

Decision Making Process



Example: Decision-Making In Production

- As your business expands and demand grows, there is a need to increase the production capacity.
- The next step is to decide how much capacity installation is required to meet demand effectively.
- Next, there is a need to identify the right equipment and optimal level of workforce for the production processes.
- The decision has to be **guided by the fact** that the ultimate aim is to increase production sustainably so that there is an increase in the scale of production without increase in the cost.



Limitations of rational decision-making

- All possible alternatives cannot be thoroughly analyzed
- Limitation of information, time and certainty curb rationality
- Risk avoiding tendency disrupts their rational decision-making process

Business Ethics

Business ethics is the study of appropriate business policies and practices regarding potentially controversial subjects including corporate governance, insider trading, bribery, discrimination, corporate social responsibility etc.

Ethics in Finance

- Financial ethics has risen to the forefront of many minds. This is due to countless scandals in finance industry.
- Some common areas of pitfalls when it comes to ethics in finance include the handling of material non-public information and reporting of unethical activities.
- Financial professionals can uphold ethical standards in finance by staying educated, aware, and holding themselves to high standards.

Ethics in Marketing

- Marketing ethics serve as moral principles and values that should be followed during marketing communication. They are the guidelines that let companies decide about their new marketing strategies.
- Why ethical marketing is an integral part of the life of an organization.
 1. Customer Loyalty
 2. Long term gains
 3. Improved credibility
 4. Advanced Leadership qualities
 5. Reaching financial goals
 6. Enhancement of brand value in the market