



Tennessee State Government

Quality Decision Making Participant Guide

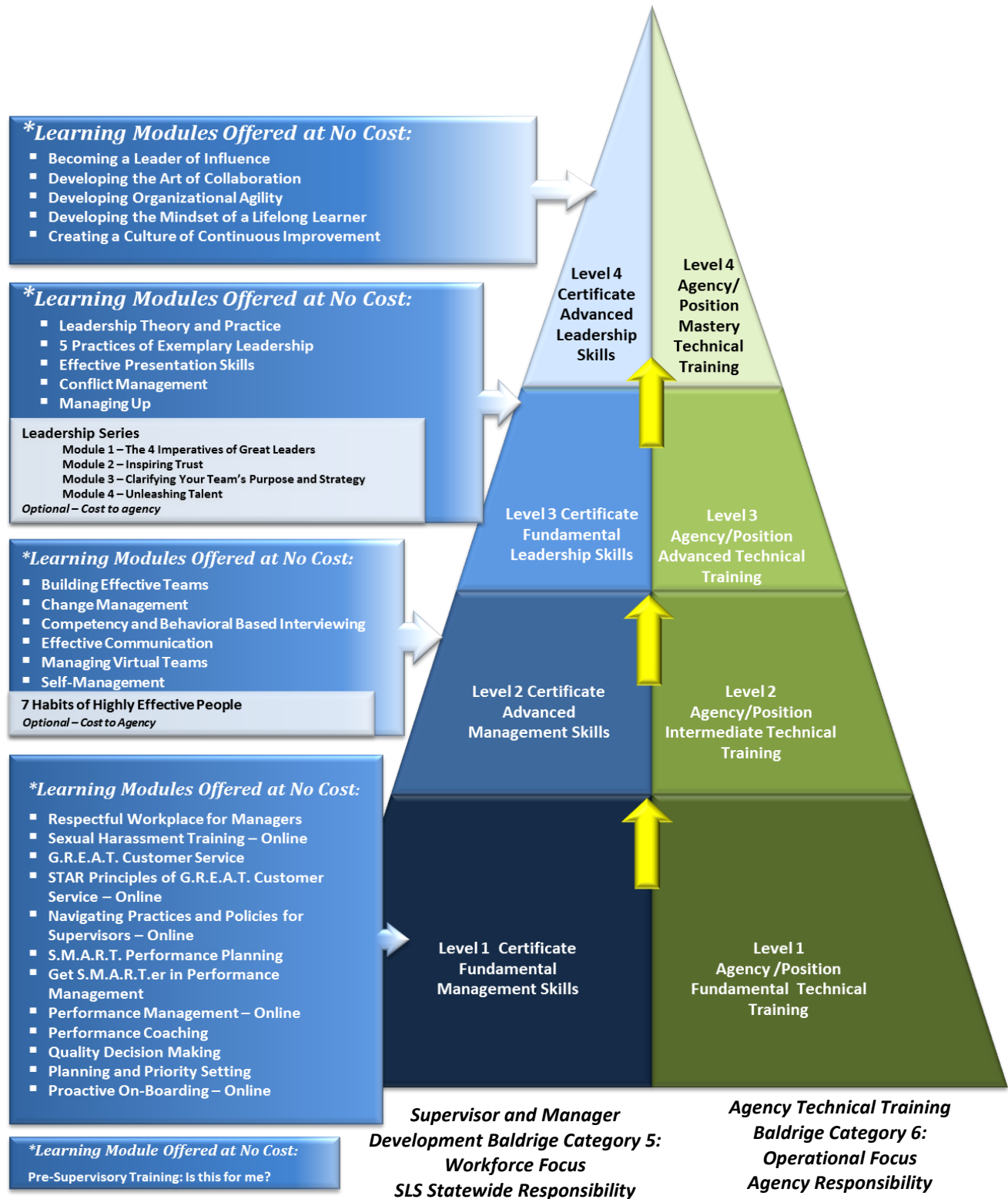
*State of Tennessee Management and Leadership Development Pyramid of Learning
A Part of the Level 1 Certificate Learning Series*

Approved for use April 23, 2015



Statewide Pyramid of Learning

Level 1 Certificate Overview



Quality Decision Making

Introductions and Expectations

Introduce yourself following the five bullets below:

- Name
- Division you work for in the agency
- Role
- Something interesting about yourself
- One learning expectation you have for this workshop

Ice Breaker

Table Group Discussion:

- Identify the characteristics of a good decision and a bad decision.

Good decision	Bad decision

Learning Objectives

- Understand rational and non-rational decision making and the value of both processes for supervisors and managers
- Learn how to apply forms of non-rational decision making when rational decision making is not an option based on timing and circumstances
- Practice making decisions through the use of the non-rational decision making methods

“The Life You Save...”

In your deliberations, interpret the scenario as stated. **YOU MUST DECIDE!** Evasion of a decision will be considered a failure to act. A spokesperson will volunteer or be appointed for each group. You will be given exactly 15 minutes to make a group decision after which the spokesperson will be asked to report to the larger group. Good luck in your group deliberations!!!

You are the leaders of 12 people stranded on a deserted island. A radio announcement indicates that the island will sink in less than 24 hours and all who remain on the island will have little to no chance of survival. As the leaders, you have a motor boat with just enough fuel to look for another uninhabited island several miles away. You are also the navigator (driver) and your boat will hold a total of seven people. Six people must be left behind. You have a critical decision to make. Which six of the 12 people will you take with you and which six will you leave behind, and why? The 6 people are described below.

1. An exceptionally gifted child and the child’s parent (Uses two seats)
2. A minister recovering from surgery who speaks several languages
3. An ill child who is a clairvoyant.
4. A navigator who does not speak English
5. A registered nurse who has an intense fear of water
6. An emotionally sensitive geography teacher and farmer who has befriended everyone on the island
7. A physically unfit accountant, seamstress, herbal expert and wife of the teacher
8. An arrogant and “know it all” honors college student who is overwhelmed with grief from homesickness
9. A carpenter and electrician who does not function well in stressful situations
10. A safety expert who has chronic bad breath
11. An internationally renowned general physician who is closed-minded, uncompromising, and abrasive

Selections and Rationale

Formula for Quality Decision Making

The "Golden Equation"

$$\begin{aligned}
 & (\text{_____} + \text{_____} + \\
 & \quad \text{_____}) \\
 & \quad \times \text{_____} \\
 & = \text{_____}
 \end{aligned}$$

The greater the potential of excellence, the greater the potential of a quality decision.

Group Discussion: Importance of Quality Decision Making

- Why is it important for state government to make quality decisions for the citizens?

- Why is it important for departments to make quality decisions for state government?

- Why is it important for you, as an employee, to make quality decisions in the work that you do?

Research...

- 9 out of 10 corporate executives admit they are making important decisions on the basis of inadequate information
- Survey of 154 global C-level executives
- Conducted by the Economist Intelligence Unit (EIU) and commissioned by Business Objects
- More than half of the surveyed senior executives were concerned that they may be making poor decisions as a result of missing information
- A quarter of those senior executives believe that management frequently or always gets its decisions wrong

Research Highlights

- Less than **10%** of executives receive the information they need.
- **72%** of executives believe management decision making is only moderately efficient – or worse.
- **25%** of executives believes management frequently, or always, gets its decisions wrong.
- **56%** of executives are concerned about making poor choices because of bad data.
- **55%** of executive decisions are based on an ad hoc consultation instead of corporate metrics.
- **70%** of senior managers rate decision-making as moderately efficient or worse vs. **52%** of C-level supervisors.
- **29%** of executives think poor decision-making structures are a common cause of bad decisions.

Behavioral Based Thinking

Think back to a decision you recently made that you knew would have significant impact on the organization, people, or the future.

What was your decision and what did it impact?

How effective was it?

What factors did you consider in determining its effectiveness?

Part of coming up with a quality decision or solution is gathering and analyzing information. Please share a recent decision you made or a problem you solved that required a high level of skill in this area.

How did you determine what information you needed?

Where or to whom did you go to get the information?

Why did you select those specific sources?

Rational and Non-rational Decision Making Processes

Rational Decision Making	Non-rational Decision Making
<ul style="list-style-type: none"> • People carefully execute decisions by following a logical plan of identifying problems, analyzing information and using the information to explore possible solutions. 	<ul style="list-style-type: none"> • Relies on intuitive information that fosters consensus by consulting with those working on the problem as well as those affected by the decision. • The non-rational methods follow unpredictable patterns of analyzing data and making smaller choices toward the final decision.

Definition of Rational Decision Making

- A method for systematically selecting among possible choices that is based on reason and facts. In a rational decision making process, a manager will often employ a series of analytical steps to review relevant facts, observations and possible outcomes before choosing a particular course of action.

Google Analytics

One question Google wanted to have an answer to was: Do managers actually matter? This is a question Google has been wrestling with from the outset, where its founders were questioning the contribution managers make. At some point they actually got rid of all managers and made everyone an individual contributor, which didn't really work and managers were brought back in. The people analytics department at Google has created a group called the Information Lab, which is comprised of social scientists who are part of the people analytics department but focus on longer term questions with the aim of conducting innovative research that transforms organizational practice within Google and beyond.

The team first looked at the data sources that already existed, which were performance reviews (top down review of managers) & employee survey (bottom up review of managers). The team also introduced two new data collections. The first was a 'Great Managers Award' through which employees could nominate managers they feel were particularly good. As part of the nomination employees had to provide examples of behaviors that they felt showed that the managers were good managers. The second data set came from interviews with the managers to understand what they were doing.

The analytics team was able to extract the top 8 behaviors of a high scoring manager as well as the top 3 causes why managers are struggling in their role.

Eight behaviors of a high scoring Google manager:

- Is a good coach
- Empowers the team and does not micromanage
- Expresses interest / concern for team members' success and personal wellbeing
- Is productive and results-orientated
- Is a good communicator – listens and shares information
- Helps with career development
- Has a clear vision / strategy for the team
- Has important technical skills that help him / her advice the team

Top 3 causes why Google managers are struggling in their role:

- Has a tough transition (e.g. suddenly promoted, hired from outside with little training)
- Lacks a consistent philosophy / approach to performance management and career development
- Spends too little time on managing and communicating.

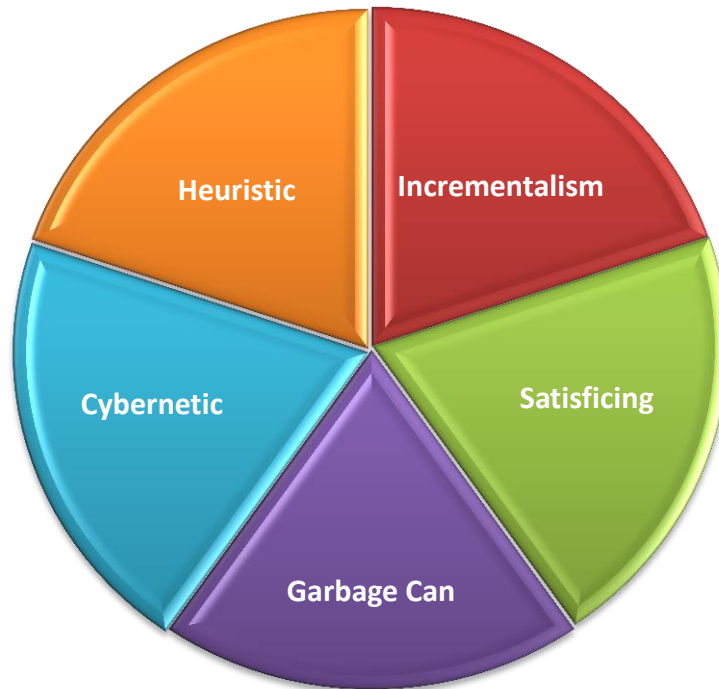
The Intelligent Company: Five Steps to Success with Evidence-Based Management
by [Bernard Marr](#) and [Thomas H. Davenport](#)

Understanding Non-Rational Decision Making

- Various personal preferences, possible outcomes, and available resources are identified
- Subjective considerations shape the decisions of those using this approach
- Subjectivity affects how those using non-rational decision making identify, analyze and develop solutions
- Subjectivity interacts with current situations and tailored solution

This image shows a blank sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

Forms of Non-Rational Decision Making Methods



Group Discussion

Discuss the reasons why rational decision making may not always be possible.

Discuss why it is important to understand the various methods of non-rational decision making in order to still make the best quality decision possible.

Incrementalism Method

- Incremental decisions are tempered by compromise with stakeholders, and they tend to focus on short-term conditions rather than long-term desired states.
- As the name suggests, incremental decision making is step-wise. Decision-makers consciously refrain from making drastic changes to policy or organization. Drastic changes may lead to mistrust, lack of buy-in, and ultimately failure of drastic change to be successfully implemented.
- In public policy, incrementalism refers to the method of change by which many small policy changes are enacted over time in order to create a larger broad based policy change.
- With this method you should concentrate on dealing with the immediate problems as they arrive and avoid trying to create an overall strategic plan.

Examples of Incrementalism

_____	_____
_____	_____

Incrementalism Method Group Work

Pros

Cons

_____	_____
_____	_____
_____	_____

Practice

- Identify a situation in your role at work where you might use the incrementalism decision making method.
- Explain why the incrementalism method might be the best one for the situation.

Satisficing Method

- Accepting solutions that are good enough
- Entails searching through the available alternatives until an acceptability threshold is met
- Used in situations needing compromise when a group needs a decision everyone can agree on even if it's not the best one

Examples of Satisficing Method

_____	_____
_____	_____

Satisficing Method Group Work

Pros

Cons

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Practice

- Identify a situation in your role at work where you might use the satisficing decision making method.
- Explain why the satisficing method might be the best one for the situation.

Garbage Can Method

- A problem's definition and solution emerge from unstructured group discussion
- This method starts when strategies are developed during crisis or when goals are unclear leaving group members to improvise
- Brainstorming takes place and ideas are put into a "garbage can" until more accurate or timely information presents itself and we revisit or recycle them to suit a new circumstance

Examples of Garbage Can Method

_____	_____
_____	_____

Garbage Can Method Group Work

Pros

Cons

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Practice

- Identify a situation in your role at work where you might use the garbage can decision making method.
- Explain why the garbage can method might be the best one for the situation.

Cybernetic Method

- This model seeks to control the parameters that create an issue to help determine a solution
- Heads off potential problems in an uncertain environment
- Based on the assumption of uncertainty control
- The decision-maker does not need to engage in an alternative outcome, calculations or in updated probability assessments – much of that activity is performed by a mechanism: semi-automated.

Examples of Cybernetic Method

_____	_____
_____	_____

Cybernetic Method Group Work

Pros

Cons

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Practice

- Identify a situation in your role at work where you might use the cybernetic decision making method.
- Explain why the cybernetic method might be the best one for the situation.

Heuristic Method

- Decisions made on inference and the recognition of patterns
- A technique that enables a "short cut" to the thinking process in order to arrive quickly at a decision or solution
- Used in policy analysis to explore conditions within and outside the policy area to examine potential consequences of choices

Examples of Heuristic Method

_____	_____
_____	_____

Heuristic Method Group Work

Pros

Cons

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Practice

- Identify a situation in your role at work where you might use the heuristic decision making method.
- Explain why the heuristic method might be the best one for the situation.

Putting It All Together Skill Practice

Using a real-life work example, discuss with your table a recent decision that you need to make or have made. Work together as a group to select one situation, then decide which form to apply to the particular problem and develop a solution. Groups will report out on the case study and proposed solution. The entire group will evaluate to determine the decision quality.

Evaluation of Decision Quality

- Was the method selected the most appropriate?

- What other methods could have been used?

- Does the decision impact the customer?

- Does the decision build or strengthen the team?

- Does the decision build trust?

- Could the decision have been improved based on what was learned in this workshop?

Immediate Favorable Actions

1.

2.

3.

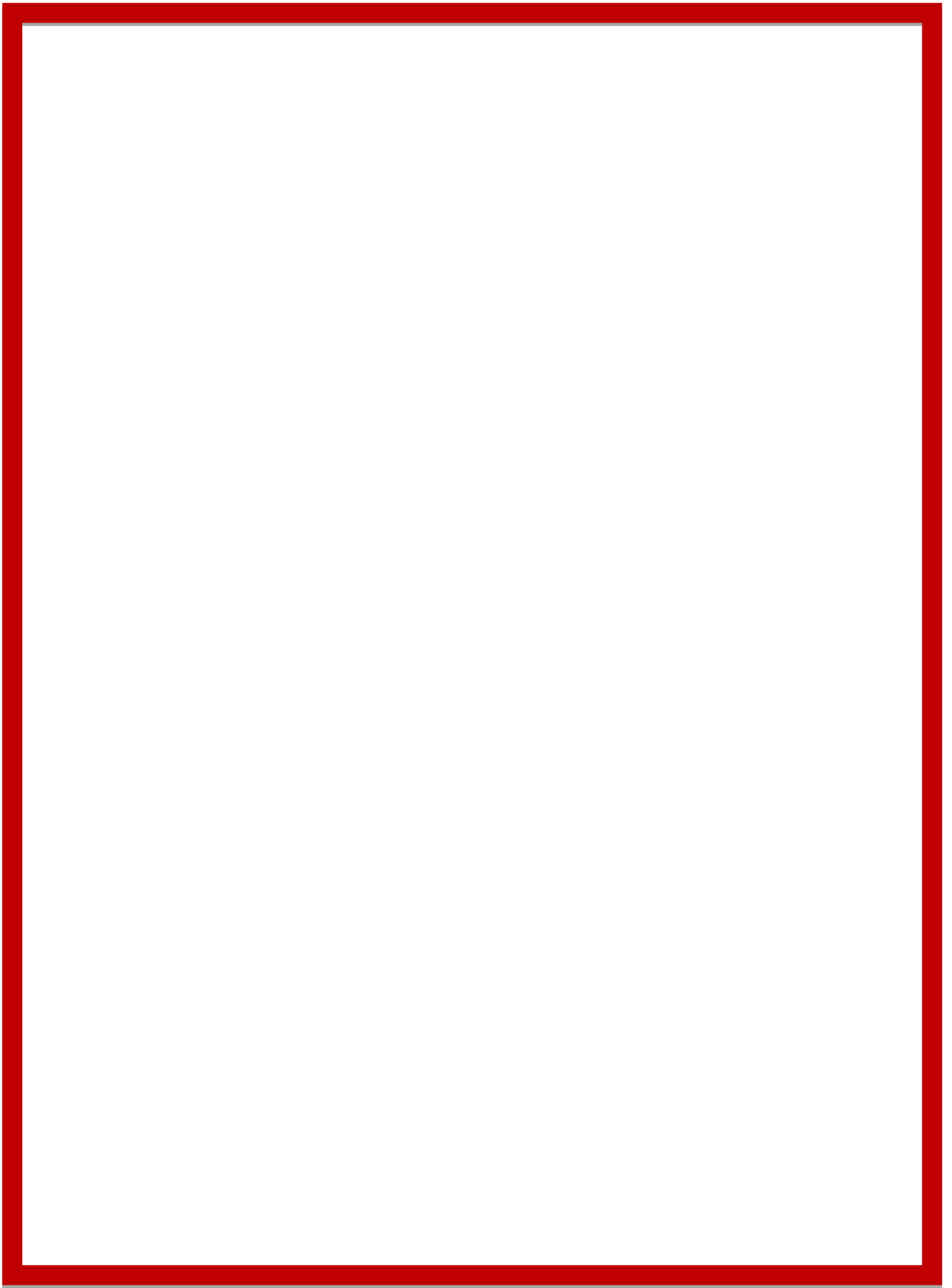
Resources

<http://valuepartnersconsulting.com/about-us/the-hartman-value-profile>

Elliot, T., Business Analytics, *The Five Ingredients of Good Decision Making*, September 26, 2007

<http://www.businessdictionary.com/definition/rational-decision-making.html#ixzz3FxCZhItQ>

Leading Public Organizations, An Interactive Approach, A. Carol Rusaw, University of Louisiana, Copyright 2001 Harcourt, Inc.





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