

PACADI: A Six-Step Decision-Making Approach

Adapted from: Weinstein, A., Brosnips, H., Gironda, J. (2020). *“Do You Know How to Analyze a Case - Really?” Harvard Business Publishing Education. Boston, Mass.*

The PACADI framework is a six-step decision-making approach that can be used in lieu of traditional end-of-case questions. It offers a structured, integrated, and iterative process that requires students to analyze case information, apply business concepts to derive valuable insights, and develop recommendations based on these insights.

Prior to beginning a PACADI assessment, prepare a two-paragraph summary—a situation analysis—that highlights the key case facts. Then, we task students with providing a five-page PACADI case analysis (excluding appendices) based on the following six steps.

Step 1: Problem definition. What is the major challenge, problem, opportunity, or decision that has to be made? If there is more than one problem, choose the most important one. Often when solving the key problem, other issues will surface and be addressed. The problem statement may be framed as a question; for example, How can brand X improve market share among millennials in Canada? Usually the problem statement has to be re-written several times during the analysis of a case as students peel back the layers of symptoms or causation.

Step 2: Alternatives. Identify in detail the strategic alternatives to address the problem; three to five options generally work best. Alternatives should be mutually exclusive, realistic, creative, and feasible given the constraints of the situation. Doing nothing or delaying the decision to a later date are not considered acceptable alternatives.

Step 3: Criteria. What are the key decision criteria that will guide decision-making? In a marketing course, for example, these may include relevant marketing criteria such as segmentation, positioning, advertising and sales, distribution, and pricing. Financial criteria useful in evaluating the alternatives should be included—for example, income statement variables, customer lifetime value, payback, etc. Students must discuss their rationale for selecting the decision criteria and the weights and importance for each factor.

Step 4: Analysis. Provide an in-depth analysis of each alternative based on the criteria chosen in step three. Decision tables using criteria as columns and alternatives as rows can be helpful. The pros and cons of the various choices as well as the short- and long-term implications of each may be evaluated. Best, worst, and most likely scenarios can also be insightful.

Step 5: Decision. Students propose their solution to the problem. This decision is justified based on an in-depth analysis. Explain why the recommendation made is the best fit for the criteria.

Step 6: Implementation plan. Sound business decisions may fail due to poor execution. To enhance the likeliness of a successful project outcome, students describe the key steps (activities) to implement the recommendation, timetable, projected costs, expected competitive reaction, success metrics, and risks in the plan.

Jenn’s note: Step 6 will not be relevant to some cases in the MPMBE program. Cases will specify whether the implementation plan is required.