SOS POLITICAL SCIENCE AND PUBLIC ADMINISTRATION M.A.PUB.ADMN.201

SUBJECT NAME:ORGANIZATION AND MANAGEMENT UNIT-II

TOPIC NAME: DECISION MAKING (CONTRIBUTION OF HERBERT SIMON)

WHAT IS DECISION-MAKING?

The word decision is defined as "A choice between two or more alternatives". Thus decision-making can be defined as "the selection of a course of action from among alternatives

It is a three-phase model of problem solving. Simon's model continues to withstand the test of time and, even today, serves as the basis of most models of management decision making. Notice that the model depicts the problem-solving process as a flow of events that can proceed in either a linear or iterative fashion. That is, at any point in the process, the problem solver may choose to return to the previous step for additional refinement

MEANING OF DECISION MAKING

Herbert A. Simon, a leading America public administration scientist as the foremost decision theorist looks at

decision-making as the optimum rational choice between alternative courses of action. According to Simon,

decision-making pervades the entire organization, that is, decisions are made at all levels of the organization.

Hence, he views an organisation as a structure of decision makers. Simon equates administration with decision-making as every aspect of administration revolves around decision-making. He observes that decision-making

is an all embracing activity subsuming all the administrative functions described as "POCCC by Henri Fayol and POSDCORD by Luther GUlick".

H. A. Simon is very critical of the classical approach and its advocacy of principles of administration having universal application. He challenges their universal validity and describes them as proverbs occurring in mutually contradictory pairs. He argues that before one can establish any immutable principles of administration, one must be able to describe, exactly how an administrative institution (organisation) looks and exactly how it works

H. A. Simon observes that before a science can develop principles, it must possess concepts. Decision-making is the most important activity of administration An administrative science like any science is concerned purely with factual statements. There is no place for ethical statements in the study of science

SUMMARY OF SIMON'S CONCEPT OF ADMINISTRATION

- H. A. Simon concept of administration has two basic elements; namely,
- (a) The emphasis upon decision-making approach as the alternative to the classical thinkers principles approach, that is, structural approach and
- (b) The advocacy of empirical approach that is, value-free approach, as against the normative approach to the study of administration

According to H. A. Simon's stages of decision-making, decision making comprises three principal

stages/phases/processes. These are: intelligence activity, design activities and choice activity.

(A) INTELLIGENCE ACTIVITY

Herbert A. Simon calls the first phase of decision-making process as an intelligence activity which involves finding occasions for making a decision. According to him, the executives spend a large fraction of their time surveying the economic, technical, political and social environment to identify new conditions that call for new action

(B) DESIGN ACTIVITY:

The second phase, also called the design activity, consists of inventing developing and analyzing possible courses of action that is, finding alternative courses of action. Simon believe that the executive spend an even larger fraction of their time, individually or with their associates, seeking to invent, design and develop possible courses of action for handling situation where a decision is needed

(C) CHOICE ACTIVITY:

Simon calls the last phase in decision making as the choice activity, which involves selecting a particular course of action from the given alternatives. He opines (thinks, believes) that the executives spend a small fraction of their time in choosing among alternative actions already developed and analyzed for their consequences to meet an identified problem

DISCUSSION

According to Herbert A. Simon, these three phases in decision making are closely related to the stages in problem-solving first described by John Dewey (1910). They are:

- (a) What is the problem?
- (b) What are the alternatives?
- (c) What alternative is best?

CONCLUSION

Herbert A. Simon: concludes that, in general, intelligence activity precedes design and design activity precedes choice. The cycle of phases is, however, far more complex than this sequence suggests. Each phase in making a particular decision is in itself a complex decision making process. For example, the design phase may call for new intelligence activities; problem at any given level generate sub-problems that, in turn, have their intelligence, design, and choice phases, and so on. There are, therefore, wheels within wheels. Nevertheless, the three large phases are often clearly discernible as the organizational decision process unfolds

PROGRAMMED AND NON PROGRAMMED DECISIONS

- H. A. Simon classifies decisions into programmed and non-programmed.
- (a) Decisions are programmed to the extent that they are repetitive and routine so that a definite procedure has been worked for handling them and they do not have to be treated de novo each time they occur. It is decision making by precedent.
- (b) Decisions are non-programmed to the extent that they are novel, unstructured, and consequential.

There is no cut and dried method for handling the problem because it has not arisen before, or because its precise nature and structure are elusive or complex or because it

is so important that it deserves a custom -

tailored treatment

MODELS OF DECISION-MAKING

Four models of decision making

- (a) H. A. Simon's bounded rationally model
- (b) Charles E. Lindblom's incremental model
- (c) Amitai Etzioni's mixed scanning model and
- (d) Yehezkel Dror's optimal model

SUMMARY

Decision making as one of the basic elements of administrative behavior has been examined with reference to Herbert A. Simon, the foremost decision theorist in public administration.