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BUSINESS DECISION METHODS ESSAY

Fall semester ended. Now, it's time to evaluate myself and think of the things that I learned the whole semester. Honestly, I did learn a lot of things in all my subjects. I felt like a sponge, absorbing all the knowledge I could possibly have. For Business Decision Methods, I met a lot of acquaintances and stranger, I should say. Before I came into the class, I was not so clear of what to expect about it. But not so long, the professor started orienting us ~~with the topics that~~ will be lectured the whole semester. I realized that BDM, is not really Greek to me. In fact, I met old acquaintances such as Mr. Maximax, Mrs. Maximin, Ms. Minimax, and the rest of the Decision Analysis brood whom I first met back in college. Also, I saw the Forecasting Models and the gang of Probability Concepts again. Conversely, I also met new acquaintances such as Linear Programming and its clan of Applications.

However, knowing the other concepts did not mean totally well for me because I know, then, that I still have so many things to learn about these concepts. And I was right, the direction of the course guided me to have a considerable ~~in-depth know-how of~~ the concepts I learned before and the concepts that I newly encountered. I learned more about the applications of these principles and the logic why these principles where formulated in such a way. Also, I learned that many qualitative data can be quantified and analyzed quantitatively.

The main reason why I preferred this subject among other methodology courses is that I already planned to major in Finance. The nature of Finance is decision-making, which is embodied in the subject, and even obviously reflected by the name, Business Decision Methods.

Among all the subjects, I think all of them are relevant and vital for my future undertakings, each with unique usage, different accuracy, and distinct functionality. I will discuss each according to main topics.

Most decision analysis, in reality, are expanded, prohibiting the use of a simple payoff table. Decision tree enables you to have a full picture of the problem. Having a decision tree, make the application of the Bayesian Analysis simpler, specially for extended problems, because you can see it all there, making the steps, as to what to compute first, clear. This is the main importance of the Decision Tree in a decision making process.

THE REGRESSION MODELS

Regression (may it be Linear Regression, Multiple Regression, or Nonlinear Regression) is important in identifying a relationship between two or more variables. This is very important in decision making as this will help you in knowing the interdependence or dependence of given variables. These will also explain to you if whether a change in a variable would change the another variable, and if it does, at what degree or rate does it changes. Another important factor within this topic is the use of binary or dummy variables. In this topic, we are taught of how to quantify qualitative data. This is very important, since, we all know, not all data are quantitative. This subject would benefit me most, as there are many variables in having a Financial Analysis, I can use this to evaluate the relationships, as well as the causal effects, of these variables.

THE FORECASTING MODELS

Well, to forecast with high degree of accuracy, it is vital for one to know all the forecasting models, the usage of each, as well as the accurate way of using these methods. Different forecasting methods have different accuracy to certain problems and also different use. Knowing these topics give me the advantage of being able to use the right forecasting method for a given data. Equally important, the knowledge of the different measures of forecasting accuracy, such as MAD, MSE, and MAPE is also vital to evaluate which forecasting method best suits a certain data.

THE LINEAR PROGRAMMING MODELS

This topic is very useful because knowing this will better aid you on arriving at an optimal solution. Linear programming aids you in identifying whether, for example, two alternatives would yield a higher profit if mixed or not, and if it should be mixed, what proportions would be adequate or could optimized the payoff. Similarly, costs can also be minimized at an optimum level using this method. This is very important for decision making in Finance, as this will help you arrive at the most efficient and effective solution for the problem.

Wow! I did learn a lot this semester. And I know that the knowledge I acquired from this subject would help me in facing endeavours or circumstances in the future. I am now equipped with the knowledge of Business Decision Methods.

I can't believe that the fall semester ended already, it seems and it felt like it was not 5 months ago when I first arrived here in NCKU: Just like the old cliché, "Time runs fast," I would say. It might sound dramatic for me to end this essay like this, but truthfully, within the 5 months stay here in NCKU, I did learned a lot and treasured a lot. And I owe it all to my professors, and to NCKU, as a whole. Professor, I want to express my heartfelt gratitude to you, to the IMBA department, and to NCKU for granting me the privilege, which I am very pleased to have, to study in this well-respected institution. Professor, I am most grateful for you time, effort, and knowledge imparted to us. Though your schedules are hectic, you still devoted time and effort to impart you knowledge about the course, and I am very grateful to that. I am, also, honoured and fortunate to have an expert as my teacher. Honestly professor, I'm so amazed when you started explaining our midterm grades using the Normal Distribution table, it appeared to me that Statistics is just so YOU. HAPPY NEW YEAR PROFESSOR!