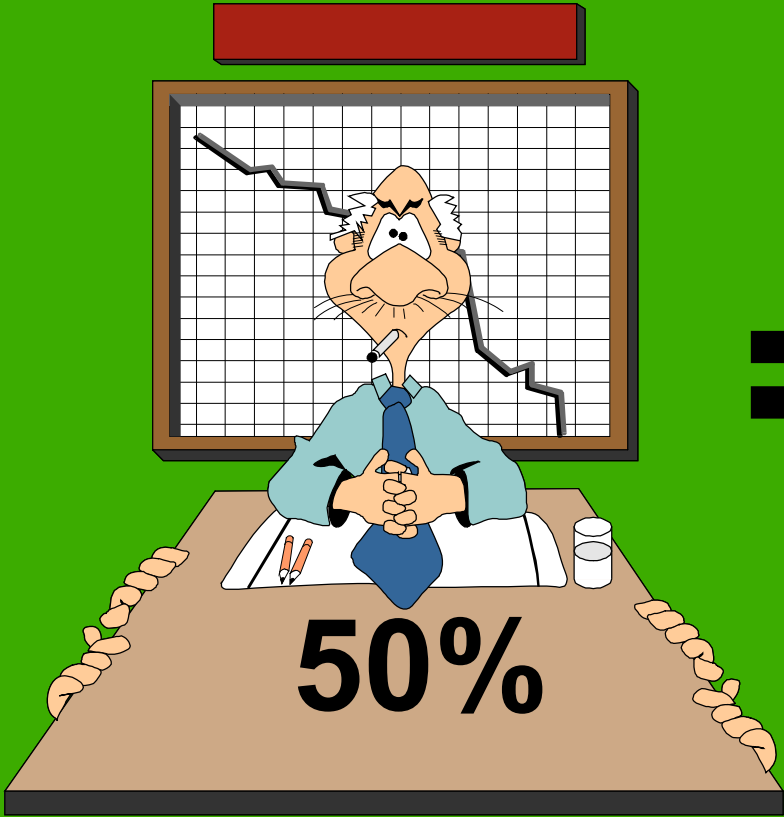


Valuing Decision Analysis

James Mitchell
TransCanada PipeLines
January 1999

Half of the business decisions made in North America...fail

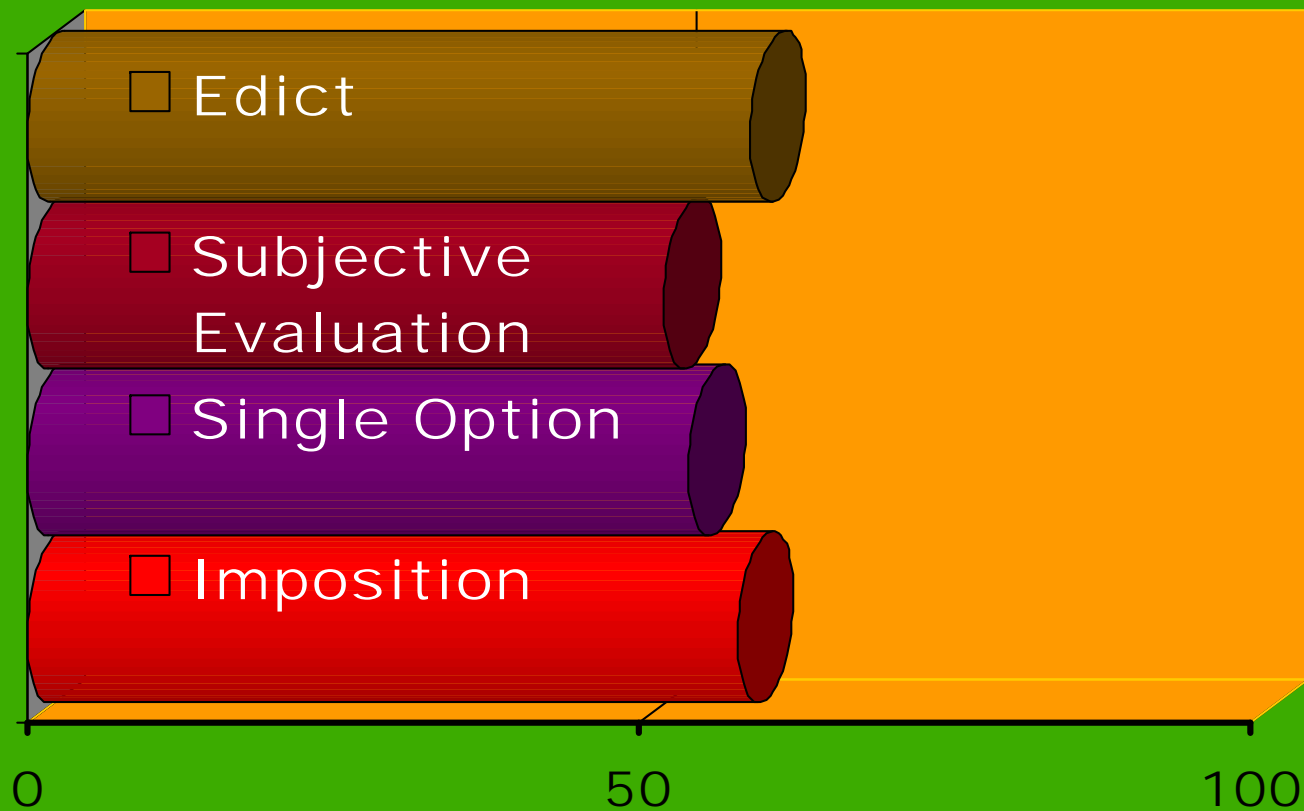


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Big Money

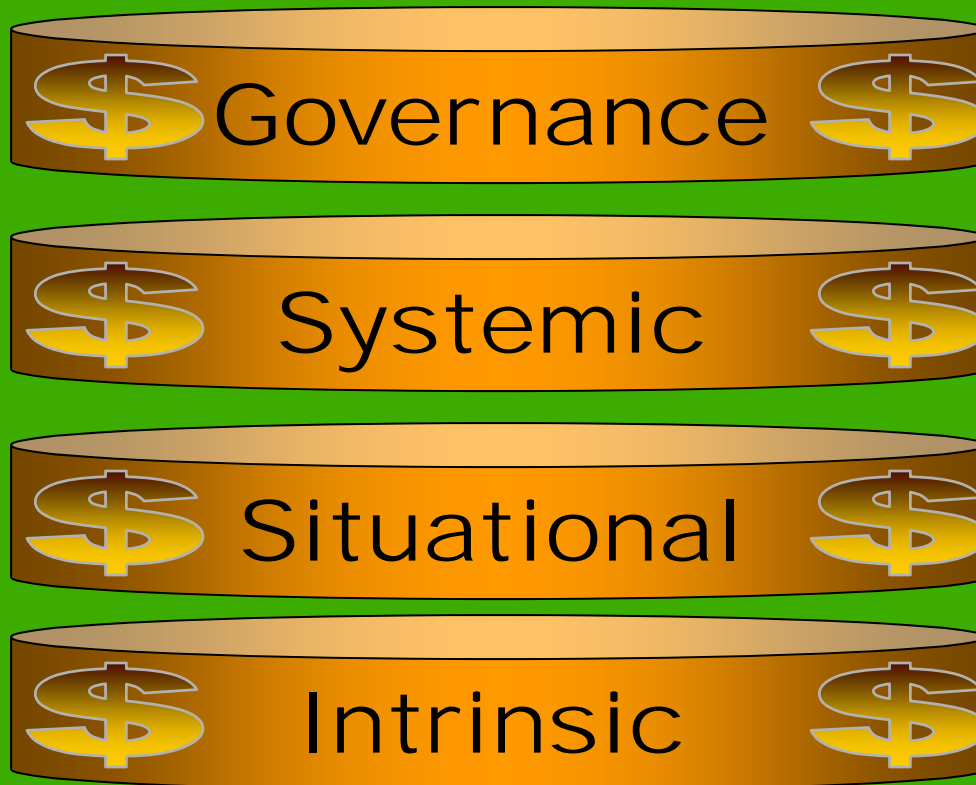
Why Decisions Failed



What value are we adding to
our companies?



Value of DA to a Corporation



Value from a single decision situation



Intrinsic Value

- Expected Value
- Expected Value of Incorporating Uncertainty
- Value of Information
- Value of Control
- Option Value

Value from actions in a specific decision situation

- Higher Value Alternatives
- Commitment to Implement
- Efficiency

Corporations are more than
the sum of the individuals



Corporate value from systemic behaviour

- Value from clear standards
- Common language
- Portfolio Effects
- Value from a culture of empowerment and trust

Shareholder value from a decision management system

- Due Diligence
- Decision Performance Measures
- Corporate Governance

This afternoon's schedule

- Kodak
- GM
- Delta Airlines
- Chevron
- **Break** >
- Bob Clemen
- Panel