Decision Making in the 21st Century

1 Value of the course to practicing managers

Decision making lies at the heart of management practice. A manager who understands how to make the right decisions at the right time will be far more effective than a manager who muddles through decisions without a clear view of what is going on.

This course will provide managers with an understanding of different types of decisions, and the different approaches to making decisions that may be appropriate in different situations.

It will enable managers to understand the psychology of decision making, how different types of people make decisions in different ways, and how a team of effective decision makers can be formed by combining different personality types.

Finally, it provides tools for decision making in the uncertain and chaotic environment of the 21st century, building on the lessons of 20th-century science. Relativity, quantum theory, chaos and complexity theory as well as social networking theory have shown the world to be far less predictable than we had thought, and have provided approaches to dealing with its uncertainty.

2 Practical outcomes

At the end of this course, delegates will:

❑ Understand what a decision is.

❑ Understand the difference between strategic, tactical and operational decisions.

❑ Have learnt about and practiced a series of tools for making strategic, tactical and operational decisions.

❑ Have a grasp of different approaches to decision making, and the circumstances where each approach may be most appropriate.

❑ Understand different levels of uncertainty in making decisions, and how to cope with them.

❑ Understand the rudiments of systems thinking, chaos and complexity theory, social networking theory, and how they apply to making decisions today.

❑ Understand the basics of different personality types, how they make decisions, and how they can be combined to make an effective decision-making team.

❑ Understand the basics of the part culture plays in decision making, and be able to see how their culture affects the way they make decisions.

❑ Take away a practical model for decision making that pulls all the above together in a simple framework.

3 Course Content

Throughout the course, a case study based on the telecoms environment in the region will be used to bring home the lessons learnt.

3.1 Day 1 – the basics

❑ Introductions and course objectives. Checking delegates' expectations.

❑ What is a decision – a choice, a process, a system?

❑ What is a good decision – process or outcome?

❑ Classroom discussion on delegate prework that has made them think about their decision contexts, how they make decisions, and how they react when making decisions under stress.

❑ Description and definition of different types of decision – strategic, tactical, operational.

❑ Different levels of uncertainty – introduction to models on different approaches to different types of decision.

3.2 Day 2 – the human side of decision making

❑ Recap on Day 1 – exercise.

❑ Different personality types. Use of the Myers Briggs model to help delegates identify their personality type. How different personality types make decisions in different ways.

❑ Group dynamics. How teams with different personalities develop and work together. How they make decisions together. Dangers of group dynamics (groupthink, etc.) and tools to counter them when making decisions.

❑ Culture – three levels and seven dimension of culture. What this means for decision making in different cultures. Feedback from delegates as to their decision-making culture based on course prework.

❑ The psychology of decision making under uncertainty. Some of the principal decision traps (framing, anchoring and adjusting, etc.).

3.3 Day 3 – Rational decision making, why it does not always work, and some alternative approaches

❑ Recap on Day 2 – exercise.

❑ Tools and models for "simple" situations. Two effective tools for making rational decisions.

❑ Examples of decisions where a rational approach has not worked.

❑ Bounded rationality – doing just enough.

❑ Adaptive decision making. Reverse and forward thinking.

❑ The naturalistic approach – using our intuition.

❑ Narrative approaches – using stories to make and implement decisions.

❑ Computer models for decision making – what is their place and how can they be used?

3.4 Day 4 – Introduction to key concepts in chaos, complexity and social network theory, and how they apply to making decisions

❑ Recap on Day 3 – exercise.

❑ Chaos theory – butterfly effect, ambiguity of cause and effect, attractors, fractals.

❑ Complexity theory – network effects, phase transitions, tipping points, coevolution.

❑ Social networks – degrees of separation, how ideas pass between people like viruses.

❑ 7 principles for deciding in an uncertain and complex world.

3.5 Day 5 – bringing it all together with the STCA Model

❑ Recap on Day 4 – exercise.

❑ Descriptive, prescriptive, normative and generative decision models.

❑ Introduction to the See-Think-Choose-Act model. Its purpose as a generative, rather than a prescriptive model.

❑ See – detailed description of substages and tools that can be used

❑ Think – detailed description of substages and tools that can be used

❑ Choose – detailed description of substages and tools that can be used

❑ Act – detailed description of substages and tools that can be used

❑ Half-day case study final in-depth exercise.