DECISION MAKING

Introduction

Many believe decision making to be the essential task of an executive.

“Decision making is only one of the tasks of an executive. It usually takes but a small fraction of his time. But to make decisions is the specific executive task . . . Only executives make decisions” (Drucker, 1966; p. 113).

Decision making may be discussed as a skill in itself, apart from problem solving, because it may be used to reach a conclusion on a matter for which no problem analysis has been used or is needed. Many books have been devoted to decision making without any discussion of problem solving. The reverse is not possible, since a necessary step in problem solving is deciding on a solution. Many writers use decision making and problem solving (and at times policy making) interchangeably to indicate that the same skills are used in these processes. In fact, making a determination of the most pertinent problem to solve has been considered the most important act in decision making (Kolb, 1983). For the purpose of examining the problem-solving model, decision making is separated to indicate the distinctly different roles or processes that a manager undertakes.

Although we want to avoid a rigid, step-by-step approach to solving problems, for teaching purposes we must delineate
Individual Decision Making

Research and experience have presented the pros and cons of personality influence on decision-making skills. Although we shall concentrate on the personal attributes believed necessary for making decisions, it should be noted that many decisions are made without a strong, personally integrated decision maker, through means of analysts or computerized programs and models. Various quantitative aids, though successful, do not in themselves meet the goal of practicality for many problems faced by leisure service managers. Thus, the discussion of personality is important because the personal idiosyncrasies of the decision maker have greater bearing than they would if there was more reliance on quantitative tools. This is not to deny that the choice to use every mathematical model or computer program is influenced by the personality of the person involved.

The problem solver is primarily a problem analyzer. The manager as a decision maker goes beyond analysis into choice of, risk in, and responsibility for the consequences of a solution. The skills needed for decision making are comparable to those for problem analysis, with exception of a far greater amount of risk. The decision maker is the one who assumes ultimate responsibility for a solution. Even if the decision is made by a group, the risk and responsibility are borne by one person, perhaps two, in the organization. It is possible to delegate problem analysis, but we cannot delegate decision making, no matter how democratic our methods. We can share problem solving with staff and others, but unfortunately, responsibility and risk are entirely with the administrator.

In many large organizations, the problem analyzer and the final decision maker often are not the same person. One might be responsible for defining a problem and offering specific solutions to a decision maker for final selection. The decision maker then attempts to solve the problem by selecting one of the solutions offered by the analysts. Often our image of a decision maker is that of an executive who delegates problem analysis, then rapidly synthesizes the information received and reaches a decision. This decision then is quickly implemented and, without fail, is a success!

Unfortunately in many organizations, especially public service organizations, decision making and the people involved are somewhat less glorified. For example, municipal leisure service agencies usually do not have the financial resources to afford separate persons to operate as problem analyzers and decision makers. More likely these tasks will be performed by one person or group working on the problem from start to finish. To separate these two functions of problem solving for these organizations would be expensive and somewhat arbitrary. Most staff members are involved with organizational problems and would have much to contribute to any problem resolution.

The problem-solving model not only reflects today's problem environments, but also seeks to include the kinds of problems that might be encountered in the future. The type of decision maker needed will be one who can adapt to rapid change. The future decision maker will be more dependent on others, understand computers and other quantitative technologies, and be aware of changes in the more immediate and larger environments. An effective decision maker is well informed not only about agency concerns, but also about society and the world, especially as they affect professional decisions. Nothing is more valuable for decision making than broad, eclectic knowledge.

If the decision makers are unable to adapt to change because of the personal and cultural blocks already discussed, skill
in decision making will be greatly curtailed. Leisure service managers must be aware of the changes in society and adapt to these changes. Understanding these changes should include a willingness to modify personal and organizational behavior to reflect modern realities. It is not enough to sympathize with demands for changes in program and service delivery; action should be undertaken.

If leisure service managers make decisions without considering the psychological and social forces within themselves and in society, they are simply being naive about the impact of these factors on decisions. All the blocks that were previously discussed rise again. Decisions are not necessarily made objectively; they are made by people, and are often subjective. Emotions play a large role in decision making, no matter how strong the attempt at rationality. To be a rational decision maker requires that positive emotions be permitted to surface, and negative emotions are dealt with confidently.

The first step toward achieving an emotional-rational balance is to examine ourselves and others in decision making. Introspection will be most beneficial, not only in this phase in the decision process, but later when the solution is implemented. The more time spent now on understanding the probable barriers to decision making, the better equipped the decision maker will be to handle any objections that might arise during implementation. A complete analysis of personalities is not suggested, but a candid appraisal of individual shortcomings of those bound to affect the decision is needed. Being aware of potentially troublesome emotions will reduce their interference in the efforts to make a decision.

When objectives were first set for solving the problem, these objectives were developed to be realistic under known constraints. Decision makers must comprehend what personal drives, needs and compulsions are motivating individuals, especially when decisions are crucial to professional interests and the well being of a community. An emotional response to a solution should not preclude the selection of an effective solution. Figure 11-1 suggests an individual's reaction to an initial solution.

In discussing barriers to decision making, Agyris indicated that interpersonal relationships provided the greatest source of frustration for managers. In his study of six companies, in which nearly 300 group decision-making meetings were observed, the major findings were:

1. "The actual behavior of top executives during decision-making meetings does not jibe with their attitudes and prescriptions about effective executive action.
2. The gap that often exists between what executives say and how they behave helps create barriers to openness and trust, to the effective search for alternatives, to innovation, and to flexibility in the organization.
3. These barriers are more destructive in important decision-making meetings than in routine meetings, and they upset effective managers more than ineffective ones.
4. The barriers cannot be broken down simply by intellectual exercises. Rather, executives need feedback concerning their behavior and opportunities to develop self-awareness in action. To this end, certain kinds of questioning are valuable; playing back and analyzing tape recordings of meetings has proved to be a helpful step; and laboratory educa-
tion programs are valuable” (Agyris, 1966; p.90).

In most cases Agyris found that executives seldom: took risks or experimented with new ideas and feelings; helped others to be open and take risks; used a behavior style that encouraged individuality and trust; or expressed any feelings. He suggested that the use of a solitary decision maker was over and stressed the need to handle group decision making carefully:

“No one man seems to be able to have all the knowledge necessary to make an effective decision. If individual contributions are necessary in group meetings, it is important that a climate be created that does not discourage innovation, risk taking, and honest leveling between managers in their conversations with one another. The value of a group is to maximize individual contributions” (p. 441).

An effective decision maker is one who is willing and able to take risks and to encourage others to do so. Because of the politics of decision making, the viewpoints of all those involved in the problem must be taken into account. At times political skill may detract from the willingness to take risks. Decision makers may concentrate more on reducing conflicts and strengthening the esprit de corps, only to lose sight of the need to take a chance, regardless of group harmony.

Limits to Individual Decision Making

A rational approach to decision making closely follows the problem-solving steps presented in Chapter Five. It assumes that managers go through each stage until the best solution has been determined. Herbert Simon (1976) has presented a theory of administrative decision making that suggests that managers are not rational decision makers. He posits that a rational decision maker would select the best alternative from a range of available solutions. This would be considered an optimal solution. However, Simon has suggested that managers are “satisficers” instead of “optimizers.” That is, while managers are seeking solutions, they choose alternatives that are good enough to deal with the problem. In this way, the selection of decisions rests on one of the first alternatives that meet the criteria of acceptance. Satisficing stems from bounded rationality, or limits to the cognitive abilities of individuals to process information regarding decisions. For the leisure service manager, who will often be dealing with complex problems, limited information processing capabilities may result in biased decisions (Dirkin, 1983).

Another example of managers’ difficulty with rational decision making was reported by Sölberg (1967). In studying the decision-making processes of job searches of MIT students, he found that early in the decision-making process, students identified an implicit favorite. At this early stage, a decision has essentially been rendered by the individual, and the decision process becomes one of self-justification regarding the favorite. Following the identification of an implicit favorite, individuals identify a confirmation choice alternative. This is followed by a search for information to assist the decision maker in a selection. Information is gathered that supports the implicit favorite and disconfirms the alternative. This study is illustrative of a decision-making process that is very subjective and intuitive in nature, rather than one based on rational choice or even on persuasive information.

Groups and Decision Making

It is recommended, if possible, that a group rather than just one person be assigned to handle problem analysis. If this task is limited to one person, it is likely to result in an overburdened staff member and a poorly perceived problem. In the past, when problems were perhaps simpler to solve and the environment not so complex or dynamic, the sole problem solver/decision maker was undoubtedly effective. Such solitary action is no longer prevalent in most organizations. Even simple problems affect many persons, and have a multitude of consequences. Expertise and the insights of others are necessary for effective solutions. Making decisions alone may be simpler, but the solution may not be as good as one reached cooperatively.
Many of the "situation variables" in measuring good decisions reflect the need for others (Vroom and Yetton, 1973).

**Situation Variables**

1. *Rational Quality Requirement* - Does it make a difference which course of action is adopted?
2. *Adequacy of Information* - Does the manager now have the adequate information to make a quality analysis?
3. *Structure of Situation* - Does the manager know exactly what information is missing and how to get the information?
4. *Commitment Requirement* - Is commitment to the solution by others critical to effective implementation?
5. *Commitment without Participation* - Will they commit to a decision made by the manager without their active participation?
6. *Goal Congruence* - Is there goal congruence between the subordinates and the organization?
7. *Conflict about Alternatives* - Is there likely to be conflict about alternative solutions among the subordinates?
8. *Subordinate Competency* - Do the personnel in the organization have the skill and knowledge to implement the idea suggested? Note: Subordinates refers to those people whose information is needed or whose commitment is required for effective implementation of the solution.

Several advantages to group decision making have been suggested. Huber (1980) identified three benefits to group decision making as compared to individual decision making. First, the availability of information and its processing are enhanced and more complete when groups are utilized. Second, the acceptance and understanding of the decision by those who must implement it is greater when individuals participate in the decision-making process. Third, subordinate information and skill can be enhanced through inclusion in the decision-making process.

Although there are many advantages to group decision making, disadvantages to group decision making have also been identified in the literature. Five general disadvantages to group decision making of which a manager should be aware are provided below.

1. "A greater amount of personnel time tends to be consumed in group decision making.
2. Goals other than those considered most important by top management are more likely to be involved in group decision making.
3. Unwanted expectations that future decisions will involve group participation may be a consequence of previous participation.
4. Disagreement among members may result in the group's being unable to reach a decision" (Huber, 1980; p. 148).
5. Groups tend to make more extreme decisions than individuals. That is, once a decision direction is accepted, members shift their views to the extreme end of the originally favored position. The result may be highly risky or conservative decisions (Myers & Lamm, 1975).

One significant problem that has been identified with group decision making has been identified by Janis (1971) and termed "groupthink." The concept of groupthink emerged from an in-depth analysis of poor policy decisions by government leaders. Janis examined documents and historical reports about formal and informal meetings and conversations of policy makers that led to disastrous decisions such as the blundered Bay of Pigs invasion, unpreparedness for the attack on Pearl Harbor, the Korean War stalemate, and the escalation of the Vietnam War.

Janis (1971; 1983) has described groupthink as a mode of thinking that individuals engage in when they are deeply involved in a cohesive group. Members of this group strive for unanimity and override their motivation to objectively evaluate alternative courses of action. Group norms are developed that support concurrence with group members at the expense of critical thinking. One of the main features of groupthink is that social pressures are brought to bear on those members who take a dissenting position. Social pressures result from group norms that serve to keep group members tied to positions or decisions that have already been formulated even when the group position is unworkable or disturbs the conscience of members. Groupthink,
fosters “a deterioration of mental efficiency, reality testing, and moral judgment that results from in-group pressures” (Janis, 1983; p.9).

Eight characteristics of groupthink have been identified and are described in Table 11-1. Janis (1983) has suggested several specific methods for preventing the occurrence of groupthink. Of the various tactics discussed, one may be particularly beneficial for success. It is important for each member of the group to play the role of critical evaluator and thoroughly examine the strengths and weaknesses of proposed solutions. Group leaders can foster this evaluation by encouraging members to openly air any objections and doubts. Providing an atmosphere that does not inhibit members from expressing their views can do much to facilitate the expression of opposing viewpoints. Further, it is vital that group leaders do not influence members by indicating their preferences or biasing individuals in some manner. In essence, being aware of the possibility of groupthink and facilitating full participation of group members may play a significant role in alleviating this problem.

Types of Decision-Making Groups

There are five different group decision-making procedures that are widely recognized and utilized. These decision-making processes include ordinary, brainstorming, statistical aggregation, nominal group technique, and delphi. Brief descriptions of each are provided below (Murnighan, 1981).

Ordinary Group: A committee structure with a chairperson characterizes the ordinary group. Usually a very unstructured process, the meeting is open-ended and the discussion is free flowing. The meeting often becomes fatiguing for members, and as a result, the last solution offered may be accepted in order to move on to other issues. Benefits do arise from close interpersonal contact. This procedure may be useful when group members know and respect each other.

Brainstorming: This technique was described in Chapter Nine. One limiting feature of this group process is that it does not include a decision rendering procedure. Another mechanism must be employed to reach a decision after brainstorming has been concluded.

Table 11-1

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<tr>
<th>Symptom of Groupthink</th>
<th>Description</th>
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<tr>
<td>Invulnerability</td>
<td>Members share an illusion of invulnerability that provides some degree of reassurance about obvious dangers, leading them to become over-optimistic and willing to take extraordinary risks. It also causes them to fail to respond to clear warnings of danger.</td>
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<td>Rationale</td>
<td>Members rationalize their behavior, discounting warnings and other forms of negative behavior.</td>
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<td>Morality</td>
<td>Members ignore the ethical or moral consequences of their decisions, believing in the inherent morality of the group.</td>
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<td>Stereotypes</td>
<td>Members view opponents as evil, weak, or stupid, and therefore attempts at negotiating differences are not warranted.</td>
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<td>Pressure</td>
<td>Members apply pressure to individuals who express doubts or question the validity of a perspective shared by the majority.</td>
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<td>Self-censorship</td>
<td>Members keep silent about any questions or misgivings about the group’s decision.</td>
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<td>Unanimity</td>
<td>Members believe that individuals in the group share the same perspective.</td>
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<tr>
<td>Mindguards</td>
<td>Members protect the leader and other group members from adverse information that might affect the group’s consensus.</td>
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Statistical Aggregation: Statistical aggregation is limited to dealing with quantitative problems. The process consists of gathering information from individuals without any actual group interaction. Individuals provide estimates of their best judgment about a problem. These are collected and measures of central tendency employed such as the median (the midpoint of a range of scores) or the mode (the most frequently occurring score) to quickly arrive at a solution.

Nominal Group Technique: The NGT and the six stages of the group process were also described in Chapter Nine. One of the features of the NGT is the emphasis on independent consideration of the problem and solutions by group members. There is little interaction among group members, which greatly limits the influencing effects of opinionated individuals as well as the potential for groupthink.

Delphi: This group procedure has three important features: 1) anonymity, 2) controlled feedback, and 3) statistical group response (Dalkey, 1969). This procedure uses experts from a variety of geographic areas to react to issues or problems through a mail survey. First, a questionnaire is developed that addresses the problem, and is sent to participants. This provides delphi members with the opportunity for individual brainstorming to identify solutions to the problem. When the questionnaires are returned, the information is summarized and presented again through a questionnaire through which individuals prioritize solutions.

Table 11-2 contrasts each of these five decision-making procedures against several important evaluative criteria. Notable among the criteria evaluated are the high ratings for the NGT and Delphi methods with regard to the quantity and quality of ideas produced, as well as the task orientation of group members. In support of the value of these two methods, Van de Ven and Delbecq (1974) concluded that the NGT and Delphi are superior to the interacting group when a fact-finding problem that requires the pooled judgments of a group is needed. The NGT should be utilized when individuals can be easily assembled, and the problems that are faced require immediate attention. The delphi technique is preferred when it is not cost effective or too inconvenient to bring individuals together in one location, and the problems do not require a quick solution.
Conclusion

Decision making is of central importance to the work of the leisure service manager and, in particular, the problem-solving process. Managers in the field are faced with determining if a particular decision should be made individually or through group efforts. Although the previous discussion has identified the benefits and potential problems involved in group decision making, a final caveat is offered. In a comprehensive review of the literature that compared group versus individual performance in decision making, Hill (1982) determined that group performance was qualitatively and quantitatively superior to the performance of the average individual. However, group performance was often lower than the best individual in a statistical aggregate. Further, one exceptional performer is superior to that of a committee, especially if the problem is complex, and the committee has a number of low-ability members. Leisure service managers then, may greatly benefit from group decision making when members involved in the group have expertise in the problem under deliberation.

Bibliography