

## **Efficacy of decision making in teams**

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## **Introduction**

The quality decision making is carried out in scientific way by utilising data and information in planned manner with an aim of pursuing improvements in overall effectiveness of team. The effectiveness of team decision making sets the standard of excellence for contemporary organisations (Gigerenzer and Selten, 2002). The following essay is based on the simulation of tour operators in which the team efforts have contributed to define the level of effectiveness. The main aim of this essay is to reflect on the experiences of the student in relation to theory of problem solving and decision making. In order to fulfil this purpose, an in depth investigation of decision making theory has been carried out to link it with the efficacy of the decision making process.

## **Main Body**

The simulation task in team has been carried out over the time span of one year which has been fragmented into 6 rounds. The team members were required to make decisions regarding different operations of the business including budget allocation, marketing approaches, pricing and investment. In order to foster effective decision making in the simulation team, there was considerable importance of different aspects including situation awareness, decision making approaches, information sharing and communication skills. The research on team decision making has provided that the non-technical skills are highly important for making reason able decisions and for solving different problems in simulation games (Isen, 2008). These non-technical skills are mainly defined as the cognitive, social and personal resource skills of the individuals which supplement the technical skills of team mates and lead to efficient performance of the business (Grünig and Kühn, 2013).

The decision making within JIT Company has seek advice from the functional theory of the decision making which has led to effectiveness of decision making and it has contributed to the excellence of company's performance. Firstly, in terms of implications of functional theory of decision making, the issues were thoroughly discussed with the entire team of simulation and their opinions were considered and respected by the relevant others (Ramser, 1993). For instance, in order to make decision regarding promotion emphasis, all of the underlying options (e.g. reliability, quality, prestige, good for children, convenient, exotic, value of money, safety and green image) were discussed readily by all team members and the most relevant aspects were emphasised. Therefore, the most appropriate set of promotion aspects was decided by the mutual consensus of the group members. Secondly, in order to

save time of decision making, the acceptable criteria for specific solutions was discussed with team mates (Noorani, 2010). This aspect of functional theory of decision making has helped the JIT Company to avoid unnecessary discussions and has increased the effectiveness of decision making. Thirdly, the realistic opinions were considered as important alternatives and each alternative was analysed in terms of its positive and negative aspects (Kerr and Tindale, 2004). Thus, by assisting the investigation and selection of most suitable solution, the functional theory of decision making has helped the JIT Company to reach the best decision in terms of company's operations and it has enhanced the performance of company.

The decision making being carried out in the JIT Company was highly rational as it has readily considered all of the key aspects while making decision about different activities of the company (Simon et al., 1987). It can be clarified by the instance of pricing approach of JIT members in the simulation game. In order to calculate package holiday price for the JIT simulation company the information about holiday plan size and exchange rate has been considered as important. Along with this, the calculation of flight costs, accommodation costs, load factor, transfer cost, marketing cost, sales force cost, advertising and PR cost and overheads has been carried out by relying on rational approach of decision making. The rational decision making approach has helped the JIT Company to reach at the most favourable decisions which have proved to be effective for generating positive cash flows and revenue for the company.

The leadership of the Just in Time Company was highly effective and it has helped to overcome the cognitive and affiliative constraints. The cognitive constraints existed in terms of limitation for processing of information, which might have affected the ability to make effective decision (Yang, 2010). However, the leadership of the simulation tour company has overcome the cognitive constraints and offered an opportunity to share information in effective manner. Along with this, the leadership of the company has also lowered the affiliative constraints and has reduced the impact of interactional factors on the outcome of decision making (Goldsmith, 2015). Thus, from the simulation experience, it was extracted that effective leadership is an important aspect for attaining the desired outcomes from decision making. Moreover, during the simulation task of tour's operator, the participative decision making was carried out in which each member of the simulation game team has contributed to foster the tasks in effective manner. In participative decision making approach, the best practices for advertisement approaches were incorporated for the Just in Time Company. Along with this, while allocating budget for sales forces, promotion and other

activities, the opinions of the team mates were obtained with an aim of identifying priority areas for deciding the amount of budget to be allocated. This participative decision making has helped the leaders to make the right decision and has led to favourable outcomes of JIT Company.

The importance of communication was realised in the decision making process during the simulation business task. It has also been confirmed by the prior researchers that in order to carry out effective decision, it is important to consider communication as an integral practice (Yu, 2013). The communication fosters the extensive sharing of necessary information and it also leads to effective relationships among team mates. In this way, the conflicts are kept to the minimum level and every team member is encouraged to contribute positively in problem solving and decision making of the simulation tour operator business. Along with this, an important aspect that has contributed in making in time decision making is the ability of team members to manage time in effective manner (Gigerenzer and Selten, 2002). The management of time was highly important to accomplish all the rounds in time and to make the decision report within the predefined deadline. It was realised by the simulation business experience that management of time is an important aspect that can lead to the desired outcomes from decision in given situation.

Along with this, it is important to mention that decision making principles has shown considerable implications for fostering the effective decision making during the simulation of JIT Company. In terms of first principle of decision making in the context of JIT Company, it was comprehended that team decision making in JIT was an evolutionary process (Wong, 2012). The decisions regarding sales force, promotion, advertisement, pricing and budget allocation were all based on the evolutionary aspect that has led to refinement of the decision, until the final consensus from the group members was made. Throughout the evolution of decision, number of new aspects were revealed and different ideas were generated by the team mates, which have generated highly effective results for the underlying simulation company (Cook, Kate Gerrish, Charlotte Clarke, 2001). Likewise, the second principle of the decision making that can be associated with the decision making in JIT is that the decision making in team was highly affected by different types of influences (De Martino et al., 2006). It can be clarified by the instance that decision making in JIT Company was affected by the motivations and mood of the team members. Followed by this, the competencies and other number of individual variables were proved to influence the level of decision making (Converse, 1993). However, the influence was not negative, as leadership of the JIT

Company has effectively handled these differences and they have relied on unified approach for reaching the consensus. The differences in the competencies and potential of the team mates was used positively and it has contributed significantly in generation of positive outcomes from decision making in JIT Company.

### **Conclusion**

The simulation of tour operator has been completed over the time span of one year and it has relied upon number of decision making concepts with an aim of generating positive outcomes. The decision making within JIT Company has implemented functional theory of decision making in which a constructive discussion has been carried out with team members and each alternative has been critically analysed prior to implementing. Along with this, the leadership of the company has successfully handled different affiliative and cognitive constraints and has helped to generate positive outcomes of decision making. Likewise, the experience of simulation has highlighted the importance of open communication, information sharing and time management in defining the effectiveness of team decision making. Along with this, the two decision making principles were considered as highly relevant for generating the positive decisions for the JIT simulation company.

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