

Analytic hierarchy process artical review and comparison



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COMPARISON Analytic Hierarchy Process Article Review And Comparison

The article that is under consideration is of the topic “ Use Analytic Hierarchy Process For Project Selection”. (David, Kendrick & Saaty, 2007) The article discusses about the benefits of using Analytic Hierarchy Process (AHP) while choosing methods that keep the organization falling along the lines of its strategy. The process has been majorly successful in making decisions that identify the optimal process for the improvement of the business. According to the article, a business process strategy is designed in such a way that success is achieved in the financial sector of the organization, in satisfying the requirements of the customer, in successfully implementing the internal operations of the organization as well as in managing the human resources of the organization. In order to achieve success in these perspectives, there is an essential need for choosing an efficient program that promotes an improvement in the business process. The process of making such a choice is the area where AHP comes into action. Since the context of the business process is liable to change according to the needs of the organization, it is important to choose a method that is reliable in the longer run of the organization. (David, Kendrick & Saaty, 2007) This is where years of experiments done by Tom Saaty come for help in the form of AHP. According to his perspectives, AHP is advantageous in the following ways: AHP is designed in such a way that it allows the management to make high valued strategic decisions and its hierarchical design allows them to develop measuring techniques that determine the differences observed in the strategic alignment. Priorities are assigned not by taking the financial considerations alone, but also including the perspectives of the other

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stakeholders. AHP allows for a comprehensive analysis on each project's cost expenditures and the risks involved before supporting any project. The openness in analysis allows for a stronger validity and support for the decision that is made. The quality of robustness of the model to produce consistent results enables its implementation in almost any kind of industries, irrespective of its scales. The future prospects of making a decision are best analyzed with the support of AHP's detailed forecasting analysis results. As per the author of the article, the best characteristic of AHP that entices everyone to support it is its simple approach to implement the process and at the same time, maintaining the accuracy of the results obtained. (David, Kendrick & Saaty, 2007) The characteristics and benefits of AHP given by the text and the article are more or less similar in context, including the steps involved in implementing AHP. But, the parameters involved in deciding on the project are much more critically analyzed in the article when compared to that of the text. The analysis process of the book involved just three steps- 1. Determining the local priorities of the process which includes identifying the priorities of each factor corresponding to each level and accordingly arranging it. 2. Applying methods which use multiple criteria for evaluation. It is done by using Several axioms that are tested to validate the results of this process 3. Determining the global priorities in accordance with the creative decisions taken in the second step of the process. (Shtub, Bard & Globerson, 2005) On the other hand, the process discussed in the article was about using the principles of software designed for implementing AHP. It involves ranking the importance of each judgment criteria and performing a sensitive analysis on the inconsistent ratios between each hierarchical level. Thus, the determination of the best portfolio

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for the successive alignment of the organizations working to the rules of the organizational strategy gets identified. Works Cited Shtub, A., Bard, J. F., & Globerson, S. (2005). Project Management Process, Methodologies, and Economics Second Edition. Upper Saddle River, NJ: Pearson Prentice Hall. David, J., Kendrick, & Saaty, D. (2007). Use Analytic Hierarchy Process For Project Selection. Six Sigma Forum Magazine. Retrieved from http://www.decisionlens.com/docs/WP_Analytic_Hierarchy_Process_Project_Selection.pdf