



SOCIETY OF DECISION  
PROFESSIONALS  
Clarity & Insight for Decisive Action

# NEWSLETTER

Issue 1

February 2017

## WELCOME

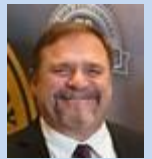
*Welcome to the inaugural issue of the SDP Newsletter. We hope that you will find this bi-monthly publication to be both informative and entertaining as it relates to your role as a decision professional.*

*Matt Gorman and Steve Tani  
SDP Newsletter Editors*

### ***President's Message***

### **What Does Your Dad Do?**

**by Larry Neal**



Hello Everyone,

Welcome to Issue 1 of the new SDP newsletter. I am thrilled to pen the first President's message. In fact, I'm thrilled to be your President. I never dreamed that a group of my colleagues would trust me enough to place me in such a position. Thank you!

Since this is the first article of its kind, I thought I would be greedy and take the opportunity to write a bit about why I joined the effort to start SDP and offer my own personal views of what I think SDP is and what it can be.

The title of this article is a question my kids struggled with for years; well, maybe they still do to a certain extent. I know they use the term Decision Professional now, but I think they still need to elaborate at times.

*When someone asks you what you do for a living, what do you say?*

I always offered one of three different answers. If it wasn't critical for the enquirer to actually know what I did, I would simply respond "I'm in oil". Occasionally I would find myself in certain Northern California towns, then it was "I'm a risk analyst". If it was really important to communicate what I did, I would respond with a description that I tried desperately to keep under 100 words. It was very frustrating at times.

How many professions have this kind of an identity crisis?

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## **President's Message** (continued from page 1)

That's a primary reason why I first joined the SDP effort. To succinctly define what I did for a living independent of my chosen industry, and to raise awareness of the power our skill set has to improve business decisions.

Thanks to the efforts of many people, we've made a lot of progress since those first phone calls back in 2010 or so, but I don't think that succinct definition is quite there yet. Judging based on the attendance of our webinars, awareness and interest are growing. Sometimes we have participants from more than 25 different countries. In addition, DAAG is a stellar gathering, and getting bigger every year.

Prior to jumping aboard the DA/DQ train, I was a Petroleum Engineer with a pretty darned good career and career trajectory. In hindsight however, I now understand how that part of my career, although rewarding, was limited largely to what I could do at work. I often tutored in math and science, but that was the bulk of what my skill set offered to society outside my day job. It just didn't feel complete.

When starting SDP, it was a natural fit to initially focus on businesses and business decisions - that's how we survive economically. In 2012 however, my personal view changed. A prostate cancer diagnosis thrust me and my skills into a decision space I hoped I'd never have to face. Thankfully everything turned out just fine, and I walked away from that experience with a whole new attitude about what being a Decision Professional means. I also now know what was missing from my petroleum engineering career. Our profession presents us with tremendous opportunities well beyond the business place. We have the skills to improve the lives of many by empowering them to make better choices every single day, and I think that's a place our Society needs to put more focus on.

I am now in the second half of my year as your President. In the coming months, you will hear much more about visions, strategies, and plans to take SDP a bit more into a direction that helps fulfill and balance a career as a Decision Professional. You will also hear calls to help make SDP more financially sustainable to better enable us to pursue our chosen mission.

My vision is that someday you won't have to explain what it is you do for a living, and just maybe, children will grow up wanting to be Decision Professionals.

Until next time, thank you again for your support of SDP and especially for giving me an opportunity to pay it forward.

Larry

## **Upcoming Events**



- [DAAG 2017](#)  
March 15-17, 2017  
New Orleans, LA
- [Webinar: Uses and Abuses of Objectives Hierarchies](#)  
Wednesday, 15-Feb, 8AM PT (US)



- [2017 Business Analytics Conference](#)  
April 2-4, 2017  
Las Vegas, NV



- [39th Annual North American Meeting](#)  
October 22-25, 2017  
Pittsburgh, PA



# SDP Council in Focus: Membership Development Council

by Dan Hudson

The mission of the Membership Development Council is to

- Relate the concerns and aspirations of society members to the SDP Board of Directors; and
- Manage programs that grow the member base for the society.

To achieve our mission, we must identify and then progress initiatives that aim to enhance the value proposition of society membership for both current and prospective members.

Like other SDP councils, the Membership Development Council consists of SDP members who volunteer their time and efforts to contribute to council activities in support of achieving the council mission. Current Membership Development Council members are identified in the table provided below.

**SDP Membership Development Council Members**

Name	Title	Organization
Dan Hudson (Council Chair)	PhD Candidate Reliability Engineer & Risk Analyst	Johns Hopkins University U.S. Nuclear Regulatory Commission
Hilda Cherekdjian	Executive Director	Society of Decision Professionals
George Cleveland	Senior Business Consultant	Red Hat
Jack Kloeber	Principal	Kromite, LLC
William Leaf-Herrmann	Senior Principal	IMS Consulting Group
Jian Luo	Consultant	Kromite, LLC
Steve Tani	Partner	Strategic Decisions Group International, LLC

We encourage you to take full advantage of the many [opportunities and benefits](#) that come with being a member of SDP, including

- Exclusive access to our online knowledge content library that includes an extensive archive of previous webinars;
- The ability to enhance your professional development by pursuing decision professional certifications and progressing through the SDP career ladder; and
- Opportunities to network with fellow decision professionals through activities such as (1) serving on one or more SDP Councils or the Board of Directors, (2) participating in the annual DAAG conference, or (3) participating in local chapter events.

This is an exciting time to be a member of SDP. During the next year, the Membership Development Council will be advancing a number of initiatives, including

- Pilot testing a formal mentoring program that officially began in January 2017 with 32 participants, which aims to (1) foster the personal and professional growth of SDP members, and (2) facilitate achieving SDP certification;
- Implementation of a global member directory to facilitate interactions and networking opportunities among SDP members around the world; and
- Distribution of a bi-monthly newsletter such as this one to keep you better informed about the activities of our society and our members, as well as opportunities and benefits that are available to you—our society’s most important asset.

We are always looking for new perspectives and ideas for how to enhance the value of SDP membership. Please consider volunteering to join the Membership Development Council! If you would like to join us—or if you have any questions, concerns, or suggestions for us—please contact Dan Hudson at [dhudson6@jhu.edu](mailto:dhudson6@jhu.edu).





## Spotlight on SDP Member Scott Evans

*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*



Scott Evans, of Melbourne, Australia, has only recently become a decision professional after taking a career journey with a few twists and turns. After earning a degree in Chemical Engineering from the University of Melbourne, he transitioned from the manufacturing industry to programming and then to technology consulting, eventually establishing his own management consulting firm that specialized in business development for high-tech companies. Having experienced the many ways that such a business can fail to succeed, he realized the need for a more rigorous approach. This is when by chance he stumbled across the practice of Decision Quality.

Through an introductory massive open online course (MOOC) a few years ago, Scott was introduced to the concepts of Decision Quality, which he found impressive and convincing. Then, by taking online courses, he earned a certificate from Stanford University in its Strategic Decision and Risk Management program. He joined the SDP in 2015 and has been working to find ways to introduce Decision Quality to clients in Australia. He is CEO of a small company called Markamind which focuses on the application of decision science to early stage R&D, new product development, and innovation. While pursuing the more traditional opportunities in the oil & gas and big pharmaceutical sectors, he is also taking a broader approach, including the development of tools and processes that are suitable for medium-sized businesses while also integrating them into new commercial ventures from the ground up. Current pursuits include a water trading platform for farmers to have more confidence in the market, and a recruitment program that allows students to design their own careers as soon as they finish high school. He is currently earning a Master of Finance degree from Griffith University with the goal of completing the CFA exams by 2020.

Being a part of an active community of decision professionals through membership in the SDP has been highly beneficial to Scott. He has been able to establish a close working relationship with SmartOrg (an SDP sponsor). And, as part of a recently-launched SDP program, he has received much valuable advice through a mentoring relationship with Frank Koch (past SDP President) that has helped him learn how to go about selling the practice of Decision Quality in the market. Scott says that being an SDP member has given him a clear appreciation of the reality of Decision Quality practice. While he has made a few false starts, the learnings, support and guidance have been instrumental in accelerating both his personal and professional development. As his practice becomes larger, Scott will seek to establish a local SDP chapter in Melbourne, with the goal of advancing the application of Decision Quality practice into new horizons within society.



## Ask the Fellows



***Dear SDP Fellows: One of the hardest challenges that I experience as a decision professional is getting the teams I'm working with to think creatively ("way out-of-the box") to generate a wide range of possible alternatives for evaluation. What do you suggest?***

The creativity problem is not uncommon and it is less about technique than it is about mindset. Biases are a big obstacle and often the prime culprit and there are ways to raise such biases to a conscious level. One approach is to offer anecdotes of real-life epic failures such as Decca Records asserting that "guitar bands are out" after auditioning The Beatles. Or, the consultant's report to AT&T projecting a market need of no more than 1,000 cell phones. If you can, identify such a failure within the client's own industry that can reveal such biases in a real way. Stories of surprise failure – even if vicarious – stimulate good thinking.

The creation of Objectives Hierarchies is an outstanding tool for assessing alternatives. By generating strategic alternatives for each objective taken in isolation, some "out-there" ideas can emerge that might not otherwise have been considered.

There is also the element of energy. When all seems moving toward a favorite solution don't fight the energy, use it. One way to do this is to break the team into sub-groups and allow them to develop their "favorite" strategies, channeling their energy into a few good strategic starting points. Then invite them to go through a quality assessment which could reveal their preconceived favorite as less than ideal.

Consider asking questions like the following:

- What is an alternative you think is very attractive but your organization would not pursue?
- What alternative could our competitor pursue against us?
- What is an alternative that would primarily benefit your business unit? How about alternatives that would primarily benefit other business units?
- What would someone in a completely different industry do?

It is much easier for people to formulate alternatives in response to a specific challenge than it is in response to an open question. Diversity in team background and attitudes also helps.

As suggested by Roger von Oech in "A Whack on the Side of the Head," get the team to think of more than one "right answer" to a problem. Try to change the team's point of view. Ask what those in a different industry might do. Ask someone to come up with an alternative that seems foolish and then ask the group to figure out how to make that alternative work.

Other techniques to try:

- *Backcasting* - Ask the team to picture themselves 10 years in the future. "You have chosen a strategy, but it turned out to be an unmitigated disaster. What happened to cause this?" Then, "You have chosen a strategy and it was wildly successful – way beyond your dreams. What happened to make it so successful?"

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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 [SDP Newsletter: Ask The Fellows](#).***



## Ask the Fellows (continued from page 5)

- *Competitive role-playing* – Pretend that you are a spy from your biggest competitor. What do you report as the biggest threat to your company's success? What is the biggest opportunity?
- *The Wizard* – This notion was developed by Ron Howard. "The Wizard can instantly make anything that you request happen. What ONE thing would you ask the Wizard to do that would most guarantee the success of your strategy?" Once relieved of practicality and cost limitations, people free themselves to identify actions that could be greatly value-adding.
- *The Clairvoyant* – Also introduced by Ron Howard. Ask the group for the one thing they would ask a clairvoyant that would most inform them about their decision. With key uncertainties thus highlighted, the team can better re-assess their thinking about alternatives.

The following SDP Fellows contributed to answering this question: Gerald Bush, Sam Holtzman, Frank Koch, Patrick Leach, and Harry Saunders.

### Recent Certifications

Congratulations to these four SDP members for achieving certification in 2016.



Certified as Lead Practitioner  
**John Foote**  
Retired from Chevron  
SDP member since 2015

Certified as Lead Practitioner  
**Simon Stromberg**  
Maersk Oil Company  
SDP member since 2015



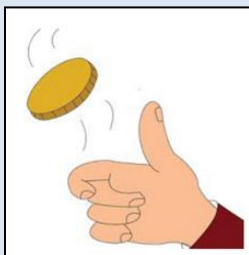
Certified as Practitioner  
**Laura Keating**  
Associate Consultant  
Strategic Decisions Group  
SDP member since 2015



Certified as Practitioner  
**Andrew Chanko**  
Manager, Enterprise Risk Mgmt  
Exelon Corporation  
SDP member since 2016

### 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 ([SDP Newsletter: Brain Teaser](#)). We will announce the winner in the next issue.*



#### HHT vs. THH

You flip a fair coin successively, stopping only when you observe either the sequence Head-Head-Tail (HHT) or the sequence Tail-Head-Head (THH). On which sequence is it more likely that you will stop? How much more likely?



## 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.*

# SMARTORG®

SmartOrg has been applying its deep roots in Decision Analysis to the strategic business problems of Fortune 1000 companies since 2000. Our web-based portfolio evaluation platform focuses on aligning innovation and finance to overcome conflict and drive breakthrough growth. We've invented methods that help innovation and finance agree on how to drive upside and on where and how much to invest.

Our platform administers and conducts the evaluation of uncertain opportunities. The platform includes project analysis tools that identify the biggest areas of uncertainty that impact the project and uncover the hidden areas that offer the greatest upside potential. Once the project-level analysis is complete, our platform also aggregates and compares projects, offering insightful analytics that help with portfolio optimization. Through each custom-fit solution, we help build our clients' capability to deliver credible and comparable evaluations so their team members can make and accept portfolio decisions. This lets them unleash the hidden opportunities that drive breakthrough growth.

Our portfolio platform is designed to offer decision analysts a 21st century approach to scaling decision analysis. Sophisticated decision models can be deployed on the web in a secure manner with support for role-based privileges that are common in the enterprise context. The platform makes it easy for decision analysts to develop solutions using a technology they already know – Excel. Without writing a single line of code, decision analysts can deploy cutting-edge aesthetically designed end-user web experiences that make the process of decision analysis simple and intuitive. For the coding-savvy decision analyst and IT departments of customer organizations, our Javascript SDK allows for the creation of stunning user experiences without needing to worry about the server stack.

Example portfolio management customers include TEVA Pharmaceutical, Dow AgroSciences, DuPont Pioneer, Rogers Corporation and The Nature Conservancy, all using SmartOrg's portfolio evaluation platform and services. A historical customer list and a few video testimonials are here: <http://smartorg.com/about/customers/>

See the latest [SDP Fellows Blog](#).