Exercise

# Triple Constraint

Read the scenario below and identify the three sides of the triple constraint triangle for both the fast track option and the full support option.

Following the annual business strategic planning meeting, the Consumer Products division was tasked with creating a project that would introduce the existing products into the European market. The Consumer Products division had to decide between two approaches.

The fast track approach would introduce the products within three months, but with limited product and sales support that would be managed from the existing sales and service groups. The other approach would create a full sales and service support organization for Europe but would take twelve months to establish.

The fast track approach would only cost $400,000 and no new personnel would need to be hired. The full support approach would cost approximately $2,000,000 and 14 sales people and 5 service people would need to be hired.

The fast track approach would create website sales portals in all seven of the targeted European markets, but all service and sales support would be provided through the call center at headquarters. The full support approach would also create the seven website sales portals and it would establish a sales office in each of the seven targeted European markets to drive sales. Also, a European service organization would be established in Amsterdam.

Both approaches would have a marketing campaign, but the scale would be different between them.

Of course, the sales projections for each option were quite different. With a dedicated local sales and service operation, the sales projection was three times higher than with the remote support from the fast track operation. However, the fast track operation achieved profitability in just half the time of the full support option.