

## Decision-Making

**Before you even begin to think about financial stability or long-term investment strategies, you must understand the decision-making process, or risk losing what it may have taken you years to accumulate.**

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Decision-making is an activity that cannot be avoided. It is a process we must engage in every day in order to function effectively as individuals. Making decisions about financial affairs demands conscious attention to one's goals as well as to one's money.

Although decisions call for some kind of action in order to be completed, not all actions are the result of decisions. For example, when you get up in the morning, you go through a series of activities: you wash your face, brush your teeth, dress, comb your hair and eat breakfast. These actions you perform out of habit.

The same can be said about many expenditures of money. Often, we spend money not as a result of a decision, but as a daily habit or even on just an impulsive purchase.

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A decision occurs when a judgment is consciously made after weighing the facts and examining the alternatives and their outcomes. The decision is the choice one makes from a field of alternatives. The decision is complete when it is acted upon — that is,

when we do what we have decided to do (or be or obtain or change or begin). Until some action is taken, the decision is not a decision; instead, it is still an idea or notion or unsettled problem in one's mind.

Decisions often must be lived with for some time; many times they have a way of altering lives, even when they are least expected to.