

Faculty of Commerce and Administration

VICTORIA UNIVERSITY OF WELLINGTON

Te Whare Wānanga o te Ūpoko o te Ika a Māui

International MBA Programme



**VICTORIA
MANAGEMENT SCHOOL**

Te Kura Whakahaere

2007

<p style="text-align: center;">IMBA 508</p> <p style="text-align: center;">Multiple Perspectives</p> <p style="text-align: center;">in Management Decision-Making</p>
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COURSE OUTLINE

Start Date: 27 January 2007

Format: 12 - two-hour sessions over two weekends.

Lecture Times: 27 January: 2:00 – 6:00 pm & 7:00 – 9:00 pm
28 January: 11:00 – 1:00 pm & 2:00 – 6:00 pm
24 February: 2:00 – 6:00 pm & 7:00 – 9:00 pm
25 February: 11:00 – 1:00 pm & 2:00 – 6:00 pm

Location: Room 803, MMW Engineering Building, CUHK

Teaching Staff: John Davies, MA (Lancaster), BSc (Hons) (Wales).

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Textbook:* There is no set text for this course.

However, readings, cases and other material from a variety of sources, including practitioner and academic journals will be made available, as and when necessary.

Additionally, students may find the following texts to be suitable for segments of the course, and to provide useful reference material:

Bazerman, M. (1996). *Judgement in Managerial Decision-Making*, New York: Wiley

Russo, JE & Schoemaker, PJH. (1989). *Decision Traps*, New York: Fireside

Russo, JE & Schoemaker, PJH. (1992). *Confident Decision Making*, London: Piatkus

Targett, D. (1996). *Analytical Decision Making*, London: Pitman

Goldratt, EM. (1994). *It's Not Luck*, Great Barrington: North River Press

Dettmer, HW. (1997). *Goldratt's Theory of Constraints - A Systems Approach to Continuous Improvement*, ASQC Quality Press

Nutt, PC. (2002). *Why Decisions Fail - Avoiding the blunders and traps that lead to debacles*, San Francisco: Berrett-Koehler Publishers.

Students may also wish to consult the following books:

Hicks, MJ (1991). *Problem Solving in Business & Management*, London: Chapman-Hall

Targett, D. (1984). *Coping with Numbers*, London: Martin Robertson

JR Eiser, JR & Van der Pligt, R (1988). *Attitudes & Decisions*, London: Routledge

A S C Ehrenberg, ASC (1982). *A Primer in Data Reduction*, London: Wiley

E Goldratt, E & Cox, J (1992). *The Goal*, 2nd Ed, Croton-on-Hudson: North River Press

Course Objectives

The International Master of Business Administration Programme serves to produce professional managers capable of fulfilling strategic roles within international business and government enterprises. Integral to this capability is an understanding of the dynamics of decision-making in international business settings.

The essential focus of this course is to build an understanding of problem-solving and decision-making processes. The course provides a multiple perspective approach, including cross-cultural considerations, to the framing and solution of problems, and critically examines alternative approaches to managerial decision-making, allowing students to develop insights and understanding about the nature of problem-solving and decision-making. The aim of the course is to provide students with an introduction to a range of relevant ideas, issues and frameworks that will allow for the development of competencies to improve their problem solving and decision-making processes. The course has several general learning objectives. On successful completion of the course, you should be able to:

- demonstrate an understanding of the major frameworks and concepts underpinning successful problem-solving and decision analysis
- use such frameworks to develop an understanding of managerial decision situations
- demonstrate competence in using a range of methods in problem solving & decision-making

In parallel, the course has several specific learning objectives. On successful completion of the course, you should be able to:

- demonstrate an awareness of the frames you use in making a decision
- consciously change frames taking into account cross-cultural issues
- demonstrate an awareness of the common pitfalls in decision making and the limitations of intuitive decision making
- demonstrate an informed decision making style
- structure a managerial decision problem in appropriate ways

- identify key factors and relationships in a decision and structure the problem to explore such relationships, and in doing so develop an enhanced understanding of the problem, the impact of possible actions, and draw valid conclusions

The course has several outcomes, some of which include:

- understanding the variety of ways in which decisions are and can be made;
- understanding the role and impact of risk, uncertainty, ambiguity, preferences, judgement on decision-makers and decision-making;
- understanding the roles of intuition and analysis in decision-making;
- exploring ways of approaching a range of typical problems and decision situations;
- improving your competence in structuring problems using formal and informal methods;
- developing your analytical skills in data handling and interpretation;
- heightening your awareness of the problem-solving process inherent in decision-making;
- exposing you to a range of problems and decision-making situations in different functional areas of management, at strategic and operational levels;
- developing familiarity with typical decision trade-offs & evaluation techniques;
- familiarising the student with the use of the computer-aided methods in decision making;
- developing an ability to devise robust strategies and make balanced decisions.

Assessment

Individual Assignment	20 %	due 9 February 2007 returned 24 February 2007
Group Project Assignment	30%	due 23 February 2007
Final Examination	50 %	11 March 2007

Individual Assignment (20%) – The individual hand-in assignment will be discussed during the initial sessions, at which time detailed terms of reference will be distributed. Written assignment reports will be due at APIB offices by 5:00 pm on Friday, 9 February 2007.

Project (30%) – The group project will be discussed during the first visit, at which time detailed terms of reference will be distributed. Written Group Reports will be due on Friday 23 February 2007 at 5:00 pm at APIB offices.

Important Note – Inclusion of others' work and research completed is welcome. However, such material (even if it is a single sentence) must be explicitly recognised with quotation marks in the project report, citing its origin in a footnote.

Final Examination (50%) - A final three-hour open-book examination will be held on Saturday, 11 March 2007, (location and details to be advised by APIB) during which students will be expected to apply their knowledge to organisational problem situations described by means of case vignettes. In accordance with University policy, students must obtain a minimum of forty percent of the marks available on the final examination in order to pass the course.

Course Terms of Reference

Handing in assignments

Assignments should be submitted in hard copy form, by the due time on the due date. Assignments received after that time will be deemed to be late.

All Hand-Ins should have: an Assignment Cover Sheet stating your name, the course name, tutor's name, tutorial number and day/time, assignment name and number, a word count and due date. You should also put page numbers on each page, and use in-text referencing and include a list of references at the end. Preferred referencing style is APA system.

Students will prepare two copies of each hand-in and keep a second copy for their own reference and for use during the tutorial. Students must also keep an electronic copy of their work.

Word limits should be adhered to, especially so when they provide a guide to limiting the student's coverage of a topic.

Late Assignments

Given the modular nature of the course delivery and relatively short time for marking and return, it is imperative that assignments are handed in on time. Late assignments will incur a 50% penalty on the assigned mark. Assignments more than two weeks late will not be accepted. In addition, late assignments will not be available by the agreed-to return date.

Obtaining Terms

To obtain terms to sit the final examination in this course, students are required to fully participate in both weekend modules and submit the written assignment reports.

Passing the Course

In order to pass this course, students are required to obtain at least forty percent of the final examination marks available, and obtain at least fifty percent of the overall course marks available.

Victoria IMBA Grading Standards

Excellent Category	A- (75 – 79%) to A (80 – 85%) to A+ (above 85%): The learning is demonstrated to a very high level of proficiency, i.e. it is at a standard that makes it exceptional at Master's level.
Very Good Category	B+ (70 – 74%): The learning is demonstrated at a high standard. Students have reached a level that clearly exceeds "competency".
Good Category	B (65 – 69%): The learning is clearly demonstrated without being exceptional in any way. Students can be thought of as fully competent.
Satisfactory Category	B- (60 – 64%): The learning is demonstrated without being exceptional in any way. Students can be thought of as competent.
Marginal Category	C (50 – 54%) to C+ (55 – 59%): The learning is demonstrated to a minimally acceptable level. There may be flaws but these are not serious enough to "fail" the student.
Unsatisfactory / Failure Category	E (0 – 39%) to D (40 – 49%): The learning is absent or performed to a very low level, or the performance is seriously flawed.
Ungraded Failure	K Failure to achieve mandatory course requirements and have achieved at least an average "C" over all the assessment.

Individual Work

While the Victoria IMBA programme has a tradition of study group collaboration, there are important elements in the assessment process that are strictly individual. Collaboration on individual assignments is not allowed. Please do not work together to formulate a response and do not loan out your completed assignments.

Plagiarism

The Victoria IMBA programme views plagiarism as a serious offence. Students who plagiarise put themselves at risk of expulsion from the programme. Plagiarism is defined as representing someone else's work as your own. It includes, cutting and pasting material from websites, typing in sentences and paragraphs from books and journals, copying from other assignments and materials, and taking quotes that others have used without recognising the originator. It also includes writing verbatim from a textbook in an open-book examination situation without recognising the source of your material. If you use other peoples' materials, then you must give them credit and recognise the source. This includes making the material explicit by putting it in quotations and placing a footnote at the bottom of the page or back of your document to indicate complete details of the author and source.

VICTORIA UNIVERSITY OF WELLINGTON
Te Whare Wananga o te Upoko o te Ika a Maui



GENERAL UNIVERSITY POLICIES AND STATUTES

Students should familiarise themselves with the University's policies and statutes, particularly the Assessment Statute, the Personal Courses of Study Statute, the Statute on Student Conduct and any statutes relating to the particular qualifications being studied; see the Victoria University Calendar available in hard copy or under 'About Victoria' on the VUW home page at www.vuw.ac.nz.

Student and Staff Conduct

The Statute on Student Conduct together with the Policy on Staff Conduct ensure that members of the University community are able to work, learn, study and participate in the academic and social aspects of the University's life in an atmosphere of safety and respect. The Statute on Student Conduct contains information on what conduct is prohibited and what steps are to be taken if there is a complaint. For information about complaint procedures under the Statute on Student Conduct, contact the Facilitator and Disputes Advisor or refer to the statute on the VUW policy website at www.vuw.ac.nz/policy/studentconduct. The Policy on Staff Conduct can be found on the VUW website at www.vuw.ac.nz/policy/staffconduct.

Academic Grievances

If you have any academic problems with your course you should talk to the tutor or lecturer concerned; class representatives may be able to help you in this. If you are not satisfied with the result of that meeting, see the Head of School or the relevant Associate Dean; VUWSA Education Coordinators are available to assist in this process. If, after trying the above channels, you are still unsatisfied, formal grievance procedures can be invoked. These are set out in the Academic Grievances Policy which is published on the VUW website at www.vuw.ac.nz/policy/academicgrievances.

Academic Integrity and Plagiarism

Academic integrity is about honesty – put simply it means **no cheating**. All members of the University community are responsible for upholding academic integrity, which means staff and students are expected to behave honestly, fairly and with respect for others at all times.

Plagiarism is a form of cheating which undermines academic integrity. The University defines plagiarism as follows:

The presentation of the work of another person or other persons as if it were one's own, whether intended or not. This includes published or unpublished work, material on the Internet and the work of other student or staff.

It is still plagiarism even if you re-structure the material or present it in your own style or words.

Note: It is however, perfectly acceptable to include the work of others as long as that is acknowledged by appropriate referencing.

Plagiarism is prohibited at Victoria and is not worth the risk. Any enrolled student found guilty of plagiarism will be subject to disciplinary procedures under the Statute on Student Conduct and may be penalised severely. Consequences of being found guilty of plagiarism can include:

- an oral or written warning

- cancellation of your mark for an assessment or a fail grade for the course
- suspension from the course or the University.

Find out more about plagiarism, and how to avoid it, on the University's website at www.vuw.ac.nz/home/studying/plagiarism.html.

Students with Impairments

The University has a policy of reasonable accommodation of the needs of students with disabilities. The policy aims to give students with disabilities the same opportunity as other students to demonstrate their abilities. If you have a disability, impairment or chronic medical condition (temporary, permanent or recurring) that may impact on your ability to participate, learn and/or achieve in lectures and tutorials or in meeting the course requirements, please contact the Course Coordinator as early in the course as possible. Alternatively you may wish to approach a Student Adviser from Disability Support Services (DSS) to discuss your individual needs and the available options and support on a confidential basis. DSS are located on Level 1, Robert Stout Building, telephone (04) 463 6070, email disability@vuw.ac.nz.

The name of the Disability Liaison Person can be obtained from the IMBA Programme Director.

Appeals / Concerns / Statute on Conduct

If you have any concerns with your courses, you should first talk to the lecturer concerned and, if you are not satisfied with the result of that meeting, contact the Director of the MBA. (paul.mcdonald@vuw.ac.nz). The University has well developed, independent procedures for dealing with academic grievances and complaints. These procedures are set out in the Statute on Academic Grievances in the University Calendar.

Session Schedule - IMBA 508 - 2007

Session	Date	Topic	Basic Reading
1	27 January 2:00 – 4:00pm	- Course Introduction - Decision-Making Defined	Bazerman MH. (1998). Chap. 1
2	27 January 4:00 – 6:00 pm	- Decision Framing and the Framing of Problems	Bazerman Chap. 2
3	27 January 7:00 - 9:00pm	- The Role of Judgement in Decision Making	Bazerman Chaps. 2 & 3
4	27 January 11:00 – 1:00pm	- Dealing with Risk	Targett Chaps. 5 & 6 and Uncertainty
5	28 January 2:00 – 4:00pm	- Dealing with Sequential Decisions	Targett Chaps. 3 & 4
6	28 January 4.00 – 6.00pm	- Managing Variability	Targett Chap. 5
7, 8 & 9	24 February 2:00 – 4:00pm 4:00 – 6:00pm 7:00 – 9:00pm	- Competition and Cooperation Understanding & Resolving Conflict	Dettmer (97) Chap. 4 Brandenburger (96) Chaps. 2,3 & 4
10 & 11	25 February 11:00 – 1:00pm 02:00 – 4:00pm	- Continuous Improvement - Optimising the Use of Resources	Dettmer (97) Chap. 1 Targett Chap 7
12	25 February 4:00 – 6:00pm	- Course Summary & Review	

IMBA 508 – Session 1 – Teaching Objectives

Introduction

- Understand the course objectives: review the course outline, learning objectives and assignments
 - Conceptualise the differences between Problem Solving and Decision Analysis? Art and Science?
 - Become aware of the Practice of Decision Making: shortcuts, heuristics and decision traps
 - Understand the role of models of the decision making process - descriptive vs prescriptive approach
 - Surface issues in problem identification, representation and description
 - Introduce the notion of framing and the link between framing, perception and judgement: examples in data presentation, analysis and interpretation

Relevant Reading for Session 1:

1. Bazerman MH. (1998). *Judgement in Managerial Decision-Making*, New York: Wiley, Ch 1
2. Bazerman. (2001) The Study of Real Decision Making, *Journal of Behavioural Decision making*, **14** (5): 353-355
3. Russo JE & Schoemaker PJH. (1992). *Decision Traps*, London: Piatkus, Ch 1
4. Dunford, R. (1992). *Organisational Behaviour - An Organisational Analysis Perspective*, Sydney: Addison-Wesley, Ch 11
5. Ehrenberg, ASC. (1977). Some Rules of Data Presentation, *Statistical Reporter*, May 1977: 305-310
6. Targett, D. (1984). *Coping with Numbers*, London: Martin Robertson, Ch 1
7. Feldman & March. (1981) Information in Organisations as Signal and Symbol, *Admin Science Quarterly*, **26**(81): 171-186.

Critical Learning Points:

At the end of this session you should have an understanding of the differences between decision making and problem solving, and the contribution that the decision sciences can make in improving decision making behaviour, that is, the interaction between theory and practice.

Upcoming in Session 2:

- more about framing.
- the impact of passive and active framing on decision behaviour.

IMBA 508 – Session 2 – Teaching Objectives

Decision Framing and the Framing of Problems

- Develop a cognitive structure for effective Decision Framing and the Framing of Problems, Choices and Outcomes
- Recognise the structure, use and impact of implicit frames – boundary issues, values, objectives and performance measures – and to develop and evaluate the effectiveness of alternative frames for creative problem solving
- Appreciate the link between framing and common decision traps
- Surface the common Cognitive Biases and Judgement Heuristics that managers display and use

Critical Learning Points:

That the way in which managers frame decision problems, affects their perception of the problem, and consequently their exercise of judgement.

That flaws in decision making, and the exercise of judgement are systemic.

Relevant Reading for Session 2:

1. Bazerman MH. (1988). *Judgement in Managerial Decision-Making*, New York: Wiley, 1998: Ch 2
2. Hammond, JS, Keeney, RL and Raiffa, H. (1998). The Hidden Traps in Decision Making. *Harvard Business Review*, Sept-October 1998: 47-58
3. Russo JE and Schoemaker PJH. (1992). *Decision Traps*, London: Piatkus, Chs 1, 2 & 3
4. Bonabeau, E. (1987). Don't Trust Your Gut. *Harvard Business Review*, May 2003: 116-123
5. Targett, D. (1984). *Coping with Numbers*, London: Martin Robertson, Chs 1, 2
6. Davies & Mabin, The Power of Framing, ANZAM Conference, Wellington, December 94.

Next Session: More about the exercise of judgement, and how it may be improved. Think about an organizational situation where you have made a decision under pressure, without adequate information or time – that is, you have had to exercise judgement.

IMBA 508 – Session 3 – Teaching Objectives

The Role of Judgement in Decision Making

- The impact of framing on judgement in decision making
- More decision traps
- Describing and understanding behaviour using Prospect Theory
- Improving judgement and decision-making behaviour.

Critical Learning Points:

- Recognising the impact of framing on judgement and decision-making; recognising decision traps and how to avoid or mitigate against them.
- Recognising the value of using a variety of conceptual frameworks to explore and understand decision making behaviour.

Relevant Reading for Session 3:

1. Bazerman MH. (1988). *Judgement in Managerial Decision-Making*, New York: Wiley, Chs 2 & 3
2. Russo JE & Schoemaker PJH. (1992). *Decision Traps*, London: Piatkus, Chs 2 & 3
3. Russo JE & Schoemaker PJH.(1992). Managing Overconfidence, *Sloan Mgt Review*, Winter **92**:7-17
4. Belsky, G, Money Mistakes Everyone Makes. (1996). *Readers Digest*, March 1996: 65-68
5. Willis, Clint. (1998). Getting Rich: are you taking enough risk? quoted in *More*, 56-58
6. Wolkomir R & J. (1996). How to make Smart Choices, *Readers Digest*, February 1996: 127-130
7. McCrone J (2006). Even the canny investor falls prey to emotions, *The Dominion Post*, January 17 2006: p.C2.
8. The Age (2006). The invisible elephants, in *The Dominion Post*, February 17 2006: p.C4.
9. Bazerman M & Chugh D. (2006). How did I miss that?, *Computerworld*, 40, 2, January 9 2006: p.37.
10. Bazerman M. (2005). Vividness Bias?, *Leadership Excellence*, March 2005, 22, 3, p.11.

Coming Up Next Session:

Dealing with risk and uncertainty.

Think About: How you respond to risk in your personal and organization life.

IMBA 508 – Session 4 – Teaching Objectives

Dealing with Risk and Uncertainty - Decision Analysis

- Develop frameworks to help make decisions with uncertain or risky outcomes
- Introduce the use of Prospect Theory as a framework for describing and understanding decision-making behaviour
- Develop methods and models for making skill single stage decisions using Decision Tables
- Develop an appreciation of the role of sensitivity analysis in decision-making and policy analysis
- Use structured 'What if' Analyses using Excel Data Tables

Critical Learning Points:

Understanding the importance of exploring quantitative and qualitative, technical and behavioural issues in risky decision-making situations

Relevant Reading for Session 4

1. - Targett D. (1996). *Analytical Decision Making*, London: Pitman, Chs 3, 4
2. - Beach, L. (1993). *Making the Right Decision*, Englewood Cliffs, NJ: Prentice-Hall, Ch 9

Next Session: Dealing with sequential multi-stage decisions

Think About: How choices and actions now, affect choices, actions and outcomes in the future.

IMBA 508 – Session 5 – Teaching Objectives

Dealing with Sequential Decisions - Decision Analysis

- Understand the complexity of making decisions with uncertain or risky outcomes
- Develop skill in making Multi-stage decisions using schematic models - Decision Trees
- Understand the value of Robustness and Stability Analysis in planning and other sequential decision-making situations
- Appreciate the link between decision analysis and policy analysis using structured ‘What if’ Analyses using Excel Data Tables
- Build awareness of alternative approaches to multi-criteria decision analysis
 - MCDA
- The use of visual interactive software - demonstration

Critical Learning Points:

That decisions are never made in isolation; that most decisions have impact in the future, on choices and outcomes; that decision-making is rarely free of risk and uncertainty; that we can understand more about risk through building models that “reveal” the future possibilities, and allow us to develop policies that guide decision-making day-today.

Relevant Reading for Session 5

1. - Targett D. (1996). Decision Analysis in *Analytical Decision Making*, London: Pitman, Chs 3, 4
2. - Beach, L. (1993). *Making the Right Decision*, Englewood Cliffs, NJ: Prentice-Hall, Ch 9
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Next Session: Managing variability

Think About: those occasions when your best efforts have been undermined by systemic variability, ie the interaction of known environmental forces and individual behaviours in unexpected ways.

IMBA 508 – Session 6 – Teaching Objectives

Managing Variability

- The pervasiveness of variability and unpredictability
- Dealing with unpredictability, randomness and random events - and their effects
- Using simple models to aid decisions involving variability and random events
- Managerial lessons from simulation - service provision, scheduling, project management, investment appraisal

Critical Learning Points:

That systemic variability needs to be understood before we attribute blame or praise to people or groups for extreme outcomes – good or bad – that they have responsibility for.

That simple simulation models can generate considerable insight about systemic behaviours.

That the same systemic structures appear across all industries and managerial life.

Supplementary Reading for Session 6

1. - Targett D. (1996). Simulation in *Analytical Decision Making*, London: Pitman, Ch 5

Next Sessions: Understanding conflict, competition and cooperation.

Think About: everyday work situations where there are competing values, conflicts of interest, and disagreement about actions.

IMBA 508 – Sessions 7, 8 & 9 – Teaching Objectives

Systems Thinking - the Theory of Constraints -

Understanding & Resolving Conflict, Competition and Cooperation

- Understand the nature of conflict; and the importance of surfacing implicit assumptions, perceptions and misunderstandings in order to address conflict;
- Develop a structured systemic approach to resolving conflict - Goldratt's approach - the use of 'evaporating clouds' & conflict resolution diagrams;
- Develop alternative frameworks for conceptualizing competition, for describing and understanding the structure of competition and cooperation - game theory approaches, the value-net of Brandenburg, Porter's 5 forces etc;
- Recognise the importance of understanding interests, values and strategic behaviour in negotiation – the importance of framing;
- Recognise the prevalence of decision traps, framing effects and competitive blind-spots in competitive decision-making and negotiation;
- Develop an understanding of the appropriateness of alternative competitive behaviours and strategies

Critical Learning Points:

That the framing of systemic interaction impacts on our understanding of competition and competitive forces; that framing is equally critical in understanding personal conflict as it is in understanding organizational and market competition;

That alternative systemic models can provide different perspectives on competition and competitive forces, leading to an improved understanding of the longer-term impact of systemic competitive interaction

Relevant Reading for Sessions 7, 8 & 9

1. - Brandenburger AM & Nalebuff BJ. (1996). *Co-opetition*, New York: Doubleday, Chs 2,3 & 4
2. - Zajac EJ & Bazerman MH. (1991) Blind Spots in Industry and Competitor Analysis, *Academy of Management Review*, January 91: 37-56
3. - Bazerman M. (2005). Negotiator Focus, *Leadership Excellence*, February 2005, 22, 2, p.17
4. - Dettmer, HW. (1997). *Goldratt's Theory of Constraints - A Systems Approach to Continuous Improvement*, ASQC Quality Press, Chs 1, 4
5. - Goldratt EM, (1994). *It's Not Luck*. Gt Barrington, MA: North River Press, Chs 8, 9 & 10
6. - Kendall, GI, (1998). *Securing the Future: Strategies for Growth using the TOC*, Baton Raton, FL: St Lucie Press, Ch 3.

Next Sessions: Continuous improvement and optimizing the use of resources

Think About: organizational practices that you know could be more effective; the resources they consume, how you value those resources in relation to the value you place on what those organizational practices produce.

IMBA 508 – Session 10 & 11 – Teaching Objectives

Systems Thinking - the Theory of Constraints

Continuous Improvement - Optimising the Use of Resources

- Develop an understanding of the related nature of the philosophies underpinning Continuous Improvement and Optimisation.
- Develop a systems approach to Continuous Improvement and the best use of scarce resources;
- Understand the impact of implicit constraints on achieving results, and the way we should value resources;
- Develop alternative frames and for describing, understanding and solving a range of managerial problems characterised by a need to make the best use of limited resources;
- Use simple spreadsheet models to structure and find optimum solution(s) to a problem constrained by physical resources, operational practices, policy expectations or environmental factors;
- Conduct sensitivity analysis to develop robust alternative solutions.

Critical Learning Points:

- That the philosophy of optimization can often put implicit constraints on attempts to build continuous improvement;
- That optimization will often require multiple-tradeoffs and choices that have to be made as a set, not sequentially;
- That the value of scarce resources relates to their contribution to the objective, not necessarily what they cost;
- that systemic approaches are necessary in attempts to build continuous improvement.

Relevant Reading for Sessions 10 & 11

1. - Goldratt EM & Cox J. (1992). *The Goal*, Gt Barrington, MA: North River Press, 2nd Ed, Ch 37
2. - Goldratt EM, (1996), *Empowerment*, in The Goldratt Institute Management Skills Workshop, The V Goldratt Institute.
3. - Dettmer HW. (1997). Introduction to the Theory of Constraints, in *Goldratt's Theory of Constraints - A Systems Approach to Continuous Improvement*, Milwaukee: ASQC Quality Press, Ch 1, 4
4. - Cox J. & Spencer, MS. (1998). What is Constraints Management? in *The Constraints Management handbook*, Boca Raton: St Lucie Press/APICS Series in Constraint Management, Ch 1.
5. - Scheinkopf, L (1999). The Theory of Constraints, in *Thinking for a Change: Putting the TOC Thinking Processes to Use*, Boca Raton: St Lucie press/APICS Series in Constraint Management, Ch 1.
6. - Rizzo, T. (2000). TOC Overview: The Theory of Constraints. *TOC Review*, Premier Issue, 2000.
7. - Mabin, V, Forgeson, S & Green, L. (2001). Harnessing Resistance to Change: using the theory of constraints to assist change management. *Journal of European Industrial Training*, Vol. 25, Nos. 2/3/4, pp. 168-191.

Next Session: bringing it all together.

IMBA 508 – Session 12 – Teaching Objectives

Problem Solving & Decision Making – Course Review

Critical Learning Points:

We conclude by drawing together our discussions of actual managerial problem solving and decision making behaviour, restating documented typical flawed behaviour, and indicating how recognition of that behaviour, the context in which it arose, the way in which the decision situations have been framed, can be coupled with structured and systemic approaches, that will bring about more consistent and improved decision making.

The use of framing as a creative tool for developing alternative perspectives on problem situations will be contrasted with the structured approaches that can lead us to an understanding of complex technical problems, and thus to making choices that optimize the use of our available resources.

We will restate that our systemic approaches are as amenable to addressing the problems of individuals, as they are to addressing problematic interactions that arise between individuals or organizations, as conflict or competition, to problematic situations in service, manufacturing or project management.

Final Examination:

11 March 2007

3 hours – Open Book

- Examination Case Study and related unseen questions
- Mini-cases
- Short answer questions



Victoria Management School

IMBA 508
Multiple Perspectives
in Management Decision-Making
2007

Assignment Cover Sheet

Assignment Number: _____

Topic: _____
:

Due at APIB, Friday: _____ / February / 2007

Student Name: _____

Student ID: _____

Course Lecturer: John Davies