Decision Making Under Uncertainty

Succeeding in DecisionTools Suite 5 rollout

– Unilever’s story

Andrew Evans
What we will cover

Introduction to Unilever and the Decision Analysis Group

Our rollout approach

Next steps on our rollout and embedding journey
Unilever is a large, culturally diverse and complex organisation

- 163,000 employees
- Products sold in more than 170 countries
- Large degree of cultural diversity

Some of our top brands:

Global presence

2009 Turnover ~€40 billion

Americas €13 bn  Europe €12 bn  Asia / Africa €15 bn

“2 billion consumers worldwide use a Unilever product on any day”
Decision Analysis is being actively applied across Unilever, in areas such as...

... Innovation, Mergers & Acquisitions, Supply Chain, Safety, Regulatory and other complex one-off decisions.

All these applications have common features: there are multiple compelling alternatives; there are significant contradictions / disagreements on how to proceed; and stakes are high.
The Unilever DMUU programme is embedding Decision Analysis throughout the organisation.

**Framing & Structuring**
- Clarifying the problem
- Creating alternatives
- Structuring information
- Improving communication

**Analysis**
- Quantifying uncertainties
- Testing assumptions
- Evaluating alternatives
- Identifying sources of value

**Insight and commitment to action**
Creating a culture where we have the debate, make a decision and move on as a team, even when we have to make tough choices with limited information.
The Decision Analysis Group is part of Finance Excellence and our responsibilities include…

Development  Learning  Consultancy
The journey so far…

DMUU is now a standard part of our innovation stage-gate process and a probabilistic business case is now required for all large projects.

To date we have trained >400 finance managers in the use of DMUU and Palisade’s DecisionTools Suite software.

It is used on a wide range of projects and is now being applied to other applications.

Internal global communities of practice have been set up.

We have set up an internal consultancy function to provide expertise.
Success in embedding DMUU has involved four cornerstones:

**People** + **Tools** + **Process** + **Organisational Structure**

- Selecting the right people and providing training
- Choosing the best tools for the job
- Designing to address organisational and analytical complexity
- Providing support & building for the long term
Our partnership with Palisade goes back a long way…

- **2003**: Software evaluation undertaken – Unilever purchases a few DecisionTools suite licences.
- **2004**: DMUU moves to finance – the start of the rollout.
- **2005**: Training delivered and single-user licences bought for participants.
- **2006**: Several hundred users and challenges found with licence management.
- **2007**: Unilever moves to flexible licencing.
- **2008**: Pro-active support possible through effective licence management.
- **2009**: Unilever works with Palisade on customised solutions.
...and it extends to more than just software supply!

- Training
- Help desk support
- Licensing of software
- Maintenance and roll-out of updates
- Future development of software
FLEXnet allows us to manage the global use of DecisionTools Suite

- DecisionTools Suite now available to all in Unilever
- No more ‘lost’ licences
- Only the most up to date software in use
- Usage can be monitored and tracked
We have built our rollout model around the flexible licencing system
Comprehensive training delivers the necessary skills and knowledge

- Instructor-led training events
- One-to-one coaching
- Remote (Live Meeting) delivery
e-Learning is a new addition to our training programme…

We’ve developed modules that combine theory with videos on how to use the software.

This format provides training to people who find it difficult to travel to classroom based courses and is also a useful refresher for course participants.
A range of services helps to support participants after training

Our internal ‘helpdesk’ delivers a rapid response to users with immediate modelling queries

An internal consulting service provides direct support on decision analysis projects
but key to the success of the rollout is a network of Advanced Practitioners
Our Advanced Practitioners provide a global network of DMUUU support
Celebration and validation are closely linked…

We hold an annual awards event to celebrate the best projects and embedding programmes.

We evaluate the entries against best practice guidelines.

Great entries are written up as examples of best practice and made available to others.
…together they provide valuable feedback to further strengthen the cycle

A new ‘Gold Service’ provides rapid expert review of models, and feedback on our training effectiveness!

External validation is provided by Stanford University – participants are examined to ensure they have the skills needed to analyse complex decisions

And we ask our senior leadership team to present awards at company-wide events!
Our journey is not complete and we are now looking to the future…

**Validate**
We’ve identified new tools that are required:
- Simplified templates
- Customised output graphics

**Train**
We’re exploring new media for training delivery as our user group continues to grow.

**Celebrate**
We will be embedding DA in additional areas of Unilever:
- R&D projects
- Portfolio analysis

**Support**
Insights from FLEXnet records will help identify and support new users and users who are changing usage patterns

We will partner closely with Palisade as our rollout continues…