

Decision Making

by Sophia



WHAT'S COVERED

How do you make a decision when you're faced with a problem? Is there a particular process that you go through? This tutorial will cover the topic of decision making, focusing on the idea of delegation and authority in business. Our discussion breaks down as follows:

1. Determining Decision Makers

Who are the decision makers? It can be a challenge sometimes to know who in an organization makes the decisions. Unless there's a clear chain of command within an organization, you could end up with a lot of different bosses or "cooks in the kitchen," with everybody deciding that their way is the best way, and trying to drive the organization the way that they see fit. This can create a lot of confusion.

It is imperative that organizations clearly detail who is in charge and who can decide what within that organization. This can be achieved with three simple steps.



STEP BY STEP

Step 1. Assign responsibility.

First of all, organizations assign responsibility; they determine who's going to be responsible for what particular scope of work.

Step 2. Grant authority.

Next, they grant the authority or give the individual the ability to do the task, and also to have authority over the others that may be working with them. They also need to grant access to the relevant resources needed for that particular job.

Step 3. Create accountability.

They're going to indicate the nature and the time period of the accountability, indicating how long it will take to do the job. In addition, they must outline what standard an individual will be held to, then hold that individual manager accountable for the results of his or her work.

2. Delegation

Delegation is a necessary part of any manager's job. In order to be effective, a manager has to delegate some

of the work to other people--that's why you have a team. You can't do all the work yourself with your employees sitting off to the side, wondering, "What am I supposed to do?"

Now, it's important to acknowledge that some managers will be fairly uncomfortable with this concept of delegation. They may fear that the employee that they're delegating to isn't necessarily qualified or that the employee is going to outperform them and make them look bad.

Sometimes, as a manager, you might simply feel a desire to retain control of it, feeling like, "If I do it, I know it'll get done right." Or, you may be concerned you'll carry an increased workload due to the need to manage the delegated work. Instead of managing your own work, you might need to check on a lot of different people to make sure the delegated work is done correctly.

Now, good delegators are going to clearly and comfortably delegate routine tasks, as well as important tasks. They will broadly share responsibility and accountability with the people in their team. They tend to trust the people they work with, and let them finish their own work without micromanaging and constantly interrupting them--which can make the work take longer.

3. Forms of Authority

Regarding forms of authority, it's important to understand that as organizations develop generally, their approach to authority also develops.

Forms of Authority	Description	Example
Line Authority	The rigid structure of an organization where the manager requires the subordinates to follow their instructions. Line authority can be seen in the direct chain of command within an organization.	This structure is useful in production situations where the manager has considerable knowledge of the process but the subordinates do not.
Staff Authority	The structure of an organization where the manager advises subordinates but does not require them to follow instructions.	You'll see staff authority in companies that employ specialists or doctors--people who are highly qualified, who can make decisions and do their own work without much supervision. Micromanaging someone who is a professional can be very bad for morale and result in a project taking longer than it normally would have.
Committee or Team Authority	The structure of an organization where a group reaches a consensus and advises on specific areas for the organization.	Suppose you form a safety committee at work. Those people on the committee have been invested with a particular authority to advise upper management or require others within the organization to follow a set of safety rules based on what the committee determines to be the best course of action for the organization--like reducing back injuries, for instance.



TERMS TO KNOW

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Staff Authority

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Committee and Team Authority

The structure of an organization where a group reaches a consensus on specific areas and advises on specific areas for the organization.



SUMMARY

Today we learned about the process of **determining decision makers** within an organization. We also learned about **delegation**, and how a good delegator will not only be a more effective manager, but will also likely have better employees--especially, because a good delegator can develop those skills within the employees.

Lastly, we learned about different **forms of authority**--line, staff, and committee or team authority---and how those affect different jobs. We discussed how you may want to use different forms of authority depending on who it is that you're trying to manage.

Good luck!

Source: adapted from sophia instructor james howard



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