

Unit 4 – Planning Skills Case Studies

1. Translating the Mission Statement in Action

SCENARIO

Juan Hernandez and Yumen Lee are both MBA students. They have completed their college business courses, and they also have a deep interest for writing. They want to combine these two abilities and do some writing for businesses as freelancers while they are finishing graduate school. This activity will provide them with some money and some entrepreneurial experience.

CRITICAL THINKING

Write their mission statement that could be given to their future clientele. Keep it brief and reasonable in relation to their experience (which is little or none) and their schedule as freelance writers.

Also identify and state two or three ways in which Juan and Yumen might be able to implement or achieve their goals as stated in the mission statement.

2. Fewer Jobs, Higher Stock Prices

SCENARIO

Investors watch economic indicators closely. In July 2000, the U.S. Department of Labor issued a report that American businesses added fewer jobs than expected in June. Following the announcement, stocks raised the Dow Jones industrial average, the Nasdaq composite, and the Standard & Poor's 500 index.

CRITICAL THINKING

Why are investors willing to pay higher prices for stocks when businesses are hiring fewer people than analysts anticipated?

3. From Farm to Freezer

SCENARIO

One of the great examples of continuous flow is the handling of frozen vegetables by the giant food manufacturers. No longer is food picked, shipped to a warehouse, stored, and shipped to market. In the frozen food industry, the vegetables and fruits are often examined scientifically to determine their readiness for harvesting. At that point, they are picked at the peak of their flavor, cleaned, flash frozen, and packaged. They are stored frozen and shipped in units that keep them like rocks. A well-known example of this process is McDonald's processing of French fries. The potatoes are harvested and brought to the processing plant where they are peeled, cut into fries, frozen, and packaged. They come in one door and go out another—all during the same day.

CRITICAL THINKING

Can you identify sales and marketing advantages to this approach of using continuous flow processing? What cost benefits might occur?