Decision Making in Higher Education: A Theoretical Perspective

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Abstract

This work examined the meaning and concept of decision-making, including the processes involved in decision-making. Decision-making is specifying the nature of a particular problem and choosing among the available alternatives in order to solve the problems that confront organizations. A decision is a choice made between two or more available alternatives. Decision-making equally involves all organizational processes that allow organization to make qualified choices between options in respect of operational decisions. Specifically, the work looked at meaning of decision-making, characteristics of decision-making, processes of decision-making, importance of decision-making, steps in decision-making, types of decision-making as well as rationality in decision-making. Also ex-rayed, are concepts of decision-making, leadership and decision-making and barriers to effective decision-making. The work concludes that, how much time a decision-maker has in which to make a decision is a crucial influence on the standard of decision-making. Therefore, managers must make most of the decisions in time frame established by others, to avoid them making or taking decisions without gathering crucial facts and other possible solutions due to lack of time.

Keywords: Decision-Making, Characteristics, Processes, Organization, Policy.

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INTRODUCTION

As human beings, we make decisions every day. Decisions are made for our families, institutions and organizations respectively. There is no exception about that. When it comes to business organizations, decision making is a habit and a process as well. Effective and successful decisions make profit to the company and unsuccessful ones make losses. Therefore, corporate decision-making process is the most important process in any organization. In the decision-making process, we choose one course of action from a few possible alternatives. In the process of decision-making, we may use such tools, as, techniques and perceptions. Additionally, we may make our own private decisions or may prefer a collective decision. Usually, decision making is hard. A good number of corporate decisions does not go down well with another party.

Decision-making is the heart of management in any institution. Organizations or institutions are confronted with challenges that result to the leaders attempting to seek solutions to the problems that befall them, in order to proffer positive changes the management has to embark on serious steps and take decisions that will avert the collapse of the institution. Such decisions made should be able to produce positive changes where the already laid down policies are no longer yielding fruits in the management of the institutions, without good policies laid down for a better change, the management will be heading to doom. The kind of decision made by the management, will determine the kind of change that will confront the institution. The kind of decision made by the management goes a long way to affect the institution, positively or negatively. Most often, those propelling the affairs of the institution work against new changes thereby running down the institution by the style of their management. Making right decisions in the management of institutions is very important. While wrong decisions destroy the goals of the institutional objectives, such decision also increase the morale of the management or demoralizes them, which might yield a positive or negative productivity, or output of the entire organization or institution.

Decision-making can be seen as the act of making up one’s mind. It is the process of coming at a course of action involving minimum and maximum cost. It is the actual selection among several alternatives, in taking a course of action (Ogunseju, 2004). Decision-making is the process of deliberating, calculating or reflecting over an issue either consciously or unconsciously and thereby leading to a particular action. It involves making rational choices and evaluating risks. It is the core of management output.

It is worthy to note that, the management in every institution is responsible for initiating policies, implementation of policies, as well as guaranteeing the effective running of the day to day activities of the institution. Therefore, they (management) are responsible for the realization of organizational goals. If management makes wrong decision, it will lead to the failure of the organization or institution. Thus, management plays a critical role in the sustenance of every situation.

CONCEPTUALIZATION

Meaning of Decision-Making

Decision Making is an important function in management. Business has limited resources. One of the most important tasks of management is to allocate these resources effectively and
efficiently to achieve the company’s goals and objectives. Decisions are taken to support organizational growth. The whole fabric of management, i.e. its day to day operation is rightly built on managerial decisions. Accounting information can improve the management understanding of the results of alternative resource allocation. That is, one of the major roles of the management information system is to supply cost and revenue data that are useful to tactical decision making. It is one of the major functions of management. Effective leaders apply critical thinking skills holistically to make countless decisions each day. It is a very important and difficult task of management. Davar (2012) defined decision-making as the election based on some criteria of one behavior alternative cum two or more possible alternatives. To decide means ‘to cut off’ or in practical content to come to a conclusion.

Decision-making can be defined as making a choice between future uncertain alternatives. A short term practical decision-making comprises of selecting among alternatives with an immediate or limited end in view. It must be an emphasis that all decision-making relates to the future and that a decision is a choice between alternatives in pursuit of objectives. Where no alternatives exist no decision can be made and nothing can be done now that will alter the past. Therefore, decision-making is concerned with the future and involves the act of selecting one course of action from various courses of action.

Decision-making is important to the management of change in institutions, it is a consensus among personnel and management practitioners. However, the point of divergence is what really constitute the true meaning of decision making. This suggests that, there is no universally acceptable definition of decision-making. Different scholars have tried to put forward their own perspective or view of decision-making.

The reason for the decision by Majtan (2001) on addressing decision-making situations (problems) and its main functions relates to choosing the best option among the variants. Ololube (2018) understood decision as a set of activities involved in diagnosing the problem and developing alternatives and choosing one of a set of alternatives. According to Ivancevich and Matteson (2007), the quality of decisions that managers achieve, is a measure of their effectiveness. Decision making and motivation are interdependent and mutually influencing. Decision-making is a process which effects the outer and inner motivation of the decision. Each stage of decision-making may have a direct or indirect impact on the motivation of the decision-maker. Motivation also have a direct or indirect impact on the motivation and positively influence motivational levels of employees, for example, through a properly motivational program.

Decision-making is an integral part of our everyday life. In the organization, it is particularly associated to work activities and work motivation. The decisions always bring changes with it that may be classified from small ones, not too significant, to the institutional ones. The correct decision making and motivating of decision-makers about changes in organizations can ensure effective work with information to understand better the importance of change and rapid implementation in practice.

The word ‘decide’ means to come to a conclusion or resolution as to what one is expected to do at some later time. “It is a solution selected after examining several alternatives chosen because the decider foresees that the course of action he selects will do more good than the others to further his goals and will be accompanied by the fewest possible objectionable consequences”. Also, decision is a choice whereby a person comes to a conclusion about given consequences/situation. It represents a course of behaviour or action about what one is expected to do or not to do. Decision-making may therefore, be defined as a selection of one course of
action from two or more alternative courses of action. Therefore, decision-making is an indispensable part of life. Innumerable decisions are taken at every step. All managerial functions, i.e. planning, organizing, staffing, directing, coordinating and controlling are carried through decisions. Decision-making is thus, the core of managerial activities in educational institutions.

Decision means to cut off deliberations and to come to a conclusion. Decision-making involves two or more alternatives because if there is only one alternative, there is no decision to be made. Final decision is the result of decision-making, which results in a certain system to reduce the level of uncertainty. It is pertinent to know that they have relevant and adequate information to support the substance of the decision. Organization decides in case there is a problem that needs to be resolved. Then there are two alternatives. The result of decision-making process may show that change is not needed and that the status quo is satisfactory. A possibility is that the change in the organization is essential and necessary. Often used the term the only “certainty is change” is justified.

Characteristics of Decision-Making

From the above definitions the following characteristics can be listed below:

- It is a process of making a choice from alternative course of action;
- Decision is the end process preceded by deliberation and reasoning;
- Decision-making is a focal point at which plans, policies, and objectives are translated into concrete actions;
- Rationality is another characteristic of decision-making. The human brain with its ability to learn to remember and to relate many complex factors makes this rationality possible;
- Decision-making involves commitment. The management is committed to decision for two reasons. Firstly it leads to the stability of the concern and secondly, every decision taken becomes part of the expectations of the people involved in the organization;
- The purpose of decision-making is to select the best alternative, which can significantly contribute towards organizational aims.

Process of Decision-Making

The manager should follow the following steps in making-decision:

Investigate the Situation: Detailed investigation is made on three aspects: define problem, identification of objectives and diagnosis. The first step in the decision process is determining the precise problem to be solved. At this stage, time and effort should be expanded only in gathering data and information that is relevant to an identification of the real problem. Defining the problem in terms of the organizational objectives that are being blocked helps to avoid confusing symptoms and problems.

Once the problem has been defined, the next step is to decide what would constitute and effective solution. As part of this process, managers should begin to determine which parts of the problem they must solve and which they should not solve. Most problems consist of several elements and a manager is unlikely to find one solution that will work for all of them. When managers have found a satisfactory solution, they must determine the actions that will achieve it.
But first, they must obtain a solid understanding of all the sources of the problem so they can formulate hypotheses about the causes.

**Develop Alternatives:** The search for alternatives, forces the manager to see things from many viewpoints, to study cases from their proper perspectives and to unearth the troubled spots of the problem. To be more meaningful, only viable and realistic alternatives should be included in the listing.

Brainstorming may be effective at this stage. This is a group approach to developing creating potential solutions to management problems several persons with a similar interest sit down at one place and give concentrated thought to what might be done. The objective is to generate as many ideas as possible. Criticism must be abolished. The leader must keep the discussion moving by asking questions and making statements, which refocus attention on the problem at hand without proper guidance, discussion can degenerate into an aimless bull session.

**Evaluate Alternatives and Select the Best One:** The third step in decision making is that of analyzing and evaluating each alternative in terms of its possible consequences and since managers can never be sure of the actual outcome of each alternative, uncertainty always exists, consequently, this step is a real challenge requiring managers to call on present knowledge, past experience, foresight and scientific acumen.

For the proper analysis of alternatives, Drucker (2006) has suggested the following four criteria:

- The risk;
- Economy of effort;
- Timing; and
- Limitations of resources.

**Risk:** Every solution naturally carries a risk element. The risk of each course of action must be weighed against the possible gains from its selection.

**Economy of efforts:** That line of action to be selected which gives the greatest results with the least effort, and obtaining the needed change with the last necessary disturbance of the organization.

**Timing:** If the situation has great urgency, the preferable course of action is one that dramatizes the decision and serves notice on the organization that something important is happening. If, on the other hand, long, consistent effort is needed, a slow start that gathers momentum may be preferable.

**Limitations of resources:** This is also known as the “principle of limiting factor” which is the essence of decision making. The key to decision making is to solve the problem posed by alternatives, if possible by seeking out and solving for the limiting, or strategic, or critical, factor. The most important resources, whose limitations have to be considered, are the human beings who will carry out the decision.
Implement and Monitor the Decision: Once the best available alternative has been selected, managers are ready to make plans to cope with the requirements and problems that may be encountered in putting it into effect. Implementing a decision involves more than giving appropriate orders. Resources must be acquired and allocated as necessary. Managers set up budgets and schedules for the actions they have decided upon. This allows them to measure progress in specific terms; next, they assign responsibility for the specific tasks involved.

They also setup a procedure for progress reports and prepare to make connections if new problem should arise. Budget, schedules and progress report are all essential to performing the management function of control. Potential risks and uncertainties that have been identified during the earlier evaluation of alternatives stage must also be kept in mind. There is a natural human tendency to forget possible risks and uncertainties once a decision is made. Managers can counteract this by consciously taking extra time to re-examine their decision at this point and to develop detailed plans for dealing with these risks and uncertainties. After managers have taken whatever steps are possible to deal with potential adverse consequences, actual implementation can begin. Ultimately, a decision (or a solution) is no better than the actions taken to make it a reality.

Importance of Decision-Making

Implementation of Managerial Function: Without decision-making different managerial function such as planning, organizing, directing, controlling, staffing cannot be conducted. In other words, when an employee does work, she/he does the work through decision-making function. Therefore, we can say that decision is an important element towards the implementation of managerial function.

Pervasiveness of Decision-Making: The decision is made in all managerial activities and in all functions of the organization. It must be taken by all staff. Without decision-making any kind of function is not possible. So it is pervasive.

Evaluation of Managerial Performance: Decisions can evaluate managerial performance. When decision is correct it is understood that the manager is qualified, able and efficient. When the decision is wrong, it is understood that the manager is not qualified. So decision-making evaluate the managerial performance.

Helpful in Planning and Policies: Any policy or plan is established through decision making. Without decision making, no plans and policies are performed. In the process of making plans, appropriate decisions must be made from so many alternatives. Therefore, decision making is an important process which is helpful in planning.

Selecting the Best Alternatives: Decision-making is the process of selecting the best alternative. It is necessary in every organization because there are many alternatives. So decision makers evaluate various advantages and disadvantages of every alternative and select the best alternative.
Successful Operation of Business: every individual, departments and organization make the decisions. In this competitive world; organization can exist when the correct and appropriate decisions are made. Therefore, correct decisions help in successful operation of business.

Steps in Decision-Making

Identification of Problems: The first step of decision-making is identification of problems. First of all, managers must identify the problem. The problem has to be found and defined. Symptoms are identified and problems should be judged, symptoms are not problems. They are warning signs of problems. So, managers should search for symptoms for identification of problems. Such symptoms can be falling of sales, profit etc. It is said that problem identified is half solved, identification of problem should be effective.

Analysis of Problem: After identification of problems, the problem should be analyzed by the decision maker. It is the assembly of fact and clarifying it. Relevant information must be collected and analyzed according to the complexity and nature of problems.

Developing the Alternative Solution: After identification and analysis of problems different probable solutions have to be developed which is known as developing the alternative solutions. There may be many alternative past experience, expert opinion, discussions etc., which may be helpful to develop the alternative.

Evaluation of the Best Alternative: After developing the alternative solution, evaluation of the best alternative is done. It is to determine which alternative has how much advantage and disadvantages. In other words, alternatives are evaluated in so many factors like cost factors, risk, benefits, facilities, etc. therefore, it is very important.

Selection of the Best Alternative: After evaluating alternatives, the best alternative is to be selected from various alternatives. After developing alternatives, the managers should test each of them by imagining things that he has already put in effect. He should try to foresee the desirable consequences of adopting each alternative. It is done for best selection. Therefore, it is very important.

Implementation of the Best Alternative: After selection of the finest alternative, it must be used in the organization effectively. Effectiveness of decisions in achieving the desired goals depends upon its implementation. If they are not implemented effectively then best results can’t be obtained. Therefore, proper implementation of the best alternative is necessary.

Review of Implementation: It is the last step of decision-making process. When the implementation of the best alternative is reviewed, the process of decision-making is finished. The result of implementation should be monitored and evaluated through which effectiveness can be measured.
Types of Decision-Making

Programmed and Non-Programmed Decisions: programmed decisions are those which are normally repetitive in nature and are taken as a routine job and responsibilities. These types of decisions are made by middle level management in accordance with some policies, rules and procedures. They have short term impact. For example: granting a leave to an employee, purchasing office materials etc. non-programmed decisions are non-repetitively taken by top executives. They need to collect data and analyze them and forecast the strategic plans.

Major and Minor Decisions: Among different decisions some decisions are considerably more important than others and are prioritized. They are called major decisions. For example, replacement of man by machine, diversification of product etc. contrary to that, some remaining decisions are considerably less important than others and are not so prioritized. They are minor decisions. For example, store of raw materials etc.

Routine and Strategic Decisions: Routine decisions are those decisions which are considered as tactical decisions. They are taken frequently to achieve high degree of efficiency in the organizational activities. For example, parking facilities, lighting and canteen etc. strategic decisions are those which are related to lowering the prices of products, changing the product etc.

Organizational and Personal Decision: Organizational decision is taken by top executives. For official purpose. They affect the organizational activities directly. Authority is also delegated. Personal decisions are concerned to an employee. The executives, whenever he or she takes the decisions personally that is known as personal decisions.

Individual and Group Decisions: When a single employee is involved in decision-making it is called individual decision. They are taken by sole proprietor when the problem is of routine nature. On the other hand when the decision is taken in a large organization where important and strategic decisions are taken, it is a group decision.

Policy and Operating Decisions: policy decisions are taken by top-level management to change the rules, procedures, organizational structure, etc., and they have a long term effect. Operational decisions are taken by low level management, which have short term effect and which affect the day-to-day operation of the organization.

Factors Influencing Decision-Making

Time Pressures: an important influence on the quality of decisions is how much time the decision maker has in which to make the decisions. Unfortunately, managers must make most of their decisions in time frames established by others. Lack of time can force a manager to decide without gathering important facts or exploring possible solutions thoroughly.

Manager’s Values: Manager’s values have a significant influence on the quality of decisions. Values are the likes, dislikes, should, ought, judgments and prejudices that determine how we shall act. The value orientations of management underlie much of their behaviour. The decisions
managers make in identifying their mission, objectives and strategies, and how managers interpret society’s expectations also reflect their values. Some specific influences which have value on the decision-making process are:

- Value judgments are necessary in the development of objectives and the assignment of priorities.
- In developing alternatives, it is necessary to make value judgments about the various possibilities and
- In selecting an alternative, value judgments will be reflected in the alternative chosen.

Organizational Policy: Decisions are limited by the policies that higher managers develop to guide the actions of the organization. Decisions that clearly violated policies will be rejected automatically. Some managers argue, of course to change the policy to fit the decision if the decision seems sound. This is good thinking, except that policies cannot be changed overnight. It is usually an easier and more practical course to alter the proposed decision.

Rationality in Decision-Making

The concept of rationality is very important in decision-making. Rationality implies the capacity for objective and intelligent action. A decision is said to be rational if appropriate means are chosen to achieve desired ends. According to Steiner, “a rational business decision is one which effectively and efficiently assures the achievement of aims for which the means are selected”. Rationality in decision-making implies that the decision maker tries to maximise the values in a situation by choosing the most suitable course of action for achieving the goal. Rationality refers to the selection of preferred behavior alternatives in terms of values whereby the consequences of behavior can be evaluated. The end-means or value system approach to rationality is faced with certain problem. Firstly, the end to be attained is usually incompletely or incorrectly stated. Secondly, in actual practice means cannot be separated completely from ends. Thirdly, the means, ends terminology obscures the role of the time element in decision-making.

Simon (2005) has identified six-description models of rationality of choice behavior. A decision is personally rational if it is oriented to the individual’s goals. It is organizationally rational if it is oriented to the organization’s goals. It is consciously rational to the degree that the adjustment of means to ends is a conscious process. It is intentionally brought about. It is objectively rational if in-fact it is the correct behavior for maximizing given values in a given situation. It is subjectively rational if it maximizes attainment relative to the actual knowledge of the subject.

The classical economic approach to decision making stresses that management decisions should be rational. This approach is based upon two fundamental assumptions. Firstly, the managers seek to maximize expected utility or profits above all else. Secondly, human beings are totally rational, i.e., they are aware of all possible decision alternatives, have complete knowledge of all consequences associated with each alternative, and possess all the information required to evaluate various alternatives.

Simon has criticized the economic model of decision-making behavior as developed by classical economists. It is not always possible to choose a best course of action for achieving the optimum solution to a problem. Environmental constraints and human limitations do not permit fully rational or optimum decisions. In practice, people are not completely rational and do not
always seek optimal solutions. Therefore, economic man model is hypothetical. Managers want ‘satisfying’ or “good enough” or “reasonably good” solutions rather than optimum solutions. Simon has given an administrative man model of decision-making behavior, which is more realistic. This model does not assume perfect knowledge on the part of decision makers.

As they seek satisfying rather than maximizing, choice is possible without determining all possible alternatives. Complete rationality is not always possible and therefore, what is called for is “bounded rationality”. Instead of ideal or perfect or optimum decisions, satisfactory decisions are taken in practice. Human beings are not always rational in the decision making process. They take into consideration only a limited number of factors and a limited range of consequences. A decision represents behaviour chosen from a number of possible alternatives. Sisk and Williams (2009) defined decision to be the selection of a course of action from two or more alternatives; the decision making process is a course of action from two or more alternatives; the decision making process is a sequence of steps leading to that selection.

The concept of Decision Making

Decision-making is a process of selecting the best among the different alternatives. It is the act of making a choice. There are so many alternatives found in an organization and departments. Decision-making is defined as the selection of choice of one best alternative. Before making decisions all alternatives should be evaluated from which advantages and disadvantages are known. It helps to make the best decisions. It is also one of the important functions of management. Without it other management functions such as planning, organizing, directing, controlling, staffing can’t be conducted because in this managerial function, decision is very important. According to Robbins (1991), decision-making is defined as the selection of a preferred course of action from two or more alternatives.

Decision-making is crucial to the management of change in institutions, it is an agreement among personnel and management practitioners. However, the point of divergence is what really constitute the true meaning of decision making. This implies that, there is no universally acceptable definition of decision-making. Different scholars have tried to put forward their own perspective or view of decision-making.

Decision-making generally involves selecting from among different alternatives. It plays an important role in motivation of employees in an institution. Decision-making involves making valid judgment or preference. It will therefore, be right to say that every decision made is to a large extent dependent on the judgment or preferences of the decision maker. Hoy and Miskel (1982) posited that decision-making is the process by which decisions are not only arrived at but also implemented because until a decision made has been converted into action, it remains only a good intention. This view notes: decision-making involves policy formulation and policy implementation. For a policy to be regarded as a decision, it must be implemented, otherwise it remains a goodwill. Decision making remains a key function of the management in every institution. The management of institutions are always entrusted with different task and responsibilities, such as how to manage the little resources at their disposal, in order to achieve maximum results, how to improve staff productivity and motivation, how to achieve organizational or institutional goals. The decisions made will therefore determine how well these task and responsibilities will be achieved.

Decision-making can also be viewed as the process of choosing a line of action, guided by deliberate consideration of competing alternative (Nwankwoala, 2016). For administrative
and organizational goals to be achieved, the management of institutions must make the right decisions. Therefore they cannot do without decision making. It is the decisions that are made that will propel the wheel of other administrative processes such as planning, organizing, communicating, supervising, controlling and budgeting. And so, to a large extent, the success of every institution rests on the ability of the management of such institution to take the right decision. Decision-making can equally be viewed as a process whereby those at the helm of affairs or the management of personnel take decisions on issues that affect the growth of the institution, such decision will help to lessen the unsatisfactory issues in the organization or institution and better, positive change will emerge.

Decision-making is a way of specifying the nature of a particular issue and choosing among available alternatives in order to solve the problems that confront the institution (Okombe, 1998). Without the management, there cannot be decisions taken in institutions. The kind of decisions taken by the management scores the productivity of institution. Since this is the case, it is important to know what management is all about. Every institution is run by a management, for there to be flow and smooth running of the institution, the managements will always make policies that will move the institutions forward and such policies should bring positive changes to the institution. Most institutions, have failed to achieve their institutional objective because of wrong decisions from the top. A case in point is that Nigerian university system has continuously been ranked or rated poorly among the worst university system and has continuously been ranked or rated poorly among the worst universities in the world (Asiyai, 2013). The reason for this is due to poor decisions made from stakeholders in the Nigerian educational system.

Decision-making is an important function in management, since decision-making is related to problem; hence, an effective decision-making helps to achieve the desired goals or objectives by solving such problems. Thus, the decision-making lies all over the enterprise and covers all the areas of the enterprise. Scientific decision-making is well-tried process of arriving at the best possible choice for a solution with a reasonable period of time. Decision means deliberation that leads to a conclusion. Decision-making involves two or more alternatives because if there is only one alternative there is no decision to be made.

For Davar (2012), decision-making is the selection from some criteria of alternatives or more possible alternatives. To Mcfarland (2011), decision is an act of choice wherein an executive forms a conclusion about what must be done in a given situation. A decision represents behaviour chosen from a number of possible alternatives. Sisk and Williams (2009) added that decisions are a selection of a course of action from two or more alternatives; the decision making process is a sequence of steps leading to the selection of a course of action.

Decisions, regardless of the levels of complexities are routine in organizations. Decision making can be defined as the choice of an alternative to be implemented (Nutt, 2001). According to Simon (2005), the decision-making does not merely refer to the act of making decisions by their contexts and organizational levels. At the strategic level, the objective is to develop strategies in order for the organization to accomplish its purposes. At the tactical level, decisions are related to the administrative management and at operational level are only executors of the decision predetermined at higher management and at operational level. Referring to Ansoff (2008), strategic decision-making are decisions whose nature of the problem involves the allocation of resources into products or market opportunities, and also strategic decision-making does not have a repetitive character. Decisions are conscious choices to behave or to think in a particular way in a given set of circumstances (Duncan, 2003). Decision-making is often referred
to as the heart of the management process (Mann, 2006). It is a dynamic process of thought and deliberation that leads to decisions (Quesk, 2007). It is a dynamic process which indicates that a problem exists, thus the best courses of action must be selected and implemented (Gass, 2005). Decision-making is a conscious process, involving both individual and social phenomena (Shull et al., 2002). It is the right of choosing a course of action from among a number of alternatives (Ololube, 2018).

According to Webster dictionary, decisions are described as conclusions arrived at after careful considerations. Through decisions, institutions transfers from internal to external actions (Lapin, 2004). Decisions are ongoing process of evaluating alternatives that relates to a goal, at which the expectation of decision maker with regard to a particular course of action compels the decision makers to make selections (Harrison, 2007). Decisions are events that occur consciously by choice and thinking in a particular way in special situation (Duncan, 2003). On the other hand, other research characterizations are that decisions take place when solutions to problems are systematically selected for implementation. Decisions can be made either formally or informally:

- Formal decisions are relatively complex, non-routine, and generally non-repetitive. Policies, procedures, criteria, and methods for making such decisions may not always exist since the problem faced may lack precedent. Creativity may play a key role in such decisions; and
- Informal decisions are more repetitive and routine in nature. Policies, procedures, criteria, and methods often exist to assist managers in making such decisions.

**Decision-Making Process**

- Recognize and define the problem.
- Identify alternatives which are a possible solution to the recognized problem and eliminate alternatives that are not feasible.
- Identify the predicted cost and benefits associated with each feasible alternative.
- Compare the relevant costs and benefits for each alternative and relate each alternative to the overall strategic goals of the firm and other qualitative factors.
- Select the alternative with the greatest benefit which also supports the organization’s strategic objectives.

**Characteristics of Decision-Making**

From the above definitions the following characteristics can be listed below:

- It is a process of making a choice from an alternative course of action.
- A decision is the end process preceded by deliberation and reasoning.
- Decision-making is a focal point at which plans, policies, and objectives are translated into concrete actions.
Barriers to Effective Decision-Making

Generally, there are several problems of effective decision-making, we attempt here to explain them:

- **Self-interest of the decision-maker:** decision-makers in most work and organization, consider what they would gain in making such decisions without considering the interest of the organization or rationality in such decision-making.
- **Politics in organization:** decision-making may be affected by the parties disposition, those particularly involved in leadership.
- **Laws and policies:** it is not worthy that every organization is guided by laws, policies and regulation. Thus, organizations cannot go contrary to the policies within which they are established.
- **Using uniformed personnel to make decision:** when uniformed personnel such as police, civil-defence, etc. who are career officers are used to make decision. It end up creating more problems. Thus, good decision are made by those who are familiar with the organizational goals.
- **Unavailability of reliable data:** decision-making is difficult especially when there is no available data for information needed to resolve the problem.
- **Environment:** organizations are domiciled in an environment: this implies that institutions interact with the environment in which they are situated, with this, decision made in such organization are usually influenced by the social, economic, cultural and values of the host community.

Decision-Making Types

- **Irreversible:** These decisions are permanent, once taken, they can’t be undone. The effects of these decisions are far-reaching and are taken only when all other options have been exhausted.
- **Reversible:** Reversible decisions are not final and binding, they can be retracted at any point, and another more fitting decision made. It allows one to acknowledge mistakes and undertake relevant damage control, depending on how the new circumstances play out.
- **Delayed:** Such decisions are put on hold until the decision maker thinks that the right time has come. This delay might cause one to miss certain opportunities that may present themselves, especially in the case of businesses, and may lead to losses. However, such decisions are the norm for large bodies like the government, which decide policies that affect the lives of millions of people. The time taken to collect all information required and to organize plans of implementation, is crucial to the ultimate well-being of the public.
- **Quick Decisions:** These decisions enable one to make maximum use of the opportunity available at hand. However, only a very astute personality can take decisions that are both instantaneous and correct. In order to be able to take the right decision within a short span of time, one should also take the long-term results into consideration.
- **Experimental:** One of the ways of decision-making is the experimental type, where the final decision cannot be taken until the preliminary results appear and are positive. This approach is used when one is sure of the final destination but is not convinced of the
course to be taken. Experimental decisions are common in fields such as medicine, where the product being tested goes through several phases, and decisions may change with every iteration.

- **Trial and Error:** This approach involves trying out a certain course of action. If the result is positive it is followed further, if not, then a fresh course is adopted. Such a trial and error method is continued until the decision-maker finally arrives at a course of action that convinces him of success. This allows a manager to change and adjust his plans until the final commitment is made.

- **Conditional:** Conditional decisions allow an individual to keep all his options open. He sticks to one decision as long as the circumstances remain the same. Once the competitor makes a new move, conditional decisions allow a person to take up a different course of action.

**Leadership and Decision-Making Styles**

A leader provides direction and guidance to his followers. He is responsible for ensuring that his decision moves the organization in the right direction. Be it in business, politics or government, the ability to take sensible decisions is an important component of leadership skill. The different ways of decision-making that leaders usually follow are:

**Authoritative**

The authoritative leader is the sole decision maker, his orders are to be followed by the subordinates to the letter. The leader has all the information and expertise required to make a quick decision. Here it is important that the leader be a level-headed individual who weighs his decisions in the light of the data present. He will be the one facing the consequences, if the decision results in failure. Though effective, in case the leader is an inexperienced individual, it can harm the organization if he insists on taking the decision himself, even when there are experts available to help him make an informed choice.

**Facilitative**

In facilitative type, both the leader and his subordinates work together to arrive at a decision. The subordinates should have the expertise as well as access to information required to make decisions. Such an approach could be useful when the risk of a wrong decision is very low. It is also a great way of involving and encouraging subordinates in the working of the organization.

**Consultative**

As the name suggests, consultative decisions are made in coordination with the subordinates. However, the fact remains that unlike the facilitative decision-making style, in consultative decision-making, it is the leader who holds the ultimate choice of a course of action. A wise leader tends to consult his subordinates when he believes they have valuable expertise on the situation at hand.
Delegative

A delegative leader passes on the responsibility of making decisions to one or more of his subordinates. This style is usually adopted by a leader when he has confidence in the capabilities of his subordinates. It would be a blessing for leaders and policy-makers worldwide, had there been a universal model for decision-making. However, due to the dynamic nature of reality, be it our workplace or our personal lives, we have to resort to different types of decisions, using our instincts, intelligence and adaptability to make the best of the conditions.

CONCLUSION

The work seeks to provide answers to questions of what decision-making is all about, and all the processes involved. It shows that decision-making is very important the management of organizations and institutions. In managing organizations/institutions, decision must not only made, but implemented as well. Once decisions are made, followed by implementation, those charged with both its formulation and implementation must adapt the changes and challenges that may arise as a result of such decisions.

How much time a decision-maker has in which to make a decision is a crucial influence on the standard of decision-making. Therefore, managers must make most of the decisions in time frame established by others, to avoid them making or taking decisions without gathering crucial facts and other possible solutions due to lack of time.

REFERENCES


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