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STORAGE

With the advent of technology, computers can now make many well-informed decisions that managers or office workers may deem unnecessary for a human to make. These decisions may include crunching profit numbers to determine future layoffs or gauging whether certain global offices should remain open or not. If you are evaluating whether computerized decision making is right for your organization, there are advantages and disadvantages to implementing the technology into your corporate strategy.

Speed and accuracy

While human brains can contain a high level of information to use in making a decision, a computer's "brain" can contain even more data and information, depending on the storage space it is connected to. With a higher capacity for more data, especially data that a human brain might not retain, such as complex equations, more information can be incorporated into the "brain" or algorithm of the computer in its decision making, leading to better results.

High cost

Computers can process information much faster than a human brain. One advantage to computers making decisions is that you will have decisions made faster and more accurately than a human brain, which may get hung up with different factors involving the decision, leading to slower overall results. Also, unlike people who can become tired or suffer from a lack of concentration and deliver inaccurate decisions, a well-tuned computer is always alert and can process reams of information without growing bored or tired, leading to more precise results.

Employee Morale and subjectivity

The high cost of purchasing the right computer equipment, including a high amount of computer memory and store, is one disadvantage to computer technology in decision making. Also, the cost of a computer professional to write the algorithm you'll need for your type of decision can come at a high price. By the time your equipment is purchased and your algorithm is written, it may also already be obsolete since technology is constantly advancing and building on what already works to make it better.

With a computer making decisions, certain managers may feel that their own decision-making skills aren't seen as important, which can diminish employee morale. Also, unlike people who can be subjective and rational, computers can only be rational.