



SOCIETY OF DECISION
PROFESSIONALS
Clarity & Insight for Decisive Action

NEWSLETTER

Issue 22

September 2021

President's Message by Eyas Raddad

In a chaotic world, SDP charts a new beginning!

The COVID saga seems far from nearing its end. The social, political, and economic consequences of the pandemic have proven to be as complicated as the medical and healthcare ones. Global societies, governments, corporations, and individuals alike are struggling with difficult decision with inherent unresolvable tensions. The size of disruptions, the interconnectedness of global health and social/economic systems globally, and the random nature of viral evolution renders decisions at all levels challenging. The pandemic is a decision-intensive context with high complexity. It is a solemn reminder of the criticality of our missions as decision professionals and SDP.

As a society, SDP is also undergoing its fair share of complex decisions. Managing the transitions under the pandemic and their impact on how we design and deliver our events and services continue to be challenging. At the same time, the society has grown bigger and ever more diverse in industry, technical backgrounds, geography, and demography. We also see an ever-expanding emphasis on decision making, decision skills and strategy in the public sphere. However, the expansion is largely claimed by management consulting, influencers, and decision support fields like Data Science and Artificial Intelligence. SDP is yet to identify and occupy its rightful place in this conversation.

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President's Message, continued from page 1

This is the context in which a new vision of SDP is emerging. To truly serve the mission of SDP of bringing decision quality to important and complex decisions faced by organizations, individuals and society, SDP needs to be a leader in the conversation on decision making. Therefore, the board of SDP has adopted a new vision: SDP will be THE GLOBAL FORUM for decision making!

The board, with its new injection of fresh blood, arrived at this vision after significant deliberation and brainstorming. A lofty vision no doubt, and perhaps one that is yet to be defined more concretely; yet it is one that is worthy of our collective energy. As we march towards this vision, SDP will expand its umbrella to adjacent decision support disciplines and integrate them effectively in service of the mission and vision. The society will also be much larger in size and broader in sectors it serves. Its brand and that of the professionals it serves will be much stronger and widely known.

Given that the uncertainties and options we can entertain are many, and experiments could be short and informative, we are choosing an “agile” approach to implementing the vision. Our strategy will thus be an emergent rather than a deliberative one. Therefore, the coming 1-2 years will be the years of leveling up, in which we will launch many pilots and build our operational capacity to deal with their expanded needs. We believe that the ideas for such pilots will come from every level of SDP and from our broad community, and we invite these ideas and will support them, prioritized by their impact and according to our capacity to implement them.

As SDP expands and matures as a professional society, it is only fitting that our annual event will grow and adapt accordingly. More than 25 years ago, a small and dedicated cohort launched the Decision Analysis Affinity Group (DAAG), which established an annual meeting holding its name. On the shoulders of those giants a whole new generation of decision professionals have emerged, inspired by the successes of their mentors. This generation is much larger in size and is ready to take the profession to a new height. Now is the time to give the annual conference a more representative name: The SDP Annual Conference & Workshops. The conference will continue to offer the same great programming, and the growth in size and sector/topic diversity that we all witnessed in the past few years. William Leaf-Herrmann and Gary Summers are co-chairing the program for the first conference under the new name in April of 2022, and the program is shaping up to be very exciting. Read more about the history and the future direction of the conference in the next article.

The SDP Annual Decision Analysis Affinity Group (DAAG) Conference & Workshops becomes SDP Annual Conference & Workshops

The Decision Analysis Affinity Group conference name is changing, and we wanted to share context around where we've come from and where we're going. SDP announces the re-naming of its annual gathering of SDP members and DA Community from the "*SDP Annual DAAG Conference and workshops*" to the "*SDP Annual Conference & Workshops*". Effective September 15, 2021, the DAAG (Decision Analysis Affinity Group) name will be retired.

In 1995, Tom Spradlin, John Palmer, and David Skinner organized the first annual forum for a group of decision analysis (DA) practitioners interested in sharing best practices, networking, mentoring and promoting the profession. The gathering itself was called the Decision Analysis Affinity Group or DAAG for short. DAAG's primary focus was on the practice of decision analysis, rather than the theory, to ensure its practical application to the everyday business. From its inception, DAAG was not industry specific and welcomed practitioners from around the globe. Over time, the DAAG community expanded to include DA professionals from government, consulting companies, DA software providers and academician. To accommodate the wide range of attendees, part of the tradition included meeting in different cities, generally in the spring and when practical, adjacent to the annual Operations Research "INFORMS" Analytic conference to encourage dialogue between the "academic side" and the "practice side". Year after year, between 60 – 90 "DAAGers" looked forward to participating.

Eli Lilly Co. hosted the first meeting in Indianapolis. Since then, a long list of organizations along with the Society of Decision Professionals have been among the sponsors/hosts.

<u>DAAG</u>	<u>Year</u>	<u>Location</u>	<u>Hosts & Sponsors</u>
1	1995	Indianapolis	Lilly
2	1996	Houston	Conoco/DuPont
3	1997	St. Louis	Monsanto/Lilly
4	1998	San Francisco	Chevron
5	1999	Orlando	GM/ATT
6	2000	Calgary	Transcanada/TIFOE
7	2001	Houston	Exxon/Mobile
8	2002	Las Vegas	Lilly
9	2003	Galveston	DSI
10	2004	San Francisco	Chevron Texaco
11	2005	Philadelphia	BMS
12	2006	Baltimore	J&J/DSI
13	2007	Palo Alto	HP
14	2008	Baltimore	Daiichi Sankyo
15	2009	Indianapolis	Lilly
16	2010	Orlando	Kromite/SDG
17	2011	Houston	GSK/DSI
18	2012	Chicago	Abbott/SDP
19	2013	Austin	U of Texas/Chevron/Shell/SDP
20	2014	Boston	Deloitte/Shell/U Mass/SDP
21	2015	Huntington Beach	Intel/SDG/SDP
22	2016	Banff	Nexen/Decision Strategies/DG/Decision Frameworks/PetroVR
23	2017	New Orleans	Lilly/Chevron/Pfizer/Intel
24	2018	Vancouver	Lilly/Chevron/Pfizer/SDG/Decision Frameworks/Intel
25	2019	Denver	Lilly/Chevron/Pfizer/SDG/Decision Frameworks/Intel
26	2020	Virtual	Chevron/Lilli/ SDG/Decision Frameworks/Oaken Table Consulting
27	2021	Virtual	Decision Education Foundation/Decision Frameworks/Chevron/GSK/SDG/Oaken Table Consulting





Picture caption: Collage of photos from the early days of DAAG

In 2011, the Society of Decision Professionals became a DAAG co-sponsor and started providing the logistical support and coordination. In 2014, the DAAG community voted overwhelmingly that SDP would take on the role of DAAG "Coordinator" which included planning the conference and assumed the financial responsibility. The conference became known as the **SDP Annual DAAG Conference and Workshops** and led by the Executive Director of SDP. The Executive Director worked directly with SDP Board, and appointed DAAG Program and Production committees and sponsors. SDP's website, www.decisionprofessionals.com is the host of the SDP DAAG Annual conference and Workshops.



The 25th gathering of the DAAG conference was celebrated in Denver in 2019 with the presence of the three visionaries – DAAG's Founders who inspired us to come to DAAG year after year: Tom Spradlin, John Palmer and David Skinner. The emphasis had remained through the years - the value of Decision Analysis meant making Quality Decisions in Corporate, Societal, and personal decision making.

View the 25th Gathering [HERE](#)

In an ever-changing world, our SDP Board and Executive Committee feels the opportunity for evolving and growing the annual conference is now. Using the acronym DAAG to refer to the annual forum has served us well for 27 years. As the conference broadened from an affinity group for practitioners to a 300-person multi-track conference, preceded by two days of workshops, the vision has evolved. The Annual Conference has become the primary forum for a global audience of seasoned practitioners, as well as those new to the field of DA. This change of the conference name from *SDP DAAG Annual Conference & Workshops* to ***SDP Annual Conference and Workshops*** removes any ambiguity with the meaning of the acronym. The name change provides a path for SDP to continue to expand the profession to a wider audience (increase appeal of conference to non-members), foster diversity (increase appeal to under-represented groups, new practitioners, adjacent disciplines), and promote the Society of Decision Professionals (SDP) as a trusted authority.

While the name “DAAG” will be retired, it will never be forgotten. The SDP leadership remains committed to honoring the spirit of DAAG and preserving the conference’s pledge of promoting high standards and integrity in work pioneered by decision professionals to advance the profession and benefit mankind. Attendees can expect the evolution of the name to have little or no effect on the participant experience.

We hope to see you at the ***SDP Annual Conference & Workshops*** in **Arlington, VA on April 26-29, 2022**. The conference will be held as a hybrid event, in person and virtual, allowing attendees to participate wherever they are in the world.



**SOCIETY OF DECISION
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Upcoming Events



Webinar Sept 29, 2021 8:00 am PT

[A tale of two cities: how two companies are implementing organizational decision quality.](#)

Speakers: Jennifer Harrington, Intel & Becky Watson, Shell

Webinar Oct 13, 2021 8:00am PT

Scenario Thinking for Strategy Development – A Must for the Energy Transition

Speaker: Ellen Coopersmith, Decision Frameworks

Save the Date!

[SMDM 43rd Annual Meeting:](#)

Toronto, ON, Canada

October 17 - 20, 2021

The meeting theme is *Individual and Society in Health Care Decisions*

Meeting co-chairs: Negin Hajizadeh, MD, MPH and Victoria Shaffer, PhD

Do you know of upcoming professional events that might be of interest to other SDP members? If so, please email the SDP newsletter at newsletter@decisionprofessionals.com

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>

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



Calendar of Events

Event	Date	Time Pacific
SDP Certification Council Mtg	1-Oct	8:30 PST
Knowledge Sharing Council	6-Oct	4:00 PST
Scenario Planning Interest Group	7-Oct	10:00 PST
SDP Chapter Outreach Council Mtg	7-Oct	7:00 PST
Houston Chapter Meeting: "Systemic Bias and Decision Quality"	14-Oct	9:30 CST
Board Meeting	15-Oct	7:00 PST
Pharma Interest Group	21-Oct	10:00 PST
Vancouver Chapter meeting	21-Oct	18:30 PST
Knowledge Sharing Council	3-Nov	4:00 PST
Scenario Planning	4-Nov	10:00 PST
SDP Certification Council Mtg	5-Nov	8:30 PST
Houston Chapter - Decision Quality Summit ("Decision Making for Energy's New Dawn")	5-Nov	All Day
Vancouver Chapter meeting	18-Nov	18:30 PST
Board Meeting	19-Nov	7:00 PST
Knowledge Sharing Council	1-Dec	4:00 PST
Scenario Planning	2-Dec	10:00 PST
Vancouver Chapter meeting	16-Dec	18:30 PST

New Member Certifications (I)

Congratulations to our new SDP Fellow –David Smith

When I started as a researcher in the US Geological Survey (USGS) almost 30 years ago, the prevailing concept in natural resources was that research (knowledge development) was separate from management (knowledge application). But throughout my career, it became increasingly evident that that separation limited research's impact. Then I was introduced to decision analysis, which productively links management and science, and there was no looking back. As the community increasingly recognized the value of decision analysis and USGS fully supported work in the decision sciences, my focus moved decidedly towards decision relevance. In species conservation, habitat restoration, and invasive species control, I worked with others to develop and test methods to inform management decisions and conservation strategies through adaptive management and structured decision making while accounting for stakeholders' values and scientific uncertainty. I also worked alongside a fantastic group of colleagues to build capacity within the US Department of the Interior in decision analysis through a collaborative training program at the National Conservation Training Center. Working at the interface of management and science, which is characteristically complex and multidisciplinary, continues to be the most rewarding phase of my career.



Congratulations to our new SDP Fellow –Kris Cejka

Kris received a Bachelor of Science degree in Geology & Geophysics from the University of Wisconsin and MBA from the University of San Francisco. Following significant industry experience, he joined Chevron USA as a senior global decision analyst to develop projects in the USA, China, Vietnam, Brazil, Kazakhstan, and others. Kris moved with Chevron to Australia in 2008 with responsibility for developing decisions for portfolio, high value investments, new ventures, and commercial opportunities. In 2011 Kris became the Australia Major Capital Project Decision Analysis Manager and in 2015 moved to Singapore to lead the Chevron decision quality function for the Asia Pacific region.

Kris and his family (using decision quality principles of course), made the decision in 2017 to permanently relocate to Australia. After resigning from Chevron, Kris worked to start a new energy company focused on monetizing discovered but stranded resources using small scale Floating LNG. Kris took some time off to support his family and in 2020 joined Decision Frameworks where he enjoys consulting on complex decisions and teaching DQ courses.



New Member Certifications (II)

Congratulations to our new SDP Fellow –Tony Kenck

Tony Kenck started his career with Western Geophysical in 1980, then Texaco in 1982, after more than a decade of work as a geophysicist, he moved into the commercial and analysis side of the petroleum industry, earning an MBA in 1999. When Chevron and Texaco merged in 2001, Tony moved to California with his family and learned about DA and DQ. From his platform at Chevron he developed a framework and tools to incorporate DQ into portfolio management. He left a legacy of tools, processes, trained practitioners, and an analysis philosophy that are helping bring continued competitive success to Chevron. He left Chevron in 2020, formed Practical Portfolio Management LLC, and is writing a book on portfolio management. In 2021 he became a volunteer editor for

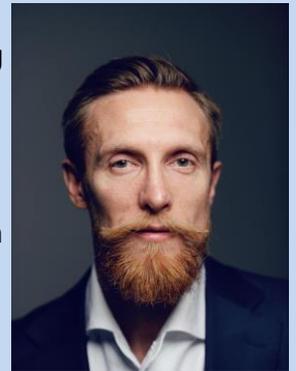


the SDP newsletter.

Congratulations to our new SDP Fellow –Trygve Botn

Founder | CEO | Decision Advisor

Trygve Botn is the founder of ThinQ Decisions, a consulting firm focusing on strategic and operational decision-making for businesses and organizations. The firm actively works to bring value to companies by transferring decision quality know-how at different levels in organizations. Trygve has 15-years of experience from Chevron as a decision science leader, advisor, and analyst. He has worked as a decision professional in Norway, the USA, and Kazakhstan, and has applied decision science practices and methodologies to greenfield and brownfield oil & gas projects, commercial/BD investments, renewables and technology developments, and IT investment projects.



Trygve is passionate in continuing to develop the field of decision science by enhancing framing and evaluation best practices and expanding the importance of decision quality to new fields.

Congratulations to our new SDP Fellow – William(Bill) Haskett

William Haskett is the Managing Director of the Haskett Consulting International companies in Canada and the United States. He was previously Director and Senior Principal for Energy Strategy at Decision Strategies (2000-2015), and Senior Exploration Advisor for Unocal Worldwide New Ventures (1980-2000). Bill provides strategy, training, and project decision support to countries, companies, and teams worldwide. He has received several industry and national awards including the Decision Analysis Society Practice Award, the Society of Petroleum Engineers (SPE) International Management and Information Award, the SPE Public Service award, and a Government of Canada national medal.

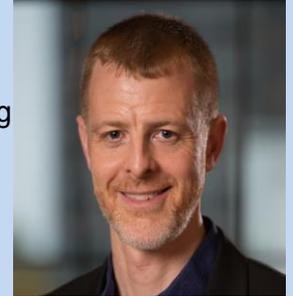


Bill's first appearance at DAAG was in 1996 presenting on the topic of portfolio decision support and has the pictures to prove it. He remains a frequent speaker and workshop leader. He is the author of several papers including key manuscripts on assessment, development planning, and the application of decision principles in the natural resources industries.

New Member Certifications (III)

Congratulations to our new SDP Lead Practitioner –

Andrew provides planning, decision and risk support for projects and operations in his role as Manager, Business and Resource Planning with Teck Resources, a diversified mining company based in Vancouver. In His current role he leads a decision quality initiative focused on enhancing value and integration of sustainability considerations into decision making. He has worked in the area of sustainability, environment and community affairs for senior and junior mining companies, a federal government agency and consulting companies. Andrew holds Bachelors and Master degrees in Mining Engineering from the University of British Columbia. He has over 15 years of experience as board member, secretary and chair for a social enterprise non-profit and his church. Andrew has served on the SDP board since 2019, on the DAAG program committee since 2018, and is a founding member of the Vancouver SDP chapter and an active member of the Chapter & Outreach Council.



Congratulations to our new SDP Associates (our new entry level certification)

Lindsay Alaniz (no photo avail)

Steph Kydd



Rachel Court



Chapter News

Calgary Chapter:

The Calgary Chapter is gearing up for a new year and is looking for several volunteers to join our executive team and board to help run the chapter. Please email calgarychapter@decisionprofessionals.com for more information. We plan to kick off September with our second book club meeting where we will review the book [Calling B*llshit](#).

Houston Chapter:

The Houston Chapter proudly announces their upcoming 1-day virtual event called the **SDP Houston DQ Energy Summit** scheduled for **November 5, 2021**. The event theme is [“DECISION MAKING FOR ENERGY’S NEW DAWN, Embracing the Energy Transition through Value-Based Decision Making”](#).

The summit welcomes the energy industry (from all parts of the value chain) and will benefit those new to the workforce to the very accomplished. The 1-day agenda is jam-packed and constructed around the application of decision quality practices from experiences with real-world dilemmas. The SDP Virtual Houston Energy DQ Summit is for anyone engaged in supporting, guiding, and driving energy efficiency and addressing the global emissions challenge.

The Keynote Speaker is the Former Texas Railroad Commissioner, Ryan Sitton. Executives from Chevron, bp, BHP, and Shell will join the podium for a round table discussion on views regarding decision making and the future of an industry in transition. Other presentations will address decision making in ESG (Environmental, Social, Governance), Rapid Decision Making, and Tools & Methodologies for making robust decisions.

Best pricing starts now through the date of October 6, 2021 and includes a discount for SDP Members. The online experience of the SDP Virtual Houston DQ Summit promises to be interactive and engaging. After the event, all content will be offered on-demand for 60 days allowing attendees to watch what they missed and re-watch their favorite presentations.

REGISTRATION: www.sdphoustondqsummit.com

SDP announces the launch of the Vienna Chapter

SDP has recently launched a Chapter in Vienna, Austria. The SDP Vienna chapter is a way for all of us in Central Europe to get to know each other and to share best practices on a regular basis.

The chapter will operate similar to SDP's other chapters, in Houston, Calgary, San Francisco, Seattle, Vancouver and London Chapters, with regular meetings. Meetings would last about 2 hours. Ideal times/dates/locations for future meetings will be discussed at the first sessions. During the meetings, we will have speakers, either from within the chapter or outside.

Meet the SDP Vienna Chapter Executive Committee:



Jost R. Püttmann | SDP Vienna Chapter President

Jost is a geologist by education, with a Diploma from the Westfälische Wilhelms-Universität in Münster, Germany. He has spent the last 20 year of his career with the Austrian oil company OMV, holding technical and management roles in exploration, development, and portfolio management.

Since 2019 he is responsible for the ODQ Program at OMV Upstream and a member of the SDP.



Daniel Dantine | SDP Vienna Chapter Vice-President

Daniel is a partner at Decision Advisory Group, a consulting company based in Vienna that specializes in strategic decision-making advisory. The company was founded in September 2020 and its core industry focus is on the energy industry, capital-intensive industry and the public sector. Prior to setting up his consultancy, Daniel spent more than 20 years in Senior Strategy, Business Development and Finance roles in multi-national corporations with work experience in Austria, Switzerland, New Zealand and Romania.

Daniel studied at the Vienna University of Economics and also holds an MBA from Henley Management College in UK as well as a certificate in Strategic Decision and Risk Management from the McCombs School of Business in Austin, Texas.



Christian Diendorfer | SDP Vienna Chapter Secretary

Christian is a mechanical engineer by education, with a PhD from Vienna University of Technology and an MBA in Energy Management from Vienna University of Economics and Business. He has spent several years in the portfolio management department of the Austrian oil company OMV and is currently working at the Austrian Institute of Technology where he focuses on decarbonization strategies of the energy-intensive industry. In addition, he is a board member of the World Energy Council's Future Energy Leader program.

Chapter participation is not limited to SDP members. If you know of a colleague in Austria or beyond who might be interested in participating, kindly pass this message on to them.

Please join us in welcoming the Vienna Chapter to the SDP community.

To be added to the SDP Vienna Chapter email communication, click [HERE](#).



Council Focus

Membership & Communication Council:

One year ago, you may recall, the Membership and Communication Council conducted a survey seeking input from SDP members about where our members felt were the drivers of value, some we (SDP) were hitting and some we were not. In the months that followed, the M&C Council, which meets for one hour monthly, analyzed the results to formulate a story about what seems will have the greatest impact on value based on members feedback. We ranked them based on how frequently issues were raised from both the closed and open-ended questions. We landed on three areas that appeared to be of greatest interest to our survey respondents. Below we provide an update on each.

- **Membership Directory**

For quite some time, many members have been asking for an online directory on the SDP website that is available only to SDP members. This has been a must-have item for our new web platform for nearly two years. The pandemic's impact on the sustainability of some vendors gave rise to concern over the continuity of support by web vendors. Because of this, the new website project was temporarily sidelined and is now back underway.

- **Internal Network of DA Group Leaders**

Similar to Special Interest Groups, the idea emerged of a DA Group Leaders Consortium whereby DA Leaders across several companies meet on-line periodically to collaborate and share ideas about advancing DA within companies.

- **Mentorship**

In the past, a mentorship program was launched but it was not sustained over time. Since then, the idea of reviving a mentoring program has been voiced not only from feedback within the survey but also by others who offered their feedback in one-on-one conversations in follow-up to the survey.

The first item will be integrated into the new web platform. For the second and third items we are going to begin testing the waters to learn how best to get these ideas off the ground. We will be contacting DA group leaders via individual emails. We will also be reaching out to members more broadly regarding opportunities for participation in a mentoring program.



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 ongoing success of the Society.



PROJECT PLANNING: WHAT'S IN A COIN FLIP?

Planning any project involves a lot of uncertainty. That's why project planning exercises are so valuable. But how do you properly plan a project when there are so many "known unknowns", to paraphrase Donald Rumsfeld.

Expected Value is a core concept in uncertainty-based decision making. Simply stated, expected value is the average result you experience when an uncertain trial is repeated several times.

Probably the easiest way to think about this is a simple coin toss.

KNOW WHEN TO HOLD 'EM

Let's assume we play safe friendly wager on a coin toss. If the coin lands on heads, I owe you \$100. If it lands on tails, no soup for you! You have a 50-50 chance of getting \$100 on the first flip. Likewise, you have a 50-50 chance on each successive flip. But, over time, the law of averages kicks in. After 100 coin tosses, you would end up with \$50 for each trial on average. The Expected Value for this game is then \$50. But what's your chance of taking \$50 from me on the first flip? 0% of course. On any given flip, you could take \$100 or \$0, but NEVER \$50.

Crystal clear right? Couldn't be simpler you say...

(Continued on next page)

SDP SPONSOR

K Carpenter Associates

Founded in 2009 & incorporated in 2011, K Carpenter Associates (KCA) approach to Decision Analysis focuses on the practical application of DA principles to business opportunities large and small. We have helped clients of all sizes, from internet and small business startups, to large multinational pharmaceutical and energy companies. Each engagement is an opportunity to recruit the client to the ways and benefits of using DA in their strategic and business project decisions, and we have instructed thousands of students through our Introduction to DA 2 and 3-day classes. KCA goes beyond DA to provide clients support in Project Management, Business Analysis, Change Management, Process Reengineering, HAZOPs, IT development, and general business support – doing whatever it takes to help our clients succeed. We continue to grow and may have a fit for your particular skillset. Whether new to the world of DA or a veteran looking for supplemental work, if interested in seeing how KCA can fit your development plans, please reach out to us at INFO@KCA-us.com.

UNCERTAIN PROJECT PLANNING EXERCISE PROBLEMS

It's not unheard of, in fact it's quite normal, for businesses to assign the wrong value to business cases. Complex project planning exercises call for uncertainty-based business cases. Uncertain models give us a range of values. Many use numbers across the range to calculate an average value. After they find the average, they slap an "Expected Value" label on that number and call it a day.

But then again what are the chances a business case will produce an average value? Once again, it's practically 0%.

IT AIN'T WHAT THEY CALL YOU, IT'S WHAT YOU ANSWER TO

When we place grandiose labels on data points, we suddenly forget anything can happen. Instead of remembering we are dealing with a range of possibilities, we expect to achieve an average.

Uncertainty-based business analysis is not about a single data point on an outcome distribution model. It's about exploring the distribution of outcomes and their drivers, and then taking the appropriate action to improve our results.

When we only compare the expected values of project alternatives, we lose sight of the simple fact that averages are just that; average. Using an average number to make critical business decisions is not a valid approach to project planning.

Put simply, statistically close expected values should be ignored completely. Instead of focusing on one number that's as statistically probable as hitting the lottery, business leaders need to examine the breadth (or risk) of outcome distributions. True insights aren't found in singular (and nearly impossible) possibilities.

It's not enough to have an average. We need to understand the key drivers behind range of outcomes. And we need to thoroughly grasp how those drivers can lead to wild success, or catastrophic failure.

The moment you realize "expected value" is nothing more than "mean value" you set yourself up for success. You make better decisions, create stronger project plans, and make strides far beyond the average.

AM I BEING TOO TOUGH HERE?

What do you think? Are too many businesses focused on being average?

I welcome your thoughts and insights, email | kcarpenter@kca-us.com

LET'S PONDER THIS

Kevin Carpenter
Founder & CEO
K Carpenter Associates
E | kcarpenter@kca-us.com



Decision Making in Agriculture

Tuning to Objectives to Generate New and Better Alternatives

By **Jay Parsons**, Professor, Dept of Agricultural Economics, Univ of Nebraska-Lincoln

Most individuals are reactive in their decision-making. Recognizing decision opportunities is equivalent to recognizing two or more distinct choices at a given point in time. Consequently, making decisions becomes equivalent to solving a problem. Which is better, choice A or choice B or, possibly, choice C? Adding more choices to consider just makes the problem harder to solve.

This alternative focused thinking limits the quality of decisions. On the other hand, tuning to objectives and thinking through what would be the ideal outcome, as well as any horrible outcomes you are trying to avoid, can open up a thought process that reveals new and better alternatives that lead to an increase in the quality of decisions made.

The Nebraska Ranch Practicum is an 8-day educational program spread out over eight months from June to January each year. In the Practicum, we immerse students in ranch management decision-making, both tactical and strategic. Examples include determining the ideal timing and length of the calving season, pasture rotation schedules, animal nutrition management practices, and a number of other practical ranch management choices. Students participating in the Practicum include graduate students as well as active ranchers, veterinarians, and other professionals interested in ranch management.

Practicum students get on-site, hands-on experience assessing current information at the Gudmundsen Sandhills Laboratory, a working ranch owned and operated by the University of Nebraska-Lincoln. Using data to make decisions is a point of emphasis throughout the course. However, up until a few years ago, no formal decision-making training was part of the curriculum.

Since 2015, students start the Practicum experience with a two-hour introduction to quality decision-making. Students use a decision-making process to learn the importance of establishing the decision context including identifying the objectives you wish to achieve by making the decision, the internal situation you are dealing with, the relevant external information to consider, and the risk and uncertainty involved. They walk through the process of creating good alternatives, evaluating tradeoffs, and making a decision. Finally, we wrap up the experience with a short discussion of the importance of committing to implementing the choice.

Decision Making in Agriculture (continued)

The rest of the Practicum experience continues as an issue-based course taught by faculty members in animal science and agronomy without any significant time spent referencing back to or using the formal decision-making process introduced at the beginning of the course. The question is, does this limited exposure to decision training have a positive effect on the decision-making skills of the participants?

In 2016, Johannes Siebert and Reinhard Kunz published a scale of proactive decision-making in the European Journal of Operational Research. This scale describes four dimensions concerning cognitive skills (systematical identification of objectives, systematical identification of information, systematical identification of alternatives, and using a decision radar) along with two dimensions covering proactive personality traits (striving for improvement and showing initiative). A video providing more detailed information about this research can be accessed following this [link](#). With the generous assistance of Dr. Siebert, we are using this assessment tool to determine pre and post proactive decision-making skills of Nebraska Ranch Practicum participants since 2017.

The results consistently indicate improvement in Practicum participants' cognitive skills over the course of eight months. Feedback from students indicates emphasis on the identification of objectives during the decision training helps open the process for identifying more and better alternatives. Systematic identification of alternatives is one of the specific cognitive skills that consistently shows improvement from beginning to end of the Practicum.

Other faculty are seeing the value of formalizing decision training into the course. As a result, the present Practicum curriculum shows a large increase in the application of the decision training in other parts of the course. Decisions involving management of the calving season, selection of replacement heifers, management of cull cows, retention of calves, and sales of calves are now taught with time allocated for revisiting the decision-making principles introduced in the decision training at the beginning of the course.

In conclusion, although agriculture presents a challenging environment to teach decision-making skills, agricultural professionals are receptive to the training. Even with limited exposure to decision training in issue-based courses, we see growth in proactive decision-making cognitive skills. There are numerous opportunities for decision science professionals to contribute to the conversation.

Brain Teaser

Congratulations to Pat Leach and Michael Runge which both responded correctly within short time of each other on the June Brain Teaser.

The answer to The Merciful King June Brain Teaser is as follows:

Question 1 Solution: Quickly guess White and claim your pardon!

Question 2 Reasoning: The giveaway is the requirement for a “fair” method. The only fair method is three whites, for otherwise one or more prisoners would be at an advantage or disadvantage. Besides the notion of fairness there are other rationale; the key piece of information is the thinking time and the fact the other prisoners are of fair intelligence. It is obvious that if somebody saw two black circles, they would instantly know they have a white circle. That is not the case as you can see two white circles. However, if you had a black circle, the other two prisoners would be seeing black and white. They would quickly realize that if they had a black circle, the person with the white circle would be seeing two blacks and instantly claim the pardon - absent that they must have a white circle. If you had a black circle, after a few seconds, the prisoners seeing black and white would realize that two blacks are not distributed, claiming they have white. The only reason why they haven't made such claim after say 60 seconds is because likely they too are puzzled seeing two whites, meaning all three prisoners have white circles. You better quickly claim your pardon by guessing white, before they beat you to it!

[Download the June 2021 Brain teaser and solution](#)

THE SEPTEMBER 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 ([SDP Newsletter: Brain Teaser](#)). We will announce the winner in the next issue. Our new Brain Teaser Editor is Tony Fernandez.

Old Friends Kids' Ages

Two old high school friends John and Bob unexpectedly meet after many years. They go to a nearby outdoor chess cafe to share their life stories and play some chess. Both are now married with kids. John states he has two kids ages 10 and 12. Bob responds that he has three kids, whose ages when multiplied equal 72, and when added equal the last two digits of the license plate on the nearest parked car. John sees the license plate and seems somewhat puzzled, stating that he is missing information. Bob apologizes stating: “oh but of course, you are correct, I am so sorry. Remember our endless chess marathons, well I forgot to tell you my oldest is becoming a formidable chess player for his age”. John says, “yes of course, knowing his father, could not be any other way,” quickly and correctly provides the three ages of Bob's kids. What are the three ages of Bob's kids?

Note: to preclude confusion, consider the ages rounded up or down to the nearest full year for normal-term pregnancies.

Good luck!

