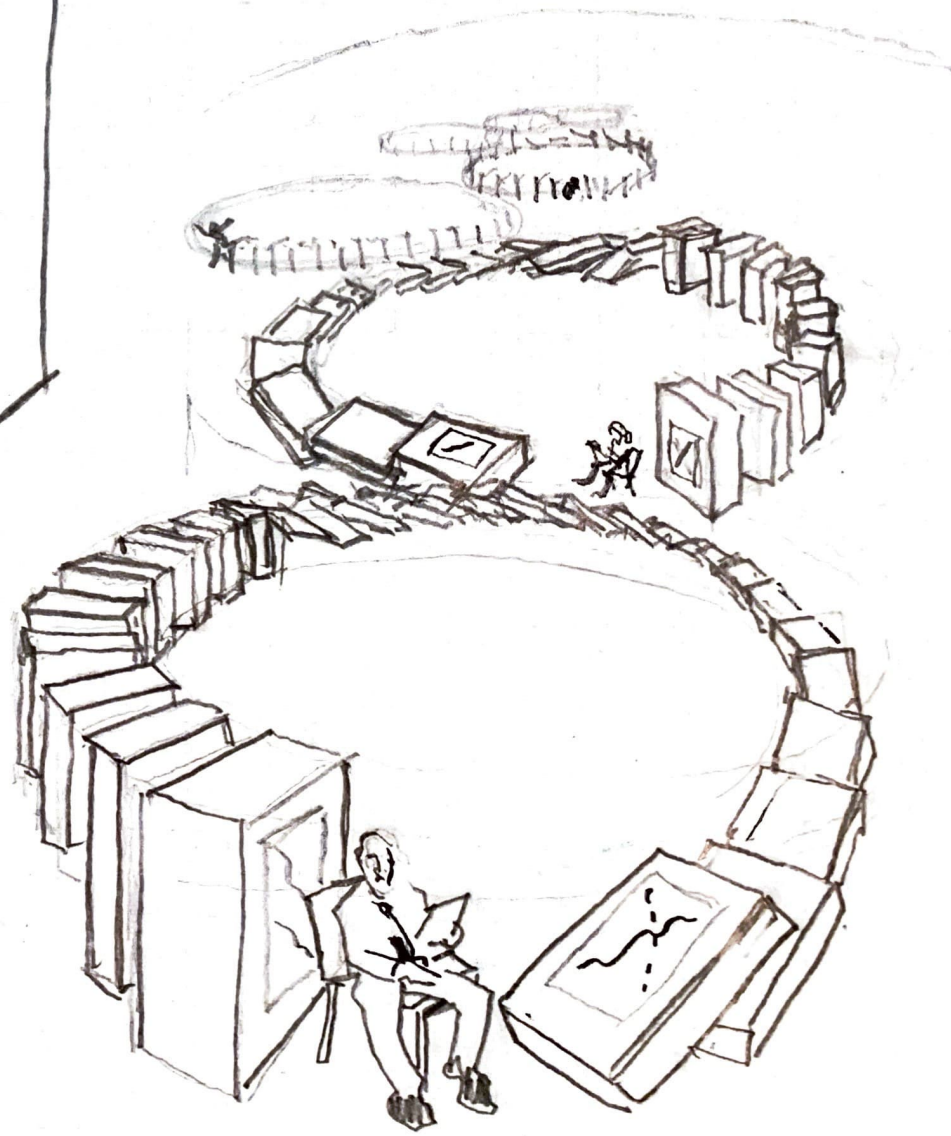
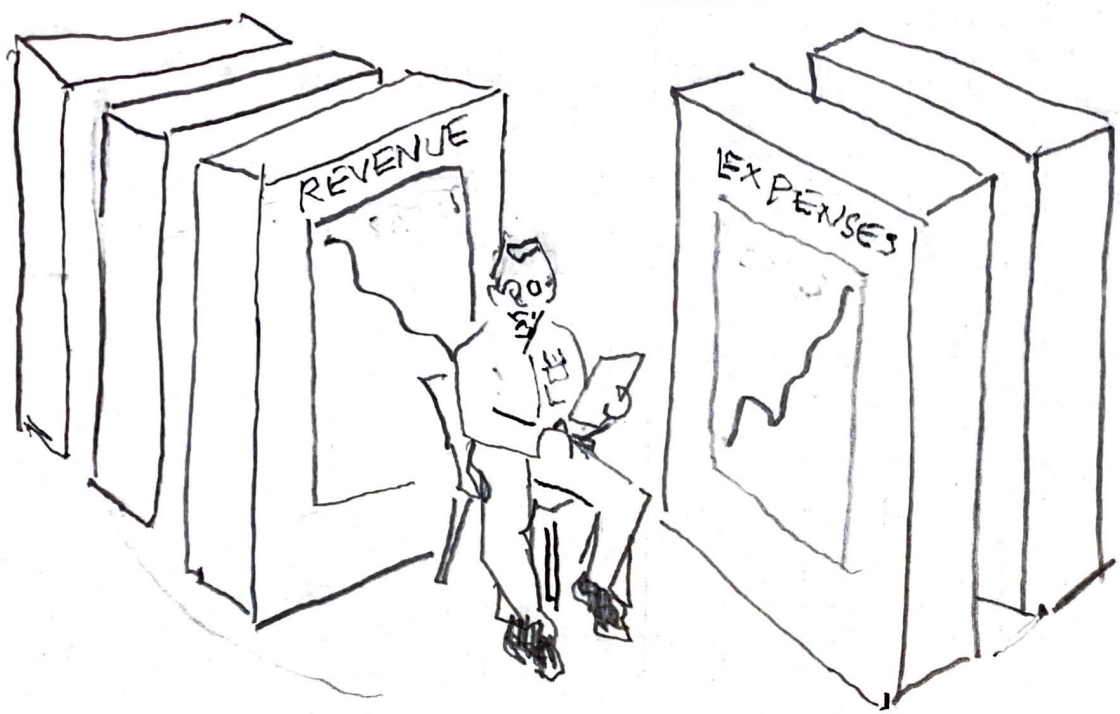


EXPANDED BOUNDARIES

3

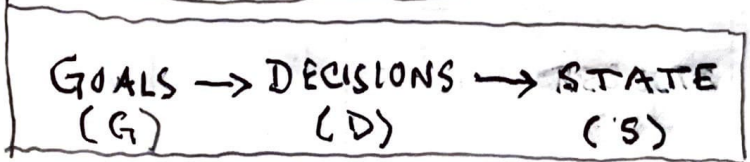


"WE ARE NOT ALONE"



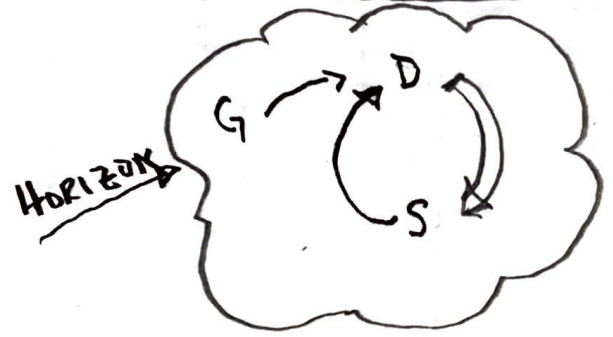
AFTER STERMAN 2013

**BUSINESS AS USUAL (BAU)**

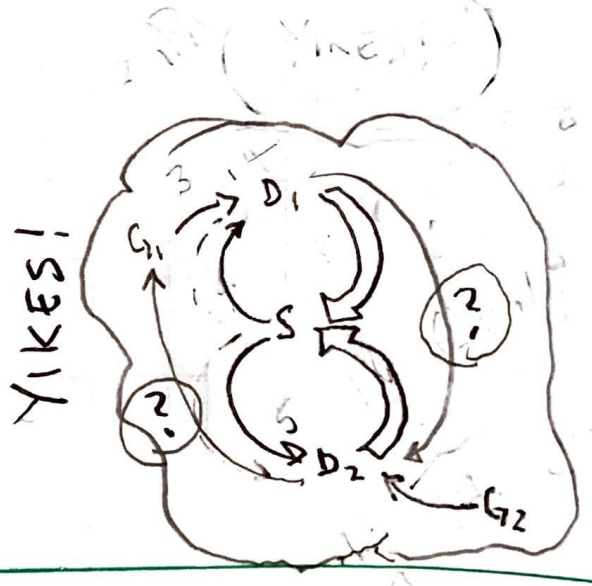
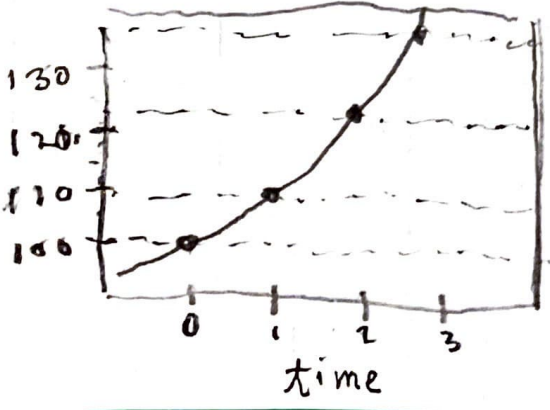


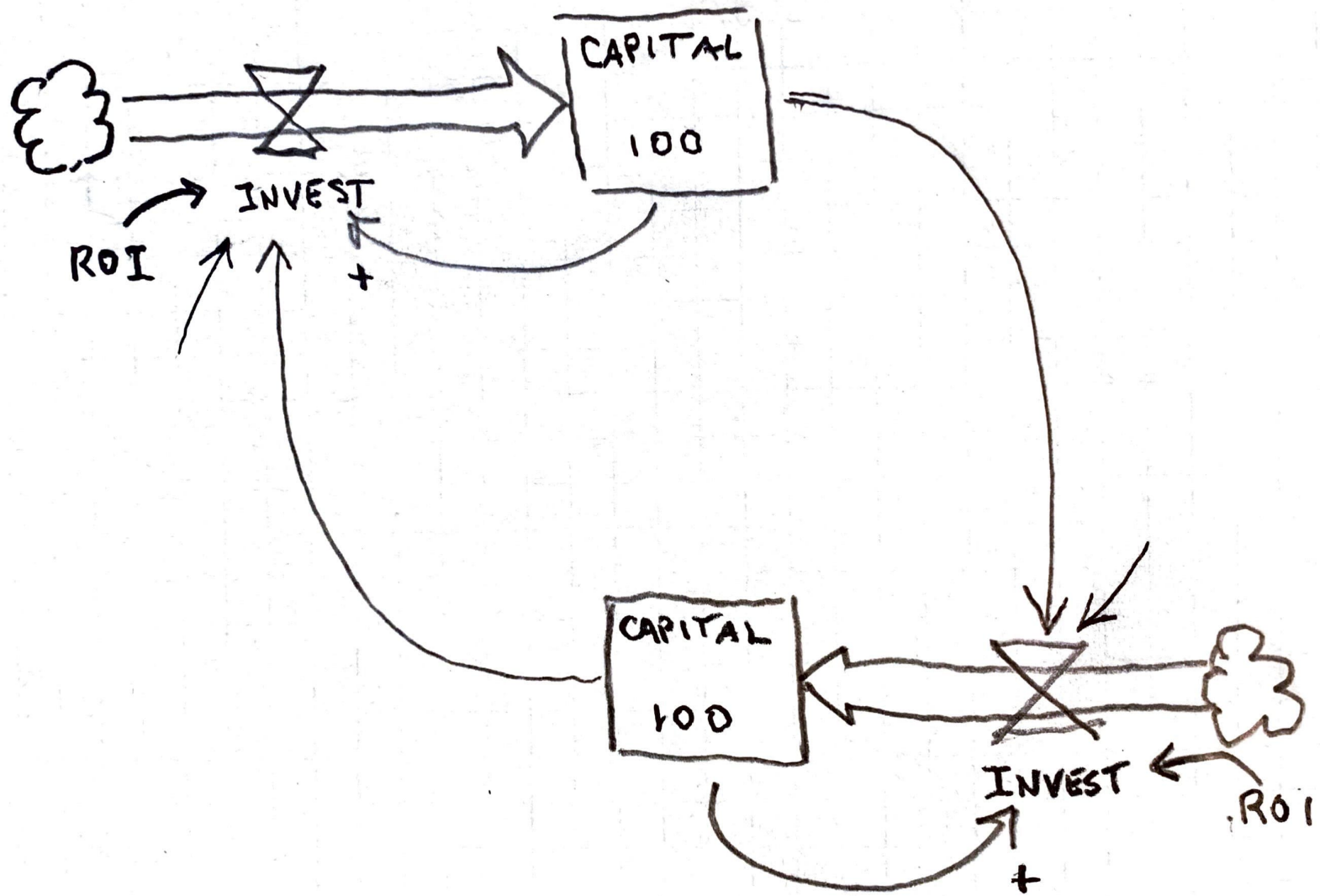
GOALS	DECISIONS	STATES
ROI	INVEST	CAPITAL
$t=0$ 0% →	$i = r K$ →	$100 = K_0$
$t=1$ 10% →	$(0.10)(100) = 10$ ←	$100 + 10 = 110$
$t=2$ 10%	$(0.10)(110) = 11$	$110 + 11 = 121$
$t=3$ 10%	$(0.10)(121) = 12.1$	$121 + 12.1 = 133.1$

ADD TIME...  
FLIP THE SCRIPT



WE ARE NOT ALONE!





STOCKS  
FLOWS  
LOOPS

OPERE SEQUITUR ESSE

REALITY  
PRECEDES  
&  
PEOPLE  
MODELS  
WILL  
POWER  
MINDSETS  
PATTERNS  
IDEOLOGY  
TECHNOLOGY

LEARN HISTORY  
PUT IT DOWN ON PAPER  
SHARE  
RESPECT LANGUAGE

- ① REALITY CONFORMS THOUGHT
- ② PEOPLE CARE
- ③ A SELF CARES
- ④ IT ALL MATTERS

WORK AGAINST  
TRAP → DRIFT  
TO LOW PERFORMANCE

WORTHWHILE OVER QUANTIFIABLE  
DESIGN LEARNING WITH POLICY

THE WHOLE IS NOT THE SUM OF THE PARTS  
SUBSIDIARITY  
LOCATE RESPONSIBILITY IN THE SYSTEM

EXPAND HORIZONS  
↑  
TRANSCEND DISCIPLINES

PROMOTE COMMON GOOD  
↑  
DECENT BEHAVIOR

① DON'T WEIGH  
BAD NEWS  
→  
GOOD  
② STICK TO STRONG  
STANDARDS

- ① WORLD IS NOT A DELUSION
- ② WHAT HAPPENS TO US REALLY MATTERS
- ③ THERE IS AN I, and YOU, REALLY, WITH CONSEQUENCE
- ④ OUR CHOICES MEAN WE ARE RESPONSIBLE FOR THOSE CHOICES