

Bezos Decision Matrix

How make faster decision with the right level of information

This Decision Matrix was proposed by Jeff Bezos, founder of Amazon in the 2025 late to shareholders.

In big companies the decision-making processes become slower and more drawn out as they scale. Caution creeps in, and people are less likely to move quickly or place risky bets.

For Bezos, the problem is that people treat reversible decisions like momentous problems requiring caution. They miss opportunities that nimbler companies don't.

"Some decisions are consequential and irreversible or nearly irreversible – one-way doors — and these decisions must be made methodically, carefully, slowly, with great deliberation and consultation. . . . But most decisions aren't like that — they are changeable, reversible — they're two-way doors. . . . [These] decisions can and should be made quickly by high judgment individuals or small groups." wrote Jeff Bezos

As you grow, you need to understand which decisions are reversible and should be executed on quickly, and which have lasting consequences and should therefore be mulled over more slowly.

Amazon's success, according to Bezos, is rooted in the company's acceptance of risk.

"I believe we are the best place in the world to fail," he writes, "and failure and invention are inseparable twins. To invent you have to experiment, and if you know in advance that it's going to work, it's not an experiment."

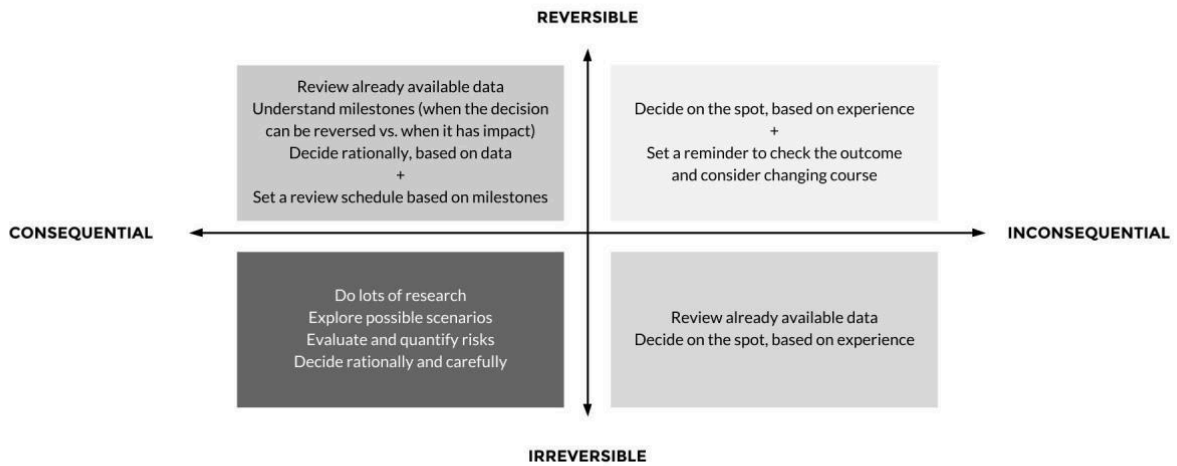
The way Amazon achieves its risk acceptance mentality, according to Bezos, is through acknowledging which decisions can be easily reversed (and should therefore be decided on by small, fast-moving teams) and which cannot (and should therefore be more carefully considered). "Failure and invention are inseparable twins."

He refers to these as two different types of decisions, Type 1 and Type 2.

Type 1	Type 2
"Some decisions are consequential and irreversible or nearly irreversible – one-way doors – and these decisions must be made methodically, carefully, slowly, with great deliberation and consultation. If you walk through and don't like what you see on the other side, you can't get back to where you were before. We can call these Type 1 decisions."	"But most decisions aren't like that – they are changeable, reversible – they're two-way doors. If you've made a suboptimal Type 2 decision, you don't have to live with the consequences for that long. You can reopen the door and go back through. Type 2 decisions can and should be made quickly by high judgment individuals or small groups."
Impossible to reverse	can easily be reversed
One-way Door	2-way door
made slowly and with caution	executed quickly

Mistaking Type 2 decisions for Type 1 slows the team’s pace. It leads to unchallenged risk aversion and, in the end, it means less innovation.

BEZOS DECISION MAKING



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Bezos’ advises to figure out what types of decisions your organization is making and treat them accordingly. Don’t treat lighter Type 2 decisions like Type 1 decisions. When you know you can reverse the outcome if you don’t like it, don’t get too mired in details and projections (no one will know the outcome until it actually occurs), and don’t let the project suffer death by committee. Just execute.