

Launch Pad—Part 3 of 3 Making robust launch decisions— Part 3

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In Part 3 of this three-part series, Visions Launch Editor Mark Hart provides readers with several suggestions for making the robust decisions regarding team activities. (See Part 1, July 2005 and Part 2, January 2006 Visions.)

n Part 1 of this series, I summarized three types of risks: execution, white space, and integration; and four decision types: simple, iterative, complex, and emergent. In Part 2, I presented insights into decision preparations and alternatives as well as recommendations for aggregated metrics and models. In this article, I describe how certain tools can equip teams to make better decisions and how decision-support impacts implementation.

Commercially available tools

First, you must meet the prerequisites, such as ensuring that your team is populated with appropriate individuals, has a portfolio-centric outlook, and has achieved agility in decision and execution. You also must have refined project issues, criteria, and alternatives. At that point, you can consider a tool to manage project decisions. Two of the tools that I investigated were from Decision Lens (*www.decisionlens.com*) and Robust Decisions (*www.robustdecisions.com*).

The Analytic Hierarchy Process (AHP) and Analytic Network Process (ANP) by Dr. Thomas Saaty are the basis for the Decision Lens solutions. Their five-phase process includes: Assessment Phase, Criteria Development, Evaluation of Alternatives, Resource Allocation, and Analysis / Reporting. Tony Serafino, VP of Business Development at Decision Lens, has observed that the software is "ideal for multiple stakeholder, multiple criteria, multialternative, and limited resources decisions." Chris Sloop, the Chief Technical Officer at WeatherBug (*www.weatherbug.com*), reports that they are using it to pick the features of the next product. Sloop says that Decision Lens provides a "logical explanation that everyone can agree to. Everyone gives input. It is more logical. It improves teamwork. It reduces second-guessing."

Accord, the Robust Decisions product, accepts input of issues, criteria, and alternatives. On a technical basis, the Decision Lens products combine Bayesian Decision Theory, Taguchi's Method of Robust Design, and Dr. David Ullman's Product Design Process.

Value of these products

Using products such as these allow team members to contribute effectively, such as voting in real time or offline, voting publicly or privately, identifying inconsistencies mathematically, and also evaluating proposed decisions. Exhibit 1 on this page shows a representative control panel for adjusting the relative weight of criteria. This capability allows an investigator to gain insight about the effect of one change in criteria, such as a dramatic increase in the "short term profitability" metric. This amazing capability allows you to simultaneously change the weighting of multiple criteria, a what-if scenario, and observe the results instantaneously.

Of course, after a decision is made, there may be a disparity between expectations and results. Note the feedback path in the Exhibit. If the preliminary results are unacceptable, the alternatives should be re-evaluated. Examples of testing in preparation for product launch include usability testing of interfaces, reaction to concept videos, and performance testing of prototypes. Tests can vary from qualitative methods to split-run tests, also known as A/B splits, test-control, and champion challenger tests, to multivariable testing methods. Iteration from well-designed tests leads to optimization and this creates maximum value.

Frederick Brooks, who is best known as the author of *The Mythical Man-Month*, has post-decision advice, *numquam incertus*¹. The English translation is "never uncertain," and Brooks encourages management and team members to wholeheartedly support and implement the team's decision. Decisions that are not supported with the appropriate resources are not likely to produce the intended results.

Back end of innovation

Making robust product launch decisions is one component of the "Back End of Innovation." While the focus of the Fuzzy Front-End is to select a single idea from a pool of ideas and then begin shaping the product concept, robust commercialization decisions are the most likely to bring ideas or concepts started at the "Front End of Innovation" into final form. During the Back End of Innovation, the number of people contributing to the project is maximized and the number of decisions increases geometrically. This provides opportunities for improvements in activities, such as idea management, productivity, orchestration, resource adjustments, and analysis.

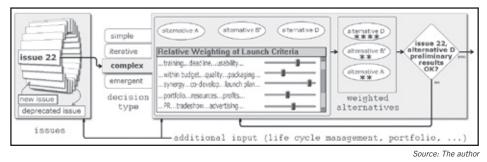
Robust decisions evaluate different combinations of New Product Development (NPD) criteria and alternatives that are more likely to work

> with changing market conditions. Successful commercialization requires orchestrated solutions to difficult problems in R&D, in marketing, and in operations. These decisions are critical to operational effectiveness; that is, the ability to perform better than your competitors under similar constraints.

Endnote

Roth, Daniel, "Quoted Often, Followed Rarely," *Fortune*, December 12, 2005, http://money.cnn.com/ magazines/fortune/fortune_archive/ 2005/12/12/8363107/.

Exhibit 1: Representative Control Panel



Issues, alternatives, the relative weighting of launch criteria, and feedback to refine launch decisions

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