

# Critical Decision Making

Presented by

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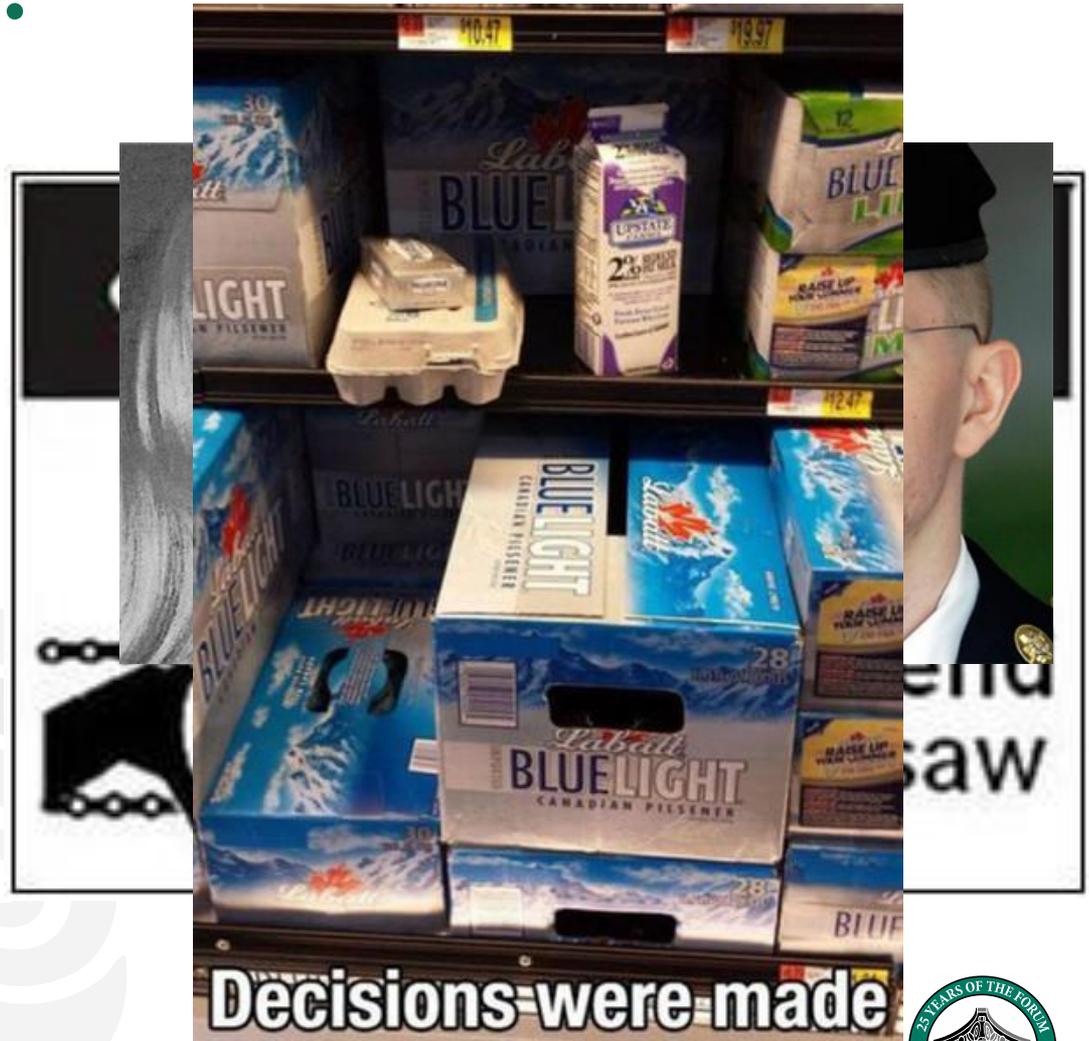
# Critical Decision Making

Purchasing Agents  
Make it Happen



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# Bad Decisions?



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# What is the Secret of Successful Decision Making?

Making the right decisions.

How do you make right decisions?

By experience.

How do you get experience?

By making wrong decisions.



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# Objectives

- Types of decisions
- Evaluate your decision fitness level
- Provide a variety of perspectives for the decision making process



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# Objectives

- Maximize creativity and logic in decision making
- Acquire decision making tips and techniques that will accelerate and improve results
- Avoiding Decision making traps and how to handle them



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# The Definition of Decision Making

Write a one sentence definition of

## DECISION MAKING

The process of examining your possibilities options, choices, comparing them, and then deciding on a course of action.



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# Decision vs. Choice



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# Types of Decisions

## 1. Programmed

## 2. Non-Programmed

- Willpower
- Discipline
- Motivation
- Information



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# Types of Decision

## Programmed Decisions

### Binary Decision

Yes/No    True/False    Up/Down



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# Types of Decision

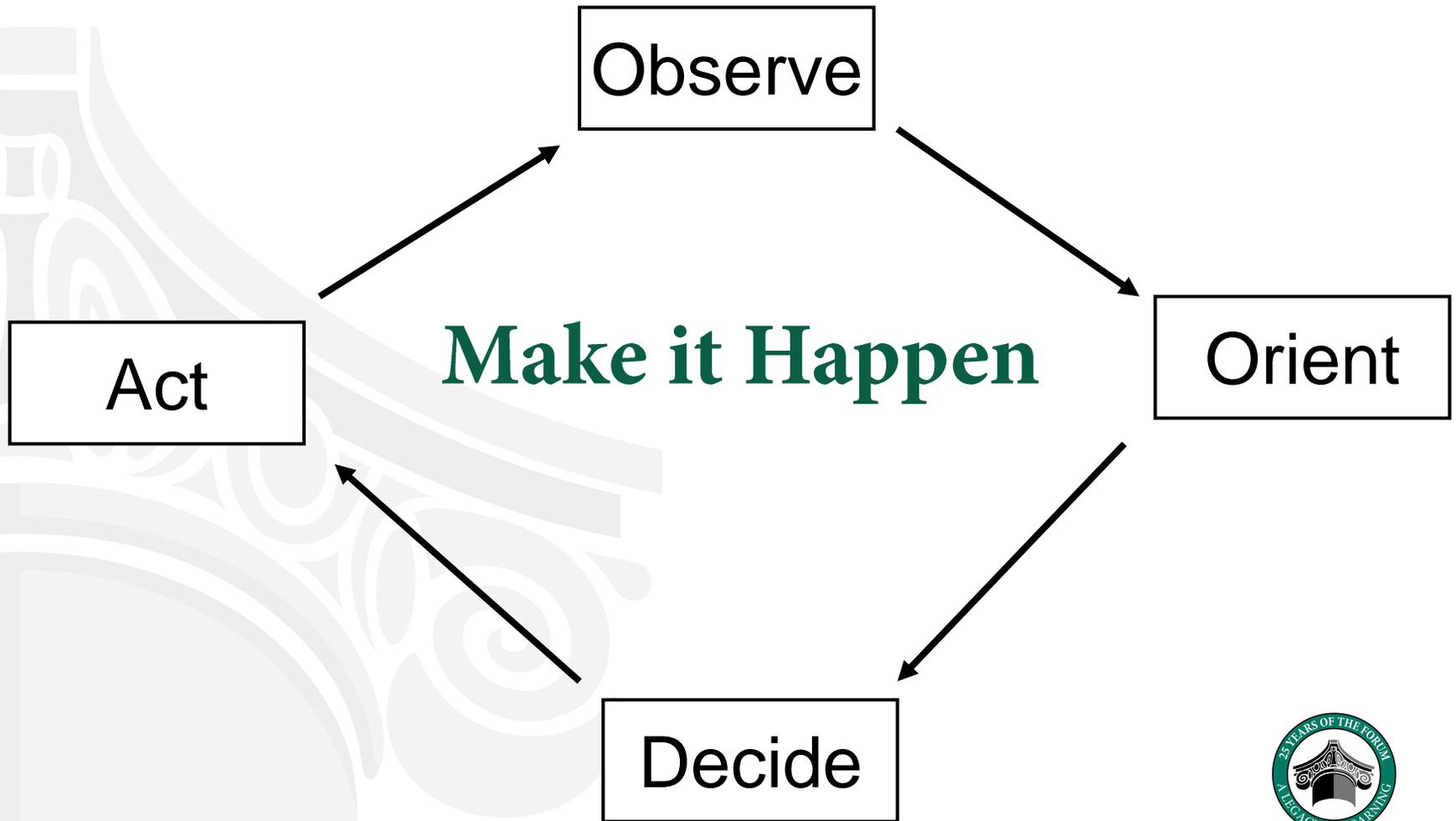
## Non-Programmed

- Crisis
- Critical
- Complex Dynamic Systems
- Adaptive Management Systems



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# Critical Decision Making



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# Questions to Ask Yourself

- What do you want and do you understand your goal?
- Where are you now?
- What results do you desire?



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# Are You Decision Fit?



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# Fitness Results

- **110 – 125 Very High Decision Fit** – You seem to be very decision fit and systematic in your decision making. This skill will be an asset in making good procurement decisions.
- **99 – 109 High Decision Fit** – You have a high decision fitness level in making good decisions. Keep up the good work.
- **75 – 99 Average Decision Fit** – This score indicates that you could use more information on how to make strategic decisions and to also identify what you truly value.



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# Fitness Results

- **50 – 74 Below Average Decision Fit** – You could use more information about decision making. Talk to your mentor to help you look at how you can improve your decision making skills to become more successful. Plus it may be a wise idea to take this workshop over again.
- **25 – 49 Low Decision Fit** – See the presenter after this workshop to help you clarify your needs, and values.



# Critical Decisions

Decisions Shape Your  
Purchasing Future

Decisions Skills Must be  
Learned



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# The Decision Formula

How should I go about making  
What decision should I make?  
this decision?



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# Your Internal Decision System

- Core beliefs
- Purchasing values
- Questions that you ask yourself
- Emotional experience at that moment



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# Decision Traps

*“I am not discouraged, because every wrong attempt discarded is another step forward”*

*Thomas Edison*

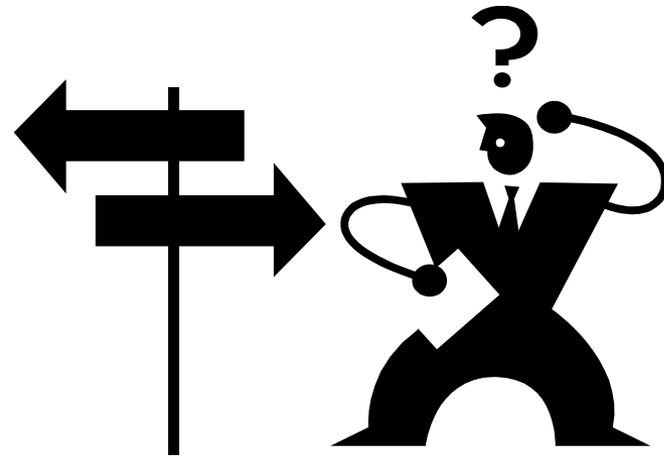


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# Decision Traps

## Biased Judgments

- Confirmation Bias
- Anchoring Bias



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# Decision Traps

- Overconfidence
- Sunken-Cost Effect
- Not Asking the Right Questions
- Decision Fatigue
- Intuition



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# Five Steps For Communicating Intuitive Decisions

1. Here's what I think we face.
2. Here's what I think we should do.
3. Here's why.
4. Here's what we should keep our eye on.
5. Now, talk to me



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**How do you approach the decision making process?**

**What consequences have you experienced?**



**Decisions**

**How badly do you need that toilet paper?**



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# Survival Kit Exercise

- Sextant
- Shaving mirror
- Mosquito netting
- 25 liter container of water
- 1 case of army rations
- Ocean charts (maps)
- Floating seat cushion
- 10 liter can of fuel
- Small transistor radio
- 20 sqft. plastic sheeting
- Can of shark repellent
- One bottle of rum
- 15 ft. of nylon rope
- 2 boxes of chocolates
- Fishing kit & pole



# Scores

00 – 25 **Excellent** – You demonstrated great survival skills. You are Rescued!

26 – 32 **Good** – Above average results. Good survival skills. You are Rescued!

33 – 45 **Average** – Seasick, hungry and tired. You are Rescued!

46 – 55 **Fair** – Dehydrated and barely alive. It was tough, but rescued and will live to write another RFP.



# Scores

56 – 70 **Poor** – Rescued, but only just in time!

71 + **Very Poor** – Your raft and an empty bottle of rum have washed up on a beach somewhere, weeks after the Coast Guard called off the search and rescue operation.



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# Complex Dynamic Systems

Decision Point

Right?  
Wrong?

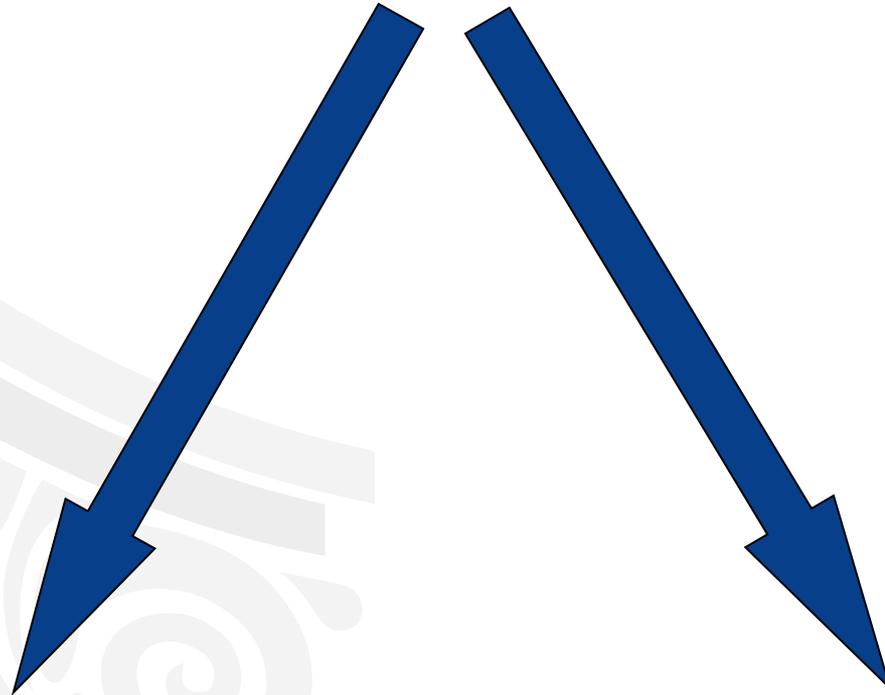
Wrong?  
Right?



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# Adaptive Management System

Decision Point



Path A?  
Right?

Opportunities

Path B?  
Right?



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# Before Making a Decision

- Focus immediately on the Adaptive Management System
- Do your homework
- Establish your priorities
- Trust your impulses
- Lighten up



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# After Making a Decision

- Throw away that expectation picture
- Accept total responsibility for your decisions
- Don't protect...correct



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# How Decisive Are You?



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# Stuck in Indecision?

## Five Strategies for getting unstuck

- Get a fresh perspective
- Get some expert advice
- Be open to alternatives
- Ready, aim, fire
- Find a way to take action while you decide



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# The Power of Decision

- Decide what you want
- Take action
- Notice what works or not, and;
- Change your approach until you achieve what you want



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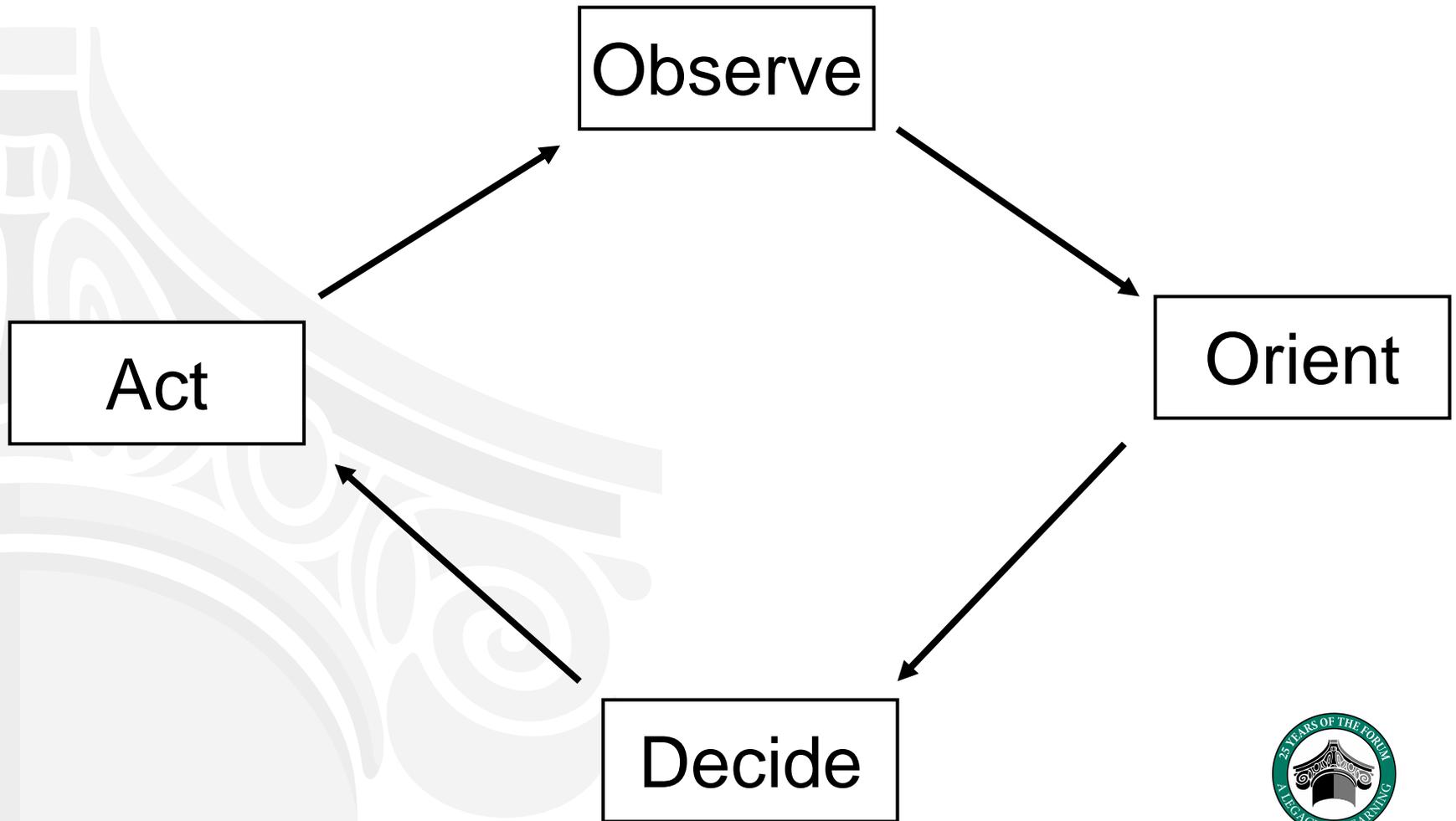
# Harnessing the Power of Decisions

- You have the power of making decisions
- Make a true commitment
- Make decisions often
- Learn from your decisions
- Stay committed, but flexible in your approach
- Enjoy making decisions



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# Critical Decision Making



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**Purchasing Agents will either  
find a way, or make one.**

**Make it happen.**



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# Top 10 List of Bad Decisions

10. Making the decision to use a doctor whose office plants have died.
9. Making the decision of indecision.
8. Making a bid closing date on a state holiday.
7. Providing your cell phone number in an RFP.



# Top 10 List of Bad Decisions

6. Making a password on your computer that has 26 characters.
5. Texting while your drinking.
4. Making the decision to take a sleeping tablet at the same time as your laxative tablet.



# Top 10 List of Bad Decisions

3. Giving your wife a Lowes gift card on your anniversary.
2. Making the decision to do yoga after eating Mexican food.
1. Hitting the “reply all” button.



# When faced with a tough decision, ask yourself

What would Sponge Bob Square Pants do?



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