

Ethics in Information Technology MT4210 – Quantitative Analysis

B2E Case Study 10 “Rock & Roll Blues”

B2E is dealing with the economic and management fallout in the weeks following the 2011 earthquake in Japan. Mr. Biggs is holding an emergency planning session with his staff. They are brainstorming factors to include in formulating an accurate emergency situational analysis. From this they hope to arrive at an informed, best-strategy corporate decision.

Their subsidiary's plant, Nakamura Industries, sustained only minor damage due to the earthquake and none due to the tsunami. However, recently there was an enormous explosion at the Fukushima Dai-ichi nuclear power plant. Daily there are conflicting and alarming reports regarding the amount of radiation emitting from the power plant, which is only about 40 miles away. Considering the high radiation readings, is it even safe for their employees to work there? Significant aftershocks still plague the country. Though their plant is relatively intact now, what if a major aftershock does inflict serious damage?

If they relocate their factory, where should it be located? Should they move out of Japan altogether, or stay in the country to help Japan rebuild its economy? If they move should they move only the multinational employees to the new location and hire new workers? Should they offer relocation to their Japanese employees as well?

Tina wants to use Critical Path Analytics that favors staying in Japan, since she worked so hard to close the deal for B2E with Nakamura Industries. She wants to exclude any factors entertaining a move to another location. On the other hand, Wally wants to use Decision Tree Analytics that entertains re-opening their plant in Texas, since he knows a Mexican parts company that could replace the Japanese parts-supplier plant that was destroyed by the tsunami.

Mr. Biggs wants to consider all factors. He wants to be assured that, if they do decide to manufacture elsewhere, the precision quality will be equal to what they have been producing at the Nakamura factory. He wants a cost-comparison analysis considering permanent/temporary relocation for all employees vs. multinationals only. What analytic factors should they use to arrive at the best corporate solution, despite the unknown factors?

What would you say? What would you do? How could you be most effective in making these complex decisions?