Duboff’s contention, however, outside experts have no place in this scenario. They are not qualified – and they do not have the right – to make decisions for a company. That is properly the exclusive domain of the organization’s own executives.

Here’s how the Delphi technique should work as a corporate decision-making tool – say, in the case of new-product development:

The new-product development leader forms a cross-functional team comprising designated representatives from each department that can contribute expertise and decisions regarding the subject – technology, R&D, production, marketing, finance, and general management.

Prospective new-product concepts, supported by available data, are then presented to the team. After the presentation, a list of those concepts is distributed to each team member, who is asked to cast a vote, based on his or her own perspective and experience, indicating whether each concept is ideal, questionable, or no good. The team leader collects and tallies the votes and displays the results for all to see.

Now, armed with the knowledge of how their peers in different departments view each concept, team members reassess their own votes. Those in the minority may decide either to go along with the majority or to open a discussion and attempt to persuade others in different departments of the superiority of their own perspective. Either way, the team members reach consensus for each concept, which allows the general manager to make final decisions at the end of the day. (Incidentally, in my experience, compressing the duration of the entire process from several weeks to half a day renders the technique no less reliable.)

Many companies have benefited from using the Delphi decision-making process. A manufacturer of army tanks, for example, saw an opportunity presented by crumbling highway infrastructure and developed a transportable, temporary, readily assembled bridge structure. An exotic metals manufacturer, targeting the ongoing demographic changes of the U.S. population, designed and developed a sophisticated new component for specific medical systems for the aged.

How did these new products fare in the marketplace? In the words of one CEO: “More successful from day one than we anticipated.”

Frederick D. Buggie
President
Strategic Innovations International
Lake Wylie, South Carolina

Duboff responds: I am glad to hear that Frederick Buggie and others have found additional applications of the core Delphi technique, which entails convening a panel of experts to reflect on an issue and then vote iteratively on the likelihood of the ideas generated.

The process Buggie outlines is certainly reasonable for decision making and clearly far better than letting independent interests push forward their own concepts. Nevertheless, the Delphi technique is an attempt to discern the most probable future: It is named for the ancient oracle at Delphi and was initiated after World War II, when disparate experts were asked to assess the likelihood of alternative outcomes in Europe.

As I noted in my article, recruiting a wide array of experts and combining their various predictions and perspectives for use in scenario planning have made the core technique more useful. Delphi panels (and, more broadly, outside consultants) provide objective points of view and insights that corporate leaders – who obviously have jurisdiction over their company’s decisions – can consider when making their determinations.

There is certainly room for, and value in, adaptations such as Buggie’s. I think compressing the process into half a day, however, would diminish the participants’ ability to really consider and react to others’ perspectives.

The Next 20 Years: How Customer and Workforce Attitudes Will Evolve

For the past three decades, business has fought to gain academic credibility through professional rigor and the use of sound research methodology. When I subscribed to Harvard Business Review, I expected to read about the latest relevant trends in business management thought. Unfortunately, Neil Howe and William Strauss’s article on generational change, “The Next 20 Years: How Customer and Workforce Attitudes Will Evolve” (July–August 2007), fails to meet that standard in several ways.

First, the authors do not seem to present new ideas. Rather, they appear to rehash their 1991 book, Generations. Second, the article focuses entirely on the United States – and so is of little relevance to the 95% of the people in the world, and a significant portion of HBR’s readers, who aren’t American. Most important, the authors have shaped the evidence to fit their framework. The exhibit entitled “America as a Sequence of Generations,” for example, is an opportunistic and random selection of famous Americans. George W. Bush is cited as a famous Boomer – why not Bill Clinton or Bill Gates or Steven Spielberg?