

# [Decision making](https://assignbuster.com/decision-making/)

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MGMT530 – Labadee Decision Week 5 Case Analysis Template The objectives for the assignment were to define the uncertainties using a risk profile and make the recommendation for a decision for the Labadee Case.
Students will have a wide variety of responses based on the limited information provided in the case.
Uncertainty 1: Will cruise passengers be interested in relaxing on a beach when hundreds of thousands are homeless and hungry just 80 miles away? Could this impact new reservations or cause people to cancel?
Uncertainty 2: Because the community near the beach depends financially on the cruise line for income, would suspending the stop in Haiti make the country worse off?
Uncertainty 3: How would the media respond? Would they get bad press for continuing to stop in Haiti and be perceived as profiting in the midst of this tragedy or will the public perception be worse if they suspend sailing to Haiti during this crisis?
Risk Profile
Uncertainty 1: List
Outcome:
Chance
Consequences:
Passengers are Interested
60%
Royal Caribbean International would continue operations unaffected
Passengers are not Interested
40%
Royal Caribbean International would lose reservations, thus affecting profit
Impact Reservations
30%
Royal Caribbean International would lose reservations, thus affecting profit
Not Impact Reservations
70%
Royal Caribbean International would continue operations unaffected
Uncertainty 2: List
Outcome:
Chance
Consequences:
Suspend the Stop
25%
The economy of the beach community of Labadee would suffer
Continue the Stop
75%
The economy of the beach community of Labadee would continue to grow
Uncertainty 3: List
Outcome:
Chance
Consequences:
Positive Media Response
35%
The company would be appreciated for continuing to go to Labadee despite the earthquake
Negative Media Response
65%
The reputation of the company could be affected for not stopping at Labadee
Decision Recommendation
Decision Recommendation
Alternative Recommended
Summary Rationale
Continue to stop at Labadee
Although there are several reasons not to stop at Labadee, I believe that the best decision to make is to continue to stop there. The passengers would likely not care about the trouble 80 miles away. This is also unlikely to impact reservations, so the company would continue to make a profit. Also, by continuing to make the stop, the local economy of Labadee can continue to grow. Small communities like Labadee rely on cruise ships stopping in order to create a small tourist market. Finally, the media would look favorably on the decision to continue making the stop at Labadee.