

## ORGANIZATIONAL DECISION – MAKING MANNERS

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**Abstract:** *This research tries to answer the following questions: what is the mechanism of decision-making process?, which are the advantages and the disadvantages of the collective decision?, how does the uncertainty influence the decision-making process? and what strategies can be used to make decisions at organizational level? The main argument of the research is to discover the way a small group of individuals decide for larger communities and especially if the individuals' interests and rights are taken into account. The research is based on sociometric method, meaning a sociological survey and a sociological observation, and the way of relating to reality is through direct inquiry. Research strategy includes qualitative and quantitative data. At the top level management of an organization, decisions influence the evolution of the entire organization, of its members and beneficiaries, as well as the relations with the external environment. Consequently, a number of strategies used in the organizational decision-making process, such as: the rational model, the limited-rational model, the unstructured model, the incremental model, and the "garbage can" model. These were differentiated taking into account a number of criteria: the information available, uncertainty/ certainty of the environment in which the decision is made and the decision procedure.*

**Keywords:** *intercultural context, collective decision, communal town hall*

### 1. INTRODUCTION

The subject of this research is organizational decision – making strategies. The decision–making process within a town hall, through which we are trying to illustrate the importance of the decision–making process and of the decision–making strategies within public organisations, having as a case study a communal town hall. The present paper sets out to deal with the importance of the decision–making process, taking into consideration all the factors such a process implies. This research is the result of our desire to illustrate the way in which a restricted group of people makes decisions for important communities of people and, especially, if these decisions take into consideration the latter's concerns and rights. Decisions are fundamental for the development of an organization, as well as for its members. In addition, the way in which they are being adopted within the town halls greatly influence the accomplishment of the town hall's main objectives, which are meant to ensure their social well being and to respect citizens' concerns, irrespective of the model based upon (rational , of limited rationality , non structured , incrementalism or "dustbin" ). The decision made regarding an issue or regarding the daily aspects have a great impact upon the development of future things. This

is why it is important that each and every decision be very well thought and planned in order to be able to prevent possible failures. The uncertainty also plays an important part, as well as all factors deriving from it, because most part of decisions are not easy to make. One must take into account a series of effects which can be the consequence of decisions, of all actors involved, but, especially of its context. This is why certain people react differently in similar situations. Also, the effects of the decisions made will be different.

The present research is based on different documents, going from books, trade magazines, articles and dictionaries, necessary to illustrate the elements characteristic of a decision–making process. I established my objectives based on this theoretical research, which is directed towards data analysis. For this paper, I have aimed at outlining the characteristic (its description) of the decision–making process within a town hall. I have also set out to point out the factors which intervene in this process, the advantages and disadvantages of collective decisions made within town halls, the way in which uncertainty influences the decision–making process and the strategies used in making the decisions.

After having established the objectives, there followed the operationalizing of concepts, the presentation of research methods and instruments,

pointing out the characteristics of the organization under study and the presentation of the results obtained. The field research was carried out within a communal town hall of an important size at the level of the county it belonged to. The research instruments used in order to pick up data are the interview and the observation. This is how we succeeded in gathering various fundamental information for the conclusions of the present paper.

## 2. THE DECISION AND THE DECISION-MAKING PROCESS – THEORETICAL ELEMENTS

**2.1 Conceptual explanations.** The decision and, implicitly, the decision-making process is one of the most important aspects within an organization and they will directly influence the latter's efficiency and performance. Certain very important decisions, at the level of the organization's management, influence the organization's path, its members and beneficiaries and its relations with the external environment. The decision is the solution adopted by a system (person, group, organization, collectivity) in order to solve a problem (Vișeanu & Zamfir: 1993).

Many authors pinpoint the fact that the decision plays one of the most important parts regarding the organization's performance and distinguishes the leader based on the quality of the decisions he makes. In this respect, the author Stanciu Ștefan reached the following conclusion:

a leader's ability to make the correct decisions must be understood in a wider context, which aims at the rationality of the decision-making process (Stanciu, 2005:123).

Every decision-making process involves four important components: a problem; a person, a group, a collectivity or an organization making the decision (called decision-maker); the solution identified, formed in a hierarchy and implemented as well as decision assessor (Preda, 2006: 93).

The decision-making process must be rational, but, as mentioned by Cătălin Zamfir, there are different types of rationality according to which different people guide themselves, and „the quantity and the quality of the knowledge available” require „slightly different modalities of rationality” (Zamfir, 2005: 21). The human rationality is limited by the fact that we do not live in a strictly necessitarian world, our knowledge being limited (Preda, 2006: 83) – is the explanation

offered when it comes to situations when we do not know the most adequate solution, taking into consideration the context of the problem. This happens because we do not know for sure which is the best solution, we can only sense it. Thus, the decision-making process starts with an issue or a situation, a decision-maker must react in a certain way in order to solve it, the best solution is chosen after having formed a hierarchy and, after its embracement, it will be analyzed by an assessor.

**2.2 The collective decision.** The decision can be made by one person or by a group (collective decision). The collective decision implies

choosing from a variety of solutions and variants, on the basis of already established standards and criteria, with specialized instruments, the solution which has the greatest chance of success in order to achieve a group's objectives (Stanciu, 2005: 122).

The decision is made only after having consulted each and every member of the group. The decision made must always serve the interests of the group and organization these members are part of. The propositions of all the members are subsequently analyzed in order to reach the best variant and it must happen as „their synthesis and generalization, an interacting product with new powers and valences, of utmost importance (Zlate, 1981: 224 *apud* Stanciu, 2005: 122).

Collective decisions are more appropriate to modern organisations, which are not too much hierarchized, or whose hierarchy is not pyramidal. The demarcation between management and employees is more difficult to achieve within these organizations. Collective decisions most often occur within work teams which are concentrated on a certain project. Both the individual and the collective decision determine a series of advantages and disadvantages. Nevertheless, most authors think of the collective decision as the most advantageous one, precisely because it brings more advantages.

**2.3 The advantages of the collective decisions.** Authors like Cătălin Zamfir, Ștefan Stanciu or Gary Johns have identified a series of advantages of the collective decision: (1) Work division, because group members divide their work tasks and they can better concentrate on their precise task; (2) Multiplication of the resources used, because each member brings his/her own resources which will be used by the whole team; (3) Diversity of knowledge and abilities, because each member owns some information offering some perspectives in order to solve some

problems. However, it is important that they are not too different, as there can appear various misunderstandings; (4) Increases employees' engagement and motivation because they better understand the situation, they invest resources and they get engaged into the management activity (Stanciu, 2005: 80); (5) Exchange of opinions and self-esteem determined by the affiliation to a group lead to creativity of group thinking (Zamfir, 2005: 264); (6) Development of the consensus (refers to the relaxing atmosphere and the psychological comfort – characteristic elements for a pleasant environment) because it increases the probability of adopting efficient decisions;

#### **2.4 Disadvantages of collective decisions.**

Even if the collective decisions are preferred over the individual ones, the former have numerous disadvantages which can affect the members of the organization and the organization itself in the following way: (1) In case of failure, it is very possible that the responsibility be of a single person. All members will defend themselves and will put the blame on one person. Preda (2005: 95) explains this aspect as „an attenuation of individual authority in case of success, as well as reduction of drastic penalties directed to the manager in case of failure”; (2) Because of different perspectives, values or beliefs, the members of a group think differently, thus the decisions will be different, resulting in conflicts. The conflictual situations are also a result of the personal interests which the members of the group defend against adopting some correct decisions which could affect their personal life or could change the way of working; (3) The time needed to make a collective decision can be greater than the time needed to make individual decisions because all the opinions of the members of the group must be taken into account. Within numerous groups there are often dissenting opinions, and the reasons brought forward mean spending a lot of resources, especially spending time; (4) The compromise of the members who accept some opinions only to prevent contradictory discussions or out of attachment for certain colleagues and, implicitly, in order to be liked, or conformism - „the process through which the group makes use of pressure in order to determine its members to respect the group's norms” (Neculau & Boncu, 2004: 244); (5) The collective decision can make difficult or even stop the decision-making process because its members do not reach an agreement; (6) The authority of a member or the existence of a leader, because the group members can be reserved when making a

decision (they do not like the way in which their leader tackles the problem, the procedures used, etc), even if the leader has proved his competence; (7) The social influence, which is a sort of interaction between two social entities (people or groups), one being the target and the other one the influence of the source, all materializing in several processes as normalization, conformism, obedience or manipulation (Chelcea, 2006: 133). The social influence is positive when the group members observe the social norms within the organization, and is negative when a member tries to convince the other members (maybe through manipulation) to act according to his/her advice, having as hidden aim to defend his/her own interests.

**2.5 The uncertainty and influence of collective decision in the decision-making process.** There are three key factors within the decision-making process whose characteristics are to be found in the decision-making process which they imply, generating three situations: certainty, uncertainty and risk (Nicolescu, Verboncu, 2007: 206). Thus, the individuals are confronted with a series of uncertainties, which they have to remove and try and find the best solution. Uncertainty is

a state of unpredictability regarding the events and the results of human actions; the difficulty of the decision-making process to identify the best solution for an issue, in relation to its sources (Vișeanu & Zamfir, 1993).

The majority of decision theories support the idea of probability when making a decision against the idea of the total certainties. In general, there are very few certain estimates. Thus, the uncertainty is part of the decision-making process as an imminent condition, indicating the individuals' limited capacity to explain and predict the knowledge they have.

„The main effect of the uncertainty is the postponement of the decision and the triggering of a cognitive activity regarding its reduction” (Zamfir, 2005: 60-61). The reason for which the individual postpones making the decision is represented by the time allotted to thinking, the analysis of the situation and in order to prepare an adequate justification. Because the cognition effort made by the decision-maker is justified by uncertainty, the cognitive basis of the decision can be considerably improved.

Due to its complexity, the decision-making process implies numerous variables of economic, social, technical, human and legal nature. Thus, the risks cannot be avoided within the decision-

making process. In order to work, an organization needs to take a risk and uncertainty decision; thus, it is important to have knowledge about risks in order to diminish them as much as possible (Nicolescu, 1998: 64).

The uncertainty can face the decision-maker with tension, discomfort and unease because of the failure an unfavorable decision can cause. His expectations regarding the success have an impact on his motivation regarding the operation. The decision-maker can easily go from uncertainty to stress, nervousness or even violence because he is not quite sure about what he should chose. The stake is very important and closely connected to uncertainty. An individual's performance and good operation are influenced by his motivation.

The reducible uncertainty compresses cognitive activities and delays making the decision (active effects), whereas irreducible uncertainty determines unease, variations, stress (passive effects).

### 3. CASE STUDY REGARDING THE DECISION-MAKING PROCESS WITHIN A COMMUNAL TOWN HALL

I have established as main objective for this research to outline the characteristic (description) of the decision-making process within a town hall. I have also established, as a secondary objective, to outline the factors which interfere with the decision-making process.

The universe of the research is represented by the population which was inquired, formed of 12 people: the mayor, the vice-mayor and other ten counselors within a communal town hall. Thus, the research refers to a segment of population, concentrating itself on a small collectivity. The basic characteristics of the population consist of the fact that the members of the town halls are aged between 29 and 58, with seniority between 3 and 12 years of work, having secondary and higher education studies. The units of analysis are represented by a human group, formed according to the workplace criteria, respectively the town hall, where the mayor and the local council conduct their activities, form their perceptions and develop their professional abilities. The analysis and recording units coincide, being represented by people (counselors and mayor).

**3.1 Methodology.** This paper is made up both of a theoretical part and an empirical one, and the direct investigation is the way in which reference to reality is being made. The empirical part was

made through a field study, taking shape by the visits paid to the town hall under study. A direct contact was established with the people inquired. They were chosen so as to increase the accuracy of the data and the results obtained. I have carried out the qualitative research because it gives the possibility to include all details and elements which help to outline, as accurately as possible, the reality of the aspects under study.

In as far as the research instruments are concerned, I resorted to the centered intervals because

it approaches themes and hypotheses already established, as well as the structures interview, but the questions and their order is not previously established (Chelcea, 2001: 277).

I have also used the participative observation on the grounds that it has in mind „people's daily life, right in the environment they are living in (Chelcea, 2001:369). The participative observation has helped me in closely looking at interesting aspects for the research, by direct contact with the population under research. The data analysis and interpretation obtained as a result of this research is based on the 16 interviews taken to the local counselors and the mayor and following the observations during two council meetings attended. The council meetings were held in the meeting room of the town hall. During the meetings I attended, the mayor, a variable number of local counselors, the secretary of the commune and, sometimes, certain employees were present.

**3.2 Concepts' operationalization.** In this research, the stages of the decision-making process are being operationalized, representing dimensions which are conferred a series of indicators through which the analysis can be carried out. The independent variable is represented by the decision-making process. The dimensions consist of:

- Identification and definition of the problem. The indicators of this dimension are the following: The number of decision-makers; The number of subjects on the agenda of meeting;
- Research: The extent to each the necessary knowledge is detained; The extent to which the specific legal framework is known; The extent to which there are pieces of information regarding the points on the agenda of meeting; The extent to which different sources are being consulted;
- Identification of alternative solutions: The extent to each the members are getting engaged; The frequency of proposals and ideas launched;

The extent to which the solutions talked about reveal own interests;

- Issue of decision-making criteria: The extent to which the members support the proposals of the other members; The extent to which the effects implied by the solutions proposed (necessary resources, costs) are taken into account; The frequency with which people resort to similar past situations; The frequency with which personal or political interests influence the choice of solutions; Exemplification of a priority evidence;

- Hierarchy of proposed solutions: The voting procedure; Number of decisions with respect to the project;

- Solution embracement: The existence of certain people who insist on imposing certain propositions; Vote cast according to political views; The presence of decisions established prior to the meeting (influenced by Party chiefs, Party colleagues or special consulting services); The weight of certain criteria against others; The extent to each the confidence in certain people influences the casting of the vote;

- Implementation: The extent to which the efficiency of decisions is accepted.

**3.3 The results of the research.** In the following lines, I will present the results of the analysis and the interpretation of the data, bearing in mind all dimensions established within the process of operationalization of concepts, more precisely the stages and factors of the decision-making process which interfered all along the decision-making process.

The local council is formed of 15 members and they are part of five political parties, as it follows: 8 are from the Liberal Democratic Party, 2 from the National Liberal Party, Social Democratic Party has 3 representatives, only one member represents the Democratic Party, and the Christian Democratic National Party is represented by only one counselor. Out of the 15 members, 13 are men and only two are women.

The decision-makers have acknowledged the fact that they have problems when making decisions and that, most of the times, they do not follow all the stages.

There were various answers to the following question: "How much time do you spend researching the points on the agenda of meeting?". Even though they stated a different number of days necessary for research, they all considered allotting sufficient time for this activity. One can notice a correlation between the years they were appointed in these positions and the number of days they allot

to research for a council meeting. One of the respondents answered in this respect. In general, they consider the process of research and briefing fundamental for the decision-making process so as to finally solve some issues. In addition, the necessary time in order to debate these issues will considerably decrease when they all know the topic of discussion and what is important for them to know.

There are different situations in which the respondents refer to the law. They admitted that the law is consulted every time it is necessary, in order to improve the decision-making process. The majority of the respondents answered that the law is consulted every time it is necessary (sixteen of them). Nine of the respondents consult the law before beginning the council meeting, fourteen when they do not know some of the legal terms or the issue under discussion or when the issue identified does not pertain to their area of specialization, whereas one person consults the law before the issuing of decisions and decision drafts.

To the question: "Do you consult with other people (other counselors, party colleagues, acquaintances, specialists) when you vote for a certain thing?", most of the people interviewed answered that they frequently consult with other people before casting their vote. Twelve of them ask the opinion of their party colleagues. Ten of the respondents stated that they also resort to their local council colleagues who are specialized in a certain area and who can help them in solving their issue. Six of the respondents stated that they consult with the citizens and only one of them said that he consults with the mayor.

To the question: "How often do you step into the council and board meetings to identify solutions?", most of them stated that they step into as often as they think it is necessary or when they feel they should interfere so as not to let things go into the wrong direction. Most of them stated that they often consult with the citizens in order to find solutions to problems, according to the citizens' interests. As the issues and local concern are of utmost importance in their activity, they try to get engaged in finding efficient solutions as much as possible.

To the question: "How much trust do you think the other participants place upon your propositions?", the majority of those asked consider that their initiatives are very valued by the other members because they respond to the citizens' needs and interests. Certain respondents considered that their initiatives were valued to a

smaller extent and they attributed this to different factors, such as, for example, other counselors' interference or even the mayor's interference, who do not encourage that particular idea, accusing them of certain personal interests.

The question: "Which are, in your opinion, the commune's most important issues which should be solved?" received different answers. The commune's priority list is different from one counselor to another, but they all consider that the most important issues to be solved are related to a higher standard of living of the citizens: water supply and sewerage, gas supply (project in progress), drainpipes installation and pavement construction, road fixing, support graziers, maintaining the quality of the environment, financial support to the local football team. These are considered as the most important aspects to be solved. They all state that there are a lot of problems in their commune and they would like more support coming from the government, as well as understanding from the County Councils.

All people interviewed stated that, when making decisions, they take into account, first of all, the local interests. None of them answered that they take into account personal interests when making a decision. Some of them, more precisely five of them, specified that, to a certain extent, it is necessary to bear in mind the political interests too, according to the ideas supported by their Party. The respondents also come up with solutions according to their experience and the context.

To the question: "Which are the criteria upon which you guide your decisions?", all respondents stated that they have in mind, first of all, to defend their citizens' interests and to accomplish social well-being. Among other criteria, they also mentioned the respect for their principles, the law, justice and truth. The main goal is to follow the decisions of the local council.

All respondents said that there are conflicts when making a decision and these conflicts affect the entire group and not only those directly involved. On the other hand, there are voices which consider these conflicts positive for the quality of a decision.

The subjects stated that they sometimes consult with other employees of the town hall because their education might help them with a specific issue. Even if many of the subjects declared that there is no informal leader to lead the debate, there were some voices uttering that this aspect is frequent, especially in the case of those in leading positions because they represent and influence the

majority. The subjects stated that some of the people want to impose themselves when there are election campaigns in order to prove their skills and in order to be supported during these election campaigns or to become part of that Party. There were also cases when the decision to be made was guessed because there had been other important discussions before the council meetings and, thus, the subjects knew what decision would be adopted.

Nine of the respondents said that the decisions adopted were successfully implemented to the utmost extent. Two of the respondents said that the decisions were successfully implemented to a great extent. Five of the respondents said that the decisions adopted were not very efficient and that other solutions should be found. Thus, there are different opinions and the respondents who wanted other decisions to be made associate those made with the failure.

On the basis of the data supplied by the respondents and found out during observation, one can say there is a close connection between the conflicts between the members of the town hall and the decision-making process. There are numerous conflicts which are a result of the decision-making process, because the decision-makers cannot understand each other. These conflicts are also amplified by situations governed by uncertainty. People often become suspicious, undecided or anxious when they do not have certainty for a thing and this aspect affects their relations with others.

#### 4. CONCLUSIONS

Bearing in mind the accomplishment of the objectives established, the following concepts were studied within this research: decision, decision-making process, collective decision, uncertainty, strategies to lead to relevant results.

The research focused very much on the operationalization of the decision-making process precisely to see the extent to which the respondents behave regarding each stage, to see if they take it into account first of all, if they respect it and the stress upon one or the other.

We have to mention that the current economic situation reflected the aspect researched, people bearing in mind, when making decisions, all resources available, resorting all the time to them, as well as the people's limited possibilities, generated by the financial crisis.

The decision-making process is very important and tackled with particular interest by

the members of the town hall. Some of them really think that it is necessary to concentrate when they meet in order to make a decision. There are some members who do not give too much importance to these moments, considering them as a routine, a thing which should be done. The path followed by the decision-makers until reaching a conclusion is rational only in certain situations. Due to the fact that a town hall's performances cannot be measured as easily as those of an organization, its members cannot be so easily called to account for their decisions. And here come certain interests, more or less personal, which are more important than those of the organization, and this leads to citizens losing their confidence in the people they voted for.

Most of the respondents admit that the decision-making process often skips some stages and that things are not always done according to the rule. Nevertheless, the decision-making process exists and its functionality is proved by the existence of misunderstandings which appear as a result of conflicts. People contradict each other and defend themselves precisely to adopt certain decisions. In addition, the uncertainty situations determine them to find new pieces of information, to make researches and to start discussions, to consult other people who are trained in a specific field which reinforces the idea that the decision-making process is being followed.

Because the quality of the decisions reflects the capacity of the decision-makers, they have often wanted to think twice the problem before making a decision. Thus, the people interviewed look differently at the decision-making process and this fact results from the attitude they have when talking about this subject, the time they allot to research, the degree of involvement when solving problems and their propositions etc.

The decision-making process within the town hall where the research was carried out is regarded as important by most of the respondents and treated accordingly, but they do not exactly respect the stages of such a process. The conflictual situations arising as a result of some misunderstandings make the decision-making process more difficult, just like the current economic situation, the parties wanting solid arguments and considering any doubt until reaching an agreement, as they cannot risk for numerous limitations.

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