**Case Study 1**

Homelessness is an ongoing issue in Middlesex County, Minnesota. For many years the county government addressed homelessness by providing shelters as a temporary solution. However, these provide only short-term relief, not a solution for the underlying causes of homelessness.

Experts recommend developing a comprehensive affordable housing program to address the root causes of homelessness and create opportunities for everyone in the county to have a permanent home. However, the county’s use of temporary shelters to keep unhoused individuals off the streets has had the unintended consequence of increasing the public’s false perception that the issue is solved. As a result, there is little public support to fund an affordable housing program, so the unhoused population of the county continues to grow.

**Case Study 2**

ICUPhone is a video phone company. Its first phone model was available at a good price and transmitted an excellent image. To increase sales by attracting new customers and reengaging existing customers, the company decided to invest in research and development (R&D) of new products and features.

The company built a reputation for producing high-quality products, and customers continued to purchase them. ICUPhone's rising sales brought in revenue for additional R&D investment, leading to a few more new products and features—and more sales. Leadership at ICUPhone pushed its designers to produce more products faster, even if quality fell a bit.

However, since ICUPhone was still a small company, it did not have enough capacity to provide support for its ever-expanding customer base. Over time, the staff became overwhelmed by the number of customer questions, problems, and requests. Sales began to drop because of poor customer service. With decreased sales revenue, ICUPhone was forced to reduce R&D investment and the company began to fall behind the competition.