

Effective Decision Making^{1*}

Outline -
The Process of Decision Making -
The Types of Decisions -
The Implementation of a Decision -
A Good Decision -
Practical Note -

OUTLINE

Decision Making is an art. It is based on some scientific and quantitative study so it could be taken as a field of study in science as well. A decision is a choice between a variety of alternatives, and a decision-maker is the one who makes such a choice. Not all decisions are easy. But they can be simple. We can make simple decisions under difficult times. Decision Making is one of the most fundamental areas of our lives which help us to decide the future course of action. The decisions are based on the previous guiding experience. Decision making depends on the environment, position and available options. Decisions are at the heart of success of any organization. Making decisions can be hard for a variety of structural, emotional, and organizational reasons. The factors like uncertainties, non-availability of appropriate options, having multiple objectives, interaction complexity and anxiety, further worsens the process of decision making. Each decision, small or big, affects the organisation's future.

THE PROCESS OF DECISION MAKING

"Why must we learn the decision-making process?"

Here are a few motivating reasons:

- Organizations are becoming more complex.
- Environments are changing so rapidly that past practices are no longer adequate.
- The costs of making bad decisions have increased.

The very first thing which should come in the mind of the person who is going to make a decision is the **identification of the priorities**. While identifying the priorities proper studies should be made to give a basis for a specific priority so that the decision taken on the basis of

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this becomes more convincing. The identification process is based on the recognition of the needs; therefore at times in the literature one can observe decision recognition as the first step. The exploration of an opportunity should also be initiated at this level so that the organisational objective could be linked properly with the decisions made.

After setting the priorities it becomes important to **go through the available options**. These options require proper evaluation before selecting the best option. Selection is not the single and final step in the decision process. It is a multistage process involving progressive deepening of the investigation of alternatives. Some options or alternatives could be irrelevant, some could be redundant, and such options should be at first removed to reduce the size of available options. The effect of all the options should be studied in the light of the objectives of the organisation so that appropriate relationship could be established between the two. On the basis of the study of the available options the **best option should be selected** and the decision should be made to this regard. The process of selection one option and rejecting others should be very clear and specific. The behavioural aspect is also important at this level to avoid the factor of biasness. A good decision is never an accident; it is always the result of high intention, sincere effort, intelligent direction and skilful execution; it represents the wise choice of many alternatives.

THE TYPES OF DECISIONS

There are various types of decisions in different type of organisations. Broadly speaking there are three types of decisions namely, **Technical Decisions, Managerial Decisions** and **Institutional Decisions**. These three types of decisions are based on the activity of the management at different levels. But if we take into account the nature of the decision made, we can classify the decision as under:

- Irreversible Decisions/Fixed Decisions – *to be avoided*
- Reversible Decisions/Flexible Decisions
- Strategic Decisions
- Experimental Decisions - *Best possible training for officials*
- Trial and Error Decisions - *Best possible training for officials*
- Made-in-stages Decisions
- Cautious Decisions
- Conditional Decisions
- Delayed Decisions

- Crisis Decisions – *to be avoided*
- Programmed Decisions/Routine Decisions Vs Non-programmed decisions

THE IMPLEMENTATION OF A DECISION

The first thing in the process of implementing the decision is to **make an action plan** to convince the people in the follow-up line about the reasons for selecting the best suitable option. Some decisions which are simple can be handled by one individual. But more complex decisions involve a number of tasks and the work of a team. Each task should be clearly classified in the parts of manageable batches and the responsibility of planning should be **delegated** to the individuals within the team to make the implementation process easier. After making proper delegation of the process of implementation proper **communication** should be made to the respective officials and while such communication the language should be simple and the support from them in the process of making decisions should be duly recognized and acknowledged. This makes the employees comfortable psychologically. Time to time **discussions** should be held on the follow-up progress of a decision to have a check and control. There is reaction to every action. In organisations usually there is resistance to change and more so if it involves some trivial issues and concerns. In such cases the **opposition** should not be ignored rather it **should be appreciated** and proper steps wherever possible should be taken.

A GOOD DECISION/DECISION MAKER SHOULD BE -

- Leading to Win-Win situation
- Decisive and positive
- Making fast and quick decisions
- Going behind the averages
- Identifying issues
- Based on consensus
- Taking opinions
- Using advisers and grapevine
- Taking decisions only when they are necessary

PRACTICAL NOTE

Decision making is a science. This realisation comes only when one gets into the process of making decisions. Practically Operational Research techniques are used to reach to any

specific decisions. There are various techniques based on mathematical applications which are truly based on the premise of cause and effect. The decisions should always be looked at *hypercritically* in view of the objectives. The advantages and disadvantages should be properly chalked out and written down and there should be ample scope for redefining and modifying your decisions.

A study shows that the conventional tactics of decision making are not so effective. Paul Nutt, author of the study and the professor of management science at Ohio State's Fisher college of Business concluded in his research that INTERVENTION was the most important and effective way of making decisions whereas PARTICIPATION, PERSUASION and EDICT (order proclaimed by authority) were subsequent techniques of decision making.

This research study is just an eye opener to suggest that non-conventional and innovative techniques of decision making could be more effective. However the theory of decision making holds its ground to the simple process and implementation of a decision.

We make decisions everyday. Some are simple, some are not. Some make a difference, some do not. Some Make A Big Difference. **Instead of making different decisions, we can make decisions differently in the interest of the organisation or individual.**
