



SOCIETY OF DECISION
PROFESSIONALS
Clarity & Insight for Decisive Action

NEWSLETTER

Issue 27

December 2022

President's Message

By Jennifer Harrington

Season's Greetings!

As we close out 2022, I find it a great time to reflect on all that has happened in 2022 – on a personal level and with our SDP community.

When it comes to SDP, I've seen tremendous contribution and energy across our organization. Under the leadership of co-chairs **William Leaf-Hermann** and **Gary Summers**, who had to fearlessly navigate the uncertainty that we continued to face with the pandemic, we hosted another successful virtual SDP annual conference and workshops in April. This "crown jewel" of events inspired the inception of topical events such as the Houston Energy Summit and Norway DQ conference, which provided opportunities for in-person gatherings. And we can't forget all the good work and thought leadership that comes out of our councils, chapters, and interest groups – from the formation of two new interest groups (ESG and Innovation aka "iggy") to the monthly webinars on great topics from our membership base (including the recent fireside chat with DA organization leaders highlighted in this newsletter edition), these are a couple examples of all that goes on within SDP.

And while we've done tremendous work this past year, we acknowledge that there is still much to do and opportunities for us to explore and experiment as we continue to make progress towards our vision of ***becoming the world forum on decision making***. But for now, I am grateful to all of you for your commitment to the SDP and encourage you to celebrate all that we've accomplished thus far. As Benjamin Hardy says in his book *The Gap and The Gain*: "If you focus on what you lack, you lose what you have. If you focus on what you gain, you gain what you lack." So on those words, let's ride the wave of what we gained this past year and continue the momentum into 2023.

Wishing you all a wonderful holiday season and a happy new year!

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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>

Upcoming Virtual Workshops (4 hours) Events

Good Time for the Americas and Europe	Date	Time (CT)
The impact of Cognitive Biases on Decision Making, Implementation and Effectiveness	9-Feb	10:00-2:00
Decision Science 101: Using Structured Thinking to Supplement Your Business Smarts	14-Feb	10:00-2:00
"Good Practices" in Developing a Monte Carlo Model	16-Feb	10:00-2:00
Introduction to Scenario Planning for Strategy Development	21-Feb	10:00-2:00
Decision Frameworks and Approaches Current and for the Future	22-Feb	10:00-2:00
Decision Analysis & Uncertainty Modeling	1-Mar	10:00-2:00
The Art and Science of Probability Elicitation	8-Mar	10:00-2:00
Decide Better: Decision Science for Leaders	11-Apr	10:00-2:00
The Chance Age: A Renaissance for Decision Analysis	12-Apr	10:00-2:00
Distributed Decision Making	19-Apr	10:00-2:00
Strategic Portfolio Management	20-Apr	10:00-2:00
Major Investment Decision Making for Government, private and not-for-profit sectors	25-Apr	10:00-2:00
Improving Decision Quality During Stage Gates Reviews	27-Apr	10:00-2:00

Good Time for Asia Pacific	Date	Time (CT)
The impact of Cognitive Biases on Decision Making, Implementation and Effectiveness	28-Feb	8PM to Midnight CT
Decision Quality for Effective Leaders - An Experiential Workshop for Managers	6-Apr	8PM to Midnight CT
Major Investment Decision Making for government, private and not-for-profit sectors	13-Apr	8PM to Midnight CT
Decision Science 101: Using Structured Thinking to Supplement Your Business Smarts	20-Apr	8PM to Midnight CT
Introduction to Scenario Planning for Strategy Development	4-May	8PM to Midnight CT
"Good Practices" in Developing a Monte Carlo Model	11-May	7PM to 11PM CT

REGISTER AT
[WWW.SDPEVENTS.COM](http://www.sdpevents.com)



Chapter News

Houston Chapter:

The SDP Houston Chapter strives to increase the awareness of the organization and to explore ways in which to fuel growth. One way the chapter found to do this, is by building community partnerships that share a common mission with SDP. The chapter recently gathered for a field trip to Greentown Labs, the largest Climate Tech incubator in North America, and host to nearly two hundred member companies working to create a better, brighter, cleaner, tomorrow! The visit included a guided tour through the prototyping lab from the staff at Greentown Labs.



Council Focus

Membership & Communication Council:

A Conversation About Internal Decision Support Groups

*On November 28, the Membership and Communications Council sponsored a “fireside chat” that focused on internal decision support groups – teams of decision practitioners who work within organizations to help the decision-making of those organizations. The event was a moderated conversation among four leaders of such groups: **Charles Persinger** of Eli Lilly, **Peter Ray** of Alnylam Pharmaceuticals, **Greg Wayne** of AbbVie, and **Mike Benefiel** of Chevron. The moderators were council members **Matt Gorman**, and **Jieyu Zhang**. The event was attended by about 75 SDP members.*

The conversation was wide-ranging. Some of it centered on the factors that contribute to success for these groups, which can be defined as “ongoing participation of the group over time in the making of important decisions within the organization, leading to a sustained improvement in decision quality.” The panelists agreed that one important factor is consistently strong executive sponsorship of the decision support process, particularly when the process is first introduced within the organization. But the panelists were quick to point out that executive sponsorship can be a double-edged sword. If the strong executive sponsor leaves and no other executive sponsor steps up, the decision support process will likely fail. So, it is important for the group to consciously build support at all levels within the organization, not just at the top. Indeed, an ideal would be to create a strong decision quality culture within the organization so that people routinely think and behave in ways that lead to high decision quality. Then, using appropriate decision support for all major decisions becomes a commonly held expectation rather than a choice of the decision makers.

Another success factor mentioned by the panelists is to have the executives in the organization see that the decision support process creates value that far outweighs its cost. On the value side, it is important to get the executives to appreciate that the decision support process “de-complexifies” difficult choices, leading to clear decisions that draw strong consensus. The cost side comprises both the direct cost of the decision support staff and the indirect cost of the time and attention of other people in the organization diverted away from other important matters. The panelists said that a successful decision support group would put much effort into being as efficient as possible in using these resources.

Another part of the conversation centered on the decision support group itself. Regarding the skills that group members should have, the panelists agreed that all should be strong in both analytic and “soft” skills. An essential requirement for attracting capable members to the group is that they are offered satisfying career paths when joining the group. Some members will want to stay in the group long-term, while others will want to rotate in and out while pursuing a more general career in the organization. The group needs to accommodate both of these paths.

The council plans to host another fireside chat during 2023 to continue this conversation.

Sponsor Message



Brain Teaser

September Brain Teaser Answer - No Responses.

(Click [HERE](#) to read the full question and answer)

What is Going to Happen to Europe this Winter? The problem calls for a simplistic modeling of gas flows and storage levels over the winter season, Oct. 1 to Mar. 31, 182 days. The table below shows the results and math. Scenarios 6 and 7 are respectively for: i) cold and mild winter; ii) reducing consumption by 15% and 6%; iii) replacing 50% and 25% of Russian gas; iv) to arrive at 15% and 16% of storage by end of winter. Note there are many other reasonable combinations. In spite of Nord Stream pipelines down resulting in minimal Russian gas, Europe is doing a great job building storage by increasing supply and reducing demand, while weather is cooperating. However, winter cold blasts can quickly draw down gas storage, which means there is still plenty of uncertainty remaining.

<u>What is Going to Happen to Europe this Winter?</u> SDP Brain Teaser Sep-2022	Winter Daily Supply BCFD A	Winter Daily Demand BCFD B	Winter Daily Deficit BCFD C	Winter Storage Draw BCF D	Winter Ending Storage BCF E	Winter Ending Storage % Fill F	Winter Linear Shortfall Days G	Winter Empty Estimate Date F
Math (Vol1 = Initial Storage = 3,500 * 85% = 2,975 BCF)	Per Given Info	Per Given Info	B-A	C*182	Vol1-D	E / 3,500	If E=0; (Vol1- C)/(B-A)	If E=0; ~Apr 1 -G
Scenario 1: Normal Winter with Full Russian Gas Supply	45.0	55.0	10.0	1,820	1,155	33%	N/A	N/A
Scenario 2: Normal Winter with 50% Reduced Russian Gas Supply	37.5	55.0	17.5	3,185	0	0%	12	Mid-March
Scenario 3: Normal Winter with No Russian Gas Supply	30.0	55.0	25.0	4,550	0	0%	63	Late January
Scenario 4: Normal Winter with No Russian Gas Supply Consumption Reduced 10%	30.0	49.5	19.5	3,549	0	0%	29	Early March
Scenario 5: Normal Winter with No Russian Gas Supply Consumption Reduced 10% and one third of Russian gas replaced	35.0	49.5	14.5	2,639	336	10%	N/A	N/A
Scenario 6: Cold Winter with No Russian Gas Supply Figure out a realistic combination to end with 15% storage.	37.5	51.0	13.5	2,457	518	15%	N/A	N/A
Scenario 7: Mild Winter with No Russian Gas Supply. Figure out a realistic combination to end with 15% storage.	33.8	47.0	13.3	2,412	564	16%	N/A	N/A

Brain Teaser

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

Table Tennis Tournament

Three friends, tennis table champions long ago, have a family reunion. Reminiscing their glory days, they challenge each other to a tournament for bragging rights. Denoting the friends as A, B and C, the first game is played by A and B, while C rests. Thereafter, the game loser sits out and the resting player takes on the prior game winner. Whomever wins two games in a row wins the tournament.

Question 1: They agree to a winner’s plaque with a record of the games played. The tournament is recorded by listing in order the winner of each game, for example ACC records a 3-game tournament won by C, with the first game won by A. Which of the following sequences are plausible tournament outcomes?

a) ACB; b) ABB; c) ACAA; d) ACBB; e) BCABB; f) BCBCAA

Question 2: The spouses are concerned they only have two hours of available time, with each game on average lasting 30 minutes. Determine the probabilities of each player A, B and C winning the tournament in 4 games or less, and the chance that after 4 games the tournament is undecided. Each player is of equal strength and just as likely to win any game.

Question 3: Same as 2, but A and B are of equal strength, while C is stronger and likely to win 60% of games versus both A and B.

Note: Credit to Keith McNulty and Cambridge University Sixth Term Examination Papers (UK) for the original problem, after which this problem was developed using the same tournament structure.

Good luck!

A Note from the SDP Newsletter Editors

We wish all SDP members have a Happy and Peaceful holiday season. This is our last SDP Newsletter of 2022. We hope it has added to your year with information, brain teasers, accolades of achievement and activities of all of the Chapters, Special Interest Groups, and Councils. Please let us know when there are interesting activities related or pertinent to SDP, especially since we now have quite a few organizations within SDP conducting events.

Your CoEditors: Emilia Silebi, Antonio Fernandez, Tony Kenck, Brian Putt, Jack Kloeber

