

# Steps in Decision Making

## 1. Define situation.

Is it a problem?

How do I frame it?

Define boundaries and criteria?

## 2. Generate alternatives.

## 3. Gather information.

## 4. Select.

## 5. Act.



# Step 1. Define situation

## Criteria

- Is it a problem?
- Do I have the authority or power to make and implement the decision?
- Who else could make it better?
- How do I frame it?
- Define the boundaries and criteria.
- Specify what you want to happen as a result of the decision-making process.

## Barriers

- Emotional
- Environmental
- Perceptual
- Intellectual
- Cultural
- Expressive

## Step 2: Generate alternatives

- How much does it cost?
- How long is the commitment?
- Who is involved?
- Can it be changed later?
- How soon does it have to be made?
- Does it seem to meet the boundaries and criteria?
- How much information is available to make the decision?

# Information gathering

- Professionals
- Peers
- Credible sources
- Your own experience
- Etc.

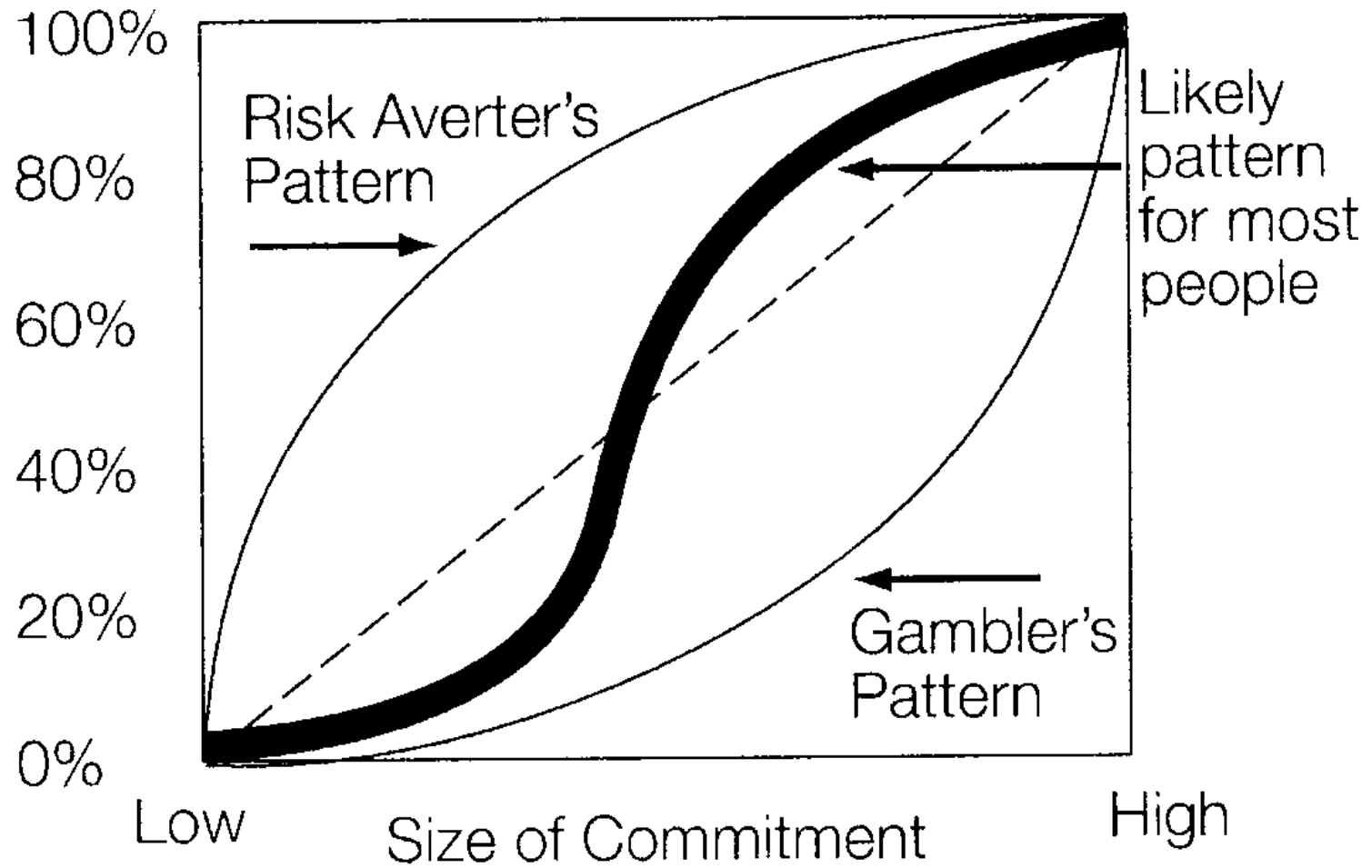


# Selection:

- You have your info
- You have your boundaries
- You have your criteria
- You know your environment and culture
- **DECIDE!**

| Criteria /<br>Option | OPTION 1<br>BUY | OPTION 2<br>LEASE | OPTION 3<br>LEASE w/OPT. | OPTION 4<br>HOME OFFICE |
|----------------------|-----------------|-------------------|--------------------------|-------------------------|
| Ind. Costs           |                 |                   |                          |                         |
| Image                |                 |                   |                          |                         |
| Long-Term            |                 |                   |                          |                         |
| Short-Term           |                 |                   |                          |                         |
| Dir. Costs           |                 |                   |                          |                         |
| Accessibility        |                 |                   |                          |                         |
| Parking              |                 |                   |                          |                         |
| Suitable             |                 |                   |                          |                         |
| Purpose              |                 |                   |                          |                         |
| Impact on family     |                 |                   |                          |                         |
| Temperment           |                 |                   |                          |                         |

Probability



**Sample Preference Curves**

# Action or Decision to Not Act

- The best decision is not always the cheapest or most easily implemented.
- Many other factors must be considered:
  - Organizational culture
  - People's needs and tolerance for change
  - Perception