

Hello , let me start by asking you some questions but they will not be boring , instead let's try some thought-provoking questions. Have you heard of the term 'Decision making'? I am sure you must have come across the term but never focused on what it really means. Right now you choose to watch this video at this time because it was convenient for you and you wanted to learn about decision making. It seems like a very simple term , but is it really? There are so many details and complications that we are missing on. Because no matter what field you belong to , you always have to make choices or decisions for yourself and your decisions can not only affect you but the whole team or the whole institution that you are working with , right? So , now you realise how crucial decision making is. But , don't worry , I am here to help you and make every aspect about the decision making clear. So , let's get started , shall we?

First of all , what is a decision? A decision is a choice made from available alternatives to find an optimum solution which works effectively in the given circumstance. There are many factors that influence your decision like uncertainty in future , consequences , risks , interpersonal issues , benefits , time period , guarantee of results , etc. Economically , if we see then there are unlimited wants and needs , but very few resources to choose from . Now , Good decision making is a vital part of good management because decisions determine how the organisation solves problems, allocates resources, and accomplishes its goals.

Now , the art of decision making. Decision making is a very complicated process . If you want to make the right decision, you need to calculate each factor and consider every move carefully. While making a decision , we form opinions , we put across some logical arguments and all our decisions are backed by certain **biases, reason, emotions, experiences , memories , observations, facts and estimates.**

The fact that decision making exists also makes us realise the fact that free will exists. We are the one that compares all the alternatives and choose to go with one of them , it's us who is deciding. We weigh the benefits and costs of our choice , we decide that what will be the most beneficial choice for us and what will not be a good choice to make , we look at all the the whys , whats , whens and hows and **we** also look at the consequences and prepare ourselves to cope with the consequences.

To make a good calculated decision ,we obviously need the exact and accurate data or information based on which we will evaluate everything , which will help us understand the complexity of the situation and which ultimately makes us rank our choices. So , you agree on the fact that correct information is the key to good decision making. On the other hand , if we have missing , incomplete or incorrect information , what can happen is incorrect information can lead us to wrong choice and incomplete information will lead to some assumptions , which can be right or wrong and if the assumptions don't meet with the expectations , then again it will also lead to the wrong choice.

Similarly , urgent deadlines will not give us enough time to explore the details of each alternative and you will end up taking what perhaps seems to be a good choice just to meet the deadline , but that might not be the correct choice to make at that time. The better resources you have , the better you become at decision making. And having limited physical or emotional resources does not help. You need more , accurate and helpful resources to come to the correct decision. Even if you have to make an assumption , there should be clarity of

thought in terms of forming opinions and assumptions so that the decision taken is free from biasness. These are some factors that can limit you from making the correct decision.

Now , let's come to the very interesting part which will make you think a lot. So , get ready to run your mind very actively. We are going to talk about informed decision making. First of all , there are some prerequisites that you need to make an informed decision. We will assume that all the information that the individual needs are fully available. For example , Managers have information on operating conditions, resource costs and constraints and each course of action and possible outcome. This information helps in analysing the benefit and risk which is associated with each alternative and choosing the best option. Using all the information , you need to think critically to make the decision. Note that , you should not be following any intuitions or guts while taking the decision , but rather figure out what information you are missing out on and obtain that information. Then with an open mind , free from any biases or intuitions , interpret all the information and take the decision based on the information. This is what we call informed decision making and it gives you immense satisfaction and assurance as your decisions are based on the data rather than your intuition.

Now , I think it is the right time to discuss the strategies or the methods that you can use to make decisions. We will be discussing two methods. First one is a satisficing method. Satisficing is a decision-making process that strives for a good enough result rather than perfect result. Such decision makers are of the opinion that evaluating all the possible outcomes and then coming up with a decision will incur needless costs, time, efforts and resources. So they adopt the minimalist approach to meet the basic attainable outcome. Also ,A common limitation with such decision making is that there is no basis upon which 'adequacy' or 'good enough' is defined. So it is also a possibility that the adequate decision taken is the optimum decision.

Second approach is the maximising method. Maximizers try to squeeze the greatest amount of benefit out of every opportunity. When maximisers make decisions, they're likely very informed. Managers try to analyse every alternative deeply with all the pros and cons so that they can choose the best , their main motive is to gain the maximum benefit as the name suggests with minimum risks. So , they wait for the conditions to be as favourable as possible and they go with the 'make it perfect' approach which also sometimes ends up with regrets and dissatisfaction. .

Okay , let's talk about the decision maker which can be you , your colleague , your manager or anyone. We all are decision makers in some way or the other. But are we good decision makers? Let's figure out. A blend of satisficers and maximizers is what makes a good decision maker. One needs to understand the gravity of the situation and act accordingly. There are times when a quick decision needs to be taken. In such a situation being a maximizer may not help and the opportunity may slip out. Similarly there are circumstances which give a lot of time to explore more and make the best decision. Here one cannot just be a satisficer and go with 'good enough' decisions. A good decision maker first needs to figure out whether he or she needs to act immediately in that situation or does he or she still have the time to figure things out and accordingly be a satisficer or a maximiser or both and then act out accordingly and make a decision.

Now , a good decision maker has to maintain the balance between intuition and the reasons for that decision. It is possible that one just goes with the gut feeling and realises that he or she was terribly wrong. Sometimes overestimation of only the gut feeling and underestimating the logic can prove to be wrong and vice versa. It is also possible that someone just considers one thing which seems to be more important and misses out on other important things. This acts as biased decision making. To avoid such biases one has to have an eye for details. One case scenario which is also possible is that you have some predefined mindset which restricts you or blinds you to other details which might be very crucial. So , basically don't stick to just one thing which seems important , consider other factors , maintain a balance between intuition and rational thinking or logical thinking, don't be biased or blind towards any factor and finally , take a decision.

Let's go step by step now. There are some of the factors or steps that should be considered while making a decision.

1. Managers should collect information and all the resources for the subject.
2. There are always many alternatives available to solve the problem. All the possible alternatives should be evaluated thoroughly with their pros and cons. Not only the pros and cons but also how it affects the cost in terms of time, effort and money should be considered and evaluated carefully.
3. When the matter is of high importance, making a decision hastily might be disappointing later and there can be some ambiguity which you might have ignored or not considered worthy enough. But , instead of making fast decisions, managers should spend time, engage the team members and take suggestions from a third person point of view, analyse , improve if needed and apply a holistic approach in such situations. So , just giving some time might help you reach the optimum outcome.

Warren Buffet once rightly said a very simple but profound thing. He said that mistakes are unavoidable , no matter how hard you try to be perfect , there is always going to be some room for poor decisions or mistakes. It's too demanding to expect perfection from yourself. But , that should not let you stop. Instead , what you need to learn is to recognize the mistakes that you made and make sure that you don't do the same again. Because , mistakes are a part of you and so is the improvement. In short , learn from your mistakes instead of regretting them or expecting them to never happen.

Of course , there is no correct or incorrect decision , because it's subjective for each individual and it depends upon various factors . So , the majority of the decisions are situational .It is very normal to experience decision paralysis or feel less satisfied with your decisions because you are never 100% sure of what is to come , so you can't be 100% sure about your decisions either. But that is the real thrill , isn't it? Be mindful of the abundance of options and to solve the problem of 'choice overload', use

the process of shortlisting or eliminating , that will make it simpler and easier to work upon. Simplify your decision and not think too much over the options which have not shown prior results , so eliminate the unnecessary options.

Till now , you have learned a lot about decision making , factors , methods , what to ignore and what to consider , how can you be a good decision maker , steps to reach a conclusion ,etc. Further , we will discuss very important stuff like how to sharpen your decision making skills , avoiding bad decisions , challenges , styles and detailed steps for decision making and also about decision making in the new normal. So , it's going to be a very interesting as well as informative session. So , do watch it. Thank you.