

Virtual Learning Bites

A fast and effective way of learning

NavIncerta
Navigating uncertainty



"I found the introductory video very useful to get rapidly a good grasp of the approach."

"Awesome. This is so helpful."

"Very focused and straight to the point."

The NavIncerta/Claridec suite of online learning and remote coaching focuses on topics in the domains of

- **Decision analysis**
- **Risk management**
- **Uncertainty assessment**
- **Scenario planning.**

Virtual Learning Bites are short online efforts taking about two hours, including a 30 mins video conference with experts.

Each 'bite' covers a technique or concept that can be absorbed on its own. The participant learns a tool or concept and is then able to apply it in business practice. A 'bite' thus has standalone value.

Each bite consists of:

- A lesson with a short video, some pieces of texts and examples.
- A discussion forum.
- One or two assignments (expect feedback).
- A pdf with the lesson text to keep.
- A quiz.
- Some notes that explain the context of the technique or concept.

The participant can, at the end of a calendar month, attend a 30 mins close out video conference with experts to reflect and share experiences with other participants.

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<http://navincerta.com/reg>

Often there will be uncertainties when investment or strategic decisions are to be made. These can range from minor cost, schedule and design risks to major and complex geopolitical and macroeconomic issues with long term impact. How can such uncertainties and risks be assessed in such a way that sufficient clarity is created to facilitate sensible decisions and strategy development?

NavIncerta has teamed up with others to form **Claridec** as we believe that organizations will benefit from adopting an integrated approach across the fields of decision analysis, risk management and scenario planning.

The following virtual learning bites are currently available (more will follow):

1. **Italian flag** – a technique to assess the probability of a risk event
2. **Range assessment** – a technique to assess the range of an uncertain variable
3. **Scenario planning primer** – the principles of scenario planning for decision making
4. **Why probabilistic investment analysis** – the principles of using probabilities in cash flow analysis
5. **Decision Clarity** – how to achieve maximum clarity for making decisions

Virtual Learning Bites can be taken on a once off basis but can also be followed up by deep learning through our online courses, face to face engagements or remote coaching.



Italian flag

Scope

This is a technique to assess a credible probability for a future event to take place or not. A risk for an investment project or organization, for example as captured in a risk register, may relate to some future event with uncertainty regarding its outcome (for example an agreement to be concluded, a permit to be obtained, etc). By systematically identifying and structuring information available, an evidence-based probability assessment may be executed, usually in the context of a group discussion.

What you will learn

After taking this virtual learning bite you will be able to conduct such an Italian flag exercise, although true skill will require practice and coaching.

Who should take this course

Any individual involved in economic analysis, strategy development or risk assessment of an organization or project: risk managers, strategy staff, technical staff, finance staff, project managers and project staff.

Range assessment

Scope

This is a technique to estimate a range for a variable using expert elicitation, for example a cost. The central idea is that it is often not appropriate to characterize an uncertain variable by a single deterministic number. By quoting a range (or probability distribution) one can express the uncertainty in the estimate. Using a structured process a high, mid and low value of some variable can be estimated without or with partial use of data.

What you will learn

After taking this virtual learning bite you will be able to conduct a range assessment and estimate a probability distribution of an uncertain variable in a structured manner.

Who should take this course

Any individual involved in economic analysis, strategy development or risk assessment of an organization or project: risk managers, strategy staff, technical staff, finance staff, project managers and project staff.



Scenario planning primer

Scope

Scenario planning is a powerful methodology to get to grips with the future uncertainties of the broader business environment. It has for example been successfully pioneered in Shell in the seventies of the previous century. This bite provides the background and an overview of the approach, with some examples. Attention is paid to how scenario planning can be linked to decision making. This virtual learning bite will provide you with an awareness level overview.

What you will learn

After taking this virtual learning bite you will have a good understanding of the scenario planning concept and can start experimenting with your own application.

Who should take this course

Any individual involved in strategy development, economic analysis or risk assessment of an organization or project: risk managers, strategy staff, technical staff, finance staff, project managers and project staff.

Why probabilistic investment analysis

Scope

Investment decisions in business are usually based on a cash flow analysis yielding decision metrics e.g. NPV. For such calculations, many assumptions need to be made and projected into the future. These assumptions with regard to costs and revenues are often biased. Investment opportunities also have many risks and uncertainties. Deterministic ('single number') based analyses can therefore be very misleading. A probabilistic approach using ranges rather than single numbers encourages the analysts to think wider and provides decision makers with a better understanding of the opportunity at hand. In this learning bite you will learn in two hours the main principles of probabilistic analysis. Which easy to apply approaches for this purpose are available?

What you will learn

After taking this virtual learning bite you will have a good understanding of the probabilistic investment analysis approach and you can interpret the analysis results.

Who should take this course

Any individual involved in economic and financial analysis, strategy development, risk assessment of an organization or project: risk managers, strategy staff, technical staff, finance staff, project managers and project staff.



Decision Clarity

Scope

In many organizations, orderly and structured decision making is a problem. Inevitably decisions are affected by human biases. Sometimes the wrong problem is being solved. Not all relevant issues may be on the radar. Decision makers are often confused by the uncertainty and risk exposure. The organization may lack a proper governance structure. Who takes the decision? How do we progress the analysis in an efficient way? How do we avoid a tunnel vision with the eyes on the default option only?

These and other aspects of decision making are touched upon in this virtual learning bite. The goal should be to maximize clarity for decision makers so they can confidently bite the bullet.

What you will learn

After taking this virtual learning bite you will have a good understanding of how you may restructure your decision processes and avoid common pitfalls in decision making.

Who should take this course

Any individual involved in management, economic and financial analysis, strategy development, risk assessment of an organization or project: risk managers, strategy staff, technical staff, finance staff, project managers and project staff.