**ITEC451**

**Activity 1**

**(As a group of two or three team members)**

**When an organization’s problem is solved, the following seven-step model-building procedure should be followed:**

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| 1. Formulate the Problem
	* Define the problem.
	* Specify objectives.
	* Determine parts of the organization to be studied.
2. Observe the System
	* Determine parameters affecting the problem.
	* Collect data to estimate values of the parameters.
3. Formulate a Mathematical Model of the Problem
4. Verify the Model and Use the Model for Prediction
	* Does the model yield results for values of decision variables not used to develop the model?
	* What eventualities might cause the model to become invalid?
5. Select a Suitable Alternative
	* Given a model and a set of alternative solutions, determine which solution best meets the organizations objectives.
6. Present the Results and Conclusion(s) of the Study to the Organization
7. Implement and Evaluate Recommendations
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