

# SOCIETY OF DECISION PROFESSIONALS Clarity & Insight for Decisive Action

# **NEWSLETTER**

Issue 3 June 2017

## President's Message by Larry Neal



Hello Everyone,

Hard to believe, but this is my third and final newsletter contribution as SDP President. The year has just flown by.

By now, you have probably seen the announcement of the formation of our first Interest Group. This first Interest Group focused on scenario analysis will be moderated by our Treasurer Henk Krijnen (<a href="http://www.decisionprofessionals.com/library/Scenario-Analysis">http://www.decisionprofessionals.com/library/Scenario-Analysis</a>). I am particularly excited about the addition of Interest Groups to our Society. Here is a chance for like-minded decision professionals to gather in a venue of their choice to discuss topical issues. I've spoken often about the evolution of our Society, and I think this is a clear example of the changes being made to better serve our membership.

Another first is the new DecisionPedia. A very creative way to organize and make our growing body of library information readily available to members. I saw a brief demo of it by the Knowledge Sharing Council at DAAG and really didn't appreciate the power of the concept. After a more lengthy tour on our web site, I now see the light. Take a tour if you haven't already (SDP DecisionPedia: <a href="http://www.decisionprofessionals.com/library/DecisionPedia">http://www.decisionprofessionals.com/library/DecisionPedia</a>).

As I write this, the Strategic Planning Committee is in the process of receiving feedback on the initial strategic plan submittal. The initial plan was put before the Board of Directors in a brief presentation at our normally scheduled but extended meeting on May 19. An updated plan reflecting this feedback will be re-submitted to the board in June. Committee members Hilda Cherekdjian, Ellen Coopersmith, Jim Driscoll, Karen Jenni, Tyler Ludlow, and Somik Raha have put a great deal of energy and creativity into this first plan. We took a hard look at where we are

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and where we think The Society would want to be five years from now. From there we developed a set of strategies to help get us there. Once approved, we will schedule a town hall-style web cast to communicate the plan to you, our members.

Aside from SDP business, I wanted to mention 2 new books that have captured my attention over the last several weeks. *The Undoing Project* by Michael Lewis, gives us a look into the partnership of Kahneman and Tversky, gentlemen who need no introduction here. Of particular interest is the discussion on the relationship between their work and decision analysis. The second book, *The End of Theory* by Richard Bookstaber deals with economic markets, financial crises, and human interactions. The author presents two particularly interesting thoughts bringing heuristics and the limitations of modeling into the mix. Well worth adding to your summer reading list.

I will close with a heartfelt thank you to you, the members, for giving me the opportunity to serve our Society. My most fervent wish coming into office was to make a positive difference in our Society, but like all things, time will tell whether I've been successful at that or not. I also want to extend a debt of gratitude to our Board of Directors. They have been invaluable in providing guidance and support all year long. Lastly I want to recognize our amazing Executive Director, Hilda Cherekdjian. This remarkable woman is everywhere all the time. Not only does she keep things running, I have seen her formidable negotiating skills at work. Next time you see those better-than-expected desserts on the table at DAAG, it's probably something Hilda arranged. Thank you Hilda.

Ellen Coopersmith will be taking the reins as SDP President at the conclusion of our June Board meeting. Ellen is a considerable and proven talent and I am confident she will lead us even further to realizing the promise of our Society. I will move into the position of Past-president and will do all I can to support her during her tenure. Best of luck to you Ellen.

Last but not least, many thanks to my wife Judy for her unflagging support of my adventures.

Larry

# **Upcoming Events**



SOCIETY OF DECISION
PROFESSIONALS
Clarity & Insight for Decisive Action

Webinar: DQ For Everyday
Significant Decisions – When DPs
Will Not Be Present
Wednesday, June 21, 2017
8 am PT | 11 am ET

DAAG 2018 – SAVE THE DATE Vancouver Canada April 11 - 13, 2018



39th Annual North American Meeting October 22-25, 2017

Pittsburgh, PA

Do you know of upcoming professional events that might be of interest to other SDP members? If so, please email the SDP newsletter at <a href="mailto:newsletter@decisionprofessionals.com">newsletter@decisionprofessionals.com</a>



#### **Results of 2017 SDP Election**

#### Newly-elected SDP Vice President / President-elect



**Jim Driscoll** is the head of the Decision Quality Program Office at Intel Corporation.

#### **Newly-elected SDP Secretary**



**Terrence Karner** is a Manager with Deloitte, currently serving as the firm's U.S. Telecom Sector Specialist.

# Newly-elected members of the SDP Board of Directors (The election of Jim Driscoll as VP created a fourth vacancy on the Board)



**Jennifer Harrington** works within the Decision Quality Program Office at Intel Corporation.



**Laura Keating** works with the conservation research group at the Calgary Zoo, where she helps develop effective conservation strategies for endangered species.



**Leslie Lippard** is an Associate Director with Genentech's Research and Early Development Portfolio and Pipeline Planning Group



**Jon Mauer** is a member of Pfizer's Portfolio and Decision Analysis team.

Remaining as officers are Ellen Coopersmith as President and Henk Krijnen as Treasurer. Elayne Ko, Tyler Ludlow, William Leaf-Herrmann, Somik Raha and Amy Stranieri comprise the remainder of the Board.

We sincerely thank the outgoing officers and Board members for their efforts over the past three years: outgoing President Larry Neal, outgoing Secretary Eric Johnson, and outgoing Board members Steve Begg, Bruce Judd and Karen Jenni.

The full slate of SDP officers and Board members can be viewed at: <a href="http://www.decisionprofessionals.com/forms/2x50kb1z1hg57j?sid=fyavdt45467078">http://www.decisionprofessionals.com/forms/2x50kb1z1hg57j?sid=fyavdt45467078</a>

# SDP Council in Focus: Program Council by Josh Harrison

The primary mission of the Program Council is to propose and develop the programs for SDP. The two major program components are:

- The monthly SDP webinars
- The annual DAAG conference

To deliver the programs and be successful in our mission, the Program Council meets monthly to nominate and decide on the webinar topics, and nominates and works very closely with the DAAG Program Co-chairs and Logistics Committee. We have a very strong connection with the Decision Analysis Society (DAS) through a dedicated seat on the Program Council for a DAS liaison. Joint SDP and DAS webinars are developed through this connection and presented as part of the slate of monthly webinars.

We are focused on the continuous improvement of the SDP program and actively engage the membership, SDP Sponsors, and the wider interested community on how to make the SDP program better. This includes delivering the topics and content the membership is interested in learning about as well as the methods and mediums the membership prefers in delivering that content. Many of the surveys that are sent out to the SDP community are developed by the Program Council and we thank the community for their active and continued engagement with those surveys as we rely heavily on the responses in developing the SDP Program.

An important new initiative that we are working on in 2017 is a stronger engagement with the Web Council in our leveraging of the SDP website. The objective of this initiative is to determine how we can communicate our program more effectively and understand all of the potential opportunities for delivering program content to the community.

We are already active in the planning phases of DAAG 2018 and are very excited that Len Falsone and Pat Leach have accepted the roles of DAAG 2018 Co-chairs! Given their leadership, DAAG 2018 in Vancouver, Canada is destined to be a great one. We the Program Council are very much looking forward to working with Len and Pat this year.

The Program Council is fortunate to have such an active and engaged membership. That membership includes:

Joshua Harrison – Chair	Elayne Ko – Board Liaison	Karen Jenni – DAS and Outreach	
		Liaison	
Jay Anderson – Past Chair	Jennifer Meyer	Michael Fulton	
Jonathan Mauer	Raymond Fonk	Hilda Cherekdjian	
Ellen Coopersmith	Matt Kurtz	Jerry Lieberman	
Len Falsone – DAAG 2018 Co-	Pat Leach – DAAG 2018 Co-Chair		
Chair			

For more information or to join the Program Council, get in touch with Josh Harrison Joshua.harrison@nexencnoocltd.com





# Spotlight on SDP Member Adrian Sikorski

In every issue of this newsletter, we turn the spotlight on a randomly-selected member of the SDP to learn more about that member's life as a decision professional.

The editors



Adrian Sikorski describes the career path he took to his current role as decision professional as "torturous". His interest in the field of decision analysis started when, as an undergraduate student at the Colorado School of Mines, he took courses in operations research and industrial engineering. He also learned about research on the psychology of decision making. After graduating, he went to work for Shell Oil in the Netherlands, where he "nibbled on the edges" of how Shell uses decision analysis while participating in making complicated decisions on the development of oil fields. Later on, he transferred to the large Shell project on the Russian island of Sakhalin, just north of Japan, where he took more central responsibility for making major development decisions for the fields.

He moved to Adelaide, Australia, and joined Santos, a natural gas company, where he led a team doing valuation analysis of major projects. Recognizing the need to deepen his knowledge and skills in decision analysis, he enrolled in the master's program in Petroleum Business Management at The University of Adelaide. There, he took a course in decision and risk analysis taught by SDP member Steve Begg which, as Adrian describes it, "was exactly what I was looking for." After completing his master's degree, Adrian began his career as a decision consultant. While attending DAAG 2016 in Banff, he met many experienced decision professionals, including Ellen Coopersmith, with whom he reached an agreement to work with Decision Frameworks in Australia. He sees a great opportunity to introduce better decision making within the Australian energy & resources business community and, although it is still early days, he has had some encouraging successes.

In thinking about the satisfactions he experiences working as a decision professional, Adrian describes the time when he spent a day with a team who were wrestling with a tough decision. After an entire day of talking, the team was still not ready to make the decision. Adrian then led the team in drawing a decision tree and, within a few minutes, the team agreed on the course forward. Adrian says that he derives great satisfaction in being able to take a team so quickly from "going in circles to an 'Aha!' moment".

A challenge that Adrian encounters in his role as a decision professional is in being able to convince people that it is in their best interest to change how their organizations behave and to adopt better ways of making decisions.

Adrian characterizes membership in SDP as "enormously valuable". Knowing that there is an active community of decision professionals out there is both "reassuring and bolstering". Even though the community is relatively small, it has a "high power-to-weight ratio."



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#### Ask the Fellows



Dear SDP Fellows: I was recently at a company that has had some exposure to DA/DQ and has expressed an interest in adopting DA/DQ throughout the company. But this particular company is very unlikely to seek external advice on a major cultural shift such as this. What guidance can we give this company regarding moving toward Organizational DQ without major external intervention?.

Shifting culture from the inside is very tough. Management has usually been promoted based on the current culture and changing from "something that's working" requires those managers to take a risk. Companies that face a major challenge/crisis, where they recognize that the culture must change, can often do so without external (consulting) support, but usually need some internal change management so that leadership is not vested in "the way things have been done". But if the company really is motivated to change, the best path to ODQ is to move from an advocacy-based decision system, to a curiosity-based system. Decision-makers must become truly curious about what could happen, what the uncertainties and risks REALLY are, and they must be willing to listen to, discuss, and actively encourage dissenting views. They need to be able to honestly look back at prior decisions and recognize what went well and what could have been improved. This can't be a self-justification exercise, but a true effort to improve. Many companies adopt DA/DQ tools and processes, but few become truly curious and self-honest. And that, in my experience, is the difference between companies that have ODQ and companies that use DA/DQ tools and processes to justify what they want to do.

It is critical to get a few early, high-profile wins, and make sure they are well-publicized. Key to this is specifying those parts of the adopted strategy that would not have happened had a good decision process not been used.

- Tell a straightforward story: This is what we would have done without DA, this is what we did differently as a result of DA, and this is how much that's worth.
- Emphasize that the job of the decision professional is to provide as much clarity as possible to the decision maker no more, no less. The decision still belongs to the decision maker in every sense of the word.
- Emphasize the scalability; using DA doesn't mean bogging things down. Done properly, DA
  usually speeds up the final decision because it reduces or eliminates re-work and brings
  different stakeholders on board.
- Customize the approach. If a process conflicts with the company culture, you're probably dead before you begin. This may mean compromising, especially at first.
- Coach decision makers on what questions to ask. "What alternatives were considered? What
  is being recommended? Why is this being recommended over the other alternatives? If
  things don't pan out the way we think they will, how bad could this be? How good?" If
  decision makers are asking these questions, teams will do the work necessary to be able to
  answer them (whether that involves a formal decision process or not).

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If you have a question for the SDP Fellows about good practice among decision professionals, please send it to us at <u>SDP Newsletter: Ask The Fellows</u>.



Tell decision makers a story, rather than piling data in front of them. "This is how we realized
we had an opportunity; this is what we thought initially; this is — at a high level — how we
analyzed the situation; this is what we learned; this is what we now think; this is what we're
recommending."

SDP Fellows Patrick Leach and Frank Koch contributed to answering this month's question.

### **Congratulations to Ralph Keeney**

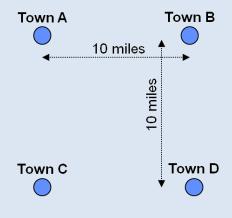
The correct answer to the brain teaser posed in the April issue is that the 100 gold coins will be shared among the five robbers as follows: (97, 0, 1, 0, 2). A full explanation of the answer can be found by <u>clicking here</u>. Congratulations go to Ralph Keeney for once again being the first reader to submit the correct answer.

#### A BRAIN TEASER

Instructions: You can win "bragging rights" by being the first to submit the correct answer of this brain teaser to the newsletter editors (<u>SDP Newsletter: Brain Teaser</u>). We will announce the winner in the next issue.

#### **Four Towns**

A newly-settled territory contains four towns that occupy the corners of a square 10 miles on each side. The people of the territory want to build roads that connect all four towns in such a way that they use the least amount of asphalt. What is the minimum total mileage of a road network that connects all four towns?





### A Word From an SDP Sponsor

In every issue of this newsletter, we include a message from one of the SDP sponsors, whose support contributes significantly to the on-going success of the Society.



# Texas Executive Education

Texas Executive Education, at The University of Texas at Austin, provides solutions for the challenges and changes you face as both a business person and an individual. Whether you're adapting to changes in your business environment, or want to spur a change in your career, we work with you to establish your goals and then craft a plan to best help you achieve them. From two-day Open Enrollment classes to months-long Custom Programs, for small business start-ups to the largest companies in the world, we have the capability to scale your experience to best suit your needs. Backed by the extensive academic resources and faculty at The University of Texas at Austin, we develop curricula based on the real problems you are trying to solve and the concrete objectives you are aiming to accomplish.

We offer our classes in a high-impact, interactive learning environment, and our top-tier faculty deliver individualized solutions based on research and extensive real-world experience. Texas Executive Education has the full resources and capabilities of The University of Texas at Austin and also provides personal consulting from our knowledgeable core team of faculty and staff.

Highlights of our Open Enrollment portfolio include:

- Classes at Texas Executive Education offer powerful new perspectives while strengthening your individual leadership.
- Certificate programs which provide academic and intellectual rigor while fine tuning applicable real-world expertise through a focused series of classes.
- Top-tier UT-Austin professors, with real-world business savvy cultivated through years of proven experience in the corporate sphere.

### Featured Certificate: Strategic Decision and Risk Management (SDRM) Certificate

The SDRM Certificate provides you with the techniques to recognize risks from your stakeholders' perspectives and innovatively generate better alternatives. The SDRM program is at the front edge of decision-making philosophy. The courses available in this program have been perfected and honed over the past decade and serve diverse areas of an organization, including finance, risk management, planning, engineering, marketing, R&D, IT, design, supply chain, business development and HR/talent development.

The SDRM courses offered by Texas Executive Education combine The University of Texas at Austin's academic and research depth with management consulting firm Strategic Decisions Group's 35 years of real-world experience in decision consulting and custom course development.

Learn more about the SDRM series as well as our entire portfolio of programs at <a href="https://www.mccombs.utexas.edu/execed">www.mccombs.utexas.edu/execed</a> or call 512-232-9462 for more information.



# **Recent publications by SDP members**

Barrager, Stephen, "A New Engineering Profession is Emerging: Decision Coach", IEEE Engineering Management Review, June 2016.

(Full text available at: <a href="http://ieeexplore.ieee.org/document/7502385/">http://ieeexplore.ieee.org/document/7502385/</a>)

Hopper, Peter and Carl Spetzler, "You Can't Make Good Predictions Without Embracing Uncertainty", Harvard Business Review Online, May 2016.

(Full text available at: <a href="https://hbr.org/2016/05/you-cant-make-good-predictions-without-embracing-uncertainty">https://hbr.org/2016/05/you-cant-make-good-predictions-without-embracing-uncertainty</a>)

Hopper, Peter and Jugnu Sakuja, "A 4-Step Process to Help Senior Teams Prioritize Decisions", Harvard Business Review Online, March 2017.

(Full text available at: <a href="https://hbr.org/2017/03/a-4-step-process-to-help-senior-teams-prioritize-decisions">https://hbr.org/2017/03/a-4-step-process-to-help-senior-teams-prioritize-decisions</a>)

If you have a recent publication that you would like to be listed in a future issue of the SDP Newsletter, please send us a citation by <u>clicking here</u>.

#### **Useful Links**

The SDP Board has posted the Society's Bylaws and Policy and Procedure Manual, which can be found at: http://www.decisionprofessionals.com/about/governance

The SDP Knowledge Sharing Council maintains a Fellows Blog at: <a href="http://www.decisionprofessionals.com/?scrollTo=blog-news#blog-ne

A listing of courses in decision analysis available to SDP members is at: http://www.decisionprofessionals.com/courses/training-program

#### **Note From the Editors**

We hope that you enjoy this third issue of the SDP Newsletter. Please do not hesitate to send us constructive feedback. Click here to email the editors.

Matt Gorman and Steve Tani SDP Newsletter Editors

