What Are The Steps In The Making Of A Decision By A Manager?

Small business owners and managers take decisions on a regular basis, dealing with everything from day-to-day operational issues to strategic planning for the long term. A manager's decision-making process can be reduced to seven steps. Each step can be studied in depth, but managers usually be quick when they make decisions. Understanding the process of managerial decisions can help improve your decision-making effectiveness.

Find Problems that Require Decisions

The initial step in the process is to recognize that there is a choice to be made. It is not a matter of making decisions arbitrarily; they result from an attempt to address an issue or need, or even an opportunity.

A supervisor in a retail shop may be aware that there are too many employees on the floor compared to the daily sales, for instance, requiring him to make a decision to keep costs in check.

Find out more information to clarify your options

Once they have identified an issue, managers seek details to aid them in making a decision. Managers may seek out details about the potential factors, processes, and people that are involved and the limitations that could be imposed on their decision-making.

Brainstorm Possible Solutions

Managers will have a greater knowledge of the issue and can then create an outline of potential solutions. This process could take anything from a few minutes up to several months of formal collaborative plan-making, based on the urgency and nature of the decision. If you wish a useful reference about decision-making, <u>look at this site</u>.

Consider the Options

There's always more than one choice to move forward with any given issue or new venture (including obviously, the option of doing nothing). Make a list of each option, and focus on how simple, quick and cost-effective each one is. It is important to have all the facts you can before making a decision.

You can also choose an alternative

After your group has weighed the advantages and disadvantages of each possible option, you can seek out additional information if needed and choose the one they feel has the best chance of success for the lowest cost. If you've followed all the steps, seek outside assistance. A second opinion can offer a new perspective and open up new possibilities.

The Plan must be executed

There's no time to rethink your decision after you take your decision into the real world. Once you've committed to putting an approach in place, bring all your employees in and decide with conviction. That is not to say that a manager's decision cannot change after it has been enacted smart managers have the systems to monitor and examine the effects of their decisions.

Examine the Results

Even the most successful business owners are able take lessons from their failures. If you are a small business owner, you should always keep track of the results of your decisions. If your plan isn't as successful as you had hoped, you can adapt your strategy or choose a different solution.