

# **Fast, High Quality Decisions and Results**

**By George M. Pomonik**

Copyright © 2003, 2005 George M. Pomonik. All rights reserved.

## **Abstract**

This article presents a number of key methods that have been used to develop fast, high quality decisions and results in commercial enterprises, defense industry companies, and public service organizations. The speed and quality of decisions and results directly affect a company's productivity, costs, competitiveness, profitability, reputation, customer satisfaction, and, ultimately, survival.

## **Contents**

<b>Section</b>	<b>Page</b>
<b>1. Introduction</b> Success factors. Why fast? Why high quality? Impact.	1
<b>2. Overall, what are we trying to achieve?</b> Start with Vision and Goals—a beacon for tough decisions	2
<b>3. Recipe for solving a problem</b> Example of a prescription for resolving a major dilemma	3
<b>4. Utilize models</b> Use models to help understand and resolve complex issues	3
<b>5. The “Leader/Advisors Model”</b> Ownership of the decision, with advice from the team	4
<b>6. Build solutions from needs</b> Identify the stakeholders and their needs	5
<b>7. Balance the needs of the stakeholders</b> The “Money Machine Model”	6
<b>8. Communicate effectively</b> Effective face-to-face communications Effective processes for meetings	7
<b>9. Clearly understand our business processes</b> Business process mapping Help people fulfill their roles quickly and correctly—“Assess the Desk”	9

# 1. Introduction

The speed and quality of decisions and results directly affect an organization's productivity, costs, competitiveness, profitability, reputation, customer satisfaction, and, ultimately, survival. This is a vast subject, involving every aspect of an organization's operations. This article focuses on several of the key methods that have helped develop fast, high quality decisions and results in commercial business, defense industry, and public service environments.

**Success factors.** How do we achieve fast, high quality decisions and results? Success factors include:

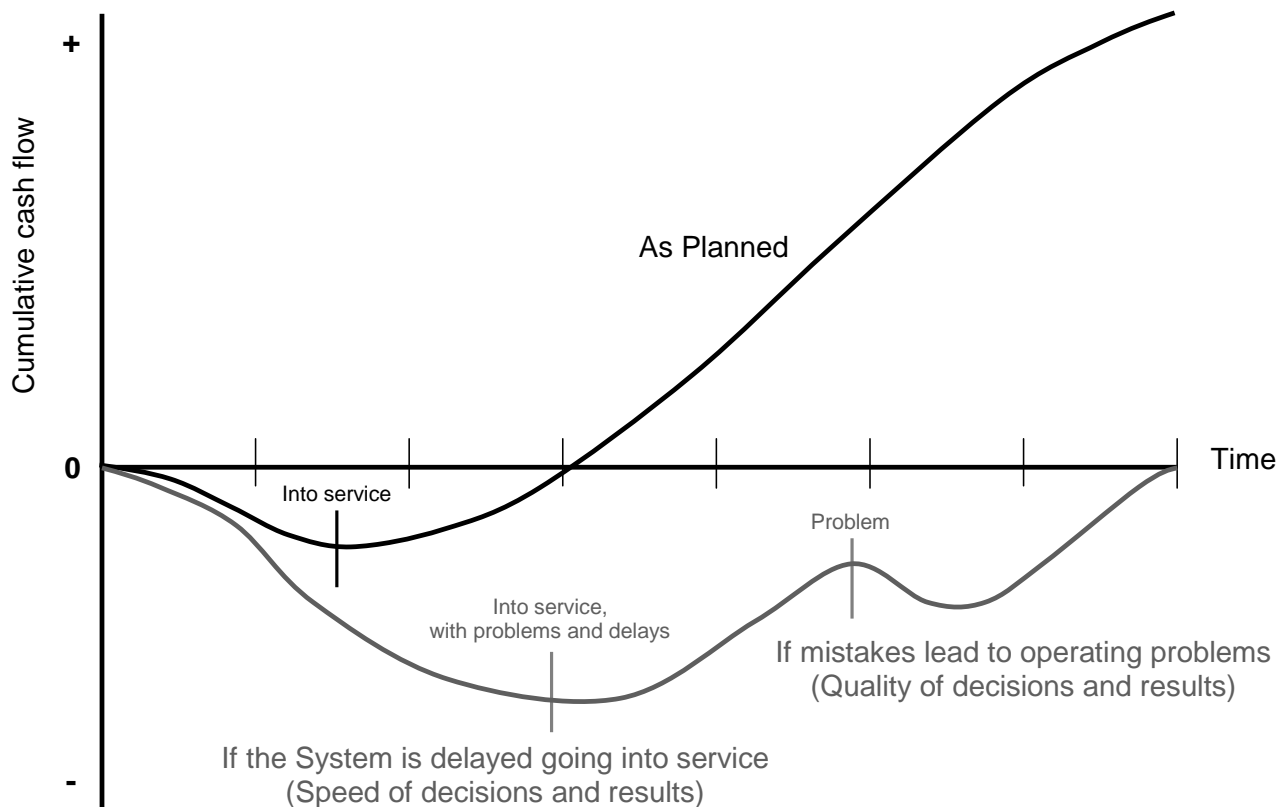
- Involving the right people
- Alignment on goals, and effective strategies and plans
- Systematic problem solving and attention to fundamentals
- Teamwork and effective communications
- Effective processes, and, within that, clear roles and responsibilities

**Why fast?** Companies are competing in time. Fast decisions, and the rapid achievement of results, affect the time-to-market, the cost of sustaining an activity, and thus competitiveness. Note that "fast" is not a snap decision that has to be fixed repeatedly—it's not fast if it has to be done over again.

**Why high quality?** Fast decisions are not enough. Decisions, at all levels of operations, also have to be sound. Weak strategic decisions lead to lack of focus and reactive behavior. Poor tactical decisions lead to wasted time and money. Unsuitable product decisions lead to cost overruns, rework, delays, performance problems, warranty losses, and customer dissatisfaction.

## What is the impact of delays and mistakes?

Note the emphasis on both speed AND high quality. Our owners and our customers (internal and external) must have their needs satisfied in a timely manner AND those needs (requirements) have to be fully satisfied (high quality). Speed and quality together directly affect the bottom line. The following is an example of how delays and poor quality can impact the return on investment for a product or a system.



## 2. Overall, what are we trying to achieve?

### Start with Vision and Goals—a beacon for tough decisions

In the midst of the chaos in a crisis, it often pays to step back and ask “why are we doing this?” When we dig for the driving force behind the activity that we are examining, it should lead us to some fundamental and critical goal—a goal that serves to fulfill our vision.

If the activity is indeed driven by a critical goal, we can then ask if our present approach is the most effective route to that goal. And if the reason we are doing this activity is not driven by some critical goal, why are we doing it at all?

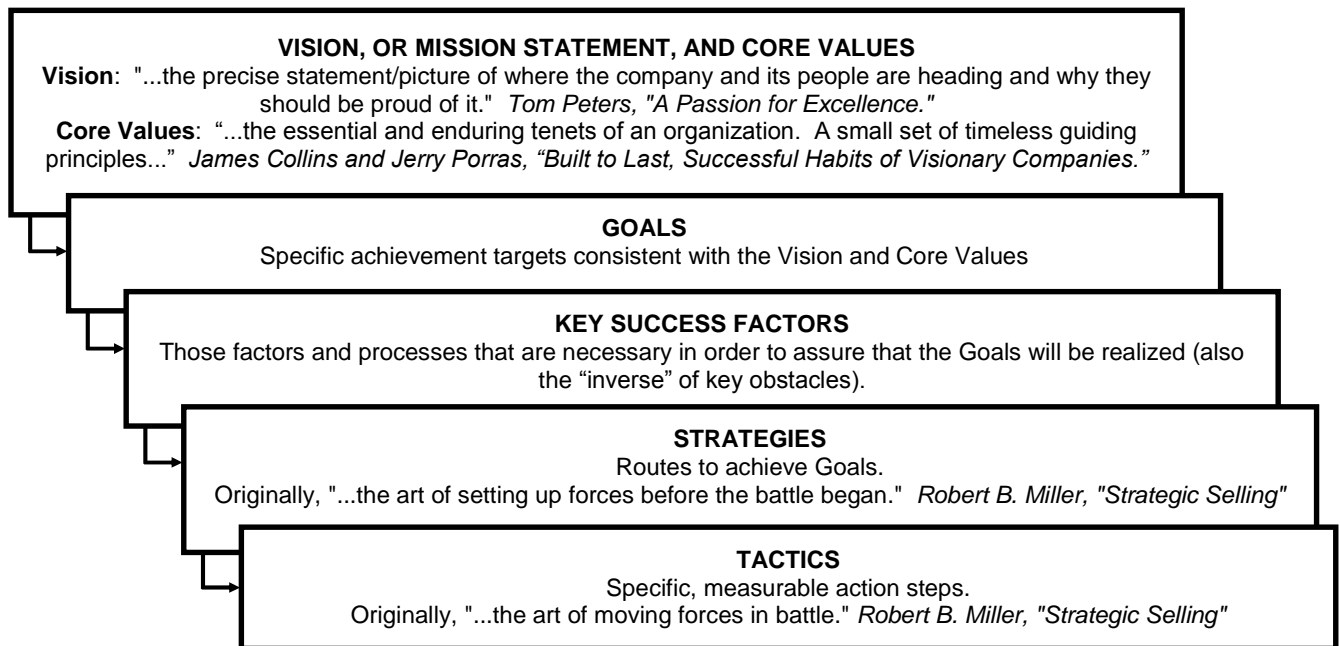
*"Perfection of means and confusion of goals seem—in my opinion—to characterize our age."  
– Albert Einstein*

*"Obstacles are those frightful things you see when you take your eyes off your goal."  
– Henry Ford*

### Vision Flow Down

The company's shared vision, core values, and goals serve as a beacon and guide for successful actions at all levels. These principles can also act as neutral tiebreakers for sticky situations. The flow down of vision and goals is shown below.

#### VISION AND GOALS FLOW DOWN



### 3. Recipe for solving a problem

The fundamental prescription outlined below is one of the ways that a company, a team, or an individual can resolve a major dilemma.

1. State and define the problem. *Don't just describe the symptoms—find the root causes.*
2. Define preliminary goals. *What do you wish would happen?*
3. Review background information, gather relevant data. *Learn more about it.*
4. Throughout this process, it's essential to talk with people. *People are critical sources of information, ideas, alternatives, feedback, encouragement, guidance, resources, alliances.*
5. Involve all the stakeholders—the individuals who affect and are affected by the problem. *Involve all the right people.*
6. Generate ideas; brainstorm. *Anything goes.*
7. Organize, synthesize, analyze, narrow down solutions. *Solidify and define key ideas.*
8. Use models to help understand complex situations, craft hypothetical solutions, and help predict possible consequences. *Model possible solutions and results.*
9. Select a preliminary solution. *Look for high impact and pick something rational to try.*
10. Develop strategies and plans. *Get ready.*
  - Imagine solutions and consequences, develop a preliminary route to goals
  - Consequential thinking: idea, barrier, solution, barrier, solution, ... desired results
11. Execute the plan. When appropriate, experiment with a prototype, or run a pilot program. *Do it.*
12. Continuously measure results, observe lessons learned, reexamine issues, redefine and replan accordingly. *Experiment, learn, adjust.*
13. Continue looping through this until the desired results are attained. *Visualize the benefits and persist in achieving your goals—find ways to win.*

A common mistake is the notion that the job is done when the blame is placed. Henry Ford's winning focus: **"Don't find a fault. Find a remedy."**

### 4. Utilize Models

#### What is a "model"?

The concepts in this article include the use of various models. What is a model?

*A model is "...an abstract definition of the real world; it is a simple representation of more complex forms, processes and functions of physical phenomena or ideas".*

*The purpose of a model is "...to facilitate understanding and enhance prediction".*

*– From "Patterns of Problem Solving", by Moshe F. Rubinstein*

#### Systematic analysis using models

Depending on the needs identified for the specific situation, systematic analysis using models may include some of the following techniques:

- Project schedules (PERT/Gantt charts)
- Business process mapping
- Economic analyses
- Cost/benefit and value analyses
- Risk analysis
- Data mining
- Systems engineering
- Engineering analysis
- Manufacturability
- Safety and reliability
- Quality and yield
- Availability
- Maintainability
- Disposability
- Environmental impact
- Requirements traceability
- Root cause analysis, "fishbone" diagrams
- and others

## 5. The “Leader/Advisors Model”

The Leader/Advisors Model is a team approach to problem solving. The owner of the issue (the Leader) is clearly identified, and supported by a team of Advisors with expertise and responsibilities in the areas that bear on the problem. This process is particularly applicable to decisions involving complex situations with serious consequences. It is summarized as follows:

- The Leader “owns” the issue or problem, and the final decision. There is no “voting”.
- The team members are valued Advisors (“Consultants”) to the Leader (“the Client”).
- The goal: help the Leader achieve fast, high quality decisions and results (without negative consequences later).

### Leader/Advisors process steps

Steps	Leader of the Team (“Client”)	Advisors – Team Members (“Consultants”)
<b>1. State the problem or define the mission</b> Problem definition, including goals of the solution Customer needs and requirements Internal needs and requirements Product goals, profit targets, etc.	✓	
<b>2. Provide background information</b> History Market needs Prior results, etc.	✓	(✓)
<b>3. Generate ideas</b> Brainstorming Preliminary solution concepts Preliminary trade-offs Suggestions and alternatives		✓
<b>4. Select the preferred approach</b>	✓	
<b>5. Express benefits and concerns about the selected approach</b>		✓
<b>6. Respond to the concerns (with the option to adjust the decision)</b>	✓	
<b>7. Make the final decision</b>	✓	
<b>8. Indicate the next steps (“whats”)</b>	✓	
<b>9. Develop and implement the details (“hows”)</b>		✓
<b>10. Monitor and report progress and results</b> To management To the customer	✓	(✓)
<b>11. Reinforce a sense of urgency and consistent focus, and lead the action to meaningful closure</b>	✓	(✓)

The benefits of this technique include clear ownership of the issue, participation by relevant experts, a broader range of information and ideas for the Leader, and a better understanding of the decision (and thus a better ability to implement the decision) by the Team Members.

## 6. Build solutions from needs

Define the needs of the stakeholders. Use those needs as guidelines to help accelerate the development and implementation of high quality solutions.

### A. Identify all the stakeholders

Involve all the right people. Who affects or is affected by this decision? Who are the stakeholders?

### B. Draw out the needs of the stakeholders

Draw out the needs of the stakeholders through inquiry, research, a spirit of teamwork, effective communications, and other techniques.

**Examples of stakeholders and their needs:**

Stakeholders	Needs
Owners	Profit Long-term returns Controlled risks Limited liability
Managers	Results Control Rewards Stability Security
Producers	Rewards Recognition Stability Security
Customers	Low cost/low life cycle costs Reliability/availability/maintainability Ruggedness/survivability Return on investment Fast delivery Competitive advantage Low risk Enhanced image
The Public	Value-added products and services
Regulators	Public safety. Funding
Government	Social stability. Revenues

### C. Use the needs as criteria for building the solution

Innovative solutions can be created for seemingly conflicting needs, if those needs are delineated and understood, and the stakeholders work together to build lasting solutions.

As an example, engineers focus on product needs and priorities to resolve conflicting requirements such as high strength and low weight, complexity and reliability, etc.

### D. Balance the needs of the stakeholders for overall success

See the "Money Machine Model" on the next page.

## 7. Balance the needs of the stakeholders: The “Money Machine Model”

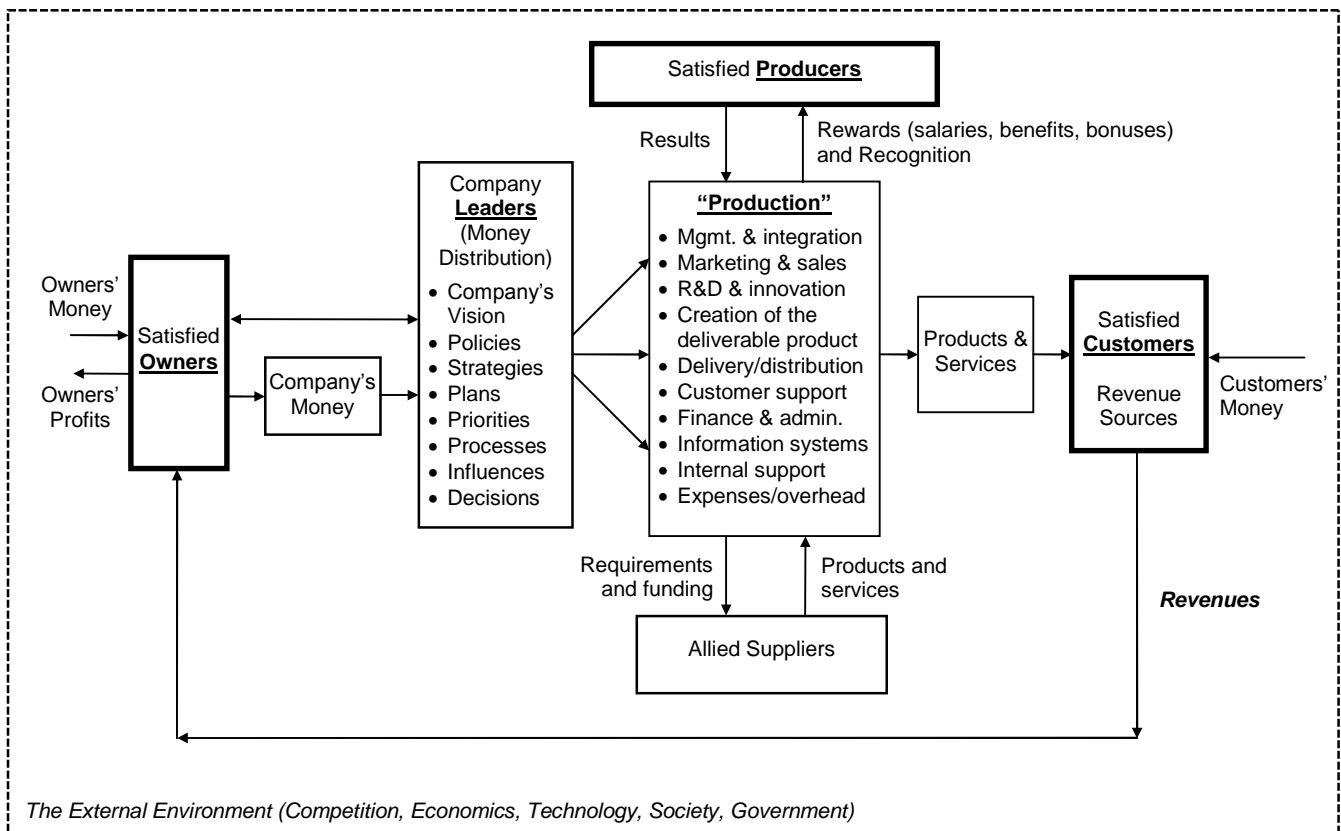
The “Money Machine Model” is a way of looking at the overall process of an enterprise, and how it succeeds by balancing the needs of customers, owners, and producers, within its specific environment. Decision makers, as well as process improvement teams, have found this model to be beneficial because it helps:

- Prioritize improvement ideas and decisions on the basis of their overall impact
- Provide a meaningful context for lower-level process improvements and decisions
- Avoid local optimization at the expense of the overall system
- Illustrate everyone’s critical role in the overall success of the company

### Example

An example of a “Money Machine Model” for a commercial business is shown below. This machine “runs” with high effectivity when all the stakeholders perceive that their needs are being satisfied. However, the machine can sputter or stop if any of the following occur:

- Insufficient money flows in from customers. *This is the only source of “fresh” money*
- The owners decide to restrict or stop the flow
- The internal distribution of funds is wasteful, or doesn’t cover critical needs
- The producers can’t or won’t fulfill their roles effectively
- The external environment changes and negatively affects the system
- The balance or speed of flow to critical components is insufficient



### Overview of a “Money Machine Model”

## 8. Communicate effectively

### The importance of face-to-face communication

Effective communications (verbal, written, electronic, etc.) provides the means to draw out, develop, exchange, and evaluate information. Face-to-face communication is an essential route to fast, high quality decisions (and a successful bottom line) because it provides the means to rapidly and effectively:

- ✓ Inform and teach
- ✓ Influence and sell
- ✓ Define and solve problems

### Success factors for effective face-to-face communications

- Trust and openness
- Listening skills
- Effective processes for conversations and meetings

### Communications Ground Rules

One of the means for greatly enhancing the development and exchange of information between people is to mutually agree on Communications Guidelines or Ground Rules. Your group can develop your own ground rules, based on brainstorming and a “menu” of guidelines (keep in mind how you like to be treated when communicating). Some typical guidelines include:

1. Use "active listening," with empathy; paraphrase to confirm what you heard
2. Benefits before concerns—first look for things we agree on, and "what I like about that..."
3. Express concerns as opportunities for improvement
4. Look for win-win solutions; draw out everyone's needs, build solutions from those needs
5. Summarize or headline ideas
6. Add to, or build on the ideas of others
7. There are no stupid questions
8. Accept the person; express your feelings about the behavior
9. Show your professionalism and courtesy; respect and appreciate each other
10. Platinum Rule: Treat others as they want to be treated

*"Why is it so difficult to realize that others are more likely to listen to us if first we listen to them."  
– John Wooden*

### “Benefits before Concerns”—a surefire way to improve “listening”

One of the ways to defuse a potentially stressful situation—and get your ideas across at the same time—is to respond with “benefits before concerns”. When a message is presented, discuss benefits first (“what I like about it”) followed by concerns as opportunities for improvement.

The listeners first expresses “what I like about that...” or “the benefits that I see are...” or other similar positive and sincere opinions about the message. The individual listener does not have to agree with the total message, but should refer to an honest example (or several examples) of beneficial content. Following that, the listeners can express concerns, as opportunities for improvement (but not until they “buy a ticket” with a positive comment).

This approach establishes common ground and some basic agreement. It helps the listeners “open their filters” because they will be “tested” to feed back beneficial content. The presenter feels appreciated and becomes much more relaxed and open to alternate ideas.

### Create a supportive communications environment

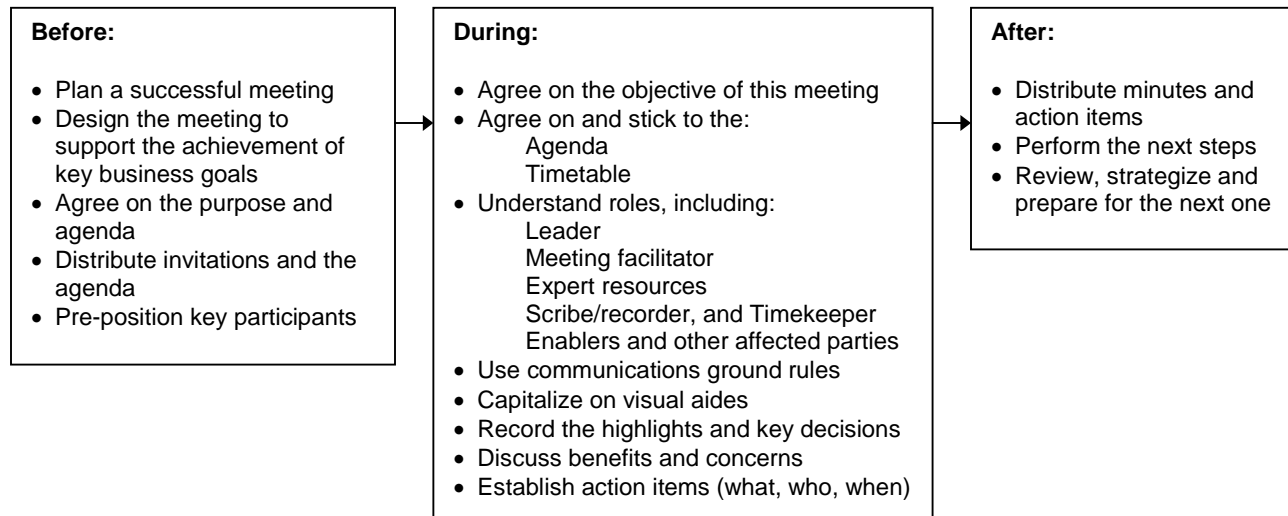
The above methods work best when everyone agrees to follow them. This helps create an open communications environment where people feel freer to express their ideas. More information is discussed and considered, more ideas are stimulated, and we get better decisions and better implementation. These techniques contribute to an atmosphere of positive reinforcement, which greatly enhances creative problem solving.



## 8. Communicate effectively (continued)

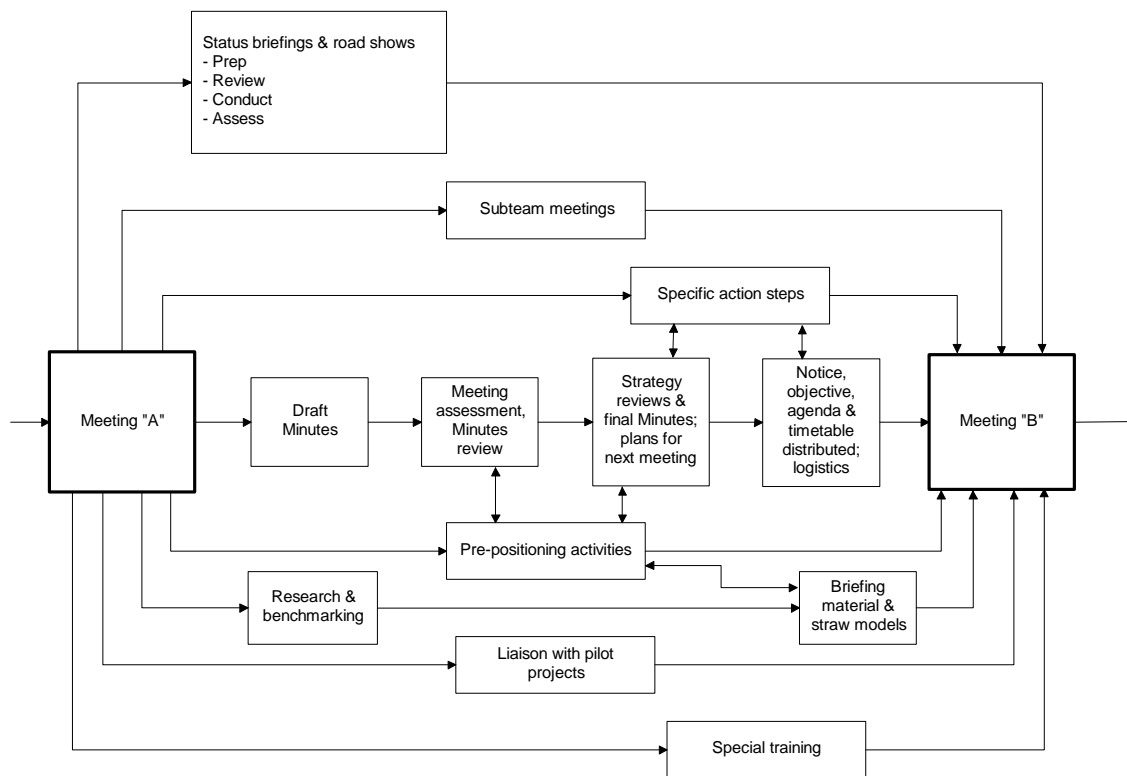
### Effective processes for meetings

Effective processes for meetings improve the speed and quality of the outcome, and accelerate closure on key goals. The following is a brief example of a checklist for the preparation, structure, and follow up for a meeting:



### Activities between meetings

The key to moving forward and fulfilling key goals in a timely manner is diligent completion of the activities between meetings. Typical actions between meetings are illustrated below:

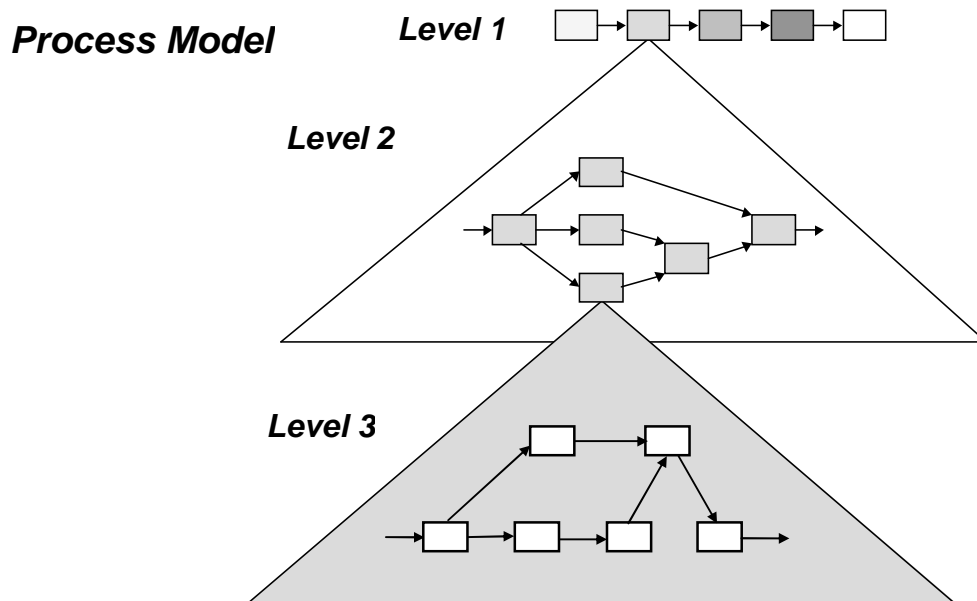


Flow chart - examples of activities between meetings

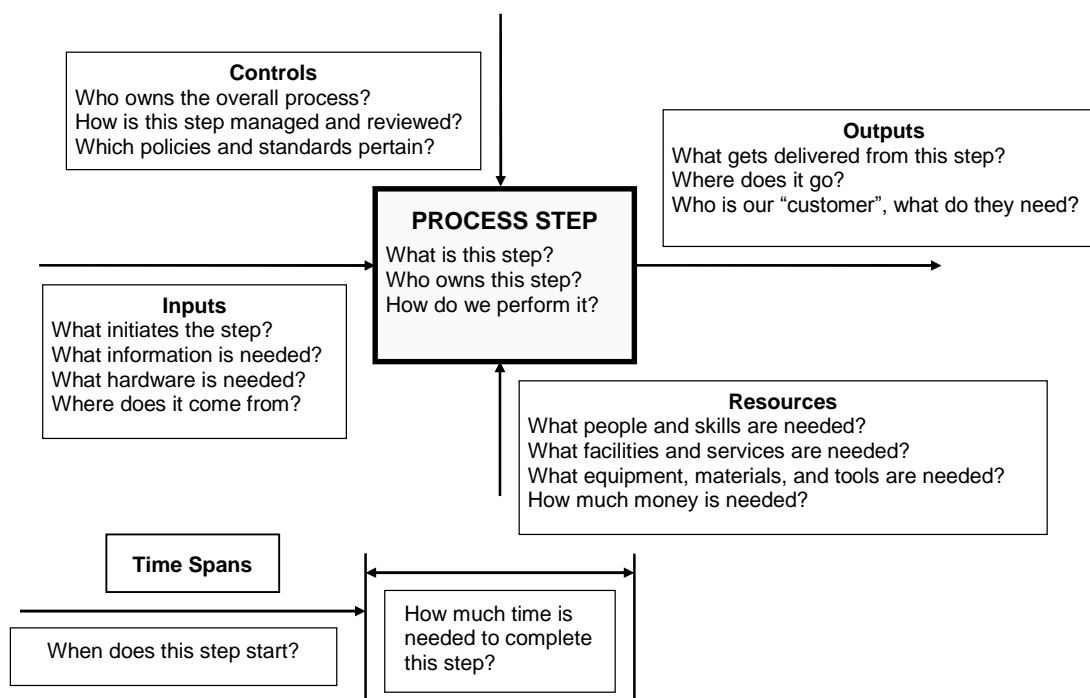
## 9. Clearly understand our business processes

The speed and quality of our decisions and results are highly dependent on a clear understanding of our means for achieving our overall business objectives. How do we deliver our end results? How does our work and information start, flow, and end? Within this, what are our individual roles and responsibilities? Who are our internal and external customers? What do they need and when? How can we achieve this rapidly, economically, and with high quality?

Business process mapping is a graphical means to help us understand how our work and goals get accomplished, and within that, our individual roles and responsibilities.



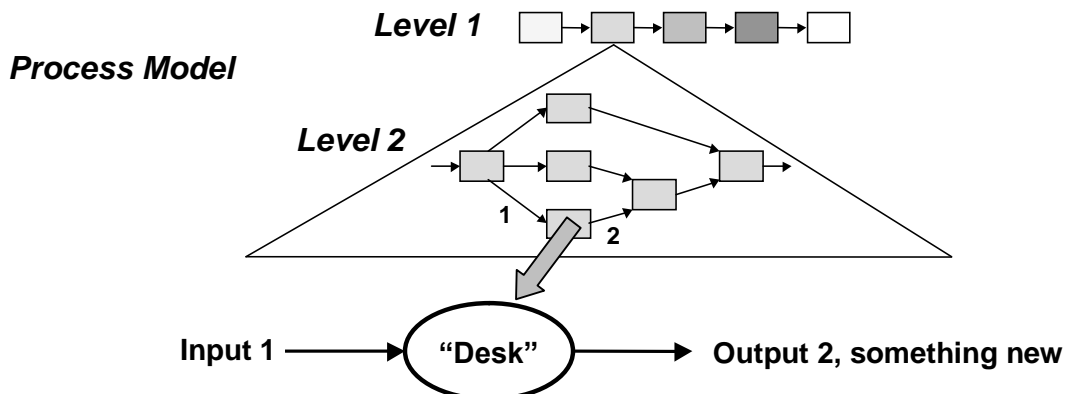
### Process Step Assessment



## 9. Clearly understand our business processes (continued)

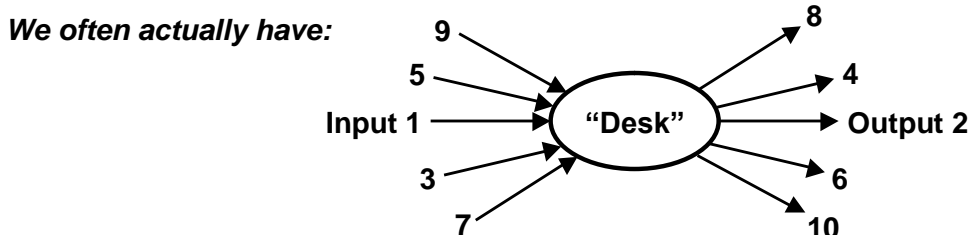
Help people fulfill their roles quickly and correctly—"Assess the Desk"

In addition to assessing and improving the process, also "assess the desk".



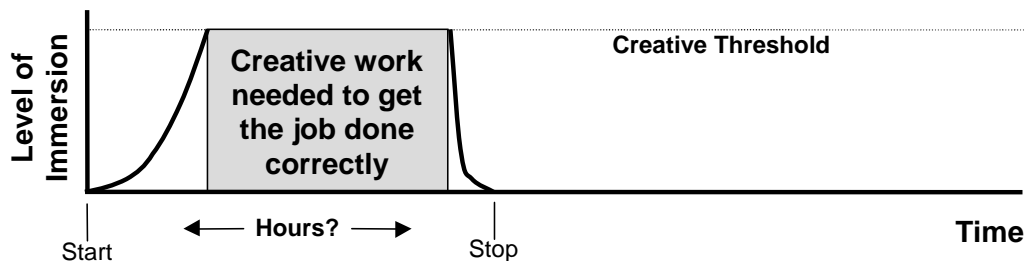
At some level in the process there is a "desk", i.e., an actual individual (or team) that creates something new

Do we understand the actual demands on this individual (or team)?

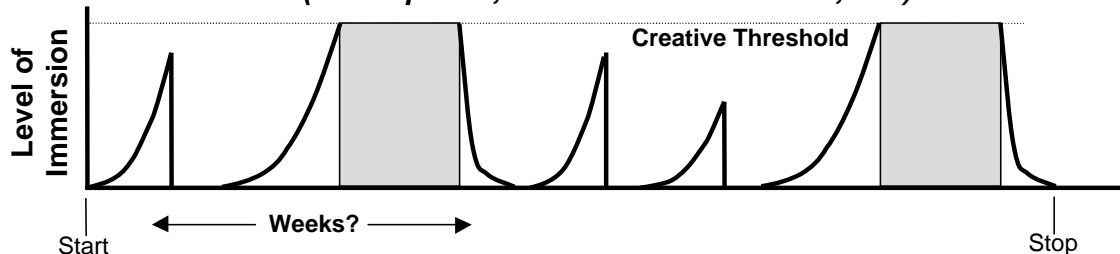


Does the creative person (or team) have sufficient immersion time to do the job quickly and correctly?

*With a continuous block of immersion time:*



*Without a continuous block (interruptions, insufficient information, etc.):*



# **POMONIK CONSULTING, INC.**

*"CHAOS REMOVAL SERVICES"<sup>SM</sup>*

## **George M. Pomonik**

Mr. Pomonik has extensive experience in business consulting, management, marketing, and engineering. His background includes roles as VP of Engineering, VP of R&D, and Program Manager. He is a veteran in solving diverse and difficult challenges, including work on systems that have successfully operated in a range of arenas from the moon (Surveyor lunar lander) to the bottom of the ocean (Hughes Glomar Explorer).

Since 1983, Mr. Pomonik has been providing consulting services in management, team building, technology, and marketing. He helps organizations increase their competitiveness, teamwork, profitability, productivity, and survivability. Benefits to clients include improvements in products, services, time-to-market, strategic planning, process definition, and the speed and quality of decisions and results.

His technical experience includes systems engineering, instrumentation and test, ocean engineering, offshore petroleum technology, missiles, spacecraft, structural dynamics, proposals and cost estimates, and the design, development and evaluation of new products. Mr. Pomonik has five patents related to this work. He has a degree in Mechanical Engineering, as well as postgraduate training in management, systems engineering, marketing, finance, and communications.

Mr. Pomonik's capabilities and experience include business process improvement, covering the examination and improvement of how work and information flows throughout a company. Emphasis is placed on achieving objectives for quality, speed, costs, and customer satisfaction.

He works with his clients to "remove chaos" and increase their focus on defining and achieving key goals. He tailors his support to the organization's needs, from assessment of the situation through hands-on implementation of change. Examples of some successful assignments:

- Organized and facilitated process improvement and team building sessions for a unit of a major crime lab, as part of a rapid renewal program. Resulted in a practical road map for achieving significant operating improvements while balancing quality, speed, and economy.
- Reduced new product release time from 18-24 months to less than 10 months. Also implemented effective teamwork, process mapping, and other techniques that resulted in permanent improvements in workflow, communications, and meetings.
- Resolved ambiguities in manufacturing and production test specifications, suggested modifications to meet the same needs at lower costs, and supported the implementation of the changes. Program saved over \$8 million.
- Helped a small start-up company define their workflow, structure, and individual roles and responsibilities. Improved internal communications and increased the speed of task completion.
- Supported a billion-dollar aerospace program, including integration with the procedures of a new parent company, best practices assessment, cycle time improvement efforts, improvements in communications, teamwork and alignment, and other means for achieving fast, high quality decisions and results.