Chapter 2: Data-Driven Decision-Making

# Sensitivity Analysis

## Corresponding reading: Chapter 2, Page 1

### Purpose: Understanding sensitivity analysis and its role in improving decision making.

1. Research what sensitivity analysis means (e.g., search and watch a video about it)
2. For **each** of the applications of the analytical method in well-known companies that you mentioned in Case 2.1.a:
   * Is sensitivity analysis currently used as part of the analytical method?
   * Do you think sensitivity analysis is necessary to make an informed decision? Why?
   * List at least three key parameters for which sensitivity analysis must be conducted. Also propose the range of values for each of these parameters.
   * How do you think the sensitivity analysis provides additional insights?

***Note:*** *Understanding the case and what you need to do is PART OF THE CASE. If you do not understand a specific part, or are not sure what you should do, you need to review the corresponding reading section in the text before asking for help. You might also need to do some search on the internet. That is all part of the case and your learning process.*