

Doing business with DSS *„the Winsdom way”*

Budapest, March 31 - April 1st 2005.

Winsdom Components

- Unusual combination:
 - Research with consulting – *real-life feedback and methodology-tuning*
 - Consulting with research – *selling our capability to satisfy special customer needs*
- Wide spectrum of decision support using the various pieces of the –**EXPERT GDSS tool family.**

A truly research&consulting company

Special conditions in our leading business segment: *supporting public procurements*

- Special relationship to legal environment for public procurement:
 - Dependence and influencing opportunities
 - Regarding evaluation procedures
roles of the participants
- Tender support at lower significance in pre-EU era
- New legal regulations bring both business and new challenges

Our Consulting Curriculum

May 1st 2004.

Joining the EU

Organizational Changes to fit working under Procurement Law

- Internal Regulations
- Policies
- Roles & responsibilities

Carrying out sample tenders

Continuous, but decreasing tender support

Methodology (SW) transfer

Training & Education

- institutional
- company tailored

Heavy Players as NEWCOMERS:
The Energy Sector

Market leaders in procurement consulting in Hungarian Energy Sector

Moments of Truth – Customer Touchpoints at tender procedures

- Setup of our tender team:
 - Procurement expert (legal, sales background)
 - Technical expert
 - **DECISION EXPERT** (facilitation, decision methods, algorithms and tools)
- Our way of work at the customer:
 - **DECISION CONFERENCING**

Our Research Focus

- The basics have been serving for 20 years now
 - building a tree-like attribute structure with weights
 - define individual (but reusable) utility functions for each leaf criteria
 - exclusion levels for the utility of each leaf criteria
 - fine-tuning using simulation of possible alternatives and case scenarios
 - control of experts' work (favoritism, incompetence)
- **Real life and research are taking us to new areas:**
 - Tender workflow (supporting the procurement process)
 - Uncertainty of information and judgment
 - Constellation over several attributes
 - Alternative-based weights

Research Objectives

- *Uncertainty of information and judgment, Constellation over several attributes* were discussed in the Prato paper.
- Amongst the requirements of public procurement, none of the above two features are permitted – so we use them at other (non-public) type of procurements.
 - New version of our GDSS tool will implement these features (SW is on it's way)
- Research in these fields continues . . .

Thank you for your attention !

Questions, please

Appendices

- Uncertainty of Information and Judgment
- Constellation over Several Attributes

Uncertainty of Information and Judgment

Voter's Confidence (calibration)

- Evaluating a given car, an expert makes the statement:
“the reliability of the brakes looks good, however, this can not be concluded for sure from the docs”
- Based on the information available, the expert feels that his opinion can not be fully supported by evidence
- The value can not be deducted with 100% certainty due to insufficient information
- The expert does not even have the opportunity to express this feeling
 - Supporting IT feature is not available
 - Law regulations do not leave any room for it either

Constellation over Several Attributes

- During the evaluation of cars the brakes, as one of many attributes, has its own importance for the buyer, so does the top speed. Both have their own utility.
- The analysis usually stops here.
- However it is obvious to even non-experts that *the higher the top speed is the better brakes are required!*
- Thus, the expectation against the brakes need to be expressed in *relation* to the top speed of the vehicle
- In customary tendering processes the above type of substructures are *lost* during the decomposition of requirements into individual attributes
- The result is a weakened set of requirements