## Deloitte.

### DecisionOptimizer

### Turn uncertainties into pathways to success

#### **Pain-Point** WHAT is the current issue?

#### Linear thinking

Uncertainty is non-linear yet current approaches apply linear thinking. The classic case of isolating risk by category (health, safety, economy, legal, political) and then applying a linear matrix view is mathematically flawed (think multiple simultaneously occurring risks).

#### **Precisely wrong**

Risk measurement tools and techniques often produce highly rigid mathematical outputs that fail to account for the internal and external factors that can have the greatest impact. In short, they are precisely wrong rather than broadly right.

#### Focuses on failure

Risk management is acknowledged to be necessary but is perceived not to add real value to the organization due to its focus on loss mitigation vs driving success.

#### Slow to adapt

F

 $^{(+)}$ 

Existing tools such as risk registers are slow and cumbersome to construct and therefore fail to keep pace with an ever-changing context, rendering them ineffective soon after they are developed.

#### **Solution** HOW do we solve it?

#### **Think Contextually**

With Systems Thinking and Dynamic Risk Modelling Overcome linear thinking by identifying common and interconnected drivers of business risk or success, thereby incorporating real-world complexity while maintaining a simplified focus on the key factors required to drive results in a context that is always in flux.

#### Be Broadly Right



By Adopting Broad Scenario Analysis and Integrating Qualitative Insights Explore a wide range of potential outcomes and incorporate both quantitative methods and qualitative insights from experts across different disciplines.

#### Focus on Success



By Emphasizing Value-Driven Risk ManagementA value-driven approach will align risk management with organizational strategic objectives and foster a culture where risk is seen as an enabler, innovation and growth are encouraged, leading to a more dynamic and forward-thinking organization where risk optimisation yields rewards.

#### Adapt Instantly



By Leveraging Adaptive and Agile Risk Management Tools Using technology-driven tools that continuously monitor the risk environment and adapt to changes. This includes machine learning models, real-time data and news feeds, and cloud-based platforms that facilitate collaboration and timely updates.

#### Leverage Interdependent Expert Knowledge & Data

Utilize a range of internal and external information sources to transform slow, biased, and linear decisioning aimed at avoiding failure into expert-crafted data-driven ones that are resilient during change and account for the interconnected nature of success-drivers.

#### **Key contacts**



Simon van Wyk DecisionOptimizer Leader sivanwyk@deloitte.co.za



Mark Victor Deloitte Africa Strategic Risk Leader mvictor@deloitte.co.za

#### Value WHY are we solving it?



# Ŕ

#### Focused view of the true drivers of

**success** to allocate resources and efforts where they make the highest impact in reaching primary ambitions.

#### Key insights into critical decisions



for better planning and preparation, reducing the effect of being blindsided by unforeseen factors and promoting long-term manoeuvrability.



#### Aligns Risk Management with

**Strategic Goals** so it becomes a competitive advantage rather than a mere compliance task.



Sustainable competitive advantage by adap ting quickly to seize opportunities and avert threats faster than competitors.