**NAME: OBILOM DIVINEFAVOUR AMARACHI**

**MATRIC NUMBER: 16/SMS03/017**

**COURSE: BUS410 CORPORATE PLANNING**

**A decision to move into a new market as Boyd’s pyro media did is a major decision. How could Boyd have used the decision-making process to help her make this decision?**

There are various stages under decision making process that must be followed in other to make a good decision. They are:

1. Identify a Problem
2. Identify Decision Criteria
3. Allocating Weight to Criteria
4. Developing Alternatives
5. Analyzing Alternatives
6. Selecting an alternative
7. Implementing the Alternative
8. Evaluating Decision Effectiveness

**Identify a Problem**

The decision-making process begins with the existence of a problem or, more specifically, a discrepancy between an existing and a desired state of affairs. Under identifying a problem the problem identified is Pyro Media Recognized that business was falling off bringing about loss of revenue.

**Identify decision criteria**

Once a manager has identified a problem that needs attention, the decision criteria important to resolving the problem must be identified. That is, managers must determine what is relevant in making a decision. In this case the decision criteria’s are opportunity cost , time , quality, risk and efficiency.

Opportunity cost

Opportunity relating to in as much as they want to solve the identified problem pyro media they want to still meet their objective of providing ceramic pot for their consumers.

Time

Time requirement in the sense that they has little time to identify the problem and get a solution before their competitors take them out of market.

Quality

Quality relates to the kind of product being sold to consumers that is the quality of the product and serves that can be produced in trying to solve the identified problem.

Risk

Risk relates to the risk involved in trying to solve the identified problem for instance the chances of them making profit from the invested money into business. In as much as they believe their idea of solving the problem is the best way they know there is still this uncertainty in what the outcome would be.

Efficiency

Efficiency relates to being able to meet the required specification in terms of producing what they actually intend to produce and meeting up the specification of the consumers and at the required time and cost.

**Allocating weight to criteria**

The criteria listed in the previous step are not all equally important, so the decision maker must weigh the items to give them the correct priority in the decision. The idea is to use your preferences to assign a priority to the relevant criteria in your decision as well as to indicate their degree of importance by assigning a weight to each.

|  |  |
| --- | --- |
| **CRITERIA** | **WEIGHT** |
| **Opportunity cost** | **1%** |
| **Time** | **5%** |
| **Quality** | **2%** |
| **Risk** | **4%** |
| **Efficiency**  | **3%** |

**Developing Alternatives**

The fourth step requires the decision maker to list the viable alternatives that could resolve the problem. No attempt is made in this step to evaluate these alternatives, only to list them.

Pyro media should consider buying over some of its major competitors in other to expand its business or look into high-tech ceramic applications: in other words, using the same technology that Boyd had developed and used in making ceramic pots and applying it to a new area.

**Analyzing Alternatives**

Once the alternatives have been identified, the decision maker must critically analyse each one. The strengths and weaknesses of each alternative become evident as they compared with the criteria and weights established in steps two and three. Each alternative is evaluated by appraising it against the criteria.

Some assessments can be achieved in relatively objective fashion.

 It’s better for pyro media to use the alternative of looking into high-tech ceramic applications: in other to use the same technology that Boyd had developed and used in making ceramic pots and applying it to a new area. This can be achieved by hiring a ceramic Engineer and going after the ceramics “castables” market rather than trying to buy off its major competitors to expand its business because the competitors may not accept its offer and even if they do it would be at a very high cost which might not be cost efficient to the business as much as hiring a ceramics Engineer to help them go into the new market.

**Selecting an alternative**

The sixth step is the critical act of choosing the best alternative from among those listed and assessed. We have determined all the pertinent factors in the decision, weighted them appropriately, and identified the viable alternatives. Now we merely have to choose the alternative that generated the highest score in step five.

At the end of the day the alternative to be selected is looking into high-tech ceramic applications: in other to use the same technology that Boyd had developed and used in making ceramic pots and applying it to a new area. This can be achieved by hiring a ceramic Engineer and going after the ceramics “castables” market.

**Implementing the Alternative**

Although the choice process is completed in the previous step, the decision may still fall if it isn’t implemented properly. Therefore, step seven is concerned with putting the decision into action. Implementation includes conveying the decision to those affected and getting their commitment to it. Groups or teams can help a manager achieve commitment. The selected alternative was implemented and the only way to implement a system is by putting it to action and this was done in pyro media effectively.

**Evaluating the Alternative**

This is the last stage in the decision making process and this stage appraises the result of the decision to see if the problem was solved. After pyro media implemented the alternative selected it came out successful. The company’s decision to move into this new market has been so successful that the one engineer has since been joined by seven others.

**Would you call declining revenues a problem or a symptom of a problem? Why?**

Declining of revenue is a problem because upon investigating the situation, Boyd found out that huge corporations had begun importing and distributing terracotta planters, essentially stealing away her business. Boyd knew that she had to do something. So I think it was a problem that needed urgent attention to enable Pyro media say in market and not get kicked out by its competitors.

**Do you agree with Boyd’s assertion that being able to recognize a problem is critical, especially for small businesses? Why or Why not?**

I agree and this is because small businesses have no money to waste and no time to waste. If problems are ignored and not analyzed, the business might face quick failure. This is because small businesses requires a lot of commitment as they do not bring a lot of returns and the smallest mistake of the decision maker that is the manager can bring about loss . I know loss in business is unavoidable sometimes but the avoidable ones should avoided and as quick as possible.