From the Preface

This book presents methods for strategically making decisions using quantitative, spreadsheet-based, decision analysis methods. The intended audience is anyone responsible for decision making in an organizational setting, and the book provides a framework for thinking about decisions strategically, as well as practical tools that the reader can immediately apply. The book is suitable for use in classes on decision making, as well as for self-study.

Rules of thumb, intuition, tradition, and simple financial analysis are often no longer sufficient for addressing such common decisions as make-versus-buy, facility site selection, and process redesign. In general, the forces of competition are imposing a need for more effective decision making at all levels in organizations. The ongoing restructuring of businesses and other organizations increases the usefulness of the material in this book for a wide range of managers, analysts, and engineers. Traditionally, strategic decisions involving multiple competing objectives and significant uncertainties have been considered primarily the concern of top executives. However, with the current emphasis on downsizing and flattening organizations, individuals at lower levels in organizations must be concerned with such tradeoffs as cost versus quality, cost versus timeliness, or market share versus short-term return on investment.

The methods in this book have been applied for over twenty-five years, and they have a demonstrated capability to improve decision making. The methods have traditionally been considered advanced, in part because early presentations were framed in a mathematical terminology that is not familiar to many managers, and in part because early implementations of the methods required specialized software. This book brings the methods to a broader audience by explaining the intuitive basis for the methods, as well as how to implement them using spreadsheets.

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Strategic decisions are those decisions that have an influence over years, decades, and even beyond the lifetime of the project. Once a strategic decision is made, it is very unlikely to be altered in the short term. The most critical strategic decision is the design of the BSC network, which includes the selection of biomass suppliers, location of preprocessing facilities and Strategic decision making is important as it gives a way forward to the company for better growth and profit & guides the company in bad times. When you are implementing plans which will show positive or negative results only after 4-5 years, the risk in strategic decision making is huge. Overall, a firm can move forward only if it has taken the necessary strategic decisions. Furthermore, whether the decisions were right or wrong, can only be proved only over a long period of time. Keywords: Strategic Decision Making, Decision Making, Management Science, MSMEs. Business Management and Strategy. ISSN 2157-6068. The theory predicts that decision makers tend to be risk averse. in a domain of gains (or when there is a favorable anticipation).