

Critical Thinking Exercise

For each case below, please do the following:

1. Identify the main “critical thinking questions” – that is, what are the key questions that you would want to have answered before making a decision.
2. Make some suggestions for solving the situation.

Case #1: Input Supply Problem

James M. has a very big dilemma. His company advertises that they sell bean seed, yet for three years in a row they have had problems meeting their customers’ demand. Each year they make a plan for their bean seed production, just before planting time, but they are never able to realize good tonnages from their outgrowers. Sometimes the tonnages they receive are only one quarter of what they have planned for!

James’ staff member, Mwangi, who oversees the outgrowers, says that the reason is that the parent seed is poor, but James is not too sure. James wishes that he could increase the outgrower yields because bean seed is in very short supply and farmers want it. Beans also sell for a very high price in the market – a price which has recently increased rather significantly – so farmers could make income from their crop if they had good seed.

James, who is the MD of the company, is spending time overseeing the company’s maize and sorghum production on their own farmland so he is not able to look into the problem. He has heard from the local research station, which supplied the original parent seed two years ago, that it was good parent seed. Last year James planned to sell 40 t of bean seed at 40 Ksh a kg, but ultimately only had 16 t to sell. The small piece of good news was that he was able to sell the seed at 60 Ksh/kg because bean prices had risen so steeply.

Case #2: Human Resources Problem

Superior Seeds is a rapidly growing seed company serving the emerging market for improved seed in its country. Farmers are beginning to recognize the value of improved seed because there have been many demos and adoption is climbing. However, there are not many people in the country who understand how to market improved seed and this is a problem for Fatima, the MD of Superior Seeds, and also for Eric, her production manager. They are able to produce seed fairly reliably, but are not able to market it well – they are too busy with their other responsibilities and often simply sell to government in order to get the seed out of the warehouse. The problem is that government does not pay them on time, and often pays them less than they owe.

Fatima and Eric want to hire a marketing manager to focus on building sales directly to farmers. They do not know where to begin looking for a marketing manager, but have been considering Issoufou, Fatima’s younger brother.

He likes computers and has been to school to study computers. He is well dressed and understands about advertising because he spends a lot of time in the capital city, where there are many billboards and smart shops. Sometimes he runs errands to the city for Fatima, although she has to supervise him closely as he frequently uses some of the money for the errands to take care of his own business.

Today, Fatima and Eric have stopped on their way back from visiting a production site. After several hours in the field, they are seated in a local trading center, at a small restaurant, having a glass of juice. The owner of the restaurant is a friend of theirs, and they are having a nice conversation, catching up on all of the news in the trading center. The owner is very excited because she has just build a new storage shed behind the restaurant to cater to her growing business. She also plans to put some outdoor tables on the plot next to her restaurant in the coming year, so that her customers have additional seating. The trading center is expanding.

Case #3: Production Problem

Mbegu Bora Company is experiencing drought in one of its production locations. Unfortunately, it is a location where they are multiplying parent seed. They are bulking seed for a three-way hybrid, and the single cross male is planted at this particular site. They think they can still get 1 mt from the .5 ha site if the rains come soon, but if not they will not harvest anything. They do not have another source for the parent seed if the crop fails, and will need to get more breeder seed from the station and start to multiply it again, delaying the production of the certified seed. They already have the female parent, which is a hybrid, but are not sure about how well they can store it if the male parent production is delayed. Money is tight at Mbegu Bora, but they are considering paying to water the .5 ha site by bringing in several water trucks. Mbegu Bora has been selling this hybrid for two seasons already, and the demand is growing rapidly.