



***Difficult Problems Require Logical Solutions-Use of
Decision-Making Matrices for Complex Issues***

Jason Tincu (City of Xenia, Ohio)

Session Agenda

Item 1

Personal Background and City of Xenia Info

Item 2

Decision Making and Matrixes

Item 3

When to Use and How to Develop

Item 4

Practical Application Examples

Item 5

Lessons Learned

Item 6

Session Summary



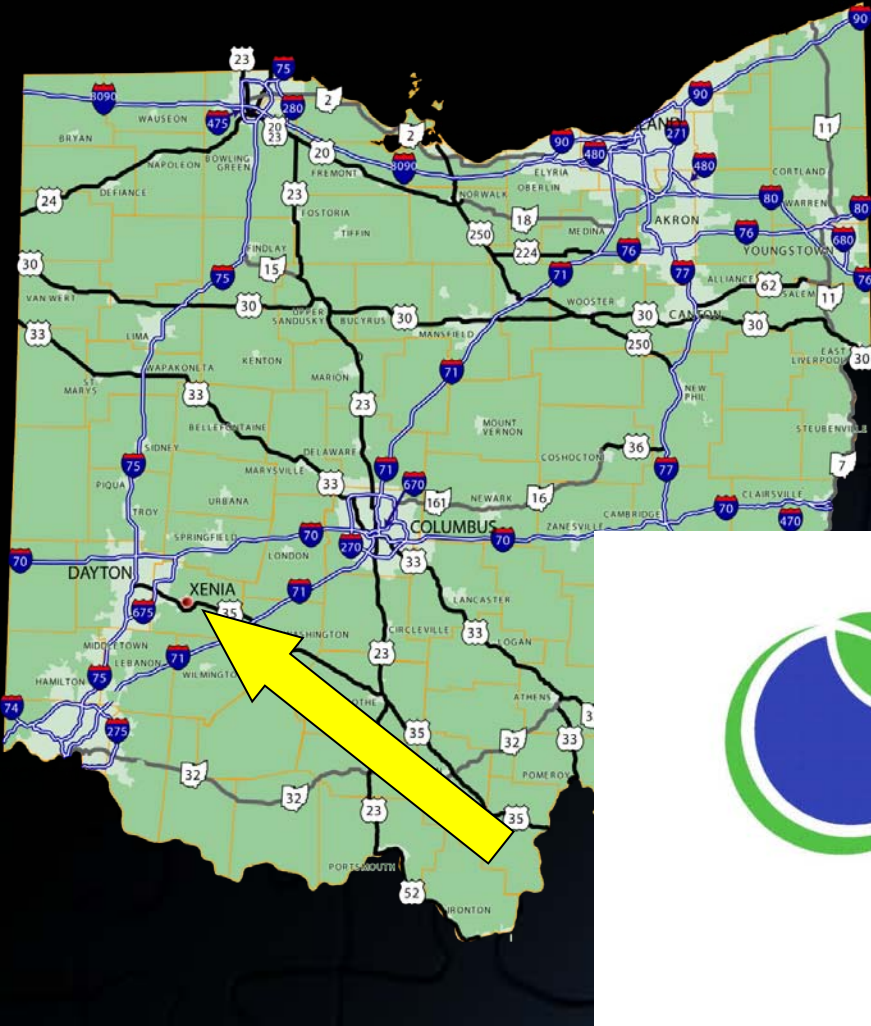
Jason Tincu

- **Xenia Wastewater Operator in 2001**
 - **Associate's Degree in Environmental Management**
 - **OEPA Class III WW**
- **Xenia Wastewater Supervisor in 2003**
 - **OEPA Class IV WW**
 - **Bachelor's of Science in Management**
- **Xenia Utilities Manager in 2009**
 - **OEPA Class II WS-OIT**



City of Xenia, Ohio

- Within "transportation triangle" formed by I-70, I-71, and I-75
- "Bicycle Capital of the Midwest"
- Population @ 27,000 with residential, commercial and light industrial base
- Tornado Alley



XENIA

VIVID HISTORY. VIBRANT FUTURE.

As Utilities Manager...

- **Directs as Utilities Manager:**
 - **Ford Road WWTP (3.6 MGD)**
 - **Glady Run WWTP (4.0 MGD)**
 - **Water Treatment Plant (8.0 MGD)**
 - **Post-Closure Care of Sanitary Landfill**
 - **Contract Operation Liaison of C&D Landfill**
 - **Industrial Pretreatment Coordinator**



The New Municipal Business Model

No more business as usual...

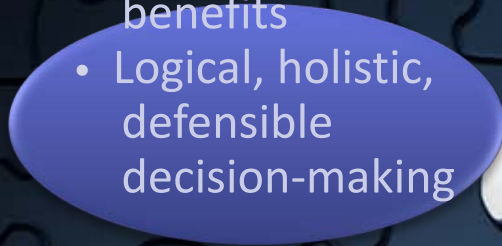
Public sector to incorporate private, for-profit strategies!

OLD MODEL

- “Use it or lose it.”
- “We’ve always done it this way!”
- “Just good enough to get my raise!”
- “We get paid by the hour, right?”
- “Each PO needs maxed out at \$100 even if we juts needs some bolts.”
- DOs of 7?—“We keep the blower ramped up to 100% at all times so that we can meet our daily load.”
- “Sick leave is a right, not a benefit.”
- “I can’t troubleshoot that, as I’m just an Operator.”
- “To decide, just go with the gut.”

NEW MODEL

- Cost containment
- OTB thinking/Creativity
- Accountability
- Efficiency/Reuse
- Asset management
- Customer service
- Personnel development
- Competitive, non-excessive benefits
- Logical, holistic, defensible decision-making



What is a Decision?

- A Choice from two or more alternatives



“Decision Making...”



can be regarded as the mental processes resulting in the selection of a course of action among several alternatives. Every decision making process produces a final choice. The output can be an action or an opinion of choice.”





<http://www.youtube.com/watch?v=IDfl-a-sbVM>

<http://www.youtube.com/watch?v=RTeCc8jy7FI>

<http://www.youtube.com/watch?v=M1QISzSDqpk>



Decision Making Techniques

- **Chance**

- Quick “roll of the dice” or chance
- Often used in spontaneous situations
- Coin toss, dice roll, draw straws, etc.

- **Intuition**

- Rely on sub-conscious mind or gut
- Also used in spontaneous situations
- Often related to past-experience

- **Analysis**

- Most practical and most used decision-making method for complex issues
- Involves a detailed analysis of all the available info
- Can add time to the process, but also brings value, objectivity and defensibility



Stages of *Analytical* Decision Making

1-Define the Situation

- Develop a good understanding and be very clear about the situation and what you want to achieve.

2-Generate Alternatives

- Unless you are choosing from alternatives there is no decision to make!

3-Information Gathering

- The information required can be about the alternatives or even about the situation and the required outcome. As alternatives are suggested, it may require further clarification of the situation or the decision to be made.

4-Selection

- Selection is the choosing of one of the alternatives.

5-Action

- Great decisions are only great when they are carried into action and the action achieves the desired result.

“The order of the stages in decision making is important if you want to make quality decisions effortlessly and consistently. You won't know what information to gather unless you know what the situation is and what alternatives are being considered. It's difficult to select an option if you don't know what you are trying to achieve.”



Decision Making Matrices...

- Particularly powerful where you have a number of good alternatives to choose from, and many different factors to take into account
- Makes it a great technique to use in almost any important decision where there isn't a clear and obvious preferred option
- Being able to use these matrices means that you can take decisions confidently and rationally, at a time when other people might be struggling to make a decision
- Can provide guidance and support to waiver from an organizational or cultural “norm”



Decision Making Matrices

**Criteria-Based
Strategies**

*Grid
Analysis*

*Pugh
Matrix
Analysis*

*Multi-
Attribute
Utility
Theory*



History of Decision Making Matrices...

- Various versions used in the 1900's
- Developed and defined by Stuart Pugh (engineer)
- Developer of the Total Design methodology
- Pugh Method
 - Quantitative technique used to rank the multi-dimensional options of an option set
 - Implemented by establishing an evaluation team and constructing the matrix which contains evaluation criteria versus alternative concepts
 - Multiple versions have been honed/developed over the years
 - Pugh version compared alternates to baseline



When to Use Decision Making Matrices...

- When the complexity of the decision increases these decision making tools and techniques can prove useful. Especially as the number of options and criteria increase.
- A decision making matrix is a medium for comparing multiple options when there are also several criteria to consider.
- Not for everyday decision-making...



Before Setting up the Matrix...

- Gather key players
- Brainstorm on subject and document notes
- Block off plenty of time with no allowable interruptions
- Work off white, chalk or paper boards, as working directly off spreadsheet can allow manipulation
- Assign scribe to document and facilitate the process

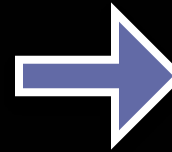
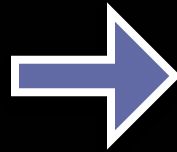


How to Set up the Matrix...

- Step 1-List attributes considered
- Step 2-For each attribute, assign a relative weight that is greater than zero
- Step 3-“Test” the weights by turning them into sentences
- Step 4-List all of your options and assign score for each attribute
- Step 5-Enter data into spreadsheet



Steps 1, 2 and 3...



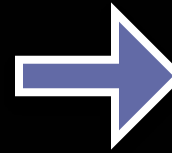
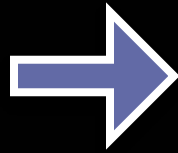
- Step 1-
- Decide which attributes can be used to help make a decision.
- Vendor Selection Theme-i.e. Cost, Reliability, Company Size, Expertise, Process Familiarity, etc.

- Step 2-
- For each attribute, assign a relative weight that is greater than zero.
- The range of numbers doesn't matter; it's the relationship between those numbers that matters.
- For example, if Cost is assigned a weight of 8 and Expertise is assigned a 4, you're saying that Cost is twice as important as Expertise in your decision.

- Step 3-
- "Test" the weights by turning them into sentences.
- "Reliability is really only half as important as Expertise?"



Steps 4 and 5...



- Step 4-
- List all of your options.
- Then, for each attribute, assign a score from 0-100 to each option.
- 0 can mean bad/low confidence/not applicable/failure/etc. while 100 can mean great/high confidence/guaranteed/etc.

- Step 5-
- Enter your results into the spreadsheet.
- Evaluate the scores and data.

- Off to a few practical examples...



Lessons Learned...

- The best options should be the ones with the highest overall score in the last column.
- Often, there are additional factors that can't easily be included with attributes alone, so the final decision maker should really use this data as good advice.
- Perhaps best of all, you have a defensible document that summarizes which attributes of your decision were important, how they relate to each other, and how each option was scored.
- When the complexity of the decision increases these decision making tools and techniques can prove useful.
- A decision making matrix is a medium for comparing multiple options when there are also several criteria to consider.
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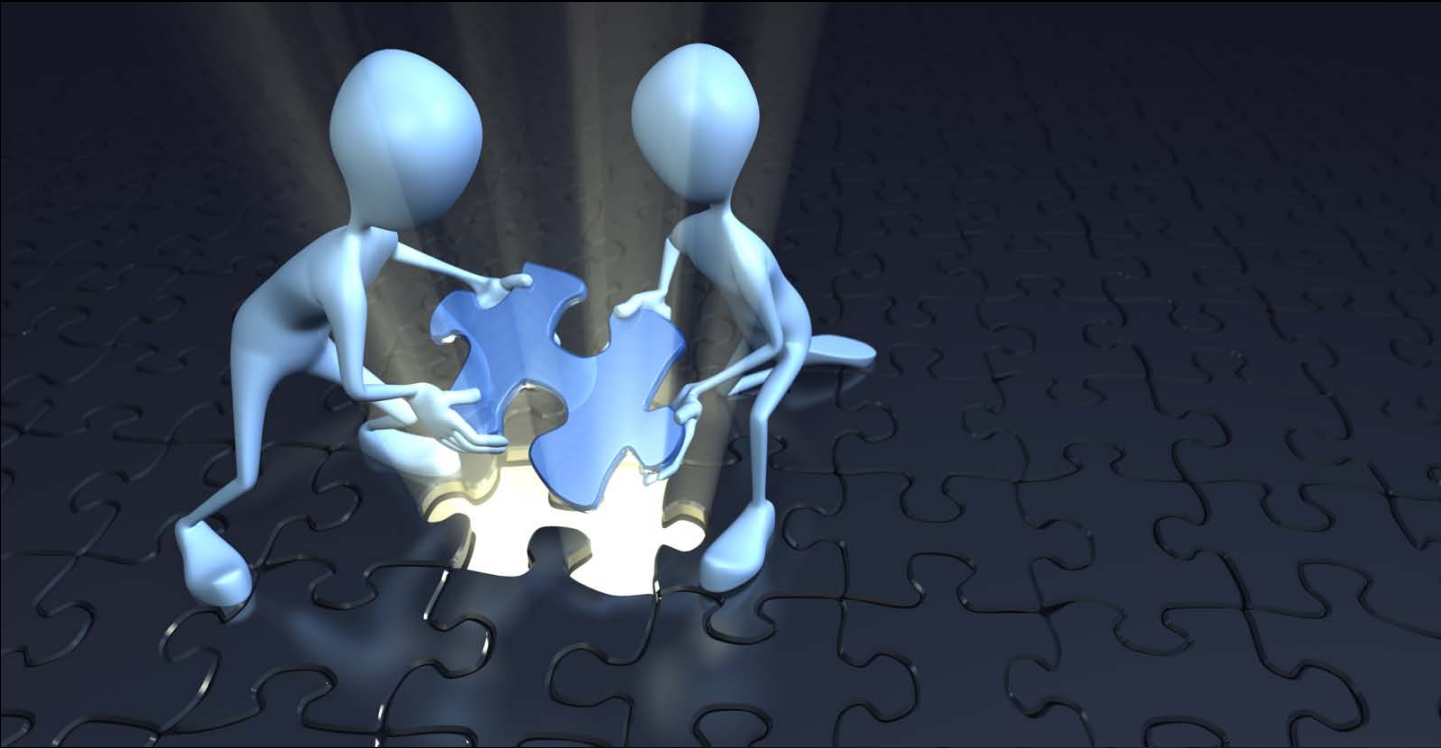
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“Standing in the middle of the road is very dangerous; you get knocked down by the traffic from both sides.”

Margaret Thatcher





Comments or Questions???
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