

Ans! Programmed decisions and Non-Programmed decisions are ^① the two basic types of decisions that managers make. This depends on their authority, responsibility, and position in the organizational decision-making structure.

Programmed decision

- Programmed decisions made using standard operating procedures
- Deals with frequently occurring situations.
- Much more appropriate for managers to use programmed decisions for similar and frequent situations.
- In programmed decisions, managers make a real decision only once and the program itself specifies procedures to follow when similar circumstances arise.
- This leads to the formulation of rules, procedures, and policies.

Non-Programmed decision

- Situations for Non-Programmed decisions are unique, ill-structured.
- Non-Programmed decisions are one-shot decisions.
- Handled by techniques such as judgement, intuition, and Creativity.
- A logical approach to deal with extraordinary unexpected, and Unique problems.
- Managers take heuristic problem-solving approaches in which logic, common sense and trial and error are used.