

The Decision- Making Process

The decision-making process basically consists of three simple steps:

1. Seek alternative solutions

“There’s more than one way to skin a cat” is an old saying that means there’s more than one way of doing things. To make a decision with some confidence, it is helpful to look at all the possible ways of solving the problem. Thus, one can better measure the resources against the alternatives and examine more clearly the possible solutions in terms of the particular circumstances.

2. Weigh the alternatives

Information must be gathered about costs and materials in order to make most decisions. The facts and information gathered are necessary so that one can weigh the alternatives. Compare the possible solutions, know what resources would be used in each case and have an understanding of the outcomes of each solution.

All too often, the alternatives cannot be judged very accurately unless more is known about them. It is impossible to decide from among several methods if one does not know what each method involves. Take the matter of financing a car.

The alternatives may include financing through the dealer, borrowing from the credit union or using savings to pay cash for the car. For example, what will it cost to finance the car through the dealer? What will it cost to borrow from the credit union? What will be lost in interest earnings if one uses savings? How does interest lost compare to the charges required to pay for the loan?

Unless the car buyer knows what is involved in each method, it will be difficult to weigh the choices and come to a decision best suited to his or her financial circumstances and at the same time meet personal needs.

3. Make a choice

After studying the alternatives, one is ready to make a choice. The choice is the decision one makes after carefully examining the several possible courses of action. What one chooses will be based on personal goals and the availability of resources.

These three steps which go into the making of most decisions — seeking the alternatives, weighing the alternatives and making a choice — are each important. The decision doesn't solve anything, however, until it is carried out. Now, it becomes a matter of management — managing the resources and activities necessary to put the decision into action.

Having made a decision, one must assume responsibility for it and follow through with it. Even though there may be some risk involved in whatever is chosen, a person must be ready to accept and live with the consequences of a decision.

People often spend time worrying about their choice and wonder if another decision would have been better or more to their liking. Make a habit of not worrying whether you made the right decision. Commit to a choice and accept the result of that choice, right or wrong. To spend time second-guessing your decision only hinders your effectiveness in living with a decision. The mature individual can make decisions and put them into effect without worrying about what might have been.