The sunk cost, status quo and frame traps, that of confirming evidence, and imple…

The paper " The Sunk Cost, Status Quo and Frame Traps" is a great example of a term paper on business. In the current constantly advancing business world, adoption of the best decision-making platform has always been a very crucial subject of concern. Managers, professionals and other key business stakeholders are fighting tooth and nail to ensure that the best approach or model is implemented in making sound decisions for a business. This is in terms of issues such as investment, cost analysis among others. On this regard, this paper focuses on the choice and implementation of an appropriate decision-making model via an account of the company, BSE Veterinary Services (Walker, 2009). Upon a thorough analysis of the business requirements at the company, it is important to outline that I would use the seven-step decision-making model to aid me in ensuring that I come up with the best decision for the company (Walker, 2009). The decision subject of concern in this case study entails whether or not the company should include an additional shift to cater to 18, 000 tests. In this sense, the seven-step decision-making model will initiate by identification of the decision problem. This is then followed by an analysis of the company strengths, weaknesses, opportunities and threats behind the execution of the decisions. Thirdly, it is the identification of decision options. Fourth is the gathering of relevant information and data necessary for sound decision-making. The fifth is the evaluation of options that are expected to solve the problem. Sixth is a selection of the best option while lastly, it is the development of an action plan (Walker, 2009).

It is crucial to note that a considerable set of five significant decision-making traps place me in danger of clouding my judgment. These traps include the

anchoring trap. This trap involves providing judgments or final decisions based on estimated values. In this case study, it is expected that that number of tests will rise to 18, 000. This means the value can even be much larger or smaller. Thus, this brings in considerable cloud effect on my final decision (Walker, 2009).

The second decision-making trap that is likely to cloud my final decision is the status quo trap. Here, the main concern is the effect of the decision I make on my reputation at the company. That is, the decision can end up providing a positive or negative effect on my reputation. This is a very disturbing concern in my decision-making process.

Thirdly, it is the sunk cost trap where the focus is making the final decision based on past decisions. This is a key concern in my final decision. That is, am a bit concerned about getting the same results as that of the past decisions that were applied in situations like the one at the company (Walker, 2009).

The fourth decision-making trap that clouds my judgment is that of confirming evidence. That is, my main emphasis has laid on information that supports my existing decision. In this sense, I try to avoid information that contradicts my preferred judgment. Lastly but certainly not the least, is the frame trap where I am ready to averse the risk of taking the decision since, I consider it as a way of improving the company gains (Walker, 2009).

Sound decision-making is clearly a very important requirement in ascertaining that the company is successful in its day-to-day business operations. On this regard, a significant set of tools and techniques will aid in making better decisions for the company. Two main tools will facilitate

smooth decision making for the problem at BSE Veterinary Services. These are a cash flow forecast and a budget. A budget entails a well-organized financial plan for the future. On the other hand, cash flow forecasts to aid in determining the future flow of costs and revenues. This information is very crucial in ensuring that sound decisions are made.

It is also important to clarify that the best technique in making better decisions is to apply a set of seven steps in the decision making the process. These steps begin by clarifying the decision problem followed by specifying the criterion. The third step is to identify the alternatives. The fourth step, which is very important, is developing a decision model. The fifth is the collection of data necessary to support the final decision. Sixth is to select alternatives while the final step is to evaluate decision effectiveness (Walker, 2009).

It is vital to note that upon a thorough of the costs and benefits behind each of the tests, my final judgment is to go by the decision of allowing for the additional shift necessary to cater for the projected 18, 000 tests to ahead as planned (Walker, 2009).