

Making Decisions

Introduction

Back in your grandparents' day, corner grocery stores carried one or two brands of breakfast cereal, laundry detergent, and soft drinks. It was pretty easy then to decide what to buy with your hard-earned money.

Today's supermarkets and mega-malls are different; they offer thousands of choices. That's good because it provides variety in your life, but it also makes choosing more difficult.

When you go shopping, how do you decide what to buy? Do you pick the first box of cookies you see on a shelf? Do you simply choose the brand you've always bought, without checking out any new products? Or are you a careful shopper who compares ingredients and prices?

This lesson introduces you to a plan that will help you make decisions. The PACED decision-making process is a step-by-step strategy that you can use for making all kinds of choices—the right pair of jeans or basketball shoes, or the best way to spend your time on a Saturday night. Being able to make well-thought-out decisions will start you on the right path toward a lifetime of good choices.



Vocabulary

Alternatives: Options to be considered when making a decision.

Cost/benefit analysis: Comparing advantages and disadvantages in order to make a decision.

Criteria: Measures or requirements by which alternatives are judged.

Opportunity cost: The next-best alternative that is given up when a choice is made.

Trade-off: Giving up a little of one thing in order to get a little more of something else.

The PACED Decision-Making Process includes the following steps:

- State the Problem.
- List Alternatives.
- Identify Criteria.
- Evaluate Alternatives based on criteria.
- Make a Decision.

Analyzing costs and benefits, as part of the PACED decision-making process, enables a person to make rational decisions. A rational decision is thought out and based on facts; the opposite would be an impulsive, spur-of-the-moment, emotional decision.



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Which Graham Cracker Is Best?

Use A, B, and C in the first column to identify your alternatives (different crackers).

List the characteristics by which you will judge the item across the top row (criteria).

Evaluate the alternatives using your criteria. Use the following scale for scoring:

1 = lowest (or worst) 2 = middle 3 = highest (or best)

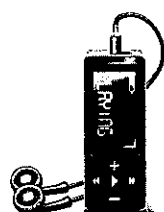
Criteria ➔					
➔ Alternatives					TOTALS
A					
B					
C					

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Using the PACED Decision-Making Process

Read the following information about Marcus and Lydia. Then answer the questions and complete the grid following the second advertisement.

Marcus and Lydia each had \$200, and each wanted to buy a new mp3 Player. They saw the following two ads in the newspaper for stores in a nearby shopping mall:

<h3>Party Time</h3> <p>\$172.99</p> <p>30GB 5th Generation Black mp3 Player</p> <p>Video up to 2 hours of video playback</p> <p>30 GB capacity</p> <p>Holds up to 6,500 songs</p> <p>Up to 14 hours of music playback</p> <p>Up to 3 hours of slideshows with music</p> <p>2.5-inch (diagonal) color LCD with LED backlight</p> <p>4.8 oz.</p> <p>Black finish</p> <p>Audio output through headphone jack</p>	<h3>Music Now!</h3> <p>\$189.99</p> <p>mp3 Player Classic 80GB Digital Multimedia Device</p> <p>80GB capacity</p> <p>Holds up to 20,000 songs</p> <p>Up to 30 hours of music playback</p> <p>1.5 inch color LCD with LED backlight</p> <p>Voice recorder</p> <p>4.9 oz.</p> <p>Pink finish</p> 
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Questions and grid: Answer the questions and complete the grid as you work through the PACED process.

1. What is the problem? (List in the space above the grid.)
2. What are the alternatives? (List them in the first column.)
3. Name six criteria that Marcus and Lydia might consider when making their decision. (Put one in each cell in the row marked **criteria**.)
4. Evaluate the alternatives according to the criteria you listed, using "yes" or "no" in each cell.
5. Make a decision. What should Marcus and Lydia do? (List the decision in the space below the grid.) What is the opportunity cost of this decision?

Problem: _____

Criteria ➔						
⬇️ Alternatives						

What decision do you recommend? _____

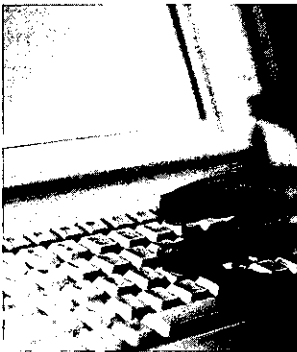
What is the opportunity cost of this decision? _____

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Some Criteria Are More Valuable Than Others

The Noga Family decided it was time to get rid of their old desktop computer and buy a new laptop computer. They made a list of criteria that would be important in the choice they would make among various brands and models of laptops. After they compiled the list of criteria, they agreed that some characteristics of laptops were more important than others, so they gave more value to some criteria than to others. For example, having at least a 15-inch screen was more important to them than a built-in camera, and being "green compliant" was more important than having a minimum of a 2.5 hour battery life.

Here's how their criteria, as they valued them, looked in their PACED grid:



Criteria:	Values:
Under \$1,000	5 points
15-inch screen or larger	4 points
Minimum of 2.5 hours battery run time	3 points
Green compliant	4 points
250 GB hard drive	4 points
Built-in camera	2 points

Read the following ads for six laptop computers. Then, using the PACED grid, help the Noga family decide which laptop computer will be the best choice, based on their criteria and the values they have assigned to their criteria.

1. Which computer should the Noga family buy, based on your grid?

2. Write a sentence or two explaining why the Noga family should buy the computer you suggested.

<p>Laptop A Buy it Today! \$899</p> <p>Screen size 14.1" Maximum battery run time 2 hours DVD writer Green compliant 160 GB hard drive Widescreen display High-speed processor Color: Titanium silver!</p>	<p>Laptop B Computer America Black and Silver \$925</p> <p>Built-in camera 1.3 megapixels Three USB ports WiFi link Battery run time 1.5 hours 250 GB hard drive Screen size 15"</p>	<p>Laptop C Get it Now! \$999</p> <p>Hot pink Two USB ports WiFi link Wide screen – 15" Screen resolution 1280x800 Processor speed 2 GHz 160 GB hard drive Max battery run-time 4 hours! Case included</p>
<p>Laptop D What a Buy! Go GREEN with Midnight Blue \$999</p> <p>Green compliant 250 GB hard drive capacity Screen size 15.4" Maximum battery run time 3 hours Built-in camera</p>	<p>Laptop E 12-Month – No Interest! \$899</p> <p>Black & Silver 160 GB hard drive 14" screen 2 hours on battery power WiFi Auxiliary camera included Free case!</p>	<p>Laptop F Close-out! Only ten left in store! \$799</p> <p>250 GB hard drive Green compliant 14" screen 3 hour battery Free flash drive</p>

Criteria ➔	Under \$1,000	Minimum 15-inch screen	Minimum 2.5 hours battery run time	Green compliant	250 GB hard drive	Built-in camera	Total value
Value Alternatives	5	4	3	4	4	2	
A							
B							
C							
D							
E							
F							

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Panel Discussion

Have you ever wondered how several groups, with similar information, can make different decisions about the same issue? It's probably because each group's criteria are different.

In Lesson 1, you noted several uses for an area of land. In this exercise, your group will evaluate land use based on criteria that are important to you. Then you will plan a panel discussion of the issue, based upon your group's concerns. (You can enhance your group's point of view by doing research, too.) In a political debate like this one, the side that gets the most votes wins; however, in this exercise it is not as important to win as it is to state clear and powerful arguments for your choice.

Your teacher will assign you to Group A, Group B, or Group C. Imagine that you are a person in that age group with the concerns listed on the group card. As a group, review your concerns and decide which position your group will support [i.e., (1) library and lab, (2) pool and recreation center, (3) senior-citizen housing facility]. Each person in your group should write a clear statement supporting one of the group's concerns (conducting extra research will help support your argument).

Issue

On 10 acres of vacant land, what should your town construct?

1. A library and computer lab?
2. A swimming pool and recreation center?
3. A senior-citizen housing facility?

GROUP A Age 13-29	GROUP B Age 30-54	GROUP C Age 55-70
Concerns: Year-round activities Athletic opportunities Health and fitness Social gatherings Organized competitive games	Concerns: Education Employment opportunities Access to information Investment reports Details about travel opportunities	Concerns: Retirement benefits Low-cost housing Contact with others of the same age Health care Companionship

After the groups have considered their criteria and applied them to the alternatives, each group will present a panel discussion to the class. Be sure to include information about the **alternatives** available, the **criteria** that are important to your group, your method of **evaluating the alternatives**, and your final **decision** for how the vacant land should be used. You may include posters, illustrations, charts, graphs, or a multi-media slide show to enhance your group's presentation.

When all the groups are finished, discuss the effectiveness of each group's arguments and their presentations.