

# Decision Making Skills

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**GOKARAJU RANGARAJU**

Institute of Engineering and Technology

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## What is a decision making skill

In its simplest sense, **decision-making** is the act of choosing between two or more courses of action. In the wider process of problem-solving, **decision-making** involves choosing between possible solutions to a problem. **Decisions** can be made through either an intuitive or reasoned process, or a combination of the two.

## Skills Required in Decision Making

- Active Listening.
- Interpersonal **Skills**.
- Collaboration.
- Communication.
- Logic.
- Problem Solving.
- Critical Thinking.
- Time Management.



Decision-making is inevitable for a person enjoying a certain degree of authority. A good leader is able to take firm decisions on the spur of the moment. What makes it so tricky is that there is not a single standardized way to make a decision. One has to develop an insight into the problem and weigh the options while considering the situation at present. Also, it is not solely the responsibility of a leader. Everyone has to make a decision one day or another in life. The occupants of positions of power, however, have a lot more at stake. It affects and influences the lives of others. This calls for carefully thought out decisions from their side. Managers or leaders of organizations, therefore, commonly find themselves in such predicaments.



## What is Decision Making?

Decision making, according to the principles of management, is the process of selecting the best of all possible alternatives. The managers usually have a long list of viable options regarding a course of action. By evaluating each of these alternatives, they choose what they believe is best for the career goals and its workforce. Decision making requires the person vested with the responsibility to possess particular skills, of which intelligence is the most important. Experience, on the other hand, throws more light into the situation and aids in decision making. Read on to find out more.



## What are some of The Decision-Making Skills?

As is already stated, decisions are arrived at after evaluating all the viable alternatives. The skill set required to study and analyze each of the options by collecting information or gathering data is a prerequisite. It is, similarly, another thing to identify the different alternatives. Only with intelligence and careful observation can one do that. For the result to be innovative, it is also required for the decision maker to be creative. Creative ideas give birth to innovation.



## Why is Decision Making So Important?

No human activity can evade decision making. It is very crucial to the functioning of an organization or any life for that matter. The possibilities of attainment of organizational goals and objectives hinge on the sole act of decision making. It is the pathway to the future. Decisions vary in complexity. The leader of an organization must be prepared to deal with all kinds. Listed below are some of the reasons why decision-making skills are essential.



## Leadership Skills:

It is the primary skill one should possess to become a leader. An organization stands on the foundation built by the leader's decisions. A wrong step can cause it to fall like a house of cards. Besides, an indecisive leader cannot hold the fort for long. A leader should be able to inspire and direct the subordinates to follow the path. The authority of the position she/he is in lets her/him do that. However, if the decisions or the decision-making skills are weak, employees become dissatisfied. Sooner or later, employee turnover becomes a reality. The company will go through tough times and some good times. The team has to have confidence in the decision-making skills of their leader to deal with any situation with poise.





## To Deal with Problems:

When faced with any challenges or issues, as one will, decision-making skills come in handy. When in adverse circumstances, fate hangs on the decisions one makes. This applies to an individual as well as an organizational level. As far as an organization is concerned, when challenges due to globalization surface, the survival of the business counts on the leadership and the decision-making skills of its manager. Even if not for survival, the smooth running of a company is only possible if sound decisions are made at the right time, without delay.



## To Achieve The Goals and Objectives:

The process of attaining the pre-set goals is bound to be laden with difficulties and impediments. It is also one where an individual will face a dilemma of some kind, especially when ethical concerns are involved. Decision making is crucial in those circumstances. Acute decision-making skills must be employed to take decisions where moral values and organizational goal are in conflict with each other.



## **For Growth and Diversification:**

Managers have to take what they call as 'non-programmed' decisions from time to time. These are decisions that have not been programmed before. She/he has to take them if the business environment calls for it. Such choices are not easy to make. The manager or the decision maker must have sufficient experience to adopt an arrangement such as that. With experience, one builds strong intuitive skills. So experience, intuition and in-depth knowledge of the present scenario are some of the qualities that will save the day.



## A Motivation for:

Decision making is usually done under uncertain conditions. It so rarely happens that the decision maker is fully aware and is entirely sure of the eventualities of each alternative. In such a scenario, one has to fall back on experience and intuition to make the judgment call. The option which is most likely to have favorable consequences emerges the winner.

### Decision-making Loop



## Building key decision making skills:

When considering highly successful people, we often attribute their success, at least in part, to their decision making. What decision making skills can help people make better choices? Is making better choices a talent, or is decision making skill something that can be learned and improved?

Given the thousands of decisions we make every day, all having consequences that can create positive or negative results, skills to improve this capability might be considered fundamental to a productive life. Learning decision skills provides the opportunity to increase positive outcomes while decreasing the consequences of failure that are part of the learning process.



## What skills are important to decision making?

Decision making skills should accelerate gaining knowledge that will make our choices more effective. Our decision making model helps us to identify information and abilities important to choosing. Skills include:

- Using a **decision making process** that provides a consistent set of steps leading to a decision outcome while avoiding common **decision traps** and **thinking errors**;
- Approaches for values and needs identification such as stakeholder analysis and candid self-reflection;
- Discovery and creativity skills that can help identify or generate **decision alternatives**;
- Imagination and visualization used to envision possible future consequences of alternative solutions;
- Information, data gathering, and observation methods that enable evaluation of solution options;
- **Techniques for deciding** that aid in analysis and evaluation of decision options;
- Logic and analysis that enables inferences or conclusions from relevant information and assumptions;

- Assessment of risk, uncertainty and application of probabilistic analysis to the likelihood of outcomes
- Collaboration, communication, cooperative learning, negotiation, and active listening needed for effective **group decision making**;
- Coping strategies that help manage emotion and perception issues while increasing objectivity in stressful decision situations;
- Abstraction, categorization and organizing that identifies and connects related concepts (such as decisions);
- Self-discipline and leadership skills that inspire and motivate commitment and action for a chosen solution;
- Time and task management needed for successful **decision implementation.**

**Problem solving and decision making** are closely related, making many problem solving skills helpful to the decision making process. Critical thinking and **systems thinking** are also strongly linked to decision making, with significant overlap in competencies.

## How can decision making skills be improved?

Choices we make every day present us with daily opportunity to improve our skill in making decisions. Many of these choices are made out of habit, but just bringing these selections to a conscious level can enable evaluation, analysis, and self-reflection that can be used to improve these and other decisions. Certainly, improving decision skills will come from the learning gained from experiencing the consequences of making poor decisions.

### Use Your B.R.A.I.N.

**B** Benefits

What are the benefits of this option?

**R** Risks

What risks are involved if I make this choice?

**A** Alternatives

What are the alternative options available?

**I** Intuition

What is my intuition telling me?

**N** Nothing

What if I do nothing, and choose to revisit this later?



## **How can you tell if decision making skills are improving?**

This presents one of the other difficulties with developing competence in decision making. Good or bad outcomes do not necessarily imply good or bad decision making. Except for cases where clear and direct causation can be established, decision results are influenced by random circumstances, unforeseeable events, and imperfect knowledge.

### **Some indications that can suggest continuing skills improvement include:**

- Measurement of progress toward long term goals
- Evidence of consistently better results despite occasional failures
- Successful forecast of results from tests of decision making skills with lower risk choices
- Increased objectivity and use of information and evidence
- Use of failures as opportunities to learn
- Increasing decision making confidence
- Consideration and creation of more options
- Increased ability to motivate needed commitment and action

- Better able to manage emotions toward achieving desired outcomes
- Routine use and improvement of a decision making process
- Better **decision timing and prioritization**
- Increasing ability to imagine and project possible consequences
- More effective use of advice, counsel, and coaching
- Ability to use different techniques for different decision situations
- Growing influence and collaboration
- Application of multiple decision making strategies



## Decision Making Skills Resume List

This list shows the *types* of decision and initiative skills. It also shows *decision-related* skills like communication and problem-solving skills.

### Types of Decision Making Skills

**Ethical decision making skills.** Can you pick from tough choices while upholding ethics? A central skill for healthcare, the financial industry, and more.

**Consumer decision making process.** Understanding how consumers make decisions is key for marketing and sales specialists.

**Team decision-making skills.** Also called group decision making or collaborative decision making. Important in business and managerial jobs.

**Executive decision making.** The opposite of group decision making. Executives must gather input, then make difficult decisions on their own.

**Consensus decision making skills.** This rare team skill finds a solution all members can support. Valued in government and nonprofit jobs.

**Shared decision-making skills.** Similar to team decision making, but generally has a healthcare focus.

**Medical decision making skills.** Crucial for doctors, nurses, and other healthcare professionals.

**Rational decision making.** The rational model of decision-making is a necessary skill in managerial and business jobs.

**Data driven decision-making skills.** Are you adept at data collection and analysis? This is crucial in data-heavy fields like marketing or healthcare.

**Intuitive decision-making ability.** Can you go with your gut to make decisions? Valued in action-oriented fields like the military, firefighting, and police work.

Evidence-based decision making. The opposite of intuitive decision-making. Vital in the healthcare field.

**Programmed decision making.** Can you make policies and procedures? Good skill for high-level management jobs.



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