

Discussion topics for management course - united states

[Business](#), [Human Resources](#)



Making Businesses Decisions Introduction Decision-making is an important practice in business management and administration, something that propels business to success or failure depending on how the decisions are made. Good decisions in the management process enable businesses to make good use of resources in achieving certain goals and objectives (Singh, 2010). Business decisions that are made without regard for set procedures often lead to business failure in its strategies.

In the process of creating competitive advantages, business executives have a duty to ensure that the values of all employees in the business are considered when making certain decisions. In this case, employees feel motivated and increase their dedication business practices, something that enhances its chances of success and quality outcomes.

Business decisions under risks or uncertainty

It is important for business executives to understand that risk and uncertainty are not actually similar. Uncertainty often concerns possible results and outcomes, which are not known to the business managers. On the other hand, risks can be described as certain kinds of uncertainties that involve actual probabilities of loss for various outcomes (Ferrell & Fraedrich, 2005). In this case, it is evident that situations involving risks can be accounted for easily as compared to those involving uncertainties.

The process of making decisions based on risky conditions has to seek, where possible to provide a definite identification of risks, quantifying and absorbing them. In this case, business executives have to understand that the quantity of a risk is often equivalent to the total of all the probabilities relating to the particular risky outcome, alongside the expected loss from the

outcome.

From the foregone discussion it is evident that business managers are better placed to account for the management outcomes that are made under risky situations than those involving certainties. One of the most important aspects of a business' management decision-making process is accounting for the outcomes. Accountability, in this case is needed in the process of making assessments and evaluations, which are important in the growth and development stages of the business (Ferrell & Fraedrich, 2005).

Business managers are expected to avoid uncertainty situations in the business, this is because, they often lead to many losses in the management process. Risky situations can often bring positive outcomes depending on the effectiveness of the decisions made in the business. This is the reason why business managers that make effective decisions over risky situations like the changing external business environment often achieve greater competitive advantages after the success of their decisions. This underpins the preference for making decisions under risky situations as compared to situations involving uncertainties.

SWOT Analysis

JPMorgan Chase deals in the financial market in the United States, offering various banking services to its clients in the US and other countries it has reached. One of the advantages the company has from its SWOT analysis, which gives it competitive advantages, is a stable capital base (JPMorgan Chase & Co., 2013). The company's adequate capital base has been necessitated by its capital management practices and investment in weighted assets that have moderate risks.

Another important advantage the company has is its diverse business mix, which has made it diverse its risks. The company has six main segments that comprise of investment banking, asset and corporate management, commercial banking and securities and treasury services (JPMorgan Chase & Co. 2013). Additionally, the bank has an established line of business made up of five main areas that include; community and consumer banking, commercial banking, investment and corporate banking, asset management as well as private/corporate equity services.

Normally, a company's competitive advantages are derived from its SWOT analysis (Fine, 2009). The SWOT is an important tool that helps business to understand its position in the market, though an assessment of its operations. This way, a business can work on its weaknesses and threats to establish competitive advantages that make it successful.

References

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