Research Analysis Report

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**Introduction**

Running a business requires decision making and with the rapid advances in technology and methods of communication, it means there is a demand of efficient communication with teams. Business leaders and managers have daily communication with team located in different geographical areas. For instance, Wal-Mart makes major decision daily and any wrong decision can create a critical damage to the company. Wal-Mart Managers are involved in decisions regarding the products production, logistic, hiring new employees, and also sales and marketing, which are critical important to the company (Ahmed, Bwisa, & Karanja, 2018, p. 23). Therefore, decision making is a critical component for efficient management of businesses. It is required of business leaders or manager to involve decision making process and tools when deriving at a better decision which is meant to spearhead a company to the next level. Hasty decision making could be a wrong decision, which can expose a company to a lot of risk. It is important for business leaders to be engaging and in the same process a better and appropriate decision is made. This report therefore, presents some of the key decision making process applied daily by several corporations. It analyses the three major decision making process, and decision making tools and technology.

Efficient decision making should be done after serious outthought to before deciding on any item. Corporate are usually have to identify decision, gather relevant needed information, identify the alternative, weigh the evidence, and choose among the alternative and take action and finally review the decision if it is making sense and meeting the core goals of a company. It is important to identify a problem before taking any (Patterson, 2015, p. 32). In decision making process managers should be clear and involve consultative measures. It ensures that a popular decision is made, which is beneficial to the entire stakeholders. In organizations, where leaders make unilateral decisions, there are high chances of failing to succeed in the market. For instance, Wal-Mart usually have key staff meetings, management meetings and board meetings as well. On these meetings key decisions are made based on the figures obtained through intensive research and analysis of the market. The competitive market requires collaborations and understanding among the key stakeholders. It helps to derive at appropriate decision hence better performance and profitability. According to Sousa, Galante Porto, Takenouchi, and Marcatonio (2015 ), the process of identification of decision is meant to ensure that various methods are considered and this is helpful in limiting or reducing the chances of making decision under the influence of any actions or events. In most cases, it is required to look into the alternative of various issues before deciding on the best decision For instance, in order for Wal-Mart to expand to India various issues were considered before that decision was made. First, a market research was conducted to determine the viability of the market. Based on the report, the decision was done based on the benefit the company would obtain if it invested in India. This is a clear testimony of the importance of the decision making process. It limits the risk because several options were weighed before a single decision was made.

**Decision making tools and technologies**

There are several elements which contribute to the success of any business. As stated by Ahmed, Bwisa, and Karanja (2018) the decision making is one of those components, which are critical for the success of business. However, for a successful decision to be made such decision must be weighed whether it is appropriate or not. Therefore, the decision making tools are decision matrix, T-chart, cost benefit and conjoint analysis. Although these are the tools, which might be used in decision making process, there are a number of processes, which are involved in the process. The key elements in decision making are to understand the repercussion of every decision. This could only be achieved is the decision is properly diagnosed to establish the interest of parties involved. In business, it is important to consider the interest of customers and the major stakeholders. Decisions which are made through a process are helpful in the limitation of risk and therefore, it is important for a company to involve every stakeholder when a major decision has to be made.

**Market Research**

Market Research is an essential tool for decision making. Most corporations or companies ensured that efficient research is conducted before any major decision is made. According to Fulop (2015, p. 23) market research focuses on gathering information on customers, competition in the market, and state of the market among other things. These are some of the strategic tools which entrepreneurs need to make efficient decision. For instance, Torrens usually conduct market research on how its products is perceived in the market in order to make decision regarding pricing, and introduce coupons or any other discounts which can make the product move fast. It is a strategic tool, which entrepreneurs normally use to make decision. Companies before investing in a new market, conduct intensive research about the market to understand every aspect of the market before taking any action (Muñuzuri & Gonzalez-Feliu, 2015, p. 32). This is critically important since it gives a company a clear understanding of a market. And therefore, the decision of whether to invest, expand in the market or not depends on a real data and therefore, it helps in the limitation of risk, which a company can be exposed to as a result of poor decision making.

**Decision matrix**

Decision matrix is a tool, which is used to analyze different options. It gives the managers an opportunity to look at other factors, which affect the before making decision. It is best tool for making Decision matrix is done using comparative analysis to arrive at the right decision. For instance, Wal-Mart makes decisions regarding its discounts and coupon after evaluation of its sales in the market for the previous period. The sales evaluation would allow the company to understand where action is required and therefore, immediately decision is made. Decision matrix is therefore, a key tool which is used by corporations regarding the future sales. Decision matrix is more of comparative and in the process where the company is not performing well is established and immediate action is taken. The decision must base on the market happenings to determine whether more business oriented actions is required.

**Cost-benefit analysis**

The cost benefit analysis focused on the financial benefit of a company. The decision is made based on what the company is expected to spend and its return. In business, the cost benefit analysis is applied the managers, CEO, and investors are making critical decision on where to invest especially on the stock exchange on a new market. It weighs the financial ramifications and the possible alternatives, which can be applied to achieve the best result from the investment. It mostly used by business leaders, investors and even managers to make critical decision based on the performance of a company (Reddy, 2018). The cost benefit analysis is applied mostly on issues related to investment and dealing with entering to a new market. For instance, Wal-Mart would apply the knowledge or the cost benefit analysis as a tool to address the challenges it faces, which relate to profit and loses and investment in a new market. Cost benefit analysis as a tool would be applied in deciding whether to invest outside United States or not (Ahmed, Bwisa, & Karanja, 2018). The company would be forced to analyze its performance and the amount required for it to investment and earned profit from the market. Therefore, the cost benefit analysis depends on the figures to earned and invested as well.

**Decision-making mistakes**

There are some mistakes, which business leaders usually make which affect a company badly. It is required of an individual to take his or her time before deciding on what to do or any action to take. Studies have indicated that decisions which are made in rush always lead to poor choices and therefore, it is important to take time before deciding on what to do (Michael, 2014). Jeff Miller, the director in charge of training and development for human resources and business performance solution highlighted that leaders usually make quick decision without consideration other key factors. This affect the company’s performance since such decision was made without thinking of the alternative (Colorni & Luè, 2015, p. 25). It is also important to note that avoid making decision can also hurt the reputation of business. And therefore, it is required for a business leader, manager to make quick and appropriate decision without delaying because such delaying may hurt the company. Many organizations have made mistakes when making decision but it is important for an organization to take necessary action to avoid such mistake again in the future. Avoiding these mistakes means that a company or a business leader must come up with the best method address the problem and the method could be through proper decision making.

**Source of Information**

The question, which has been asked, is the source of information which is used by business leaders to make critical decision. The source depends with the kind of decision which needs to make. It is important to state that Wal-Mart depends on its customer care data on major decisions regarding sales. However, the most appropriate source of information would be customers’ feedback, financial statements, marker research report, stock performance, and employees’ feedback. According to (Baker, Bridges, & Hunter, 2014, p. 32), this information provides detailed information regarding various aspect of business and therefore, it is important to use them to arrive at appropriate decision. These data would help a company with necessary information needed to solve the problem in the market and therefore, they can be used in making some of the major decisions in business. However, it is important for a company to conduct survey among its customer maybe monthly or quarterly to determine the perception of clients against or on specific items or the brand itself. The result could be useful in making appropriate decision which could help in spearheading the company to the right direction.

**Recommendation**

The study has established that decision making is essential for efficient management of a business and therefore, it is important for managers, CEO and nay other business leaders to involve key stakeholders when making any decisions. It is therefore, recommended for organizations to have a proper policies regarding the decision making, which can ensure that mistakes are limited. The fact that companies are involved in constant research, it means that customers are key stakeholders in many decisions which are made by several companies. It is therefore, recommended to have a proper way, which a company can use to engage customers. Therefore, it is important for organizations to have customer relationship management application because of its efficiency in providing feedbacks. This would be able to available efficient and update information to the company and therefore, major decision would be made easy and faster.

**Conclusion**

Every business leaders is required to make a major decision daily regarding the business. And therefore, the process of making decision is important since a wrong decision can lead to a lot of risk. In this report, the process of decision making is illustrated and key themes are highlighted as well. It is also established that sources of these information are critically important as well and therefore, it is important for a business to establish a proper mechanism of obtaining relevant information which are needed for decision making. Some of the key issues established to be essential are trends, actions, decision matrix, market research and decision tree. It is therefore, important for business leaders to have a clear method of data collection and application of these data as well.

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