

Making decisions



Running head: making decisions. Compare and contrast the rational model of decision-making and Simon's Normative Model, and also explain the model of decision-making styles and the stages of the creative process. The rational model of decision making follows four standard steps in decision-making process. Firstly, identify the problem; then identify different alternative solutions or criteria; thirdly, select the most appropriate action; finally, implement the action and assess its outcome. Simon's normative model is based on decision maker's bounded rationality, which means decision makers restrict themselves to certain constraints that guide the decisions or actions. These limitations can be in the form of limited information, complexity of the issue, uncertainty, time available, information available etc. Because of these restrictions, decisions are taken based on what is immediately appropriate rather than the best possible action. Hence, all possible alternatives are not evaluated before taking any decision and managers tend to adopt a satisficing solution to the problem. In the process, managers tend to use judgmental heuristics, which means the most commonly used ways are chosen as the solution to the problem. The model of decision-making styles identifies two categories namely, value orientation and tolerance for ambiguity. From these, four decision making styles emerge: directive, analytical, conceptual and behavioral. The five stages of creative process include preparation, concentration, incubation, illumination, and verification. Explain how participative management affects performance, and also discuss knowledge management and techniques used by companies to increase knowledge sharing. Participative management involves employees in key decision making processes. In this management style, employees are involved in goal setting, making decisions, solving

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problems, and making changes in the organization. All these activities enhance employee motivation and commitment. Knowledge management is the process of enhancing knowledge and information of the employees through systematic processes and procedures. Organizational knowledge is categorized as tacit knowledge and explicit knowledge. Explicit knowledge can be increased by usage of technology, documentation and processes. Tacit knowledge, which is acquired from experience, can be improved by coaching, observing, providing feedback, and other knowledge sharing practices such as training. Tacit knowledge can also be enhanced through informal meetings, mentoring, and design of office space that allows maximum interaction. Contrast brainstorming, the nominal group technique, the Delphi technique, computer-aided decision-making, and summarize the pros and cons of involving groups in the decision-making process. Group problem-solving techniques include brainstorming, nominal group technique, and the Delphi technique. Brainstorming involves generating numerous ideas and alternatives for a particular problem. The nominal group technique is meant for generation of multiple ideas and also to evaluate and select the most appropriate solution. The Delphi technique involves generation of ideas from physically dispersed persons anonymously. The computer-aided decision making is faster in collecting information and eliminates roadblocks. The advantage of involving groups in decision making is that groups facilitate gathering of greater or larger information, which will further improve the chances of choosing the most appropriate solution. However, the disadvantage is that group decision making are time consuming and can be chaotic. Secondly, greater group size can negatively impact the decision. Thirdly, leader's control over group and its process of decision making are

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important for deciding on optimum solution in least time. Leader should be able to identify each group members' thought process and intention before deciding on any particular solution. Further, arriving at a common consensus remains a challenge in group decision making process. References Kinicki, A and Kreitner, R. (2009). Organizational Behavior: key concepts, skills and best practices. New York: TataMcGraw Hill Inc.