

7. ROOT PROBLEM ANALYSIS

Often only the “surface” problems reveal themselves in a case or assignment. If the nature of the case is to solve a problem, or is asking you ‘what to do next’, then first you must identify the *real* issue. That is, **the root problem(s)**. Take it as many generations deep as you can for every major surface problem. The deeper the analysis, the higher your mark.

Note: Alternative solutions (part 2 of your write-up) will come directly from this analysis. Solutions will address and/or fix the root problems you’ve found.

As will all frameworks of analysis, don’t forget to draw a conclusion at the end.

1 st Generation Problems (Surface Problems)	2 nd Generation Problems (this is what caused 1 st Generation Problems)	3 rd Generation Problems	4 th Generation Problems	5 th Generation Problems
Chiquita Banana didn’t pay off the debt when they were in the position to do so	Too much debt to begin with	Risky policy financing policies Over expansion Spending money on unnecessary things like choosing wants over needs	Vice-president making the wrong policy decisions	
	Didn’t pay off the debt because they wanted to expand its shipping operations			
	Other priorities			
Tariffs from the European Union	Quotas on imports of bananas in Latin America where Chiquita sourced its products			
	The EU began granting preferential status to banana producing former colonies in Africa, the Caribbean and the Pacific Rim	The EU expressed a concern that the economies of the former colonies would be greatly harmed if preferential treatment were not granted and that many of these economies were very dependant on bananas as a source of foreign exchange	Didn’t anticipate that it was going to happen Some observers feel that after the tariffs were laid, they felt Chiquita did not manage its operations effectively and did not plan for adverse environmental changes	Global warming Managerial positions were hired or trained properly and aren’t able to deal with any of the problems