

STUDY GUIDE FOR DECISION SCENARIO CASES

I. Analyzing a Decision Scenario Case

This study aid is divided into two parts. The first part organizes your notes and thinking about the case. The second organizes the points you want to make for an essay on the case. (For a detailed explanation of how to analyze a decision scenario, see chapter 4.)

To begin your work, think about the following questions:

What is the decision that needs to be made in the case? Example: Should Trendway make changes to its production line?

What are the major decision options? Example: The company can expand its current production line, improve its yield, or build a new line with advanced technology.

Exploring the Decision Options

What questions will help you decide which decision option is best? Example: Which option yields the best financial results for Trendway?

230 STUDY GUIDES FOR CASE ANALYSIS AND WRITING

What concepts and frameworks might help answer your questions? Example: The concepts of unit cost and breakeven help to compare the financial impact of the three decision options.

Use the following grid to organize your thinking about the decision. Use your questions to study the evidence and identify criteria for making the decision. Write down the criteria, the case evidence relevant to them, and which decision option the evidence supports. Your goal is to determine the option that is most strongly supported by the evidence. You can defer thinking about action steps if you'd rather focus on the decision first.

Example: Should Trendway expand its current production line, improve its yield, or build a new line capable of producing future products?

Possible criterion 1: Financial impact of the decision options			
Facts/evidence	What the evidence indicates about the decision options	Short-term steps	Long-term steps
The lowest unit cost is achieved by improving the yield of the current production line.	This evidence favors the second option in the short term, but rapid changes in the product being manufactured may soon make the line obsolete.	Begin planning for a new line to accommodate new technology.	

Possible criterion 1: _____			
Facts/evidence	What the evidence indicates about the decision options	Short-term steps	Long-term steps

Possible criterion 2: _____			
Facts/evidence	What the evidence indicates about the decision options	Short-term steps	Long-term steps

Copy and paste as many rows of criteria as you need. Make sure you include only the most important criteria.

232 STUDY GUIDES FOR CASE ANALYSIS AND WRITING

Ready to Recommend a Decision?

Based on your analysis, recommend a decision option and then state the major reasons that support your recommendation.

The evidence you compiled above is critical to prove the decision you recommend.

What decision do you recommend? Example: Trendway should invest in a new production line.

What are the major reasons that support your recommendation? Example: The new line will make Trendway more competitive in the medium-to-long term.

What are the major risks of your recommended decision? Example: A major downturn in the market could greatly reduce or eliminate the financial benefit of the new line.

II. Writing about a Decision Scenario Case

This section helps you organize the content of an essay about the case you've analyzed. Arrange the criteria in order of importance, from most important to least. The evidence should show how each criterion supports your recommended decision. (For a detailed explanation of how to write a decision scenario essay, see chapter 9.)

Recommended decision	
Summary of major reasons for recommended decision	
EVIDENCE PROVING RECOMMENDED DECISION	
Criterion 1	
a.	
b.	
c.	
Criterion 2	
a.	
b.	
c.	
Criterion 3	
a.	
b.	
c.	

Copy and paste as many rows of criteria as you need. Make sure you include only the most important criteria.

Action Plan

Identify the high-level goals for your action plan. In other words, how do you want the action plan to change the situation in the case? (For a detailed explanation of how to write an action plan, see chapter 8.)

234 STUDY GUIDES FOR CASE ANALYSIS AND WRITING

Organize your action plan steps.

Short term

Long term

Major risks: Identify the most important one or two risks associated with your action plan.

Mitigation of risks: How would you eliminate or reduce the risks?
