

SMART CHOICES



ALTERNATIVES

Alternatives: those raw materials for decision-making and are the range of potential choices you have.

A couple of things to ponder when you're thinking about alternatives is that you can never choose an alternative that you haven't considered. And no matter how many alternatives you have, your chosen alternative can be no better than the best of the lot that you've gathered together.

So, this rather suggests that new and creative alternatives can be very rewarding and obviously shouldn't be overlooked.

What limits or results in poor alternatives:

- Assuming you know what the options are and therefore you don't get alternatives enough consideration
- Carrying on business as usual
- Choosing the same alternative that you've chosen for a similar decision problem prior
- Taking the easy way out, usually a result of laziness or habit
- Falling back on default alternatives
- Considering you have no alternative better than the default alternative
- Choosing the first possible solution
- Incrementalizing

LECTURE NOTES

Chapter 4

PrOACT stands for **P**roblems, **O**bjectives, **A**lternatives, **C**onsequences and **T**rade-offs

Incrementalizing: the process of making just smaller, sometimes even meaningless changes to previously devised alternatives with no fresh perspectives.

Creating fresh alternatives requires effort.



Always look for one more or possibly better solution once you've discovered the possible solution. Don't stop at your first choice. Sometimes you'll be presented with alternatives by others, and you limit yourself to just choosing from those alternatives. These alternatives may not even be applicable to you, they were alternatives for others. If you wait too long to choose between alternatives the best alternatives may no longer be available, a timing issue.

How do I go about generating better alternatives?

- Use your objectives by asking yourself, how can I achieve the objectives I've set?
- Challenge the constraints once you establish what your objectives are and refresh your mind what those are. Is a constraint real or is it an imagined barrier? One way to determine whether it's real or imagined is assume the constraint doesn't exist, and then try and create alternatives.
- Set very high aspirations. Set targets that seem to be beyond your reach.
- Do your own thinking first and then seek the advice of others. If you seek the advice too early it may limit your own creativity.
- Learn from experience. Use this as a starting point; otherwise you may fall into the business as usual trap.

- Ask others for suggestions. This may seem counterintuitive to do your own thinking first, but again, think first and then seek the advice of others. Sometimes those that are a little distant from the problem may see a solution more clearly. The process of just talking about the problem and organizing your thoughts into explanations may help you discover new possibilities.
 - Give your subconscious time to operate. Step away. Do something else. Many alternatives will start coming to you when you are not trying to think of them.
- Create your alternatives first, and then later evaluate them. This is the same thing we do with brainstorming. Any and all alternatives or thoughts or processes are laid out, even those that seem crazy. Crazy may end up being creative in the end.
- Never stop looking for alternatives no matter where you are in the process as you get further down the road in the decision making process alternatives may surface, and those should be considered.
- Tailor your alternatives to your problem.

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FOUR CATEGORIES OF ALTERNATIVES

1

Process alternatives – when you choose a process rather than a clear-cut choice; such as, choosing between two options by tossing a coin. Voting is a process, binding arbitration, standardized test scores to determine a way of establishing a cut off, for example, sealed bids, auctions, etc.

2

Win-win alternatives – alternatives that are good for all parties. Step back, analyze all the stakeholders' decision problems and then make other stakeholders alternatives jive with yours. In this case, you both win or all win.

3

Information gathering alternatives – when there are uncertainties affecting the decision. Here, you would want to generate alternatives for gathering information to reduce the uncertainty. In this case, list all the areas of uncertainty. For each uncertainty, lists the possible ways to collect the needed additional information. (i.e., comparison shopping or getting second opinions, etc.)

4

Time buying alternatives – when you are actually differing a decision. This provides you time to better understand the problem, the objective and gather that relevant information. Sometimes you need to perform some complex analysis.

So how do you know when you're done?

The perfect solution seldom exists. So you're going to have to settle for something less than perfect. Carefully and thoroughly determine your alternatives, but don't be obsessive about it.

How will you know when enough is enough?

If you can answer **yes** to the following questions:

- 1 Have you thought hard about your alternatives? And again, you're using the techniques that we have discovered in this session.
- 2 Would you be satisfied with one of your existing alternatives as a final decision?
- 3 Do you have a range of alternatives and are some of them distinctly different?
- 4 Do other elements of this decision require your time and attention?
- 5 Would time spent on other decisions or activities be more productive?

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SUMMARY

Alternatives are very important. They are the raw material for making decisions. You can't choose from an alternative that you haven't considered and your best choice can be no better than the alternatives that you have listed.