

# Creativity in Decision Making with Value-Focused Thinking

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CONVENTIONAL APPROACHES TO DECISION MAKING FOCUS ON GENERATING AND EVALUATING ALTERNATIVES. ACCORDING TO THE AUTHOR, HOWEVER, ALTERNATIVES are relevant only as means to achieve values. Values, not alternatives, should be the primary focus of decision making. In this article, he describes "value-focused thinking," which involves clearly defining and structuring your fundamental values in terms of objectives and using these objectives to guide and integrate decision making. He explains techniques for creating better alternatives for your decision problems and for identifying more appealing decision opportunities than those that confront you. These ideas are relevant both to organizational and personal decisions, and they are illustrated by their application at Conflict Management, Inc. ☞

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WE tend to view situations that require decision making as problems. Decisions are thrust on us by circumstances (recessions, natural disasters) or the actions of others (competitors, customers, government, stakeholders). Typically, we face these decision problems by identifying alternatives and only then considering objectives or criteria to evaluate them. I call this standard problem-solving approach *alternative-focused thinking*. It is reactive, not proactive. Furthermore, it is backward; it puts the cart of identifying alternatives before the horse of articulating values.

Values, as I use the term, are principles for evaluating the desirability of any possible alternatives or consequences. They define all that you care about in a specific decision situation. It is these values that are fundamentally important in any decision situation, more fundamental than alternatives, and they should be the driving force for our decision making. Alternatives are relevant only because they are means to achieve values. Thus, although it is useful to iterate between articulating values and creating alternatives, the principle should be "values first." This manner of thinking, which I refer to as *value-focused thinking*, is a way to channel a critical resource — hard thinking — in order to make better decisions.

Value-focused thinking is designed to focus the decision maker on the essential activities that must occur prior to "solving a decision problem." The central role of thinking about values is illustrated in Figure 1. Value-focused thinking helps uncover hidden objectives and leads to more productive information collection. It can improve communication among parties concerned about a decision, facilitate involvement of multiple stakeholders, and enhance the coordination of interconnected decisions. For example, people who have developed alternative air pollution standards have usually focused on air quality as measured by parts per million of various pollutants. But if they were to probe stakeholders for values, they would discover a range of other issues to address, such as health effects, visibility, and impacts on jobs. Addressing these fundamental values would lead to a more insightful evaluation of alternatives and improve communication among stakeholders.

The greatest benefits of value-focused thinking are being able to generate better alternatives for any decision problem and being able to identify decision situations that are more appealing than the decision problems that confront you. These better decision situations, which you create for yourself, should be thought of as decision opportunities, rather than as decision problems.

## Making Values Explicit

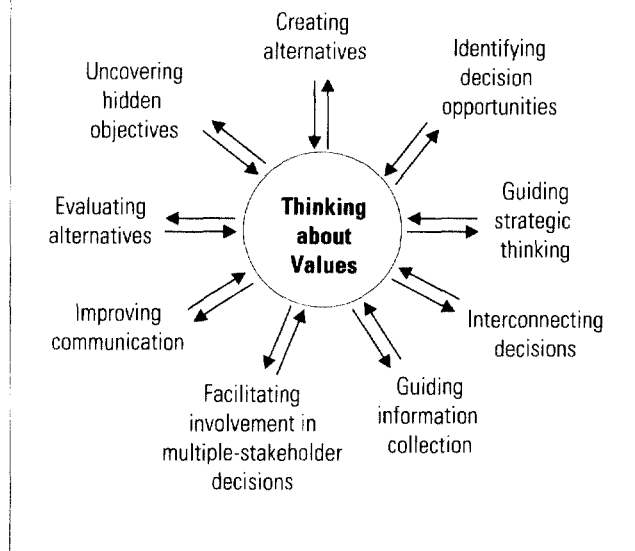
Strategic thinkers have long recognized the need to clarify values.<sup>1</sup> Peters and Waterman offer their “one all-purpose bit of advice for management” in the pursuit of excellence as “figure out your value system.”<sup>2</sup> Many organizations have mission or vision statements or a list of organizational goals. However, statements such as “communicate clearly,” “our employees are our most important resource,” “improve productivity,” and “provide quality service” are intentionally vague. They provide guidelines for organizational behavior and decision making, but they cannot be used to evaluate important decisions. Values, sometimes embedded in mission statements and goals, need to be made more explicit for evaluation. They should be clarified with a specific statement of objectives. However, identifying and structuring objectives is a difficult task: although most experts on decision making say that it is crucial to list your objectives, they do not clearly address how to go about it or how to use the objectives to guide your thinking.<sup>3</sup>

Value-focused thinking includes a process for identifying objectives. This process usually involves discussions with relevant decision makers and stakeholders. In these discussions, a number of techniques can be used to stimulate creativity in identifying possible objectives (see Table 1). If you try each technique, you will develop a redundant list, but redundancy is not a shortcoming in this endeavor. It is much easier to recognize redundant objectives when they are explicitly listed than it is to identify missing objectives.

The initial list of objectives will contain many items that are not really objectives. It will include alternatives, constraints, and criteria to evaluate alternatives. With some thought, each item on the list can be converted into an objective. What is an objective? I define it as a statement of something that one wants to strive toward. An objective is characterized by three features: a decision context, an object, and a direction of preference. For example, one objective of a forest products company is to “minimize environmental impacts.” The decision context is harvesting natural resources, the object is environmental impact, and the direction of preference is less impact rather than more.

But simply listing objectives is shallow. We need greater depth, a clear structure, and a sound conceptual basis for relating objectives to each other in decision contexts. For this, I distinguish between *fundamental objectives* and *means objectives*. Fundamental objectives concern the ends that decision makers value in a specific decision context; means objectives are methods to achieve

**Figure 1 Thinking about Values: The Basis for Quality Decision Making**



ends. Fundamental objectives for strategic decisions, the broadest class of decisions facing an organization, are “strategic objectives.” The strategic objectives provide common guidance for all decisions in an organization and form the basis for more detailed fundamental objectives appropriate for specific decisions.

To separate means objectives from fundamental objectives and to establish their relationships, we use the Why Is That Important? (WITI) test. For each identified objective, ask, “Why is that important?” Two types of answers seem possible. One answer is that the objective is one of the essential reasons for interest in the situation. Such an objective is a fundamental objective. The other response is that the objective is important only because of its implications for some other objective. In this case, it is a means objective, and the response to the question identifies another objective. Apply the WITI test to this objective in turn to ascertain whether it is a means objective or a fundamental objective. Repeatedly identifying ends objectives from means objectives should progressively identify more fundamental values and lead to at least one fundamental objective in a given decision situation.

Consider a decision involving the transportation of hazardous material. One objective may be to minimize the distance the material is transported by trucks. Why is that objective important? Because shorter distances would reduce the chances of accidents and transportation costs. However, it may turn out that shorter transportation routes go through major cities, exposing more

people to the hazardous material, and this may be undesirable. Again, for each objective concerning traffic accidents, costs, and exposure, the question should be asked, "Why is that important?" For accidents, the response may be that, with fewer accidents, there would be fewer highway fatalities and less accidental exposure of the public to the hazardous material. Why is it important to minimize exposure? Because we want to minimize the health impacts of the hazardous material. Why is it important to minimize health impacts? It is simply important. When you reach this answer, you have found a fundamental objective; "minimizing health impacts" is a fundamental objective in this decision situation.

### Conflict Management, Inc.

Located in Cambridge, Massachusetts, Conflict Management, Inc. (CMI) is a small, privately held organization concerned with negotiations and dispute resolution. Among its ten or so principals are Roger Fisher and Bruce Patton, coauthors with William Ury of the best-selling negotiation book *Getting to Yes*.<sup>4</sup> CMI advises clients on the processes of negotiation and dispute resolution and provides training in negotiation skills to corporate and public managers and executives. CMI stresses the method of principled negotiation developed at the Harvard Negotiation Project to decide negotiation issues on their merits rather than through a haggling process focused on what each side says it will and won't do. Principled negotiation shows you how to obtain what you are entitled to and still be decent.

The principals at CMI are well aware of the value of making objectives explicit. They recognize that both the process of explicating objectives and the results matter. Their language is a bit different from mine: they talk about articulating the *interests* of each negotiating party. By exploring interests, they are better able to generate creative alternatives. CMI is also aware of the advantages of having outsiders assist organizations in identifying and structuring objectives. Consequently, as part of their periodic review of the firm, in late 1990, CMI asked Howard Raiffa of the Harvard Business School, who is also a senior consultant at CMI, and me to identify what they hoped would be a long and insightful list of decision opportunities worthy of pursuing.

As we began our task, Raiffa and I held private discussions with nine principals at CMI to carefully articulate all of their objectives for the firm. To illustrate the type of discussion that occurs in identifying objectives, let me describe a small part of my meeting with Elizabeth Gray, one of the founding principals. In discussing what type

**Table 1 Techniques for Identifying Objectives**

1. **Develop a wish list.** What do you want? What do you value? What should you want?
2. **Identify alternatives.** What is a perfect alternative, a terrible alternative, some reasonable alternative? What is good or bad about each?
3. **Consider problems and shortcomings.** What is wrong or right with your organization? What needs fixing?
4. **Predict consequences.** What has occurred that was good or bad? What might occur that you care about?
5. **Identify goals, constraints, and guidelines.** What are your aspirations? What limitations are placed on you?
6. **Consider different perspectives.** What would your competitor or your constituency be concerned about? At some time in the future, what would concern you?
7. **Determine strategic objectives.** What are your ultimate objectives? What are your values that are absolutely fundamental?
8. **Determine generic objectives.** What objectives do you have for your customers, your employees, your shareholders, yourself? What environmental, social, economic, or health and safety objectives are important?
9. **Structure objectives.** Follow means-ends relationships: Why is that objective important? How can you achieve it? Be specific: What do you mean by this objective?
10. **Quantify objectives.** How would you measure achievement of this objective? Why is objective A three times as important as objective B?

of work CMI should be doing, Gray said she and her colleagues prefer challenging and interesting work. Asked why this matters, Gray responded that interesting work improves the contribution to clients and affords greater personal enjoyment. What exactly is interesting work? Gray mentioned that one aspect of interesting work is to do original inventive things. I asked her to be more specific, and she said that one specific objective was to develop "intercorporate alliances" in both conceptual and practical terms. Why was that important? Because it afforded the opportunity to work with bright and talented individuals, it contributed to creating a new field of endeavor, and it allowed CMI to do cutting-edge work. In turn, these were all important for meeting CMI's potential and for furthering the recognition of CMI as the premier firm advising clients on negotiation strategy. Elaborating, Gray stated that it was important for CMI to promote principled negotiation as a way to think about important conflicts in our society.

In such discussions, we uncovered a wide range of objectives not previously made explicit. The process aims to get a list of objectives that are deeper than “motherhood and apple pie” objectives, which everyone can agree to, but which provide little strategic guidance.

The next two steps were to structure the objectives for each individual and then to integrate them into a common set of objectives for CMI. For each of the principals, we used a means-ends logic to relate different objectives to each other and then we grouped specific objectives under more general objectives. As a result, we had two lists of objectives for each individual: a list of fundamental strategic objectives for CMI and a list of means objectives contributing to the strategic objectives.

All of the fundamental concerns identified in the individual interviews were combined into a strategic objectives hierarchy for CMI (see Table 2). Since no individual mentioned all of these objectives, CMI’s strategic objectives were broader than those articulated by individual principals, but there was a consensus that these strategic objectives were appropriate for the organization. They provide an explicit and agreed-on foundation for all of the firm’s activities and decisions.

Each individual mentioned around twenty means objectives in the discussions. Collectively, there were more than sixty means objectives that pertained to potential CMI products or activities such as management and marketing. Table 3 provides a partial list of means objectives in several different areas that contribute to CMI strategic objectives.

**Table 2 CMI’s Strategic Objectives**

1. Maximize CMI contribution to society.
  - Establish principled negotiation as a way people think about joint problems.
2. Maximize CMI contribution to clients.
  - Provide quality service to corporate clients.
  - Improve the quality of education.
  - Have positive influence on important international issues.
3. Maximize the quality of CMI.
  - Maintain reputation as best in the field.
  - Improve management system.
  - Improve interpersonal working relationships.
4. Maximize well-being of CMI employees.
  - Have interesting work.
  - Allow professionals to do work of their choice.
  - Reduce required work time.
  - Reduce travel time.
  - Maximize compensation.
  - Ensure equity of compensation.

**Table 3 Selected Means Objectives of CMI**

1. Enhance management.
  - Free up time of staff.
  - Use resources effectively.
  - Enhance interconnections of different physical locations.
  - Recognize management effectiveness as a contribution.
  - Be less dependent on specific individuals for specific efforts.
  - Continue toward more effective management.
  - Improve the compensation system.
2. Enhance marketing.
  - Market firm’s unique abilities.
  - Maintain quality client base.
  - Expand international client base.
  - Diversify the range of problems addressed.
  - Make CMI performance less dependent on national economy.
3. Work to continuously improve principal relations.
  - Maintain good principal relations.
  - Keep principals communicating well with each other.
4. Ensure excellence in recruitment.
  - Recruit first-rate staff.
  - Enhance in-house breadth of expertise.
5. Maintain a quality staff.
  - Develop staff skills.
  - Keep quality professionals.
6. Reduce burdensome aspects of training.
  - Reduce total training time by principals.
  - Have skilled trainers who are not principals.
  - Train by doing in addition to training by seminar.
7. Improve billing.
  - Do value-added billing.
8. Address client concerns.
  - Help executives think through problems.
  - Support international negotiation program.
  - Solve important problems.
9. Spread conflict management ideas.
  - Put concepts in user-friendly form.
  - Spread conflict management ideas without being there.
  - Influence many people’s thinking.
  - Widely disseminate ideas of principled negotiation.
10. Ensure project quality.
  - Stay on the cutting edge.
  - Maintain quality of products.
11. Develop tangible products.
  - Develop videotapes.
  - Write articles.
  - Write books.
12. Create intellectual products.
  - Make intellectual contributions.
  - Develop additional creative ideas.
13. Ensure availability of adequate funds.
  - Increase profits.
  - Form equity.

It is insightful to relate the means objectives to the strategic objectives using the means-ends logic referred to above. The interrelationships are illustrated in the network in Figure 2, where an arrow from one objective to another indicates that achieving the former objective has a major influence on (i.e., is a means to) achieving

the latter. To reduce clutter, only the objects of the main objectives are indicated in Figure 2. The detailed meanings of the strategic and means objectives are found, respectively, in Tables 2 and 3.

The next step is critical. The strategic objectives and the means objectives are used to generate potential decision opportunities. At CMI, we could have organized a meeting of principals to devise the decision opportunities, guided by the objectives. However, we had previously asked questions to suggest possible decision opportunities in our individual discussions with the principals. Because of this and Raiffa's knowledge of CMI, he and I used procedures discussed later in this article to generate a list of approximately seventy-five potential decision opportunities. Here is a sample of our efforts:

• **Develop Products Using CMI as the Laboratory.**

CMI routinely faces a number of common problems that can be resolved by principled negotiation, such as hiring key individuals, specifying the responsibilities of key individuals, and establishing equitable pay scales across individuals. By using its own problems as a laboratory, CMI could develop negotiation aids, case materials, videos, and negotiation simulations that could be used for an external market. This would provide quality service to corporate clients, maintain CMI's reputation, and contribute to several means objectives, such as making intellectual contributions and developing tangible products.

• **Develop a CMI Incentive Program for Product Development.**

Many of the principals had ideas for tangible revenue-producing products for CMI, and they felt that developing such products was important for CMI. The difficulty was freeing the principals' time to pursue product development. We suggested that an incentive program might provide the necessary motivational structure for such development. Consequently, CMI investigated this opportunity and developed a specific plan whereby any professional's time spent on product development will reduce the time that he or she is expected to allocate to generate revenue. Decisions about what products to de-

velop are now made independent of billing time, and sufficient resources are provided for such purposes. Such a plan also acknowledges the individual's full contribution to the firm during product development.

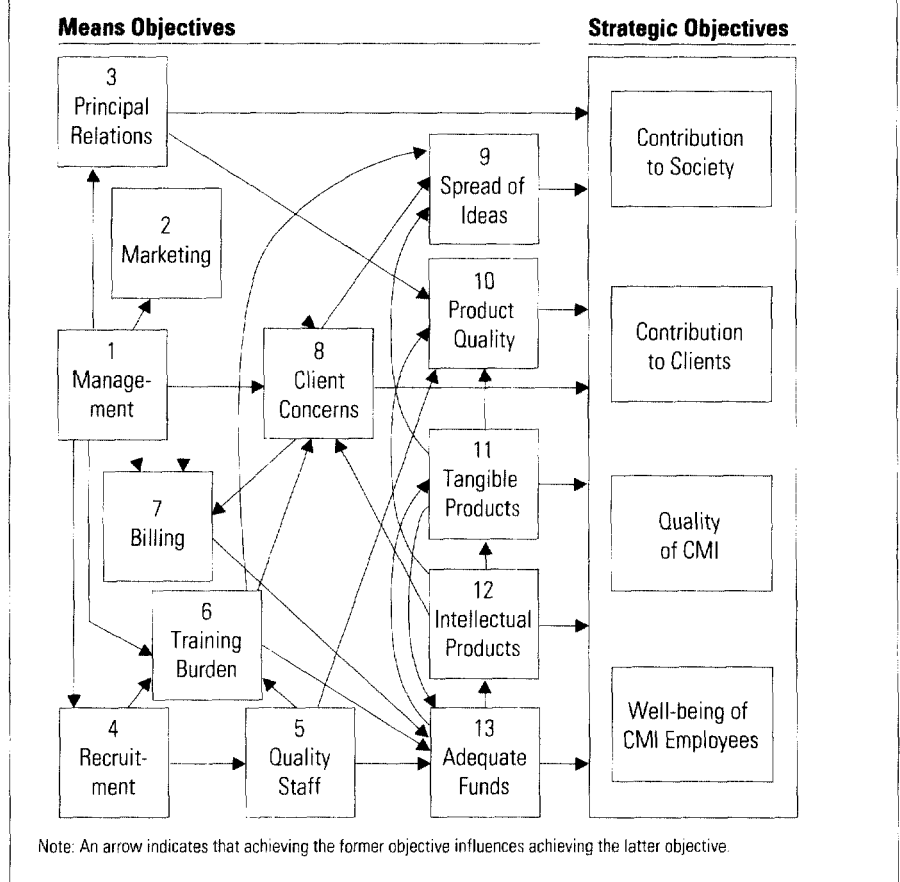
• **Produce Videotapes about Principled Negotiation.**

All of the principals recognized the desirability of one specific product, namely, videotapes on the concepts and art of principled negotiation. Our work clearly indicated how such videotapes would contribute to all of the major strategic objectives listed in Table 2. It would help establish principled negotiation as a way to think, improve education and provide quality service to clients, help maintain CMI's reputation, be interesting and challenging to develop, and contribute economically to the firm. This insight and the incentive program for product development contributed impetus for development of the video "Getting to Yes: The Video Workshop."

• **Replace Principals with New High-Quality Trainers.**

Several principals often work for long periods away from home conducting negotiation training. Why not occasionally replace principals with high-quality trainers who would work part-time? A pool of senior, talented

Figure 2 A Means-Ends Objectives Network for CMI



discussion leaders is available in the Cambridge community (e.g., recently retired teachers from professional schools of management and law). Of course, these substitutes would have to be trained in the philosophy of principled negotiation, but this task may be manageable. If such a program were designed and successfully

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implemented, it would maintain both the quality of the program and training revenue and also free up some of the principals' time.

- **Establish a Training Center in Boston.** A training center would allow individuals from smaller firms unable to afford a dedicated negotiation program to take the training, and it would be an option for individuals at larger firms. It would contribute to CMI revenue, reduce the burden of travel for principals, and provide quality service to additional corporate clients. Related to this recommendation, CMI has decided to license its technology to allow internal trainers to teach principled negotiation in their respective organizations. CMI has recently trained people in Boston for MTV Networks and groups from IBM in both the United States and Japan.

- **Establish a Summer Institute for Interns.** An educational program during the summer for selected students may contribute to many of the objectives. Suppose interns were not required to pay for the program but served in an apprentice role as professional aides to the principals. CMI would be able to identify future employees or even clients, spread the ideas of principled negotiation, and develop a pool of talent to assist principals in pursuing the firm's professional objectives. Interns with a little direction might design the details of the incentive program for product development.

- **Bill on a Value-Added Basis.** Service professionals mostly receive their financial reimbursements based on their time spent. To get a multiplier effect, it is desirable to be reimbursed based on one's contribution. As a simple example, if you worked six months without pause and completed a sophisticated negotiation valued at \$500 million, a small percentage of the \$500 million

would be significantly larger than practically any reimbursement for your time alone. Although value-added billing, in the form of contingency fees, is common in law cases, it is not practiced, and perhaps not practical, in many areas using principled negotiation. This suggests a systematic search for classes of problems where the concept of value-added billing has merit. CMI is actively seeking opportunities to engage in value-added billing in areas such as the formation of industrial alliances and joint ventures as well as in declining manufacturing industries that need restructuring.

This list demonstrates one simple but critical point. Unambiguous and complete statements of strategic objectives and means objectives can be a guide to identifying decision opportunities and creating alternatives that enhance both the likelihood of achieving those objectives and the degree to which the objectives are achieved. This process helps to put the decision maker in control of the decisions being faced rather than leaving that control to others and to happenstance.

## Creating Alternatives

The range of alternatives people identify for a given decision situation is often unnecessarily narrow. We have a tendency in all problem solving to move quickly away from the ill-defined to the well-defined, from constraint-free thinking to constrained thinking. We need to feel, and perhaps even measure, progress toward reaching a "solution" to a decision problem. To get that feeling of progress, we often quickly identify some viable alternatives and proceed to evaluating them without making the effort to broaden the search for alternatives.

The first alternatives that come to mind in a given situation are the obvious ones, those that have been used before in similar situations and those that are readily available. Once a few alternatives — or perhaps only one, such as the status quo — are on the table, they serve to anchor thinking about others. For example, if a headhunter calls to offer you a job in a different city, you automatically compare that job to your current job, and your thinking is anchored to that comparison. But if you are willing to move to another city, there are lots of other jobs and lots of other cities to consider. Most people ignore these. They accept the assumptions implicit in the identified alternatives, and, if they generate alternatives at all, these alternatives tend to be limited to variations on alternatives already identified. Truly creative or different alternatives remain hidden in another part of the mind, unreachable by mere tweaking. Deep and persistent thought is required to jar them into the consciousness.

Focusing on the values that should be guiding the decision situation removes the anchor on narrowly defined alternatives and makes the search for new alternatives a creative and productive exercise. A number of techniques are useful for searching for alternatives or, more precisely, for good alternatives. The principle is that alternatives should be created that best achieve the values specified for the decision situation. Both the qualitative objectives and any quantitative statements of values (e.g., priorities) should be systematically probed to initiate creative thought. Ideally, you want to create the best possible alternative using the least amount of time, effort, and resources. Realistically, in complex decision situations, the practical aim in creating alternatives is to generate a set of very promising ones.

Thinking about how to better achieve fundamental objectives can suggest alternatives. To begin, it is useful to focus on one objective and think of alternatives that might be very desirable if that were the only objective. You should then repeat this for every objective. This exercise is likely to generate many alternatives, most of which would evaluate rather poorly on some objectives other than the one for which it was invented. If this is not the case, you have not been very creative in generating the alternatives. This process should provide a broad range of potential alternatives.

The next step is to consider objectives two at a time and try to generate alternatives that would be good for both. The alternatives you create now are likely to be either refinements or combinations of those created using

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single objectives. Then take three objectives at a time and so on, until all objectives are considered together. Next, examine the alternatives you have generated to see if it is possible to combine any of them into a single alternative.

The means objectives can also stimulate thinking about alternatives. Essentially, any alternative that influences one of the means objectives should influence at least some of the associated fundamental objectives. More complicated decision situations will tend to have more means objectives, which should suggest more alternatives. Consider a rather simple fundamental objective: to maximize profits from the sale of a product. Means

objectives, in this case, might address sales volume, product price, manufacturing cost, distribution cost, and overhead cost. Alternatives could be created that influence each of these.

A decision maker's broadest objectives are the strategic objectives. These provide the foundation for creating any alternatives or identifying any decision opportunities based on values. Sometimes the wide open question of what can be done to contribute to the achievement of each strategic objective is worth pondering. Applying the ideas above to each strategic objective should suggest some worthwhile alternatives. Using the strategic objectives in this way, without a decision context, is much like identifying decision opportunities.

Descriptive research on decision making has made it clear that the processes typically used to arrive at decisions are often not as logical or systematic as we would like them to be.<sup>6</sup> Thus, at the end of a decision process, when you are about to choose an alternative, think about new alternatives once more. At this stage, you know how good that about-to-be-chosen alternative is. You should also have a good idea of the time, money, and effort necessary to implement it. Thus, carefully search for some new alternative that can better achieve the fundamental objectives by using the same or fewer resources in a different way.

## Decision Opportunities

Who should be making your decisions? The answer is obvious: you should. Well then, who should be deciding what decision situations you face and when you face them? The answer is the same: you should. At least you should control far more of the decision situations you face than many of us do. Controlling the decision situations that you face may have a greater influence on the achievement of your objectives than does controlling the alternatives selected for the decisions.

Decision makers usually think of decision situations as problems to solve, not as opportunities to take advantage of. Thus, it is not surprising that decision makers do not systematically hunt for decision situations. Who needs yet another problem? One of the main ideas of value-focused thinking is that you may need another "problem" — because a decision problem may not be a problem at all but an opportunity. A decision opportunity may alleviate some other decision problems or perhaps allow you to avoid future problems. In this sense, recognizing and following up on decision opportunities is analogous to prevention, whereas dealing with decision problems is analogous to cure.

There are two ways to create decision opportunities. One way is to convert an existing decision problem into a decision opportunity. Often this involves broadening the context of the problem.<sup>7</sup> You could change your decision problem from whether to spend a two-week vacation in Montana or Hawaii to how to utilize a resource of two weeks' time. The other way to create decision opportunities is from scratch. You use your creative genius, which can be stimulated by value-focused thinking, to examine whether and how you can better achieve your objectives.

An organization's strategic objectives are the foundation from which decision opportunities can be identified. But how many organizations have carefully written down and organized their strategic objectives? In how many organizations do the employees know and understand the organization's strategic objectives? The answer to both questions is "very few." The chance to state and clarify these strategic objectives is itself a decision opportunity.

The decision maker should develop specific procedures to routinely search through each of the strategic objectives for decision opportunities. Some of these procedures should be independent of decision situations currently being addressed. For example, it may be useful to set up a procedure of seeking potential decision opportunities at the monthly board meeting and a monthly employee meeting. To put this procedure into operation, the decision maker will have to unambiguously state and structure the strategic objectives. Then, each month the decision maker should verify that the strategic objectives are appropriate and make any necessary changes. There should usually be no changes since we are talking about broad, high-level objectives. Then, the decision maker should use each strategic objective to help think of decision opportunities to do things better.

Decision opportunities can be very helpful when you do not have direct control over a decision that you care about. In an important class of such decisions, one stakeholder wishes to have a certain alternative selected, but a different stakeholder has the power to make the decision. A firm hopes its proposal to supply a product to another firm will be accepted, a government wants another government to sign an agreement, an executive wants his proposal for a sabbatical accepted by the organization, and so on.

Suppose you are the stakeholder who wants a particular alternative selected by another stakeholder, whom I will now refer to as the decision maker. You should recognize your opportunity to take control of the situation. Rather than simply allowing the decision maker to choose an alternative that may not be the one you de-

sire, you should create alternatives that modify your desired alternative so that it maintains its essential features for you and is better than the existing alternatives for the decision maker.

The key to "solving" a problem of this nature is to view it from the perspective of the decision maker. First, structure her values as much as possible. Indeed, she should have little objection to your efforts in this regard, as she may end up better off as a result. In this process, begin by identifying the negative impacts of your desired alternative relative to the status quo in terms of her values. These impacts probably affect the means objectives. Follow their implications through a means-ends objectives hierarchy to the fundamental objectives of the decision maker. Now you should be able to create modified alternatives that can improve matters in terms of her fundamental objectives while maintaining the key consequences desired by you. In many cases, the modified alternatives should be better than the status quo to the decision maker. It is worth noting that the strategic objectives of a decision maker are likely much broader than the set of fundamental objectives influenced by your desired alternative. Thus, an alternative distinct from the original alternative may be used to satisfy her fundamental objectives when used in conjunction with the original alternative. For example, you and your department head may have different preferences for your flexible summer work schedule. You may volunteer to coordinate the departmental United Way effort in conjunction with your preferred schedule, which your department head may like better than selecting her preferred schedule only.

From your perspective, the decision alternatives include the status quo and any others you can create. From the decision maker's perspective, the alternatives are the status quo and the alternative that you are suggesting. The problem may be characterized as an *empathetic negotiation*. You negotiate for the other side and make sure the decision maker gets enough to be willing to support your desired alternative, and you negotiate for your side as well.

This situation may also be viewed as removing constraints to action. The interplay between the descriptive and prescriptive aspects of decision making in empathetic negotiations is interesting. You are essentially using your description of the decision maker's values both to create new alternatives and as a basis for negotiating her position prescriptively. Also, you are trying to balance overall impacts on the decision maker and overall impacts on you in a manner that is prescriptively reasonable to you, and that the decision maker will view as



descriptively fair and responsible. In simple terms, your goal is to create a win-win alternative.

## Value-Focused Thinking and Your Organization

In addition to CMI, value-focused thinking has been applied at several other organizations in different contexts: coordinating decisions in all the functional departments at the British Columbia Hydro and Power Authority;<sup>8</sup> deciding whether to develop the coal reserves in a pristine rainforest in Sabah, a Malaysian state in Borneo;<sup>9</sup> designing and evaluating wastewater treatment strategies for the Municipality of Metropolitan Seattle; and defining strategic objectives for the California Seismic Safety Commission.

Clearly, value-focused thinking may be useful to organizations as well as individuals. Clarifying and explicitly stating your organization's strategic objectives should have a high benefit-to-effort ratio. Even if your organization has a mission statement and list of organizational goals, making these more explicit by writing specific objectives down and organizing them should lead to further clarification. These strategic objectives will not only help you make wiser decisions but, more important, they should help you recognize and create new decision opportunities.

Initially, it may be difficult to articulate, review, and revise your objectives. It may appear that members of management have different concepts of the organization's objectives. If this is true, finding this out and taking time to come to an agreement is absolutely crucial. If the apparent conflicts are not real, the improved understanding is still crucial. You may get the feeling that you are using valuable time and not "solving" your decision problems when you are just thinking about and structuring your objectives. You may feel it is merely a hypothetical philosophical exercise to articulate your values, whereas the decision problems facing you are real. But thinking about values, whether or not you call it an exercise, can help with the real decisions you face. One good decision opportunity can repay you very handsomely in both time and money for "exercising."

As you gain experience, thinking about your objectives should get easier and the results should get better.

There are three reasons for this. First, as with all endeavors, practice makes perfect, or at least, practice makes better. If you articulate your values in easy decision situations, you will be prepared to do it in harder situations. Second, as you structure your values, you will necessarily tackle some complex and involved value issues. As you sort these out, you will have a better understanding of your values, which will make it easier to clarify difficult value issues. Third, as you continue to structure and understand your values, they will begin to form a coherent pattern. The frames of reference you develop over time will facilitate thinking about your values in new contexts.

To recapitulate, value-focused thinking will help you in three major ways: to recognize and identify decision opportunities, to create better alternatives for your decision problems, and to develop an enduring set of guiding principles for your organization. ♦

## References

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