

The decision-making process

"It's in your moments of decision that your destiny is shaped." Tony Robbins

The big idea

Decision making is a key skill whether you run your own business or are employed by someone else. Whether you're deciding which person to appoint, which supplier to use or which strategy to pursue, the ability to make a good decision using all the available information is vital. Each decision presents its own challenges, and we all have different ways of approaching problems.

Purpose

So, how do you avoid making bad decisions – or leaving decisions to chance? You need a systematic approach to decision making. No matter what type of decision you have to make, you need to be able to take decisions with confidence. The purpose of this tool is to give you a staged approach to making good-quality decisions.

The tool

The tool consists of five decision-making steps:



1. Define the situation

It is vital to have a good understanding and be very clear about the situation and what you want to achieve. Any misinformation about the situation is likely to be amplified in the later stages in decision making; for example, a passer-by who considers the person lying in the street to be a drunk will act differently than if they knew that person was actually suffering a stroke.

Being clear about what you want the decision to achieve will also have effects on the later stages in decision making.

It's often very easy to know what is not wanted, but such framing of the outcome in the negative does not set a direction to move towards, only what to move away from. Instead, state in the positive what you want the decision to achieve; for example, instead of 'I want to stop wasting my time here' you could say 'I want to get this new product finished in the next two weeks.'

This sets a very clear and measurable outcome for the decision-making process. It will often allow a much smoother transitioning through the subsequent stages in decision making as well.

2. Generate alternatives

Unless you are choosing from alternatives, there is no decision to make! The number of alternatives you choose will depend on such factors as experience, knowledge, skills, number of people involved in generating alternatives and what's considered important. There is a wide range of option-generating techniques, from brainstorming to mind mapping.

3. Gather information

The information required can be about the alternatives or even about the situation and the required outcome. As alternatives are suggested, it may require further clarification of the situation or the decision to be made.

Of the stages in decision making, this one often takes the most time. One aspect of the rational decision-making models is the weighing-up of the pros and cons of the various alternatives so as to arrive at the best. In contrast, this can be one of the quickest stages of the recognition-primed decision-making model, where the information gathering is done mentally by the expert by rapidly bringing his or her acquired experiences and skills to bear on the situation.

4. Select choice

Selection is the choosing of one of the alternatives. Although it's listed as only one of the stages of decision making, many people consider that this is the whole of the decision-making process; this idea means that you pay little or no attention to the previous stages, which makes this one very tricky!

However, if the previous stages of decision making have been done well, this stage is actually fairly straightforward.

The method of selection will very much depend on the decision-making process. Rational decision models choose the option that has more pros than cons. Intuitive decision makers 'go with their gut', or their heart.

5. Act now!

It's important to include this in the stages of decision making because any time spent making a decision is wasted if it is not converted into action. Great decisions are only great when they are carried into action and the action achieves the desired result.

An aspect of taking action is assessing whether the decision actually achieved the desired outcome. And if not, making modifications until it does so.

Take the next step

Think about the last big decision you made. Can you identify any of the steps above? If so, which one did you spend more time on? Do you have a preference for a quick decision or weighing up the options? How often do you think about the action that will result from your decisions?

Top tips

- Avoid generating alternatives for the sake of having options. The choices you have must be real; otherwise you are creating unnecessary work for yourself
- Don't allow the weighing-up of alternatives to take so long that it inhibits the decision-making process!
- Be aware of your decision-making preferences and try and work with others who have a different approach