

DECISION MAKING

Quite literally, organizations operate by people making decisions. A manager plans, organizes, staffs, leads, and controls her team by executing decisions. The effectiveness and quality of those decisions determine how successful a manager will be.

The entire decision-making process is dependent upon the right information being available to the right people at the right times.

The decision-making process involves the following steps:

- Define the problem.

Symptoms all indicate that something is wrong with an organization, but they don't identify root causes. A successful manager doesn't just attack symptoms, he works to uncover the factors that cause these symptoms.

For example:

Low profit rates ____ poor market research

High cost _____ poor design process, poorly trained staff

Low morale _____ lack of communication between employee and management

Nominal group technique & Delphi technique.

- Develop potential alternatives.
- Analyze the alternatives.
- Select the best alternative.
- Implement the decision.
- Establish a control and evaluation system.