Making decisions

Decision-making is a complex process that evolves under the influence of a variety of factors. One of them is perception that defines the decisions made. Individuals do not come to the process of making decisions as tabula rasa, with minds as blank slates that are ready to be written upon. Instead, their perceptions affect decisions, leading to perceptive " shortcuts" when judging others and shaping ethical or moral decisions.

One of the most salient ways in which individual perception can impact an organization's behavior is selective perception in which people " actively screen-out information that we do not think is salient" (Wikipedia, 2006). To illustrate the above claim, a person convinced that environmental worries are just the result of hyper-activism of ecological organizations may prove to be more prone to cast aside considerations of environmental impact. This can also be seen as an example of wishful thinking and optimism in which people " tend to want to see things in a positive light and this can distort our perception and thinking" (Wikipedia, 2006).

When judging other people, many humans are prone to use perceptive ' shortcuts' to pass the verdict on the person without careful exploration of the individual's background. These shortcuts can surface, for instance, in a jobinterviewin which the candidate can be judged based on association with other candidates. One cannot rule out a situation when a person from a specific country or locality will be discarded as a previous employee from the same background had failed expectations. The same is true for assessment of employees' performance and evaluation of employee effort. From some employees, greater output will be expected simply by virtue of their background.

In fact, perception will be influenced by three important factors: " target, perceiver, and situation" (University of Washington). The usage of shortcuts can include selective perception, halo effect, contrast effect, stereotyping, and projection (University of Washington). The above scenario of the failed job interview is an example of projection when people are judged based on association with someone of similar background, although they do not necessarily share all qualities with this person.

Stereotyping occurs when ready-made templates are applied to all representatives of a class such as race, ethnicity, faith etc. The halo effect, on the contrary, attributes positive features to an individual because this person has other achievements. One who is a good professional can be assumed to be also good in a managerial role, and vice versa. The contrast effect makes an individual seem more appealing or promising when contrasted with people who lack similar qualities. For instance, in an organization that lacks talented sales managers, a person with mediocre abilities can make oneself stand out from the crowd more easily.

There is hardly a positive effect from such biased decision-making concerning individuals since it leads to hasty and often faulty generalizations. Moreover, bringing prejudice, whether negative or positive, to the evaluation of the individual or initiative inevitably reduces the potential of decision-makers to recognize the objective reality and deal with it.

Ideally, decision-making should occur according to effective rational models involving adequate evaluation of the situation, setting objective criteria for

the assessment of decisions, and rational choice of objectives stemming from these criteria. The only advantage of shortcuts is that they save time on careful exploration of reality and can provide the decision-maker with a " quick-and-dirty" estimate of what one is dealing with. This speed, however, comes at the cost of quality of decisions.

In real-world organization, decisions are made by Decision Makers whose activities are strongly shaped by perception. This is illustrated by an example in which a person wants a new program approved in order to resolve an existing problem. The resolution of the problem can be formulated as a convincing value proposition, but this proposition is not going to work unless the Decision Maker really perceives the existence of a problem. Thus, the installation of a new computer system for improved data processing will not be approved by a top executive until this business professional is really convinced of the fact that the current system is inadequate.

Dove (n. d.) also states that " once there is a perception of a problem, then the " satisficing" behavior defined by Herbert Simon comes into play: people aren't apt to go too far outside their current concepts, notions or ideas when presented with alternatives". Engagement in " satisficing" behavior tends to limit the options available for the resolution of problems.

Perceptions also have an influence on ethical decision-making. Despite attempts to order ethical values and codify them in Codes of Ethics accepted in many organizations, everyday decisions remain governed by subjective factors. Relying on internal set of moral values, the decision maker actively draws on this inventory preparing the most serious decisions.

For example, someone believing in the immorality ofdiscriminationin the workplace may feel more willing to promote diversity and hire candidates with different backgrounds. A company executive with a strong Christian background and a corresponding set of ethical values may resist, for example, the introduction of a new publication with frivolous content in a media company. Ethical values and perceptions heavily influence our view of what is right and what is wrong, affecting individual's readiness to embrace certain policies and initiatives.

Perception is the cornerstone of decision-making. In many ways, it represents the irrational, subjective element that complements the usage of rational models. Despite all efforts to ground decisions in well-though out criteria, perception will continue to play an important role in decision-making. Consideration of perception mechanisms is therefore important for anyone willing to exert influence on the process.

References

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