Triage Tables

PRAGMATIC, ACTIONABLE, QUALITATIVE GUIDANCE ON COST OF DELAY

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Use Triage Tables with Menta Triage DS application.

More information: mauvisoft.com

1 PATTERN CATALOG OF LIFECYCLE VALUE FUNCTIONS

Choose the lifecycle value function which best matches the opportunity (work item).

HIGH RISK

ONE-OFF OPPORTUNITY WITH AN EXPIRY DATE
The impulse function implies that there is a one-off opportunity to gain a benefit (make money) and after that opportunity, the chance is gone.
A customer with a remaining annual budget approaches you to spend the money before the new fiscal year. You either take the opportunity before the expiry date or lose the sale.

VERY FRONT LOADED
80 percent of the benefit is realized in the first 20 percent of the lifecycle.
A ski manufacturer issues new models every year in November, and most of the skis are sold in the first three months of what is a one-year lifecycle.

FRONT LOADED
80 percent of the benefit is realized in the first 50 percent of the lifecycle.
A bicycle manufacturer, as in previous example, issues new bicycles every year in November–December, but the majority of sales happen in the beginning of the season—in spring—and drop off toward the end of the summer.

BELL CURVE, NO CATCH UP
A bell curve with "no catch up" implies that there is a network effect in the marketplace that gives the first mover an advantage that cannot be taken away later.
This network-effect, first-mover advantage is often associated with technology platforms such as operating systems, productivity suites, mobile telephony standards, messaging and communications tools, and social media networking.

BELL CURVE WITH CATCH UP
A bell curve with catch up has no first-mover advantage, and second and subsequent movers can catch up and even overtake an early market mover.
The first car manufacturer that introduced LED lights in the market had an advantage, and it took one year for a second manufacturer to offer the same technology. Then it took several years for other market players to catch up. Nevertheless, the first player didn't have a lock-in market effect, and it didn't affect competitors' sales.

BACK LOADED
80 percent of the benefit is realized in the last 50 percent of the lifecycle.
A hotel's Easter marketing campaign starts after the New Year (90–100 days' lifecycle). Most of the reservations are made in the second half of the lifecycle.

VERY BACK LOADED
80 percent of the benefit is realized in the last 20 percent of the lifecycle.
A conference organizer offers an event in a local region or metropolitan area aimed at attendees from that geographical region. Unless there is a perceived scarcity of tickets, attendees wait until the last 20 percent of the lifecycle before purchasing a ticket.

CONSTANT RATE
The constant rate function models the benefit for things such as cost-saving features.
When the product or service is deployed, cost is saved—perhaps workers are made redundant. Consequently, if we had that feature today, we would have the savings tomorrow, and the amount saved is fixed and constant.

LOW RISK

BELL CURVE EXTENDED, DECAYING LIFE, DECAYING LOYALTY
This models an extended but shortening lifecycle, together with decaying loyalty. These are situations where a delay in releasing a product, feature, or service beyond the desired date has little impact due to customer loyalty, technology lock-in, or monopoly of supply or limited choice in the market. However, long delays cause the lifecycle period to shorten and loyalty to drop off.
Loyal customers will wait for their favorite brand (e.g., mobile phones, laptops, tablets) to release the product with the newest technology (e.g., processor, video chip sets, cameras, etc.). But the delay reduces both the loyalty and the lifecycle of the product because underlying technologies will be replaced in their own independent lifecycle.

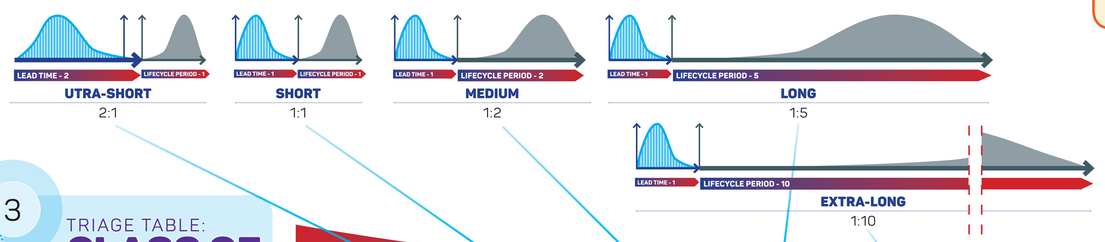
BELL CURVE, EXTENDED LIFE, DECAYING LOYALTY
This models an extended lifecycle, with decaying loyalty over time. These are situations where a delay in releasing a product, feature, or service beyond the desired date has little impact due to customer loyalty, technology lock-in, or monopoly of supply or limited choice in the market.
Microsoft Windows and Apple iPhone/iOS are both examples, but more subtly, so is the next album from a popular rock band such as Depeche Mode or Coldplay. Depeche Mode release albums on a four-year cadence, but were there to be a delay, the loyal fans would wait and still buy the album. However, longer delays eventually cause loyalty to drop off.

LAST-MINUTE DECAY
Immediate benefits regardless of the delay, however, last-minute results in a rapid drop-off in realized benefits.
This models a business such as promoting a pop concert for a popular artist, such as Taylor Swift. If the tickets go on sale today, the whole stadium is sold out within hours. If we delay a week or a month, we still sell out. The perception of scarcity means that the sales are immediate regardless of the delay, unless we wait until the last minute without announcing the event.

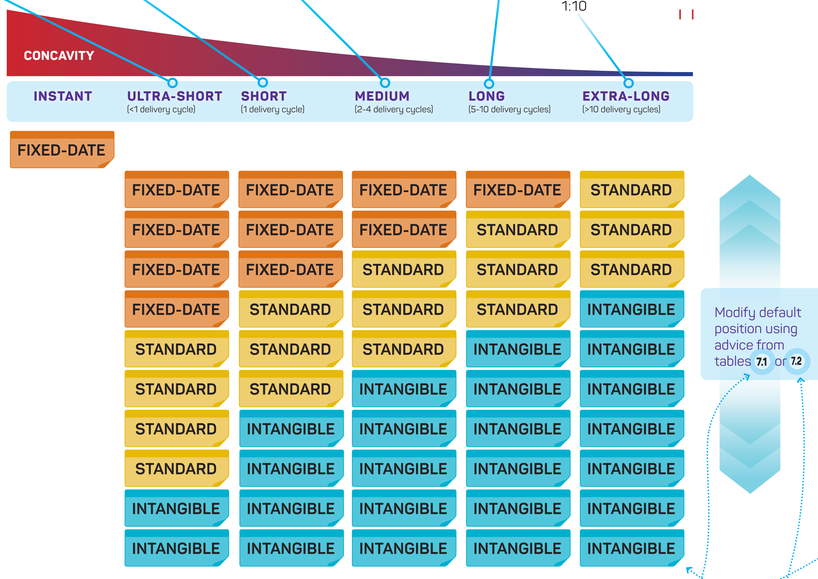
2 COST OF DELAY: SHELF-LIFE RATIO

How long does it take to deliver vs. how long you will receive a benefit

Determine the shelf-life ratio – the ratio of the lead time distribution range to the lifecycle period.



3 TRIAGE TABLE: CLASS OF SERVICE



Modify default position using advice from tables 7.1 or 7.2

USING TRIAGE TABLE

PART 1. DETERMINING DEFAULT CLASS OF SERVICE

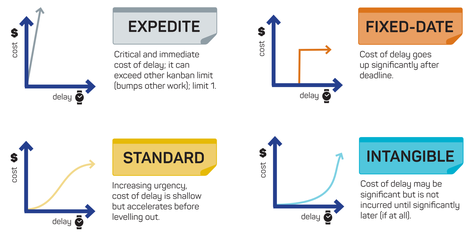
- Choose the lifecycle value function which best matches the opportunity (work item). 1
- Determine the "desired delivery date": when the lifecycle begins (or value creation is first possible).
- Determine the shelf-life ratio: the ratio between the lead time (how long does it take to deliver) vs. lifecycle period (how long will you receive a benefit from it). 2
- Look up the Triage Tables for default class of service. 3 4

PART 2. MODIFYING CLASS OF SERVICE FOR START DATE

- Determine the start date range using: today's date, lead time period and your desired delivery date. 5
- Determine customer expectations for delivery time:
  - Don't care: without any expectations.
  - SLA/SLE: within Service Level Agreement / Expectations.
  - Deadline: delivery date is fixed.
  - ASAP: as soon as possible.
  - Zero Tolerance: missed delivery date = total loss of the opportunity.
- Indicate the lead time probability curve: thin or fat tailed. 6.1 6.2
- Look up Triage Table modifier - thin or fat tailed according to your case 7.1 7.2 Read how to change your previous position. Come back to the Class of Service Triage Table 3 or straight to the Classes of Service explanation 4 in case of an "Expedite" result to find out about the class of service of your work item.

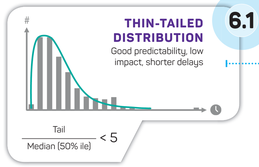
4 CLASSES OF SERVICES MAPPED TO COST OF DELAY

Look up Triage Table for class of service.



6 7 TRIAGE TABLES MODIFIERS

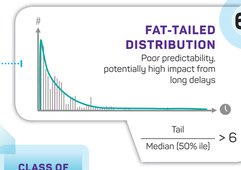
Look up thin-tailed or fat-tailed Triage Table modifier, as appropriate, and determine modified location on Triage Table. 3



6.1 THIN-TAILED DISTRIBUTION
Good predictability, low impact, shorter delays

7.1 TRIAGE TABLE MODIFIER MEDIOCRISTAN
THIN-TAILED LEAD TIME
Trustworthy delivery...
Deadlines are used only for high cost of delay items.
FIXED-DATE class of service assumes a deadline is likely.

7.2 TRIAGE TABLE MODIFIER EXTREMISTAN
FAT-TAILED LEAD TIME
Untrustworthy delivery...
Deadlines are much more common due to a lack of trust and will often be used even for low cost of delay items. SLA/SLEs will be missed regularly.



6.2 FAT-TAILED DISTRIBUTION
Poor predictability, potentially high impact from long delays

Modify class of service table look-up as follows... Move up or down cells on Triage Table as shown. If you go off the top of the chart, then Expedite. If you go off the bottom of the chart, then Intangible.

START DATE	CUSTOMER EXPECTATIONS	CLASS OF SERVICE
NOW	ASAP	EXPEDITE
IRRESPONSIBLY LATE	WITHIN SLA/SLE	UP 3
LAST RESPONSIBLE MOMENT	WITHIN SLA/SLE	UP 2
LATE	WITHIN SLA/SLE	UP 1
NORMAL	WITHIN SLA/SLE	DON'T CHANGE
EARLY	WITHIN SLA/SLE	DOWN 1
SUPER-EARLY	WITHIN SLA/SLE	DOWN 2
DON'T CARE	DON'T CARE	INTANGIBLE

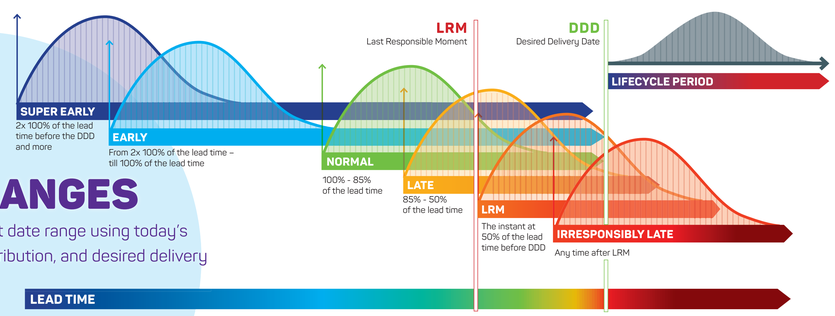
START DATE	CUSTOMER EXPECTATIONS	CLASS OF SERVICE
NOW	ASAP	EXPEDITE
IRRESPONSIBLY LATE	ZERO TOLERANCE	UP 3
LAST RESPONSIBLE MOMENT	DEADLINE	UP 2
LATE	DEADLINE	UP 1
NORMAL	DEADLINE	DON'T CHANGE
EARLY	DEADLINE	DOWN 1
SUPER-EARLY	DEADLINE	DOWN 2
DON'T CARE	DON'T CARE	INTANGIBLE

START DATE	CUSTOMER EXPECTATIONS	CLASS OF SERVICE
NOW	ASAP	EXPEDITE
IRRESPONSIBLY LATE	WITHIN SLA/SLE	LEFT 1 & UP 3
LAST RESPONSIBLE MOMENT	WITHIN SLA/SLE	LEFT 1 & UP 2
LATE	WITHIN SLA/SLE	LEFT 1 & UP 1
NORMAL	WITHIN SLA/SLE	LEFT 1
EARLY	WITHIN SLA/SLE	DON'T CHANGE
SUPER-EARLY	WITHIN SLA/SLE	DOWN 1
DON'T CARE	DON'T CARE	INTANGIBLE

START DATE	CUSTOMER EXPECTATIONS	CLASS OF SERVICE
NOW	ASAP	EXPEDITE
IRRESPONSIBLY LATE	ZERO TOLERANCE	EXPEDITE
LAST RESPONSIBLE MOMENT	DEADLINE	EXPEDITE
LATE	DEADLINE	EXPEDITE
NORMAL	DEADLINE	FIXED-DATE
EARLY	DEADLINE	FIXED-DATE
SUPER-EARLY	DEADLINE	STANDARD
DON'T CARE	DON'T CARE	INTANGIBLE

5 START DATE RANGES

Determine the start date range using today's date, lead time distribution, and desired delivery date:



More information: www.djaa.com

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