Has decision making ability improved in the last thirty years?
By Paperitalo Staff

Wrapping up 2011, for some reason I got to thinking about 1981. The IBM PC was about to debut (we only had had Apple II+ computers for a couple of years). The big furniture purchase in 1982 would be roll around cabinets which would hold the one PC allocated to your department which then could be easily moved from office to office, depending on who was using it. FedEx was a new concept in delivery. Cell phones were years away. The modern mill had radios—pagers were still a few years off. The fax machine was the latest state-of-the art idea in rapid communications (and they cost thousands). Machine QC labs had legions of people doing tests by hand. Engineering Departments still made drawings by hand. AutoCAD was an idea, not a real working tool. High speed video was available for some applications, but if you really wanted to see what was happening on your fourdrinier, you had to bring in a specialized high speed filming crew, who used real film which had to be sent out for developing. Data warehousing concepts were still a couple of years away and when they came, you would be able to store 30 seconds of data before or after an event (such as a break). SAS was a little company from Cary, North Carolina that wanted to sell you computerized analytical tools.

So what has changed? I think on the technology side, it can be summed up by saying we can move data so rapidly and in such huge quantities that FedEx's document delivery business is probably in jeopardy. Instant data, anywhere, anytime, any quantity, is the norm today.

Surprisingly, though, despite the changes in information accessibility and speed of information gathering and analysis, I don't see companies, in the big picture, making better or faster decisions.

Why is this?

The speed of human decision making has not increased, in fact, it may have decreased. My unproven hypothesis, definitely biased by my own anecdotal experiences, suggest several factors have unwittingly aided in slowing the decision making process. First, the ever increasing litigation and regulation climate has caused managers to pause and consider many decisions, sometimes simply to be prudent, other times out of raw fear (for either their careers or their companies). Secondly, more information availability has allowed the plodders and ponderers more excuses to slow down the decision making process, either by "chasing rabbits" in the data in their hands or by saying, "let's get some more data." Micromanagers have driven competent

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underlings away with their new-found power to watch every move they make, with the aid of modern data devices.

And, despite all this data, prognostication, or at least confidence in prognostication, has improved not one iota. We can now build more sophisticated models, but those models, particularly the economic ones, still rely on assumptions about human behavior on either a micro or macro scale. No computer has yet been built that can predict how humans will behave, particularly groups of humans. This is the Achilles' heel in predicting future activities.

So we come to the inevitable conclusion that the ability to make faster decisions, at least strategic ones, has been little affected by improved data processes. This is good news for humans, for it means bright educated humans can still make a difference in our industry. Companies can still succeed or fail based on the leadership, intellectual and energetic qualities of their people. This may have been obvious to you, wasn't to me, and is important to know.

For safety this week, we can say technology can help, but it still depends on humans.

Be safe and we will talk next week. ##

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