

# Decision

## Architecture™

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Eliminating Decision Bottlenecks.

Brand · Product · Systems · Capital

R-D-V-E-I Model™ · Decision Quality Engine™ · 5 Operational Modules

3 Implementation Phases: Diagnose · Design · Activate

Decision Health Index™ · Decision Maturity Benchmark™

DA™

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# The Central Thesis

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The problem is not making more decisions. It is knowing where authority resides.

Most organisations confuse participation with authority. Involving more people in a decision does not mean governing it better. Consensus and authority are not the same thing — and conflating them is one of the most consistent sources of organisational friction, executive overload, and strategic drift.

A decision is properly governed when five elements are unambiguous. When any one of these is unclear, the decision stalls, duplicates, or escalates — consuming time, trust, and executive capacity that should be directed elsewhere.

**01****Recommend**

Formulates the proposal. Collects information. Prepares options.

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**02****Decide**

Holds final authority. Assumes full accountability for the outcome.

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**03****Validate**

Verifies coherence, risk, and compliance. Strengthens the decision.

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**04****Execute**

Implements the decision. Accountable for delivery.

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**05****Inform**

Receives information. Must be aligned to prevent downstream friction.

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*"A strategy does not become execution until the decisions that govern it are by design."*

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# When the System Is Needed

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Eight symptoms that signal a decision architecture problem.

Organisations do not become slow because they grow. They become slow when authority is no longer clear.

## 01 Founder Bottleneck

Every consequential decision requires the founder or CEO. Growth increases dependency rather than reducing it.

## 02 Executive Misalignment

The management team does not function as a unified decision system. Different functions interpret strategy and authority differently.

## 03 Slow Decisions

Decisions take too long. The constraint is not information — it is ambiguity in the decision process itself.

## 04 Meeting Inflation

Meetings multiply; decisions do not. The organisation discusses extensively but resolves rarely.

## 05 Escalation Overload

Too many decisions reach the top. The CEO becomes the resolution mechanism for every ambiguity.

## 06 Duplicate Decisions

Multiple functions take similar decisions without coordination, producing conflict, rework, and loss of trust.

## 07 Post-Acquisition Confusion

Following an acquisition, two organisations bring different decision systems. Who decides what becomes structurally ambiguous.

## 08 Scale-Up Complexity

The company grows but continues to decide as a small organisation. Structure scales faster than governance.

*"Growth amplifies decision defects. The bottlenecks invisible at 50 people become existential at 500."*

# Why Decision Systems Fail

Five causes. One systemic loop.

Every failure traces back to the same structural defect: unclear ownership.

## 01 Authority Ambiguity

No single owner. Decision floats between functions without resolution.

## 02 Escalation Overload

Everything rises. Nothing resolves at the operating level.

## 03 Meeting Inflation

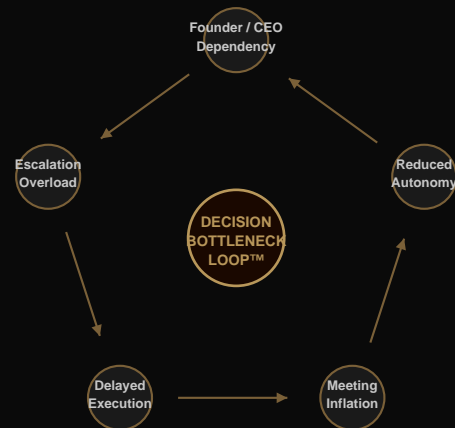
Discussion replaces decision. Forums consume without producing outcomes.

## 04 Duplicate Decisions

Two functions decide the same question differently, producing conflict.

## 05 Founder Dependency

Organisational autonomy never scales beyond the founding individual.



*"Every escalation is a governance signal. It tells you where authority has not been assigned."*

# The Cost of Decision Friction

Unclear authority has a measurable cost.

Decision friction is a structural tax imposed on every function, every quarter. Impact levels are qualitative, derived from structural analysis across founder-led and institutional organisations.

DIMENSION	DESCRIPTION	IMPACT
Revenue Growth	Authority gaps slow launch cycles and create rework.	HIGH
Execution Speed	Escalation overload extends decisions from days to weeks.	CRITICAL
Leadership Capacity	CEO absorbs decisions that should be delegated.	HIGH
Employee Trust	Unclear ownership erodes initiative and autonomy.	MEDIUM
Org. Complexity	Duplicate decisions amplify coordination cost.	HIGH

Impact levels — High / Critical / Medium — represent relative severity based on structural governance patterns. Each dimension is addressed directly by the Decision Architecture System™.

# Scientific Foundations

Forty years of decision science, distilled into one operating system.

The system is not invented. It is synthesised from a convergent body of research. The researchers below independently identified the same structural problem: organisations fail not because they lack information, but because they lack clarity on who decides.

## Herbert Simon

Bounded Rationality · 1947

Decisions are never made with perfect information. Organisations must design decision structures that compensate for cognitive limits. Decision quality is a system property, not an individual one.

## James March & Richard Cyert

A Behavioural Theory of the Firm · 1963

Organisations are coalitions with competing interests. Decision authority must be explicitly assigned — not assumed to emerge from hierarchy or goodwill.

## Henry Mintzberg

The Structuring of Organisations · 1979

Without deliberate design, authority clusters — creating bottlenecks at the top and paralysis below. Structure follows strategy; governance must follow structure.

## Kathleen Eisenhardt

Speed and Strategic Decision Making · 1989–1999

High-performing executive teams make faster decisions by establishing clear roles before the decision arises. Speed is a design outcome, not a personality trait.

## Daniel Kahneman

Thinking, Fast and Slow · System 1 / System 2 · 2002

Fast intuitive judgement (System 1) and deliberate analytical reasoning (System 2) must coexist. Governance design must accommodate both modes — not suppress one in favour of the other.

## Bain RAPID Framework — Comparative Reference

The Bain RAPID model assigns decision roles across five categories: Recommend, Agree, Perform, Input, and Decide. The R-D-V-E-I Model™ extends beyond role assignment by introducing governance accountability at each stage — validating coherence and risk before authority is exercised, and measuring execution after. Where RAPID clarifies who, Decision Architecture™ governs how well.

*"Most organisations do not suffer from a lack of information. They suffer from unclear ownership."*

## Gary Klein

Recognition Primed Decision Model · 2009

Expert decision-makers often recognise patterns before they analyse them. Governance frameworks must preserve space for experienced judgement, not replace it with process.

## Annie Duke

Decision Quality · 2015

Good decisions and good outcomes are not always the same thing. Evaluating decision quality requires examining the process, not just the result.

## John Boyd

OODA Loop · Observe · Orient · Decide · Act

Speed emerges from learning loops, not from haste. Organisations that cycle through observation and orientation faster than their environment outperform those that optimise for certainty.

## Jay Galbraith

Designing Organisations · 1995–2014

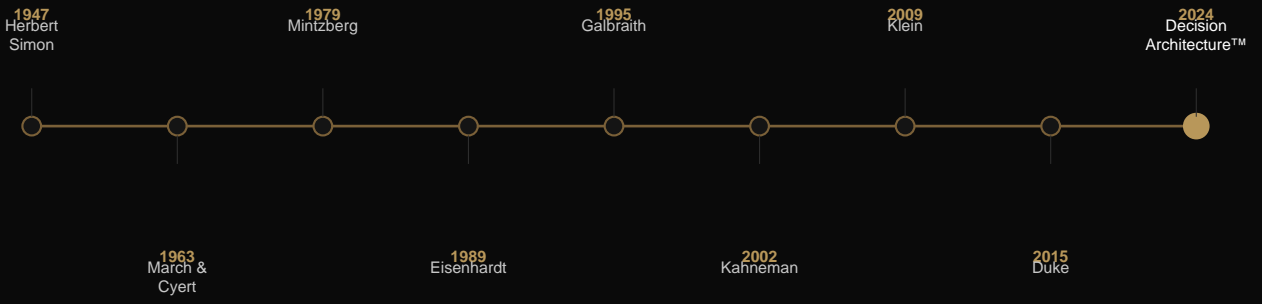
When decisions exceed a node's capacity, escalation overload follows. The solution is governance design — not more meetings, not more people.

## OECD

G20/OECD Governance Principles · 2015, revised 2023

Institutional governance requires documented decision rights, clear escalation protocols, and monitored accountability. These are operating standards for any organisation that intends to scale.

DECISION SCIENCE EVOLUTION™



1947 to present: from Bounded Rationality to Decision Architecture™

# System Architecture

Five operational modules. One complete system.

Each module produces a discrete artefact. Together they form an operating infrastructure.

## 01 MAP — Decision Inventory™

Identify the critical decisions that determine performance, growth, risk, and coherence.

Output: Decision Register™

## 02 ASSIGN — Decision Rights Mapping™

Assign authority, validation, and execution through the R-D-V-E-I Model™.

Output: Decision Rights Matrix™

## 03 DEFINE — Escalation Architecture™

Define what escalates, what stays at operating level, and what must be delegated.

Output: Escalation Protocol™

## 04 STRUCTURE — Governance Forum Architecture™

Transform meetings into decision-owning forums with clear mandate and cadence.

Output: Governance Forum Map™

## 05 MEASURE — Decision Performance Dashboard™

Track quality, speed, execution rate, and organisational effort over time.

Output: Decision Performance Dashboard™

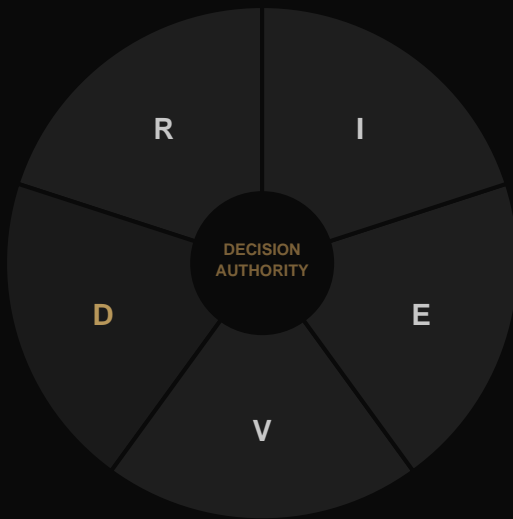
### DECISION SYSTEM FLOW™



# The R-D-V-E-I Model™

Participation is not authority.

The R-D-V-E-I Model™ is the governing framework at the centre of the system. It clarifies the structural difference between participating in a decision, contributing to it, validating it, owning it, and executing it. Most decision-making failures originate from conflating these roles.



## **R Recommend** Analytical · Strategic context

Formulates the proposal and prepares options. Does not hold authority.

## **D Decide** Authority · Accountability

Holds final authority. Assumes full accountability. Closes the decision. Cannot be diffused across a group.

## **V Validate** Risk · Compliance · Quality

Verifies coherence, risk, impact, or compliance. Makes the decision more robust before closure.

## **E Execute** Delivery · Operational

Implements the decision. Accountable for delivery and timeline, not for the decision itself.

## **I Inform** Alignment · Visibility

Receives information. Does not participate in the decision. Must be aligned to prevent downstream friction.

ROLE	CONTEXT	DEFINITION
<b>R Recommend</b>	Analytical · Strategic context	Formulates the proposal and prepares options. Does not hold authority.
<b>D Decide</b>	Authority · Accountability	Holds final authority. Assumes full accountability. Closes the decision. Cannot be diffused across a group.
<b>V Validate</b>	Risk · Compliance · Quality	Verifies coherence, risk, impact, or compliance. Makes the decision more robust before closure.
<b>E Execute</b>	Delivery · Operational	Implements the decision. Accountable for delivery and timeline, not for the decision itself.
<b>I Inform</b>	Alignment · Visibility	Receives information. Does not participate in the decision. Must be aligned to prevent downstream friction.

The model is role-based, not title-based. Seniority does not automatically confer decision authority. The R-D-V-E-I assignment is explicit, documented, and reviewed.

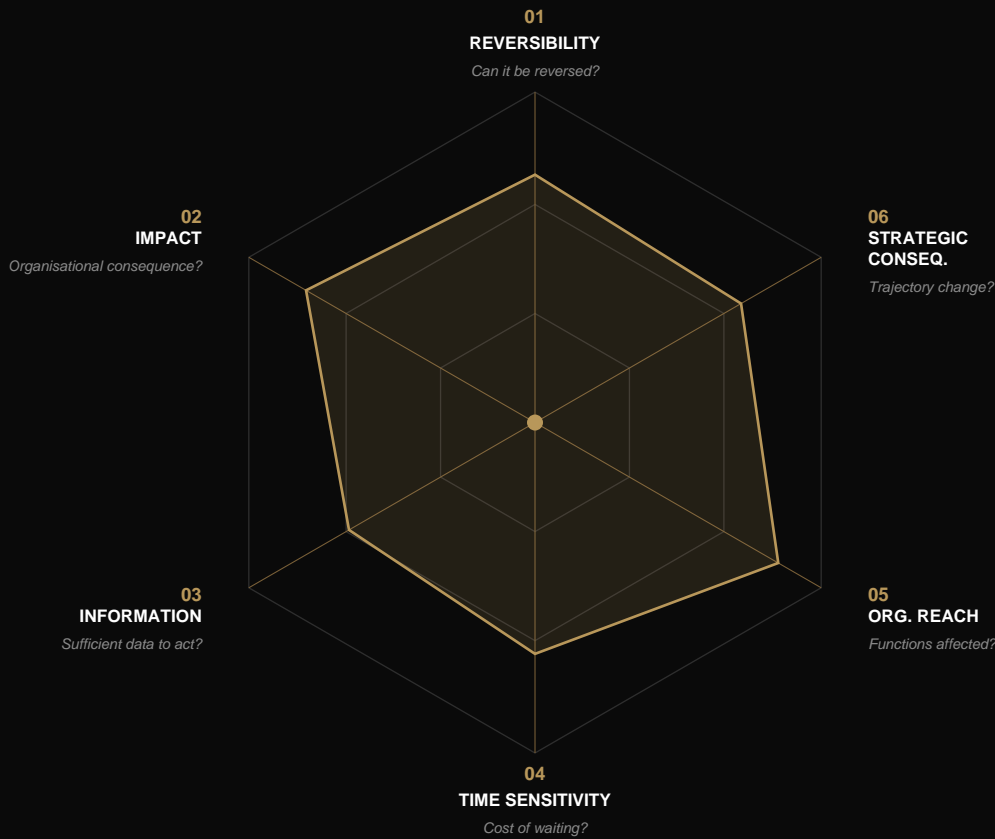
# Decision Quality Engine™

The architecture that improves decision quality before governance begins.

Governance determines who decides. Decision quality determines whether the decision is worth making. Most organisations focus on authority. High-performing organisations focus on judgement.

The objective of the Decision Quality Engine™ is to increase decision quality before authority is exercised. A decision may be perfectly governed and still be poorly constructed. The six dimensions below provide a structured lens through which any decision can be evaluated before it enters the governance system.

## DECISION QUALITY FRAMEWORK™ — D.Q.F.™



Hexagonal radar model. Six quality dimensions evaluated before governance is exercised. The filled zone represents a sample organisation profile.

DIMENSION	QUESTION	RISK IF IGNORED	GOVERNANCE RESPONSE
<b>01 REVERSIBILITY</b>	Can the decision be reversed?	Type 1 errors: irreversible harm at scale.	Increase validation layers. Require D + V alignment.
<b>02 IMPACT</b>	How large is the organisational consequence?	Governance waste on low-stakes issues.	Calibrate governance intensity to impact level.
<b>03 INFORMATION SUFFICIENCY</b>	Do we possess enough information to act?	Action without sufficient basis — or paralysis.	Define confidence threshold. Set review trigger.
<b>04 TIME SENSITIVITY</b>	What is the cost of waiting?	Missed opportunity cost. Market position ceded.	Establish time-box. Assign urgency tier.

<b>05 ORGANISATIONAL REACH</b>	How many functions will be affected?	Coordination failure. Rework and conflict.	Escalate to cross-functional forum.
<b>06 STRATEGIC CONSEQUENCE</b>	Does the decision change the trajectory of the organisation?	Strategic drift. Identity erosion.	Escalate to executive or board forum.

Decision Quality Matrix™ — Six dimensions evaluated before authority is exercised. Governance response is calibrated to quality dimension outcome.

**SIX DIMENSIONS — EXPANDED**

<p><b>01</b> <b>REVERSIBILITY</b></p> <p><i>Can the decision be reversed?</i></p> <p>The more irreversible a decision becomes, the more governance, validation, and evidence it requires before closure.</p> <p>Ref: Amazon Type 1 / Type 2 Decision Framework</p>	<p><b>02</b> <b>IMPACT</b></p> <p><i>How large is the organisational consequence?</i></p> <p>Impact determines governance intensity. Not every decision deserves executive attention. Proportionality is a governance design principle.</p>
<p><b>03</b> <b>INFORMATION SUFFICIENCY</b></p> <p><i>Do we possess enough information to act?</i></p> <p>Perfect information never exists. The objective is not certainty. The objective is informed action at an acceptable confidence threshold.</p> <p>Ref: Herbert Simon — Bounded Rationality</p>	<p><b>04</b> <b>TIME SENSITIVITY</b></p> <p><i>What is the cost of waiting?</i></p> <p>Many organisations optimise for certainty and sacrifice speed. Delay itself is often a decision — with its own cost and consequences.</p> <p>Ref: Kathleen Eisenhardt — Fast Strategic Decision Making</p>
<p><b>05</b> <b>ORGANISATIONAL REACH</b></p> <p><i>How many functions will be affected?</i></p> <p>The wider the organisational reach, the higher the coordination requirements. Cross-functional impact triggers governance escalation.</p>	<p><b>06</b> <b>STRATEGIC CONSEQUENCE</b></p> <p><i>Does the decision change the trajectory of the organisation?</i></p> <p>Some decisions affect performance. Others affect identity. Strategic consequence determines the depth of governance required.</p>

# Implementation

Three phases to operationalise decision governance.

Diagnose. Design. Activate.

## PHASE 01 Diagnose

Understand how the organisation currently decides — and where it fails.

ACTIVITIES	OUTPUTS
— Executive interviews	→ Decision Register™
— Analysis of existing decision forums	→ Decision Bottleneck Map™
— Inventory of critical decisions	→ Decision Friction Report™
— Identification of decision bottlenecks	→ Escalation Load Analysis™
— Escalation pattern mapping	
— Duplicate decision analysis	
— Meeting-to-decision ratio analysis	

## PHASE 02 Design

Architect the decision system the organisation needs — not the one it has.

ACTIVITIES	OUTPUTS
— Decision rights assignment via R-D-V-E-I Model™	→ Decision Rights Matrix™
— Escalation protocol design	→ Escalation Protocol™
— Forum mandate definition	→ Governance Forum Map™
— Executive cadence design	→ Executive Cadence Design™

## PHASE 03 Activate

Deploy, train, and embed the new system across the organisation.

ACTIVITIES	OUTPUTS
— Protocol rollout with leadership team	→ Decision Protocol Rollout™
— Forum activation and mandate launch	→ Forum Activation Plan™
— Leadership decision guide distribution	→ Leadership Decision Guide™
— 90-day review design	→ 90-Day Decision Review™

# Operating Artefacts

Operational tools, not theoretical frameworks.

Every module produces a working document — owned, reviewed, and embedded.

## A — DECISION REGISTER™

DECISION	FREQUENCY	IMPACT	CURRENT OWNER	DESIGNATED OWNER	ESCALATION	EXEC. RISK
Product Launch	Quarterly	High	CPO + CEO	CPO	High	High
Market Expansion	Annual	Critical	CEO + Board	CEO	High	High
Key Hire	Monthly	Medium	CEO	CHRO	Medium	Medium
Investment Approval	Ongoing	Critical	CEO + CFO	CFO	High	Medium
Pricing Change	Quarterly	High	CMO + CEO	CMO	Medium	High
Strategic Partnership	Occasional	High	CEO	CEO	High	Medium
Portfolio Decision	Annual	Critical	Board	Board	Critical	High

## B — DECISION RIGHTS MATRIX™

DECISION AREA	RECOMMEND (R)	DECIDE (D)	VALIDATE (V)	EXECUTE (E)	INFORM (I)
Product Launch	CPO	CEO	CFO	CPO	Board
Investment Approval	CFO	CEO / Board	Legal	CFO	Exec Team
Key Hire (Senior)	CHRO	CEO	BU Head	CHRO	Board
Pricing Change	CMO	CMO	CFO	Sales	CEO
Market Expansion	CCO	CEO	CFO + Legal	CCO	Board
Strategic Partnership	BD Lead	CEO	CFO + Legal	BD Lead	Board

Principle: Participation is not authority. — R-D-V-E-I Model™

# Escalation & Governance Forums

What escalates. What is governed. What is delegated.

The protocol eliminates ambiguity before the decision arises.

## C — ESCALATION PROTOCOL™

TRIGGER	THRESHOLD	DECISION LEVEL	REQUIRED FORUM	RESPONSE
Financial Impact	Above defined capex/opex threshold	CEO / CFO	Investment Committee	48h
Strategic Impact	Changes direction, market or positioning	CEO + Exec Team	Executive Decision Forum	72h
Risk Exposure	Legal, reputational, operational or financial risk	CEO + Legal / CFO	Executive Decision Forum	24h
Cross-Functional Conflict	Two functions with partial authority, unresolved	COO / CEO	Operating Review	48h
Brand / Product Integrity	Impact on identity, quality or system coherence	CEO + CPO	Product Governance Board	72h
Board Requirement	Governance mandate or legal obligation	Board	Board / Ownership Forum	Per cadence

## D — GOVERNANCE FORUM MAP™

Every forum must own a decision type.

<b>Board / Ownership Forum</b>	Strategic direction, capital allocation, ownership decisions.	<b>Quarterly</b>
↓ <b>Executive Decision Forum</b>	Cross-functional, high-impact decisions. Executive conflict resolution.	<b>Bi-weekly</b>
↓ <b>Functional Governance Boards</b>	Product, Growth, Investment, Operating — each owns a decision domain.	<b>Monthly</b>
↓ <b>Operating Reviews</b>	Performance, execution, risks, and short-term priorities.	<b>Weekly</b>
↓ <b>Execution</b>	Implementation only — no decisions required, only accountability.	<b>Ongoing</b>

Principle: Every forum must own a decision type. — Governance Forum Architecture™

# Decision Health Index™

A single indicator of decision system quality.

The Decision Performance Dashboard™ tracks nine operational metrics. The Decision Health Index™ synthesises them into a single composite score — a real-time indicator of decision infrastructure quality. The index does not measure organisational performance. It measures the quality of the decision system itself.



RANGE	STATUS	INTERPRETATION
0 – 30	<b>Critical</b>	Decision infrastructure is dysfunctional. Immediate intervention required.
31 – 55	<b>Low</b>	Significant governance gaps. Escalation and duplication are systemic.
56 – 70	<b>Moderate</b>	Governance framework exists. Execution consistency is inconsistent.
71 – 85	<b>Strong</b>	Decision system is functional and measured. Optimisation in progress.
86 – 100	<b>Optimal</b>	Decision infrastructure is a competitive advantage. Institutionalised.

# Decision Performance Dashboard™

A decision system that is not measured is not a system. It is a design intention.

The Decision Performance Dashboard™ tracks nine metrics across quality, speed, execution, and organisational effort. Each metric is owned, reviewed on a defined cadence, and compared against a target state. Without measurement, governance remains aspirational.

METRIC	DEFINITION	CURRENT	TARGET	TREND	CADENCE	OWNER
Decision Speed	Average time between opening and closing a critical decision.	—	—	—	Monthly	COO
Decision Quality	Decision is informed, coherent, and contextually appropriate.	—	—	—	Quarterly	CEO
Execution Rate	Decisions implemented within the committed timeline.	—	—	—	Monthly	COO
Escalation Load	Decisions that unnecessarily reach the executive level.	—	—	—	Monthly	CEO
Decision Rework	Decisions reopened, revised, or reversed after closure.	—	—	—	Quarterly	COO
Decision Duplication	Decisions taken by multiple parties without coordination.	—	—	—	Quarterly	CPO
Meeting/Decision Ratio	Meetings required to reach a single decision.	—	—	—	Monthly	COO
Ownership Clarity	Clarity on who owns each critical decision.	—	—	—	Quarterly	CEO
Organisational Effort	Total organisational effort consumed in the decision process.	—	—	—	Quarterly	COO

Better decisions. Faster decisions. Less organisational friction.

# Decision Maturity Model™

Four stages. One destination. Where does your organisation sit today?

Every organisation occupies a stage in its decision maturity. The model is diagnostic, not prescriptive. It locates where an organisation currently operates — and defines what a governed state requires. Most organisations sit at Stage 2. The gap to Stage 4 is not a technology problem. It is a design problem.

<h2>01 Informal</h2> <p>Decisions depend on personal relationships, proximity, and habit. High velocity in small teams. Zero scalability beyond them.</p> <ul style="list-style-type: none"> <li>· Authority implicit</li> <li>· No documented rights</li> <li>· Speed: situational</li> </ul>	<h2>02 Ambiguous</h2> <p>Decisions involve many people. Authority, validation, and execution are not clearly separated. The system slows as the organisation grows.</p> <ul style="list-style-type: none"> <li>· Participation ≠ authority</li> <li>· Escalation begins</li> <li>· Speed: declining</li> </ul>	<h2>03 Structured</h2> <p>Critical decisions are mapped. Decision rights are explicit. Forums have mandates. Escalation is regulated.</p> <ul style="list-style-type: none"> <li>· Rights documented</li> <li>· Forums mandated</li> <li>· Speed: recovering</li> </ul>	<h2>04 Governed</h2> <p>The decision system is monitored. Quality, speed, and execution are measured. The organisation decides without depending on a single individual.</p> <ul style="list-style-type: none"> <li>· Full R-D-V-E-I</li> <li>· Dashboard active</li> <li>· Speed: optimised</li> </ul>
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### DECISION MATURITY CURVE™



*"Most organisations sit at Stage 2. The gap to Stage 4 is not a technology problem. It is a design problem."*

# Decision Maturity Benchmark™

Where does your organisation stand relative to its peers?

The benchmark maps four archetypal organisational profiles against decision maturity indicators. It provides a reference frame for executive teams seeking to locate their current state and define their target architecture.

STAGE	PROFILE	CHARACTERISTICS	DECISION INDICATORS
<b>Stage 1</b>	<b>Founder-Led Startup</b>	Informal · Founder-centric · Fast but fragile	<ul style="list-style-type: none"> <li>· All authority with founder</li> <li>· No documented rights</li> <li>· Decisions fast but idiosyncratic</li> <li>· Zero governance infrastructure</li> <li>· High founder dependency</li> </ul>
<b>Stage 2</b>	<b>Growing SME</b>	Authority ambiguity · Escalation overload · Meeting inflation	<ul style="list-style-type: none"> <li>· Authority unclear below CEO</li> <li>· Escalation becomes systemic</li> <li>· Meeting volume rises</li> <li>· Decision duplication begins</li> <li>· No escalation protocol</li> </ul>
<b>Stage 3</b>	<b>Structured Scale-Up</b>	Decision rights mapped · Forums established · Escalation regulated	<ul style="list-style-type: none"> <li>· R-D-V-E-I partially deployed</li> <li>· Decision forums active</li> <li>· Escalation thresholds defined</li> <li>· Measurement begins</li> <li>· Governance still inconsistent</li> </ul>
<b>Stage 4</b>	<b>Institutional Enterprise</b>	Measured · Monitored · Governed · Scalable	<ul style="list-style-type: none"> <li>· Full R-D-V-E-I deployment</li> <li>· Dashboard active</li> <li>· Health Index tracked</li> <li>· Governance embedded in culture</li> <li>· Decisions as competitive advantage</li> </ul>

# Executive Case Simulation

Before Governance. After Governance.

The following simulation illustrates the measurable difference between an organisation operating without a defined decision architecture and one that has fully deployed the R-D-V-E-I Model™ with supporting governance infrastructure.

## BEFORE GOVERNANCE

No decision architecture deployed.

## AFTER GOVERNANCE

R-D-V-E-I deployed. Governance architecture active.

<b>Decision Owner</b>	Multiple, undefined	<b>Decision Owner</b>	Single documented owner — R-D-V-E-I assigned
<b>Forums Required</b>	12 meetings across 4 weeks	<b>Forums Required</b>	1 decision forum — mandate-driven
<b>Time to Decision</b>	4 weeks average	<b>Time to Decision</b>	72 hours
<b>Escalation Pattern</b>	Everything reaches CEO	<b>Escalation Pattern</b>	Controlled — threshold-based
<b>Accountability</b>	Distributed / unclear	<b>Accountability</b>	Single owner — explicit and documented
<b>Decision Rework</b>	Frequent — authority contested	<b>Decision Rework</b>	Rare — validated before closure
<b>Executive Capacity</b>	CEO consumed by operational decisions	<b>Executive Capacity</b>	CEO operates at strategic level
<b>Outcome</b>	Decisions stall, duplicate, or reverse	<b>Outcome</b>	Decision closed, executed, and measured

<p><b>-75%</b> Decision Time</p>	<p><b>×12→1</b> Forums Required</p>	<p><b>Single</b> Accountable Owner</p>	<p><b>72h</b> Governance Cycle</p>
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# Closing Statement

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A decision does not become governance because it is discussed. It becomes governance when it is clear who owns it, who validates it, who executes it, and how it is measured.

The Decision Architecture System™ transforms the decision from an isolated event into an organisational infrastructure. The objective is not to make more decisions. It is to build a system capable of deciding — consistently, clearly, and at the speed that growth demands.

## DESIGNED FOR

Founder Bottleneck

Scaling Complexity

Post-Acquisition Integration

Family Business Transition

Executive Team Misalignment

Product or Brand Complexity

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Activate the system → [virgili.studio](https://virgili.studio)

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