UNIT 10 : MANAGERIAL DECISIONS IN MEDIA ORGANISATIONS

UNIT STRUCTURE

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10.1 LEARNING OBJECTIVES

After going through this unit, you will be able to -

- understand the types of decisions in an organization
- know about the process of decision making
- understand the problems faced in decision making

10.2 INTRODUCTION

An organisation runs on the basis of the decisions taken for its functioning and growth by the management. The effectiveness of the decisions can determine the strength and productivity of an organisation. It also helps determine how favourable is the environment for its functioning and development.

The decision making process is crucial to all kinds of organisations. Decision making is an organizational process as it surpasses the individuals and leaves an impact on the organizational goals.

Right and farsighted decisions can decide the fate of any organisation or industry and proper process of decision making remains crucial at all stages of production and growth.

As media organisations are responsible for informing, educating and entertaining the society, effective decisions are very crucial. The decisions are based on the nature of the media and the target audiences. But irrespective of the kind of media organisation, the basic methods of decisions making and general challenges remain common to all organisations.

10.3 TYPES OF DECISIONS

There are two main types of decisions taken in organisation, whether service industry or production based industry, including media organisations, and those are Proactive and Reactive decisions.

Proactive decision making is about actively engaging in continuous process of decision making. It is acting in anticipation of future problems. Hence such managers should be able to plan their decisions in a relatively broader context, which is conducive to ensuring that they solve problems effectively and take timely decisions to avoid problems from arising.

Reactive decision making is all about reacting to problems as they arise. There is less of prevention and more of problem solving after it arises. The anticipation or far sightedness is lacking in this situation.

10.4 PRO ACTIVE DECISIONS

A proactive manager will anticipate problems before they arise and introduce preventive measures. They are always thinking ahead and looking for ways to improve their company . This management style is often most successful in the long term, as it can help you avoid potential problems. This involves deep thinking and wider planning.

A growth oriented thinking is essential here with adaptability and team spirit.

In Proactive decision making, the advantage is, there is more possibility for risk mitigation as many problems are anticipated in advance. In the long term, this contributes to a positive company culture of accountability. The disadvantage is, it needs more planning and thinking.

A proactive style of working can be more beneficial for a media organisation compared to reactive style of decision making.

A proactive style of working can be more beneficial for a media organisation compared to reactive style of decision making.

CHECK YOUR PROGRESS

Q.1 : What is the advantage of proactive decision making?

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10.5 REACTIVE DECISIONS

Reactive decisions are taken by managers who are good at crisis management but less efficient at anticipating problems and not actually allow an environment where problems may arise on a regular basis. Managers with a reactive mindset tend to be more fearful and are afraid of change, taking risks, or failing. This fear can prevent them from taking the necessary actions to achieve their goals.

The advantages of Reactive decision making are, certain unexpected situations can be handled well. During a crisis fast efficient decisions can be taken and there is creativity and innovation in decisions. While, the disadvantages are, it lets the circumstances dictate actions and there is less preparation to lessen risks.

10.6 DECISION MAKING PROCESS

Decision making is one of the most important managerial tasks in any organisation. The effectiveness of the managerial team in handling issues is reflected through the kind of decisions taken by it at different points of time and situations. Effective decisions can determine the sustainability of an organisation in a favourable as well as challenging environment.

The decision making process is crucial to all kinds of organisations, production based or service based.

Decision making is an organizational process as it surpasses the individuals and leaves an impact on the organizational goals. Decision making can be behavioural, traditional and participative. Decisions are, in today's context, not much taken on an individual scale, but organisations believe in group dynamics for decision making. Creativity and visualisation also play an important role in decision making of an effective kind for reaching the organisational goals.

Decisions can be categorised as programmed or non-programmed. Programmed decisions are routine and use mechanical procedures, like applying the rules of the organisation to find the best solution.
Non-programmed decisions are mostly made during a crisis faced by the organisation and need the managers to be very accurate in judgement and tactful.

Decision making in an organisation can be either Centralised, Decentralised, Formalised and Departmentalised.

In Centralized Decision making, the top level management takes the major decisions of the company or organisation that need to be followed by all other levels of management and employees. The decision might be beneficial for all or could be dissatisfying for different levels of the work force. But it is overlooked and all are bound to abide by the top level management decision.

In Decentralization decision making, there is more administrative control given by the organisation to local centers or groups that are part of the main organisation. In this type there is increased communication among local sectors of the organization and less of a reliance on formal communication giving a better sense of belonging to employees.

In Formalised decision making, the organisation already has some documented formal rules that need to be followed by all levels of management top to bottom. The company decisions are taken based on the rules and there is less scope for innovation or creativity in decision making. The outcom**es** sometimes are obvious.

In Departmentalisation, the decision making process is divided among the different departments and not centralised. This is effective sometimes as every department knows what is effective for them and what challenges they need to overcome for the best productivity.

CHECK YOUR PROGRESS

Q.2 : Why decision making is said to be one of the most important managerial tasks in any organisation?

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10.7 PROBLEMS ENCOUNTERED IN DECISION MAKING

Decision making is a tough task where many challenges arise from time to time. There is incomplete information, lack of reliable data at many points of time which hampers proper decision making. Not suitable decision for the situation an in the organisation or reaching its long term goals. Many a times the environment goes against the goals, like climate, geography or region specific culture. There could be a lack of effective communication between the different levels of management causing hurdles in decision making. Then there could be lack of team spirit or grape wine, when subordinates do not cooperate well. Sometimes, incorrect timing or Subjective decisions for a decision can also can have serious consequences. Lack of clarity in level of management, rigidity in decisions, lack of ability to take risks and lack of resources also contribute to challenges in decision making.

10.8 LET US SUM UP

- The two main types of decision making are Proactive and Reactive decision making.
- Managers with a reactive mindset tend to be more fearful and are afraid of change, taking risks, or failing. This fear can prevent them from taking the necessary actions to achieve their goals.
- In Proactive decision making, the advantage is, there is more possibility for risk mitigation as many problems are anticipated in advance. In the long term, this contributes to a positive company culture of accountability.

- The advantages of Reactive decision making are, certain unexpected situations can be handled well. During a crisis fast efficient decisions can be taken and there is creativity and innovation in decisions. While, the disadvantages are, it lets the circumstances dictate actions and there is less preparation to lessen risks.
- Decision making is one of the most important managerial tasks in any organisation. The effectiveness of the managerial team in handling issues is reflected through the kind of decisions taken by it at different points of time and situations. Effective decisions can determine the sustainability of an organisation in a favourable as well as challenging environment.
- Decision making in an organisation can be either Centralised, Decentralised, Formalised and Departmentalised.
- Problems in decision making can vary from incomplete information, lack of effective communication, unfavourable envisronment, absence of team spirit, lack of ability to take risk and missing farsightedness and low creativity and inadequate resources.

10.9FURTHER READING

1. Chaturvedi, P.D, Mukesh Chaturvedi (2006), Business Communication, Dorling Kindersley (India) Pvt Ltd, New Delhi
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3. Kumar, Dr. Rakesh (2010), Media Management, Surendra Publications, New Delhi
4. Lesikar, Raymond, V. , Marie E. Flayley (2005), Basic Business Communication, Tata McGraw-Hill Publishing Company Limited, New Delhi
5. Narula, Uma (2006), Business Communication Practices, Atlantic Publishers & Distributors, New Delhi
6. Yadav, K.P (2006), Media Management, Adhyayan Publishers & Distributors, New Delhi

10.10ANSWERS TO CHECK YOUR PROGRESS

Ans to Q No 1 : In Proactive decision making, the advantage is, there is more possibility for risk mitigation as many problems are anticipated in advance. In the long term, this contributes to a positive company culture of accountability.

Ans to Q No 2 : Decision making is one of the most important managerial tasks in any organisation. The effectiveness of the managerial team in handling issues is reflected through the kind of decisions taken by it at different points of time and situations. Effective decisions can determine the sustainability of an organisation in a favourable as well as challenging environment.

10.11 POSSIBLE QUESTIONS

A. Short Questions (Answer each question in about 150 words)

Q.1 : What are the two main types of decision making in management?

Q.2 : What do you understand by Formalised and Departmentalised Decision making?

B. Long Questions (Answer each question in about 300-500 words)

Q.1: Elaborate on decision making process in an organisation with special mention of centralised and decentralised decision making.

Q.2 : Mention the advantages and disadvantages of Reactive and Proactive decision making.

Q.3 : Discuss some problems that occur while taking managerial decisions for an organisation.