What Are The Steps In The Decision-Making Process Of The Manager?

Small-scale business owners and managers make decisions on a daily basis, dealing with every aspect of day-to-day operational concerns to strategic planning for the long term. The decision-making process of a manager can be broken down into seven steps. Although each step could be reviewed in detail the managers usually go through the entire process quickly when making their decisions. The process of managerial decision-making is important for decision-making success.

Identify the Problems that Require Decisions

The first step in the process is to recognize the fact that there's a decision to be taken. They aren't made arbitrarily. They are made with the intention to solve a problem, need or opportunity.

A store manager at a shop might realize that he has too many employees on the floor compared to the daily sales volume, for example which forces him to take an effort to keep costs in check.

Find out more information to clarify your options

Managers search for a variety of information in order to understand their options after having identified the issue that requires an answer. Managers might seek to identify the root of the problem, the people and processes involved in the problem, and any constraints put upon the process of making decisions.

Brainstorm Possible Solutions

Managers will have a better knowledge of the issue and will be able to create the list of potential solutions. This step can involve anything between a few seconds of thought to a couple of months or more of formal collaborative planning, depending on the nature of the issue. Once you wish for a knockout post about decision-making, sneak a peek at this site.

Compare the Options

There are always a variety of options available to move forward with a project or issue. Create a list of advantages and disadvantages of each alternative and place a special attention to the ease, speed and the amount of resources required for implementation. It's important to have the best information available before moving ahead to the decision-making phase.

You can also pick another option

After the team has evaluated the pros and cons of each solution, they can seek out additional information and choose the option that will provide the most success for the lowest cost. It is a good idea to seek advice from an expert when you've gone through each step independently. Asking for a second opinion may give a fresh perspective on the problem and the possible solutions.

Implement the Plan

There's no need to think about your options before you take your <u>decision</u> into the real world. After you've made the commitment to putting a plan in place, you must get all of your employees on board and then put the decision into execution with conviction. A decision taken by a manager can't be changed after it is implemented. Effective managers are equipped with monitoring systems that permit them to keep track of the effects of their decisions.

Assess the Outcomes

Even the most successful business owners take lessons from their failures. Always keep track of the results of strategic decisions you make as a small-business owner and be prepared to alter your plan as necessary, or to switch to another alternative if the solution doesn't work as you had hoped.