

Systems
Analysis Laboratory

A”
Aalto University
School of Science
and Technology

SYSTEMIANALYYSIN LABORATORIO

henkilökunta

perustettu v. 1984



HARRI EHTAMO
Professori



RAIMO P. HÄMÄLÄINEN
Professori
Laboratorion esimies



ESA SAARINEN
Professori
Systeemiälyryhmä
2003-7 SAL, 2007- TUTA



AHTI SALO
Professori



LEENA PORRASKORPI
Sihteeri



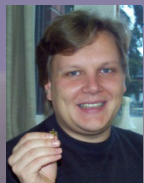
MINNA WESTERLUND
Sihteeri, Virkavapaa

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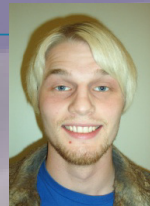
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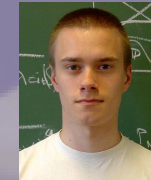
VILLE MATTILA
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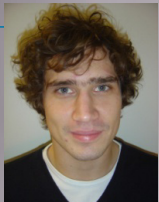
ANTTI PUNKKA
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JUSSI KANGASPUNTA
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OR-seuran sihteeri, DI



SIMO HELIÖVAARA
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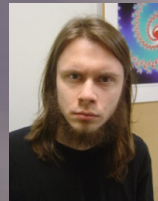
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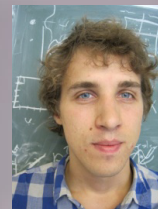
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JUHO KOKKALA
tekn. yo.



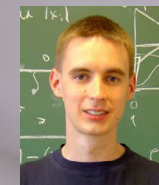
ANSSI KÄKI
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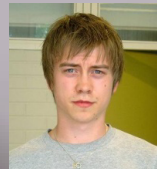
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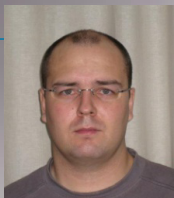
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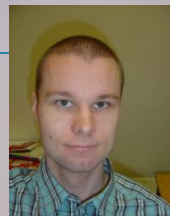
ANTTI TOPPILA
Tohtoriopiskelija
OR-seuran taloudenhoitaja
DI



JUKKA LUOMA
Erikisopettaja, DI



MIRKO RUOKOKOSKI
Tohtoriopiskelija, DI



ARTTU KLEMETTILÄ
Webmaster, TkK



MIKKO MARTELA
Tohtoriopiskelija
DI,VTM



ILKKA LEPPÄNEN
Tekn.yo.



HEIKKI PUUSTINEN
Tekn. yo.



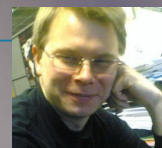
PEKKA LAITILA
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EERO RANTALA
Tekn. yo.



MITRI KITTI
Erikisopettaja, TkT



JANNE SORSA
Erikisopettaja, DI



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Systems
Analysis Laboratory

Systems Analysis Laboratory

Systems Analysis Laboratory was established in 1984 within the professorship of applied mathematics. The founder and director of the laboratory is Professor [Raimo P. Hämmäläinen](#). The team of professors also includes [Harri Ehtamo](#) and [Ahti Salo](#). Professor [Esa Saarinen](#) continues with us as a co-director of the Systems Intelligence Group. In the new [Aalto University](#) we are in the [School of Science and Technology](#) (Formerly HUT) and part of the Department of Mathematics and Systems Analysis in the Faculty of Information and Natural Sciences.

The research interests of the laboratory cover the area of systems science comprehensively ranging from the mathematical theories and algorithms of optimization, control, decision making to the practical interactive computer modeling and decision support systems and risk and technology assessment. The focus of the applications is in complex energy, production and [environmental systems](#). The problems are analyzed with a balanced engineering-economic systems approach. We also have a long tradition in biological modelling. Currently we have a growing effort in studying [systems intelligence](#) and applied philosophy in human organizations.

As an university institution the laboratory is unique in Finland. It is responsible for the undergraduate program in *Systems Sciences* and for the graduate specialty of *Systems and operations research* in the [Engineering Physics and Mathematics](#) program. We also give basic courses in *systems sciences* and *applied mathematics* for all students. The laboratory is in charge of the national [Doctoral Program in Systems Analysis, Decision Making, and Risk Management](#).

The Board of Finnish Operations Research Society nominated Professor Raimo P. Hämmäläinen the Honorary President of the society for his contributions in developing the field of OR in Finland. In the picture Professor Raimo P. Hämmäläinen (left) and Professor Risto Lahdelma, President of FORS (right) in the award ceremony on the 13th of November, 2008.



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GAME THEORY AND INCENTIVES

the field and our contributions

history of game theory

folk wisdom *the Holy Bible, Talmud*
 combinatorial games *Pascal, Bernoulli* (16th century)



- 1913 Ernst Zermelo *chess as a zero sum game*
- 1921 Emile Borel *minmax games*
- 1928 John von Neumann *minmax theorem*
- 1942 the Michael Curtiz film *Casablanca* *an example of real life games*
- 1944 John von Neumann & Oscar Morgenstern *Theory of Games and Economic Behavior*
- 1950 John Nash introduces Nash equilibrium concept
- 1953 Lloyd Shapley introduces Shapley value for cooperative games

1953 prisoner's dilemma game
 Harold W. Kuhn & Alan W. Tucker

Nobel laureates in

1994

John Nash
 Nash equilibrium

John Harsanyi
 incomplete information, Bayesian games, 1967

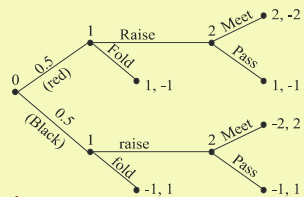
Reinhard Selten
 dynamic games
 subgame-perfect equilibrium, 1965
 prisoner's dilemma revisited

2000 Game Theory Society is founded
 2002 the film *Beautiful Mind* about John Nash's life

the International Society of Dynamic Games

founded in Otaniemi 1990

ISDG



Nash equilibrium

players 1 and 2,
 actions x, y and
 profits $\pi_1(x, y), \pi_2(x, y)$

reaction curves $R_1(y), R_2(x)$

$$\pi_1(R_1(y), y) = \max_x \pi_1(x, y)$$

$$\pi_2(x, R_2(x)) = \max_y \pi_2(x, y)$$

Nash equilibrium x^N, y^N

$$x^N = R_1(y^N), y^N = R_2(x^N)$$

1	not confess	

number of years in prison

computation

of x^N and y^N

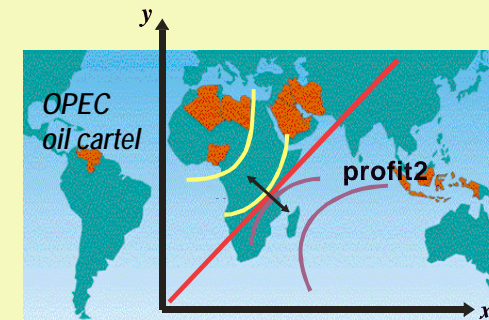
an adjustment

process

to reach the
 equilibrium

$$\begin{cases} x_{k+1} = R_1(y_k) \\ y_{k+1} = R_2(x_{k+1}) \end{cases}$$

Osborne's quota rule makes
 the joint optimum an equilibrium



cartel
 example

two countries, joint optimum x^0, y^0

line of constant market shares

$$x/y = x^0/y^0$$

maintaining their market shares

keeps the countries at x^0, y^0



Osborne's rule is an example of an incentive equilibrium
 in our research the rule is generalized to dynamic games

incomplete information and Bayesian games

players with unforeseeable behaviour enter the scene



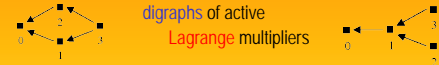
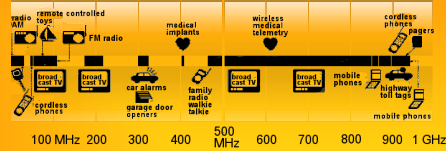
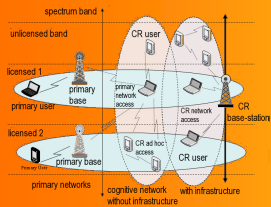
nobody knows
 the other players'
 true intentions,
 their types...
 yet, they must
 play the game

in SAL we study tariff design in buyer-seller games and develop
 practical schemes to compute the Bayesian-Nash equilibrium

selected publications

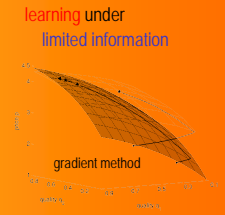
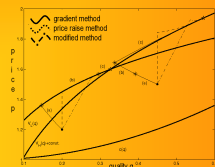
- K. Berg and H. Ehtamo: Continuous learning dynamics in two-buyer pricing problem, Manuscript, 2010
- K. Berg and H. Ehtamo: Interpretation of Lagrange multipliers in nonlinear pricing problem, Optimization Letters, 2010
- H. Ehtamo, K. Berg and M. Kitti: An adjustment scheme for nonlinear pricing problem with two buyers, European Journal of Operational Research, 2010
- M. Kitti: Convergence of iterative tatonnement without price normalization, Journal of Economic Dynamics and Control, 2010
- M. Kitti and H. Ehtamo: Osborne's cartel maintaining rule revisited, Manuscript, 2009
- M. Kitti and H. Ehtamo: Adjustment of an Affine Contract with Fixed-Point Iteration, Journal of Optimization Theory and Applications, 2009
- H. Ehtamo, R.P. Härmäläinen, P. Heiskanen, J. Teich, M. Verkama and S. Zionts: Generating Pareto solutions in two-party negotiations by adjusting artificial constraints, Management Science, 2000
- M. Verkama, H. Ehtamo and R.P. Härmäläinen: Distributed computation of Pareto solutions in N-player games, Mathematical Programming, 1996
- H. Ehtamo and R.P. Härmäläinen: A cooperative incentive equilibrium for a resource management problem, Journal of Economic Dynamics and Control, 1993
- H. Ehtamo and R.P. Härmäläinen: Incentive strategies and equilibria for dynamic games with delayed information, Journal of Optimization Theory and Applications, 1989

COMPUTATIONAL ECONOMICS EXPERIMENTAL GAME THEORY



Nonlinear Pricing

application of mechanism design

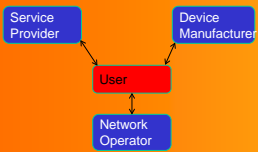


Cognitive Radio

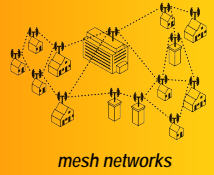
spectrum efficiency
sensing technology
flexible spectrum use

Theory behind computational models

A^1, B^m (sensing)
 $A^1(DB), B^1, C^m$ (sensing)



identify possible roles
study incentives
scenarios and mechanisms



$$\sum_e r^s(e) = 1$$

e cycle
r(e) similarity of e
s Hausdorff dimension

Hausdorff dimension to digraphs
(Mauldin and Williams 1988)

Incentive compatibility
(Hurwicz 1972)

$$U_i(x_i) - p_i \geq U_i(x_k) - p_k$$

Nash Equilibrium (1950)
fixed point of best-response correspondence

$$s \in BR(s)$$

Fractals by iterated function systems
(Hutchinson 1981)

$$W = co \left(\bigcup_{a \in A} B_a(W) \right)$$

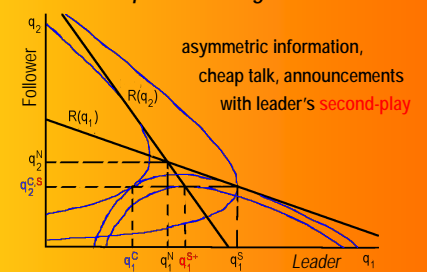
Subgame perfect equilibrium payoffs
(Abreu 1988)

$$S = \bigcup_{i=1}^N f_i(S)$$

fixed point of iterated function system

Experiments with a duopoly game

the evolution of cooperation in repeated strategic interaction



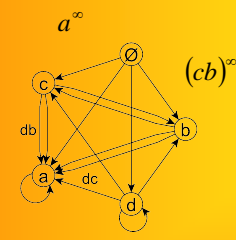
Collusion: (q_1^c, q_2^c) Cournot-Nash: (q_1^N, q_2^N)
Stackelberg: (q_1^s, q_2^s) Second-play: (q_1^{s*}, q_2^{s*})

Repeated Games

algorithms to compute strategies and payoffs

	prisoner B	
	confess	silence
confess	1, 1	4, 0
silence	0, 4	3, 3

Prisoner's Dilemma (1950)

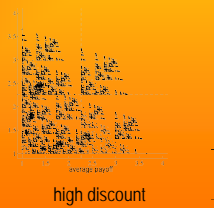
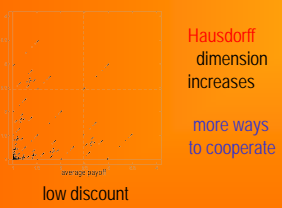
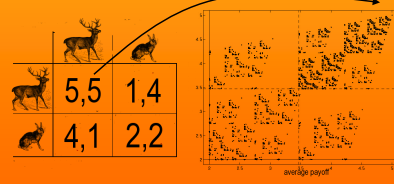


multidigraphs to represent equilibrium paths

Hawk-Dove or Chicken (Russell 1959)
anti-coordination game
Cuban missile crisis 1962

	Hawk	Dove
Hawk	2, 2	6, 3
Dove	3, 6	5, 5

Stag Hunt (Rousseau 1754)
cooperation and coordination game



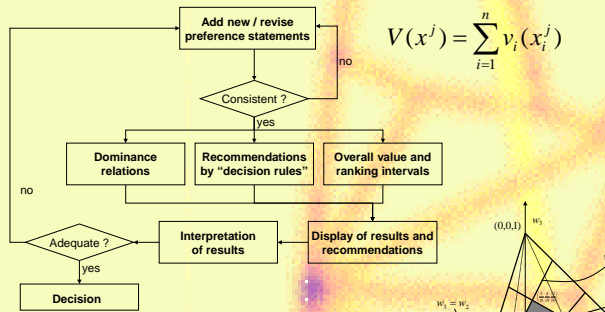
selected publications

K. Berg and M. Kitti: *Equilibrium paths in discounted supergames*, Manuscript, 2010
K. Berg and M. Kitti: *Computing equilibria in discounted 2x2 supergames*, Manuscript, 2010
K. Berg and H. Ehtamo: *Learning in nonlinear pricing with unknown utility functions*, Annals of Operations Research, 2009
K. Berg and H. Ehtamo: *Multidimensional Screening: Online Computation and Limited Information*, 10th Int. Conf. on Electronic Commerce, 2008

DECISION THEORY

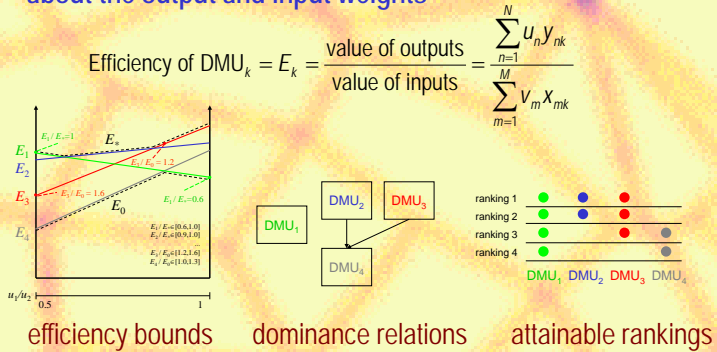
Preference Programming

incomplete information
in value tree analysis



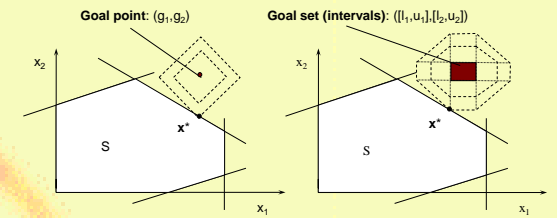
Ratio-based Efficiency Analysis

comparison of DMUs under incomplete information about the output and input weights

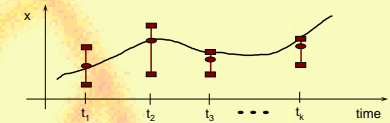


Interval goal programming

extension of a goal point to a goal set



new flexibility in dynamic problems

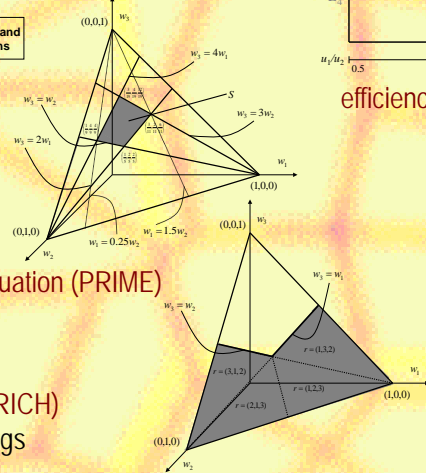


interval methods:

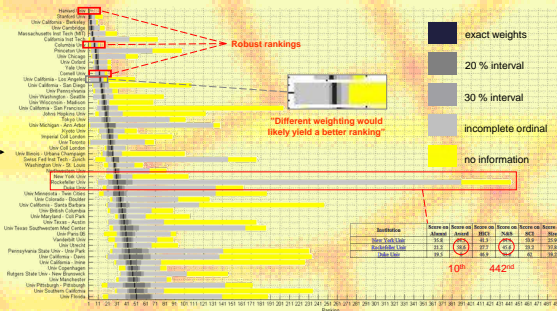
- Preference Assessment by Imprecise Ratio Statements (PAIRS)
- Interval AHP
- Preference Ratios in Multiattribute Evaluation (PRIME)
- Interval SMART/SWING

incomplete ordinal information:

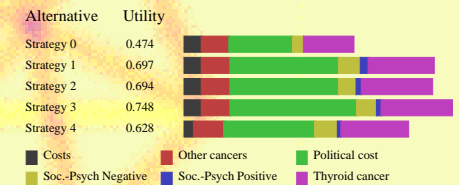
- Rank Inclusion in Criteria Hierarchies (RICH)
- RICHER = RICH with Extended Rankings



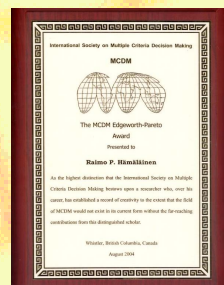
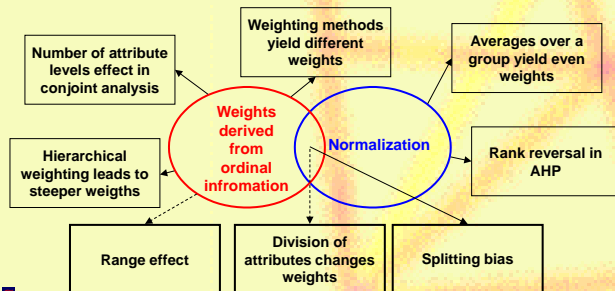
sensitivity of university rankings
- what if slightly different weights were applied?



global sensitivity analysis



origins of procedural and behavioral biases



web-sites and selected publications

<http://www.decisionarium.hut.fi>

A. Salo and A. Punkka: *Ranking intervals and dominance relations for Ratio-based Efficiency Analysis*, manuscript, 2010

A. Punkka and A. Salo: *Preference Programming with incomplete ordinal information*, manuscript, 2010

A. Salo and R. P. Hämäläinen: *Preference Programming - multicriteria weighting models under incomplete information*, in: Zopounidis and Pardalos (eds.): *Handbook of Multicriteria Decision Analysis*, Springer, New York, 2010

J. Liesjö, P. Mild and A. Salo: *Preference programming for robust multi-criteria portfolio modeling and project selection*, Eur. J. Oper. Res. (EJOR), 2007

J. Mustajoki, R. P. Hämäläinen and M. R. K. Lindstedt: *Using intervals for global sensitivity and worst case analyses in multiattribute value trees*, EJOR, 2006

A. Salo and A. Punkka: *Rank inclusion in criteria hierarchies*, EJOR, 2005

J. Mustajoki, R. P. Hämäläinen and A. Salo: *Decision Support by Interval SMART/SWING - Incorporating Imprecision in the SMART and SWING Methods*, Decision Sciences, 2005

A. Salo and R. P. Hämäläinen: *Preference ratios in multiattribute evaluation (PRIME)*, IEEE Syst. Man Cybernetics, 2001

R. P. Hämäläinen and J. Mäntysaari: *A dynamic interval goal programming approach to the regulation of a lake-river system*, J. Multi-Crit. Dec. Anal., 2001

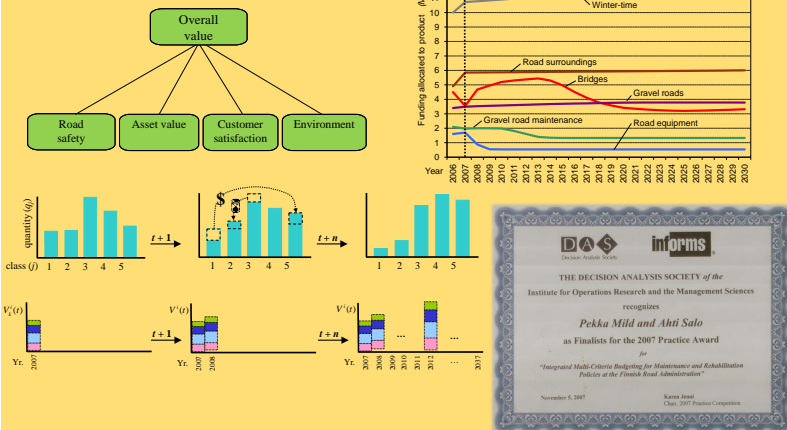
A. Salo and R. P. Hämäläinen: *Preference programming through approximate ratio comparisons*, EJOR, 1995

A. Salo and R. P. Hämäläinen: *Preference assessment by imprecise ratio statements*, Operations Research, 1992

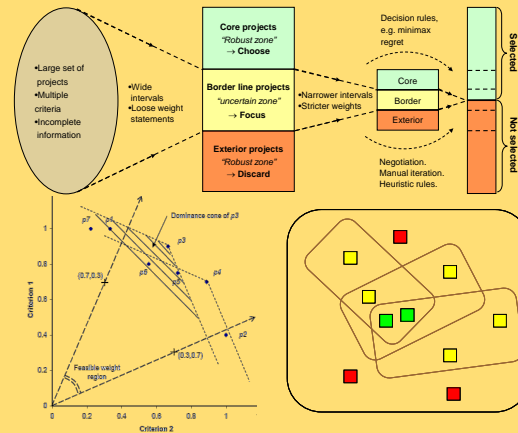
PORTFOLIO DECISION ANALYSIS

methods, models and software for resource allocation and portfolio management

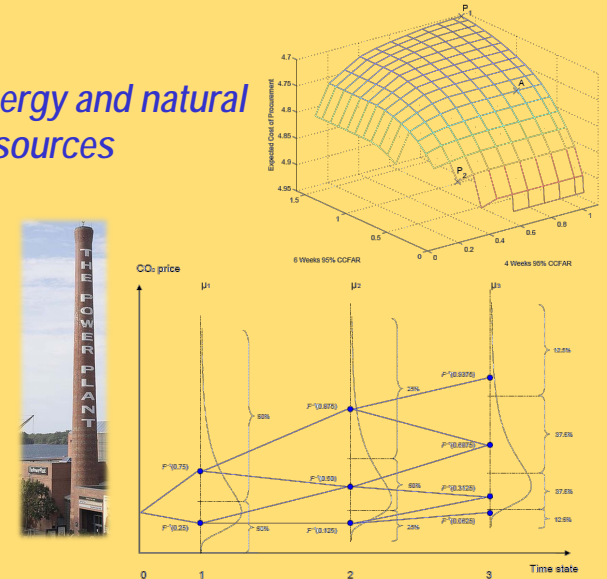
infrastructure asset management



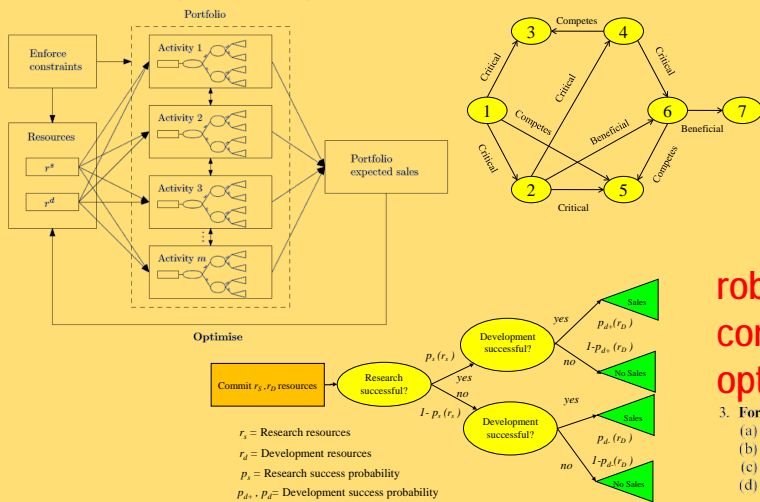
Robust Portfolio Modeling (RPM)



energy and natural resources



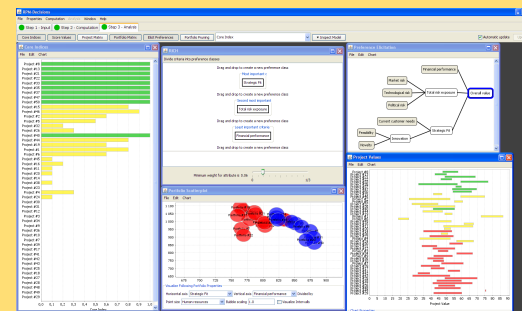
technology management



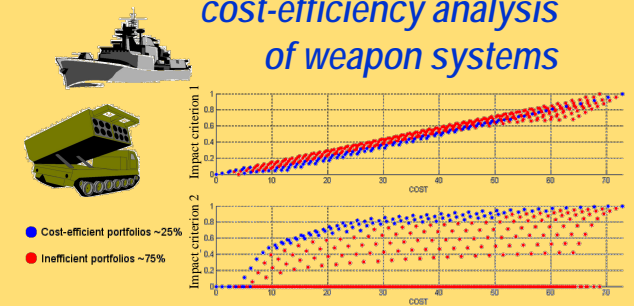
robust combinatorial optimization

- For $k = 1, \dots, m$ do
 - $P^k \leftarrow \{(p \cup \{x^k\}) \mid p \in P^{k-1}\} \cup P^{k-1}$
 - $P^k \leftarrow \{p \in P^k \mid \sum_{i=1}^k a_i^p + \sum_{i=k+1}^m \min\{0, a_i^p\} \leq b_i \forall i \in \{1, \dots, q\}\}$
 - $P^k \leftarrow \{p \in P^k \mid p^i \neq p^j \forall p^i, p^j \in P^k\}$
 - $P^k \leftarrow \{p \in P^k \mid p^i \neq p^j \forall p^i, p^j \in P^k\}$

RPM-Decisions software



cost-efficiency analysis of weapon systems



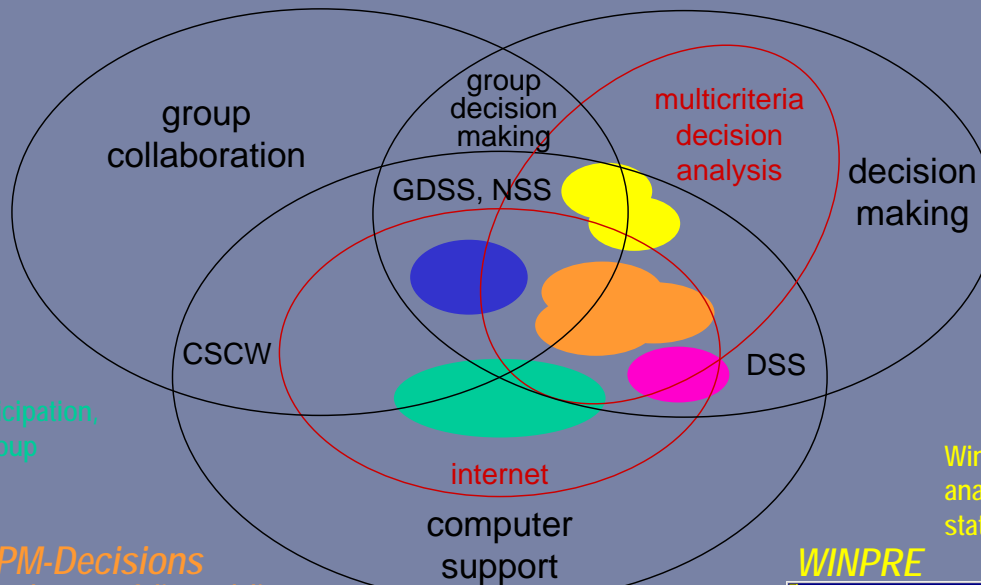
web-sites and selected publications

www.rpm.tkk.fi

E Vilkkumaa, J Liesiö, A Salo. Multicriteria Portfolio Modeling for the Development of Shared Action Agendas, Group Decision and Negotiation (to appear), 2010.
 P Mild, A Salo. Combining a Multiattribute Value Function with an Optimization Model: An Application to Dynamic Resource Allocation for Infrastructure Maintenance, Decision Analysis, 2009.
 V Brummer, A Salo, J Nissinen, J Liesiö. A Methodology for the Identification of Prospective Collaboration Networks in International R&D Programs, Int. J. of Technology Management (IJTM) 2009.
 J Liesiö, P Mild, A Salo. Robust Portfolio Modeling with Incomplete Cost Information and Project Interdependencies, Eur. J. of Operational Research (EJOR), 2008.
 M Lindstedt, J Liesiö, A Salo. Participatory Development of a Strategic Product Portfolio in a Telecommunication Company, IJTM, 2008.
 J Liesiö, P Mild, A Salo. Preference Programming for Robust Portfolio Modeling and Project Selection, EJOR, 2007.
 J Gustafsson, A Salo. Contingent Portfolio Programming for the Management of Risky Projects, Operations Research, 2005.

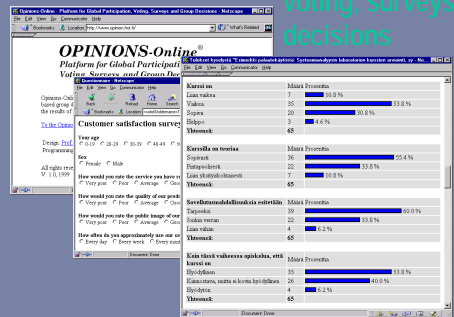
DECISIONARIUM

global space for decision support

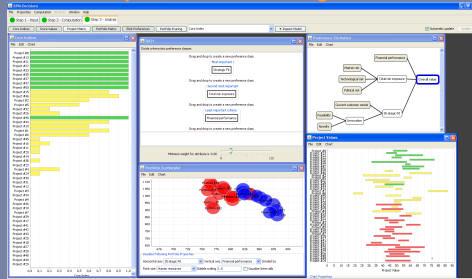


Joint Gains
multi-party negotiation support with the method of improving directions

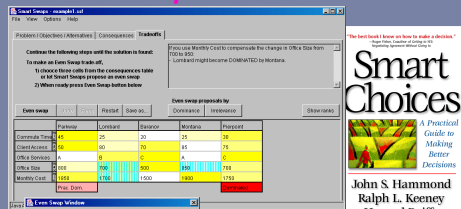
Opinions-Online platform for global participation, voting, surveys, and group decisions



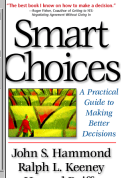
RPM-Decisions
robust portfolio modeling



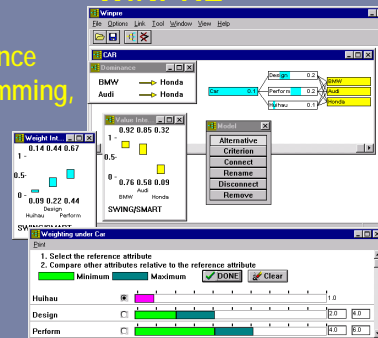
Smart Swaps



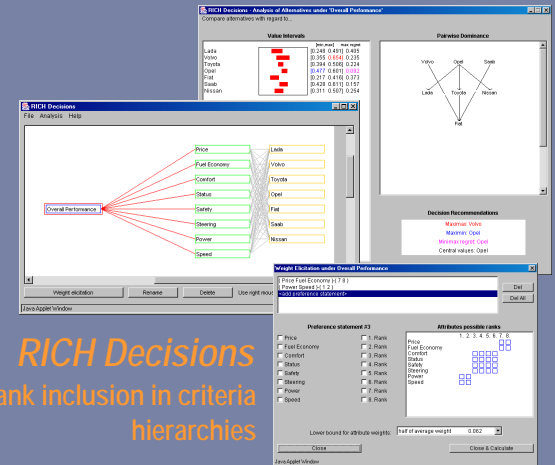
elimination of criteria and alternatives by even swaps



preference programming, PAIRS

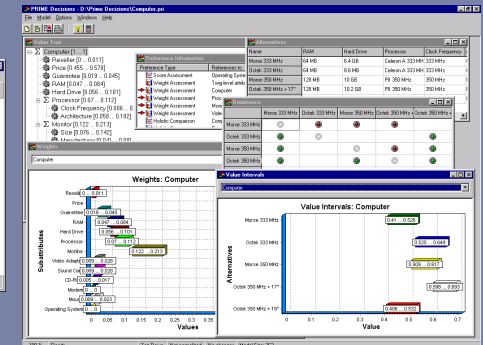


RICH Decisions
rank inclusion in criteria hierarchies



Windows software for decision analysis with imprecise ratio statements

PRIME Decisions



web-sites

www.decisionarium.hut.fi www.dm.hut.fi
www.hipre.hut.fi www.jointgains.hut.fi www.opinions.hut.fi www.rich.hut.fi www.smart-swaps.hut.fi www.rpm.hut.fi
PRIME Decisions and WINPRE downloadable at www.sal.hut.fi/Downloadables

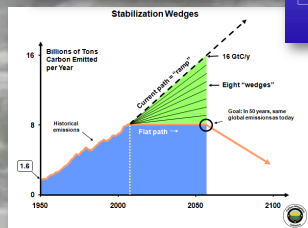
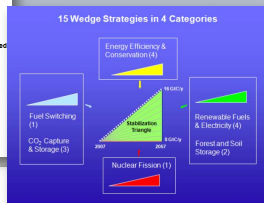
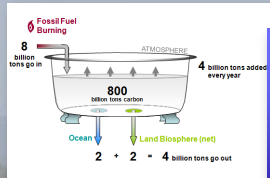
selected publications

J. Liesiö, P. Mild, A. Salo. Preference Programming for Robust Portfolio Modeling and Project Selection, Eur. J. Oper. Res. (EJOR), 2007.
A. Salo, A. Punkka, Rank Inclusion in Criteria Hierarchies, EJOR, 2005.
J. Mustajoki, R.P. Hämmäläinen and A. Salo: Decision support by interval SMART/SWING – Incorporating imprecision in the SMART and SWING methods, Decision Sciences, 2005.
J. Mustajoki and R.P. Hämmäläinen: A Preference Programming Approach to Make the Even Swaps Method Even Easier, Decision Analysis, 2005.
H. Ehtamo, R.P. Hämmäläinen and V. Koskinen: An e-learning module on negotiation analysis, Proc. of HICSS-37, 2004.
R.P. Hämmäläinen, Decisionarium - Aiding decisions, negotiating and collecting opinions on the Web, J. Multi-Crit. Dec. Anal., 2003.
H. Ehtamo, E. Kettunen and R.P. Hämmäläinen: Searching for joint gains in multi-party negotiations, EJOR, 2001.
J. Gustafsson, A. Salo and T. Gustafsson: PRIME Decisions - An interactive tool for value tree analysis, Lecture Notes in Economics and Mathematical Systems, 2001.
J. Mustajoki and R.P. Hämmäläinen: Web-HIPRE - Global decision support by value tree and AHP analysis, INFOR, 2000.

ENVIRONMENTAL DECISION MAKING and CLIMATE POLICY

decision analysis in climate change mitigation

portfolio modeling in environmental decisions

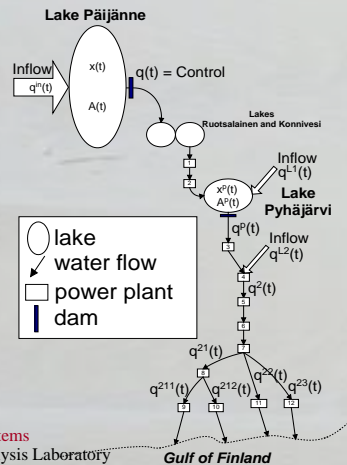


testing portfolio decision analysis with the stabilization wedges of



strategies to reduce carbon emissions

lake regulation projects in Finland



multiple interests: power production, environment, agriculture, fishing, recreation, transportation

new participation methods: decision analysis interviews, decision structuring dialogue, teledemocracy by Opinions-Online image theory

LCM - life cycle management

a systems intelligence approach shifts the focus from products to people



Can we see the drivers of our needs related to our consumption?



decision modeling tools for structuring, values and public participation

Web-HIPRE : individual and group decision support in stakeholder prioritizations by decision analysis

Joint Gains: bargaining efficient compromises

Opinions-Online: public participation on the internet

RPM – robust portfolio modeling : multi criteria problems



web-sites and selected publications

www.environment.sal.tkk.fi, www.decisionarium.tkk.fi/

R.P. Hämäläinen, J. Mustajoki, M. Marttunen: *Web-based Decision Support: Creating a Culture of Applying Multi-criteria Decision Analysis and Web Supported Participation in Environmental Decision Making*. In S. French, D. Rios-Insua (eds): e-Democracy. A Group Decision and Negotiation Perspective. Springer, New York 2010

R.P. Hämäläinen and S. Alaja: *The Threat of Weighting Biases in Environmental Decision Analysis*, Ecological Economics, Vol. 68, 2008, pp. 556-569
 J. Mustajoki, R.P. Hämäläinen and M. Marttunen: *Participatory multicriteria decision support with Web-HIPRE: A case of lake regulation policy*. Environmental Modelling and Software, Vol. 19, No. 6, 2004, 537-547

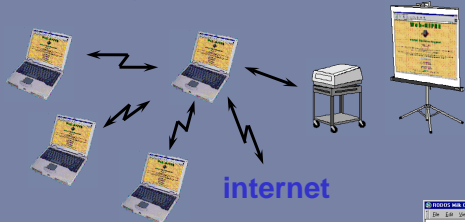
R. P. Hämäläinen and J. Mäntysaari: *A dynamic interval goal programming approach to the regulation of a lake-river system*, J. Multi-Crit. Dec. Anal., 2001.
 R.P. Hämäläinen, E. Kettunen, M. Marttunen and H. Ehtamo: *Evaluating a framework for multi-stakeholder decision support in water resources management*, Group Decision and Negotiation, 2001.

M. Marttunen and R.P. Hämäläinen: *Decision analysis interviews in environmental impact assessment*, Eur. J. Oper. Res., 1995.

GROUP DECISION MAKING AND ELECTRONIC DEMOCRACY

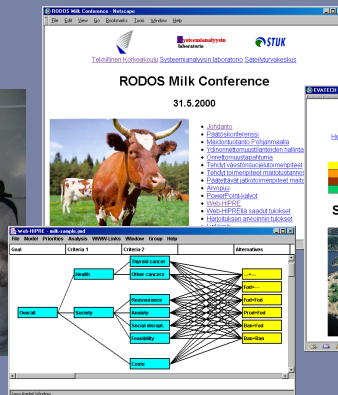
decision conferencing in nuclear emergency management

mobile group support facility



intensive facilitated decision workshops
spontaneous decision conferencing
planning of countermeasures in nuclear accidents
individual use of advanced multi-criteria software

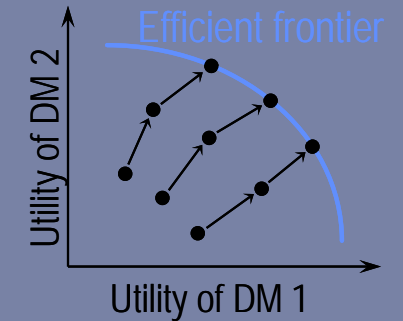
notebooks in a wireless LAN



searching for joint gains in multicriteria negotiations

method of improving directions

interactive method for reaching efficient alternatives
search of joint gains from a given initial alternative
solution evolves through jointly improving directions



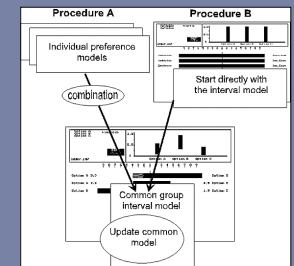
opinions-online.com

platform for global participation, voting, surveys, and group decisions
multi-criteria voting
opinions-online – vote
advanced version of opinions-online providing different voting rules

Alternative	4 points	3 points	2 points	1 point	0 points	Total Score	Rank
International Civil Forum and Conference Center, Costa Rica	11	4	2	6	5	60	2
Arctic Star, Continental Americas, Amsterdam, The Netherlands	3	17	4	4	0	75	1
100 West Wroughton, Wroughton DC, U.S.A.	1	4	10	3	2	50	4
Heron Island, Australia	10	0	3	14	1	60	3
Santa Clara Park, Riverside, Ireland	3	3	1	1	20	24	5

preference programming in group decision support

intervals representing the ranges of preferences within the group
a new way to a consensus process



Recreation	DM1	DM2	DM3	Landscape
Recreation	DM2	DM3	DM1	Biodiversity
Landscape	DM2	DM1	DM3	Biodiversity

TED – towards electronic democracy

european network for internet based complex decision support
funded by the European Science Foundation

TED objectives

promote rational and participative approaches to societal decision making
develop methods and software to enable decision analyses to be communicated, explored and built over the WWW



Systems Analysis Laboratory

Updated 25.10.2004

web-sites and selected publications

The scenario focused workshops: www.evatech.hut.fi, www.riihi.hut.fi/stuk/
TED – Towards Electronic Democracy: <http://infodoc.escet.urjc.es/ted/>

A. Salo and R.P. Hämäläinen: *Multicriteria decision analysis in group decision processes*. In: D.M. Kilgour and C. Eden (eds.), Handbook of Group Decision and Negotiation, Springer, New York, 2010.
V. Brummer, A. Salo, J. Nissinen and J. Liesjö: *A methodology for the identification of prospective collaboration networks in international R&D programs*, International Journal of Technology Management, 2010.
K. Sinkko, R.P. Hämäläinen and R. Hänninen: *Experiences in methods to involve key players in planning protective actions in the case of a nuclear accident*, Radiation Protection Dosimetry, 2004.
H. Ehtamo and R.P. Hämäläinen: *Interactive multiple-criteria methods for reaching pareto optimal agreements in negotiations*, Group Decision and Negotiation, 2001.
R.P. Hämäläinen, M.R.K. Lindstedt and K. Sinkko: *Multi-attribute risk analysis in nuclear emergency management*, Risk Analysis, 2000.
R.P. Hämäläinen and O. Leikola: *Spontaneous decision conferencing with top-level politicians*, OR Insight, 1996.
R.P. Hämäläinen and M. Pöyhönen: *On-line group decision support by preference programming in traffic planning*, Group Decision and Negotiation, 1996.
R.P. Hämäläinen, A. Salo and K. Poysit: *Observations about consensus seeking in a multiple criteria environment*, Proc. of HICSS-25, 1992.

GROUP PROCESSES IN TECHNOLOGY ASSESSMENT AND FORESIGHT

Timeline:

- 1950s Delphi method developed by the RAND Corporation
- 1962 Rachel Carson "Silent Spring"
- 1970 First Japanese Delphi Process
- 1972 Office of Technology Assessment in the U.S.
- 1990 European Parliamentary Technology Assessment Network
- 1995 First UK Foresight
- 2000 Permanent status for Committee for the Future of Finnish Parliament

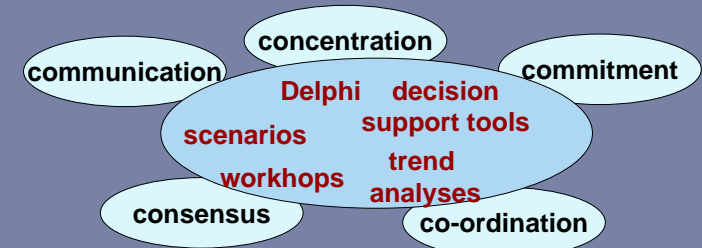
technology assessment

Anticipating the impacts of new technologies
 Parliament of Finland debates in the plenary session
 nuclear power debate
 assessment of plant gene technology
 spontaneous decision conferences



technology foresight

priority setting in science and technology

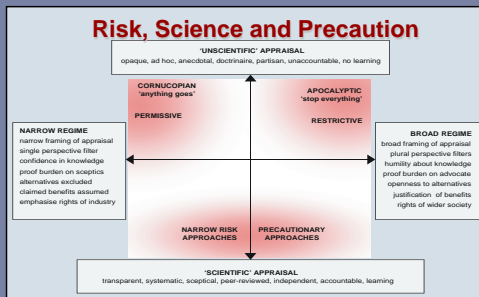
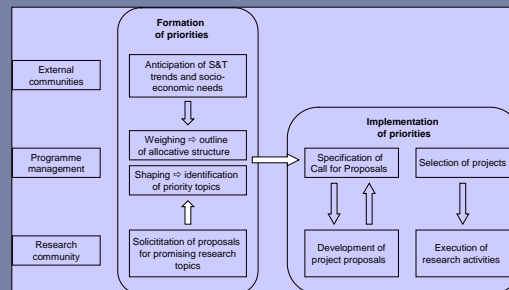


management of technological risks

acknowledging uncertainties
 precaution - "look before you leap"
 decision trees - multicriteria methods - consensus conferences



programme evaluation
 improving the effectiveness of national technology programmes
 with prospective evaluation and recommendations



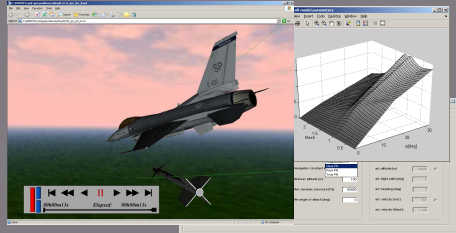
web-sites and selected publications

- www.eptanetwork.org/, www.cordis.lu/foresight/
- Helsinki Institute of Science and Technology Studies: www.helsinki.fi/hist
- Salo, A., V. Brummer and T. Könnölä, Axes of balance in foresight – reflections from FinnSight 2015, *Tech. Analysis & Strategic Man.*, 2009
- Brummer, V., T. Könnölä and A. Salo: Foresight within ERA-NETs: experiences from the preparation of an international research program, *Tech. Forecasting & Soc. Change*, 2008
- Könnölä, T., V. Brummer and A. Salo: Diversity in foresight: insights from the fostering of innovation ideas, *Tech. Forecasting & Soc. Change*, 2007
- Salmenkaita, J.-P. and A. Salo: Emergent foresight processes: industrial activities in wireless communications, *Tech. Forecasting & Soc. Change*, 2004
- Salo, A., T. Gustafsson and P. Mild: Prospective evaluation of a cluster program for Finnish forestry and forest industries, *Int. Trans. on Operations Research*, 2004
- Salmenkaita, J.-P. and A. Salo: Rationales for government intervention in the commercialization of new technologies, *Tech. Analysis & Strategic Man.*, 2002
- Bunn, D.W. and A. Salo: Forecasting with scenarios, *Eur. J. Oper. Res.*, 1993
- R.P. Hämäläinen: Computer assisted energy policy analysis in the Parliament of Finland, *Interfaces*, 1988

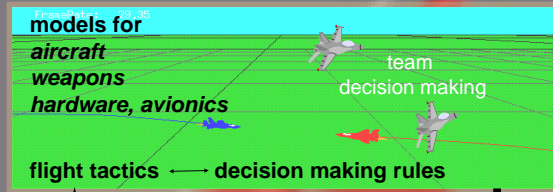
SIMULATION AND OPTIMIZATION OF OPERATIONS

aircraft trajectory optimization

missile avoidance
inverse flight simulation

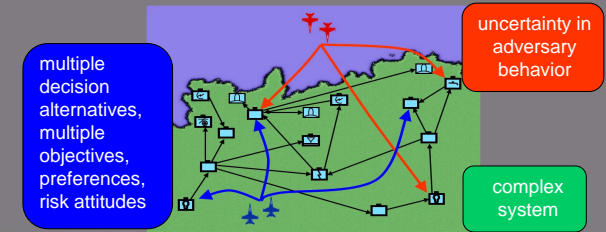


discrete-event combat simulation

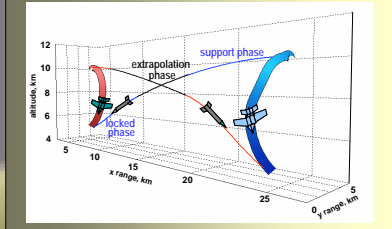


planning effects-based operations

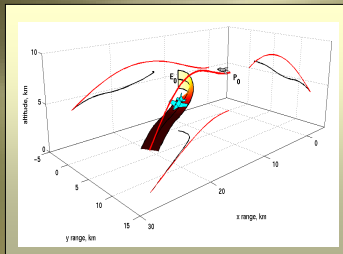
multicriteria influence diagrams



Time optimal guidance phases of missiles



zero-sum pursuit-evasion game

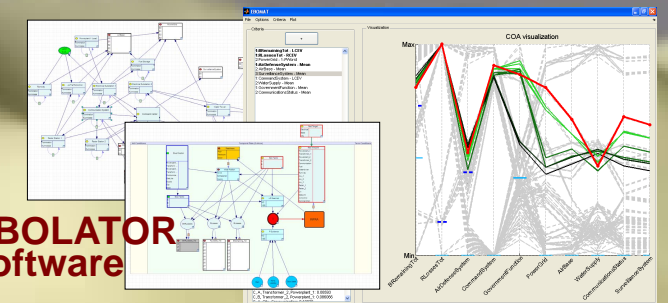


Simulation Input → Simulation Output

simulation metamodeling
input-output models for simulation analyses

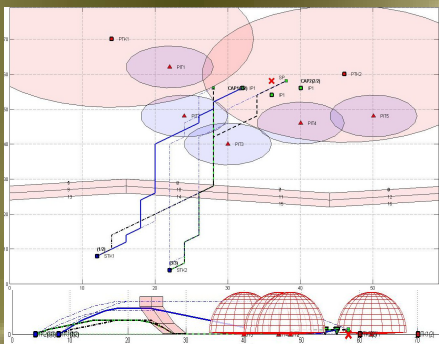
game theoretic approach
– action of adversary
dynamic Bayesian networks
– time evolution of simulation

EBOLATOR software

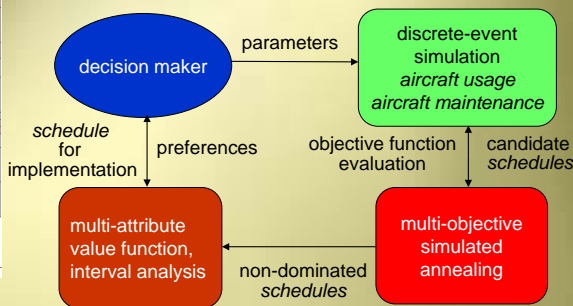


multicriteria network optimization

risk avoiding flight paths



maintenance scheduling multi-objective simulation-optimization



selected publications

Poropudas J. and Virtanen K.: *Game theoretic validation and analysis of air combat simulation models*, IEEE Syst.Man Cybernetics (SMC), 2010

Poropudas J. and Virtanen K.: *Influence diagrams in analysis of discrete event simulation data*, Proc. of Wint.Sim.Conf., (WSC), 2009

Mattila V., Virtanen K., and Raivio T.: *Improving maintenance decision-making in the Finnish Air Force through simulation*, Interfaces, 2008

Karelahi J., Virtanen K., and Öström J.: *Automated generation of realistic near-optimal aircraft trajectories*, J.Guid.Cont.Dyn. (GCD), 2008

Karelahi J., Virtanen K., and Raivio T.: *Near-optimal missile avoidance trajectories via receding horizon control*, GCD, 2007

Poropudas J. and Virtanen K.: *Analyzing air combat simulation results with dynamic Bayesian networks*, WSC, 2007

Virtanen K., Hämäläinen R.P., and Mattila V.: *Team optimal signaling strategies in air combat*, SMC, 2006

Karelahi J., Virtanen K., and Raivio T.: *Game optimal support time of a medium range air-to-air missile*, GCD, 2006

Virtanen K., Karelahi J., and Raivio T.: *Modeling air combat by a moving horizon influence diagram game*, GCD, 2006

Virtanen K., Raivio T., and Hämäläinen R.P.: *Modeling pilot's sequential maneuvering decisions by a multistage influence diagram*, GCD, 2004

Raivio T. and Ehtamo H.: *Discretization, nonlinear and bilevel programming in pursuit-evasion games*, Game Theor.Appl., 2002

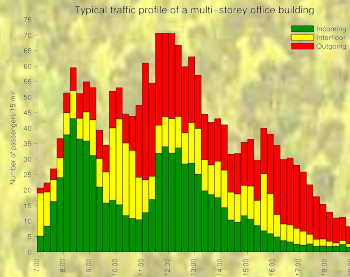
Virtanen K., Raivio T., and Hämäläinen R.P.: *Decision theoretical approach to pilot simulation*, J.Aircraft, 1999

Virtanen K., Ehtamo H., Raivio T., and Hämäläinen R.P.: *VIATO - visual interactive aircraft trajectory optimization*, SMC, 1999

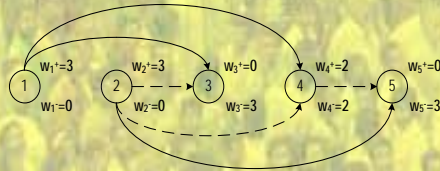
Raivio T., Ehtamo H., and Hämäläinen R.P.: *Aircraft trajectory optimization using nonlinear programming*, IFIP Syst.Model.Optim., 1996

ELEVATOR TRAFFIC OPTIMIZATION CROWD DYNAMICS SIMULATION

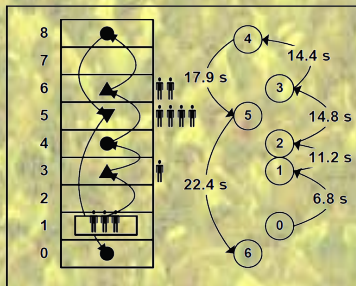
Analysis of passenger traffic



Modeling and forecasting elevator usage



Optimal allocation of elevators to passenger calls



Simulator for elevator system design



Computational models for the behavior and interaction of people in crowds

Best-Response reactions

$$BR_i(s_{-i}) := \arg \max_{s_i \in S_i} u_i(s_i, s_{-i}),$$

$$s_i^{(t)} = \begin{cases} BR_i(s_{-i}^{(t-1)}; \mathbf{r}), & i \in N_i \\ s_i^{(t-1)}, & i \notin N_i \end{cases}$$

Methods

- Agent-based modeling
- Game theoretic learning models
- Evolutionary game theory

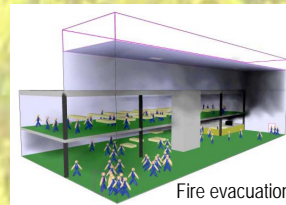
Human behavior

- Psychology
- Observations on real crowds
- Experiments with students
- Similarities with animal swarms



FDS+Evac Simulation model

- Integration of crowd simulation and state-of-the-art fire simulation



Applications

Building design:
-Evacuation safety analysis
-Optimization of the usability of venues



Selected publications

- H. Ehtamo, S. Heliövaara, T. Korhonen, and S. Hostikka: *Game Theoretic Best-Response Dynamics for Evacuees' Exit Selection*, Advances in Complex Systems 2010
- T. Korhonen, S. Heliövaara, S. Hostikka, and H. Ehtamo: *Counterflow Model for Agent-Based Simulation of Crowd Dynamics*, manuscript 2010
- S. Heliövaara, J.-M. Kuusinen, T. Rinne, T. Korhonen and H. Ehtamo: *Experimental Study on Exit Selection in a Corridor*, manuscript 2010
- J.-M. Kuusinen, J. Sorsa, T. Susi, M.-L. Siikonen, H. Ehtamo, A new model for vertical building traffic, manuscript 2010
- J. Sorsa, H. Ehtamo, M.-L. Siikonen, T. Tyni and J. Ylinen: *The Elevator Dispatching Problem*, manuscript 2010
- T. Rinne, S. Hostikka, T. Paloposki, T. Korhonen, J. Saari and S. Heliövaara: *Application of RFID and Video Imaging on Evacuation Observations in Offices and Public Buildings*, Fire Safety Science 2009
- T. Korhonen, S. Hostikka, S. Heliövaara and H. Ehtamo: *FDS+Evac: An Agent-Based Fire Evacuation Model*, Pedestrian and Evacuation Dynamics 2008

SYSTEMS ANALYSIS LABORATORY

Doctoral dissertations



prof. Livio Narici, Kimmo Uutela



prof. Derek Bunn, Simo Makkonen



prof. Shmuel Oren, Erkkä Näsäkkälä



Mari Pöyhönen, prof. James Gorn



prof. Don Kleinmuntz, Juuso Liesiö



prof. Yves Balasko, Mitri Kitti



prof. Bolestaw Tolwinski, Harri Ehtamo



Dr. Neale Kelly, Kari Sinkko

2009: Janne Kettunen, Jari Perttunen, 2008: Toni Jarimo, Janne Karelaiti, Juuso Liesiö, 2007: Jyri Mustajoki, Kari Alanne, Mika Seppä, 2006: Albert Höglund, Mitri Kitti, Totti Könnölä, 2005: Simo Makkonen, Erkkä Näsäkkälä, Janne Gustafsson, Kai Virtanen, 2004: Kari Sinkko, Jukka-Pekka Salmenkaita, 2003: Maria Holmberg, Anu Kettunen, Pauli Murto, Jukka K. Nurminen, Tony Rosqvist, Jyri Seppälä, 2002: Jouni Pyykönen, 2001: Arto Inkala, Heikki Lehtonen, Kimmo Uutela, 2000: Marko Lindroos, Tuomas Raivio, Janica Ylikarjula, 1999: Miika Linna, Kaisa Simola, 1998: Jussi Keppo, Mari Pöyhönen, Jukka Sinisalo, 1997: Jan Holmberg, Marja-Liisa Siikonen, 1996: Pertti Laininen, 1995: Osmo Jauri, Tatu Koljonen, Mika Räsänen, 1994: Risto Lahdelma, Urho Pulkkinen, Markku Verkama, 1992: Ahti Salo, 1991: Jukka Ruusunen, 1989: Harri Ehtamo, 1988: Leena Aittoniemi, Jari Hämäläinen, Veijo Kaitala



prof. James S. Dyer



Janne Gustafsson



prof. Srinivas Talluri, Toni Jarimo



Ahti Salo, prof. Herbert Moskowitz



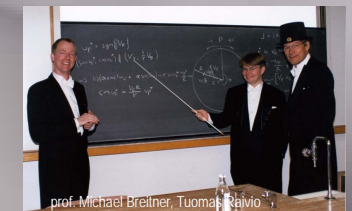
prof. Stephen Frolking, Anu Kettunen



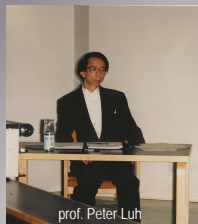
Jyri Mustajoki, prof. Theodor J. Stewart



prof. Bernard J. Cosby, Maria Holmberg



prof. Michael Bretner, Tuomas Raivio



prof. Peter Luh



Jukka Ruusunen



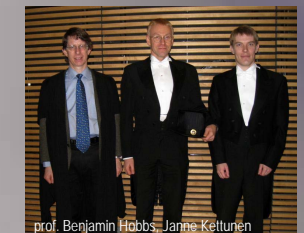
prof. Chelsea C. White, Markku Verkama



prof. Luke Georgiou, Jukka-Pekka Salmenkaita



prof. Wayne M. Getz, Janica Ylikarjula



prof. Benjamin Hobbs, Janne Kettunen