Table 1: Rational Decision-making Process

Step	Process	Criteria and Techniques
1	Find and define the problem	A problem can be defined as the discrepancy between the existing state and the desired state of affairs. Ask five to seven "whys" to clearly define the problem. For example: • Why are the monthly sales below sales target? (Because production is below output target.) • Why is the monthly production output below target? (Because the key raw materials are out of stock.) • Why are the key raw materials out of stock? (Because of late delivery of the materials.) • Why the late delivery? (Because the finance department has delayed the payments to the creditors.) • Why delayed payment? (Because lack of good financial planning.) After asking five "whys", the root of the problem lies with the lack of financial planning.
2	Generate alternatives (use the right brain)	Creativity is the ability to generate ideas that are both innovative and functional. Use your right brain (divergent thinking) to generate alternatives or ideas. In the process of generating alternatives, allow your brain to run a little wild. Avoid the following idea killers: • It won't work here. • We're tried it before. • You're ahead of your time. • It's not in the budget. • Management wouldn't go for it. • It costs too much. • Someone else has tried it.
3	Evaluate alternatives (use the left brain)	In screening the alternatives, your left brain (convergent thinking) is required for analysis. Some of the techniques that can be used to systematically evaluate each alternative are decision-tree, cost-benefit analysis, payback period, and discounted cash flow. Each alternative is evaluated by appraising it against decision criteria such as time, cost, quality, ethical constraints, acceptance, and primary and secondary consequences. Each criterion is allocated a specified importance. Upon evaluating all the alternatives, each one is ranked in ascending order.
4	Choose the best alternative (use the whole brain)	The whole brain (both divergent and convergent thinking) is essential at this stage. On the basis of the decision criteria identified and the importance attached, the alternative that scored the highest will emerge as the "best". Each criterion is evaluated against the following: • Time to implement and get result. • Cost of implementation. • Quality of alternative. • Ethical consideration. • Level of acceptance for those parties affected. • Primary and secondary consequences.
5	Implement the selected alternative	In implementation, it is essential to define the level of management involvement (how many levels) and the degree of involvement. In some cases, it is important for top management to be involved in order to enhance or ensure success rate.
6	Evaluate result	Always keep track of the results periodically. If the results do not address the problem or are off track, we may have to review the earlier five steps to see if we are solving the wrong problem, the wrong alternatives, or lack execution power for some reason. It is crucial to continuously understand and evaluate the decision-making process and learn from feedback or mistakes.