- Effective decision making is an integral part of modern workplace management. Managers, team leaders and even employees need to make rational and sound decisions every day.

- The right decisions, choices and approaches help in meeting organizational goals more efficiently. It helps organizations adopt and implement measures that optimize growth in terms of products and/or services offered. In other words, decisions drive actions.

- Herbert Simon was one of the first theorists to highlight the importance of decisions in a business environment. Read on to see why the Herbert Simon Decision Making Theory still holds relevance in current times.

- he Simon Decision Making Theory is a framework that provides a more realistic view of the world, where decisions affect prices and outputs. The theorist argued that making a decision is making a choice between alternative courses of action.

- It can even mean choosing between action and non-action. In contrast to classical theorists, Simon suggests that there is never one best course of action or decision. It's because one can't have complete information about something, therefore, there will always be a better course of action or decision.

- **THERE ARE THREE STAGES INVOLVED IN THE DECISION MAKING PROCESS:**

- **INTELLIGENCE ACTIVITY STAGE**
- At this stage, people identify the problems in an organization and the upper management analyzes the organizational environment to work toward a solution.

- **DESIGN ACTIVITY STAGE**
- In order to identify possible solutions to problems, the upper management looks for suitable strategies. They further analyze the merits and demerits to select a particular course of action.

- **CHOICE ACTIVITY STAGE**
- After making a list of alternatives, the choice activity stage begins. It critically examines and evaluates the various consequences of all alternatives and the most suitable course of action is selected. This stage requires creativity, judgment and quantitative analysis skills.

- Decision support systems (DSS) are interactive software-based systems intended to help managers in decision-making by accessing large volumes of information generated from various related information systems involved in organizational business processes, such as office automation system, transaction processing system, etc.

- DSS uses the summary information, exceptions, patterns, and trends using the analytical models. A decision support system helps in decision-making but does not necessarily give a decision itself.

- The decision makers compile useful information from raw data, documents, personal knowledge, and/or business models to identify and solve problems and make decisions.

Benefits of DSS

- Improves efficiency and speed of decision-making activities.

- Increases the control, competitiveness and capability of futuristic decision-making of the organization.

- Facilitates interpersonal communication.

- Encourages learning or training.
- Since it is mostly used in non-programmed decisions, it reveals new approaches and sets up new evidences for an unusual decision.
- Helps automate managerial processes.

- **E-commerce**

- The standard definition of E-commerce is **a commercial transaction which is happened over the internet**. Online stores like Amazon, Flipkart, Shopify, Myntra, Ebay, Quikr, Olx are examples of E-commerce websites.

- There are four traditional types of ecommerce, including **B2C (Business-to-Consumer), B2B (Business-to-Business), C2B (Consumer-to-Business) and C2C (Consumer-to-Consumer)**.
- There's also B2G (Business-to-Government), but it is often lumped in with B2B.

Understanding the advantages of ecommerce

- Faster buying process.
- Store and product listing creation.
- Cost reduction.
- Affordable advertising and marketing.
- Flexibility for customers.
- No reach limitations.
- Product and price comparison.
- Faster response to buyer/market demands.

- With the wide adoption of the Internet and the introduction of the World Wide Web in 1991 and of the first browser for accessing it in 1993, most e-commerce shifted to the Internet.

- More recently, with the global spread of smartphones and the accessibility of fast broadband connections to the Internet, much e-commerce moved to mobile devices, which also included tablets, laptops, and wearable products such as watches.

- E-commerce has deeply affected everyday life and how business and governments operate. Commerce is conducted in electronic marketplaces (or marketspaces) and in the supply chains working on the Internet-Web.

- Online shopping was invented in pioneered in 1979 by entrepreneur Michael Aldrich in the United Kingdom. Aldrich was able to connect a modified domestic television to a real-time multi-user transaction processing computer via a telephone line. The system was marketed in 1980 and offered as business-to-business systems that were then sold in the UK, Ireland, and Spain.

- The August 12, 1994 issue of New York Times, appropriately titled "Internet is Open" chronicled the sale between two friends of a Sting CD. The Times said, "The team of young cyberspace entrepreneurs celebrated what was apparently the first retail transaction on the Internet using a readily available version of powerful data encryption software designed to guarantee privacy."

Disadvantages Of E-commerce – Problems with E-commerce

- **1) Security**
- Online portals have been in the news a lot because of hacks by cybercriminals and hackers. It is a very serious issue as your account might be hacked because of negligence and wiped out clean of the existing cash.

Site crash

- E-commerce is fully dependent on internet connection. A major disadvantage of e-commerce is putting a stop to buying capabilities because of a site crash. Such a small word site crash but has the ability to put a whole business down within a few seconds.

No possibility of tried and tested product

- One of the major disadvantages of e-commerce portal is that a customer is unable to try and test the product for his own satisfaction. We are habituated to buy at physical stores after trying a product several times and suddenly it takes a lot of guts to change this lifetime habit where you cannot touch, try and test beforehand.

- People miss the tangible feeling and there is always the fear that the product will not meet the standard you are expecting. This makes the consumer a bit hesitant before making a purchase.

Late delivery

- Late delivery is one of the common disadvantages of e-commerce platforms. While ordering a product the customer is assured that it will reach him in maximum seven days or a particular time period. In most cases that does not happen and you are kept waiting for it.

Some products are difficult to buy online

- You cannot trust yourself to make a purchase without visibly touching, trying, testing them and this can prove a disadvantage for an e-commerce site. All the images and assurances cannot tempt you to buy some items, for example, you need to buy a gold and diamond bracelet.

Lack of privacy

- Lack of privacy is a serious disadvantage of e-commerce. A customer has to provide his personal details before making a purchase like address, name, and phone number and so on.

Tax issues

- E-commerce portals are accessible in most part of the world as it is not limited to a particular geographical location. When a customer makes a purchase he has to pay the tax on it and it becomes difficult to calculate the actual sales tax levied in that place.

- The consumers thus face issues during the computation of tax and this is also an added disadvantage of e-commerce.

Legal issues

- Several cyber laws have been implemented to protect the rights of both seller and buyer. If you are looking to create a website it is important that you go through the local laws as well as cyber laws so that you do not have to face any problems later on.

- **Huge technological cost**
- **Shipping problems**
- **Fear**
- **Credit card fraud**
- **Dependency on the website**