

Cost effectiveness techniques

Business



For example, it can't be the case that one formula is used to analyze program ' A' and a separate and unrelated formula is used to analyze program ' B'. If for example a city is determining how to allocate funds for an after school program the factor inputs should be overall cost (V), amount of students that are willing and able to participate (W), cost of implementation (X), facilities available (Y), desired outcome (Z) etc. in which a numeric value must be attached to the specific factor input. If for example a two competing sports programs are being analyzed such as soccer and Water Polo then the feasibility of Soccer= $SV+SW+SX+SY+SZ$ and Water Polo= $WV+WW+WX+WY+WZ$.

If for example, one would like to give special weighting to the help programs that might be underrepresented than this should affect the value of factor input. For example it may be the case that soccer is cheaper, more popular, easier to implement (Owing to existing facilities) however the desired outcome is the improvement of children's swimming abilities than it is probably not the most desired action. For these reasons it may be that a special weighting would be given to the desired outcome.

There are a number of ethical implications that must be taken into consideration before moving forward with a special weighting being assigned to a factor input. Firstly one has to take into consideration who is making the final decision and is it likely that this person or persons have any kind of bias on the matter. In the case of our aforementioned example, it could be the case that some of the decision-makers assigning values to this metric also sit on the amateur league soccer board. With this in mind, very strict guidelines <https://assignbuster.com/cost-effectiveness-techniques/>

on the ethical codes of conduct should be implemented before any sort of project of this nature should move forward. With multiple stakeholders all wanting different objectives it is possible some groups might want to tip the scales in their favor.