MAY & COMPANY

OPERATIONAL DECISIONEERING™

EXECUTIVE BRIEFING NO. 1

Operational Decisioneering™

A Risk-Informed Framework for Executive Decision Confidence™ in Manufacturing Organizations

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May & Company Operational Decisioneering™

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THE EXECUTIVE DECISION PROBLEM™

More Information Has Not Eliminated Decision Risk

After more than five decades in manufacturing, I have reached a simple conclusion: manufacturing leaders rarely lack information.

Plants produce operating reports, financial statements, production schedules, quality measures, labor reports, maintenance records, capacity studies, capital requests, and performance forecasts. Most organizations have more data today than at any previous point in their history.

Yet consequential decisions remain difficult.

The problem is not necessarily the amount of information available. The problem is whether leadership can determine what that information means, what it leaves unresolved, and whether the assumptions behind it reflect what operations can actually sustain.

A report can be accurate and still be incomplete. A production measure can improve while overtime, rework, deferred maintenance, or workforce fatigue quietly increases. A financial forecast can appear reasonable while depending on capacity the plant has never demonstrated. A capital request can be technically justified while addressing the wrong operating constraint.

Information describes conditions.
Executive judgment must determine their consequence.

The Operational Truth Gap™

Every organization operates with a difference between what leadership believes is true and what operations can actually sustain. This difference is the Operational Truth Gap™.

WHAT LEADERSHIP BELIEVES IS TRUE	OPERATIONAL TRUTH GAP	WHAT OPERATIONS CAN SUSTAIN
Reports | Forecasts | Assumptions		Capacity | Stability | Execution

The gap is not always created by poor management or inaccurate reporting. More often, it develops because different parts of the organization see different portions of reality.

Finance sees cost and margin. Operations sees throughput and disruption. Quality sees defects and process variation. Maintenance sees equipment condition. Human resources sees staffing levels. Sales sees customer demand and delivery commitments.

Each perspective may be valid. None may be sufficient on its own.

The executive decision problem begins when leadership must commit capital, approve an acquisition, accept a recovery plan, increase production, restructure an operation, or continue financial exposure without knowing how those conditions interact.

That is where operational risk becomes decision risk.

What Manufacturing Experience Reveals

Across more than five decades, I have observed how operating conditions that appear isolated can change the financial and strategic decision itself.

PLANT REALITY

I have observed plants that appeared to possess available capacity until production mix, changeover requirements, maintenance condition, quality loss, and workforce capability were examined together.

CAPITAL DECISIONS

I have seen capital proposed as the answer to a production problem when the actual constraint was scheduling discipline, process instability, tooling condition, or the organization's ability to execute the change.

OWNERSHIP CONSEQUENCE

From an owner's position, I have seen how quickly an operating assumption becomes a financial obligation. Payroll, customer commitments, equipment payments, material purchases, and delivery requirements continue whether the assumption proves correct or not.

ACQUISITION RISK

An acquisition model may assume stronger throughput, lower scrap, improved margins, or rapid integration while overlooking maintenance exposure, leadership depth, workforce dependency, undocumented process knowledge, and capital requirements.

These are not isolated operating problems.

They are conditions that can change the decision itself.

What Operational Decisioneering Changes

Operational Decisioneering™ is a risk-informed executive discipline for examining consequential decisions before leadership commits to them. It begins with the decision - not the data.

01	02	03	04	05
DECISION	EVIDENCE	INTERPRETATION	RISK VISIBILITY	EXECUTIVE JUDGMENT

THE EXECUTIVE QUESTIONS

1. What is leadership being asked to approve?
2. What must be true for the decision to succeed?
3. Which assumptions are supported by evidence?
4. What is the consequence if those assumptions fail?

THE DECISION-READY RESULT

- What leadership can reasonably rely upon
- What operations can actually sustain
- Where material uncertainty remains
- Which risks could alter the decision
- What consequence follows if leadership is wrong

Operational Decisioneering does not replace accounting, engineering, legal review, or operational management. It provides the executive interpretation required to understand how those findings affect the decision.

Why Independent Verification Matters

Consequential decisions are rarely examined in a neutral environment. Internal commitments, transaction momentum, normalized plant conditions, and established reporting structures all shape what leadership sees.

THE PRESSURES SURROUNDING THE DECISION

MANAGEMENT COMMITMENT

Teams naturally become invested in their operating plans.

TRANSACTION MOMENTUM

Acquisition teams become invested in completing the transaction.

NORMALIZED CONDITIONS

Plants become accustomed to conditions an independent view may question.

REPORTING DEPENDENCE

Boards and lenders often receive information through the structure explaining performance.

None of these conditions automatically indicates misconduct or incompetence. They do mean that consequential decisions can benefit from an independent examination of the assumptions on which they depend.

Independent operational verification creates distance between the decision and the internal pressures surrounding it.

It tests whether the recovery plan is operationally achievable, whether acquisition assumptions are supportable, whether a capital request addresses the actual constraint, and whether the organization possesses the leadership, workforce, process stability, and execution capability required to deliver the expected result.

Manufacturing leaders will never eliminate uncertainty. The executive responsibility is to distinguish acceptable uncertainty from material, unverified risk.

THE GOVERNING STANDARD

The standard is not whether the plan sounds reasonable.

The standard is whether operations can sustain it.

THE EXECUTIVE RESPONSIBILITY

Executive Decision Confidence™

Manufacturing leaders will never eliminate uncertainty. Nor should they delay every decision until perfect information becomes available. The executive responsibility is to distinguish acceptable uncertainty from material, unverified risk.

THE OBJECTIVE

The objective is not more information.

The objective is Executive Decision Confidence™ grounded in Operational Truth™.

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Apprentice Machinist | Manufacturing Executive

More than five decades in manufacturing

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