

IV. What influences our behavior: Decision making

In this presentation

- What decision making is
- How cognitive and emotional processes affect decision making
- Models of decision making
- How critical thinking skills can improve decision making
- Group decision making

Decision making defined

Decision making is a cognitive and emotional process that involves results in making a judgment or choosing from alternatives.



Types of decisions

Programmed decisions are straightforward decisions that occur frequently enough that an automated response is developed



The automated response is called the **decision rule**

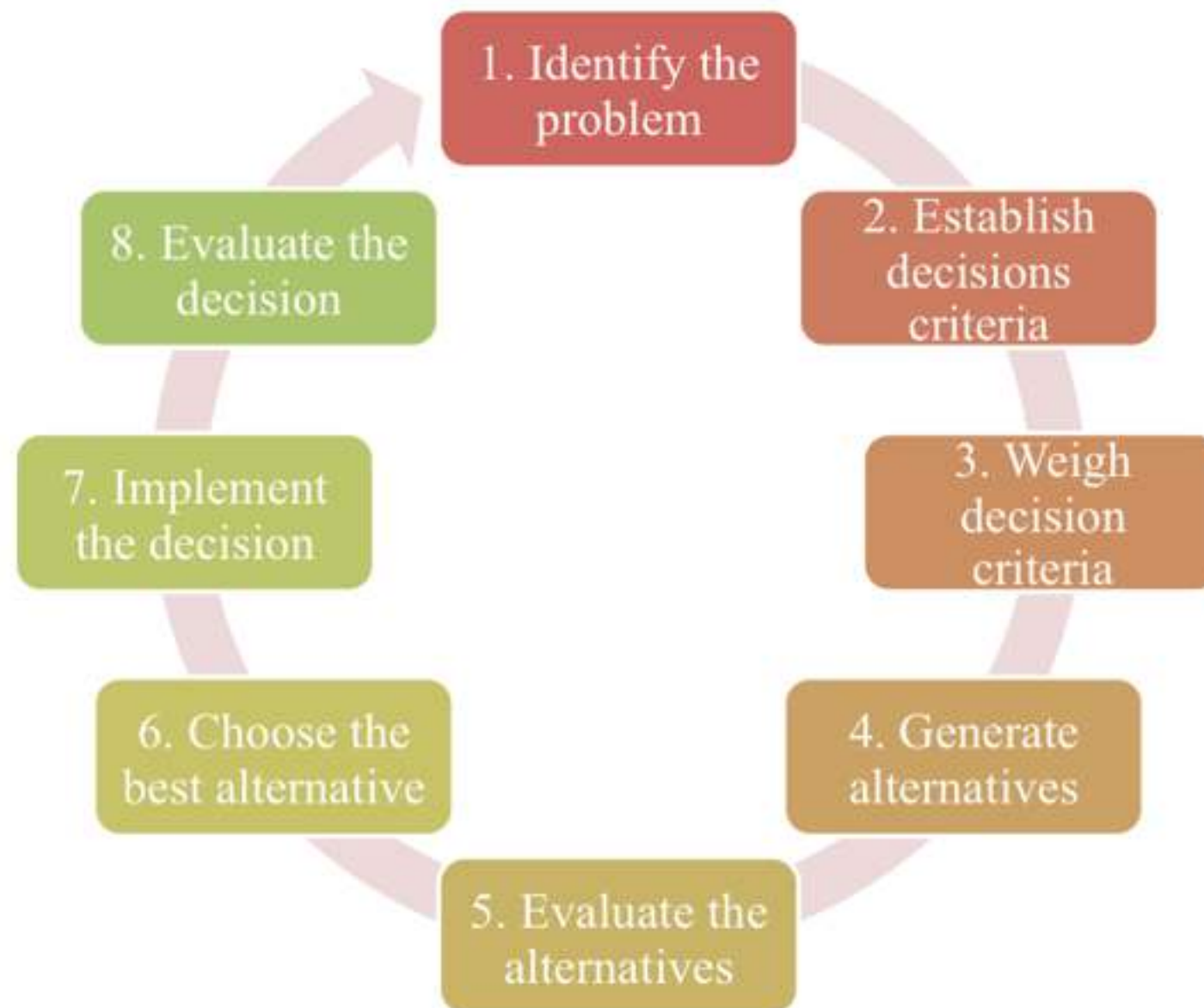
Unprogrammed decisions are unique and require conscious thinking, information gathering and careful consideration of alternatives

Cognitive and emotional processes affecting decisions

- Making decisions includes:
 - reason and logic
 - our feelings
 - our intuition



Rational decision making model




Flaws of the rational model

Assumes that people understand what the decision to be made is



Assumes that people know all their available choices

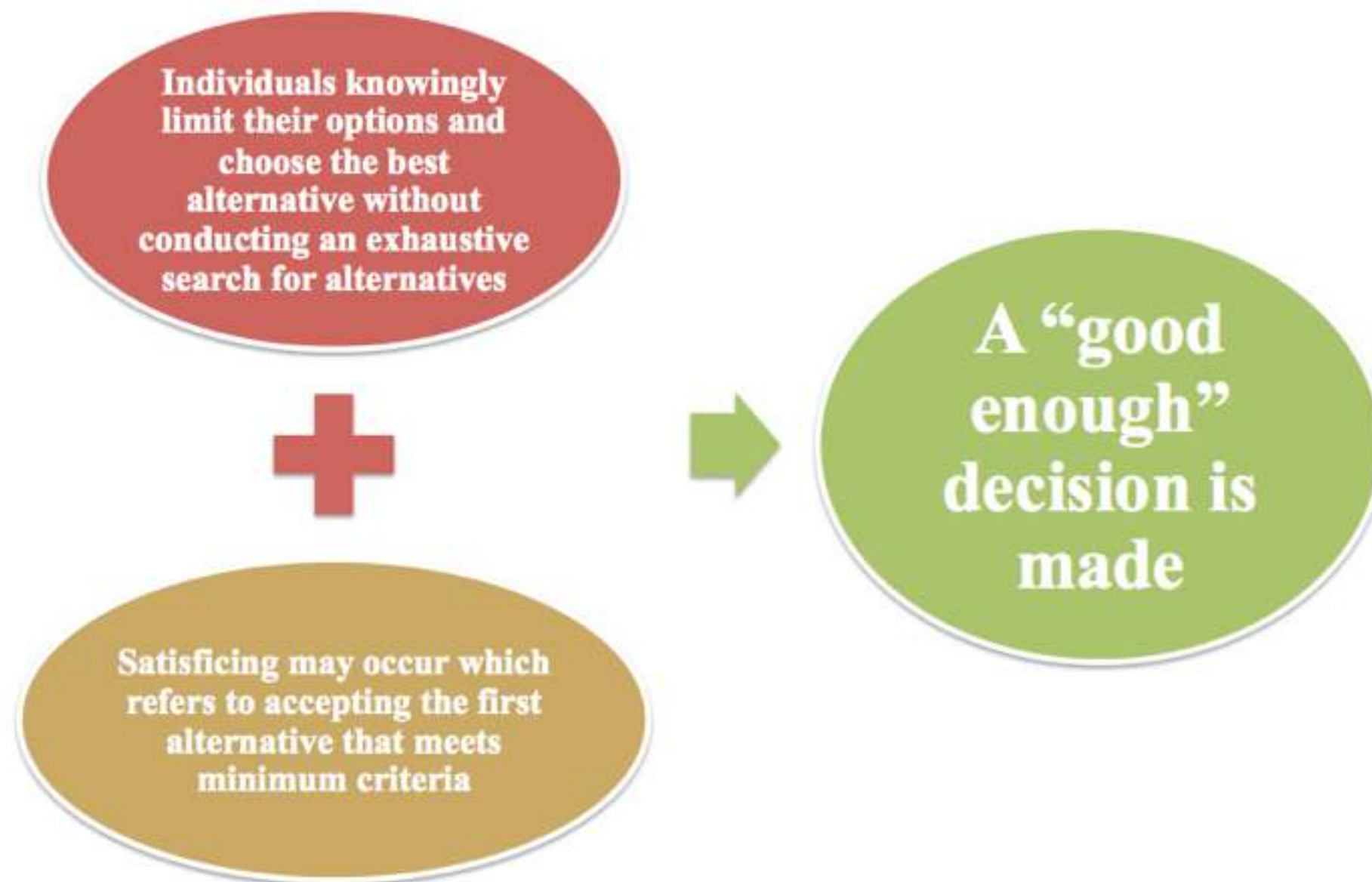


Assumes the people have no perceptual biases



Assumes that people want to make optimal decisions

Bounded rationality



Emotions in decision making

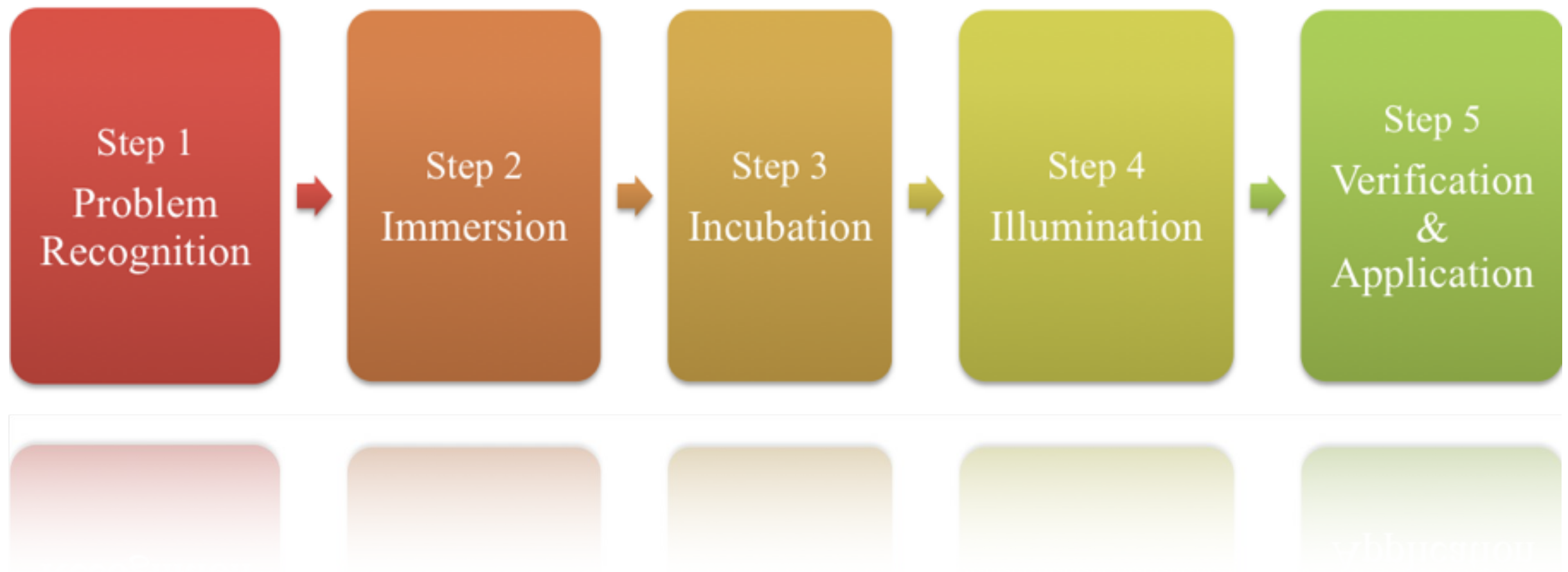
- Emotions can:
 - Point us in the right direction when making choices
 - 'Flood' our brains.
- Emotions are:
 - A key influencing factor in whether a problem, situation or choice is framed in a negative or positive way.
 - Tied to our belief systems



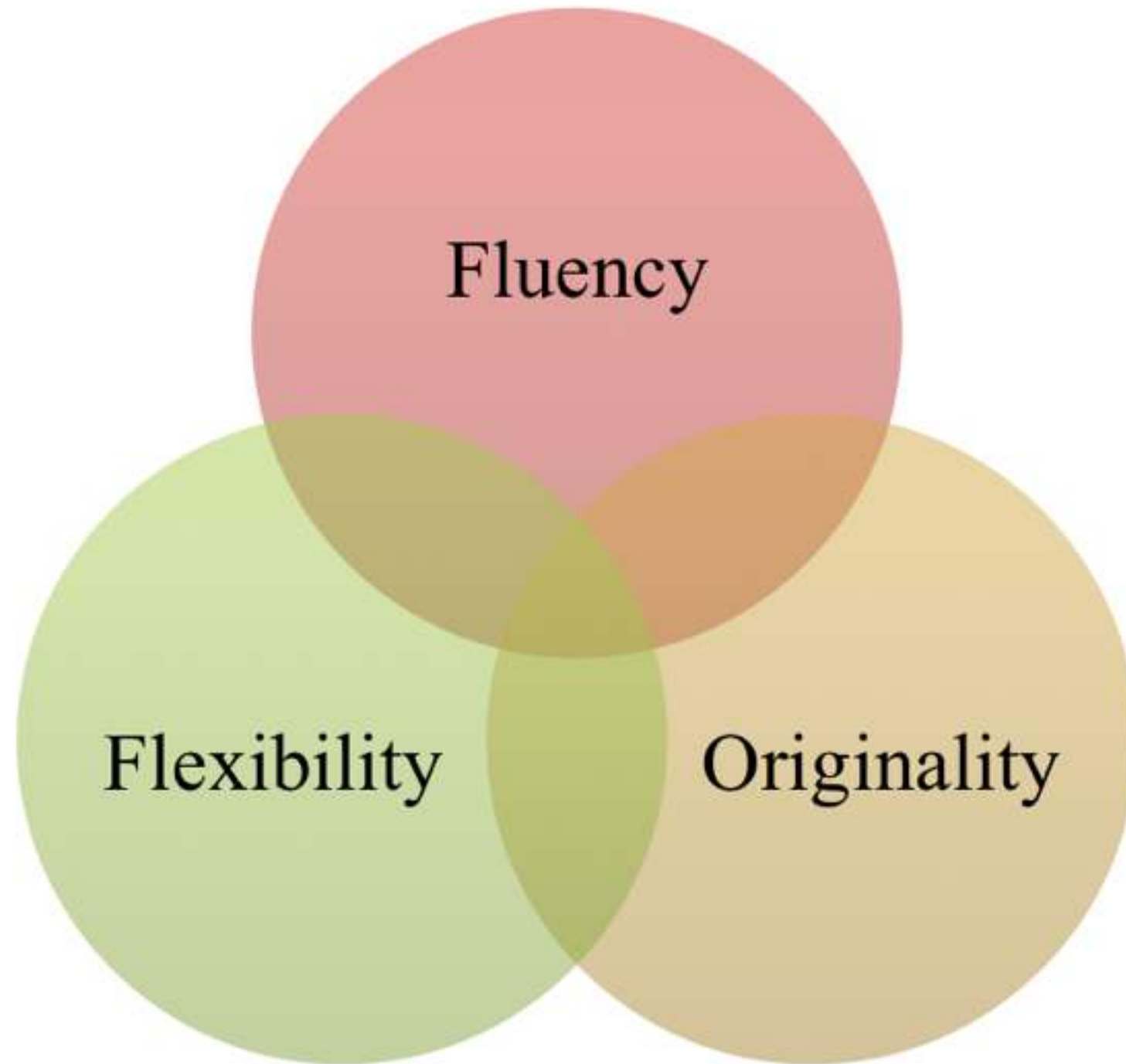
Intuition

- Intuition refers to tacit knowledge, or knowledge that we have access to at an unconscious level.
- Intuition is a powerful tool decision making tool
- Intuition can be found in the brain—in particular, the cells that regulate emotion are wired to other cells that notice patterns and make





Creative decision making process



Dimensions of creativity

Enhancing decision making: Critical thinking

- Critical thinking- disciplined intellectual process of evaluating situations or ideas and making appropriate judgments or acting
- Critical thinking skills
 - Inference
 - Recognition of assumptions
 - Deduction
 - Interpretation



Critical thinking errors

- Anchoring
- Status quo
- Sunk costs
- Confirming evidence
- Estimating and forecasting
- Framing



Group decision making

- Group decision making process whereby two or more individuals are involved in making a decision.
- Different employees bring different viewpoints to the discussion and may represent different constituencies.

Group decision making techniques

- Brainstorming
 - ▶ Process of generating a list of ideas within a group
 - ▶ Gather a group of interested individuals and ask them for solutions to a problem allow each person to offer ideas without any critique record ideas
 - ▶ Critique and prioritize
- The Delphi Technique
 - ▶ Panel of experts is asked to reach agreement after responding to a series of questions.
 - ▶ Focus group of experts each makes forecasts regarding a topic and provides justifications.
 - ▶ Forecasts and justifications are synthesized and summarized.

Think

What role do emotions play in your decision making? What role does cool dispassionate logic play?



Questions ?



Until next time

