






Decision Tree

A decision tree is a map of the possible outcomes of a series of related choices. It allows an individual or organization to weigh possible actions against one another based on their costs, probabilities, and benefits.

Decision tree symbols

Shape	Name	Meaning
	Decision node	Indicates a decision to be made
	Chance node	Shows multiple uncertain outcomes
	Alternative branches	Each branch indicates a possible outcome or action
	Rejected alternative	Shows a choice that was not selected
	Endpoint node	Indicates a final outcome

How to create a Decision tree?

Start with the main decision. Draw a small box to represent this point, then draw a line from the box to the right for each possible solution or action. Label them accordingly. If the outcome is uncertain, draw a circle (circles represent chance nodes). From each decision node, draw possible solutions. From each chance node, draw lines representing possible outcomes. Continue to expand until every line reaches an endpoint, meaning that there are no more choices to be made or chance outcomes to consider. Add triangles to signify endpoints.

Once you complete a decision tree, you're now ready to begin analyzing the decision you face.

Example of decision tree:

