CHAPTER 5

Decision Making

If you properly identify the problem and respond as the situation demands, you are not making a decision. You are only making a decision when a paucity of data ensures you have a good chance of being wrong; rationally, you ought to seek every opportunity to avoid making a decision. Therefore, you must spend lots of energy determining the characteristics of the problem, the physical, bureaucratic, economic, and political environments in which it exists, and the level of performance required for the response to achieve an acceptable resolution. Through this mechanism, you avoid making a decision and instead just execute a rational response to the known situation. To do otherwise is to chance your professional life—and sometimes more.

—Captain John R. Paron, U.S. Navy fighter pilot (retired)

Public administrators face numerous responsibilities and choices. Some of their decisions have limited impact, primarily within their organizations. But others may affect the lives of thousands of people (or more) on a daily basis, and they are decisions that just seem to cascade on one another. Imagine the situation faced by transportation officials in the Northeast Corridor when they discovered that a major section of Interstate 95 (I-95) between Philadelphia and Wilmington, Delaware, had been undermined and that repairs would require completely shutting down a 10-mile section of the highway for several months. The decision to do so was itself a major move, affecting not only the incredibly high volume of traffic between New York and Washington, D.C. (and between New York and Baltimore, Maryland) but also those who commute from Wilmington to Philadelphia to work every day. And think of the decisions that flow from that. How do they reroute traffic? In so doing, what impact will the action have on businesses
and residential neighborhoods adjacent to the detour? How can they minimize the difficulty? Can they encourage alternative modes of transportation, perhaps working with Amtrak to add additional commuter trains? What do they do with the cars that people would now want to park at the train station? And after all that, they discover that the parking lot nearest to the station has just been converted to long-term parking only.

Of course, not all decisions are, or should be, treated alike. Some require quick action, whereas others allow more time to decide. Imagine the difference in the I-95 example if, instead of being able to plan several months for the shutdown, transportation officials were awakened in the middle of the night to learn that the highway was closed by a sudden gas explosion and needed to be shut down immediately and for the next several months. Of course, as we saw in Chapter 4, adding time pressures to already difficult situations makes them even more difficult. And as we know, in an increasingly complex world with high-speed information systems, decision makers must respond to events of enormous complexity within minutes or even seconds. Whatever the size and shape of the required decision, it is naive to think that time always is available for decision making to undergo a calculated process. By the same token, it also is a mistake to think of decision making as simply a random process (Hall, 1999).

Let’s begin by defining organizational decision making as taking place when a person in authority identifies an important issue and carries out a process to make a choice that produces outcomes with consequences (Nutt, 2005). Earlier research has found the process to unfold in a sequence of actions that includes intelligence gathering, direction setting, the regeneration of alternatives, selection of a solution, and solution implementation (Witte, 1972; Mintzberg, Raisinghani, & Theoret, 1976; Bryson, Broiley, & Jung, 1990; Eisenhardt & Zbaracki, 1992).

There are several ways of thinking about the different types of decisions that public administrators must make. Some researchers have divided decisions into two types: (1) programmed decisions (which are repetitive and routine and for which a procedure or decision rule has been established or may be easily specified) and (2) nonprogrammed decisions (which occur infrequently and are poorly structured). For nonprogrammed decisions, there is no apparent decision rule, and administrators are required to engage in difficult problem solving (Simon, 1977).

Interestingly, these different types of decisions are found more frequently at different levels of the organization, leading to another way of characterizing decisions. Decisions that take place at the top of the organization typically are labeled strategic or high-risk decisions. Strategic decisions may involve gathering intelligence, setting directions, uncovering alternatives, assessing these alternatives to choose a plan of action, or implementing the plan (Eisenhardt & Zbaracki, 1992; Harrison & Phillips, 1991; March, 1994). In a public or nonprofit organization, these decisions might involve starting a new program (e.g., community policing) or a new service (e.g., an immunization program). High levels of uncertainty and even the possibility of conflict often characterize these decisions, and choices often are shaped by external events.
On the other hand, low-risk decisions involve less uncertainty and occasionally permit a degree of delegation. For example, imagine that a change in an organization's benefits package seems advantageous. Such a change might come about by asking the human resources department to research available benefits and provide a recommendation to be approved by top management. Or there might even be more delegation. The human resources department might gather information from representatives of various stakeholder groups (including employees) invited to serve on a “benefits committee.” The final recommendation might even be left to the consensus reached by the committee. Figure 5.1 shows the types of decisions that we might expect to be made at different levels of the organization. From this figure, we may conclude that the more uncertain the conditions surrounding the required decision, the higher up in the organization the decision making is likely to take place. Or, to put it differently, nonprogrammed decisions are more likely to be found at the higher levels of the organization, and programmed decisions are more likely to be found at the lower levels.

Another issue is the relationship between decision making and problem solving. As we were reminded by Captain Paron’s quote at the beginning of this chapter, decisions often can be avoided if problems are solved. In support of Paron’s point, Starling (1993) provided the following illustration:

Effective decision makers know that very few problems or events are unique. Most are manifestations of underlying problems. Therefore, before attempting a quick fix on Problems A, B, C, and D, they will try to find the basic problem, E. Once E is solved, A, B, C, D, and any future problems stemming from E are eliminated. Thus, effective decision makers make few decisions (p. 245). Indeed, Starling indicated that administrators often make more decisions than they need to make. Because the underlying causes of problems are not always obvious, problems are treated as

| Top Management | Nonprogrammed and uncertain decisions |
| Middle Management | Nonprogrammed and programmed decisions; risky and certain decisions |
| Lower Management | Programmed and certain decisions |

Figure 5.1 Types of Decisions Made at Different Levels of Organizations

unique. This results in administrators treating symptoms rather than identifying and treating the root causes (Morehead & Griffin, 1992). It is important to remember that all problems require decisions, but not all decisions will require problem solving.

Finally, we should note that public managers face a particular difficulty in that their decisions often are (necessarily) made in clear public view. Certainly, the prospect of scrutiny increases as decision making moves from private to public organizations (Millett, 1966; Stahl, 1971; Nutt, 1999a). "Sunshine" laws often force the conduct of the public's business into the open, requiring such organizations to make decisions in front of interest groups, stakeholders, and the media. "Even when sunshine laws do not apply, mechanisms of accountability and oversight make all actions in public organizations, even contingency plans or hypothetical scenarios, subject to review and interpretation by outsiders" (Nutt, 1999a, p. 313). Blumenthal (1983) used the term "fishbowl management" to refer to the way in which public organizations must make strategic decisions.

Nutt's (2001) work adds to our understanding of the issue of decision making by introducing the concept of what he terms decision debacles, decisions that go so wrong that they are reported by the media. In fact, he finds that half of all decisions fail (Nutt 1997, 1999b, 2002). Not all failed decisions lead to media attention, but three common elements are found in debacles and failed decisions: faulty decision practices, premature commitments, and misallocation or resources (such as time and money spent on analyses to justify the wrong problem). Nutt also found that the context has less influence on the selection of decision-making practices than previously thought. In other words, best practices can be followed regardless of the decision to be made and the circumstances surrounding it. The prospects of success also improve when managers work to uncover hidden concerns, take steps to manage the social and political forces, identify results, encourage innovation, and estimate risk (Nutt, 2001).

## Where Do We Begin?

### Generating Alternatives

Think of a situation that you currently are experiencing at work, at home, or at school. Or just use the following example. You have been offered a data-entry job in a local bank. The job pays well; in fact, it might pay better than the social service job you have been planning on for the past 3 years. You have been working hard to complete your degree so as to pursue a career in social services. Going to work at the bank would mean at least postponing graduation.

Why is a choice necessary? Needing to choose implies that a gap exists between what is happening and what you would like to see occur. What alternatives exist in the situation that you are experiencing? The variations to the decision gap might look something like this:

Something is wrong and needs to be corrected.

Something is threatening and needs to be prevented.
Something is inviting and needs to be accepted.

Something is missing and needs to be provided.

Were you able to come up with an action that would close the gap? For example, were you able to justify taking or not taking the job? Through this process, we can say that the decision-making process begins with the perception of a gap and ends with the action that will close or narrow the gap (adapted from Arnold, 1978).

The Horse Grooming Case

The city of Rochester recently created a mounted police unit within the city’s police department. The mounted police were to be used to patrol large gatherings, particularly in downtown areas. The city purchased the horses, trained the police officers to patrol on the horses, and rented the stables in which to keep the three newly acquired animals. One issue remained—how to groom the horses.

Andrea Alvarez, a management analyst from the police department’s budget office, was asked to look into the situation. She had no idea as to the type of care the horses needed, and she knew that she must begin by learning what was required. She visited stables where horses were kept and talked to their owners, who referred her to the horse groomers. Horses require daily grooming, with several benefits (including the horses’ health). Preferably, the grooming would take place in the stables where the horses were housed. Andrea learned that horse groomers could be hired full-time, part-time, or on an hourly basis, depending on the needs of the city.

Andrea was asked by the chief of police, Chief Lewis, for a recommendation to help him make the hiring decision. He was concerned about the cost of these horses and did not want to add to it, but at the same time he understood the need for care of the animals. After interviewing members of the mounted police, horse owners, and horse groomers, learning the costs and benefits of horse grooming, and reviewing the needs of the horses in the city, Andrea determined that there were four options available:

1. **Hire a full-time horse groomer to care for the horses.** This person would be fully trained to meet the grooming needs of the horses and also would be able to identify health needs when they arose. Of course, this would involve the highest cost, as this person would be a full-time city employee with city benefits.

2. **Hire a part-time horse groomer to care for the horses.** There currently were only three horses on the force. The horse groomer could be hired for 4 hours a day to come in and groom the three horses. Additional grooming would need to be done by the police officers, who also would be responsible for identifying health needs. The cost of a part-time horse groomer would be lower, but the officers might be taken away from patrol to groom the horses.

3. **Contract a horse groomer on an hourly basis to care only for the city’s horses.** This person would require an hourly rate but would not receive city benefits. The availability of the horse groomer would have to be negotiated at the time of the contract negotiations.
4. The horses were in rented stables with groomers available, and the groomers could be added to the rent of the stables. Because some of the other horse owners who used the stables had experience with the groomers, the quality of the groomers’ work could be checked. The cost would be expected to be less than that of using a separately contracted horse groomer because these people already were in the stables.

You are the management analyst who needs to make recommendations on the alternatives to the chief of police. Based on your knowledge, which option would you recommend? Why?

Ways of Thinking

An effective public manager is one who is able to identify which problems are within the scope of managerial decision making and then make an effective and responsible decision. A good decision in terms of effectiveness is one that is high in quality, is timely, and is both understandable and acceptable to those whose support is needed for implementation (Schermerhorn, Hunt, & Osborn, 1994). A good decision in terms of responsibility is one that is consistent with the public interest and offers the greatest value for the public’s money. In the public sector, good decision making must meet both criteria. Time must be spent early in the decision-making process to uncover hidden or ethical concerns (Nutt, 2002). Ethical dilemmas may go undetected while decisions are made and surface later. This can be avoided if the decision maker takes steps to allow the exploration of ethical questions about a decision to be voiced as the decision-making effort unfolds (Nutt, 2001).

As a public or nonprofit manager, you must be aware of two initial steps in the decision-making process. First, you must identify the problem and its elements. In the problem-identification phase, you might ask questions such as the following. Is the problem easy to deal with? Might the problem resolve itself? Is this your decision to make? Is this a solvable problem within the context of the organization? In this process, you probably will want to keep in mind some appropriate models of decision making. Second, you will need to manage the involvement of others in the decision-making process, taking into account tradeoffs between quality and speed. If quality is most important and you are seeking a decision that is accurate, creative, and likely to be accepted by others, then you probably will want to engage various individuals and groups in the decision-making process. In this way, you will be able to have more people contributing ideas, you can divide up complex tasks, you can conduct a more thorough search for alternatives, and you probably can generate more alternatives and stimulate greater interest. But if efficiency is paramount and defined in terms of how quickly the decision is made, then you probably will have to resort to making the decision on your own. In the following subsections, we examine three aspects of the decision process: models of decision making, who should be involved, and what techniques are available.
Models of Decision Making

In 1971, Graham Allison published *The Essence of Decision*, in which he analyzed the Cuban missile crisis that President Kennedy faced during the early 1960s. Although Allison’s specific example today is somewhat dated, the categories he developed to understand the decision process in this case remain extremely helpful and can be applied to other situations. Essentially, Allison suggested that there are three perspectives that one might use to analyze a major governmental decision: the rational model, the organizational process model, and the governmental politics model. (These sometimes are identified as Model I, Model II, and Model III, respectively.) Allison’s basic argument was that, depending on which model or perspective you employ to understand the decision process, you see different things.

As an illustration, Allison described someone watching a chess match. Initially, most observers would assume that the chess players are moving the pieces in a strategic fashion toward the goal of winning the match. This way of understanding the situation—focusing on the goal as well as strategies and tactics to reach that goal—is consistent with the rational model. But someone else might look at the same match and conclude that the players were not single individuals and that, instead, the game was being carried out by a loose alliance of semi-independent “organizations,” each moving its pieces (e.g., rooks, bishops, pawns) according to some standard operating procedures. This view would be consistent with the assumptions of the organizational process model. Finally, still another observer might watch the chess match and assume that the game was the result of a number of distinct players, with separate objectives but with shared power over the individual pieces, operating through a process of collegial bargaining (Allison, 1971, p. 7). This view would be consistent with the governmental politics model. In any case, Allison described the three models as conceptual lenses that magnify, highlight, and reveal but that also distort or blur our vision. He called for greater awareness of our choices among the three approaches.

In the following subsections, we organize our discussion around these three perspectives of decision making: the rational model, the organizational process model, and the governmental politics model. In each case, we examine the basic premises of Allison’s approach as well as some of the prior thinking that led to Allison’s formulation. Then we note some more recent interpretations of decision making that at least loosely correspond to Allison’s three models.

The Rational Model

We begin with a general and familiar description of how decision making takes place, either in organizations or for individuals. Within the organizational context, decision making is the process by which “courses of action are chosen (from among alternatives) in pursuit of organizational goals” (Murray, 1986, p. 10). From an individual perspective, decision making can be expressed as a course of action chosen from among alternatives in pursuit of personal goals. Basically, when we think
of decision making, we tend to think of a process involving the following five phases (Elbing, 1970; Harrison, 1975; Murray, 1986; Pressman, 1973):

- **Pre-analysis phase**: Situations are defined.
- **Analytic phase**: Situations that affect goals are perceived, and information about them is gathered.
- **Design phase**: Options are crystallized to deal with the situation.
- **Choice phase**: Alternatives are evaluated, and the optimal choice is selected.
- **Implementation phase**: The alternative that is chosen to meet the specific situation is implemented.

In the rational model, these phases for decision making are performed deliberately and consciously, relying on the rationality of the decision maker’s thoughts and behaviors. Allison (1971) proposed the rational model as the classical and dominant orientation to decision making. This model assumes “human purposefulness both in individual behavior and in the broader scope issues such as foreign policy” (p. 30). Moreover, it assumes that individuals and groups behave rationally in decision making and when they take other actions. And to behave rationally generally is understood to mean that people try to maximize the value they receive in any situation. That is, they make value-maximizing choices.

There actually are several variations on the theme of rationality. The classic “economic man” argument suggests that people consider all available alternatives and then make choices that maximize the values they receive. For example, if you are buying a car, then you get complete information on all cars that meet certain minimum criteria and then make the choice that provides the best value—the best combination of price, features, and quality that you desire. But Herbert Simon, in his classic *Administrative Behavior*, argued that real people cannot quite handle all of the information that is available and that they do not have the decision-making prowess required to fit the assumptions of economic man (Simon, 1976).

Instead, Simon suggested that, as humans, we have cognitive limits. Because we cannot deal with all of the possible aspects of a problem or process all of the information that might be available, we do the next best thing; we choose to tackle meaningful subsets thereof and make decisions that might not maximize value but are at least satisfactory. As Simon put it, we “satisfice.” In the example of buying a car, instead of searching out all of the information available and making a purely rational decision, you are more likely to look at different cars until you find one that meets your minimum criteria. Then you buy that car. But note that you still are seeking a rational decision; you just are limited in your capacity to achieve such a decision in all cases. Although what Simon called “administrative man” cannot attain the same degree of rationality as can economic man, administrative man does the best with what he has.

Allison also equated the “rational man” with the classical economic man or at least with its variant, administrative man. In either case, our goal is to make value-maximizing choices to the extent that we can. Also included in the rational model...
are the assumptions that decisions are orderly (not disorderly), intentional (not unintentional), purposeful (not random), deliberate (not chaotic), consistent (not inconsistent), responsible (not irresponsible), accountable (not unaccountable), explainable (not unexplainable), and rational (not irrational). The result is a decision model characterized by rational calculation of the costs and benefits of various alternatives. Both Allison and Lindblom provided similar interpretations of the rational decision-making model. Allison (1971, pp. 29–30) viewed the process as having the following four steps:

1. Translate goals and objectives into payoffs and utility.
2. Choose among alternatives.
3. Consider the consequences.
4. Select the alternative whose consequences have the greatest utility.

Similarly, Lindblom (1959, 1979) suggested that the rational decision-making process involves the following:

1. All related values are prioritized (e.g., full employment, healthy children, adults with health insurance).
2. Then all possible policy outcomes are rated as more or less efficient in achieving these goals.
3. All possible alternatives are outlined and require a systematic comparison to determine which one would result in the greatest value.
4. The choice that maximizes values is chosen.

Regardless of whether the assumptions of the rational model actually are carried out in practice, the model is attractive as a way of thinking about problems. Indeed, because it is so useful for explaining and predicting behavior, it is the model most familiar to us. Allison and Zelikow (1999) illustrated the pervasiveness of the model by asking individuals to react to another nation’s unexpected behavior. They specified three occasions: the expansion into Eastern Europe by Hitler, the transfer of missiles into Cuba by the Soviet Union, and the invasion of Kuwait by Iraq. The overwhelming response of those questioned was to make sense of what happened, to develop reasons and motivations, to explore the intentions of various actors, and to assume a careful and deliberate calculation of the consequences of various outcomes. In other words, they tried to fit these aggressive and risky situations into the rational model and assumed that the government action was primarily the result of a single actor behaving under the assumptions of rational behavior. So, even when other models might be more appropriate for explanation and prediction, we tend to rely on the rational model to make sense out of decisions. In a recent study of almost 400 nonroutine organizational decisions, Nutt (2005) found that “a rational, goal-directed approach was the most effective way to search” for solutions to problems. Setting goals clears ambiguity and increases the decision makers’ chance of
success. Conversely, “problem-directed searches were seldom successful, no matter what protocol was used to uncover a solution” (p. 870).

The modern rational choice models introduce the element of self-interest, which seeks to explain the inconsistencies between the rational goal of the organization and the individual interests of the actor (Glaser, Aristigueta, & Payton, 2000). The notion of self-interest acknowledges that rationality is just one of the many potential influences on the decision-making process. Think back to the 2000 presidential election. A very close race left the final count of votes in the state of Florida critical to the election of Al Gore or George W. Bush as president of the United States. Early accusations of self-interest were made by both the Democrats and the Republicans. The Democrats blamed the Republican secretary of state, Katherine Harris, for acting out of self-interest in certifying the election before all avenues had been contested. The Republicans blamed the Democrats for not wanting to bring the election to closure, which they considered to be in the best interest of the American people (in this case, it also would be in the Republican candidate’s favor). The secretary of state, by imposing deadlines and requirements in the counties, believed that she was acting rationally in ruling that the votes could be certified. Was the secretary of state acting out of self-interest, or was she being rational? Or should we say that rationality and self-interest coexist?

Examples of other public decision debacles include the British Millennium Dome and Euro Disney. The Dome, which opened on January 1, 2000, was hyped as a futuristic, flashy, and high-tech project to usher in the new millennium. Within weeks of opening, the project became a national embarrassment with high admission fees and lower than forecast attendance. Politicians argued over who was to blame. The government put 785 million pounds into the project and 175 million more to keep it afloat. Now, bidders plan to bulldoze the building and use its picturesque location on the river Thames to build something else (Nutt, 2001).

Euro Disney is another example of decision failure resulting from the building of the Disney park in France without, among other things, taking culture into consideration. An American park in the United States made “Americana” accessible to Europeans; yet in Europe it was less appealing. Disney applied its old formulas, replete with historical and cultural assumptions. It limited its downside cost risk but did not consider how to adapt to European culture to ensure revenues would cover the cost. Warning signs were ignored, although expressed at the press conference. Estimates of park and hotel use were overoptimistic, which suppressed the true risk of the project (Nutt, 2001).

How do decision debacles happen? Are they preventable? Can the risks and the magnitude of the losses be foreseen? Can a debacle be headed off with a midcourse correction? What lessons might we learn from experiences?

There is a growing wave of criticism of the rational model. One part of this criticism is the recognition that values and feelings also play an important role in decision making (Etzioni, 1988). In addition, habits, moral feelings, and values that have nothing to do with rationality may guide our behavior (Camic, 1985). Finally, Janis and Mann (1977) criticized the rational approach for its disregard of a holistic picture of human nature, which for us would include culture. Assuming consistency, intentionality, purposefulness, and rationality on the part of individuals...
invariably leads to misunderstanding and possibly false assumptions. Choosing other models as alternative conceptual lenses avoids this trap and can offer different insights by highlighting different aspects of the decision process.

The Organizational Process Model

An alternative to the rational model sees government as composed of many loosely allied organizations, each with its own set of leaders. One individual leader rarely can control the behavior of so many different organizations. To accomplish the necessary complex tasks, the behavior of a large number of individuals must be coordinated (Allison & Zelikow, 1999). According to Allison and Zelikow, Model I (the rational model) “examines the logic of consequences,” whereas Model II (the organizational behavior model) “explains the logic of the action” (p. 146). The latter model includes the possibility of multiple agents in the decision-making process. But under this model, decision makers are constrained by standard operating procedures that tend to make decision outcomes somewhat predictable.

We can think of an organization as the pattern of communication and relationships in a group that provides each member with information and assumptions, goals, and attitudes that enter into his or her decisions. These patterns mean that individual members develop standard ways of reacting to situations they confront. “A sales manager reacts like a sales manager because he occupies a particular organizational position, receives particular kinds of communications, is responsible for particular sub-goals, and experiences particular kinds of pressure” (Simon, 1976, p. xix). More generally, an organization’s influence on decision making is exercised by (a) dividing tasks among its members, (b) establishing standard practices, (c) transmitting objectives throughout the organization, (d) providing channels of communication that run in all directions, and (e) training and indoctrinating its members with the knowledge, skills, and values of the organization (Beach, 1990).

Allison and Zelikow (1999, p. 145) outlined five characteristics of the organizational behavior model:

1. Individuals must be organized in a structured way to achieve an objective.
2. Organizations create capabilities for performing tasks that otherwise would be impossible.
3. Existing organizations and programs constrain behavior.
4. An organizational culture emerges that shapes the behavior of individuals within organizations.
5. Organizations form a sort of technology in which groups of individuals work together in developing procedures to complete designated tasks.

Incrementalism, an alternative to the rational model offered by Lindblom, is the key to the organizational process model. Lindblom rejected the notion that most decisions are made by rational processes. Instead, he found that decisions are dependent on small incremental choices made in response to short-term conditions.
His theory suggests that decision making is “controlled infinitely more by events and circumstances than by the will of those in policy-making positions” (as quoted in Shafritz & Russell, 2000, p. 52). According to Lindblom, the bargaining process characteristic of government produces incremental “muddling through” that is quite different from the comprehensive choices of a centralized authority acting according to the dictates of rationality. Inevitably, the analysis of alternatives for action and the choice of values and goals that inform the decision become so intertwined that they are indistinguishable.

Criticisms of the organizational process model include the fact that decision makers are prevented from forecasting the future and acting on the basis of a predetermined vision. Decision makers are forced to make incremental changes based on standard operating procedures. Critics also point out that organizations create their own institutionalized rationality (Fligstein, 1992). A study of hospitals and their use of cesarean sections illustrates this point. In an empirical study, Goodrich and Salancik (1996) found that the rates of cesarean sections for childbirth in hospitals were not related to best medical practice but rather were based on organizational standards of procedure. This case provides a vivid illustration of the concerns presented by using standard operating procedures instead of what is in the best interest of the mother’s health.

A related model emphasizes the legal aspects of decision making. In its most simple and direct form, law is concerned with the conduct of individuals in the context of the social, political, and economic order (Murray, 1986). The legal model consists of the sum total of principles and procedures that a society has adopted and relies on to function properly. In using this model for decision making, the law is used as a guiding principle, requiring reasoned decisions and fundamental fairness. Legal models are viewed as administrative tools in that “they aid in decision making, enhance efficiency, reduce arbitrariness, improve morale, and provide defenses when agencies’ actions are challenged” (Cooper, 1996, p. 134). The legal model looks to the Constitution, laws, courts, and contractual obligations for specificity on procedures, requirements, and responsibilities. Under this model, the law is an essential device for accomplishing the responsibilities entrusted to public and nonprofit administrators.

The Governmental Politics Model

This model acknowledges that decisions in government (and other institutions) are made through a collaborative process that, in reality, bears little resemblance to a single executive making a rational choice. Under the governmental politics model, decisions are group efforts that involve bargaining among players with different and competing interests. According to Allison (1971), “To explain why a particular formal governmental process was made, or why one pattern of governmental behavior emerged, it is necessary to identify the games and players; to display the coalitions, bargains, and compromises; and to convey some feel for the confusion” (p. 146). Similarly, Wilson (1989) emphasized the important role that constituents play in government, referring to them as “the principal source of power” (p. 204).
The governmental politics model is most readily understood by defining what it is not. First, it is not a model with a single unitary decision maker; rather, it involves a number of actors with their own agendas, priorities, and timetables. Second, this model does not focus on single strategic issues at stake in a decision but rather recognizes complex multilevel issues being considered by groups of actors with multiple interests and agendas and operating in different social spheres simultaneously. For example, a cabinet secretary in a state department is responsible to the governor, departmental staff, the various interests served by the department, the public, and the secretary’s own profession and career. The decisions that the secretary makes will affect and be affected by multiple stakeholders, as will the subsequent actions taken. Third, this model does not describe a single rational choice; instead, it offers “the pulling and hauling that is politics” (Allison, 1971, p. 144). Bargaining actually is a collection of decisions that often is assembled more haphazardly than logically. Most issues—for example, the Asian economic meltdown, the proliferation of nuclear weapons, or trade with China—emerge piecemeal over time, one lump in one context, a second in another (Allison & Zelikow, 1999). Hundreds of issues compete for players’ attention every day. Each player is forced to fix on the relevant issues for that day, deal with each on its own terms, and rush on to the next. Thus, the character of emerging issues and the pace at which the game is played converge to yield government “decisions” and “actions” as collages (p. 257).

According to Nutt (2005), political explanations have three premises. First, important decisions are thought to stem from compromises made by a coalition. Bounded rationality is overridden by conflict of interests. Furthermore, when feeling pressure from stakeholders that have conflicting interests, “decision makers claimed to seek a politically safe choice and adjust their preferences accordingly” (p. 872). In a study of 343 decisions, Nutt found that only 14% involved delegation of the choice to a coalition, suggesting that this is not the dominant means of decision making in organizations.

The major contribution of the governmental politics model is that it places the actor within a context. Each person is influenced by his or her position, perceptions, practices, and priorities. How problems are defined and how agendas are set are critical considerations in explaining decisions and their results. Issues originate from a variety of sources, ranging from pragmatic considerations to strategic goals and values. For example, a potential increase in tuition at a state university involves various actors—the board of regents, state legislators, perhaps even the governor. How the potential increase is received will vary among the many actors affected by it—the parents or students paying tuition, employers covering employees’ educational expenses, the faculty and administration of the university. What would be the reaction of these actors? Can you think of additional actors on both the decision-making and receiving ends of the decision process?

Another popular approach to decision making bearing some resemblance to the governmental politics model is what has been called the “garbage can model.” The garbage can model was developed by Cohen, March, and Olsen (1972), whose original work focused on universities as a form of “organized anarchy.” These organizations could then be viewed as having a collection of choice opportunities,
solutions looking for problems, and participants looking for work” (Takahashi, 1997, p. 92). Choice opportunities are occasions when organizations are expected to produce decisions. For example, in the university setting, a university program might be asked by the administration to decide whether it would like to implement a Ph.D. program in the School of Public Administration. Participants are characterized in terms of the energy they have available for problem solving. The school director would determine which faculty members would be available to work on the issue and interested in doing so. The faculty members would be asked to participate in the decision-making process. Problems are characterized by how much energy will be required to make a choice. After selecting the faculty members, a committee chair would be assigned. The committee would decide on the issues that must be addressed, such as the curriculum, additional faculty, recruiting of students, and the energy required to supervise doctoral students. Solutions recognize the potential energy that is necessary to solve a problem. The committee would then make a decision, given to the department head, on whether or not to consider adding a doctoral program based on the resources that are available.

Under this model, decision processes are affected by the timing of problems, solutions, participants, and choice opportunities, all of which are assumed to be independent. The choice opportunity is viewed as the garbage can in which problems, solutions, and energy are dumped by the participants. Once the garbage can is full, or once all of the alternatives associated with it have been exhausted, it is removed from the decision-making process. Each of the following three scenarios would lead to a full garbage can in that a decision could be made (Takahashi, 1997, p. 92).

**Decision making by resolution.** The choice resolves problems after some period of time working on them. In the university example just cited, we could say that the decision was reached by resolution. The committee wrote an action plan to address the proposal for the Ph.D. program.

**Decision making by flight.** When the choice resolves no problems after some period of time working on them, the decision can be made if the problems leave the choice opportunity. The decision could have been made by flight if the committee had not been able to reach consensus on the need or interest for a Ph.D. program in public administration.

**Decision making by oversight.** If there is effective energy available to make the new decision before problems become activated, then the decision will be made with minimal energy. On the other hand, the decision could have been made by oversight if the school director, after consulting with faculty, had decided that it was in the best interest of the school to develop a proposal for a Ph.D. program and took it upon him- or herself to do so.

Takahashi’s empirical research revealed that “decision making by flight is a regular feature of the usual decision processes of white-collar workers in Japanese firms” (1997, p. 106). Takahashi found that an increase in workload increases the use of flight when an organization has a high degree of anarchy. He was not
surprised by his findings and did not find the high flight ratio to mean failure in an organization with competent organizational workers. “In fact, it is directly [the] responsible managers for efficiency who have the high flight ratio in comparison with the others in Japanese firms” (p. 106). This is attributed to bounded rationality, where the heavy workload makes it difficult for the organization to operate smoothly and satisfactorily (March & Simon, 1958; Simon, 1976).

In addition, critics have noted that because, in this model, managers make decisions in small increments that make sense to them, they may simply generate actions that will make them look good (Starbuck, 1983) or protect them from looking bad. In fact, an analysis of decision making during the Cuban missile crisis led to the conclusion that decisions were made to avoid failure rather than to achieve success (Anderson, 1983). Perhaps a similar statement could be made of political decisions during the war in Vietnam.

Finally, how people actually choose from among alternatives was studied by Mintzberg et al. (1976), who developed a content analysis of 25 strategic decisions. They found that judgmental, bargaining, and analytical approaches were used to evaluate alternatives. Judgment was evidenced by decision makers in applying their intuition to select among courses of action without explaining the reasoning or rationale. Bargaining was said to occur when parties to the decision negotiated to reach an agreement. Analysis was used to produce factual evaluation. Mintzberg and colleagues found that judgment was the method used most frequently and that analysis was the method applied least frequently. Bargaining was used when opposition arose.

**Who Should Be Involved?**

A second major area of decision making addresses the question of who should be involved in the decision process. In this regard, there are three basic methods of decision making. Authoritative decisions are those made by an individual alone or on behalf of the group. Consultative decisions also are decisions made by an individual, but in this case they are made after seeking input from or consulting with members of the group. Group decisions are those made by all members of the group, ideally through consensus. Naturally, there are advantages and disadvantages to each approach. As we noted earlier, involving many people in the process may result in a better decision because many will have had the opportunity to think of the pros and cons and therefore will be more likely to support a decision in which they have been involved. On the other hand, involving many also may sacrifice efficiency given that the more people who are involved, the more time-consuming the decision-making process becomes. In group decision making, the process is slower than if an individual were to make the decision. Nutt (2005) found that in group decision making, goal setting was more important than selecting the team’s members or the solution protocol to be used. This has implications for teams and will be discussed further in Chapter 10.

Moreover, there is the possibility of “groupthink,” a mode of thinking that occurs when people are deeply involved in a cohesive group and their desire for unanimity offsets their motivation to appraise alternative courses of action. Janis (1971) wrote,
“My belief is that we can best understand the various symptoms of groupthink as a mental effort among group members to maintain ... emotional equanimity by providing social support to each other” (p. 174). For example, imagine a college classroom near the end of the period. A couple of students still have questions, but as they look around the room, they see their classmates packing to leave. Rather than ask their questions, they conform to the class standard and head for the door. The goal of learning has been displaced by the power of the group. Figure 5.2 provides a prescription for the prevention of groupthink. That prescription requires critical thinking on the part of individuals and groups to avoid contamination of the process or goal displacement. Contamination of the process or goal displacement is encountered when the cohesion of the group overcomes the process for decision making or the goal for the assignment.

An extremely detailed formulation of the issue of participation was put forward by Vroom and Yetton (1973) and further developed by Vroom and Jago (1988). The Vroom–Yetton model focuses on the question of when or under what circumstances managers should involve others in decision making. In this model, the matter of participation is viewed as more complex than simply having subordinates participate or not. Rather, there are five different levels of participation that are included in the model and listed in Figure 5.3. This leads to the question: Which of these levels of participation is appropriate in any given situation? (Note that for some situations, two or more participation levels are likely to produce decisions that lead to successful results.)

**Figure 5.2** Prescriptions for Prevention of Groupthink

<table>
<thead>
<tr>
<th>Leader</th>
<th>Assign everyone the role of critical evaluator.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Be impartial; do not state preferences.</td>
</tr>
<tr>
<td></td>
<td>Assign the devil’s advocate role to at least one of the group members.</td>
</tr>
<tr>
<td>Organization</td>
<td>Set up several independent groups to study the same issue.</td>
</tr>
<tr>
<td></td>
<td>Train managers and group leaders in groupthink prevention techniques.</td>
</tr>
<tr>
<td>Individual</td>
<td>Be a critical thinker</td>
</tr>
<tr>
<td></td>
<td>Discuss group deliberations with a trusted outsider; report back to the group.</td>
</tr>
<tr>
<td>Process</td>
<td>Periodically break the group into subgroups to discuss the issues.</td>
</tr>
<tr>
<td></td>
<td>Take time to study external factors.</td>
</tr>
<tr>
<td></td>
<td>Hold second-chance meetings to rethink issues before making a commitment.</td>
</tr>
</tbody>
</table>

To answer this question, the leader is advised to work through the decision tree presented in Figure 5.4. The decision tree initially appears complex but, in fact, is easy to use. One begins under Point A by asking Question A. (All questions must be answered with a yes or no. No answers of maybe or sometimes are allowed.) Depending on the answer, one proceeds to either Question B (for a yes response to Question A) or Question D (for a no response to Question A). One continues answering questions as indicated on the decision tree until reaching an endpoint. Each endpoint is numbered and is followed by a listed set of participation levels. (These refer to the participation levels listed in Figure 5.3.) This is a “feasible set,” meaning that each of the levels listed in the set is likely to result in a successful outcome.
But this does not mean that there is no reason to pick one style over another within the set, for the styles are ordered in terms of the amount of time it will take to reach a decision. The fastest approach is listed first, then next fastest is listed second, and so on. Again, the model takes into account the type of decision being made (a process aided by the decision tree) and then offers a level of participation that is most likely to be successful.

There is one more question to consider when reviewing who should be involved: are the decisions that we are making representative of the demographics of stakeholders? Let’s examine why diversity should be considered in decision making.

**Diversity and Decision Making**

The focus on diversity in the workplace results in part from demographic shifts of racial and ethnic minorities, women, and older workers in the domestic workforce,
and pressures of globalization (Wentling & Palma-Rivas, 2000); but more important, it is crucial for a representative democracy. As Mosher (1968) argued, “representativeness concerns the origin of individuals and the degree to which, collectively, they mirror the whole society” (p. 15). Mosher viewed diversity as being crucial for decision making and policy: “persons drawn from diverse groups . . . will bring to bear upon decisions and activities different perspectives, knowledge, values, and abilities. And the products of their interaction will very likely differ from the products where they are all of a single genre” (p. 16). This enhances the organization, as a diverse work environment provides an increased awareness of global opportunities, a more cogent approach to problem identification and solution, and a check on the insidious effects of groupthink (Esser, 1998; Larkey, 1996; Milliken & Martins, 1996; Morehead, Neck, & West, 1998; Watson, Johnson, & Merritt, 1998; Dunphy, 2004).

Management of diversity may be seen as a new organizational paradigm where differences are recognized, valued, and engaged (Gilbert, Stead, & Ivancevich, 1999; Pless & Maak, 2004). The goal of managing diversity is to increase awareness of ethical questions related to difference in the workplace and to help managers engage in dialogue to solve complex moral issues (Kujala & Pietilainen, 2007). Effectively managing diversity increases creativity in decision making, reduces diversity-related conflict, improves cross-cultural understanding, and provides more functional interpretation of pluralistic differences (Combs & Luthans, 2007; Cox, 2000; Cox & Beale, 1997; Dass & Parker, 1996). Europeans, Africans, Native Americans, Asians, and other racial groups possess unique cultural norms and values that affect their decisions (White & Rice, 2005).

**What Techniques Are Available to Assist You?**

There are a variety of techniques to assist you in various aspects of the decision-making process. In this section, we examine two popular techniques for securing more information and then discuss several others for choosing from among alternatives.

**Focus Groups**

Focus groups are a popular method for receiving input from a large number of individuals, serving as “group interviews” (Morgan, 1997, p. 1). A typical focus group consists of 10 to 12 people brought together to discuss a particular topic, usually with the help of a trained facilitator. Focus groups may be used for problem identification, planning, implementation, or assessment. The data gathered from these meetings are then used by managers to make decisions.

Focus groups require careful planning. Indeed, Morgan (1998) recommended that the planning occur throughout the whole project. He described the focus group process as consisting of four basic steps:

*Planning:* This step requires the anticipation of major decisions that will need to be made.

*Recruiting:* Having well-targeted participants is as important as asking good questions or using a skilled facilitator. “Problems with recruitment are the single most common reason why things go wrong in focus group projects” (p. 4).
Moderating: Effective recruiting and good questions will greatly aid the facilitator or moderator in the focus group endeavor.

Analysis and reporting: The information gathered during the focus group is finally analyzed and reported so that it can be used in the decision-making process.

Focus groups can be used in many ways. For example, a federal agency wanted to learn why its national health promotion campaign was having little effect. Focus groups indicated that the message in the existing advertising was too complex and then considered simpler ways of expressing the same ideas. A large nonprofit organization wanted to increase its activities in the African American community. Through a nationwide series of focus groups, the organization learned that it was virtually unknown, despite an advertising campaign that it thought was geared to African Americans. A state agency that was facing major cutbacks wanted to provide a job counseling program that would be of practical use to its former employees. Focus groups revealed the need for different programs for those who wanted jobs that were similar to their old ones as opposed to those who wanted to pursue new careers.

Brainstorming

Originally developed during the 1930s in the advertising industry, brainstorming is a method of generating a large number of ideas in a short period of time (Rawlinson, 1981). More specifically, brainstorming typically is used to create ideas and generate alternatives. Brainstorming is one of the most widely used and, unfortunately, misused techniques for fostering creativity. The key concept behind brainstorming is to increase creative thinking and generation of solutions by prohibiting criticism. Its misuse most commonly takes the form of participants failing to understand or adhere to its ground rules. Brainstorming works best when the following guidelines are followed:

1. State the problem clearly and neutrally. It can be helpful to restate the problem using the phrase “How can I/we . . . ?” Post the stated problem where it can be easily seen.

2. Generate ideas using these ground rules: There is no judgment made about the ideas as they are being generated, the objective is to generate the greatest quantity (not quality) of ideas, all ideas (even wild ones) are welcomed, and it is appropriate to embellish, or “piggyback,” on ideas.

Group brainstorming sessions tend to work best when someone takes on the role of facilitator. The facilitator reminds the group of the ground rules and helps the group to enforce them, for example, by stopping participants who might begin evaluating other people’s ideas. Rawlinson (1981) suggested that these ground rules are so important to successful brainstorming that they always should be put on display during the brainstorming session. Wycoff (1995, p. 130) suggested a number of additional ways of enhancing group brainstorming sessions:
1. **Allow time for individual idea generation.** Allow 3 to 5 minutes of silent individual brainstorming before beginning the group brainstorming session. This can reduce anxiety and prevent a “follow the leader” type of thought process.

2. **Alternate between small groups and large groups.** Groups of three or four can make it easier for people who are too shy or reticent to participate in larger groups. Larger groups can provide greater diversity and generate more laughter, which can serve as a catalyst to creativity.

3. **Realign groups frequently.** This can help groups to equalize participation and avoid the development of rigid roles.

4. **Use activities and humor.** Movement, participation, and humor can help to break down barriers to communication and creativity.

When used appropriately, brainstorming can be a highly useful technique for generating a large volume of ideas and triggering creative solutions to problems. Brainstorming also can be used effectively in conjunction with other techniques such as focus groups.

**Cost–Benefit and Cost-Effectiveness Analysis**

After gathering facts and suggestions, the decision maker should begin assessing the various alternatives. A variety of analytical tools are available for decisions that require this level of analysis. Because the cost of public programs usually is an issue of major concern to the public administrator, here we provide a quick overview of cost–benefit and cost-effectiveness techniques.

**Cost–benefit analysis.** This technique is used by government agencies to plan programs, allocate resources, evaluate outcomes, and assess the efficiency of organizational processes. “The general approach is to identify and quantify both negative impacts (costs) and positive impacts (benefits) of a proposed project and then to subtract one from the other to determine the net benefit” (Sylvia, Sylvia, & Gunn, 1997, p. 145). All costs and benefits must be expressed in monetary terms, so this technique is useful if we are interested in the efficiency of a program. However, we also can consider tangible and intangible items as well as direct and indirect benefits and costs.

These sometimes are fuzzy, requiring the analyst to pass judgment. Starling (1993) provided an example of an indirect cost: “A frequent indirect cost in government programs is compliance costs or simply red tape. For example, a new federal law designed to safeguard employee pension rights can cause small firms to terminate their plans because of paperwork requirements” (p. 253). An example of an intangible benefit is the prestige that a neighborhood might gain by the addition of a new city park. To measure the effectiveness of a program that includes non-monetary items, the analyst must use cost-effectiveness analysis.
Cost-effectiveness analysis. This technique is used to compare the program’s output to the costs encountered. Costs consist of expenditures of money and other resources (e.g., personnel, facilities, equipment) to maintain a program. (Again, some of the “cost” measures might be qualitative.) The costs are then compared with how the program is meeting the goals and objectives that have been established. The steps for cost-effectiveness analysis include the following (Hatry, Blair, Fisk, & Kimmell, 1987, p. 94):

1. Identify the objectives of the work activity and corresponding criteria to assess whether the objectives are being met.
2. Examine the current cost and level of quality of the service activity.
3. Based on this evidence and on observations of the way in which the current activity is performed, identify alternative ways of doing the activity. Consider ways of eliminating unnecessary tasks and new procedures.
4. Assess the cost and service quality effects of each alternative.

Nominal Group Technique

This technique was developed to ensure that every group member has equal input in the process (Guzzo, 1982, pp. 95–126). The process for the nominal group technique is as follows. First, each participant, working alone, writes down his or her ideas on the problem to be discussed. These ideas usually are suggestions for a solution. Second, the group conducts a round-robin in which each group member presents his or her ideas to the group. The ideas are written down on a blackboard for all of the participants to see. No discussion of the ideas occurs until every person’s ideas have been presented and written down for general viewing. Third, after all ideas have been presented, there is an open discussion of the ideas for the purpose of clarification only; evaluative comments are not allowed. This part of the discussion tends to be spontaneous and unstructured. Fourth, after the discussion, a secret ballot is taken in which each group member votes for preferred solutions. This results in a rank ordering of alternatives in terms of priority. As desired, the third and fourth steps can be repeated to add further clarification to the process.

Logic Models

Increasingly, what are called “logic models” are being constructed and used to explain program logic and assist with evaluation and decision making. Logic models require systematic thinking yet allow decision makers the flexibility to run through many possible alternatives before determining what is best. The most basic logic model is a picture of how the program is anticipated to work from initial inputs through end outcomes.

It typically consists of inputs and activities, intermediate outcomes, and end outcomes. Hatry (1999) suggested that users of logic models should consider beginning from the desired outcome and work backward, something that he
believes will expand the decision makers’ creativity and innovative thinking. Hatry suggested that moving in the other direction—starting from existing activities and identifying outcomes that flow from those activities—might limit the user to the existing activities.

To illustrate how a logic model might be used in decision making, consider the problem of children’s access to health care, with the end outcome of healthy children. Intermediate outcomes may include immunization of children, medical treatment when necessary, and education for a healthier lifestyle. Activities may include making sure that children have access to health insurance, health centers, and health education. A logic model for this issue is illustrated in Figure 5.5. Additional alternatives to address the same problem could be generated and depicted through an extension of this model or through the development of alternative models. Once the problem is depicted in this way, decision makers might have a clearer picture of the relationship among various elements of the problem and be able to arrive at a more well thought out position.

**Discretion in Decision Making**

There are times when you will be asked to act without special decision-making tools or normal operating procedures. These situations will call for reasonableness in the application of administrative discretion. Discretion is part of the broad continuum of decision-making processes that involve the act of making choices; these choices may be made by bureaucrats at the street level or by managers exercising administrative discretion (Vaughn & Otenyo, 2007). Administrative discretion is “about judging about competing values, choosing a best possible solution, and
being free to extend the rights and duties of office” (Vaughn & Otenyo, p. xii). This definition takes us beyond the street level and includes discretion at all levels of government involved in management of the public organization, or what will be termed in this chapter managerial discretion.

Decision making by discretion requires caution and the inclusion of key administrative values such as representation, economy, efficiency, effectiveness, equity, fairness, and transparency. An ethically sound decision will require evaluation on whether it is right and just (Burke, 1996). When discretion is at odds with political accountability, democratic governance, especially the rule of law, is jeopardized. Earlier we talked about street-level leadership (Vinzant & Crothers, 1998). Related to that idea are street-level bureaucrats, a term coined by Lipsky in 1980. Whether called leaders or bureaucrats, these people are called to make decisions as they are implementing policy. A study by Maynard-Moody and Musheno (2003) reiterated the significance of street-level bureaucrats in the political process, asserting that street-level workers “actually make policy choices rather than simply implement the decisions of elected officials” (p. 3). They also claim, based on a study of 48 street-level state employees in two states, that “workers’ beliefs about the people they interact with continually rub against policies and rules” and that the prejudices of the street-level bureaucrats influence their treatment of stakeholders (p. 3).

Dillman (2002) contends that discretion is often necessary for things to get done in emergency situations requiring efficiency and effectiveness. In disaster management, the prevention of loss of life, recovery of life and property, security, public safety, relief, and reconstruction, to name a few, become paramount in the decision-making process, and unnecessary adherence to federal and state policies may slow down the response, a criticism encountered by the governor of Louisiana in her response to the 2005 Hurricane Katrina ravaging of the Gulf Coast. Governors of several affected states were viewed as more proactive by using managerial discretion to prepare and implement their states’ relief and evacuation services. In Tennessee, the governor issued an executive order to suspend certain laws and rules in order to provide relief to victims of Hurricane Katrina as part of the state’s Emergency Management Plan. Under Tennessee’s state law, the governor is authorized to “suspend the provisions of any law, order, rule, or regulations prescribing the procedures for the conduct of state business or the orders or rules of any state agency, if strict compliance with the provisions of any such law, order, rule or regulations would in any way prevent, hinder, or delay necessary action in coping with the emergency” (Vaughn & Otenyo, 2007, p. 67). This included pharmacists assisting evacuees and certain kinds of restricted vehicles permitted to use interstate highways. Other examples of governors using managerial discretion include Alabama, where the governor established an uncompensated care pool that allowed state officials regulatory flexibility in providing medical care for Katrina evacuees. In Arkansas, the governor issued a state of emergency order in specific jurisdictions that permitted school and city buses to be moved into the disaster areas. A Hurricane Recovery Fund was established by the governor of Mississippi to serve as the state’s central clearinghouse for corporations, organizations, and individuals making donations for residents who were recovering and preparing to rebuild (Vaughn & Otenyo, 2007).
Summary

To summarize, we can think in terms of building blocks for effective decision making (Arnold, 1978). Building Block No. 1 is to smoke out the issue. Ask yourself why a decision is necessary. Recognizing and defining a problem is an important first step in problem solving and decision making. The answer to this first step not only provides you with a definition for the problem at hand but also clarifies whether there is a problem at all. If there is a problem, then keep asking why until all issues have been determined. It is possible to deceive yourself with superficial answers. By asking why repeatedly and verifying the answers, you are able to expose the real issue, which will aid in making the correct decision.

What is or is not the problem? This question helps to define the problem as precisely as possible by separating the mere symptoms from the root cause. Asking what the problem is not, through the process of elimination, might help to uncover a truth or eliminate barriers to a problem. For example, Bryson (2004), in reviewing mandates for public and nonprofit organizations, recommended that the strategic planner consider what is not limited by the mandates. Sometimes we believe that the restraints are greater than they really are.

What is, should be, or could be happening? This question is a supplement or may serve as a substitute to what is or is not the problem. Asking what is, what should be, or what could be requires that we examine the differences among reality, expectation, and desire or conceivability.

Building Block No. 2 is to state your purpose. The statement of purpose is the most critical step in the decision-making process, yet it is a step that often is neglected. The neglect comes from not wanting to waste time on examining purpose when time could be spent on solutions. Unexamined statements of purpose frequently mask the real problems. For example, a new assistant professor at a research institution might enjoy teaching so much that she neglects her requirements to contribute to knowledge through research and publication. Examining her purpose at these institutions, she might learn not only that research is a requirement of the position but that it would enhance her teaching as well.

Building Block No. 3 is to set your criteria. Setting criteria requires answers to the following three questions, which will be used to judge possible solutions: What do you want to achieve by any decision you make? What do you want to preserve by any decision you make? What do you want to avoid by any decision you make? To illustrate the point using the example discussed in the preceding paragraph, we could say that the assistant professor wants to achieve the following: to provide the best education possible to students, to contribute to knowledge so as to meet the tenure and promotion requirements, and to provide service to the community. She wants to preserve a job at a university she really likes and to remain in a field for which she has prepared. And she wants to avoid having to look for another position.

Building Block No. 4 is to establish your priorities. This step requires that you refine your criteria by setting your priorities. In most decisions, not all criteria are of equal importance. Starting with the list of things you want to achieve, preserve, and avoid, you begin by separating the items into categories of relative importance (e.g., very high, high, medium, and low). This will help you to decide which ones
are absolute requirements and which ones are desirable objectives. Assigning the values to the criteria is not easy. Some of the criteria might not be as important to you as you originally had thought, or you might discover that you have not stated them correctly or completely. Now is the time to restate, refine, and reevaluate the criteria. When restating the criteria, be as specific as possible.

Building Block No. 5 is to search for solutions. After determining your purpose and defining your criteria and priorities, you begin your search for solutions by asking the following questions: How can you meet the criteria you have set? What are the possible courses of action? Answering these questions requires brainstorming. You do not want to limit yourself to the obvious alternatives. Let your criteria generate your alternatives; this will facilitate fresh solutions and provide several alternatives. The alternatives might then need to be combined or modified to fit your criteria and priorities.

Building Block No. 6 is to test the alternatives. Testing the alternatives requires answering the question, how well do the alternatives meet each criterion? Each alternative is matched against the criteria, and a choice is made.

Building Block No. 7 is to troubleshoot your decision. This final building block is perhaps the most critical and the least practiced. This step helps you to take action to prevent, minimize, or overcome the possible adverse consequences by asking the question, what could go wrong with the solution that I have chosen? Make a list of all the possible problems, and then make a rough calculation of the likelihood of each problem occurring and the likely impact if it did occur. Finally, take preventive action to cope with each potential problem.

Ways of Acting

In this chapter, we learned that there are different types of decisions that we will be faced with in the workplace and that different decisions call for different strategies and actors. We also discussed the difference between decision making and problem solving and learned that there are times when we can rely on previous patterns for decision making and other times when the problem requires new and perhaps innovative solutions. In addition, we learned several models that may be used to help us frame the problems, develop alternatives, and ultimately formulate solutions. We also looked at the question of who should be involved in organizational decisions. Finally, we discussed techniques that are available to the decision maker in examining alternatives. The following behavioral guidelines might help in implementing these various methods correctly.

1. Define and verify the problem fully and accurately. You must overcome the temptation as a group or an individual to try to define the problem too quickly. Problem definition is difficult. Problems are not always clear. For example, you might initially attribute turnover in the workplace to a lack of opportunity for promotion. Interviews with those who have left the organization, and with those who have remained, might suggest instead that turnover is due to the lack of resources available to complete the work required.
2. **Use the problem to generate solutions.** You might find that well-defined problems have implied solutions. For example, if the problem is dissatisfaction in the workplace and the problem includes inadequate facilities, then the alternative solutions will begin with how to improve the inadequate facilities.

3. **Prevent premature evaluations of solutions.** Continue brainstorming until all possible alternatives have been generated. When alternatives are evaluated, the idea generation for possible solutions typically ceases.

4. **Provide a climate that values disagreement.** As we will see in Chapter 11, healthy conflict is helpful in generating ideas. Make sure that you seek input from those who disagree with you as well as those who agree with you. Consider all alternatives equally.

5. **Provide a climate that values diversity.** Creativity in decision making will be enhanced and groupthink will be diverted in valued and well-managed diverse environments.

6. **When possible, gain consensus from all of those affected while avoiding premature consensus building.** Solutions will be much more likely to be accepted if all of those affected have been involved in the decision-making process. For example, you might find that the solution to the facilities problem requires moving to a new location. Employees will be more satisfied with the move if they have been kept informed of the options and have contributed to the decision.

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### Thinking in Action

**A Decision-Making Framework**

Using a community service project, an internship, or a work experience, use the following framework adapted from Philip (1985, pp. 84–91) to analyze the process of decision making.

1. Clarify your objectives.
   - Describe the situation on which you are working. State your precise objective.

2. Consider the factors that will influence your choice of action.
   - List the factors that are important to you and to those affected by the decision.
   - Extend the factors into statements that specify the results expected, resources available, or constraints that might exist.
   - Classify the statements that will have to be regarded as essential.
   - Assess the importance of the remaining factors and list them in descending order of importance.
   - Generate the options that could be compared with your specifications.
     Do not forget to include the status quo and inaction as options.
   - Compare your options with your essential factors.
3. Collect information with regard to the benefit and risk factors for the remaining options and assess the degree of satisfaction that each option provides.
   – Identify the benefit–risk area for each option to be considered.
   – Describe your best balanced choice.

New Charter School

Jannell Adami is the new principal of a recently inaugurated charter school. She has many challenges ahead of her given that she is working in a community with many needs. Her board has given her a series of priorities to implement during her first year, and she has promised to make a difference in the lives of as many children as possible. Her first priority is to address the educational needs of the children in her community, but she recognizes that she cannot address the educational needs without getting to know the community better. Because she has limited funds, she would like to maximize her resources by determining the most critical and prevalent needs that affect the children in this community. Before the beginning of the school year, she will go to the community and ask what the critical needs are before making decisions on programs to implement. Through a variety of sources, she is able to identify 20 individuals who would serve as a starting point for the discussion. She likes the idea of using focus groups to generate ideas with the community groups. She has asked you for advice. What recommendations would you provide her in setting up the focus groups?

Using the Decision Tree for Levels of Participation

Max Herbert heads a unit of the state transportation department charged with developing a new traffic flow design for the busiest intersection in the largest city in the state. Max earned an MPA and had several years’ experience in the state’s budget office before moving to the transportation department, where he has worked for a year and a half. His staff consists primarily of traffic engineers and planners, most of whom are considerably older than Max and have far more experience in transportation than he does. Max recognizes their expertise, although he believes that his staff members have become a bit tradition bound, tending toward “safe” solutions to traffic problems. He recognizes that different staff members are likely to have different approaches to solving the problem they face, although he also believes that in the end they will arrive at an acceptable compromise and probably one that is “safe.”

Delays and bottlenecks caused by the current traffic pattern have made the issue of a new design a fairly high-profile issue, so Max is concerned about his group producing a high-quality product, one that will be technically sound as well as politically acceptable. Although he is not a traffic engineer, Max has done his homework and learned a lot about transportation issues during his time in the department. Following a recent conference in London, Max went on a study tour of several European cities, during which he developed some ideas that he considers forward-looking and certainly workable in this particular city. Although he is not prepared
to do the technical details and drawings necessary to support his idea, he has a concept in mind that he thinks will work. At the same time, he is concerned that if he forces his idea on his staff, they will “rebel” and not do as good a job as they might otherwise do in completing the follow-up details and drawings.

Using the Vroom–Yetton diagram in Figure 5.4, discuss how Max should approach the question of developing the overall concept for the city’s new traffic pattern.