**Unit 16 : Making-decision**



Making decision is the process of selection from alternatives. Decisions can be classified in different ways; one can distinguish between strategic, tactical decisions and basic or routine decisions. Three main rules can be followed when making decision :

* The minimax rule which guarantees a minimum gain by minimizing risks.
* The maximax rule, which is the opposite and where the aim is the highest possible return regardless of risks involved.
* The average rule is mid-way between the other two and aims to strike a balance between gain and risks.

Decision-making is not possible without the knowledge of a number of data. These data can be of two kinds; **primary data** which are available to all people; **secondary data** that are collected and used by people who need them. When a decision is to be based on secondary data, it is important to know how the data have been collected and how accurate they are before one can appreciate meaning and reliability. Data can also be internal (taken from the company’s records) or **external** (obtained from outside the organization).

In general, information is collected through direct observation or by surveys. There are three ways of **survey**: interviews, which can be formal with a set of questions or informal, questionnaires with yes-no questions or open-ended questions. The whole population is not concerned but just a group selected which is known as **a sample.** Questionnaires must be free from **bias or leading question**.

Finally, data should be presented according to certain criteria. Any characteristic that varies from one member to the other is **a variable**. The presentation mostly in use is **decision trees**, which shows the several future chance events affecting each decision.

**Comprehension:**

1. What are the kinds of decision?
2. What should be considered in making decision?
3. How we can get data to make decision?
4. How can we get a correct questionnaire?
5. How we could present data?

**Grammar:** *Preposition of place*

|  |  |  |  |
| --- | --- | --- | --- |
| **ON** | **IN** | **AT** | **UNDER** |
| On a bus  On the way  On the left (right)  On a ship (plane, train, a motorbike, a bicycle)  On a horse  On television  On the second floor | In a car (a taxi, a boat, helicopter)  In Park Street  In a row  In the sky  In the newspaper  In a lift  In the bathroom  In the world  In Paris | At reception  At the side  At the bottom  At the top  At college (University, school)  At work  At home  At the door  At a concert  At the dinner | Under a tree  Under a bridge  Under the water  Under the ground |