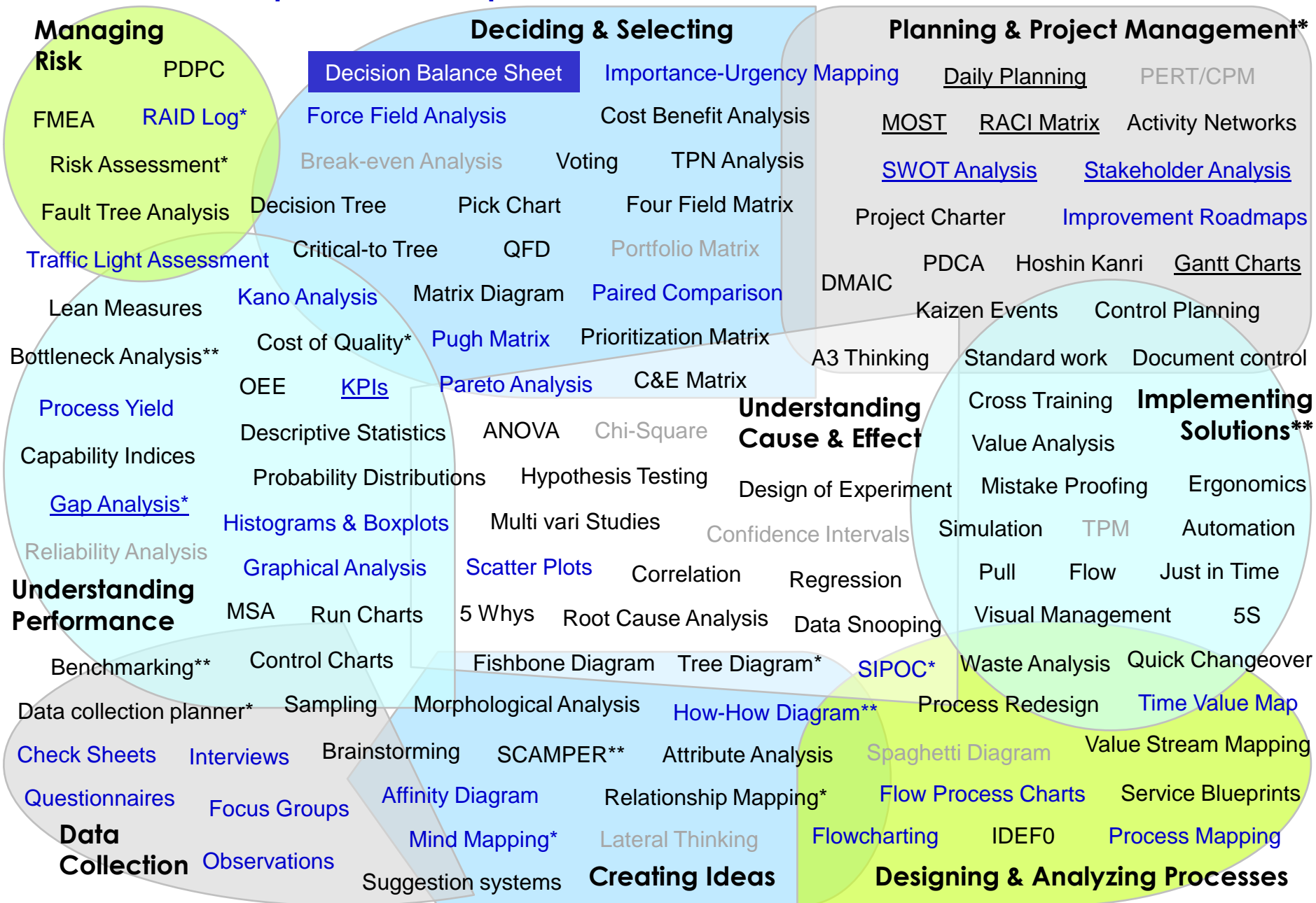


# Continuous Improvement Toolkit

## Decision Balance Sheet



# The Continuous Improvement Map



# - Decision Balance Sheet

- ❑ A simple but effective decision-making method.
- ❑ Enables to make more confident and balanced decisions.
- ❑ A table that represents the advantages and disadvantages of an idea or situation.
  
- ❑ **The situation might be:**
  - A problem that needs to be solved.
  - A condition that needs to be changed.



# - Decision Balance Sheet

- ❑ Helps decide whether to go for or against a given problem or a proposed change.
- ❑ Improves the understanding of the idea or situation.
- ❑ Helps avoid decision-making paralysis.
- ❑ Speeds up the decision-making process.
- ❑ Encourage team members to consider multiple perspectives.



# - Decision Balance Sheet

- ❑ It is simply a table of two columns labeled as **Pros** and **Cons**.
- ❑ The table is used to record all the pros and cons for the given idea or situation.
- ❑ You may give a numerical weights to the different pros and cons.

Pros (+)	Cons (-)

The result will help you decide whether to go ahead with the decision or not

# - Decision Balance Sheet

- ❑ **PMI** is an extension of the decision balance sheet.
- ❑ It stands for Plus, Minus and Interesting.
- ❑ **The Interesting column is used:**
  - When the elements are not particularly of positive or negative effect.
  - To record what you consider interesting.
  - To record future implications of the idea.

Plus (+)	Minus (-)	Interesting

# - Decision Balance Sheet

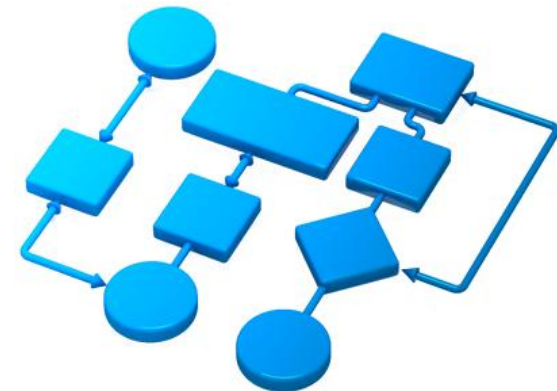
- ❑ You can also use a four-cell matrix to represent the decision balance sheet.
- ❑ It consists of the pros and cons in the short and long term.
- ❑ This is especially useful when the decision is of strategic nature.

<i>Short-term Pros</i>	<i>Short-term Cons</i>
<i>Long-term Pros</i>	<i>Long-term Cons</i>

# - Decision Balance Sheet

## How to Use the Decision Balance Sheet:

- ❑ Write the situation or idea at the top of a flip chart or board.
- ❑ Draw a table of two columns.
- ❑ Label one “Pros” and the other “Cons”.
- ❑ Record all possible benefits in the pros column.
- ❑ Record all possible negative effects in the cons column.
- ❑ Give numerical weights to the pros and cons (from 1 to 5).
- ❑ Be objective while scoring.
- ❑ Add up the scores in each column.
- ❑ Subtract the total cons from the total pros.
- ❑ Consider the overall score to decide whether to go ahead with the decision or not.





# - Decision Balance Sheet

Example – Should We Go for a New Website?

Pros	Cons
Improves Company's image <b>(5)</b>	Implementation cost is high <b>(-4)</b>
Mobile compatible - helps reach out to new customers <b>(3)</b>	Requires to hire a full-time employee with certain technical skills <b>(-3)</b>
Easier to create and maintain dynamic content <b>(3)</b>	Requires time for implementation <b>(-1)</b>
<b>(+11)</b>	<b>(-8)</b>
<b>(+3)</b>	

The final score suggests that you should go for a new website

# - Decision Balance Sheet

**Example** – Should I Consider the New Job Offer?

Plus (+)	Minus (-)	Interesting
Gain new experience (2)	Relocate to another city (-4)	Networking (+1)
Get a higher salary (4)	Be more prone to stress (-3)	Pollution and traffic (-1)
Meet new people (1)	Uncertainty (-2)	Live in a new place (+1)
		New schools (-1)
(+7)	(-9)	(0)
	(-2)	

The Decision Balance Sheet can also be used  
to make personal decisions