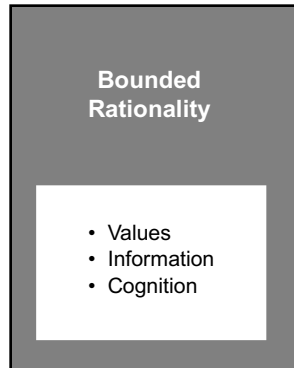
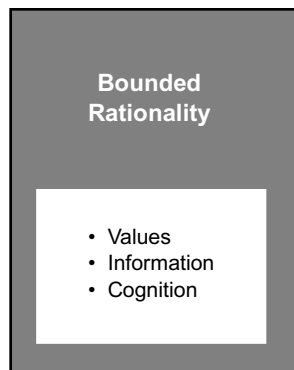


Boundedly Rational Model (1)



3

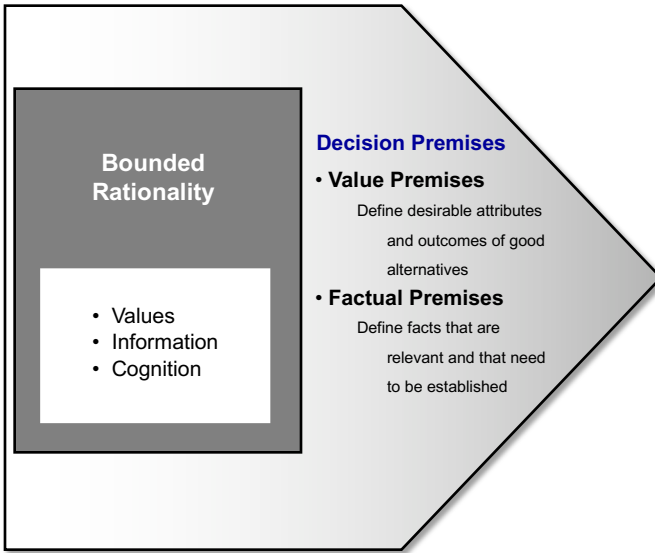
Boundedly Rational Model (2)



In the light of BR, organizations reduce the uncertainty and complexity of DM by specifying **Decision Premises**.

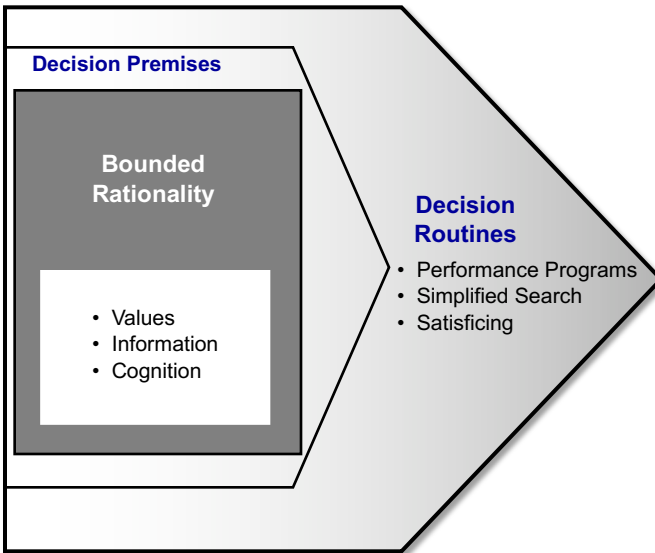
4

Boundedly Rational Model (2)

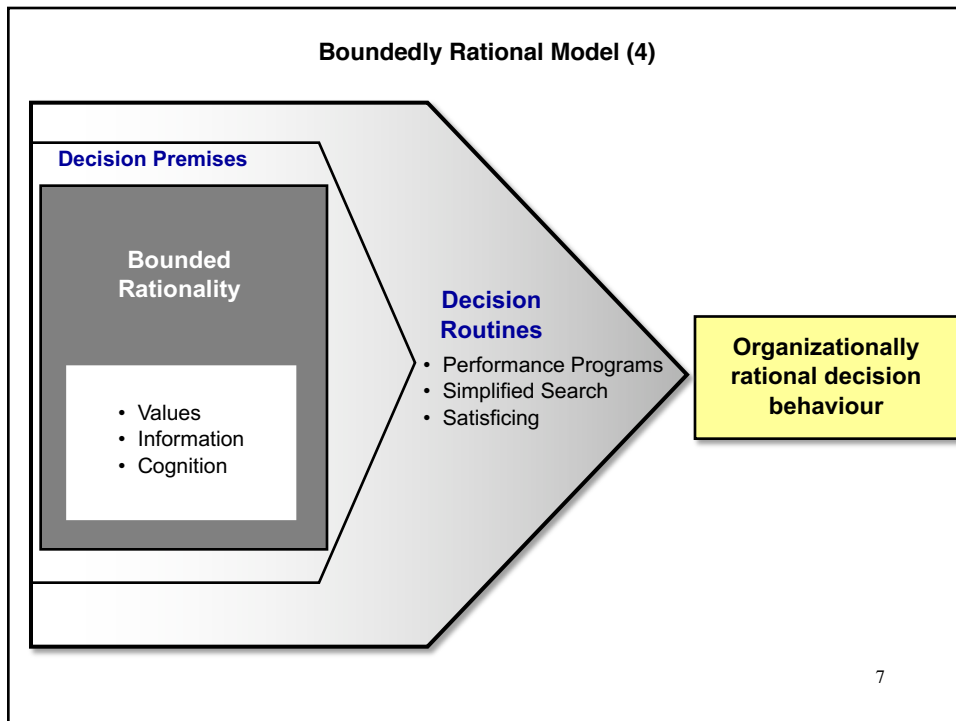


5

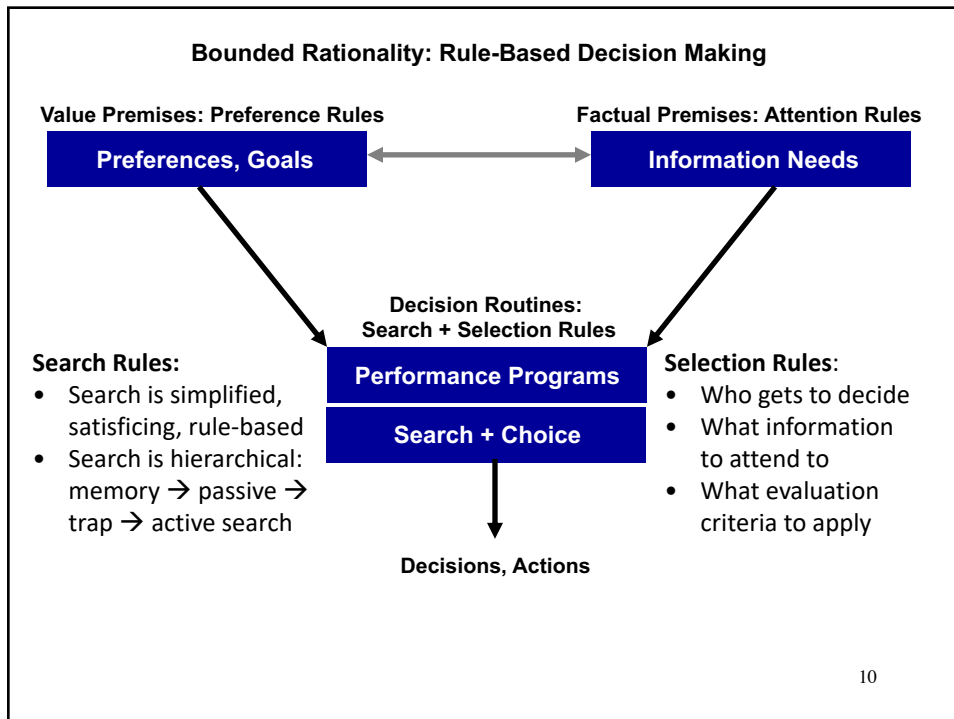
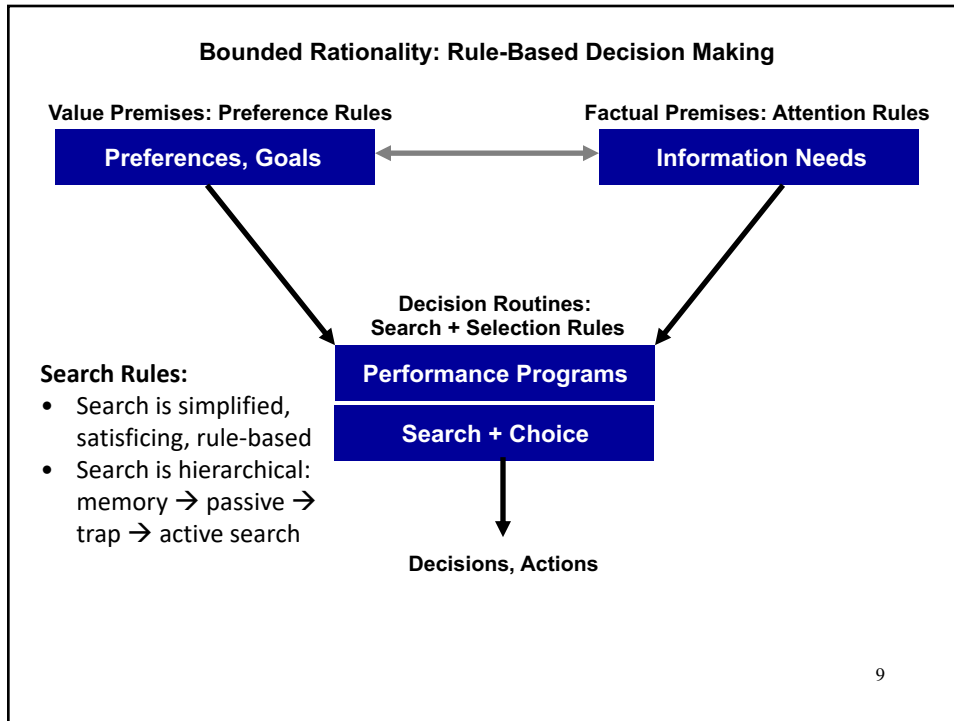
Boundedly Rational Model (3)

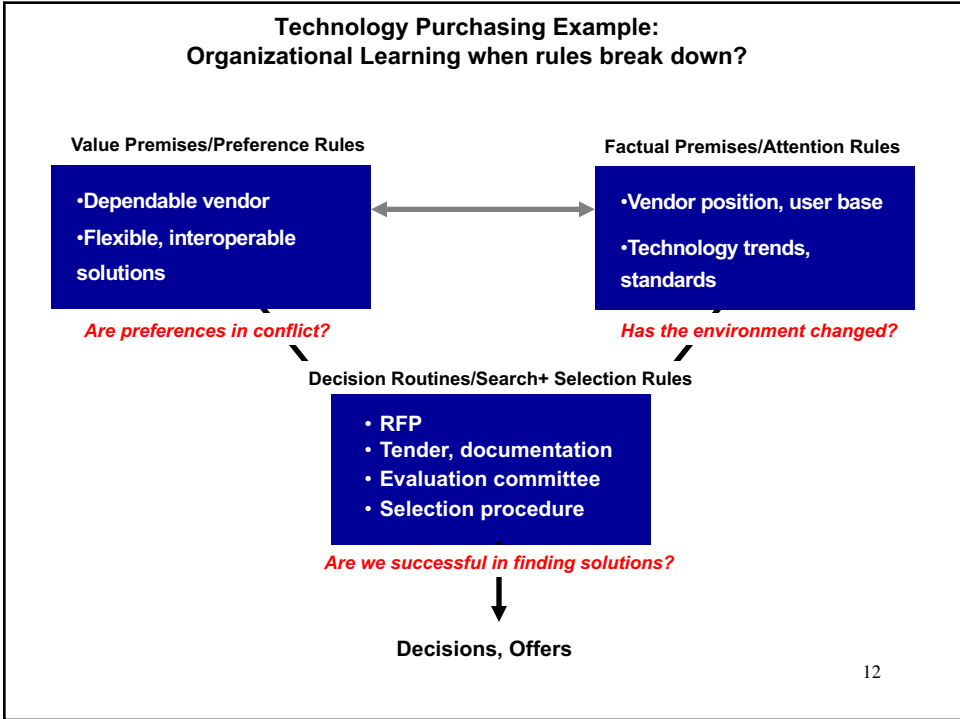
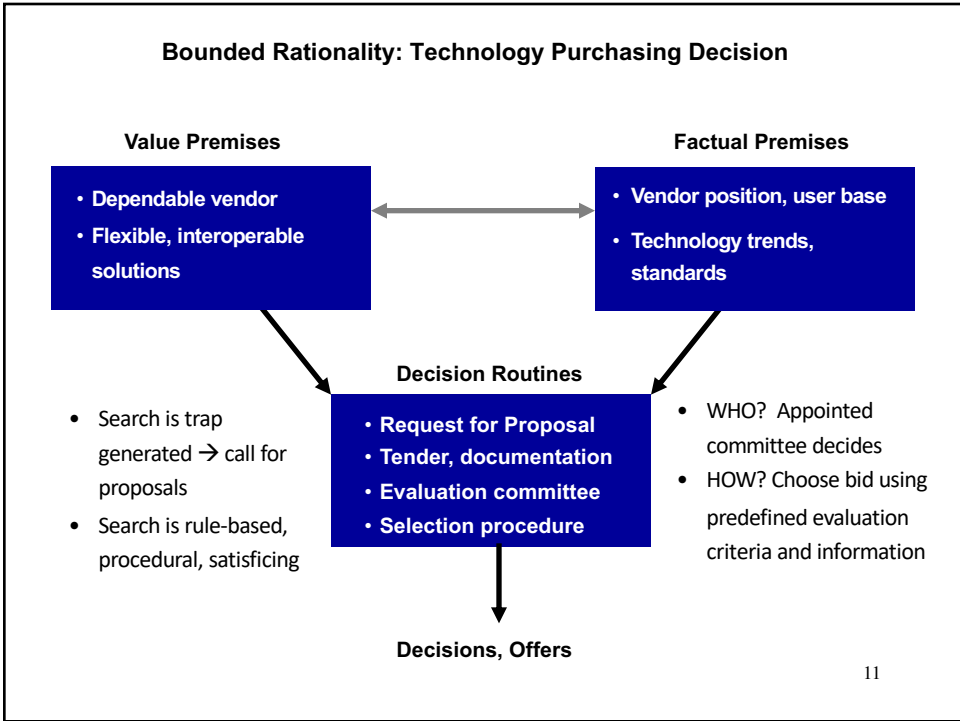


6



- Individuals are limited in their capacity to behave rationally.
 - Organizations define **DECISION PREMISES** that reduce uncertainty and complexity of the decision problem.
 - Decision premises are embedded in **DECISION ROUTINES** that serve as performance programs for decision making.
 - These premises and routines together constitute a set of **RULES for decision making**.
 - Organizations pursue a form of **GOAL-DIRECTED, RULE-BASED DM**.
 - A DM process is “rational” when it is directed at goal attainment and when it follows rules and routines that implement the organization’s logic and value preferences for making “rational” decisions.
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Bounded Rationality: FI Admissions Application Worksheet

