

# PROJECT: EFFICIENT DECISION MAKING

Consider how daily decisions impact what you wear and eat, with whom you associate and avoid, when you complete homework and go to sleep, and what options are available for transportation. Every day, certain considerations and decisions are made. **Efficient** decision making must be used to maximize satisfaction.

## VOCABULARY

**efficient**  
**self-interest**

being effective without wasting something, such as time or money  
concern for your own advantage, sometimes at the expense of others

Many aspects of the decision making process exist. Understanding a decision sheds light on how and why an individual makes a particular choice. The decision making process involves several steps.

- 1) The decision process begins with a list of choices. There are many different decision makers who examine these choices and try to determine how to use their scarce resources.
- 2) Each person has different preferences, which then determine how that person views costs and benefits.
- 3) Based on **self-interest**, decision makers try to maximize their satisfaction, or happiness, when selecting a choice.
- 4) The outcome of this decision can then determine future actions, because it helps to shape incentives.

## Your Turn!

For this project, consider what you desire to accomplish after high school. What career or area of study interests you? Do you want to relocate? Visualize what your life will look like in the next five years and fill out the attached worksheet.

## **EFFICIENT DECISION MAKING worksheet**

1) Write down an option you have identified concerning your future. For example: In the next five years I plan to graduate with a degree in Ethical Hacking.

2) List at least two other options you were considering when you made your decision.

3) Research what steps you must take to achieve this goal. Consider the following when researching:

a. What will be the monetary cost to achieve your goal?

b. What will be the opportunity cost, or what will you be giving up in pursuing this goal?

4) Now, list the benefits of choosing this goal. What will you gain from your investment of time, money, and everything else you will spend to reach your goal?

5) Describe why the benefits outweighed the costs. Which rewards were most important in encouraging you choose this goal? Why did you think that these incentives would make you better off?

6) Finally, using your sources, explain why you believe that choosing this goal outweighs the other options you considered.