

Decision-making styles

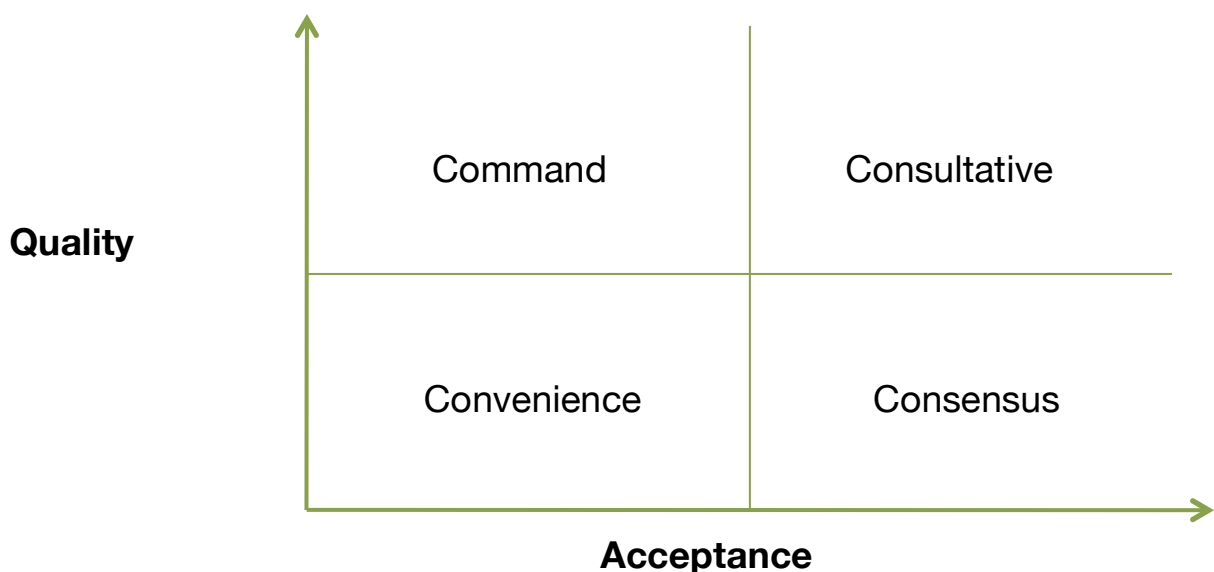
“To be, or not to be, that is the question: Whether 'tis nobler in the mind to suffer the slings and arrows of outrageous fortune, or to take arms against a sea of troubles?”
Shakespeare, Hamlet 3:1

The big idea

Research in the area of problem solving has revealed two dimensions (Maier, 1963) that relate to a decision's effectiveness: quality and acceptance. The *quality* of a decision is dependent on the decision maker's grasp and usage of the known facts. The *acceptance* of a decision is dependent on the reactions of the people who must action that decision.

The levels of quality and acceptance required vary from decision to decision. An effective decision is one that meets the *predetermined* levels of quality and acceptance required for that particular decision. This model (Figure 1) suggests that there are four decision-making styles: consultative, command, consensus and convenience. And they are determined by different levels of quality and acceptance.

Figure 1 Decision-making styles



Purpose

This model for decision making provides you with some basic guidelines for determining which decision-making style is appropriate for a given situation. It will help you determine if you have a style preference and what that may mean for how you make decisions.

The tool

The four decision-making styles

1. The consultative decision: high quality, high acceptance

If you determine in a particular situation that both high quality and high acceptance are required, you would opt for a consultative decision, for example reorganising the distribution and flow of work in a team or group. You may possess a great deal of information with which to make a high-quality decision, but the acceptance of that decision on the part of the team members who must implement it is critical to the success of the decision. If the team members do not fully understand the decision and/or are not committed to it, they may inadvertently (or perhaps even purposely) hinder the implementation process.

In the case of a consultative decision:

- The group leader consults with all team members, either individually or as a group, about the decision
- He or she carefully considers the team members' thoughts and feelings and then makes the decision
- As long as the group leader has a firm grasp of the facts surrounding the decision, high quality is likely
- As each group member has an opportunity to voice his or her ideas and opinions, it is also likely that the decision will be highly acceptable to the team members, who must implement the decision
- The group members' contributions also increase the amount of information to which the leader has access in making the decision

2. The command decision: high quality, low acceptance

If, after assessing a situation, you decide that high quality is required but high acceptance on the part of the others involved is not, you would opt for a command decision. In this case you make the decision based on information that you have collected; the team members are not consulted.

An example of a command decision might be setting the price of a product that a group produces. When making that decision, you must take into account facts about production and distribution costs, competition, marketing opportunities and profit margin.

The group members who produce the item may lack the information necessary to analyse the cost of the product and probably are not concerned with the selling price; consequently, their acceptance is not an issue.

3. The consensus decision: low quality, high acceptance

When the quality of a decision is of minor importance but high acceptance is essential, you should opt for a consensus decision. The leader assembles the relevant participants and assists them in the consensus process. The basic requirement of a consensus decision is that it must be one that all group members can accept, regardless of how satisfied they are with it. Each member's opinion is heard; no 'majority-rule' voting, bargaining or averaging is allowed. The outcome evolves from shared information, ideas and feelings.

An example of a situation in which consensus is the appropriate style of decision making might be when something needs to be done and several people are capable of doing it. Because acceptance is important, you could ask the group of people concerned to make the decision themselves. Ideally, in meeting the acceptance dimension, the group can tailor the decision to fit their own values, attitudes and personalities.

4. The convenience decision: low quality, low acceptance

Sometimes neither the quality nor the acceptance of a decision is important. The decision is a matter of choosing between approximately equal alternatives, and the

outcome is not of concern to anyone involved. In such a case, you would opt for a convenience decision, deciding by whatever method is most convenient at the time. No special consideration is given to selecting the 'best' method. For example, if a group is responsible for deciding which of several similarly priced brands of coffee to buy for the organisation's coffee machine, the leader of that team may simply choose one brand (a 'command' decision, in a sense, except that decision quality is not an issue), or may ask the group to vote, or assign the decision to an individual.

Take the next step

Think of the last time you were part of a group that had to make a significant decision. How was that decision reached? From your perspective where did it sit on the acceptance/quality framework. How did the members of the group respond? How might it have been done differently?

Top tips

- When choosing a decision-making style, you must consider not only the levels of quality and acceptance required of that decision but also such factors as time, the team members' capabilities and the team's level of trust
- Ensure you have assessed the situation in which a decision has to be made to consider the most appropriate approach
- Be aware of your own preferences and whether you adopt a particular style or styles regardless of context

Reference

Maier, N.R.F.(1963). *Problem-solving discussions and conferences: Leadership methods and skills*. New York: McGraw-Hill.