

South Dakota State University

Open PRAIRIE: Open Public Research Access Institutional Repository and Information Exchange

SDSU Extension Circulars

SDSU Extension

1969

Managerial Decision-Making and the Homemaker

Cooperative Extension, South Dakota State University

Follow this and additional works at: https://openprairie.sdstate.edu/extension_circ

Historic, archived document

Do not assume content reflects current scientific knowledge, policies, or practices.



For current policies and practices, contact SDSU Extension

Website: extension.sdstate.edu

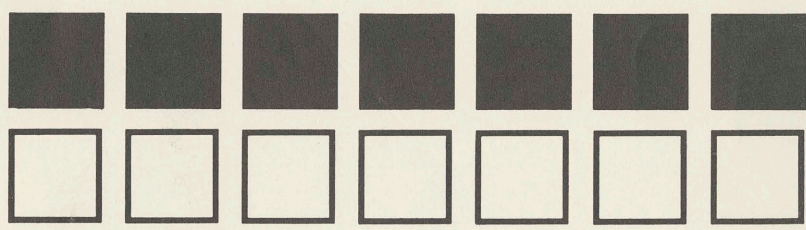
Phone: 605-688-4792

Email: sdsu.extension@sdstate.edu

SDSU Extension is an equal opportunity provider and employer in accordance with the nondiscrimination policies of South Dakota State University, the South Dakota Board of Regents and the United States Department of Agriculture.

501

MANAGERIAL DECISION - MAKING and the Homemaker



UNIVERSITY OF GEORGIA
JUL 16 1969
LIBRARIES

COOPERATIVE EXTENSION SERVICE
SOUTH DAKOTA STATE UNIVERSITY
UNITED STATES DEPARTMENT OF AGRICULTURE

30,732
087.17
C. 673

C-1

37356986

MANAGERIAL
DECISION-MAKING
and
the

The purpose of this publication is to explore some of the ways in which homemakers can learn to make better decisions. The problems encountered in decision-making are considered in a general way, and some of the factors affecting decisions are described. A simple framework is developed to aid in introducing more objectivity into decision-making. Two processes through which decisions are reached are defined. The entire publication is directed to decision-making by homemakers, and especially the making of better managerial decisions.



UNIVERSITY OF GEORGIA
JUL 2 1963
LIBRARY

UNITED STATES DEPARTMENT OF AGRICULTURE
SOUTH DAKOTA STATE UNIVERSITY
COOPERATIVE EXTENSION SERVICE

Table of Contents

Many Major Decisions Can be Anticipated	5
Good Criteria Are Needed	5
How Do You Feel About Decisions?	6
Your Dependence on Others	7
Types of Decisions	7
Real Decisions and Routine Decisions	7
Chain Decisions	8
Central Decisions and Satellite Decisions	9
Managerial Decisions	10
Interrelation of Decisions	11
Making Decisions	11
Rational Process	12
Extra-Rational Process	12
Improving Your Decision-Making	13
Summary	14
References	15
Bibliography	15

Issued in furtherance of Cooperative Extension work, acts of May 8 and June 30, 1914, in cooperation with the United States Department of Agriculture.
John T. Stone, Dean of Extension, South Dakota State University, Brookings.

Managerial Decision - Making and the Homemaker

by Verda M. Dale
Extension Home Management Specialist
University of Massachusetts Cooperative Extension Service

Decisions face us every day of our lives and the action we take in making decisions can shape the pattern of our lives. There is a relationship between the decisions we make and what happens as a result of those decisions.

The key factor in "making things happen" rather than "letting things happen" is conscious, deliberate choice-making. Making choices which direct and guide events and actions into a planned course, rather than letting events fall to chance, is one of the marks of a good manager.

Good managers are born, but also made; and there are ways in which homemakers can learn to make better decisions.

Many Major Decisions Can Be Anticipated

Some big decisions present themselves, unannounced, for an immediate answer, but most do not. We can usually anticipate their coming. Major decisions, the life-time ones, are almost pre-determined by how smaller decisions leading up to the big ones were made.

It has been said that "Four of the greatest decisions of life are made in college days . . . The *first* is the decision as to vocation. The *second* is the decision as to whom one will marry. In a *third* major area, students come to their majority in college and begin participation in the decisions of society, of which the ballot is the symbol. And *finally* there is the decision as to one's loyalty in life, one's world-view, or religion."¹

All young people face these same decisions, whether in college or not. Satisfactory answers to these four great decision-requiring questions are usually the result of a series of smaller decisions which may have been made in a period of time that extends over months or years.

Good Criteria Are Needed

Successful managers seem to direct their thinking toward clearcut goals or to well-defined criteria for judging a situation. They view each decision in relation to these goals or criteria.

Some people have difficulty with decisions all of their lives and they feel uneasy with the results of their past decisions. They find it difficult to make choices with which they are satisfied. Other people seem unable to make any decisions and drift with events as they occur.

How Do

YOU

Feel About Decisions?

How you *feel* about the decisions that you make may be as important to your peace of mind as what you decide. Why you feel as you do in decision-making relates to your life philosophy and to the ethical position which you have been developing almost since birth. Your philosophy can be described in such things as:

Your sense of time orientation

How important is the present time to you? How important is the future? Do you believe that one must live as he goes along and let the future take care of itself? Or do you favor working hard now and foregoing pleasure, in order to have it at some future date? Some people live more for the future; others live more for the present. People's decisions will reflect these different points of view.

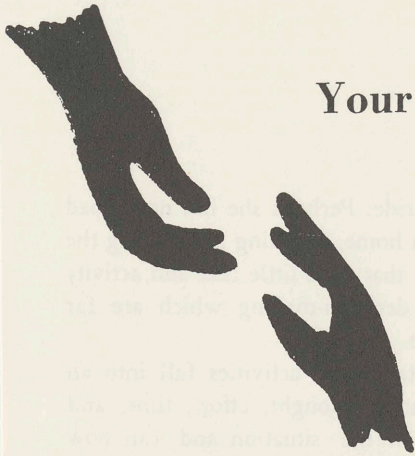
Your beliefs on man's right to control

Some people are reluctant to assume control over what they consider manipulations which should be only in the hands of Divine Power. They say that life is decided for you, and it doesn't matter for who will know in another 100 years? On the other hand, some people are not at all hesitant to manage affairs and we hear expressions which indicate this view, such as "God helps those who help themselves," and "Don't put all your eggs in one basket." Decisions are influenced by beliefs such as these.

Your personal and family values

These will be reflected in what you feel is important and what you feel is of no importance, what is worth working for and what is of little consequence. Values have such emotional depths that they can sway rational thinking. Values define the "key issues" of life, without which life would seem very empty and futile. Again, the convictions you hold in this area will affect the decisions that you make.

Your dependence on others



Some people need support and backing from others before they feel comfortable about decisions. Other people are more independent and feel blocked and frustrated unless they can make their own choices.

All of these factors influence, in varying degrees, the decision that we make. The relative effect of these factors changes as the situation changes.

Types of Decisions

A troublesome characteristic of decisions is that a decision does not stand alone. It is inter-related with and inter-dependent on other decisions. It is difficult to separate a single decision from the multitude of others which are related to it or affect it.

One way of developing judgment on how to cope with decisions is to put them into groups and then consider them in the light of the classification.

Real Decisions and Routine Decisions

A very simple division groups decisions into two kinds — *real* decisions over which there is conscious thought, and *routine* decisions which, through experience, become very easy to make. Some people believe that routine decisions are not genuine decisions at all but merely habits developed through repetition.

An Example

As an example, let us consider the new bride. Perhaps she has never had responsibility before her marriage for keeping a home, planning and buying the food, and managing a household. She may find that each little task and activity requires thought, effort, time, and conscious decision-making which are far beyond what she and others consider reasonable.

However, as she gains experience, these tasks and activities fall into an organization pattern which reduces the amount of thought, effort, time, and conscious decision-making. She gains control of the situation and can now cope with incidents which once may have moved her to tears. Somewhere in the process of time and experience her *real* decisions became *routine* decisions.

Some aspects of daily living need to be put into a routine to smooth out unnecessary irritations and to reduce the effort of making conscious decisions over and over. Whenever we depart from our regular routine, decisions appear much bigger and more difficult to make. On the other hand, some decisions are too important, or occur so seldom, ever to become completely routine.

Chain ● — ● — ● — ● Decisions

Certain decisions can be visualized as a kind of chain reaction. One decision leads to another, and each decision is directed and influenced by the kind of decision which precedes it. The kind of furniture one owns and the way in which the space in a house is used will influence choices in new furniture. These choices, in turn, will influence the activities within the home.

Chain decisions can start and stop at any point, but they can also be ongoing and lead to other matters. The family that bought a horse for one of the children found that riding was a joyous form of recreation for the whole family. They now own several horses, devote much time to improving their riding skills, and are taking part in horse shows and riding events. Thus, a decision to give a daughter a recreational outlet became, in time, a way of life for the whole family. As a result, an entirely new focus on family activities was developed.

Chain decisions illustrate how management is a continuous process. It is impossible to keep a situation exactly the same. Once a decision is made, the situation is altered a little, and the altered situation then calls for new decisions, both major and minor. These in turn further alter the situation and produce the need for more decisions.

Central Decisions

and

Satellite Decisions

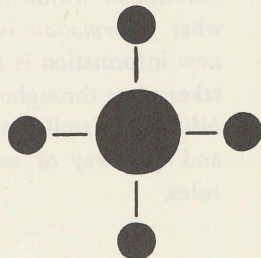
Another way to consider decisions is to separate them into *central* decisions and *satellite* decisions.

Central decisions are the key or significant ones. They control the situation, and they determine to a degree the number and kinds of choices one will have to make in the future. Central decisions set a course from which it will be very difficult to turn back.

Satellite decisions are those which are related to the central decisions, and can be made only after, or at the same time, as the central decisions. Preparation for a specific career and the choice of a marriage partner are examples of central decisions. Each such decision sets limits and patterns for satellite decisions such as where the family will live, how much money there will be for spending, who the friends and associations will be, and the kind of family activities.

Because the central decisions are so important and have such far-reaching effects, one needs to think about them deliberately and consciously. Central decisions, once made, cannot be reversed without great sacrifices in time, material goods, effort, and emotions.

Satellite decisions have a tremendous effect on the satisfactions which results from a central decision. Where the family will live (a satellite decision in this example) can be a powerful force affecting the satisfaction of the husband's choice of a job (the central decision).



Many persons can achieve a successful management level by concentrating attention on the smaller choices. In the example just cited, satisfactions of the job would be enhanced by exploring alternatives and making decisions on family housing, friends, family activities, etc. Indeed, choosing a place to live may become, in turn, the central decision with numerous satellite decisions depending on the choice of housing.

Managerial

Decisions

Not all the decisions we make are directed toward clear-cut goals, nor do we want them to be. Some decisions are for the moment, for fun, for simple preference.

However, for those decisions which are directed toward "making things happen", four types of managerial decisions have been identified². These are:

- *Policy Decisions*—The selection of goals and ordering them by priority; decisions about which of the available resources are relevant for the given family situation; and the general roles to be played by family members.
- *Allocative Decisions*—The deciding of the most productive ways to distribute relevant resources among their alternative uses. This is where the basic concepts of economics come into play in the making of decisions.
- *Organization and Control Decisions* — The systematizing of physical activities. This is the answering of the what, when, who, how, and why questions in relation to getting a given task, or a whole cluster of tasks, done harmoniously and expeditiously.
- *Coordination—Interaction Decisions*—These are decisions relating to processes involved throughout policymaking, resource allocation, and organization. These include decisions about (a) the best means of *communication* within the family and in relation to the larger society; (b) *what information* is necessary for making certain decisions and how new information is to be obtained; (c) the criteria by which *evaluation* takes place throughout the whole process of management; (d) *responsibilities* of family members in the process of making family decisions; and (e) way of *motivating* family members to play their respective roles.

Inter relation of Decisions

These four kinds of decisions show how inter-related and inter-dependent decisions can be. Consider the homemaker who has a job outside the home. She has certain standards she wants to maintain in the smoothness of operation and the appearance of the home. Her husband feels even more strongly about the desirability of a smooth-running household. She also believes that her children should learn some of the basic homemaking skills, while the children are not highly motivated in doing so at this particular time.

If this homemaker is to reach a satisfactory level of management, she and the family will be involved in all four kinds of managerial decisions. They will need to decide such things as what makes a smooth-running household, what limitations are placed on the traditional homemaker's role when she works outside the home, and what adjustments must be made, the timing of routine work of the household and meal preparation; what responsibility each family member assumes, who supervises the children, etc.

Each stage of the family life cycle has its own particular kinds of problems that require managerial decisions.

Making Decisions

YES NO

Making a decision means making a choice, which, in turn, means selecting from among alternatives. All choices carry with them some dissatisfactions and some conflicts. One has to accept the part which does not satisfy along with the part which does. Successful decision-making means making a choice that has enough of the important satisfactions in it to outweigh the less important dissatisfactions.

We make choices by different means. *Good* decision-making can sometimes just happen, but *consistently good* decision-making does not just happen. Consistently good decision-making comes from conscious thought about the choices which can be made and what the effect of each might be.

Two Decision-Making Methods

Two methods of making *conscious* decisions are described as the rational process and the extra-rational process.

Rational Process

This is the “think it out clearly,” “use your head,” “find out enough so that you know what you are doing” kind. This is the type of decision-making we try to teach our children.

The more precise knowledge one has about a situation, the more rational is the decision which is made. Rational decision-making means exploring different alternatives, seeking out other ways, and judging what would be the outcome of different solutions—before they happen.

We can never be absolutely sure about the outcome of decisions. We cannot always get complete information, nor do we try to do so. We find out enough to make a decision “good enough” to satisfy us. It may not be the best solution, but it has enough satisfactions in it to outweigh the dissatisfactions. Getting too much information to consider may be confusing and cause even more difficulty in making the decision.

Rational decision-making is particularly applicable to situations where you can view facts, measure quantities, or count costs. It is the kind of decision-making involved in the economic decisions such as buying a major appliance, purchasing insurance, or taking a job.

Extra-Rational Process

This type of decision-making goes beyond the “clearly thinking it out” stage. It involves such things as imagination, feelings of people, intuition, beliefs, reaction to past experience, what you think is expected of you, and what you expect of others. These are things you may not be aware of consciously, but yet have definite feelings about. Perhaps they are feelings that you “can’t explain.”

Extra-rational decision-making is particularly applicable to conditions which involve emotional satisfactions. This class includes many important decisions, for nearly all of the important life decisions are based on more than rational reasoning alone.

Improving Your Decision-Making

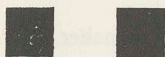
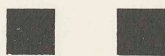
If you, a homemaker, wish to improve your ability as a decision-maker, you must develop a keener degree of:

- *Awareness* of your family's and your own values, what conditions support these values, what choices are available, and the combination of factors that influence decisions. You must learn to look at situations with both a broader and a deeper view, so you recognize more clearly the cause and effect of actions.
- *Sensitivity* to the individual responses of persons affected by the decision. Personalities differ and a good manager keeps aware of the kind and amount of impact on individual persons as a consequence of a decision.
- *Objectivity* in viewing the problem that demands decisions. The listing of the kinds of decisions in this publication gives you a simple framework that will help you look at decisions more objectively. As you analyze your decisions as to classes, you become less personally involved, and therefore can look at the decision with less emotion.

Decisions are harder to make when one is tired or under strain. They are also harder to make when one has had little experience in making them.

Experience has shown that, in general, good decision-makers are those who think about the problem with an open mind. They recognize that a decision must be made, but they are willing to take time to think about it. When they have the facts (or enough of them) the answer seems just to appear. Good decision-makers do not worry about past decisions—they accept the responsibility for making them, and do not waste time thinking about them after they are made.

The most successful managers seem to have a clear picture of what they wish to attain, and are therefore able to make realistic evaluations of the degree of their attainment. This evaluation guides them in making further managerial decisions.



Summary

Decisions are the making up of one's mind. This involves choosing from among alternatives.

Decision-making is important to management because it is the **key to making things happen instead of letting things happen.**

Decisions are not all equally important. Determining the importance of a problem that requires decisions and what you can do about it gives managerial dimensions to decision-making.

Decision-making is making choices and every choice involves a value judgment.

There are choices to be made throughout the managerial process—choices between values, between goals, between resources to use.

It is a function of management to determine how many of the alternatives are relevant. Too many choices can bring confusion; too few can limit opportunity.

All decision-making involves some risk. There can never be absolute certainty that events will happen as predicted.

Good decisions require adequate knowledge. The more knowledge you have, the less is the risk.

Decisions change with changes in the family structure. Certain stages in a family's life cycle seem to demand particular types of managerial decisions.

Good decision-makers accept the responsibility for the decision, and do not waste much time thinking about a decision after it is made.

Well-defined goals permit realistic evaluation of the degree of attainment.

References

1. Ensley, F. Gerald. "The Academic Mind and the Gospel," a sermon delivered at the annual meeting of the Association of Schools and Colleges of the Methodist Church in Atlantic City, January 13, 1963.
2. Liston, Margaret. "The Family in Social Perspective," talk given at the Home Economics Extension Section, American Home Economics Association Convention, Kansas City, Missouri, June 27, 1963.

Bibliography

Foote, Nelson. *Household Decision Making*. New York: New York University Press, 1961.

Katona, George. *The Powerful Consumer*, New York: McGraw-Hill Book Company, Incorporated, 1960.

Paolucci, Beatrice. "Managerial Decision Patterns," *Penney's Fashions and Fabrics*, Fall and Winter, (1963) p. 13.

Proceedings of Conference on Teaching Home Management, American Home Economics Association, Washington, D.C.: 1962