

Management

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February 21, Decision-Making for Equipment Purchase The most important factors considered in making the equipment purchase decision are the “must” features, especially pricing and flexibility, although other critical decision criteria are lower uncertainty and negative effect on workers and the work environment (Liebler and McConell 117). The first choice is a maximising choice based on the designated set of criteria, while the second choice is a satisficing decision in relation to the minimal criteria that is considered acceptable (Liebler and McConell 119). Brand A is chosen as the first option because it maximises the “must” and “want” criteria, as well as having lowered uncertainty and risks through the lowest negative impact on the environment and employees, while Brand B is the second choice because it is satisficing in relation to the minimal criteria of “must” and “want.”

Brand A is chosen because it has the most points when it comes to the “must” and “want” features and has the lowest risks involved. Brand A has the highest points for meeting the “must” features of maximum cost, being compatible with related equipment, availability of support services, and having no need for renovation. Aside from meeting the planned budget for the equipment, Brand A has the least negative effects on people and workplace because it is already compatible with resources and space, so it reduces costs for renovation and other physical changes at work that can disrupt everyday routine. In other words, it has the fewest risks of changing the status quo and creating conflicts that might be causes of resistance to changes. Brand A also meets the “want” features of safety, availability upon delivery date and not needing special training for its use. By being available, a plan for its future use can be set up. By not requiring special training, it has the least consumption of training resources and do not need to change work

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flows and other work habits. The next most important factors are pricing and flexibility, which Brand A meets. Brand A has a good price, unlike Brand C. Though there is more uncertainty with Brand A because the minimum years of service are not assured compared to other brands, it has the fewest negative effects on employees and the workplace. Brand A has safety features and it is compatible with existing equipment and space that Brand C does not have, for instance. Brand A requires no renovation for existing space and additional special training, which again means less uncertainty for workers. In addition, Brand A has available support services and it is available upon date of delivery which reduces vagueness for its use.

Brand B is the second choice, even if Brand C has more points when it comes to “ must” and “ want” features because Brand C is too costly compared to Brand B. Brand B has the satisficing element. It is not as feature-rich as Brand C but it is within the limited budget of the company. Also, Brand B is only the second choice to Brand A because it requires renovation of space, is not available by delivery date, and requires special training in use. It means that it has additional hidden costs, aside from its initial purchase cost. Brand B is a good second choice though because it also compatible with existing equipment and has assured minimum years of service and safety features. It has fewer risks and uncertainties than Brand C. Brand C seems the costliest because it is beyond the budget and it is not compatible with existing equipment, although it has attractive “ must” features of minimum years of service and availability of support services. Hence, Brand B is the second best choice when considering the satisficing criteria.

In this decision, pricing and risk-aversiveness obviously drive the decision criteria priority. Brands A and B are the two top choices because they meet

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the budget line. Brand A is the best maximised choice because it has the least hidden costs and seems to be ready-to-go once installed. Brand A also has the lowest risks because it does not disrupt work space, work flows, and compatibility of equipments. Brand B requires renovation of space and extra training that seems invasive at the most, although its hidden costs are perceived as lower than the extra costs from a high-priced Brand C with additional cost of special training and risk of not being compatible with existing equipment. Hence, the best maximising choice of all three is Brand A.

Work Cited

Liebler, Joan, and McConell Charles R. Management Principles for Health Professionals. 6th edition. Sudbury, Mass: Jones and Bartlett, 2004. Print.