FINDINGS OF THE SURVEY ON DECISION-MAKING

This being a study in application of the decision making theories in the problematic situations faced by the Indian managers. It was necessary to issue a questionnaire to eminent persons in industries.

The persons to whom the questionnaire was sent were chosen by applying the following criteria -

1. the present position in the hierarchy held in the organisation in which working.
2. experience in the field of administration.
3. the specific area of decision-making.
4. the nature of authority delegated.
5. the type of organisation -
   a) Private
   b) Government
   c) Semi-government
   d) Co-operative
   e) Service-organisation like educational institutions, Regional Transport Office, Banks, etc.

While preparing the questionnaire one important assumption which was made was that new complicated decision-making situations are being created in the field of industrial management because of the emergence of new challenges. Under the circumstances, decision-
making abilities of executives are put to test and against the various constraints created by the real situation and problems therein. It is essential for the executives to evolve their own style and theory of decision-making. It is thus, quite interesting to know from the executives in important institutions as to how they manage to take wise decisions and justify their propriety from academic angle as well as from the point of view of success in problem solving. The answers provided by the executives would also reveal, it was expected, how actual decision-making in practice deviates from any formal academic theory of decision-making.

Out of the hundred industrial units and institutions chosen as random sample for the purpose of study executives in thirty units and institutions, sincerely responded to the appeal and provided highly exhaustive and intelligent answers to the various questions asked. Information could be obtained also from informal discussion with some executives holding key positions. Most of them belong to the top level management. Their views and opinions on various problems in decision-making were found to be original, most pragmatic and were not bound by any academic theory of decision-making. The
answers provided were quite pertinent and exhibited novelty of their approach to decision-making. Most of the decisions taken and the managerial styles adopted were found to be oriented to results. On some important issues relating to decision-making similar opinions were expressed. All the executives have answered without any reservations. All the questions in the questionnaire which covered the following important aspects of decision making -

1) Types of decisions.
2) Decision-making capability - its elements
3) Knowledge and decision-making.
4) Role of reasoning and logic in decision-making.
5) Operational aspect of decision-making process.
6) Types of decisions and frequency of each decision.
7) Justification in decision-making.
8) Role of consultants in decision-making.
9) Politics and decision-making.
10) Personality factor in decision-making.
11) Level of sophistication in decision-making.
12) Decision-making against pressures.
13) Costs of decision-making.
14) 'No Decision' situations.
15) Follow up of success or failure in decision-making.

16) A decision-making in crisis.

17) Value system and decision-making.

18) Decision-making by Indian managers in typical Indian situations.

The answers provided by the executives revealed how intricate and delicate the problem of decision-making is, and how much interesting, it is for the academicians, to know what the real problematic situation is, and how different unusual and uncommon strategies and measures are adopted by the executives while taking decisions. The answers also reveal the relative importance of a set theory of decision-making, logical reasoning and typical method in decision-making knowledge, intuition, emotions, rational approach, human actions and interactions reactions and value judgment bias, priorities and prejudices. It is also quite interesting to know from the answers, the respect shown by the decision-makers to the academic principles of any process in management. All the answers given by the executives are backed not only by their personal experiences in the decision-making situations but also their in-depth study of various academic theories of
decision-making. Thus, the common approach adopted by all the executives is characterised by respect for the established theory in decision-making and the awareness that suitable modifications are necessary and that decision-making as evolved practised by the executives rests on both logical and intuitive knowledge and pragmatic approach not only to a particular decision-making situation but to the whole human life in general.

1. Decision-making capabilities:

Most of the executives, have opined that 'Decision-making by executives in India' is certainly moving towards rational, human oriented and scientific approaches as is the demand of the time. Decision-making by executives in India is mostly based on what boss will think. Very rarely interests of the organisation are kept on the forefront in India. The Indian executives are becoming more and more proficient. They normally have the knowledge in their special field and they also acquire knowledge and/or experience in the field of management where they are confronted with the problem of decision-making. A number of training courses and seminars are held on management, and these
days organisations with progressive attitude give good
training to their executives to enable them to be good
decision-makers. A number of articles and books on
decision-making written by foreign authors as well as
Indian authors are available and the Indian Executive
today; does refer to these books, to enrich his
knowledge and experience. With these aids available
the decision-making process by executives in India is
becoming more and more rational. One factor perhaps
which is still hampering the professional decision-
making is the continuance in Indian management of
family controlled business management. In this type of
management, though the Executives feel that their views
are considered, the final decision-making may be done
by the family members and it may not in the best manner
suited for the best decisions.

Almost all executives have opined favourably
about the ability of Indian managers to take decisions
at crucial stages. Generally speaking, senior profes-
sional Indian managers are competent, diligent, matured
and have a lot of intuitive and drive and are generally
sound decision-makers and are devoted to the well-being
of their respective corporations, naturally there will
be exceptions.
Indian managers are gradually developing into professional management and do take sensible decisions as foreign managers. They are equally capable but sometimes lack dynamism due to insecurity. They take decisions with minimum tools and modern management and very seldom they are wrong. They are capable of anticipating and accepting the new challenges created by the decision making process itself.

Thus, Indian executives have been acquiring more and more proficiency in decision-making through expansion of their knowledge and experience. They also occasionally consult others when, whenever confronted with a complicated problem. They have also inculcated and developed library habits. They have availed themselves of contribution in the field of industrial management in the recent literature.

Does this mean that the decision-making practices are drifting away from the family orientation? *Management consultant Mr. S.K. Bhattacharya has investigated

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* Ref: Business India, Page 46 Issue No. 127 January 3-16, 1983. The Author's article on "Guess who succeeds" Family business versus professionalised companies.
into this phenomenon. He concludes that the family managed business have certain inherent strengths which others don't.

He also concludes that Indian family managed companies are characterised by a high level of consciousness of cash generation and constant growth that systems and techniques are instruments to be used selectively, that the organisational structure and style of these companies facilitate quick decision-making and that the morale of managers is very high. The most important skill in the organisation is entrepreneurial ability.

Professionally managed companies are characterised by the entanglement of the corporate management in operational decisions (and consequently they are finding less time for strategic decisions) and that of middle and senior middle managers in the generation of masses of statistical data systems become an end in themselves. Good ideas, if they don't emanate from the proper rung of the hierarchy, are not rewarded, morale is low and turnover high. Staff jobs dominate the critical (production and sales) line functions and projects are delayed. There is a woeful
lack of entrepreneurial skills. Of course, this does not lead to a conclusion that those who do not use scientific tools and techniques succeed and those who use do not succeed. It cannot be said that all family managed companies are managed more effectively and efficiently than all the professionally managed companies. However, it is certainly interesting to note why family managed companies instantly click and are put from low gear to high gear. It cannot be denied that in the Indian corporate scene some of the fastest growing companies are those which are not too much concerned about modern executive techniques. Family concerns are on the top of the growth curve because they are unimcumbered by elaborate rules procedures and systems and the highly sophisticated modern techniques of professionalised management. This is a curious phenomenon and its existence and impact is confirmed by the answers given by the executives in the various organisations. Thus, decision-making by the Indian executives is certainly under the impact of domination by the family members. Howsoever, efficient the employed (salaried) executives may be and whatever may be the extent of authority delegated It, thus, appears that the impact of intuitive knowledge
transmitted by elderly generations of family to the younger generations, forms the basis of successful decision-making in India. This appears to be inevitable and to that extent decision-making capability the "acquired" knowledge, studious nature of the executives and their library habits, have relatively less bearing on the actual decision-making process in Indian industries.

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The managers were asked whether a radical change is necessary in the decision-making theory as advocated in management literature and in view of new challenges created after 1970. Most of them suggested that such a change in approach to decision-making is necessary in view of changing corporate goals and the new challenges faced by managements.

These challenges have been created by the following factors. Major responsive factors are classified into external and internal as under :-
I) **External causes** are those over which the managements have very little or no control. They may be listed as follows:

a) Government policy regarding production, pricing and distribution.

b) Government policy relating to import of raw materials and export of finished goods.

c) Inadequate supply of essential inputs like raw-material, power, etc.

d) Decline in public sector investment.

e) Demand recession.

f) Shortage of working capital funds,

g) Adverse industrial relations and inter-union rivalry.

h) Surplus labour.

i) Product obsolescence.

j) Lockout/strikes in other connected industries,

k) Delayed payments by the large industrial undertakings.

II) **Internal causes** are normally within the control of the management and corrective measures can be initiated by them. They are:

* Ref: 'Industrial Sickness' (Banks' role as family doctor) Article by B.N.Pai in the Economic Times dt. Friday, February 4, 1983.
a) Choice of location,
b) Underestimation of capital cost,
c) Over estimation of demand,
d) Delay in implementing the project and the resultant escalation in the cost.
e) Management inadequacy/deficiency.
f) Faulty management accounting system, failure to introduce proper financial control and cost reduction method.
g) Lack of adequate planning in the key areas.
h) Diversion of funds from business or diversion of short term funds to long term uses resulting in liquidity crisis.
i) Misunderstanding between partners, or in fighting to take over the management.
j) Rise in cost of production unmatched by selling price.
k) Low capacity utilisation due to various reasons.
l) Defective market analysis.

The above mentioned external and internal factors necessitate a dynamic, adhoc and pragmatic approach to decision-making. Such an approach is based more on observation, experimentation and modification or revision. Intuitive knowledge (which cannot be explained by any logic) is the basis of such extempore
decision-making. As a result it gets rid of the constraints created by hierarchical structure, formal delegation of authority.

According to Krishnakumar and Vathsala S. Iyer "Organisations do not remain static - changes, whether initiated internally or stimulated externally, do occur and the organisations have to adjust from time to time to the new situations. With the passage of time and as the organisation grows, the requirements, both in quality and quantity of individuals who have to occupy different position in an organisation thus go on changing continuously."

Mr. Krishnakumar and Vathsala S. Iyer have depicted following types of changes - "If we are to become effective members of a management group we have to become conversant with broad company problems and share in the decisions regarding these problems.

- We need to become more commercially oriented.
- We need to develop a conceptual approach to the entire management function.

- We need to become less technique-oriented for technique's sake.

- We need to develop a greater sense of urgency in assisting line management to solve its problems.

- We need to stop thinking of personnel management as an end in itself and to see it, as a major support of the profit making capacity of a company.

- We need to insist that personnel management is the job of the entire management of a company and does not consist of some unique insight and skill possessed only by the personnel department.

My own view is that:

- Too many personnel managers are concerned about achieving professional status rather than contributing to the general management of their companies.

- There is too little identification with basic company objectives and too much isolation of personnel activities from the company's basic interests.

- If we are not involved in over-all management decisions and actions it is possible that we ourselves are at fault.

- We have to acknowledge to ourselves that our managements are going to be more demanding and as their
respect for our abilities increases they will tend to
be even more demanding.

- We must do some soul-searching if our top
management does not realise that effective employee
relations is dependent on how well the line organisa-
tion carries out its personnel responsibilities.

- That it is possible that we are to blame if
top management fails to appreciate that personnel
management is a key function in planning for tomorrow's
growth.

- We have to take our role of 'communication
translators" more seriously - this implies of course
that we are given the opportunity by top management,
and have the capacity, to understand the true intentions
of what is being communicated.

**SOME THOUGHTS FOR TOMORROW**

- We have to convince line management that as
negotiators we have a contribution to make which
extends beyond trade union contacts and includes such
areas as mergers and takeovers. Who better can make a
considered assessment of the hidden human assets of an
organisation?

- That while we constantly assert that our
function should be in the top sector of the organisation
pyramid because of the apparent weight given to our authority, the most important justification is that the more time we spend with our managing director, the greater chance we have of influencing his judgment.

- We have to beware of becoming peripheral people in the organisation structure and cannot therefore afford to spend time and effort in self-justification or in being book-keepers of our own past successes.

- Perhaps, above all, we have to use every opportunity to exercise our influence in the best interest of the Company while this applies particularly in the field of management succession, we should not miss any opportunity to motivate people - whether it be the managing director or the new supervisor.

- Management is an activity, so we have to be active and we have to make things happen just like any other manager.

In brief, we must forget our search for status and earn regard by our performance in contributing to corporate goals. We can best justify our cost by realising that we are managers working with the managements of our companies towards the same end result - the continuity of business at a fair and equitable
profit. Any business is no more than the sum total of
the strengths and weaknesses of the people in it and
that makes ours a very important role - but only if we
first acknowledge that our motives must be originated
towards two main areas - justice and the commercial
purpose of companies."

Few managers have felt that radical change is
not necessary in the decision-making theory except for
the fact that more and more emphasis has to be given
on a more participative approach (Group decision-
making) as is in vogue in Japan, no other radical change
is necessary.

This insistence of participative type of decision-
making may perform to be the result of the additional
risk and responsibilities created by the frequent and
changes in and the resultant uncertainty in predicting
the cause and effects relationship between decision-
making situations.

The managers opined that progressive changes in
evolution of decision-making process have come about

* 'Executive mobility' An article by Krishna Kumar and
Vathsala S.Iyer (Economic Times 22-1-1983)
particularly in 1970s & hither to in the 1980s. This is consequential to monumental technological and process advances as recorded in the about last decade and half. Expert opinion is that technological advances evolved in the last about 15 years far exceed those recorded in the preceding seven decades. Series of technological advancements, business complexities, market needs and wants, geographical and communication problems - have led to a process of comprehensive decentralisation of decision-making particularly, where consumables and semi-durables are concerned. Capital equipment and durable marketing organisations still predominantly continue to operate on a centralised decision-making process.

Modern decision-making theory is not rigid. Political, economic and social changes keep taking place all the time and all of them have a bearing on industries and entrepreneurs. There are changes which can be anticipated and for such changes some sort of planning is possible and desirable. In view of its flexibility, the applicability of various decision-making approaches to different situations has been increasing.
The management patterns and problems have been changing with time. The concept of "What is well managed" has been undergoing radical changes. Though professional management place value and time and are concerned with productivity and planning. The distinction between family managed business and professionally managed business is going to become more blurred in future. (The process of business growth and prosperity is something beyond professional management.) This is because in the management of modern industries one is required to go out of the way and the academic disciplines and has to prove his abilities of bringing about the necessary (though undesirable) temperamental adjustments. An executive, howsoever, professional he may be, is also required to tolerate and indulge in ugly compromises. For e.g. efficiency of a decision-maker must be utilised and the decision-making executive should allow his capability and skill for -

a) manipulating public policy to procure and pre-empt or prevent license

b) influencing the import-export policy

c) going ahead for technology import or chief finance or a take over bid
d) building strategies for excise and tax evasion and not for just a deferral type of planning
e) generating unaccounted money which creates the further problem of recycling it in business without making it obvious in the Balance sheet.
f) indulging into undesirable malpractices like hiring talent at a premium with unaccounted money, cornering supplies, acquiring companies, influencing officialdom and purchasing political favour, which has been facilitated by government more favourably disposed towards large business houses.

Nobody would argue seriously that managerial talent is not necessary in the above areas of decision-making but it can never be denied that the "out of the way" methods in decision-making areas facilitate success in decision-making to a great extent. Comparatively family managed business houses have certain inherent strengths in contrast to certain inherent weaknesses in the professionally managed companies. Even executives who have completed several consultancy
assignments in India and abroad inclined to think that stereo-typed or stocked answers pertaining to Governmental insensitivity, FERA, MRTP are proving to be extremely inadequate in rationalizing failures and they are aware that product quality, market place acceptance, market share and other concepts are not necessarily matters of sharp business practices.

Thus, there have been dramatic changes in the Indian business scene. The changes have been in respect of the following factors -

i) change over from foreign dominance of Indian dominance
ii) diminution of control over business
iii) raised level of technology
iv) change in the extent and pattern patronage support of the Government.
v) changes in the practices of "buying" influence by employing "suitable" persons at very senior management levels.
vi) uncertainties created by changing Government policies and priorities necessitating the abandonment of "wait and watch" policy which meant, in business terms, - skimming (taking
best part of the market) market and not undertaking new investment.

vi) indulgence in malpractices like under-invoicing cartel pricing, corruption and nepotism (favouritism). Though these indulgences have not been responsible for demolition necessarily, demoralisation of the management personnel is the inevitable result.

As a result of the above factors bringing about dramatic changes in the Indian business scene the performance of professionally managed companies has been relatively low.

When the traditional business hours perform much better than the professionally managed once, does it mean that the Jarjon of the various management theories in general and decision-making theory in particular are to be discharged in the context of the changing situation. The implication is that for creating innovating strategies the hypothetical theories advocating certain management styles are not relevant in modern times. If the accountability of a modern Indian manager (as a decision-maker) is to be fixed in terms of high rate of return on investment, survival of
the firm in the most competitive fields, utilisation of highest technology and high ratio of profit after tax to sales, high ratio of working capital per rupee of sales, cash generation per rupee of sales, high ratio of tax to profit before tax, compounded growth of assets and sales, additions to plant and machinery as a percentage of depreciation etc. What is required is the manipulative skills (rather than a resort to any set academic decision-making theory) for manipulating market forces and Government policies. There is no point in insisting upon a thick co-relation between the professional qualifications and skills and the value system respected by a decision-maker while taking decisions. So long as measurable areas for measuring success in decision-making have been increasing (for example, objective criteria of success like profit after tax, cash generation, assets growth etc. are evolved) Loyalty to and insistence on a particular decision-making theory is not relevant. Modern developments in the business world, necessitates, that decision-makers have to ensure efficiency in the current and short-term business operations. It must also guarantee, continued growth and success over a long
period and to that extent radical changes must be brought about. They can be brought about provided the decision-makers have the ability beyond the professional management knowledge (which is consisted self-sufficient by business schools) So long as the entrepreneurial ability is missing the decision-making managers should continue to bring about the desirable changes in decision-making theories, practices and managerial styles.

3. Types of Decisions:

Different executives have mentioned different types of decisions which they have been required to take. The type of decisions taken entirely depends upon their position, field, area and policy of the organisation. Normally, executives have to take following types of decisions -

1) Selection decisions
2) Training decisions
3) Placement decisions
4) Merits decisions
5) Welfare decisions
6) Discipline decisions
7) Administrative decisions
8) Appointment of personnel and distributors decisions.
9) Manpower requirement decisions
10) Marketing strategy decisions
11) Credit facility decisions
12) Organisational/Promotional areas decisions
13) Fund management decisions
14) Financial accounting decisions
15) New projects decisions
16) Audit decisions
17) Production management decisions
18) Human relations decisions
19) Marketing hierarchy structuring decisions.
20) Product range decisions
21) Market Mix decisions
22) Product pricing decisions
23) Decisions pertaining to running of the Plant efficiently, economically and consistently
24) Investment decisions
25) Purchase/Buying decisions
26) Planning the delivery of imported components decisions
27) Participative decisions
28) Impersonalised decisions
29) Short-range and long range planning decisions.
30) As a Chief Executive decisions regarding every aspect of business.

Whatever may be the decision-making areas the peculiarities of the decision-making styles and strategies were -

(1) basic decisions having long term implications were participative where consultation played the most important role but very little power was delegated to the executives so that the influence of their knowledge and thought.

(2) most of the routine decisions were taken against the background of general policy framed at the top.

(3) most of the other decisions as reported by the executives were taken on an adhoc basis.

(4) decisions involving long-term commitments were not taken by the executives as it amounted to uncertainty increasing responsibility.

(5) decisions leading to legal implications were taken quite boldly and in an impersonal way.

(6) reluctance to go out of the way (go beyond the established framework)
(7) suspicion about management support to decision-making authority.

4. Qualities, knowledge and capabilities required for taking sound decisions:

Behind every successful enterprise there is a dedicated promoter/entrepreneur. His role is vitally important for realistic conception, speedy implementation and efficient running of the unit. Hence an executive should have a high degree of perception to look ahead and plan his activities and a sense of commitment to achieve his goals. The qualities which may be suggested as original qualities and cultivated qualities knowledge and capabilities required for taking sound decisions suggested by different executives can be stated as under.

1) Good academic qualification
2) Industrial experience
3) Professional training
4) Intuition 6) dash 7) Courage 8) Initiative
9) Leadership 10) Common sense 11) Maturity
12) Adequate foresight 13) Firmness
14) Ability to listen 15) Integrating capacity
16) Logical and an analytical mind
17) Willingness to accept responsibility for good and bad results.

18) Ability to understand human considerations (approach)

19) Ability to optimise

20) Capability of effectively sorting and sifting base data and insight into environment and background.

21) Effective utility management information systems and sources and then developing alternatives and ultimately deciding on validity and applicability of alternative/s considered most logical and apt.

22) Knowledge about the product - its performance and the end use which will involve study information and resource evaluations.

23) Perfect knowledge in the subject matter on which decision is to be taken is necessary. Impact of decision on the working of the concern is always the criteria to reach a decision.

24) Integrating capacity

25) Urge to understand all aspects and inter-relation
26) Innovation and imaginative understanding and tolerance
27) Consciousness of the problem provoking situation
28) Recognition of the problem and its definition
29) Search for analysis of available alternatives and their probable consequences
30) Relation of facts and their immediate and distant consequences - their knowledge
31) Constructive imagination and impartial observation
32) Boldness to face consequences if anything goes wrong.

Thus, a successful decision-maker should have all above qualities, capabilities, a sharp sense of perception and thrust for innovation. He should look deep into the future and foresee what is in store. **He should not wait for a thing to happen; he should endeavour to make it happen at the appropriate time.**

In addition to all above qualities, he must have strong imagination and robust common sense. He need not be master of any, but **has to be the jack of all**
trades. By asking the right type of questions, at the right time and to the right persons, he should be able to elicit the information he needs. Most of them pointed out that apart from the qualities inherent in the person, it is necessary to inculcate qualities required by pragmatism psychology.

5. Operations important for active thinking:

Most of the managers are pragmatic in their approach. They feel that the following operations are important for active thinking in general:

1) Relevant background information
2) In depth study/careful study/Investigation
3) Collection of information/Data Correlation from all known and available sources.
4) End result expected/anticipated
5) Involvement of others through consultation
6) Time frame or time trap
7) Problem definition/identification or intimate knowledge of a problem and its ramification
8) Understanding of the problem - its various aspects
9) Stringent analysis and logical approach.
10) Access to and utility of quality data from management information systems and allied basic data sources.
11) Choice of alternative decision available to solve a problem.
12) Human aspects of any operation
13) Brain-storming operations.
14) Basic objectives of the company or Group and ultimate goal
15) Investment and pricing proposals
16) One's capacity to concentrate, finalise and conclude.
17) Peaceful and calm office atmosphere and a mind free from tensions.
18) One's conscience and others opinions
19) Insight into the situation and the problem
20) Upto-date knowledge/modern trends
21) Legal background.

Thus, these operations indicate that they are very useful for managers while taking decisions in the organisation. Active thinking helps the managers to take right type of decision.
6. **Role of logic in decision-making**:  

When asked that a manager should have knowledge of logic or inductive and deductive approaches to decision-making, the managers opined without any hesitation that knowledge of logic is must. The managers opined that these aspects are integral parts of the process of sound decision-making knowledge comes through education and experience. Being logical is more from education and both Inductive and Deductive qualities comes through experience knowledge of logic may not be important but decision taken should be based on logical reasoning. A manager should have knowledge of logic or Inductive and Deductive approaches to decision-making particularly in the field of marketing, where different people mean differently by the same statement.

7. **Decisions by Committee OR Management by Consensus**:  

Almost all managers believe in committee decisions. In large size organisations and this is particularly applicable to multi-nationals, where majority of the key decisions are taken by specialised committees. This approach by them is considered essential as their business
is generally very complex, wide spread and encompasses large number of functions, particularly where integrated operations are involved and the decision-making committees comprise of experts from key functional areas and contribute towards arriving at joint consensus.

Generally, decisions are taken by the committee in the following situations -

- Decisions involving large capital expenditures or setting a new major corporate direction fall in this category.

- When decisions are critically related to the interests of a component internal group rather than the objectives of the organisation as a whole, it is proper for these decisions to be made by the group.

- When the result of decisions cannot be known until after a very long period, it may be impossible to hold the decision-maker accountable. This is the type of decision involved.

It is useful to listen to observations of theirs and evolve a consensus. The individual manager may miss the opportunity to make his own mistakes. Managers learn as much perhaps more, from their incorrect
decisions as from their correct ones. In committee decisions the risk involved is very little but committee should consist of capable persons.

8. Extent of delegation of authority of decision-making:

Most of the managers have opined that the authority delegated to them is adequate for decision-making. Regarding delegation of decision-making managers have opined that delegation should be made to a competent person backed by experience, knowledge of subject as well as the far reaching effect of the decision and delegation should commensurate with responsibility. It is advisable only in the case of forced by circumstances such as absence from duty. This clearly shows that the managements have no faith in participative or democratic decision-making. Management believes in personal discretion.

9. The factors which are given weightage in Decision-making:

The following factors are given weightage in decision-making

A) Own reasoning
B) Observation and analysis
C) Knowledge of techniques of investigation.
D) Intuition
E) Experience
F) Decisions previously taken
G) Contribution of colleagues/lower management people in decision-making
H) Flexibility / Frequency of changes in decisions

A) Own reasoning:

"Own reasoning is the best course of decisions."
This statement was given to managers and their opinion was sought. Most of the managers replied negatively. Own reasoning may be useful but it is not always the best course of decisions because of the following:

a) Many a times due to gap in communication own reasoning is quite faulty.
b) Sharing of thoughts and experiences with others helps decision-making
c) Others can contribute to ones ideas and help in reaching better decisions
d) For tactical reasons own reasoning may have to be avoided in certain cases.
e) Capability to rationally consider the opinions of colleagues and other executives in the organisation is more important.
f) Predominant reliance on own reasoning even for a competent and able manager would ultimately lead him towards several pitfalls. Modern management approach is definitely oriented towards participative management and if the decision-making process entails intra-functional overlapping, then all key concerned personnel must be encouraged to give their ideas, views, opinions, observations and recommendations, etc. Generally speaking, hazards of 'own reasoning' could be that any manager, however capable, cannot have all embracing knowledge in varied functions that he controls and supervises. He is bound to have relatively more specific strengths in areas and functions where he has been concentrating and acquired experience and familiarity over the years and thus, would be unable to effectively utilise opinions and recommendations of subordinates who are more with the situation.

In short, it can be stated that own reasoning with collective consent is the best way to approach the problem. If all the sufficient statistical information is available then also it is best course of decisions.
B) **Observation and Analysis:**

Almost all managers have agreed hundred per cent with the opinion that observation and analysis is very useful in logical reasoning. Its utility as indicated by them is as follows:

a) Careful analysis and observation leads to correct decisions.

b) Careful observation and objective analysis sounds good and one cannot disagree with this. Logical reasoning based on incorrect observations or analysis shall hardly obtain desired results.

c) At times there is no time for careful observation in which timely reasoning is to be put forth.

d) These factors are fiscful in the case of long term implication and planning.

Careful observation and objective analysis is a very useful method as under this method, not only the problem as a whole but also each aspect of it is studied in depth. Thus, cause-effect relationship between various aspects is identified and evaluated to see which of the alternatives would be the best under the circumstances.
C) Knowledge of techniques of investigation.

Most of the managers have opined without any reservations that in order to become a successful decision-maker knowledge of techniques of investigation is absolutely essential because investigation leads to the following:

a) It leads to truth.
b) It results in conceptual thinking.
c) Investigation techniques help in arriving at sound decision.
d) It is essential because full and complete knowledge and information is required for making decision on any problem.
e) It helps to establish whether or not a right decision has been arrived at.
f) With experience over the years one picks up skills which are intuitive in judgment.
g) Knowledge of techniques of investigation give chance to critically analyse and evaluate the subject from the most important angles and use of techniques lead to more rational conclusions.
h) It helps to get background information. It throws light and helps in arriving at a proper decision.
i) If investigation is not done, there is a possibility that inadequate data may lead to confusions and chaos.

j) Investigative ability gives deeper insight to a problem. Besides consequences of a decision are projected before oneself and one is in a position to choose the best possible solution to a problem.

Thus, if thorough investigation is made based on supporting data, the decision-maker can do better justice to decision-making. A decision taken thereafter can be fairly accurate, which ultimately results in minimising ill-effects of decisions.

D) Role of intuition in Decision-making:

Judgment is the result of logical knowledge and intuitive knowledge. Logical reasoning governs the thought process leading to knowledge. However, logic can confirm the truth in the thought but cannot enable a person know the whole truth. Only intuition which eliminates thought process can lead to an appropriate decision and action. When it was asked to the managers that when he should rely on his intuition in making a decision and when he should try to become very explicit and experimental about it. Some managers opined that -
a) A manager should rely on intuition only when sufficient time is not available or there is no scientific way to think logically and decide. It is better to one should try to become very explicit and experimental.

b) If a manager is fully convinced of consequences, after taking a particular decision, he can rely on intuition, otherwise he should be experimental.

c) A manager should rely on intuition when logic is no answer and decision has to be taken in uncertain conditions only and the risk of adverse result can be borne. Alternatively, intuition may be followed when expected results or achievements are to be disproportionately rewarding.

d) Intuitive judgment requires no skills to project in convincing others in your decision. Hence, depending on the nature of the problem for a decision, one has to think and employ ones skills.

e) Intuition backed by logical deduction would normally result in a good decision.

f) In the absence of statistical information manager can rely on intuition.
Some managers do not agree with the role of intuition in decision-making. Their approach is passive. Their contention is, a manager should not resort to intuition, nor should he be experimental about decision-making. He should collect the relevant data, resort to logical thinking, consult the higher ups or superiors regarding the decision to be made and then arrive at a decision which is most suitable under the circumstances.

Though some managers have passive approach towards intuition, it is believed by many that intuitive decider has more 'precognitive' ability and is better able to anticipate the future in instances where reliable data are lacking. In management decision-making one is often required to place final reliance on intuitive processes and to evaluate managers on their intuitive skills alone.

E) Experience:

The opinion of the managers was sought towards relationship between experience and decisions. Almost all the managers have agreed with the view that experience can certainly act as the basis of decision-making. Experience is a vital and integral contributor
to the process of decision-making. It is only the experienced senior managers who invariably exhibit competence and capability of taking adhoc and on the spot decisions and a majority of such decisions directionally generate desired and projected results.

Experience gives precedence or a background. It makes a man perfect. A person sees and understands things in terms of concepts with which one is familiar.

Assuming normal intelligence experienced persons are matured so as to quote a number of experiences through which they have been moulded.

**Importance of experience in decision-making can be further stated as:**

a) without experience the behavioural pattern is not understood by the decision-maker.

b) mere experience cannot make a person a good decision-maker, but it will definitely help him arrive at correct decision.

c) a great deal of relationship exists between experience and decision. In fact, highest paid managers are generally most experienced.

d) experience bestows maturity to take decisions fast after considering all factors and probable results.
e) experience minimises the time-factor.

f) experience helps to develop an ability to discriminate and to generalise past situations.

g) in absence of experience everything is hypothetical, otherwise only library solutions will be given.

F) Decisions previously taken:

Decisions previously taken are also aspects of experience. The managers refer to others decisions while taking decision -

a) if precedents have weightage

b) if analysis is not possible

c) when it concerns policy

d) if the problems are alike or similar.

e) to the extent they pertain to the problem and decision taken by the manager.

G) Contribution of colleagues/lower management people in decision-making:

The contribution of colleagues as well as lower management people is very vital as they are expertise in their respective functional fields, provides invaluable contribution towards effective and logical decision-making process. Their contribution is by giving advice, information, recommendation
valuable suggestions, opinions and possible solutions. Their contribution is invaluable as complete background of clients is better known to them. The contributors of colleagues comes by way of sharing their experiences and thoughts and wherever the question of improving cash flows is concerned, they co-operate in controlling debtors and inventories. Thus, their contribution depends upon the type of problem presented before them, and their contribution is mostly in furnishing required data and inter-relationships.

In order to have healthy disagreement and/or deviations in approaches co-operation of colleagues is essential. They can sometimes give a very good point of view which is many times neglected by the decision-maker.

H) Flexibility or Frequency of changes in decisions:

Flexibility in decision-making is basically oriented towards evolvement of several alternatives and if the most apt alternative selected earlier is not generating projected and desired results then other alternatives have to be considered for implementation. In other words, when the most apt alternative adopted by executive during the process of decision-making has
been found to be of poor choice or inadequate to meet requirements of a given situation. Under such circumstances a mid-course correction has been enforced, resulting in adoption and implementation of other alternatives considered appropriate subsequently.

Most of the managers have justified flexibility as follows -

a) Flexibility gives more scope for development of relationship in the long run with one and all.
b) Flexibility in decision-making is justified to suit the requirements of the organisation.
c) Flexibility in decision can be justified if the probability of conditions governing a decision remaining constant is low, or pending implementation, results need to be evaluated for equaling with desired ones (Tentative decisions)
d) Flexibility can be proved by showing the use of decision under varying or changing conditions
e) In the event of change in Government policies or amendment of regulations or other circumstances pertaining to a particular decision executives are required to change or modify their decision.
f) If the decision of an executive is going to affect the achievement goal or the circumstances are changed suddenly then one can be flexible.
g) Flexibility in decisions gives opportunity to switch over to alternative courses of action, if necessary.
h) Flexibility is very essential because nobody can be right always and at all times.
i) If the decision is far reaching and if it is not yet implemented, it is very necessary to change or modify the decisions.
j) Flexibility in decision-making is justifiable as the whole situation is not clear, as there is predominance of subjectivity, as the decisions are likely to affect human beings, the decisions should be flexible.

Whenever, a decision-maker has to make compromises due to pressures, consultancy, leadership power, own value system, constraints, flexibility becomes essential. Decisions should be avoided if the situation so demands. Decision must be delayed for maintaining 'status-quo' of the situation. A good decision-maker need not prove how logically he thinks about the problem, but he would be a good decision-maker whenever he 'feels', he 'smells', he 'anticipates' something and
acts spontaneously in times of crisis. There is very little time to think logically in most of the urgent and emergency type of problematic situations created by kaleidoscopic nature of objects, events, persons and phenomena.

10. Operational aspect of decision-making Process:

A decision is course of action which is consciously chosen for achieving a desired result. Every manager has his own methodology of decision-making. The managers have been adopting different methods for making decision. It is difficult to suggest an ideal method for taking decisions. The method of taking decisions by the executives has already been explained in chapter titled 'Level of Sophistication in Decision-making', which includes -

a) defining the problem or task definition
b) analysing the problem
c) developing alternative solutions
d) finding best solution - risk, economy of effort, situation or timing limitation of resources, experience, experimentation and research, analysis.
e) making the decision effective/follow up of decision.
While taking decisions the most of the executives have stated that the following factors are required to be taken into consideration:-

i) consensus if and wherever possible/
consultation with colleagues and supporting staff

ii) Statistical information forms basis of decision

iii) Effect of decision on production, sales and profit

iv) Financial impact of decision

v) Short range and long range achievement of goals and objectives, entailing corporate commitments

vi) Cool thought, considering the pros and cons

vii) Proper study of rules and regulations

viii) Own judgment and intuition

ix) Time factor/practicability of decision

x) Pressures/constraints - favours, prejudices, labour leadership, political influence, etc.

11. Follow-up of decisions:

When the managers were asked whether they have to make any special arrangement for the implementation of decisions, the managers have opined that it is absolutely essential. Follow up of decisions is most important precaution. Normally, the following type of arrangement is required to be made by them -
1) Advance programme
2) Planning - Disseminate the decision parameters and the possible outcomes to all levels to enlist their support
3) Daily checklists
4) Timely correction
5) Monitoring arrangements
6) Development of a reporting system for all decisions affecting future course of business.
7) Follow-up for measuring consequences.

Thus, it is clear that the managers have to make arrangement for the implementation of decisions. The decision and how it is to be implemented must be communicated to those who will be involved or affected by the decision. The reason for the decision, the action called for, what adjustments are required, each individual's role, and what results are expected are among the major types of information that should be communicated. They have to follow trial and error method. They have to watch the reactions on their decisions so that suitable modifications can be made on the basis of experimentation.
12. Can there be an Ideal Method for taking decisions?

Executive Views:

Most of the Managers have opined that there cannot be any method as 'IDEAL' method for taking decisions. Decisions will be varying depending upon individual cases. Even an ideal method or approach cannot entirely eliminate the possibility of arriving at wrong decisions. Generally speaking -

1) In the case of industries producing steam boilers, process heat equipment, paint booths, water treatment plants, large boilers, Air pollution control equipments an ideal method for taking decision is as follows:
   a) Day-to-day decisions based on supporting data
   b) Important decisions by the committee
   c) Business decisions by the Board of Directors.

2) In the case of textile mills while taking decision one must adopt the most appropriate and apt alternative and its adoption and implementation must be based on investigation, analysis of background data, utility of recommendations and observations of functional experts, own experience, etc.
3) In the case of beer and Indian made foreign liquors industry following method can be suggested.

All decisions must be based on a study of the problem, alternate solutions received or proposed by the executives, analysing all the problems logically and taking decisions on the conditions existing at the time of making the same.

4) In the case of industry producing process instrumentation, medical electronics, image analysers an ideal method for taking decisions can be suggested as under:

To discuss problems - share your views with all freely and listen to opinion of all - To allow a decision to be taken at the appropriate level itself.

5) An industry producing life saving drugs:

the process of decision-making should normally involve -

i) collection of all relevant facts
ii) analysis
iii) anticipation of results
iv) consultation of concerned people and also experts wherever considered necessary
v) Use of past experience and outcome of similar past decisions.

6) An industry producing steel forging -

For an organisation which is small in size, there should be a committee for important decisions affecting all.

13. Role of Consultants in Decision-making :

A consultant is essentially an expert on a particular subject. He is like an adviser. His role is advisory. Consultants give their information based on their expertise and specialised knowledge. A consultant can play a constructive role in aiding decision-making process, since they generally have more exposure to operations of a large number of corporations and it is not unlikely that situations similar to the ones for which decisions are being evolved have been encountered by them earlier. However, consultants invariably emphasize and highlight concepts and approaches and generally do not get involved in decision-making process with concerned corporations, as they would not have comprehensive background or deep insight in their organisations' multifarious operational functions.
Pros and cons, expediency and overall objectives of the company must be kept in view before acceptance of the recommendations. In other words, a care must be taken to ensure that the implication is feasible and suitable to the needs of the organisation. A consultant's opinion is acceptable only when it is practicable and result-oriented and before accepting, a care regarding its effect must be considered/taken. Consultants can only guide. It is always the management which takes the decision and not the consultant.

Ultimately, the final decision must be taken by the Manager as he only can know of the facts which cannot be put on paper. Decision taken after knowing the facts is always a better decision.

Few executives have opined that they did not like the idea of 'consultant'. According to them it is very easy to suggest and advise without realising the constraints, one has to put up with. Theoretically man cannot judge the practical implications.

14. Role of political factors in decision-making:

When the executives were asked to what extent their decisions are influenced by political decisions most of the executives have opined 'not at all'. Some
of them have expressed not to any appreciable extent. Some have opined to some extent. Generally speaking political meddling and influence is encountered by organisations where a large number of personnel are either being hired or where agents, dealers, stockists are being appointed. In most of the organisation, this kind of influence has been practically negligible.

Some of them have opined that the quantum cannot be indicated nor it can be measured one has to be aware, in the case of chemical industries where pesticides and pigments are manufactured important decisions such as location of the factory are influenced by political decisions.

In the case of beer and Indian made foreign liquors producing industries political decisions taken at the Government level have a direct relationship to the decisions of Executive Directors in as much as such decisions affect the industries producing Beer and Indian made foreign liquors.
15. **Personality element in Decision-making:**

I) Justification regarding the following statement was asked to the decision-makers. "The most constructive executive personality is, not the happy-go-lucky, joking, backslapping, he is the one who can produce rational decisions with his dedication and confidence."

The managers have justified the above statement as follows:

a) The constructive personality is a mixture of all but each trait coming out at proper time. He should be able to convince that a bad decision is a good one and vice versa as per the exigency of the situation.

b) Any executive who can deliver results can only hope to succeed. Nothing succeeds like success. Methodology is secondary as long as the desired results are consistently delivered. Therefore, constructive executive personality becomes of an academic interest only.

c) Dedication, devotion and determined direction is very essential for giving constructive output.

d) Some of the executives have opined that if an Executive can have both the qualities together he will go a long way in achieving success.
II) It was asked to the executives that in order to take a good decision, an executive requires uncommon determination, uncommon talent, uncommon creativity, uncommon persistence, uncommon mobility of resources, and uncommon performance. The executives have opined that nothing uncommon is required because the decision-maker is not an uncommon human being. Reasonable extent of qualities is enough for good decision-making. If the executive will have certain essential qualities he can easily motivate his team to achieve the desired goals. On very rare occasions these extra-ordinary traits are required. Generally, sensible and balanced analysis with a little touch of human angle suffices.

16. **Role of sophisticated techniques for Decision-making**

When asked whether managers apply following techniques while taking decisions most of the managers replied 'Yes'. e.s.

a) **Statistical Techniques** :

i) Ratio analysis

ii) Statistical Quality Control

iii) Work Sampling

iv) Theory of attributes.
b) Programming Techniques:
   i) Linear Programming
   ii) Critical Path Analysis
   iii) PERT
   iv) Econometrics
   v) Queueing Theory

c) Computers:

Managers replied that a number of techniques are used but their use is made in different ways depending upon the nature of exact problem and various other matters. It has been commented by the managers that whether we like it or not the age of micro computers is upon us. Small portable computer terminals have started mushrooming. It is clear that at this point virtually every company, be it large or small will have a computer system within the next 4/5 years, if they do not have same already.

17. Decision-making against Pressures:
   A) Government
   B) Labour Leadership
   C) Management attitude
   D) Costs
A) Influence of Government policy on Decision-making:

Government policies have a very far reaching influence in decision-making in industries like Beer and Indian made foreign Liquors. In the case of industries manufacturing building components like slabs, blocks, and lintels and industries manufacturing life saving drugs, the influence of a Government policy is to a very great extent. In the case of textile industries government policy perse, as applicable to such line of business does not particularly facilitate running of such business. To name a few impediments or hurdles which are perennially encountered are octroi levies, octroi barriers, frequent changes in excise duty and other statutory levies, material cost escalation, credit squeeze, freight enhancement etc. etc. However, the Government is naturally deeply interested in optimising indigenous productivity and export promotion and are approaching these goals constructively and are easing some of the cumbersome procedures and impediments.

B) Influence of labour leadership in Decision-making:

Labour plays a very vital role in the operation of business and only sound industrial relations can
lead to capacity production of finished goods and sustained availability of accessories. They also aid in healthy consumption pattern and effective and expeditious channelisation through existing and new outlets. The managers have opined that labour leadership recommendations in as far as they are for the betterment of labour and labour relation and the organisation always influence and facilitate in decision-making.

C) **Attitude of management while taking decisions**

When the managers were asked that their decisions are profit and output oriented or they give importance to human attitudes as well as social and moral values. The executives stated that in an aggressive and result oriented corporations decisions implemented are predominantly growth and profit oriented, but no small, medium or large size organisation if it is to grow and not degenerate, can afford to be obvious to the human, moral and social obligations and commitments. In most of the organisations due cognizance, proper weightage of these important aspects is taken. It has also been suggested that neither one can or should over-ride the other. Optimum balance between these is an ideal decision.
Some executives feel that business decisions are always profit and output oriented. Personal and emotional matters do not come in between the existence and running of the concern is dependent on profit and output. The second priority goes to human attitudes or other social and moral values.

18. Costs of decision-making / Constraints in Decision-making

A) Monetary costs:

It is difficult to quantify/measure the monetary cost of decision-making. The decision-makers are part and parcel of the whole organisation. Monetary costs pertain to management expenses and do not affect the managers personally. Monetary cost can be crippling at times if a poor decision is evolved and implemented. One of the examples has been cited by one of the executives as follows:

A marketing manager of a medium size organisation selling capital goods, for implementation of one poor decision and exhibiting poor judgment was responsible for practically having its outfit go into insolvency. This corporation was price and quality
leaders in their specific product range and this individual decided to enhance prices of his goods on a specific date and gave advance information to his dealer network to enable them take price advantage and to build large inventories prior to the scheduled date of price increase. His anticipation was that based on previous practice other companies shall follow the price leader and also would enhance their prices. Due to environmental forces existing at the time such as industrial recession, credit squeeze etc. the other companies decided not to enhance their prices. The dealer network of this individual's organisation was stuck with huge indisposable inventories, resulting in the company having to take back very large stock of indisposable stock. Naturally, the aftermath was that the marketing manager and few of his immediate subordinates were all sacked and the company had a tremendous setback but were luckily resourceful enough to absorb this major reverse.

B) Real costs in terms of loss of health, loss of peace of mind:

This is the cost of decision-making. Which happens sometimes. Many managers/executives have opined that decision-making results in tensions, loss of sleep
and resultant loss of peace of mind. A poor decision can cause numerous problems to inter-functional areas. Some managers have opined that this being the prime duties of managers, the decision-making should not really cost in terms of health or peace of mind.

C) Loss in terms of nuisance and non-cooperation:

This is also a cost of decision-making. In an integral operation a poor decision will definitely have an adverse impact on allied operations of the corporation. If the decision is unpalatable, sometime, persons at various levels, do show displeasure, by not co-operating and other irritating methods - by becoming unfriendly. All this is a part of the game. This happens most of the times. But it can be reduced if individual accountability is increased. If the motivation of a decision can be extended to those whom it affects, the nuisance and non-cooperation is reduced to the minimum.

D) Humiliation and interference from the top:

Humiliation and interference from the top is another constraint in decision-making. Therefore promotions are rejected by employees in the organisation. One prefers to be at a lower hierarchical level.
19. 'No Decision' Situations:

When the executives were asked about their opinion on 'not to take a decision in certain situations', the executives opined that this is a dangerous practice, and it should be avoided at all costs. A wrong decision can be corrected later, but a 'no decision' can never resolve a problem. Some felt that this should be avoided as far as possible. However, if this has to be resorted to, organisation need to be prepared to face consequence. When decision to be taken is likely to be against personal principles then that is the situation where decision is to be avoided. It should be done if feasible.

20. The category decisions taken by the Managers:

Almost all managers have agreed that they have taken all undermentioned types of decisions
1) Adhoc-extempore
2) emergency
3) contrived
4) biased
5) unbiased
6) formal
7) informal
8) as a member of the committee
9) with authority
10) without authority
11) successful
12) Unsuccessful

21. Result orientation-pragmatism:

The Managers' Experiences about their failure and success in decision-making:

Some managers have not made any comment on this question. Whereas others have very frankly stated that they have shared poor and inadequate decisions over a long and extended career.

Their experiences are as follows:

1) Failures are guarded against by taking a decision in consultation with the peers and higher ups. Success is ensured by timely reporting the progress and taking corrective steps where necessary. The strategy has proved successful as can be seen from the progress made by organisation in the field of finance and management.
2) 1) The most successful and rewarding experience has been the creation of "group working on the lines of Japanese trends (unknowingly and therefore not in a very scientific manner). This decision was slightly against the conventional connotations about 'discipline'. However, this paid off with time.

   ii) The failures have stemmed from inability to convince in time the senior management to deviate from the beaten track and be witness to frustrating results which could have been better as was eventually proved when decision was modified subsequently.

3) One of the managers has stated that his experience in decision-making so far been a happy one, since he was open to a change in his decisions if a decision proves to be impractical or incorrect

4) Success and failures have to be taken in their stride. One does not break down or soar high each time one or the other happens.

5) Failures are difficult to be accepted and emotionally withstood. They leave deep impressions. Successes are noted and passed of course to be recalled for use as examples later.
6) One manager has stated that he is quick in decision-making but once he is convinced that his decision is wrong, he is capable for arguments and amend or change the decision.

7) Another executive has stated that he is fortunate that uptill now he has been successful, in taking quick and correct, non-contraversial and less unpleasant decisions.

8) It is not necessary that all the decisions are correct. What is important is to make decisions in time and that most of the decisions are correct.

One of the managers has stated two examples one of his success and another of his failure in decision-making which have been reproduced below:

1) Decision to pay customs duty on imports in bonded warehouse, and was taken as duty rates were increasing from a stipulated date in May 72. Saving in duty was about Rs.4 lakhs. Later on customs auditors took up the case, forced the company to pay Rs.4 lakhs. However, appeal was made in Delhi before the appropriate board, and money was refunded in 1982.

2) On 7-6-1980, it was decided to give 'Amras-Puri' in lunch, as on that 1st 4th computer was being
despatched. Since this was the additional item workers were not to pay for this item but they were required to pay 50 paise/60 paise for regular/normal lunch. However, Union insisted on Free lunch with 'Amras Puri'. If this is not given workers were to refuse lunch. The Manager was to take decision. Manager decided to refuse "free lunch", at a short notice and particularly when the C.B.(Mfg.) was out of station. As a result the entire food was wasted as nobody took lunch in the canteen. If he would have decided the other way to give free lunch, as the cost would have been less as compared to the consequent problems which arose in future.

22. Effect of Influence on the judgments of managers:

1) Inter personal Comparisons - Did not affect materially (Negligible)

2) Favouritism - If favouritism is there then only judgments get affected. There was no such favouritism. (Negligible)

3) Opinions (Subjective) - Affected judgments to some extent (Few times/occasionally)

4) Prejudices - Prejudices were not involved or considered while decision-making (very few times) (Negligible)

5) Wrong interpretations - Corrective actions were taken immediately (Many times)

6) biased mind - Biased mind does affect the judgments & it did accordingly (Lesser times) (Negligible)
Some of the managers have opined that all of these have affected their decision-making, however, with warning intensity as they have grown in maturity and experience. Whereas some try to avoid such feelings and conclusions in decision-making and judgments, and hence these factors play a minimal role or no role at all.

23. **Postponement of Decisions**:  

The managers were asked whether they can avoid decisions by postponing the same. The managers replied that avoiding decisions or postponing the same is not a good practice basically. However, decisions can be avoided by postponing, but then the person has to accept decisions taken by others in management. One **cannot avoid decision by postponing the same unless 'postponement' in itself is the decision**, especially when the problem is likely to fizzle out with time. It should also be noted that postponement costs dearly. When the problem require immediate solution it cannot be postponed.
24. **Adhoc Decisions**

Most of the executives admitted the importance of adhoc decisions in normal as well as abnormal situations. Every manager at times is required to take 'adhoc' or 'spot' decision when circumstances do not permit thorough investigation and access to background data and details. In such situations key managers do take spot decisions and in arriving at same rely on their experience, knowledge and management instinct. Few of them have suggested that minor decisions can be taken on adhoc basis. Whenever managements are interested in solving immediate problems, or when one is in hurry and time is short, decision is to be taken urgently. Monopolistic conditions and existence of sellers market are also the reasons of adhoc decisions. An organisation producing commercial vehicles can afford to make mistakes and modify decisions.

Few managers have opined negatively because in these days of organised industrial culture, adhocism leads to avoidable problems. The techniques of decision-making are now fairly well-known to the management personnel. The concerned people analyse the
data, refer to the past data and experience, project a future plan, take consensus of the concerned people and then arrive at a decision.

In spite of the negative approach of the few managers towards adhoc decisions, it should be noted that occasionally adhoc decisions are also required. Specially, when the problems are to be solved immediately.

25. Creativity in Decision-making:

The following statement was given to Managers and their opinion was sought - "Creativity is one of the most essential requirements for taking decisions. It is a power that goes beyond logical ability, in what at times seems almost initiative leaps, to encompass both generalisation and particularisation."

( Most of the managers have opined that Creativity certainly helps in making decisions. No person can take a proper decision unless he has the power to convince others. He must have proper understanding awareness and alertness. A good perception gives all other things whether generalisation or particularisation. Creativity depends on the level of decision-maker. It
plays an increasingly important role as one rises up the hierarchy. Perhaps the incidence of perpetually being confronted with new situations of increasing complexity is more as one goes at a higher level in the organisation. Some managers do not agree with the above statement. According to them, creativity will help decision-making but it is not an essential requirement for decision-making. Suitable reference, back up data and counselling can help a person to arrive at a good decision. Responsibility for new creation is not with the managers. Their creative efforts are not necessarily reflected in policy changes.