**1.What Is Management By Objective(MBO)**

Management by objectives (MBO) is a systematic and organized approach that allows management to focus on achievable goals and to attain the best possible results from available resources. It aims to increase organizational performance by aligning goals and subordinate objectives throughout the organization.

**1b.Describe the MBO process**

The MBO has six basic step process which are;

1. Performance evaluated
2. achievers reward
3. MBO for the next operating period begins
4. Organizational objective reviewed
5. Employee objective set
6. Progress monitored

**1c. What is the Usefulness of MBO to a business Organisation?**

Planning:- Planning is an essential part of management, Planning enables the organization to design the activities in such a manner that the goals and objectives can be attained effectively while providing the sense of involvement and team spirit among the employees. This way, employees are supposed to contribute their part in a positive manner. Thus, MBO, being extremely result oriented, involves making realistic plans and participative decision making which enables to attain the goals and objectives in a way as intended and planned.

Formulating clearer goals:-MBO is a great way to lead the employees at all levels of organization to have a common direction. MBO, aiming at effective utilization of human resource seeks to achieve the coordinated structure of activities by integrating the individuals with the organization provides harmony of objectives by making every employee more effective that in turn leads to attain the predefined objectives effectively and efficiently.

Motivation and commitments:- The process of MBO leads to greater motivation and commitment. Since it creates the sense that each and every employee is working for a common goal, it in stills motivation and commitment in the attainment of objectives in a way as wanted.

Effective control:- MBO facilitates effective control and monitoring the activities of the employees.

 **2. Define a decision**

Decisions are choice made between alternative courses of action in a situation of uncertainty.

 **2b. Describe the Rational Decision-Making Process in Business**

 Rational approaches to decision making attempt to evaluate factual information through the use of some type of deductive reasoning. The decision making include the following steps

1. recognize the need for a decision
2. establish ,rank and weigh the decision criteria .
3. gather available information and data about the product
4. identify possible alternatives
5. evaluate each alternative with respect to all criteria
6. select ht e best alternative