

Analysis of Business Problems (2 ECTS)

Introduction

In life, as in business, we are confronted by a wide array of problems and situations, which require us to take action. Some problems are relatively straightforward or structured.

These types of problems can generally be solved by taking a series of actions in a well-defined way. A flat tire is a good example. If you carefully follow the steps in the owner's manual and have a spare, you will usually be able to continue with your journey.

In business most problems are not so easy. They often involve economic, technical, and human issues and can be quite complex or unstructured. They do not have a unique, "correct" solution. The same or a similar solution at different points in time or in different places might produce very different results and different solutions might produce equally attractive or desirable outcomes. There are no guarantees and risk is often a key part of any choice of action.

Solving such unstructured great managers basis is much of what managers do and the ability to solve them is often what sets apart great managers from the rest.

Analysis of Business Problems is more than anything a methodology course where students are exposed to a six steps method for dealing with such unstructured problems.

For over 50 years, IESE Professors have been working with the six steps process for dealing with such problems. The process has been found to be robust in the widest variety of management problems and has had an impact on literally thousands of executives and MBA students from around the world.

The Six Step Process

Often what distinguishes the best managerial talent is the pursuit of three key objectives when dealing with such problems. The three objectives are achieving tangible results, promoting learning on the part of the manager and his or her organization, and building a larger sense of purpose or identification between the people who make up the organization.

Objectives

By the end of the course, participants will be able to identify unstructured problems and use the six-step process for solving them and acting. They will be able to work with the three level criteria, economic, organizational, and personal anthropological or ethical, that are involved in every business situation. As this course is one of the most "open ended" in the first semester, additional objectives are to introduce students to the dynamics of the case method and report preparation. As many students come from different educational traditions and some have been a few years in business, our experience is that many EMBA students need to get their mind around the case method itself to get the most out of the

entire program. Learning through cases is a unique process and part of the objective of Analysis of Business Problems is to present participants with real life, everyday business situations they can immediately relate to encourage them to throw a mental switch and fully engage in the process. While applicable to many real-life management situations, the six-step process is also a sound way to prepare many case studies and we find it provides participants a useful tool for the entire MBA program.

Content

The Course consists of:

1. Orientation: One session will be devoted to introducing the concept of structured problems and the methodology for solving them and the case method.
2. Case study discussions: The course consists of a series of increasingly complex cases with each one describing a different situation in a different company in a different industry. The cases are broadly grouped into three sections.

The first third of the case study discussions will be cases with relatively straightforward problems, criteria, and alternatives with the focus on analysis. This will then lead to a second group of cases more complex with multiple problems, unclear criteria, and different types of alternatives. For these cases the challenge is to structure the problem in a way lends itself to a realistic solution.

The second half of the case study discussions will be spent on cases where the focus will be on going through all six steps in but especially stressing the action planning step.

We will discuss a total of 11 real life business problems to practice using the methodology and to explore the dynamics of working in a large group.

Evaluation

Participants will be graded on their class participation (60%) and an individual report (40%). The class participation evaluation will look to ensure that:

- Students articulate their ideas succinctly and clearly.
- They listen and respond to new ideas quickly.
- They can work and elaborate upon the ideas of others.

The report will be evaluated based on the critical thinking ability displayed by the student as well as appropriate business-like presentation. Class participation is essential to the case method, and it is not optional. Participants are expected to contribute constantly and to demonstrate both the depth of their preparation and the quality of their reasoning. Rigor and relevance are expected in all participation. Please, do not state the obvious, but participate regularly.

Competences

Basic

CB6. Possess and understand knowledge that provides a basis or opportunity to be original in the development and / or application of ideas, often in a research context.

CB7. The students know how to apply the knowledge acquired and their ability to solve problems in

new or unfamiliar environments within broader (or multidisciplinary) contexts related to their area of study.

CB8. The students can integrate knowledge and face the complexity of formulating judgments based on information that, being incomplete or limited, includes reflections on social and ethical responsibilities linked to the application of their knowledge and judgments.

CB9. Students know how to communicate their conclusions and the knowledge and ultimate reasons that support them to specialized and non-specialized audiences in a clear and unambiguous way.

General

CG2. Identify, address, and resolve interpersonal conflicts promptly and deeply without damaging the personal relationship, both within the organization and in its immediate environment of stakeholders (shareholders, customers, suppliers, etc.)

CG4. Understand and apply the mechanisms that generate an environment of collaboration, communication, and trust between the members of a team or organization.

CG7. Effectively distinguish and categorize relevant information for business decision-making.

CG9. Interpret the global context to analyze and judge the threats and opportunities for the organization.

CG11. Formulate and evaluate business strategies in decision making, anticipating the economic consequences of action plans.

CG14. Analyze, discuss, and apply ethical criteria to behave honestly in any situation.

Specific

CE01. Apply a structured and rigorous process of analyzing business situations that integrates all the business dimensions (personal, strategic, financial, etc.) and concludes with a reasonable and feasible action plan.

CE02. Prepare structured, synthetic, and clear executive reports for the analysis and decision-making of business situations.

CE04. Transfer quantitative optimization tools to unstructured business environments with uncertainty to help decision-making.