

SOCIETY OF DECISION PROFESSIONALS

Clarity & Insight for Decisive Action

NEWSLETTER

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President's Message by Pat Leach



Greetings from chilly Denver! It's not officially winter yet, but we just got hit with a winter storm that closed much of the city and the surrounding areas. It has now moved on to punish the Midwest, and the Northeast and Southeast are being hit by severe weather, too. Meanwhile, much of southern California is on fire. Years ago, the Doobie Brothers put out an album entitled, "What Were Once Vices Are Now Habits"; with weather, I guess What Was Once Rare Is Now Routine.

But enough about that. I'd like to talk about a couple of books. Most SDP members are familiar with the "must reads" for our profession (Kahneman's Thinking Fast and Slow, Keeney's Value-Focused Thinking, Ariely's Predictably Irrational, etc.). Two you may not be familiar with are Behave - The Biology of Humans at Our Best and Worst, by Robert Sapolsky, and Everybody Lies – Big Data, New Data, and What the Internet Can Tell Us About Who We Really Are, by Seth Stephens-Davidowitz.

Sapolsky is a professor of biology and neurology at Stanford and has studied primate behavior extensively (especially baboons – and humans, apparently). Behave is, quite honestly, a master work. It starts with how neurons function in the brain and ends with the author's thoughts on war and peace. The scope of the book is that broad, but that doesn't mean Sapolsky skims over his subjects. This book is a rare example of both broad and deep. Despite its heft (675 pages, plus appendices), Behave is very readable, filled with fascinating perspectives and humor (one chapter is entitled, "Adolescence; or, Dude, Where's My Frontal Cortex?"). If you are really interested in how our brains work (or sometimes fail to work) and why people make the decisions they do, Sapolsky's book is a fount of insights.

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Seth Stephens-Davidowitz is an economist and former data scientist at Google, so he knows a thing or two about how to glean insights from massive amounts of data. The central theme of the book is that people lie on surveys all the time, but the truth can be found by examining our internet searches. The anonymity (real or perceived) of looking things up online reveals who we are far better than the answers we give to potentially embarrassing questions. *Everybody Lies* is filled with insights, many of them counter-intuitive, that paint a rich, occasionally uncomfortable portrait of who we are (or sometimes, who other people are – those parts are easier on the ego). If you are a student of human behavior, you will find this book to be illuminating.

One note: Stephens-Davidowitz points out that while internet search data reveals truth, social media is filled with lies. People try to make their lives appear to be far more exciting and fun than they really are. But you already knew that.

So check these books out. I would be interested to hear what others think of them, and I would also be interested to hear about any books you have found to be worthwhile that might not be on my bookshelves (yet).

On a completely different subject, if you have not yet done so, please check out the plans for the upcoming DAAG Conference March 31 – April 3, 2020 in Houston by visiting daag.io. This year's theme is *Expanding the Universe of Decision Quality*, and the lineup promises to do just that. There will be something for everybody in this conference – great workshops, insightful presentations, and thought-provoking panel discussions. There are sessions for those who are fairly new to decision analysis, those who have been decision professionals for decades, those who focus on quantitative assessment, those who find the people side of things most interesting – no matter what your angle is when it comes to decision making, you'll find worthwhile insights to take back with you.

We are also thrilled to have Dr. Edward Rogers, Chief Knowledge Officer of NASA's Goddard Space Center, as one of our Keynote Speakers (Houston is, after all, Space City – and not just because of how many square miles it covers). We DA types like to think that we help people make important decisions, but at NASA, decisions can literally be life and death. I'm excited to hear what Dr. Rogers will have to say. Early Bird prices for registration end on January 13th, so register now!

Pat Leach

SDP President





Spotlight on SDP Member Joe FitzGibbon

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



With an educational background the includes a bachelor's degree in Mechanical Engineering from Marquette University and an MBA from the University of Wisconsin, SDP member Joe FitzGibbon now serves as the Director of Global Testing for Trek Bikes, a company that designs and manufactures a wide range of bicycles – mountain bikes, racing bikes, commute bikes, etc. Based in Waterloo WI, he is responsible for overseeing all of Trek Bike's testing of new bicycle designs for safety, durability, cost effectiveness, and regulatory compliance.

Until a few years ago, Joe's only exposure to the world of decision analysis was a brief introduction to decision trees. Then, he found and took an online course in Decision Quality given by Stanford University as part of its Strategic Decision and Risk Management (SDRM) program. It captured his interest enough that he went on to take five more courses in the program, earning SDRM certification in 2017.

Since then, Joe has found opportunities to use the DQ approach in his job. For example, he has used the approach to help him make good decisions on whether or not to add testing capacity at specific locations. In these decisions, he would identify all of the alternatives, ranging from making a major investment in new capacity down to sticking with the existing capacity. He would next compare the alternatives based on multiple value measures of cost, timeliness of test results, and quality of the test information. He would then make the choice with confidence that it is the best one.

A key learning from the DQ training that Joe carries with him is that the quality of a decision is not determined by the goodness of the outcome. Some time ago, Joe decided to make a significant investment of resources in developing a braking system for bikes with carbon fiber rims. As things turned out, that investment did not pay off because the industry moved to disc brakes, something that had not been anticipated previously. Joe found great value in knowing that he did not have to beat himself up for doing something "wrong". The decision he had made was a good one. Unfortunately, it had a bad outcome.

One challenge that Joe faces is convincing other members of management that the DQ approach can and should be applied to a wide range of decisions within the company rather than continuing to make choices based solely on "gut feel".

As a member of the SDP, Joe finds value in attending the DAAG conferences where he learns how people apply decision analysis in many different ways. He has also found it valuable to watch some of the SDP webinars with his work colleagues.

Chapter News

Calgary Chapter:

After a short summer break, the SDP Calgary Chapter hosted its first fall meeting on the topic "Deconstructing Data Analytics" by Marc Boulet, Manager, Geological Information Management at Cenovus Energy Inc. After polling our membership, there was much enthusiasm for a scenario planning workshop which will be facilitated by Kent Burkholder, Partner at Decision Frameworks and President of the SDP Calgary Chapter. We will also be planning a New Year Social event in early January.

Council News

Membership and Communication Council:

After several years as Chair of the Membership and Communication Council, Dan Hudson has stepped down to allow his energies to be put to good use in his new roles. Dan will still be a member of the council. Matt Gorman, who has been a member of SDP since 2015 and has served in the role of co-editor of the SDP Newsletter, has stepped into the role of Membership and Communication Council Chair.

Earlier this year, SDP President Pat Leach organized a committee to address a wide range of items pertaining to membership value. In early 2020, we look forward to learning of the fresh new ideas that emerge. Moreover, we look forward to collaborating with the other councils to put some of these ideas into action.



Upcoming Events



Upcoming Webinars:

Modeling Geographic Preferences for Policy Decisions

Speaker: Jay Simon, Associate Professor of Information Technology & Analytics, American University Wednesday, December 18 8 am PT | 11 am ET

Group Decision Making: How can we make it work better?

Speaker: E.A.J.A. (Etiënne) Rouwette, Prof. of Intervention Methodology, Radboud University, NL Wednesday, January 15

8 am PT|11 am ET

Fighting against cognitive, motivational and group biases in Decision Analysis

Speaker: Gilberto Motibeller, Prof. of Management Science, Loughborough University, UK Jeff Keisler, University of Boston Wednesday, February 19 8 am PT | 11 am ET





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Ask the Fellows



One of our members sent in the following query: Dear SDP Fellows: I have newly joined a company where Decision Science has never been formally applied. How would you recommend that I demonstrate or explain the benefits of Decision Science to my colleagues?

One of the Fellows shared,

I was in just this type of discussion earlier this week! Years ago, I would have coached people on how to communicate the benefits of decision science and provide them some success stories to help illustrate the points. Sometimes it seemed to work, but more often it didn't make a difference. People might acknowledge that the ideas sound good in general, but they didn't want to risk anything in their specific situation.

Looking more closely, I found that hearing about decision science and its potential benefits was not driving their decision. A demonstration or better explanation of the benefits of decision science often turned out to be a futile effort until other factors are addressed. When I looked at what other factors had a better correlation with receptivity to the process, it usually fell into one of two categories. One was whether they had personally experienced the process or had heard about it from a trusted advisor who had experienced it in a positive manner. Lacking that, another factor was whether the right people had some level of fear and uncertainty about where things might end up given their normal way of making decisions. By "the right people", it meant the business leader(s) who would own the consequences of the potential adverse outcomes. Asking them focused questions can help create a constructive level of fear and uncertainty. If you can do that without totally irritating them, it often leads to the necessary receptivity to hearing about a different solution than what they would have done.

The positive experience or referral combined with a bit of fear and uncertainty is the best way to get a real commitment to the engagement needed in the process. Picking the right situation is equally important. A good first step is to identify a business leader with a situation that has both a material business impact and significant risks and uncertainties. You may be asked to demonstrate the process on something less impactful or on a past decision to see what difference it would have made. However, this will position decision science as appropriate for little things, but not for the "real" decisions. This adverse positioning is very difficult to overcome, while one project at the right level can convince a whole company.

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SDP

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

Ask the Fellows, continued from page 6:

For the discussion with the business owner of a material decision, a good first step is to ask some open-ended questions.

For the choice ahead of you, what factors could make the outcomes a big success or a big failure?

How are those risks and uncertainties being evaluated?

Which are potentially more impactful and worth the time to develop mitigation plans? What alternative choices might you wish later on had been given more thought? What questions may come up by detractors or people with 20:20 hindsight that you wish had been addressed during the process? etc.

After this type of exploration, wait for the decision maker to ask how decision science could handle these questions any better. Then you will have a receptive audience for your stories about how the process worked in analogous situations and what type of benefits those groups realized. Avoid jumping into a "selling" mode too quickly, because until they ask, they are not really listening. When they are ready, they will pull you into their process and support the approach with their colleagues.

Another Fellow added,

For me I downplay the decision science aspect and focus on the decision conversation. I find that the conversations among decision makers and decision support staff changes. There is a shift from advocacy to curiosity and inquiry. People start talking about different and, in many cases, more important issues. Decision makers begin to ask very different questions.

A third Fellow shared what he called a simple approach, stating:

I'd recommend ferreting out a decision the company sees as very important and risky. One that keeps senior executives up at night. Start there, and figure a way to address it with Decision Sciences. Then talk to everyone you can. You'll catch someone's ear and pique their interest.

SDP Fellows Gerald Bush, Frank Koch, and Harry Saunders provided the answer for this question



Good Times Teaching Decision Quality to Youth

Phil Beccue (Principal, White Deer Partners, Inc.)

I'm sure many of you have experienced the "ah-ah" moments in explaining or teaching decision quality concepts to colleagues and clients – one of the fun aspects of our profession. For some time, I have wanted to share these important insights with the younger generation, so... when the Decision Education Foundation (DEF) reached out this spring looking for volunteers, I raised my hand. The result was a great experience participating in three seminars offered by DEF through Stanford Pre-Collegiate Studies. Along the way, I participated in a teaching model common with medical students: see one, do one, teach one.

I taught introductory decision quality in 2 ½ - hour sessions to international high school students visiting Stanford for two weeks. I attended an initial session led by DEF staff member Dana Luco and then led a session on my own. On the third go, a recent Stanford PhD (not a Decision Professional) sat in on my class. She went on to successfully lead her own session, so perhaps this teaching model actually works!

DEF has developed an excellent introduction to Decision Quality geared toward the high school audience. Based mostly around activities and interaction, the experience worked well for the kids. I was very glad to experience the routine once beforehand – for my own confidence and to better connect with the students. Knowing the audience is key to a successful presentation, and for those of us accustomed to a demanding professional audience, this could be the biggest stretch. I found them to be bright, curious kids who enjoyed learning something new.

DEF Executive Director Chris Spetzler wants the SDP community to know that the Stanford summer program is a fantastic way to get involved in teaching younger students, but that DEF could also help you lead classes in a variety of formats that would be relevant for a local school or other youth group setting. While having more time to dig deeper with students is better, proving value is often the first step to deeper relationships. For example, Intel has successfully hosted students for Saturday workshops and DEF has enough solid material to keep freshman students engaged over a week of summer.

If you are wanting to share DQ with young people and wondering how, I recommend reaching out to DEF (https://www.decisioneducation.org) and giving it a try.



Brain Teaser

Congratulations to Steve Begg

The answer to the brain teaser posed in the September issue is that you have a 50% probability of getting your assigned seat. A full explanation of the answer can be found by <u>clicking here</u>. Steve Begg was the first to submit the correct answer.

THE DECEMBER 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.

5S, 5W, 5N

If you start from the North Pole, you can travel exactly five miles due south, then five miles due west, then five miles due north and wind up exactly where you started. Can you name another place on the surface of the earth where that is also true?

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: http://www.decisionprofessionals.com/?scrollTo=blog-news#blog-news

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

Join Us in Producing the SDP Newsletter

We, the editors, are actively looking for other SDP members to join us in producing this newsletter. If you are interested, please contact us. <u>Click here</u> to email the editors.

Emilia Silebi and Steve Tani SDP Newsletter Editors

