

EFFECTIVE DECISION-MAKING TECHNIQUES IN MANAGEMENT

Decision-making is the judgment of the process, by which one can choose between a number of alternative courses of action for the purpose of achieving goals. Managerial decision-making is synonymous with the whole process of management. It decides what should be done, how should it be done, when, and by whom.

There are many types of decision-making that can be used in management.

Programmed and non-programmed decision: programmed decisions are those which are in accordance with some habits, rules, or procedures. Every organization has its own policies that simplify decision-making. For example, companies do not worry about salaries for new employee since the organization generally has established a salary scale for all positions. On-programmed decisions are those that deal with unusual problems

Major and minor decision: making the decision to purchase expensive equipment is considered as a major decision while the purchase of cheap equipment like a few reams of typing paper is a minor decision.

Routine and strategic decisions: routine decisions are slightly similar to the programmed decision-making. Routine decisions are repetitive in nature, do not need any analysis and evaluation, and can be made by middle level management. Strategic decision is related to the policy of the organization and are taken by high-level management. It involves a large expenditure of fund.

Organizational and personal decision: a manager makes organizational decisions on behalf of a company's officer. This type of decision reflects policy of the organization. Personal decisions are the manager's individual decision and not as a member of the organization

Individual and group decision: individual decisions are taken by a single individual in the context of the routine decisions according to the guideline of the organization. Group decisions are taken by conducting committee meetings for any specific purpose.

Policy and operative decisions: policy decisions are critical; therefore, they are taken by top management. It makes a long-term impact and mostly related to basic policies. The operative decision is related to day-to-day operations of the enterprise and taken by low-level management