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# Decision making: being a study to develop a decision-making style to amalgamate best management practice with traditional Thai society and culture

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**Southern Cross University**

**DECISION MAKING: being a study to develop a decision-making style  
to amalgamate best management practice with traditional Thai society  
and culture**

**By**

**AKKAPONG KITTISARN**

**A THESIS SUBMITTED IN FULFILMENT OF THE REQUIREMENTS FOR THE  
AWARD OF THE DEGREE OF DOCTOR BUSINESS ADMINISTRATION**

**GRADUATE COLLEGE OF MANAGEMENT  
SOUTHERN CROSS UNIVERSITY**

# DECLARATION

I certify that the substance of this thesis has not already been submitted for any other degree and is not currently being submitted for any other degree. I certify that to best my knowledge any help received in preparing this thesis and all sources used have been acknowledged.

.....  
Akkapong Kittisarn

28/1/03

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# ABSTRACT

This thesis studies the development of the decision-making style at Thailand's Siam City Cement Public Company Limited (SCCC). The research reviewed the literature, including parent and immediate disciplines. The parent discipline was divided into disciplines 1, 2 and 3. Discipline 1 covered the concept of decision-making and its process. It also assessed types of decisions and summarised the model of decision-making. Discipline 2 looked at organisational structure, decision-making and the locus of decision-making. Finally, discipline 3 focused on group decision-making, group consideration in decision-making and enhancing the group decision-making process.

In the immediate discipline, the key elements that influence Thai's decision-making styles were discussed. This encompassed Thai societal and cultural characteristics, Hierarchy, organisational characteristics and decision-making. Moreover, research gaps were also explored and the study then proposed four research propositions. The propositions included directing SCCC to develop an appropriate decision-making style based on the group decision-making strategy.

The analysis undertaken was qualitative and employed a case study methodology. The data was collected in SCCC's Bangkok office between May and September 2002. Data collection was carried out using the Triangulation method. This method employs multiple sources of evidence, including personal interviews, direct and participant observations, documentation and obtaining archival records. The findings confirmed that group decision-making should be adopted to enhance the effectiveness of decision-making and efficiency within the firm. Recommendations were also provided for improving practices at the individual, department and organisational level. Finally, contributions to the knowledge, research limitations and areas for further research were discussed.

## Abbreviations

CCAR	Credit Control and Accounts Receivable Department
CCAR3LM	Credit Control and Accounts Receivable Department, Lower Management
CCAR3MM	Credit Control and Accounts Receivable Department, Middle Management
CCAR3TM	Credit Control and Accounts Receivable Department, Top Management
HR	Human Resources Department
HR2LM	Human Resources Department, Lower Management
HR2MM	Human Resources Department, Middle Management
HR2TM	Human Resources Department, Top Management
LM	Lower Management
LS	Legal Services Department
LS1LM	Legal Services Department, Lower Management
LS1MM	Legal Services Department, Middle Management
LS1TM	Legal Services Department, Top Management
MM	Middle Management
MS	Marketing and Sales Department
MS4LM	Marketing and Sales Department, Lower Management
MS4MM	Marketing and Sales Department, Middle Management
MS4TM	Marketing and Sales Department, Top Management
NGT	Nominal Group Technique
SCCC	Siam City Cement Public Company Limited
TM	Top Management

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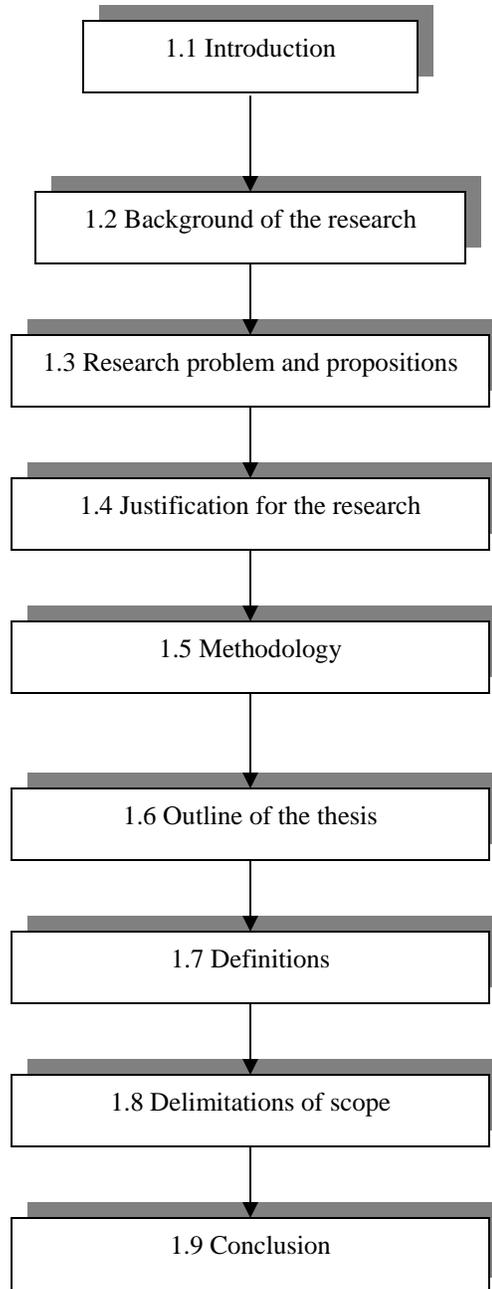
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# Chapter One: Introduction

## 1.1 Introduction

This chapter is presented in nine sections. A background to the research is provided first (section 1.2), followed by the research problem and the propositions (section 1.3). The research area is then justified (section 1.4) and the methodology adopted for the study is outlined (section 1.5). An outline of the thesis is provided next (section 1.6), followed by definitions (section 1.7) and delimitations of scope (section 1.8). Finally, the chapter draws to a close with a conclusion (section 1.9). This structure is shown in the outline provided in Figure 1.1.

Figure 1.1 Outline of chapter one with section numbers and their inter-relationships



Source: Developed for this research

## 1.2 Background of the research

This research study seeks to develop a model of decision-making and through that model, evaluate the quality of decision-making styles by reference to a case study of organisations in Thailand. This in-depth study will discuss effective decision-making styles that could benefit firms. It focuses on whether the organisations in Thailand should develop decision-making styles to capitalise on amalgamating the decision-making practices with traditional Thai society and culture. This research examines theories from the literature and then considers the applicability of the theories to the cases studied, by defining and researching their characteristics and identifying their presence or absence.

This research, which builds a model of decision-making for firms in Thailand, can be justified on four grounds. First, the relationship among decision-makers is a relatively new and important research area for Thai firms. Second, society and culture impact on decision-making styles in Thailand to a great extent. Third, this research provides an up to date empirical study on Thai firms' decision-making styles, particularly with respect to amalgamating best management practice with traditional Thai society and culture. Finally, the findings and implications of this study are useful for practice and the theoretical advancement of the literature (Neck, 2001). These justifications are summarised in Figure 1.2.

Figure 1.2: Background of the research

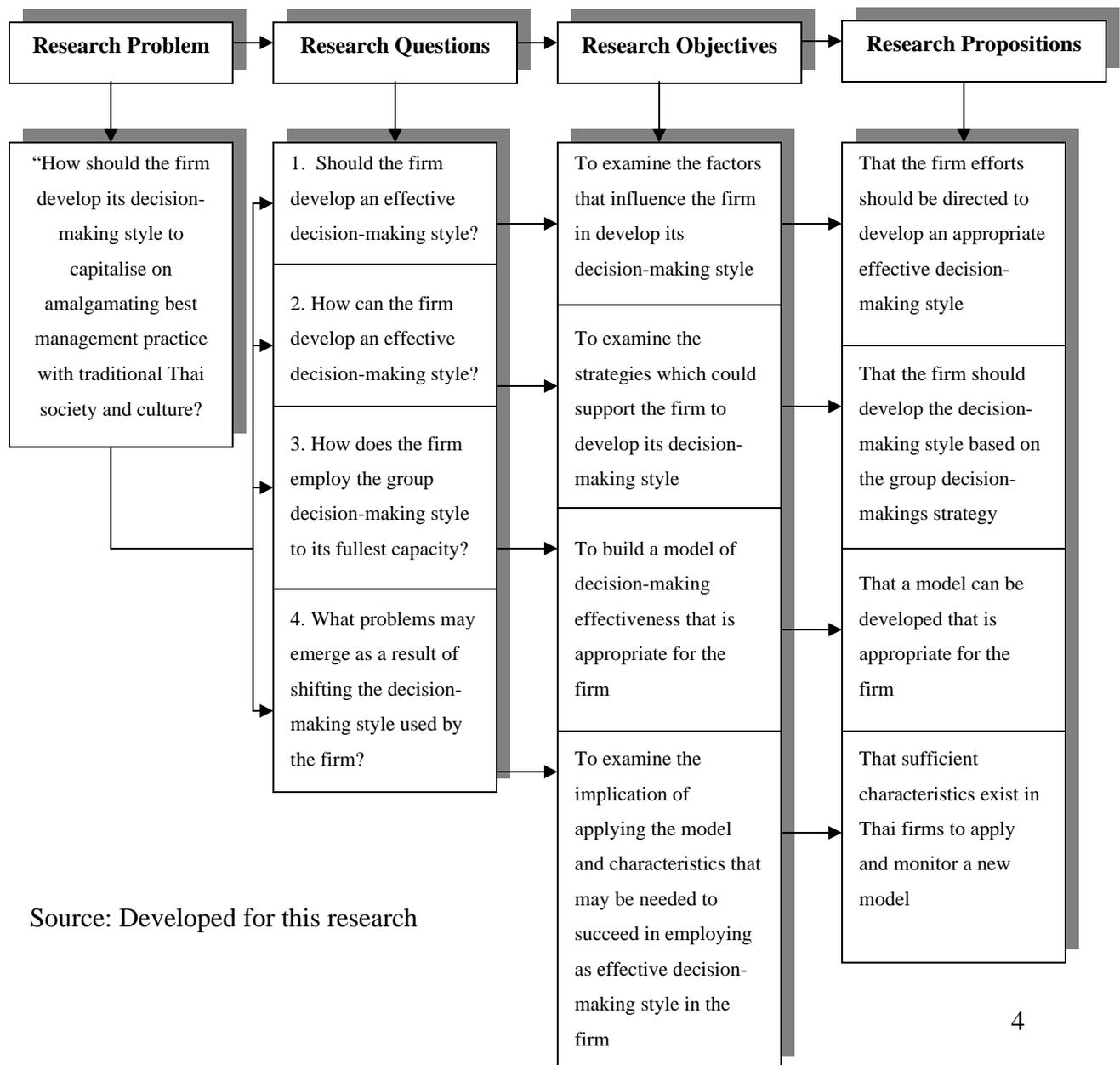


Source: Developed for this research

### 1.3 Research problem and propositions

This exploratory thesis contains one research problem and four research propositions. As shown in Figure 1.3, the research problem is based on the broad proposal of whether the Siam City Cement Public Company Limited (SCCC) should develop a decision-making style. Also, four research questions and four research objectives were established to coherently link with the propositions. In the propositions, this thesis proposed that the SCCC should develop a decision-making style based on group decision-making.

Figure 1.3 Research problem and research propositions of this thesis



Source: Developed for this research

## **1.4 Justification for the research**

The style of management will impact on the way in which individuals participate or are allowed to participate in decision-making. If a manager is autocratic or democratic in approach, it may be a reflection of either an individual style or of the prevailing culture in the firm. Either way, it will influence the way in which decisions are made within a department or the organisation. Organisational decision-making can be looked at from various perspectives. This research adopts a perspective that attempts to increase the SCCC's employees' understanding of organisational decision-making and apply effective and efficient group decision-making in the workplace.

A decision that will have an impact on several departments may require some means by which the departments can become involved in the decision-making process. Group involvement will not only legitimise the decision but may provide an opportunity to develop a common understanding and a means for each department to obtain the benefit of comments from other departments. The group decision is more likely to be a balanced decision that takes into account a range of viewpoints. As a result, it is important to study the necessity and possibility of the SCCC, as a Thai bureaucracy, adopting and developing this decision-making style, which amalgamates best management practice with traditional Thai society and culture.

With the empirical evidence and the significance of the consideration mentioned above, this thesis fills the gap that exists between the theory as it stands and its application in circumstances involving social and cultural characteristics in Thailand. This study should benefit the SCCC in terms of improving decision-making within the organisation. Moreover, it considers alternative solutions that SCCC may adopt when facing problems with the application of group decision-making. This research extracts and integrates existing theories from the literature and then considers the applicability of these theories to cases studied, by researching characteristics and identifying their presence or absence.

## **1.5 Methodology**

A comprehensive discussion of the research methodology is provided in chapter three. This section therefore merely provides an overview of the approach. The nature of this research study is exploratory, based on qualitative methods. This is due to no previous research being undertaken on this area, especially in relation to the development of a decision-making style based on amalgamating best management practice with traditional Thai society and culture. The research problem and research propositions identified in section 1.3 indicated that a case study approach was appropriate, and the SCCC was chosen as the subject.

Based on a qualitative methods approach, this thesis employed case study research methodology as the research strategy. Out of four types of case study research design, type two, referred to as embedded single case study, was chosen to be the case study research design for this thesis. Units of analysis in the case study are divided into three levels. First is the organisational level, referring to the SCCC. Second is the department level, which is divided into four departments; the Legal Services Department, the Human Resources Department, the Credit Control and Accounts Receivable Department and the Marketing and Sales Department. The third level was the individual. The interview focus in this area was aimed at the Lower, Middle and Top Management levels.

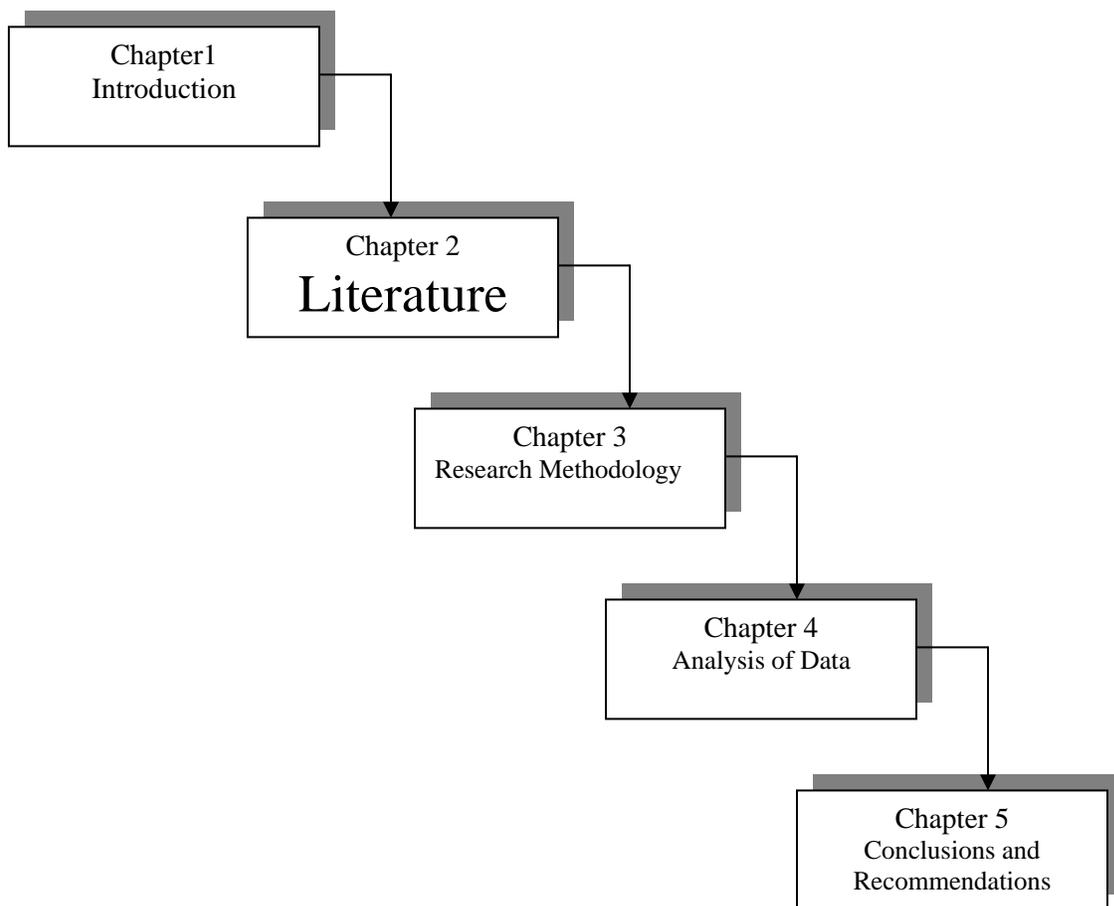
To maintain the quality of the case study research design, this thesis used construct validity and reliability by using multiple sources of evidence as the case study tactic throughout the data collection. The data used in this thesis was collected from the SCCC in Bangkok, Thailand between 1 May 2002 and 9 September 2002. The data collection was carried out through multiple sources of evidence, including personal interviews, documentation, archival records and participant observations. The convergent and non-convergent model, based on the triangulation method, was applied in the research, having been exclusively created for this thesis to be used as the data analysis tool.

Ethical issues were determined in this thesis. Participants were encouraged to keep confidential what they heard during the interviews, and the researcher had a similar responsibility. The data collection activities, including use of facilities and access to relevant documentation within SCCC, were officially permitted by the organisation.

## 1.6 Outline of the Thesis

This thesis reflects the structure and suggestions of Perry (1998) on the use of the case method in a doctoral thesis. This design and the process of constructing the thesis are complementary. The thesis has five chapters as suggested by Perry (1998), and is outlined in Figure 1.4.

Figure 1.4: The structure of the Thesis



Source: Developed for this research

A brief summary of the content of each of the chapters is now provided. The chapters of this thesis are:

## **Chapter One: Introduction**

This initial chapter provides an overview of the thesis. It provides a background of the research, research problem and propositions, justification for the research, methodology, outline of the thesis, definitions, delimitations of scope and finally some conclusions.

## **Chapter Two: Literature Review**

The chapter begins with an introduction and the overview of the chapter. This is followed by a discussion of the parent discipline that is divided into three sections. First, the concept of decision-making is discussed. Second, the chapter describes the organisational structure, the organisational decision-making process and the locus of decision-making within the firm. Finally, the chapter explores the areas of group decision-making. The discussion of the parent discipline is followed by discussion of the immediate discipline. This section refers to the key elements that influence Thai decision-making styles. The SCCC, as the setting studied in this thesis, is examined. The research issues, including the research problem, research questions, research objectives and research propositions are then established to conclude the chapter.

## **Chapter Three: Research Methodology**

This chapter is presented in seven sections. It starts with a justification for the paradigm. Section two presents the justification for the methodology used. Section three describes the qualitative research, including criteria for judging the quality of case study design employed in the case study, criteria for selecting multiple case studies, data collection and the pilot case interviews. Following this, section four presents a case study analysis. This leads to the limitations of the case study research and finally, ethical considerations are addressed before a brief conclusion is made.

## **Chapter Four: Data Analysis**

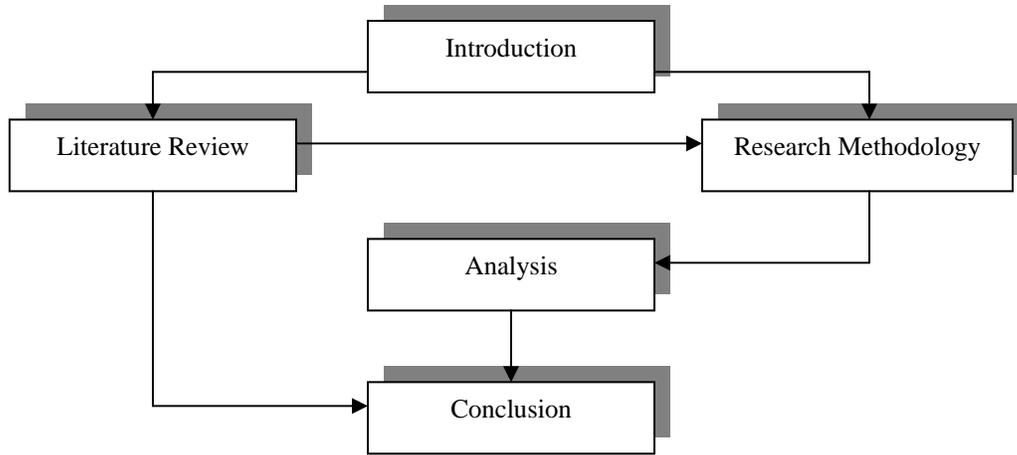
This chapter is presented in four sections. It starts with a brief background of the case study “SCCC”. Section two presents the profile of participants; including their gender, age, education and other details. These leads to section three, which describes the case, including an analysis of research propositions 1 to 4. This is followed by a general conclusion to end the chapter.

## **Chapter Five: Conclusions and Recommendations**

The purpose of chapter five is to integrate the overall research and draw its component elements together. The chapter is presented in eight sections. First, the structural map of the chapter sections is provided to guide the reader. Following this, a brief is provided discussing the contents of each previous chapter. The third section presents the conclusions drawn in this report regarding the four research propositions. Section four presents recommendations for practice, referring specifically to practices at the individual, departmental and organisational levels. The chapter moves on to discuss the contributions of the thesis before providing an overview of the limitations inherent in the research. To finish, there are suggestions for further research before the chapter ends with a brief conclusion.

Having briefly described each chapter, Figure 1.5 illustrates the relationship between these component parts. Whilst Figure 1.4 presented how the chapters were structurally linked, Figure 1.5 shows the chapters in isolation and reveals the conceptual linkage between the chapters of this thesis.

Figure 1.5: Relationship between the thesis chapters



Source: Developed for this research

## 1.7 Definitions

Definitions adopted and frequently used in this thesis are set out as key terms in order to confirm their intended interpretation. These terms include decision-making, organisation structure, organisational decision-making, locus of decision-making, group decision-making and Thai societal and cultural characteristics. It is appropriate to define such terms in order that the holistic contents in this thesis will be understood at a uniform standard.

### 1.7.1 Decision-making

Mintzberg, Rasinghani & Thearet (1976) defined a decision process as ‘a set of action and dynamic factors that begins with the identification of a stimulus for actions and ends with a specific commitment to action’.

Lawson & Shen (1998) also noted that decision-making is the process of choosing among alternatives, implementing a decision and using the subsequent outcome data to shape any further decisions associated with the earlier one.

Stoner, Yetton, Craig and Johnston (1994) defined decision-making as the process by which a course of action is selected as the solution to a specific problem. Huber (1980) distinguishes decision making from 'choice making' and from 'problem solving'. Huber (1980) suggests that choice making refers to the narrow set of activities involved in choosing one option from a set of alternatives.

Bartol, Martib, Tein and Matthews (1997:288) described decision-making as 'the process through which managers identify organisational problems and attempt to resolve them'.

The definition employed in this study is 'that decision-making involves choosing between alternative courses of action with the aid of a systematic and structured set of criteria'.

### **1.7.2 Organisation structure**

Organisational structure is the formal pattern of interactions and coordination designed to link the tasks of individuals and groups to achieve organisational goals (Bartol et al.1997).

Lewis, Goodman & Fandt (2001) point out that organisational structure refers to the primary reporting relationships that exist within an organisation.

Stoner et al. (1994:186) described organisational structure as 'the formal arrangement and interrelationship of the component parts and positions of a company. An organisation's structure specifies its division of work activities and shows how different functions or activities are linked. It also indicates the organisation's hierarchy and authority structure and shows its reporting relationships'.

Robbins, Millett, Cacioppe and Maesh (1998:589) define organisational structure as ‘how job tasks are formally divided, grouped and coordinated’.

Mintzberg (1979) defines organisational structure as ‘the sum total of the ways in which (an organisation) divides its labour into distinct tasks and then achieves co-ordination between them.’

The definition used for organisational structure for study is ‘ the line of command is an unbroken line of authority extending from the top of the organisation to the lowest echelon which clarifies who reports to whom’.

### **1.7.3 Organisational decision-making**

Lewis et al. (2001) point out that organisational decision-making refers to decision-making processes that occur at all levels and all units of an organisation.

Hatch (1997:270) described organisational decision-making as decisions that are made throughout organisations for example; Top Management focuses on strategic decision-making, Middle Management emphasises decisions regarding internal structural arrangements and coordination among units, and Lower Management are responsible for decisions about day-to-day operational activities within their assigned units.

In the definitions of decision-making above, the term is defined by this study ‘as achieving consensual progress towards a common goal that involves all levels within the organisation’.

### **1.7.4 Locus of decision-making**

Bartol et al. (1997); Lewis et al. (2001) described the locus of decision-making as the centralisation and decentralisation within an organisation. Centralisation refers to the extent to which power and authority are retained at top organisational levels. On the other hand, decentralisation refers to the extent to which power and authority are delegated to lower levels.

Stoner et al. (1994:190) refers to the locus of decision-making as centralisation and decentralisation of decision-making, referring to the location of decision-making power. In a centralised organisational structure, decisions are made at a high level by top managers or even by a single individual. In a decentralised structure, the decision-making power is dispersed among more individuals at the Middle and Lower Management levels.

Robbins et al. (1998) and Mintzberg (1983) described the locus of decision-making with reference to centralisation and decentralisation. Centralisation described the degree to which decision-making is concentrated in the upper levels of the organisation. If top management makes the organisation's key decisions with little or no input from lower level employees, then the organisation is centralised. In contrast, the more that lower level employees provide input or are actually given the discretion to make decisions, the more decentralisation there is.

The definition used in this study is that the 'locus of decision-making refers to the centralisation and decentralisation of decision-making. Centralisation of decision-making is the degree to which Top-level managers make decisions in the organisation. The decentralisation of decision-making ensures that all employees are involved in making decisions'.

### **1.7.5 Group decision-making**

Many authors had defined group decision-making as two or more interacting and interdependent individuals who come together to solve the problem Bartol et al. (1997); Lee, Newman and Price (1999); Lewis et al. (2001); Robbins et al. (1998); Shapira (1997); Stoner et al. (1994).

Group decision-making is defined for this study as 'sharing the process of decision making with relevant subordinates, in a group discussion'.

### **1.7.6 Thai societal and cultural characteristics**

This thesis defines ‘societal and cultural characteristics,’ as a term inclusive of hierarchy and Thai organisational characteristics, as follows;

Studies from Hofstede (1980), Sorod (1991) and Komin (1991) have described Thai culture as characterized by low individualism, high power distance, high uncertainty avoidance, and low masculinity. They also point out that Thailand is a hierarchical society (Hofstede 1980, Holmes & Tangtongtavy 1996 and Sorod 1991). The research established that Thai people who are trained to be functioning members of society, learn early in life the rank that they hold and how they are supposed to treat others according to that rank. This may be due to the fact that Thai organisational structures were traditionally built on lines of command (Fieg 1989). Finally, many studies identify the Thai organisational characteristics as having roots in bureaucratic and feudalistic systems (Reynolds 1987; Keyes 1987; Wyatt 1982).

The definition used in this study for ‘societal and cultural characteristics is that the society and cultural characteristics within an organisation help form a rigid hierarchic structure that distinguishes between Lower and Top levels of management’.

### **1.8 Delimitations of Scope**

The first limitation of this research stems from the fact that the research only considered one organisation in Thailand, SCCC and the data collected from this organisation focused only on the phenomena occurring between 1 May 2002 and 9 September 2002. A second limitation derived from the sheer size of the firm. This meant that it was impracticable to interview every staff member and therefore the sample size was limited to 40 people. Furthermore, to collect the data effectively and efficiently, the Thai language was used to communicate between the researcher and the participants when collecting data. These delimitations and limitations to the case study research and the way they were dealt with in this thesis, are discussed in greater detail in section 3.6.

## **1.9 Conclusion**

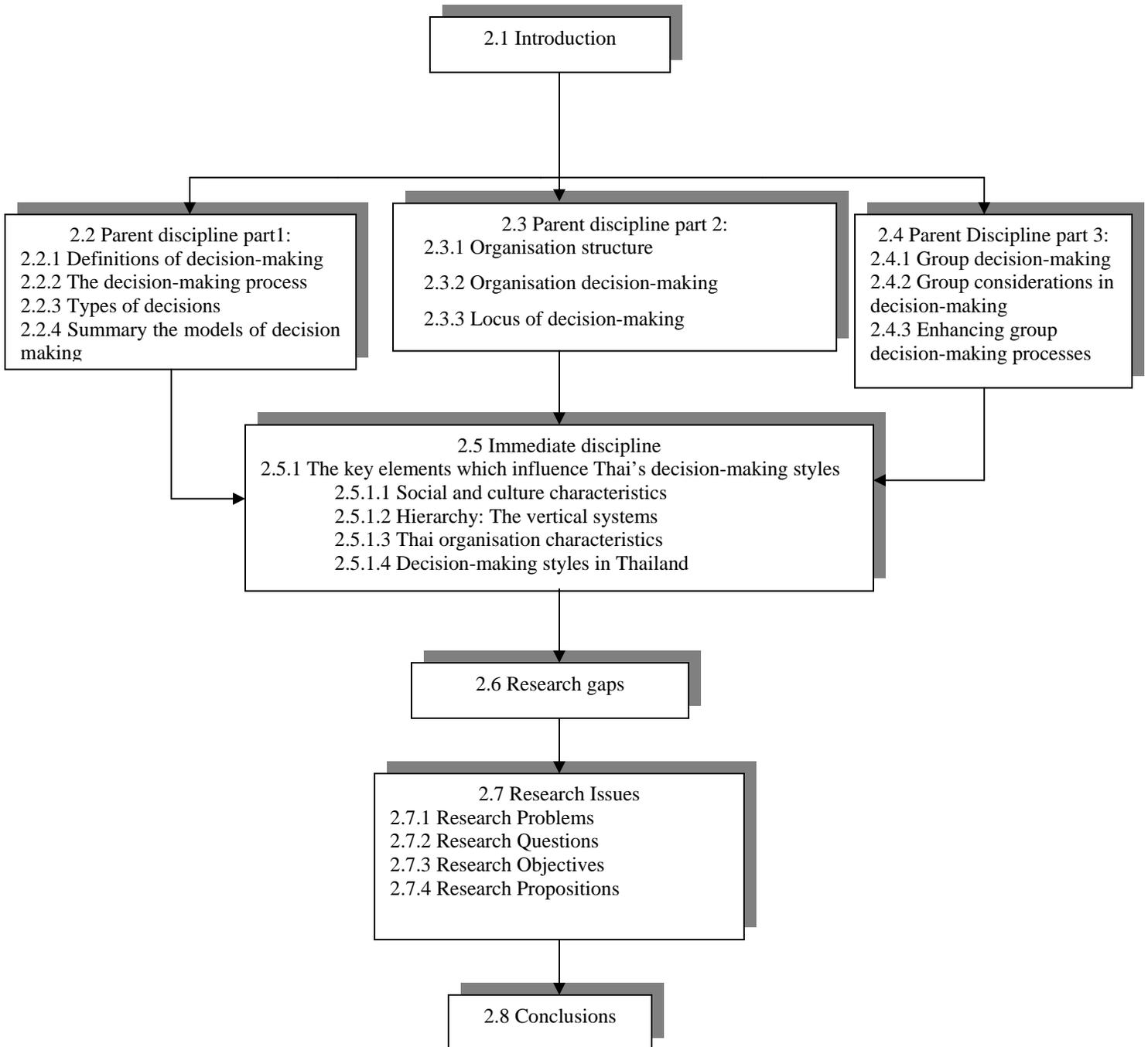
This chapter provided an overview of the thesis. The chapter began with the background to this research before revealing the research problem and propositions, including research questions and objectives. Next, the thesis was justified and its methodology was briefly discussed. This was followed by an outline of the thesis' structure; a structure that contains five chapters. Finally, definitions were provided for use in this research and the delimitations of scope in this thesis will be discussed.

## **Chapter Two: Literature Review**

### **2.1 Introduction**

In chapter one, the overview of the thesis was addressed. The purpose of this chapter is to review the extent of literature and identify the main research issues. First, the structure and map of the chapter sections are outlined. Following which, the three parent disciplines of this research, namely the concept of decision-making (section 2.2), decision-making styles in Thailand (section 2.3) and group decision-making (section 2.4) are then considered. These parent disciplines provide the background for the immediate discipline, which focuses on organisations in Thailand and the key influences affecting decision making in those organisations (section 2.5). It is discussed in detail so as to identify the gaps in the literature and to facilitate the development of a theoretical framework, related research issues and questions (section 2.6). These primary bodies of literature provide the basis for investigating organisations in Thailand. The primary question is to decide how Thai organisations should develop their decision-making style to capitalise on amalgamating best management practice with Thai traditional social and cultural aspects. This is shown in the outline of this chapter in Figure 2.1

Figure 2.1: Outline of chapter two with section numbers and their inter-relationships



Source: Developed for this research

## **2.2 Parent discipline**

Decision-making theory is considered to be a parent discipline for this thesis. This parent discipline can be divided into two parts. First, this section begins by describing the concept of decision-making, the decision-making process and summarises the models of decision-making. The second component deals with models of decision-making in Thailand and constructs the model proposed by this research.

### **2.2.1 The concept of decision-making**

A large part of contemporary research on organisational decision-making is concerned with how decisions should be made. Such research seeks to develop techniques for improving the intelligence of actions by organisational decision-makers. Stoner et al. (1994) defined decision-making as the process by which a course of action is selected as the solution to a specific problem. Huber (1980) distinguishes decision making from ‘choice making’ and ‘problem solving’. Huber (1980) suggests that choice making refers to the narrow set of activities involved in choosing one option from set on alternatives. Choice making is one part of decision making. Problem solving refers to the broad set of activities involved in finding and implementing a course of action to correct an unsatisfactory situation. Decision-making incorporates both of these components.

The decision-making process underlies business activities and has a fundamental importance for problem solving, the development of business plans and goal-directed behaviour. Mintzberg et al. (1976) defined a decision process as:

*“a set of action and dynamic factors that begins with the identification of a stimulus for actions and ends with a specific commitment to action”.*

Lawson & Shen (1998) also noted that decision-making is the process of choosing among alternatives, implementing a decision and using the subsequent outcome data to shape any further decisions associated with the earlier one. The process of choosing among

alternatives almost always involves some combination of evaluation of data on the alternatives, one's values or preference about what is important, one's expectations or predictions about what is likely to happen at some future time and some emotional signals about the alternatives.

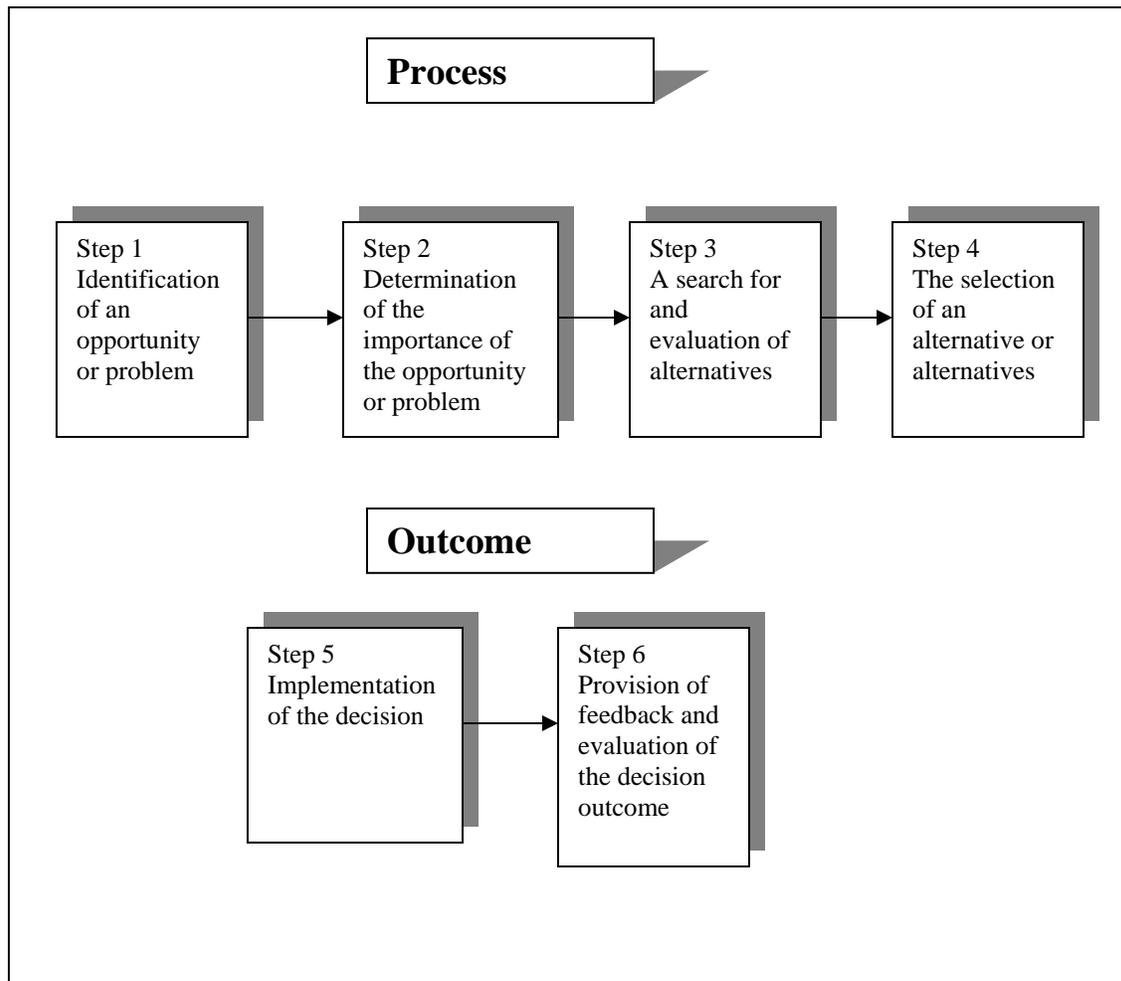
This literature attempts to simplify the multiple processes engaged in decision-making. No single analysis manages to encompass all of the variables involved. A better method researchers have taken to examine decision-making is to deconstruct the process into separate stages. In addition separate processes are identified for separate decisions.

### **2.2.2 The decision-making process**

Organisational members must make a variety of decisions each day that will affect a limited or wide range of people in the near future (from a few seconds to a few days) or the remote future (from a few weeks to many months to many years). Furthermore, a group makes almost all organisational decision-making, rather than an individual, so decision-making is primarily a social process whose outcomes are usually dispersed among an array of organisational members (Chen, Lawson, Gordon & McIntosh 1996; Gioffre, Lawson & Gordon 1992; Offermand & Gowing 1991; Sniezek & Henry 1990).

Figure 2.2 presents six steps of management decision-making, including both process and outcome. Lawson & Shen (1998) note that it is important to appreciate that organisational decision-making usually arises within turbulent, cacophonous or high-velocity environments in which change is ever present. There are a good many interruptions to any given decision activity and opportunities and problems keep streaming into or arising from within the organisation.

Figure 2.2: The decision-making process



Source: Adapted from Stoner, Yetton, Craic & Johnston (1994) *Management 2<sup>nd</sup> edn*

Decision-making usually begins with the identification of an opportunity (anticipatory decision-making) or a problem (reactive decision-making). Already the concept is separated. In general, the more closely the decision-making group is to real time data (Lawson & Shen 1998), the more likely they are to spot opportunities (such as new markets, organisational processes or technology) rather than focus on problems defined by historical or forecast data sets. Thereafter, the organisational member or decision-making group needs to determine if the focal situation is an important opportunity or problem that requires attention and action.

Steps 3 and 4 can be completed quickly or slowly, depending on the decision maker's level of tolerance for risk. A high tolerance allows for more speedy decision-making. In considering different alternatives, decision-makers have focused on implementation issues, so there is a clear linkage between the process and outcome components.

In steps 5 and 6 there is a shift to what may be called right-to-left thinking in that the goal or anticipated outcome of the decision is now clearly stated and attention is given to plans of action that outline what specifically needs to be done, working backward from the goal to the present. This right-to-left thinking increases the anticipation of barriers and the development of strategies to deal with them. Once a decision is implemented, it is important to monitor the outcome measures (improved quality, reduced expense and shorter delivery time) carefully, for without systematic feedback it is impossible to determine the overall effectiveness of decision-making.

Clearly a deconstructed analysis of the process highlights the intricacies involved in the concept. Such details become more relevant when the process is separated amongst different types of decisions.

### **2.2.3 Types of decisions**

Managers have to vary their approach to decision-making depending on the particular situation (Stoner et al. 1994). In general, decisions can be classified as either programmed or nonprogrammed (Simon 1977).

Lawson & Shen (1998) point out that programmed decisions usually involve highly repetitive and routine problems in which the procedures for decision making are well established, applied frequently, easily triggered and require immediate action. Simon (1977) suggested that in programmed decision-making, the focus is on the implementation of decision with the first steps highly standardized as represented in operating manuals and standard operating procedures.

Bartol et al. (1998) also suggested that programmed decisions are made in routine, well-structured situations using predetermined decision rules. The decision may be based on habit, statistical techniques or established policies and procedures that stem from prior experience or technical knowledge about what works in a particular situation.

In contrast, non-programmed decisions are used when predetermined decision rules are impractical, as in novel or ill-structured situations (Bass 1983). Most significant managerial decisions are non-programmed and involve significant uncertainty (Bartol et al 1998; Lawson & Shen 1998; Robbins, Bergman, Stagg & Coulter 2000; Stoner et al. 1994). Decisions made under uncertain conditions involve risk (Bartol et al. 1998; Lawson & Shen 1998; Robbins et al. 2000; Stoner et al. 1994) and the possibility of chosen action leading to losses rather than the intended results. Experts on decision-making used to differentiate between uncertainty and risk, but now view uncertainty as the cause of risk (Bazerman 1986).

Northcrafe & Neale (1990) suggested that uncertainty stems from a variety of sources. For example, elements in the environment that are difficult to predict or control can affect the success of a decision and cost and time constraints can limit information collection. Bartol et al. (1998) points out that social and political organisational factors such as poor inter-unit communication, makes relevant information gathering difficult. Moreover rapid situational changes render information quickly obsolete.

The proportion of non-programmed decisions that managers make increases at each hierarchical level (Bartol et al. 1998). Because these decisions require effective decision-making skills and creativity, they provide the biggest challenge to managers. Larrick (1993) points out that preferences for risk or certainty arises not only from the perceived value of outcomes and their probability, but more importantly from the belief that the outcomes will enhance or erode one's self-esteem and efficacy as a decision maker.

In general, most people believe that they reason clearly, exercise sound judgment and make decisions rationally and logically. However, many investigators have identified a number

of systematic errors and fallacies that people tend to commit when thinking and making decisions (Basic Behavioural Science Task Force, 1996). For example, people are influenced by whether a choice is framed in terms of gains or losses. Similarly, people often take risks because they do not assume that they will have to suffer the consequences. Thus, people's choices are often unduly tilted in the direction of what they want to believe, the confirmatory bias effect. Last, in making decisions, people tend to overestimate how many other persons agree with their attitudes and beliefs, a judgmental bias known as the false-consensus bias (Larrick 1993). It is important to be aware of these forces that moderate decision-making so decision-makers can appreciate the value of both the rational, objective forces and the cognitive and affective forces that will shape the decision.

Larrick (1993) noted that people usually respond to the emotional consequences of decision making, which is reflected in their feelings of success or failure, enhanced or lowered self-esteem and self-efficacy, elation or disappointment. Decision-making is more than a cold cognitive experience; it also includes hot emotional components. According to Josephs, Larrick, Steele and Nisbett (1992), when feedback on a decision is poor, people often feel regret, which can tarnish their self-image and lead to self-doubt about the wisdom of the original decision. In this regard, risk preferences are shaped by the motivation to protect one's self-image.

Josephs et al. (1992) reported that when faced with risky decisions, persons with low self-esteem were more risk averse when they expected feedback on their decisions, whereas persons with high self-esteem never made regret-minimizing choices. It appears, then, that the ability to maintain a good self-image in the face of regret is an important determinant of a person's preference for taking risks. Moreover, Browne (1993); Harrison (1987) suggested that decision-making involves perceived, rather than objective, measures of risk.

Larrick (1993) suggested that primarily cognitive forces determine risk preferences when a given decision poses little or no threat to self-esteem. However, as the potential of a threat to self-esteem increases (for example, when one regrets an earlier, publicly made,

decision), risk preferences are determined mainly by the motivation to protect and enhance one's self-image and self-esteem.

Thus multiple internal human forces are manipulated by external factors. All of this then will determine the capacity of a decision maker to undergo the process and arrive at an appropriate solution. When considering the impact that such societal and individual forces will have on decision-making it becomes clear that the national social system will fundamentally impact the quality of the decision-making. In order to best moderate and apply such factors it is necessary to summarise the models into essential parts.

#### **2.2.4 Summarising the models of decision-making**

The interdisciplinary aspects of decision-making are best illustrated within the framework of the proposed models. Such models show graphically how much emphasis applicable disciplines receive in decision-making. Moreover, models represent a particular segment of the real world at a given time and place under varying conditions. A great deal can be done to reduce the almost infinite number of complex variables in decision-making to a small number of causal factors, which are then more significant and understandable. Ideally then, a decision-making model should include some optimum number of variables which will explain the real-world phenomenon being modelled. Such a model should enable the decision maker to predict real-world phenomena with valuable consistency and accuracy.

Rice & Bishoprick (1971) defined models as follows:

*“ Models can be mathematical, social or philosophical. They can involve physical phenomena, emotional phenomena or, in fact, anything capable of theoretical analysis. Because they are used in theoretical analysis, there have been many different models developed to explain the same or similar phenomena. Each theoretical discipline, in examining an occurrence, must develop its own model to explain it”.*

Browne (1993); Harrison (1987) points out that there are four decision models. These models, the rationality, bounded-rationality, political models and process models, as shown in the Table 2.1, are briefly discussed in this section.

Table 2.1: Interdisciplinary models of decision-making

Model	Primary Decision-making criterion	Key ingredients	Key assumptions
Rational (classical)	Maximized outcome	Objectives: specific states of nature; subjective probabilities; quantified utilities; exhaustive alternatives; computational decision-making strategy; short-term horizon; high structured process	Fixed objectives unlimited information, no cognitive limitations; no time and cost constraints; quantifiable and controlled variables; closed system; quantitatively limited outcomes
Organisational (neoclassical)	Satisfying outcome	Objectives: general states of nature limited subjective probabilities; partially quantified utilities; non-exhaustive alternatives; sensitive environment; judgmental decision-making strategy; short-term horizon; moderately structured process	Attainable objectives: limited information; cognitive limitations; time and cost constraints; partially quantifiable and intransitive alternatives; open system; qualitatively and moderately quantitatively limited
Political (adaptive)	Acceptable outcome	Objectives: general states of nature; no probabilities; unquantifiable utilities; non-exhaustive alternatives; dominant environment; compromise or bargaining decision-making strategy; restricted number of outcomes; short-term horizon; incremental steps; loosely structured process	Limited objective: unlimited information; no cognitive limitations; no time and cost constraints; non-quantifiable and generally transitive alternative; open system; environmentally-limited outcomes; no "right" decision
Process (managerial)	Objectives oriented outcome	Objectives: general states of nature; generally subjective probabilities; objectives-oriented utilities; exhaustive alternatives; sensitive to environment constraints; judgmental decision-making strategy with selective use of computation and compromise; long-term horizon; limited number of outcomes; highly structured process	Highly dynamic objective: limited information; cognitive limitations; time and cost constraints generally non-quantifiable and intransitive alternatives; open system; sequential decision-making functions; objective-oriented outcomes

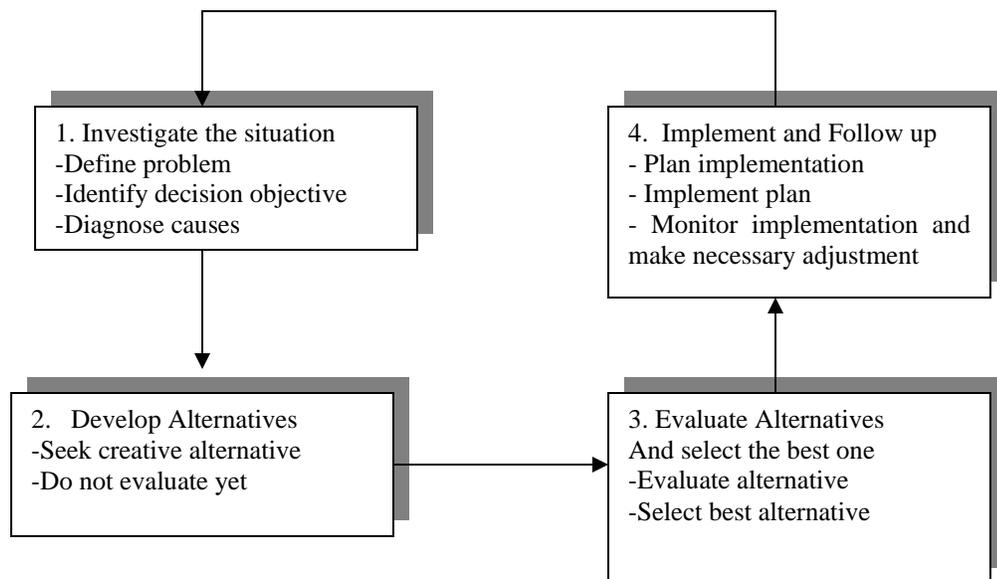
Source: Adapted from Harrison E, F. (1993) 'Interdisciplinary models of decision-making', *Management Decision*

### 2.2.4.1 The Rational model

The rational model is essentially normative in that it takes a prescriptive rather than a descriptive approach to decision making. It is based on the assumptions that decision makers are entirely rational and seek the best or most effective alternative for a given problem (Browne 1993). The rational model is the classical approach in the field of decision theory. It provides the foundation for the quantitative discipline of economics, mathematics and statistics (Bartol et al.1998). Indeed, the rational model is the main reason why many people regard decision making as essentially quantitative (Harrison 1993). The rational model explicitly presumes that if a given variable cannot be assigned a numeric value, it should be disregarded or assumed away as a constant or given value. It is a model which operates within a closed environment with a single fixed objective and a rather precise number of variables.

The rational model of decision-making proposes a linear, sequential style of decision-making as depicted in Figure 2.3.

Figure 2.3: The rational problem-solving process



Source: Adapted from Stoner et al. (1994). *Management 2<sup>nd</sup> edn*

Figure 2.3 details basic process of rational model decision-making. It involves diagnosing and defining the problem, gathering and analysing the facts relevant to the problem, developing and evaluating alternative solutions, selecting the most satisfactory alternative and converting this to action.

The model further assumes that decision makers:

- (i) have complete information about the opportunity or problems,
- (ii) have complete information about all alternatives and the consequences of selecting one alternative over any other, and
- (iii) make a decision solely on the basis of expectations about future outcomes, rather than on power or political considerations.

In general, individuals and organisations aspire to make as many decisions as possible on the basis of rational considerations. However, there are many obstacles in doing so. Such obstacles include the nature of organisations, constraints on resources, and limited information that can be assembled and processed by the decision-making group within a given time.

#### **2.2.4.2 The Bounded Rationality model**

This model has been put forth as a more accurate description of how decisions are actually made in a variety of organisations (Cyert & March 1963; March & Simon 1958; Simon, 1955,1976). A fundamental assumption of this model is that decision makers behave rationally within the constraints of their cognitive capabilities to attend to and define the problem and gain information about alternatives. In other words, decision makers aspire to make optimal choices but are hampered by the following two boundaries to rationality:

- (i) all possible information about the problem and alternative cannot be known within a given period, and

- (ii) a decision may be based on criteria other than the rational and logical evaluation of information, such as consideration of member's preferences and coalitions in the organisation.

As a consequence of the cognitive constraints of not being able to gather and process all the possible information, decision makers “satisfy” rather than “optimise” by selecting the alternative that appears good enough to solve the problem.

Cyert & March (1963) described decision-making as shaped by three basic forces that operate in all organisations:

- (i) conflict arising from the choice of an alternative is seldom totally resolved or confronted; rather it is only partially resolved through satisfying,
- (ii) decision makers limit their search for alternatives to a problem by staying within the boundaries of prior or existing alternatives that they know about and thus that do not add further ambiguity to the situation, and
- (iii) as a result of observing the consequences of their decision, organisations learn to modify their aspirations or goals on the basis of their own experiences and those of other organisations with whom they compare themselves.

According to the bounded-rationality model, most decisions are made using relatively stable, routine organisational processes that operate incrementally in response to problems and serve to maintain the stability of an organisation over time.

In a different approach Simon (1955, 1958, 1976) takes a broader definition of the dimensions of the organisational model beyond the neoclassical approach advanced by Cyert & March (1963). He notes five significant deviations from the rational model which reflect the behavioural aspects of managerial decision making in formal organisations.

- (i) Factored decisions: managerial decisions are often so complex that only a limited number of their aspects can be attended to at a time. Thus, managerial decision makers must divide decisions into a number of roughly interdependent parts and deal with the parts one by one within the various units of the organisation.
- (i) Satisfying outcome: Maximizing outcomes, which is characteristic of the rational model, is replaced by the satisfying of outcomes in the organisational model.
- (ii) Search: Organisations generate alternatives by relatively stable, sequential search procedures.
- (iii) Uncertainty avoidance: Uncertainty tends to be avoided by making choices, which emphasise short-run feedback to provide for timely changes in emerging outcomes which appear to diverge from the objective at hand.
- (iv) Repertoires: Organisations tend to have second and third alternatives, which may be implemented if feedback indicates that a presumed satisfying choice is not yielding a desirable outcome (Allison, 1971).

As shown in Table 2.1, the organisational model represents a significant departure from the classical model. Fixed objectives are replaced by attainable objectives, which may be scaled downward if the search does not reveal adequate alternatives. The organisational model acknowledges the constraints of limited information, cognitive limitations and time and cost limitations. As such, the organisational model introduces the disciplines of philosophy, psychology and sociology into the decision-making situation. The prescriptive qualities of economics, mathematics and statistics are softened in the organisational model. This model is open to environmental influences and accepts outcomes on their qualitative as well as their quantitative merits.

### 2.2.4.3 The Political model

The political model proposes that decisions result from bargaining by individuals or coalitions, rather than from the operation of routine organisational information gathering and processing (Harrison, 1993). Accordingly, decision-making is a matter of seeking a solution that is acceptable to all parties and following a strategy of incrementalism in search of what is possible, rather than what is optimal or satisfying (Harrison, 1993). An incremental approach to decision-making, or inching along a step at a time, limits the definition of the problem, the information search processes, the number of alternatives and the number of participants only to those who have a stake in the outcome and power either to block or implement the decision. Harrison (1987) and Browne (1993) believe that political decision-making also usually includes:

- (i) considering only alternatives that differ slightly, marginally, or incrementally from existing policies or practices,
- (ii) considering a small number of alternatives and only those with limited consequences,
- (iii) continually massaging or redefining the problem and alternative to make the decision acceptable to all parties, and
- (iv) focusing on short-term problems.

Organisations are considered contexts for decision-making in which various coalitions of individuals and subunits are nested, all of which have goals and aspirations that evolve over time and make decisions based on successive and limited comparisons of alternatives. As Cohen, March & Olson (1972) suggested in their “*garbage-can model of decision-making*” organisational contexts are defined by disorderly streams of decision makers, problem, solutions and opportunities for making choices that are loosely coupled or linked only by their arrival and departure times in the organisation. Bass (1983) & Perrow (1977) considered and point out that the “*garbage-can model of decision-making*” is too descriptive; applicable primarily to public service and non-hierarchical organisations; and focused mainly on reactive, rather than proactive, decision-making.

#### **2.2.4.4 The Process model**

Use of the process-oriented approach to managerial decision-making is definitely increasing. Simon (1977); Witte (1972); Schrenk (1969); Janis (1968); Fredrikson (1971) noted that the components of the decision-making process are the functions of decision-making which include:

- (i) setting managerial objectives
- (ii) searching for alternatives
- (iii) comparing and evaluating alternatives
- (iv) the act of choice
- (v) implementing the decision
- (vi) following up and controlling the decision

There is virtually no limit to the number of models of decision-making which can be developed to serve the purposes and advance the discipline of the model builder. Models, founded on key assumptions and composed of key ingredients, help to understand better the complex nature of decision-making. Because they reflect uni-dimensional and multi-dimensional perspectives on decision-making, models constitute an ideal medium through which to illustrate the interdisciplinary character and the eclectic nature of managerial decision-making.

To sum up, this section 2.3.4 focused on four conceptual models which exemplify the interdisciplinary nature of managerial decision making in formal organisations. The rational model is based on the assumption that all the significant variables in a given decision-making situation can be quantified to some degree. It is a model which operates within an artificially closed environment. Thus, the rational model is of limited use in most real-world managerial decisions involving high level of uncertainty. This model may have limited applicability in making operational decisions characterised by high levels of certainty in their outcomes or in conducting academic instruction to illustrate hypothetical relationships among selective decision-making variables.

The organisational model tends to be eclectic in that it combines the behavioural disciplines with quantitative analysis to arrive at an outcome that fits the constraints caused by the external environment (Harrison, 1993). The organisational model is similar to the rational model. And like the rational model, the organisational model is best suited for decisions with high level of certainty attendant on the outcome so decision making within this model normally made at lower levels in the organisation (Harrison, 1993).

The political model of decision-making is characteristic of most organisations in the public sector. This model is almost totally behavioural in its orientation (Lawson & Shen, 1998). The primary criterion for decision-making in the political model is an outcome that is acceptable to many external constituencies. Consequently, the political model employs a bargaining or compromise decision-making strategy. The political model seems unlikely to be used widely in the private sector (Harrison, 1993).

In the process model, decision-making has a strong managerial emphasis and its objectives are focussed on achieving outcomes. This model is suitable when decisions are made in a climate of uncertainty attendant on the outcome. Such decisions include those made at middle and upper levels of management both in the private and the public sectors where the consequences are of high level of significance to the total organisation (Harrison, 1993). Moreover, the process model is ideal for these kinds of decision because it is forward looking in that it has a planning emphasis not apparent in the other models of decision-making (Elbing 1978). Harrison (1993) also points out that the process model is oriented towards innovation and organisational change with a particular emphasis on long-term results. It relies principally on the judgement of the decision maker, but not on the exclusion of computation or compromise to fit special decision-making situations. It enhances the role of all types decision-making (Harrison, 1993). Research has shown that the process model is a primary contributor to decision success (Harrison, 1993). The net result of its initial adoption or its selective re-emphasis should be decisions which are more likely to attain managerial objectives and to fulfil organisational purposes.

Each of the models is designed to take the personal and social impacts of decision-making and process them into stages such that each can be independently analysed. The models however are based on general societal characteristics rather than specific situations. Consequently, they cannot be readily applied where the personal and social forces are inconsistent with the models assumptions.

Consequently, none of the primary models can be easily applied to Thailand. Thai social systems, culture and business practices transform each model rendering them unworkable. Consequently, there is a gap in the present research where these social, cultural and business practises are not sufficiently accounted for. Thus it is necessary to evaluate each model's applicability to Thailand, identify the gaps and weaknesses and from this develop and model that accounts for these problems. Before this can occur however all of the issues with respect to decision-making in general must be considered in the context of organisations. This step builds from the previous information and must also be considered when adopting and developing a style for Thailand. The following section therefore will focus on the second parent discipline; the organisation's structure.

### **2.3 Parent discipline part 2**

The previous section addressed the concepts of decision-making as a means of enhancing accountability within the framework of effective decision-making style. This section focuses on organisational decision-making, so the purpose of the second parent discipline consists of two major parts. The first objective of this section is to provide the overview of organisational structure including types of organisational structures using the literature to trace the development of these structures into a specialist function. The second objective is to identify the focus of decision making, in particular, of centralised and decentralised decision making. This will enable the development of a model set of principles for evaluating the contribution that decision-styles may make in closing management gaps. Consequently, different organisational structures are considered, the decision-making strata that exist within those structures and the locus of decision-making.

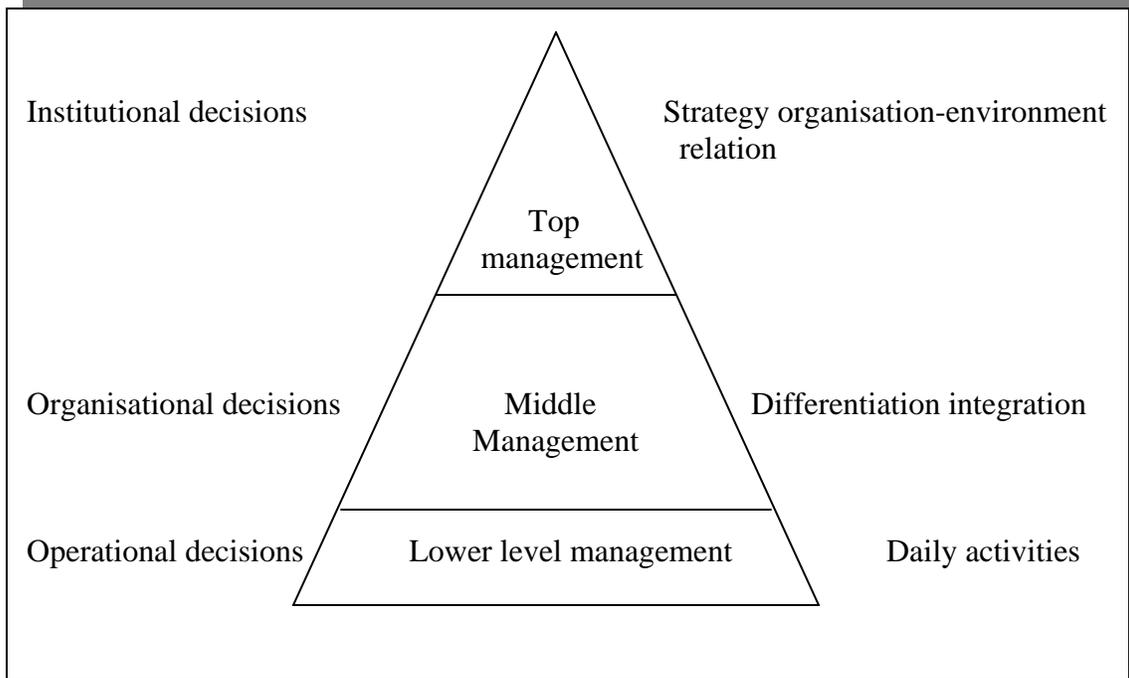
### **2.3.1 Organisational structure**

Organisational structure is the formal pattern of interactions and coordination designed to link the tasks of individuals and groups to achieve organisational goals (Bartol et al. 1998; Robbins et al. 1998 Stoner et al. 1994). Moreover, Lewis et al. (2001) point out that organisational structure refers to the primary reporting relationships that exist within an organisation. The chain of command and hierarchy of responsibility, authority and accountability are established through organisational structure. These relationships are often illustrated in an organisation chart (Lewis et al. 2001). In general, four types of structures are in organisations today. Three of these- the functional, divisional and matrix structures- are traditional organisational forms that have been used by U.S. corporations for decades (Lewis et al. 2001). The fourth, the network structure, has emerged more recently as an approach to meeting the challenges of today's business environment. Within each structure various decision-making styles are adopted. These styles are considered in the following section.

### **2.3.2 Organisational decision-making**

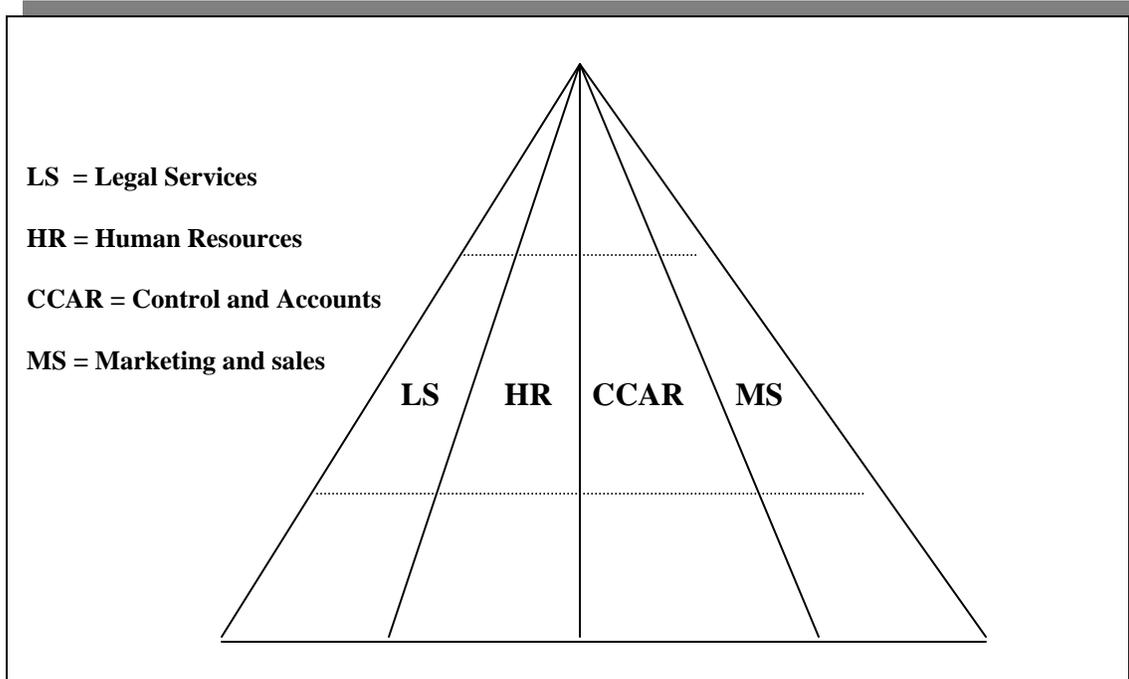
Decisions are made throughout organisations. When organisation theorists speak of organisational decision-making they refer to decision-making processes that occur at all levels and all units of an organisation (Lewis et al. 2001). Hatch (1997) suggests that in most traditional organisations the decision-making process is specialised. Top management focuses on strategic decision-making, middle managers emphasise decisions about internal structural arrangement and coordination among units and lower level managers are responsible for decision about day-to-day operational activities within their assigned units (see Figure 2.4). Meanwhile, in functional structures, decisions about marketing are made by marketing departments, accounting decisions by accounting departments and so forth (see Figure 2.5). In divisional structures, decision-making follows divisional interests and concerns (see Figure 2.6).

Figure 2.4: Decision-making in the hierarchical organisation



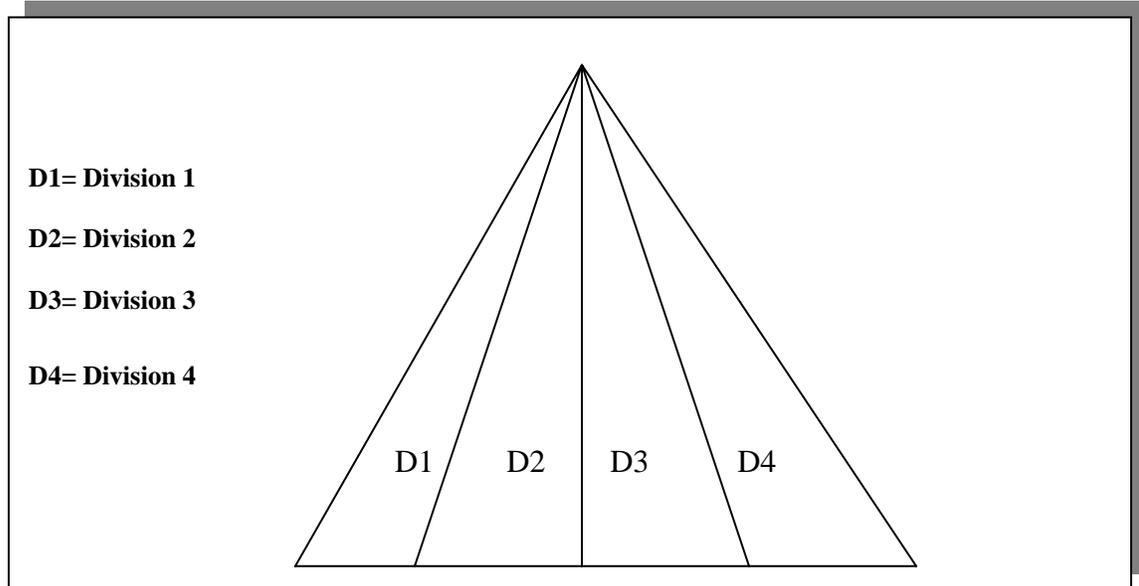
Source: Adapted from Hatch (1997). *Organisation Theory*

Figure 2.5: Decision-making in the functional organisation



Source: Adapted from Hatch (1997). *Organisation Theory*

Figure 2.6: Decision-making in the divisional organisation



Source: Adapted from Hatch (1997). *Organisation Theory*

To sum up, accordingly different organisational structures lend themselves to different decision making hierarchies and focuses. In this way the decision making structure must match the organisational structure so as to facilitate the effective operation of the company.

Within each decision making structure different decision-makers will naturally focus on different influencing factors, apply different general models and achieve differing aims. Any model therefore that is to apply to Thailand must consider the various organisational structures present in the country and be able to be flexibly adapted to each one.

### 2.3.3 Locus of decision-making

The locus of decision-making refers to whether the organisation's decision making is centralised or decentralised (Bartol et al. 1998; Lewis et al. 2001). This may be determined by examining how decision-making authority is divided between corporate headquarters and the operating units or between the top-level management of an operating unit and departmental work groups. To foster vertical coordination managers must consider

appropriate levels of centralisation, the extent to which power and authority are retained at top organisational levels. On the other hand, the extents to which power and authority are delegated to lower levers, called decentralisation, must also be considered so as to ensure prompt and flexible responses to client issues.

In general, centralised decision-making gives top-level management more control than does decentralised decision-making (Bartol et al. 1998; Lewis et al. 2001; Robbins et al. 2000). The concept of centralisation and decentralisation is a relative, not an absolute one (Bartol et al. 1998; Lewis et al. 2001; Robbins et al. 2000). This means that an organisation is never completely centralised or decentralised. Few organisations could function effectively if all decisions were made only by a select group of top managers; nor could they function effectively if all decisions were delegated to the lowest employee levels.

Lewis et al (2001) point out that centralisation may be appropriate when work groups are highly independent or when maximising the efficient use of resources is essential to the success of the organisation. The primary disadvantage of centralised decision making is that it may limit the organisation's ability to respond quickly and effectively to changes in its environment. Robbins et al. (2000) argue that the primary advantage of decentralised decision-making is that organisations can respond to environmental changes more rapidly and effectively when decisions are being made by the people closest to the situation.

In addition, many researchers would argue that the individuals who are closest to the customers and suppliers are best prepared to make most decisions. Coordination between units may be hindered by decentralised decision making, however, and achieving efficiency through standardisation may be more difficult to accomplish. Furthermore, the growing diversity of the work force has increased the variability in decision-making styles. Consequently, to ensure a consistent approach the decisions should be made by fewer people.

Organisations should determine their locus of decision-making in light of the advantages they seek, as well as the specific strategic and operational conditions they face. Today,

many organisation leaders are attempting to decentralise decision-making in an effort to enhance the speed, flexibility and responsiveness of their organisations (Lewis et al. 2001). Hitachi, for example, redesigned its structure around 10 autonomous units that maintain nearly all decision-making power. Hitachi implemented the new organisational design in an effort to speed up decision-making within the company and be more responsive to customer needs (Fulford 1999).

Mintzberg (1983) considers whether an organisation moves towards more centralisation or more decentralisation depends upon a number of factors. These factors have been identified and are proven as influencing the amount of centralisation or decentralisation an organisation has. See. Table 2.2

Table 2.2: Factors that influence the amount of centralisation or decentralisation

More centralisation	More decentralisation
<ul style="list-style-type: none"> <li>- Environment is stable</li> <li>- Lower-level managers are not as capable or experienced at making decisions as upper-level managers.</li> <li>- Lower-level managers do not want to have a say in decisions.</li> <li>- Decisions are significant</li> <li>- Organisation is facing a crisis or the risk of company failure.</li> <li>- Company is large.</li> <li>- Effective implementation of company strategies depends on managers' retaining say over what happens.</li> </ul>	<ul style="list-style-type: none"> <li>- Environment is complex uncertain</li> <li>- Lower-level managers are capable and experienced at making decision.</li> <li>- Lower-level managers want a voice in decisions.</li> <li>- Decisions are relatively minor.</li> <li>- Corporate culture is open to allowing managers to have a say in what happens</li> <li>- Company is geographically dispersed.</li> <li>- Effective implementation of company strategies depends on manger's having involvement and flexibility to make decision</li> </ul>

Source: Adapted from Robbins et al. (2000). Management 2<sup>nd</sup> edn

In conclusion the organisation must also be aware of the factors influencing its locus of decision-making. It is crucial that the organisation takes advice from these factors and mirrors its style to match that which is indicated as appropriate from the factors. This will best allow the organisation to work in equilibrium.

In brief, in parent discipline part 2, there are a number of different organisational structures. To each structure there is a uniquely suited decision making system. To each company a balance must be drawn so as to ensure the right decisions are being made at the right level. Ensuring each of the components is in equilibrium and matching one another, the company will operate more effectively and will have a greater chance at success. Ensuring this equilibrium in a Thai context creates its own difficulties. Primarily, a group decision-making process is advocated for Thai firms. This decision-making style impacts on the areas in which decisions can be made and accordingly must be an additional factor which will influence the locus of decision-making. Any shift in the locus could also impact the decision-making strata and consequentially the organisational structure itself.

All of this must be considered in developing the Thai decision making model. It is essential from these points to build a model not only considering the gaps in the present models as they apply to Thai culture and society (as indicated by parent discipline 1) but also considering the organisational make up of Thai firms and the locus of decision making in those organisations.

## **2.4 Parent Discipline part 3**

Regarded as the third parent discipline of this study, group decision-making is an alternative for Thai firms. Adopting this alternative will in part amalgamate best decision practice with traditional Thai society and culture. To clearly understand the body of group decision-making, it is appropriate to investigate this concept.

### 2.4.1 Group decision-making

This section describes the general concept of group decision-making. The following subsections include advantages and disadvantages of group and individual decision-making. Then, the concept of Groupthink is reviewed.

Many decisions in organisations, especially important decisions that have a far-reaching impact on organisational activities and personnel are made in groups (Bartol et al. 1998). It is assumed that group decision-making can promote and sustain the competitive position of the organisations (Bartol et al. 1998; Stoner et al. 1994). It is a rare organisation that does not at some time use committees, task forces, review panels, study teams or similar groups as vehicles for making decisions.

The literature review about decision-making compared the individual decision-making and group decision-making as shown in Table 2.3 (Bartol et al. 1998; Robbins et al.; Stoner et al. 1994).

Table 2.3: Advantages and disadvantages of group decision-making

Advantages	Disadvantages
<ol style="list-style-type: none"><li>1. More information and knowledge is focused on the issue.</li><li>2. An increased number of alternatives can be developed.</li><li>3. Greater understanding and acceptance of the final decision is likely.</li><li>4. Members develop knowledge and skills for future use.</li></ol>	<ol style="list-style-type: none"><li>1. It is usually more time-consuming.</li><li>2. Disagreements may delay decisions and cause hard feelings.</li><li>3. The discussion may be dominated by one or a few group members.</li><li>4. Groupthink may cause members to overemphasise reaching agreement.</li></ol>

Source: Adapted from Bartol et al. (1998). Management: A Pacific Rim focus 2<sup>nd</sup> edn

As Table 2.3 shows, group decision-making tends to be more accurate. The evidence indicates that on average groups make better decisions than individuals (Michaelson, Watson & Black 1989; Henry 1993; Paese, Bieser & Tubbs 1993; Gigone & Hastie 1993; Straus & McGrath 1994). If decision effectiveness is defined in terms of speed, individuals are superior. Group decision process are characterised by give and take, which consumes time. Effectiveness may mean the degree to which a solution demonstrates creativity (Robbins et al. 2000). The researchers show that if creativity is important, groups tend to be more effective than individuals (Bartol et al. 1998; Robbins, et al. 2000; Stoner et al. 1994).

Moreover, the researcher pointed out that group decision-making is also influenced by the size of the group (Bartol et al. 1998; Robbins, et al. 2000; Stoner et al. 1994) and also society and culture characteristics, hierarchy and organisational characteristics will be mentioned in immediate discipline section 2.6

Robbins et al. (2000) believed that, the larger group, the greater the opportunity for varied representations. However, the larger group requires more coordination and more time to allow all members to contribute (Bartol et al. 1998). Henry 1993; Paese et al. 1993; Gigone & Hastie 1993; Straus & McGrath 1994 indicate that having five and seven members are valuable to avoid deadlocks. These groups are large enough for members to shift roles and withdraw from unfavourable positions but still small enough for quieter members to participate actively in discussions. This is one factor groups should consider when making decisions.

#### **2.4.2 Group considerations in decision-making**

Decision-making is frequently entrusted to a group, board, standing committee, ad hoc committee, or task force. Group decision-making is becoming more common as organisations focus on improving customer services through quality management and push decision-making to lower levels (Lewis, et al.2001). This section examines the issues related to using groups to make decisions.

### **2.4.2.1 Participative decision-making**

Participative decision-making is not a single technique that can be applied to all situations (Lewis et al. 2001). Managers can use a variety of techniques to involve the members of the organisation in decision-making. The appropriate level of subordinate participation in decision-making depends on the manager, the employees, the organisations and the nature of the decision itself. This section examines the role of the principal in three models of group decision-making. The models to be examined are the Vroom-Yetton decision-making model, the Nominal Group Technique (NGT), Brainstorming Techniques and the Delphi Technique.

#### **(a) The Vroom-Yetton Technique**

The Vroom-Yetton (1973) developed a model for participation in decision-making that helps managers determine when group decision-making is appropriate. This model has the leader/principal designing, regulating and selecting social systems, which then make decisions. The principal must also determine who will be needed to meet the objective. Updated by Vroom & Jago (1988) to reflect the decision-making environment of managers more adequately, this model expands the three basic decision-making methods (individual, consultative and group) into five styles of possible decision participation. To arrive at the best decision, a manager needs to analyse the situation and then choose one of the five decision-making styles.

As Table 2.4 shows, the five styles can be arranged along a continuum. The decision methods become progressively more participative as one moves from the highly autocratic style (AI), in which the manager decides alone, to the consultative style (CI), in which the manager consults with the group before deciding, to the group style (GII), in which the manager allows the group to decide.

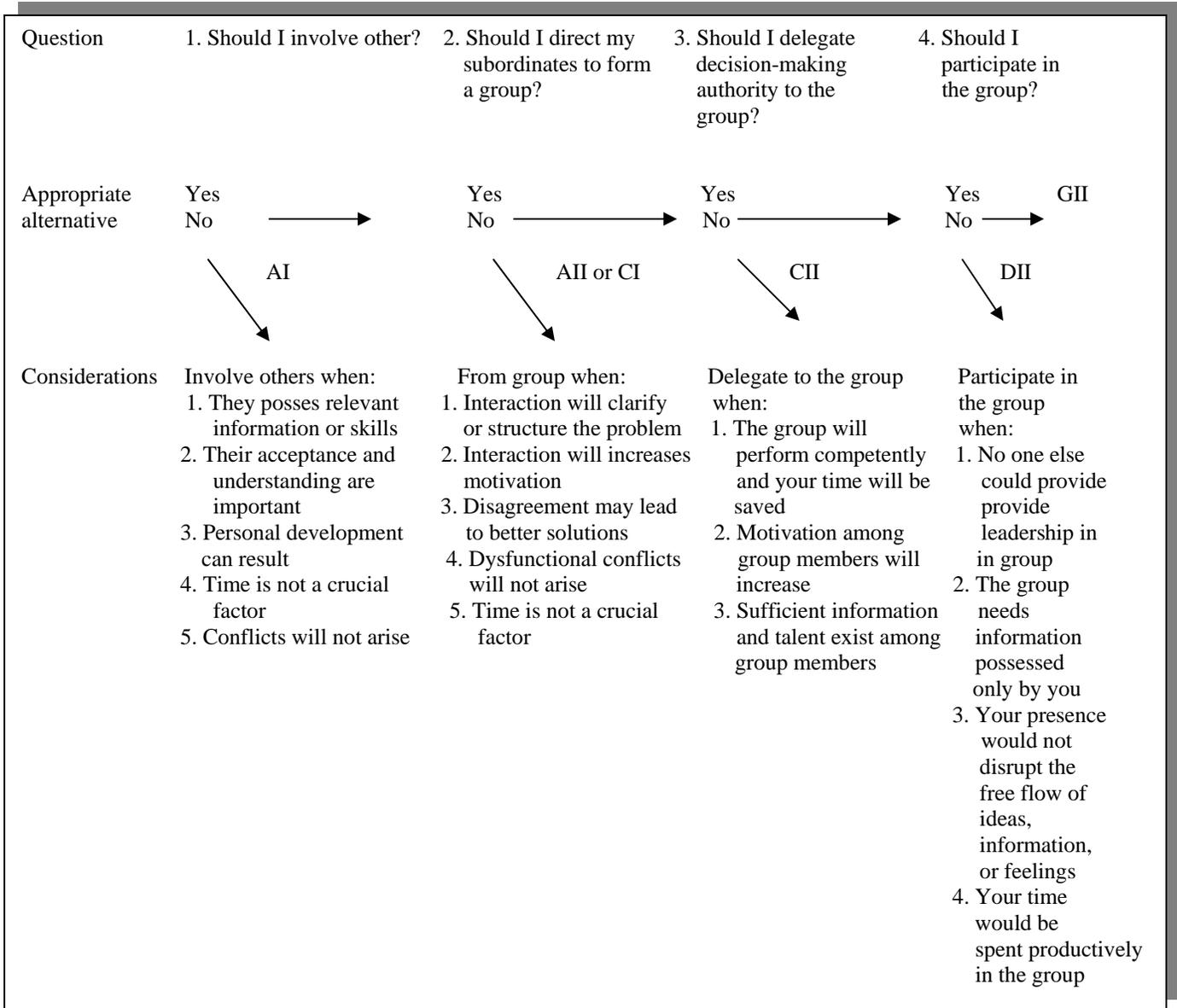
Table 2.4: Decision styles

	Decision Style	Description
Highly autocratic  Highly democratic	AI	The manager solves the decision problem alone using information available at the time.
	AII	The manager solves the decision problem alone after obtaining necessary information from subordinates.
	CI	The manager solves the decision problem after obtaining ideas and suggestions from subordinates individually. The decision may or may not reflect their counsel.
	CII	The manager solves the decision problem after obtaining ideas and suggestions from subordinates as a group. The decision may or may not reflect their counsel.
	GII	The group analyses the problem, identifies and evaluates alternatives and makes a decision. The manager acts as coordinator of the group of subordinates and accepts and implements any solution that has the support of the group.

Source: Adapted from Vroom-Yetton (1973). *Leadership and decision-making*.

The Vroom-Yetton (1973) model provides the principal with a model of a decision tree, which allows the principal to narrow the portions available and decipher the correct level of group participation in decision-making (see Figure 2.8). This model also allows the principal to prescribe the amount of participation and time needed for the right solution.

Figure 2.7: Model for selecting among alternatives when several are in the feasible set (for group problems only)



Source: Adapted from Harrison E.F. (1993). 'Interdisciplinary models of decision-making', *Management Decision*.

In the first part of the model the principal deals with the definition of the decision and a range of leadership styles that vary from highly autocratic to highly participative. The four group styles consist of the autocratic leadership style, the consultative style, the group decision style and the delegated decision style. The second part is the definition of decision effectiveness, which deals with the relationship of the decision to the group performance. This aspect poses, for the principal, the question of how important group acceptance of the decision needs to be for it to be successfully implemented. The principal guides the amount of participation in decision in the third part. The principal must decide the decision effectiveness and the best way to reach the desired level of effectiveness.

The Vroom-Yetton model concludes that the principal, as the key player, must make judgements about the characteristics of the problems being faced. Successful leadership style selection is based on how the principal is able to answer the diagnostic question accurately (Lewis et al. 2001). The common dimension of supervision-found in all positions of leadership is the ability to perceive a desirable objective and to help others contribute to this vision and to act in accordance with it (Lewis et al. 2001).

#### (b) The Nominal Group Technique

The Nominal Group Technique (NGT) was developed by Andre L. Delberg and Andrew H. Van de Ven in 1968 (Pashiardis 1993). NGT is a structured process designed to stimulate creative group decision-making where agreement is lacking or the members have incomplete knowledge of the nature of the problem (Bartol et al.1998; Lewis et al. 2001; Pashiardis 1993; Robbins et al. 2000). NGT is enhancing creativity and decision-making that integrates both individual work and group interaction with certain basic guidelines. NGT was developed to foster individual as well as group creativity and further overcome the tendency of group members to criticize ideas when they are offered.

NGT is used in situations in which group members must pool their judgments to solve the problem and determine a satisfactory course of action (Bartol et al.1998; Lewis et al. 2001; Pashiardis 1993; Robbins et al. 2000). Lewis et al (2001) suggest that NGT may be most

effective when decisions are complex or when the group is experiencing blockages or problems, such as a few dominating members. Pashiardis (1993) also believe that NGT is generally effective in generating large numbers of creative alternatives while maintaining group satisfaction.

#### (c) Brainstorming

The Brainstorming technique for enhancing creativity encourages group members to generate as many novel ideas as possible on a topic without evaluating them (Bartol et al.1998). Robbins et al. (2000) point out that typical brainstorming session, six to 12 people sit around a table. The group leader states that problem in a clear manner that is understood by all participants.

Stoner et al. (1994) mentioned that brainstorming technique has four basic rules, do not criticise during idea generation, freewheel, offer many ideas and improve on already offered ideas. Bartol et al. (1998) also suggest that brainstorming is often coupled with other approaches such as choosing a word in a dictionary and brainstorming associations between the word and aspects of the problem.

#### (d) The Delphi Technique

The Delphi technique, originally developed by the Rand Corporation in the early 1960s (Pashiardis 1993), is an instrument used to summarize the opinion without a group ever assembling. Lewis et al. (2001) points out that it is a particularly useful technique for a busy principal to use with busy subordinates who can respond at their leisure or in the comfort of their own homes without having to meet on a formal basis.

The Delphi technique can be used to define problems and to consider and select alternatives (Pashiardis 1993). The Delphi technique is best used under special circumstances. Lewis et al. (2001) distinguish the primary difference between NGT and the

Delphi technique on the basis that the Delphi technique participants do not meet face to face.

Pashiardis (1993) points out a significant advantage of the Delphi technique; participants do not know each other so there is anonymity among the players. This is a good feature of the technique because it ensures more objectivity in the comments made and it also protects the process from the influence of those who are more powerful or extroverted from distorting other opinions.

To sum up, the four group decision-making models espoused in this section give the principal a set of options, which can be used to match any particular job at hand. The Delphi Technique looks to future needs. Subordinates might poll the managers to see what they require in order to provide for them in the most effective way. Brainstorming is an idea generating process that encourages alternative views while withholding criticism. If a principal needs a safe and orderly environment, the decision-making model should reflect the NGT. Through the use of this technique managers would list their beliefs of what is necessary for a safe and orderly learning environment.

If a principal were not sure of the appropriate group procedure they might consult the Vroom-Yetton model. This allows the principal to ask diagnostic questions such as “Should I involve others? Or “Should I direct my subordinates to form a group?” In order to employ the Vroom-Yetton Technique the principal must decide whether to involve others and which people possess the relevant information or skill. Thus these models provide alternatives that could permit groups to have any level of involvement in any form of decision making. Nevertheless groups may still encounter other problems such as groupthink.

#### **2.4.2.2 Groupthink**

Groupthink is the tendency of a group to pursue and attain a premature consensus for a given decision. Janis (1972) defined groupthink as

*“ a model of thinking that people engage in when they are deeply involved in a cohesive in-group members’ striving for unanimity override their motivation to realistically appraise alternative courses of action, a deterioration of mental efficiency, reality testing, and moral judgment that result from in group pressures” (p.9).*

The construct of groupthink grew out of Janis’s (1972) analytical case studies of major decision-making, the research focused on high-level governmental policy groups faced with difficult problems in complex and dynamic environments. The groupthink phenomenon has been used to explain numerous group decisions that have resulted in serious fiascos, including the Bay of Pigs invasion, the escalation of the Vietnam conflict, the Watergate cover-up, the explosion of the space shuttle Challenger, and flawed group problem solving in business organisations (Aldag & Fuller 1993; Janies 1982, 1989).

Janis and Mann (1977), suggest that groupthink is most likely to arise under certain conditions, which are then reflected in specific symptoms exhibited by the decision-making process. Groupthink also often results in specific defects in decision-making that lead inevitably to poor decision outcomes. Janis (1982) stressed that the primary antecedent of groupthink is a moderate to high level of cohesiveness in the decision making group with structural faults in the group and a provocative situational context as secondary antecedents only. Structural faults include a group’s insulation from external, especially contradictory information or expert testimony; biased leadership; lack of clear-cut guidelines for the process; and members whose social and ideological backgrounds are similar. The provocative situational context consists of stressors outside the group, such as pressure to make a decision or the threat of the potential loss of power, and internal stressors, including the group members’ perceptions of the difficulty of the task a belief that there is no morally correct alternative, as well as the group’s recent history of decision-making failures.

Almost all the empirical studies of groupthink have focused primarily on the two antecedent conditions: the group’s cohesiveness and directive leadership (Aldag & Fuller 1993; Chen et al. 1996; McCauley 1989; Montanari & Moorehead 1989; Park 1990; Tellock, Peterson, McGuire, Chang & Feld 1992). The effect of leadership style on

groupthink is much more consistent than the effect of cohesiveness alone or their interaction effect on groupthink. Groups with directive leadership styles generally produce more symptoms of groupthink and have more observable defects in their decision-making processes than do groups with participative leadership styles (Flowers 1977; Fodor & Smith 1982; McCauley 1989; Moorhead & Montanari 1986). Groupthink occurs when cohesiveness interacts with other antecedent conditions. For example, Callaway and Esser (1984) reported an interaction effect between high cohesiveness and the lack of decision-making procedures or guidelines to avoid defective decision-making processes. High cohesiveness coupled with the lack of such procedures or guidelines, discouraged disagreement and produced fewer alternative solutions to problems.

The groupthink analysis is crucial to understand in considering a new decision-making model for Thai firms. As the group decision-making model is advocated as a component of the Thai decision-making model it is necessary for managers to appreciate its drawbacks. Also it is crucial for managers to appreciate that their role is not subsumed in this new model but rather capabilities to identify and diffuse group think will be required. Finally an understanding of the dangers of the group system will allow the model and managers to enhance the group decision-making process.

### **2.4.3 Enhancing group decision-making processes**

A number of positive steps may be taken to nullify groupthink and improve group decision-making. Bartol et al 1998; Janis 1982, 1989; Lewis et al. 2001; Pashiardis 1993; Robbins et al. 2000 suggested a number of preventive measures to avoid or minimize groupthink, including participative, rather than directive leadership and the appointment of a group member to play “*devil’s advocate*”. Another preventive measure is to invite experts to the group’s meetings to moderate any groupthink tendencies and to encourage the members to explore possible alternatives. Janis (1989) also suggested that the decision-making group could be divided into subgroups to develop different decision alternatives and that a “second-chance” meeting could be held after initial consensus is reached on the preferred alternative.

The appointment of a “*devil’s advocate*” is designed to promote an open discussion of suggested solutions, rather than to rely on one group member to criticize the dominant alternative (Cosier & Schwenk 1990). Cosier & Schwenk (1990) suggest that to achieve this goal, the role of devil’s advocate should be rotated among group members, so no single members is perceived as the critic on all issues or as a whiner and the members should be helped to understand that criticism of the dominant alternative is not to be taken personally but should be perceived as being part of the decision-making process.

Studies of groups that have used this strategy have found that the groups produced significantly higher-quality decisions (that led to higher profits) on a hypothetical financial problem than did the groups who did not use it (Chanin & Shapiro 1984; Schweiger, Sandberg & Ragan 1986; Schweiger, Sandberg & Rechner 1989). Table 2.5 presents a devil’s advocate strategy that can be employed in a wide variety of organisational decision-making (Cosier & Schwenk 1990).

Table 2.5: Devil’s Advocate Strategy

<b>Devil’s Advocate Strategy</b>
<ul style="list-style-type: none"><li>• A proposed course of action is identified.</li><li>• A devil’s advocate (individual or group) criticizes the proposal.</li><li>• The critique is presented to key decision makers.</li><li>• Additional information relevant to the decision is gathered.</li><li>• The decision to adopt, modify, or discontinue the proposed course of action is made.</li><li>• The decision is monitored.</li></ul>

Source: Adapted form Cosier R.A., & Schwenk R. (1990). ‘Agreement and Thinking Alike: Ingredients for Poor Decisions’, *Academy of Management Executive*.

Another strategy to deal with groupthink is the dialectical inquiry. This strategy for organisational decision-making, consists of a structured debate on markedly different plans during which the advocates present the assumptions of their plans and as much of the details of the plans as possible. The decision situation is approached from two opposite points and advocates of the conflicting views conduct a debate, presenting arguments in support of their positions. Each decision possibility is developed and assumptions are identified (Lewis et al. 2001). Table 2.6 presents a dialectical method strategy that can be used to prevent or minimize groupthink (Cosier & Schwenk 1990).

Table 2.6: Dialectical-Method Strategy

### **Dialectical –Method Strategy**

- A proposed course of action is devised.
- Assumptions underlying the proposal are identified.
- A conflicting counterproposal based on different assumptions is generated.
- Advocates of each position present and debate the merits of their proposals before key decision-makers.
- The decision to adopt either position, or some other position (a compromise), is made.
- The decision is monitored.

Source: Adapted from Cosier R.A., & Schwenk R. 1990 'Agreement and Thinking Alike: Ingredients for Poor Decisions', *Academy of Management Executive*.

Cosier & Schwenk's (1990) analysis of the literature on decision-making reported that the devil's advocate resulted in better-quality decisions than did the dialectical method but that both the devil's advocate and dialectical method strategies were equally effective for introducing programmed conflict into the decision-making context. Moreover, Chen et al. (1996) found that after an extensive study of group decision-making, that the quality of decisions (indexed by an objective comparative measure with actual expert's decisions) was significantly higher for groups with participative leaders and devil's advocates than for groups with directive leaders and no devil's advocates.

In summary, the quality of a decision is higher when groups have participative leaders who encourage members to contribute actively and incorporate devil's advocates into the group decision-making process. Lewis et al. (2001) state that the most important characteristic of successful decision-makers is that they do not approach decisions unprepared. Responsibility for decision-making comes only to those who have earned it. Decision makers who demonstrate both a record of success and an understanding of their organisation earn responsibility. Thus managers need to realise that successful decision-making means understanding the organisation's basic beliefs and culture, its goals and vision and its activities and the plans that guide them.

Accordingly the group decision-making process involves both teams of people but equally requires the participation of an effective manager. This parent discipline is combined with the disciplines relating to decision-making in general and organisational structures so as to equip the reader with sufficient information to understand the multifaceted task of developing an appropriate decision making style for Thai firms. In order to achieve this each parent discipline will be drawn upon considering the implications in those disciplines on the immediate discipline relating specifically to Thailand.

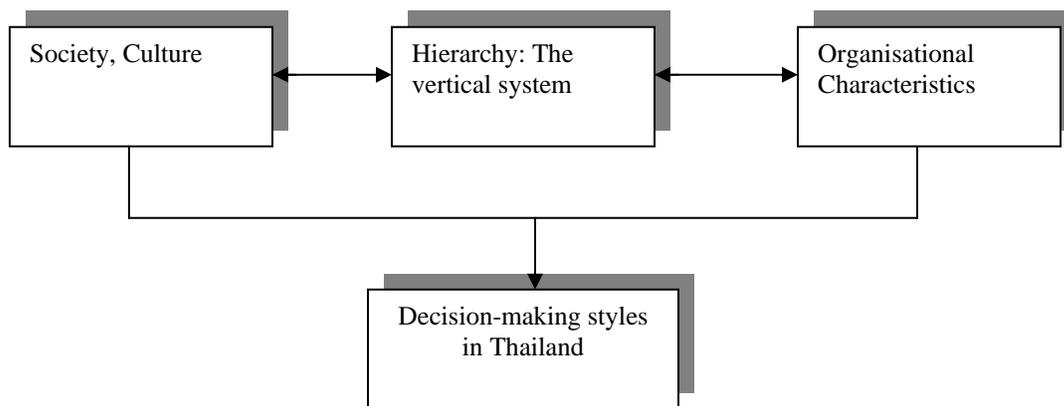
## **2.5 Immediate discipline**

This immediate discipline focuses on decision-making styles in Thailand and consists of two major parts. The first objective of this section is to identify the key elements that influence decision-making styles in Thailand, using the literature evidence to trace its development into a specialist function. The second objective is to identify the key elements of those styles in order to develop a model set of principles for evaluating the contribution that decision-making styles may make to closing the management gap.

### 2.5.1 The key elements that influence Thai's decision-making styles

The key factors that influence Thai decision-making styles include Thai society and culture, a strong vertical hierarchy and organisational characteristics. The analysis of the key decision-making styles elements identified in Figure 2.8

Figure 2.8: The key elements which influence Thai management styles



Source: Developed for this research

The following section addresses these key factors. Each is considered as influencing the decision-making process. The factors are also interrelated and these interrelations are also mentioned. The section concludes with an analysis of the final product and comments on the particular points with the influencing factors gain dominance.

#### 2.5.1.1 Thai societal and cultural characteristics

Thai society consists of people sharing a rich ethnic diversity, mainly influenced by the great cultural systems of Asia-Chinese and India. More than 90% of Thais practice Buddhism, the national religion. Spoken and written Thai is used as the national language. English is often used and widely understood in cities, particularly in Bangkok, where it is almost a second commercial language (Lawler & Atmiyanandana 1989).

Thailand has built and retained a national culture around a traditional monarchical institution. The country is ruled by an elected civilian coalition government. People have been adapting to a parliamentary system since the introduction of a constitutional monarchy in 1932. To promote a more efficient and equitable government system, a variety of political reforms were instituted in 1997 designed to enhance the participation of the Thai people in government (Charoenngam & Jablin 1999). However, regardless of such political changes, one thing remains the same, Thai people continue to hold their King in great reverence. As such, decisions of the populous often accord with the King's position (Fieg, 1989). Thai people seek an overarching authority to approve their choices.

The Thai government supports a free enterprise economy and is attempting to change Thailand's image from an agricultural country to a newly industrialised one. In addition, although still in an incipient stage of development, a growing number of large organisations in Thailand have begun to adopt technological changes associated with information-oriented economies and societies. Such organisations may be more likely to adopt decision-making styles prominent in similar international groups.

Thailand has often been described as the "land of smiles". Not only are the Thai people frequently depicted with smiling faces, but they are also characterised by their optimism, ambition, pursuit of knowledge and national pride. Thai national culture is characterised by low individualism (Hofstede, 1980; Sorod, 1991). Thais believe that inner freedom is best preserved by the maintenance of an emotionally and physically stable environment. Therefore, they believe that social harmony is very important and, in general, people will do their utmost to avoid any personal conflict in their contacts with others. As such a participative decision making style is prevalent.

Fieg (1989) observed that Thai people have a capacity to intuitively grasp the emotional intricacies involved in any particular situation. Fieg (1989) also suggests that the extreme contextual sensitivity of Thais allows them to show proper respect, follow protocol demands and generally attempt to interact with other in a harmonious fashion. Accordingly Thais are equipped with the skills to make a participative decision-making style work.

The low individualism, characteristic of Thai culture, is also reflected in values associated with the Thai kinship system. The parent-child relationship is viewed by Thai as basic to social life and thus most Thais retain very close connections with their families. Normally, at least one child in a family assumes responsibility for aged parents. As such emotional factors will likely influence the selection of a particular choice.

The Thai culture is also characterised by high power distance (Hofstede 1980; Sorod 1991) and thus status differences among citizens are often very large. Komin (1991, 1995) describes the Thai social system as hierarchical. Class distinction and social difference in Thailand are broadly defined by such personal characteristics as family background, age, gender, and level of education. Clearly then power status will affect decision styles. This is further discussed in section 2.4.1.2

Social differences in the Thai culture also have much to do with gender differences. Traditional conceptions of men and women appear to relegate women to domestic roles and men to public ones. However, today many middle and upper class women work outside the home as professionals or the owners of major commercial enterprises. As a result decision-making may be influenced by traditional masculine characteristics over feminine ones (Komin, 1991, 1995).

Thai culture is also characterised by high uncertainty avoidance (Hofstede 1980; Sorod 1991). Uncertainty is reduced in communication relationships through the internalisation of context-related rules and norms about appropriate behaviour. For example, when meeting others for the first time, Thais automatically employ the correct pronouns and postures of respect, deference and intimacy. Politeness and tact dominate acquaintance-level relations. In these circumstances decision-making will reflect the relationship. The style will be open, ritualistic and focus on appropriateness. More generally the high level of uncertainty encourages a decision-maker to seek higher approval of an option.

Finally, Thai culture is characterised by low masculinity (Hofstede 1980; Sorod 1991), thus it is non-dominant. For example, non-assertive, non-competitive styles of interpersonal

relations are major characteristics of Thai culture. A successful, modest Thai person often expresses a lower opinion of their own ability, knowledge, skill and successes than is warranted. Older Thai people are not happy when younger people argue with them or give more critical opinions than requested. Many Thai people would prefer not to say anything if their comments tend to lead to conflict or interpersonal resentment. Thus despite the fact that men make most of the decisions those decisions are made taking into account all the cultural aspects previously discussed. Thus, Thai culture does have a major influence on the corporate world.

In summary Thai people are strongly inclined to avoid conflict and have built in capabilities to achieve this. The people are capable of identifying conflict before it arises, analysing various emotions, they have predetermined ritualistic processes for dealing with strangers, acquaintances and family and finally they have organised processes for conducting business relationships. All of this means that Thai people would be equipped to conduct a complicated but effective decision-making model but may resist a change in standard practises. Particular to group decision-making methods Groupthink could result as it arises in the absence of conflict (see parent discipline 3). Accordingly, effective managers committed to a new method would be required.

#### **2.5.1.2 Hierarchy: The Vertical System**

Thailand is a hierarchical society (Hofstede 1980; Holmes & Tangtongtavy 1996; Sorod 1991). Thai people trained to be functioning members of society learn early in life what rank they hold and how they are supposed to treat others according to that rank. The others in one's life are reckoned as juniors, seniors or peers. Due to the hierarchical nature of the society and culture in Thailand, communication has tended to be from the top down. Thai tradition has encouraged junior family members and young students to absorb rather than initiate in order to "get it right". They do not question or express opinions, especially dissenting ones. The result of this pattern is that most Thais-even at rather senior levels-have not had such extensive practice in expressing themselves in an assertive way, in either Thai or English (Holmes & Tangtongtavy 1996).

One method by which status can be attained is through education. In Thailand, educational attainment serves as an indication of position within the national society (Keyes 1987). The people who go on to tertiary education assume quite a different class-linked status depending on which Thai educational institution they attend and whether they obtain college and university degrees abroad. In this way some level of assertive behaviour may be developed.

The hierarchical nature of the society dramatically affects decision-making. First, the decision-makers tend to be at the apex of an organisation and must make decisions on a wide range of topics. Decisions will also be likely to be based on historical precedent and the advice of learned influencers. Finally, approval from the highest members of the organisation will also likely be sought (Holmes & Tangtongtavy 1996).

### **2.5.1.3 Thai organisational characteristics**

Reynolds (1987) suggests that the design of typical Thai organisations has its roots in bureaucratic and feudalistic systems. The abolition of slavery during the 1890s contributed to reforms in Thai organisations (Keyes 1987; Wyatt 1982). Such reforms led to a rapid expansion in the number and types of jobs available in public and private organisations. Recruitment into these organisations is based less on family connections than upon education levels. However, hiring someone recommended or referred by an influential person is still common in Thai organisations (Lawler et al.1989; Komin 1991, 1995) and because of the strong cultural belief in “kreng jai” (an extreme reluctance to impose on anyone or disturb another’s personal equilibrium by refusing requests, accepting assistance, showing disagreement, giving direct criticism, challenging knowledge or authority, or confronting in a conflict situation) is unlikely to be eliminated. As Komin (1995) observes “obtaining a job, getting a promotion or raise and resolving disputes with a superior are dependant upon having the appropriate contact.

Traditionally, the Thai organisational structure was built on lines of command. Fieg (1989) described Thai organisations as a vertical structural system in which there must be an unbroken upward flow of documents and approval. Correspondence, reports and requests of various kinds have to be sequentially transmitted in writing until they arrive at the ultimate superior, in whom power and authority are concentrated. The boss is assumed to know everything for which they are responsible. It is the subordinate's responsibility to provide all information that the superior needs for responding to questions that people outside his or her department might ask. If the superior cannot do so, his or her position as a leader will be considerably undermined. When the boss loses face they may ascribe the blame to one of their subordinates.

Fieg (1989) points out that traditionally effective subordinates in Thai organisations are those who carry out orders without deviation, pick up where the supervisor left off with colleagues and, in general, make the supervisor look good.

Customarily, subordinates do not assertively challenge the authority of their bosses. Fieg (1989) commented that Thai supervisors generally are not interested in soliciting opinions from their subordinates since the traditional view has been that the one in authority is free to exercise power without consultation. Nevertheless, Westernised managers in private sector organisations have increasingly adopted participatory managerial systems. However, Fieg (1989) commented that even if a Thai manager allows subordinates to offer their opinions, debate issues and criticise, other cultural factors such as "kreng jai" and a tendency to mute differences of opinion may well preclude a totally candid exchange.

The Thai approach to management typically follows a pattern of benevolent paternalism (Fieg 1989), which emphasises the quality of the relationship between the superior and subordinate. The superior has the right to order but also the responsibility to protect and assist their subordinates (Syamananda 1986). At the same time, the subordinate is supposed to respect and be obedient to the boss. In a promotion decision, behavioural traits such as diligence, deference and respect are usually more important than the objective analysis of an employee's performance and output (Fieg 1989).

Fieg (1989) also noted that, in some respects superior-subordinate relationships in Thai organisations are closer and more paternalistic than those found in Western organisations. For example, it is typical for a subordinate to come to work earlier and stay later than the boss. It is also typical to see the subordinate get involved in their boss's personal projects. The more the boss gets the subordinate involved, the more the subordinate is viewed as a valuable resource for the organisation. Fieg (1989) also noted that, "idiosyncratic credit" the subordinate gains from his or her superior eventually turn into rewards in the forms of promotions, personal assistance and other favours. It is also very usual, and necessary, for the superior to be involved in the after-work-hours life of his or her subordinates. For example, often the supervisor will host personal ceremonies for employees, such as weddings. Alternatively, employees may use their boss's influence to assist with the solving of a personal problem.

In brief, the superior-subordinate relationship is a highly paternalistic one, in which an effective supervisor is a "teacher" and "respected relative" at the same time (Syamananda 1986). Thai organisations emphasise protocol, deference to rank, respect for authority and smoothness in work relationships. Violating the chain of command or failure to follow step-by-step procedures may be perceived by others as disrespect, challenging authority and power or as irresponsibility and will be likely create interpersonal conflicts with others (Syamananda 1986).

As such superiors make the decisions and are not influenced by the opinions real or supposed of their subordinates. They assume they have all relevant information and so the data gathering process is not double-checked. Equally so they need care little about maintaining respect from their subordinates and as such maintaining peace down the hierarchy is not going to play as significant a part in making a decision.

Thai culture, the hierarchical nature of the society and Thai organisations all influence decision making styles in Thailand. Indeed all three of these factors are interrelated but each independently and significantly influences the final decision making style.

#### **2.5.1.4 Decision-making in Thailand**

Thailand's rapid industrialisation has had significant social, cultural and economic, consequences, all of which have impacted on decision-making styles in Thailand. Holmes & Tangtongtavy (1996) point out that in Thailand, the manager is expected to decide things. Since, qualified as a manager, it is assumed that the manager possesses certain knowledge, wisdom, or experience, which goes beyond the capacity of their colleagues. Thus most of the problems, in the traditional Thai system (most exemplified in the bureaucracy), are passed up the line for the most senior person to decide upon. It would be fair to describe these systems as upward delegation (Fieg 1989; Holmes & Tangtongtavy 1996). The result is a build-up of a myriad of major and minor decisions on the top person's desk.

Decisions in Thai companies are not usually made as a group, as is frequently done in Japan or certain western countries (Holmes & Tangtongtavy 1996; Lawler & Atmiyanandana 1989). According to a recent study, Thais found it perfectly acceptable for a Thai manager to decide things in (as they put it) an "authoritarian" way. They made it clear, though, that an authoritarian manager should nevertheless ask for subordinate's opinions. But once having done so, the manager is perfectly entitled to do what he thinks is correct, as it is his job to decide. What is not very acceptable, however, is the "dictatorial" manager, who does not offer the key courtesy of showing an interest in their views.

Moreover, Lawler & Atmiyanandana (1989) proposed that the level of hierarchy influences the decision-making style in Thailand, with authority patterns related to social class. It is a fallacy to believe that authority to give final approval to decisions is delegated to lower levels of management. Every important decision must be confirmed ultimately at the highest levels of management. In addition, Komin (1995) noted that Thai decision-making is often closely tied to an individual's status and is frequently associated with one's level in the organisational hierarchy. This is also influenced by one's role (supervisor, subordinate, peer), as well as personal characteristics such as educational attainment, age and gender. In addition, Komin's (1995) data suggests that what is considered to be competent

organisational behaviour in Thailand may vary depending on the type of organisation in which one works: government, state enterprise, or private business. For example, Komin (1995) reports that managers in the Thai government and state enterprises have greater expectations on them to be experts who can answer almost all questions raised by subordinates than do managers in Thai business firms (who may be somewhat more participative as problem solvers than those working in traditional government organisations). In turn, since much higher degrees of intense conflict appear to occur in government organisations than in state enterprises (Komin, 1995), it is likely that the skills and abilities associated with competent conflict management may vary across organisational types.

In conclusion, this section has reviewed the factors that influence decision-making style in Thailand. In particular, the key aspects of societal and culture characteristics, hierarchy and Thai organisational characteristics play significant role for Thai firms. Understanding and appropriating Thai society and culture, hierarchy as well as the concept of Thai organisational characteristics in relationship building is critical. The effectiveness and success of decision-making in Thailand relies on the factors as presented in section 2.7.1.1 to 2.7.1.2. However, this research focuses on whether the firm should develop its decision-making strategy to capitalise on amalgamating best practice with traditional Thai society and cultural aspects.

## **2.6 Research gaps to group decision-making**

This study's parent and immediate disciplines on decision-making have been reviewed. The concept of decision-making is the process by which a course of action is selected as the solution to a specific problem. However, key factors that influence decision-making in Thailand are not specifically addressed by the current research. Moreover the actual practice in Thailand is distinct from what the research suggests. Thus there is a gap within what has been researched and a gap between the current research and Thai practice.

These gaps can be extrapolated into issues that may be addressed by Thai organisations so as to improve their decision-making processes and consequently their profitability. First, traditional decision-making in Thailand, in which one person makes the decisions, should be transformed into a group decision-making style so as to capitalise on amalgamating best management practice with traditional Thai society and cultural aspects. However, the literature on traditional decision-making in Thailand and group decision-making is separate and independent. Applying and adopting an appropriate strategy to build the best decision-making style within the Thai traditional culture should prove challenging.

Second, within the area of decision-making styles in Thailand, several factors change the standard circumstances. These include Thai societal and culture characteristics, hierarchy and Thai organisational characteristics. Thus, it is important to provide some background information and acquired knowledge of these factors so as to build the appropriate model. Indeed, there has been little reported research on this particular topic, especially with respect to Thai organisations. Accordingly, there are obvious research issues for this work.

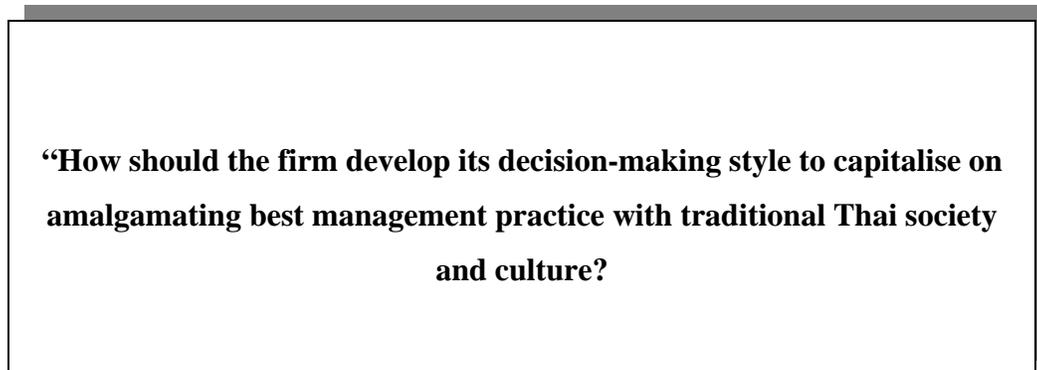
## **2.7 Research issues**

This section describes the research issues in relation to this study. This research issue has been based on the literature review, from the parent discipline and the immediate discipline. Using a theoretical framework to focus data collection and analysis is a practice that improves qualitative research enquiry (Yin, 1994). Miles and Huberman (1994) point out that a conceptual framework is something that explains either graphically or in narrative form the main things to be studied, the key factors, constructs and variables and the presumed relationship between them. The development of a theoretical framework essentially allows the researcher to focus on the most meaningful aspects of their research. The ability to focus research is done by creating a research problem then putting it into a research context. Thus, each of these research issues are described as research problems, research questions, research objectives and research propositions.

### **2.7.1 Research problem**

Organisations in Thailand employ a number of practices of decision-making, each of which is mentioned in the literature. However, the traditional one person making the decision is clearly most prominent. Based on the literature reviewed, in the parent and immediate disciplines, organisational decision-making in Thailand should be transformed into a group decision-making style to capitalise on amalgamating best management practice with traditional Thai society and culture. This problem influences the arrangement of the subsequent research issues. Figure 2.9 illustrates the dominant research problem of this study.

**Figure 2.9: Research problem of this study**



**“How should the firm develop its decision-making style to capitalise on amalgamating best management practice with traditional Thai society and culture?”**

Source: Developed for this research

### **2.7.2 Research questions**

Based on the parent and immediate disciplines as reviewed, it is evident that the firm should consider developing its decision-making style to obtain the best management practice with traditional Thai society and culture. This study has proposed the idea that Thai firms develop and change their decision-making styles and proposes how this should be achieved. However, the idea must be further studied to determine the feasibility of it being accepted by organisations. Thus, the objective of this study is to convince firms to develop decision-making styles to capitalise on amalgamating best management practice

with traditional Thai society and culture. A set of research questions is fundamentally required to be answered. Figure 2.10 illustrates these questions.

Figure 2.10: Research questions of this study

- **Should the firm develop an effective decision-making style?**
- **How can the firm develop an effective decision-making style?**
- **How does the firm employ the group decision-making style to its fullest capacity?**
- **What problems may emerge as a result of shifting the decision-making style used by the firm?**

Source: Developed for this research

### **2.7.3 Research objectives**

Based on the proposed research questions, the research objectives are divided into four principles. The purpose of the research objectives is to provide information such that answers to the research questions are developed. This is illustrated in Figure 2.11.

**Figure 2.11: Research objective of this study**

- **To examine the factors that influence the firm in develop its decision-making style**
- **To examine the strategies which could support the firm to develop its decision-making style**
- **To build a model of decision-making effectiveness that is appropriate for the firm**
- **To examine the implications of applying the model and the characteristics that may be needed to succeed in developing an effective decision-making style in the firm**

Source: Developed for this research

#### **2.7.4 Research propositions**

This thesis will employ a qualitative exploratory research based on case study research methodology. The idea of qualitative exploratory research is a testing statement to be explored in a dissertation (Zikmund 2000). On the other hand, quantitative explanatory research employs the term research hypotheses to present such statements (Zikmund 2000). The research propositions of this study are illustrated in Figure 2.12.

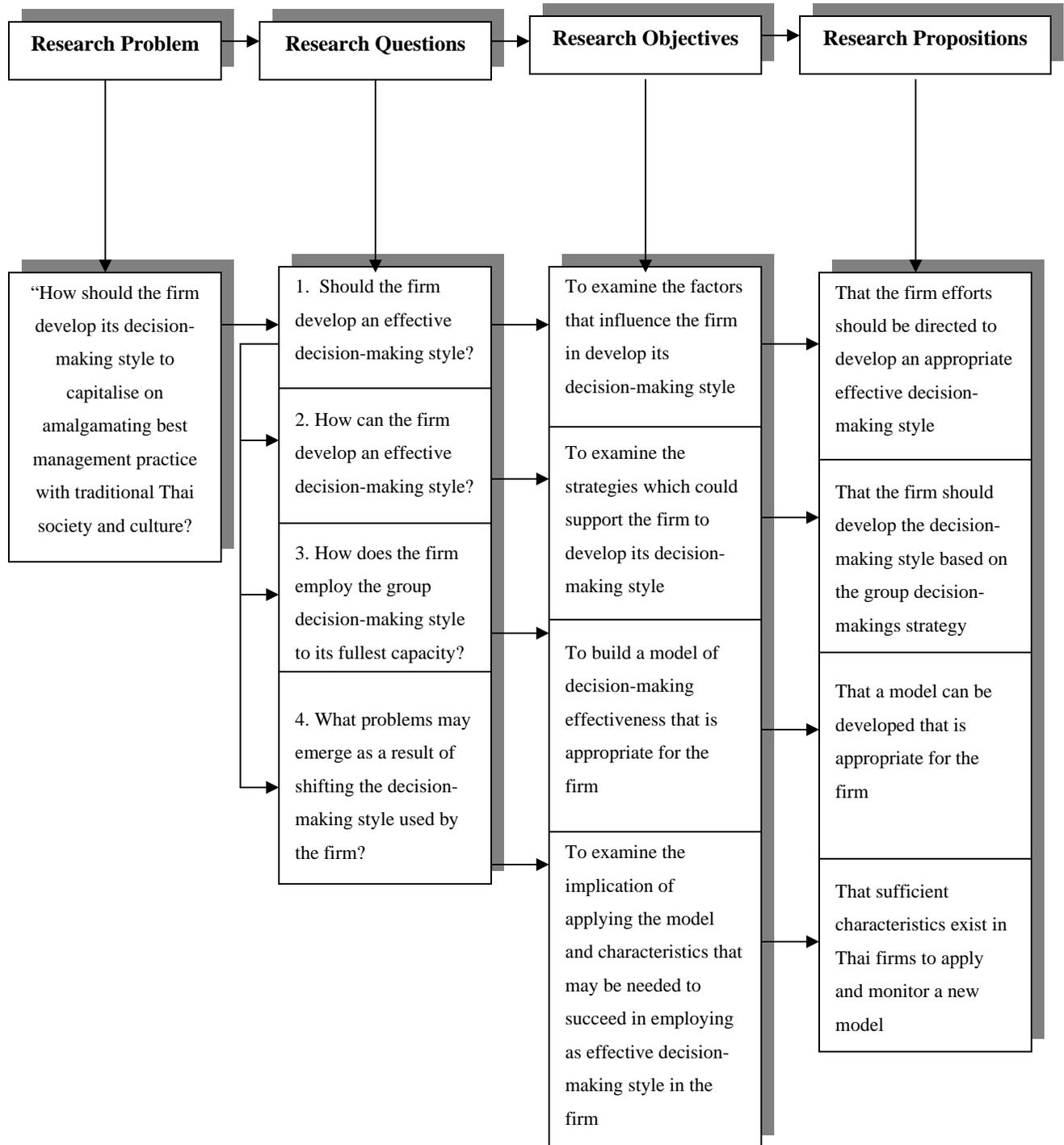
**Figure 2.12: Research propositions**

- **That the firm efforts should be directed to develop an appropriate effective decision-making style**
- **That the firm should develop the decision-making style based on the group decision-making strategy**
- **That a model can be developed that is appropriate for the firm**
- **That sufficient characteristics exist in Thai firms to apply and monitor a new model**

Source: Developed for this research

Zikmund (2000) identified that propositions are statements concerned with the relationships among concepts. A proposition explains the logical linkage among concepts by asserting a universal connection between them. A proposition states that every concept about an event or thing either has a certain property or stands in a certain relationship to other concepts about events or things. In this regard, this thesis views the research issues as a whole with Figure 2.13 illustrating a summary of these issues.

Figure 2.13: Summary of the research issues



Source: Developed for this research

## 2.8 Conclusions

This chapter has presented the literature review related to the emerging field of decision-making styles to investigate the research problem: How should the firm develop its decision-making style to capitalise on amalgamating best management practice with traditional Thai society and culture?

The initial discussion considered the contribution of the parent and immediate disciplines based on decision-making styles. It also justified the value of this research as being a contribution of the development of theory and of practical value to business managers in achieving the best decision-making style. Moreover, within the parent discipline an introduction of group decision-making strategy is made, with a conclusion demonstrating its effectiveness in improving decision-making styles. Furthermore, the immediate discipline focused on social and culture characteristics, hierarchy, Thai organisational characteristics and decision-making styles currently in Thailand. These are the key elements that influence current decision-making styles in Thailand.

The research gaps are based on an understanding identified in the literature review. They are to be expressed as research questions and to be used as section headings in the data analysis and conclusions of the thesis (Yin 1994). In addition, the research issues identified in the case study suggested that the firm should develop its decision-making style to capitalise on amalgamating best management practice with traditional Thai society and culture.

Moreover, the research problems to be faced if the firm should develop its decision-making style were emphasised and an explanation of how to create and sustain the appropriate decision-making style was addressed. The propositions involved a testable statement. The thesis proposed that a forced group decision-making strategy would be suitable for the firm to develop its decision-making style.

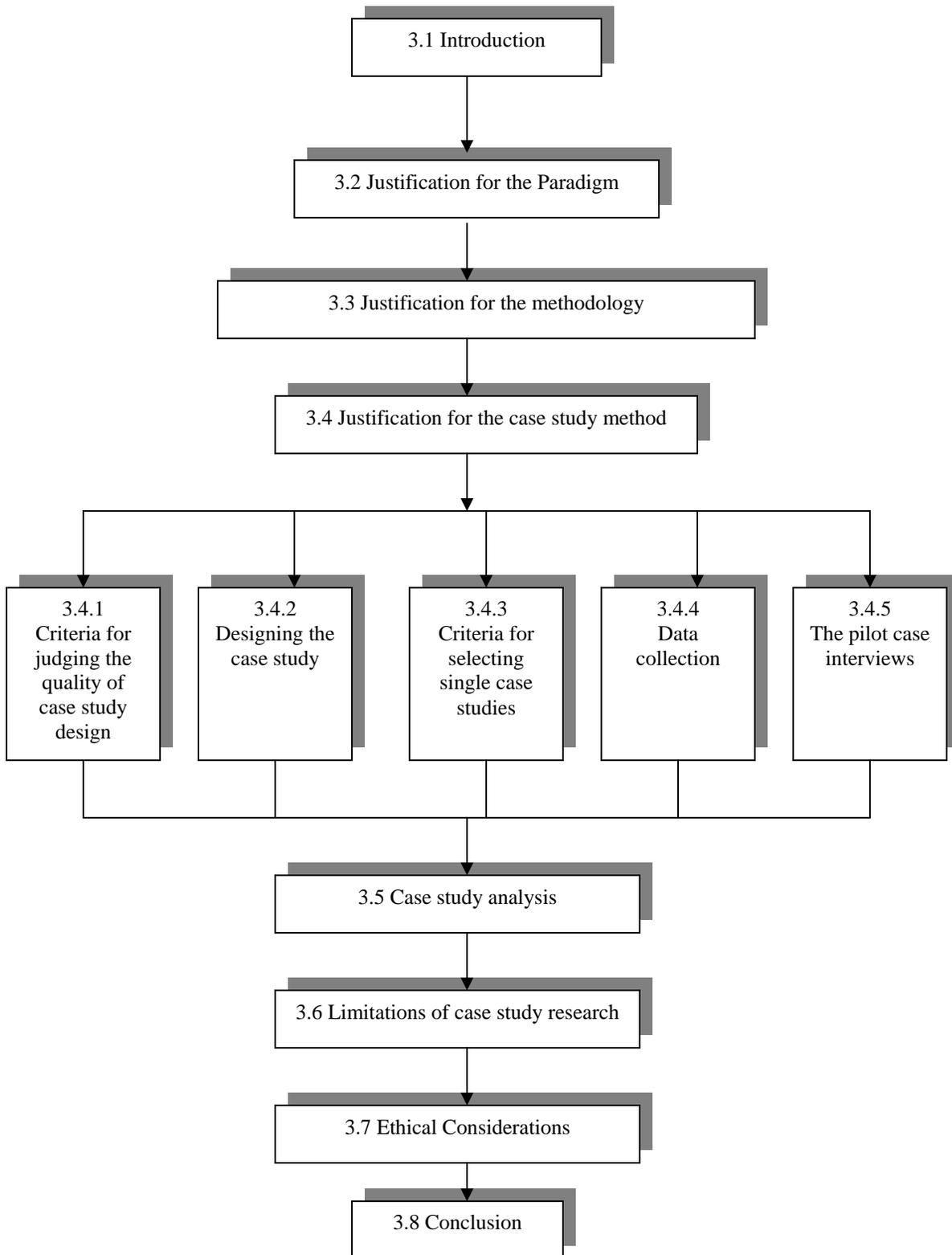
The next chapter discusses the methodology adopted, and the procedures used, to investigate the research problem and answer the research question.

# Chapter Three: Research Methodology

## 3.1 Introduction

The previous chapter reviewed the literature and research issues relevant to the question, “How should the firm develop its decision-making style to capitalise on amalgamating best management practice with traditional Thai society and culture?” This chapter describes the case study methodology used for investigating the research problem and the research questions developed as a result of the literature review. The chapter is presented in eight sections as outlined in Figure 3.1. The section starts with a justification for the paradigm (section 3.2). Section three presents the justification on methodology (section 3.3). Section four describes the qualitative research (section 3.4) including criteria judging the quality of case study design (section 3.4.1), discussion of the design for the case study (section 3.4.2), criteria for selecting multiple case studies (section 3.4.3), data collection (section 3.4.4), and the pilot case interviews (section 3.4.5). Following this, section five presents a case study analysis (section 3.5). Limitations of the case study research are acknowledged next (section 3.6) before ethical considerations are addressed (section 3.7). Finally, a conclusion is made (section 3.8).

Figure 3.1: Outline of chapter three with section numbers and their inter-relationships



Source: Developed for this research

### **3.2 Justification for the paradigm**

Thomas Kuhn brought the concept of a paradigm to the fore in the early 1960s (Gummesson, 2000). It can be used to represent people's value judgment, norms, standards, frames of reference, perspectives, ideologies, myths, theories, and approved procedures that govern their thinking and action. In science, a paradigm consists of the researcher's perception of what one should be doing and how one should be doing it. In other words, it asks what the interesting research problems are and which methodological approach can be used to tackle them.

Moreover, Hussey & Hussey (1997) described the term paradigm as referring to the progress of science based on people's philosophies and assumptions about the world and the nature of knowledge. In this context, the paradigm concept is about how research should be conducted. There are two main research paradigms that can be labeled positivist and phenomenological (Hussey and Hussey 1997).

The two different assumptions of the two main paradigms have been considered by Creswell (1994). For a researcher this entails deciding between the various ontological, epistemological, axiological, rhetorical and methodological choices. There are shown in Table 3.1.

Table 3.1 shows that ontological is the fundamental assumption made about the form and nature of reality. It is concerned with what element of the world can be researched (Guba & Lincoln 1994). Next, epistemology focuses on the study of knowledge and what researchers accept as being valid knowledge (Hussey & Hussey 1997). Axiological assumption is concerned with values (Hussey & Hussey 1997) whilst rhetorical assumptions focus on the language of research. Finally, methodology relates to the process of finding out about reality (Guba & Lincoln 1994).

Table 3.1: Assumptions of the main paradigms

Assumption	Question	Positivistic (Quantitative)	Phenomenological (Qualitative)
Ontological	What is the nature of reality?	Reality is objective and singular, apart from the researcher	Reality is subjective and multiple as seen by participants in a study
Epistemological	What is the relationship of the researcher to the researched?	Researcher is independent from that being researched	Researcher interacts with that being researched
Axiological	What is the role of values?	Value-free and unbiased	Value-laden and biased
Rhetorical	What is the language of research?	Formal Based on set definitions Impersonal voice Use of accepted quantitative words	Informal Evolving decisions Personal voice Use of accepted qualitative words
Methodological	What is the process of research?	Deductive process Cause and effect  Static design categories isolated before study  Context-free generalisations leading to prediction, explanation and understanding Accurate and reliable through validity and reliability	Inductive process Mutual simultaneous shaping of factors Emerging design categories identified during research process Context-bound Patterns, theories developed for understanding Accurate and reliable through verification

Source: Adapted from Creswell (1994) p. 5.

The positivistic paradigm in the social sciences is based on the approach used in the natural sciences (Hussey and Hussey 1997). Positivists view the world through a one-way mirror (Guba & Lincoln 1994) detaching them from the context from which the phenomenon occurs. Thus, logical reasoning is applied to the research so that precision, objectivity and rigour replace hunches, experience and intuition as the means of investigating research problems (Hussey & Hussey 1997). The positivist has a deductive rather than an inductive view, for hypotheses are deduced from previously accepted principles to be statistically tested.

On the other hand, the phenomenology paradigm is the science of phenomena (Hussey & Hussey 1997). A phenomenon is a fact or occurrence that appears or is perceived (Yin, 1994). Thus, the phenomenological paradigm is concerned with understanding human behaviour from the participant's own frame of reference and also the qualitative approach stresses the subjective aspects of human activity by focusing on the meaning, rather than the measurement of social phenomena. Moreover, phenomenology paradigm has several perceptions of that reality and researchers should triangulate different evidence to develop a better understanding (Guba & Lincoln 1994).

Considering the nature of this research, the qualitative research paradigm has been selected because the researcher was an observer rather than an involved participant. Moreover, qualitative research is more relevant to this study as the research propositions are best considered in the context of interviews and discussion as opposed to drawing conclusions from statistics.

Thus, a qualitative method is appropriate as it encompasses these elements. Moreover, this research is dedicated to using qualitative approaches on the case study research method. The following section provides a justification for this methodology.

### 3.3 Justification for the methodology

This section provides the justification for the methodology selected for this research and discusses the reasons for selecting qualitative research.

Qualitative research is defined in many ways. Denzin & Lincoln (1994) defined characteristics of qualitative research as;

*“multi-method in focus, involving an interpretive, naturalistic approach to its subject matter. This means that qualitative researchers study things in their natural settings, attempting to make sense or interpret, phenomena in terms of the meanings people bring to them. Qualitative research involves the study and collection of a variety of empirical materials: case study, personal experience, introspective, life story, interview, observational, historical, interactive, and visual texts that describe routine and problematic moments and meanings in individuals lives.”(p. 2)*

Moreover, Zikmund (2000) points out that qualitative research is based not on numbers, but on words and observations; stories, visual portrayals, meaningful characterisations, interpretations and other expressive descriptions.

Qualitative research is subjective in nature. It leaves much of the measurement process to the discretion of the researcher. This approach does not use rigorous mathematical analysis (Zikmund 2000 p.121). It employs methods that look for quality including feelings, perceptions, viewpoints, meanings, relationships, stories and dynamic changing perspectives (Swanson & Holton, 1997). Moreover, Miles & Huberman (1994) point out that qualitative research is essentially an investigative process that focuses more on words than on the numbers that are important to quantitative research.

Bogdan & Biklen (1982) suggest that there are five common characteristics of qualitative research. They are as follows:

- Qualitative research has the natural setting as the direct source of data, and the research is the key instrument (p.27).
- The nature of qualitative research is descriptive. The three major types of research are historical, experimental, and descriptive. Zikmund (2000) describes characteristics of descriptive research as a population or phenomenon which seeks to determine the answers to who, what, when, where, and how questions.
- Bogdan & Biklen (1982) pinpointed that qualitative research is more concerned with process than outcomes. Qualitative researchers are more interested in how people negotiate meaning and come to interpret events than they are looking only at the results of such interactions.
- Qualitative researchers have a tendency to perform an inductive analysis of data. Quantitative studies mainly utilise a deductive approach such as testing a theoretically derived hypothesis.
- Bogdan & Biklen (1982) identify that the qualitative researcher is primarily concerned with meaning. Qualitative researchers believe in the uniqueness of each case because of the belief in the importance of the individual perspectives of each participant.

These characteristics of qualitative research entail that qualitative research is largely the opposite to quantitative research. The differences between qualitative and quantitative research will be discussed.

Both qualitative and quantitative researches have been variously described in the literature. Dey (1993 p.3) distinguished qualitative and quantitative data in terms of comparing meaning to numbers. In addition, Denzin & Lincoln (1994 p.4) suggest that the word qualitative implies an emphasis on processes and meanings that are not rigorously examined, or measured (if measured at all), in terms of quantity, amount, intensity, or frequency. Qualitative researchers stress the socially constructed nature of reality, the intimate relationship between the researcher and what is studied, and the situational constraints that shape inquiry. Such researchers emphasise the value-laden nature of inquiry. They seek answers to questions that stress how social experience is created and

given meaning. In contrast, quantitative studies emphasise the measurement and analysis of causal relationships between variables, not quantitative processes. Inquiry is purported to be within a value-free framework.

Moreover, qualitative research is different from quantitative research in four ways. First, qualitative research is a creative process that depends on the insights and conceptual abilities of the analyst (Cooper & Emory, 1995). In contrast, quantitative analysis is bounded by statistical rules and formulas. Second, qualitative research methods frequently probe deeper but are less structured than quantitative techniques and thus are useful when the research is exploratory in nature (Jarratt 1996). Third, the outcomes of qualitative research are most frequently presented in words as opposed to the outcomes of quantitative research, which are usually presented as numbers (Campbell 1999). Finally, qualitative research has a significant role in clarification of the values, language and meanings ascribed to the various actors within an organisation or community (Sofaer 1999). In brief qualitative research provides a closer, less abstract framework for research and so is appropriate for this research.

Furthermore, Hussey & Hussey (1997) illustrate the different ways of analysing data, distinguishing between qualitative research and quantitative research, as shown in Table 3.2.

Table 3.2: Illustrates the distinctions between qualitative and quantitative research

Quantitative research	Qualitative research
<ul style="list-style-type: none"> <li>- Tends to produce quantitative data</li> <li>- Uses large samples</li> <li>- Concerned with hypothesis testing</li> <li>- Data is highly specific and precise</li> <li>- The location is artificial</li> <li>- Reliability is high</li> <li>- Validity is low</li> <li>- Generalises from sample to population</li> </ul>	<ul style="list-style-type: none"> <li>- Tends to produce qualitative data</li> <li>- Uses small samples</li> <li>- Concerned with generating theories</li> <li>- Data is rich and subjective</li> <li>- The location is natural</li> <li>- Reliability is low</li> <li>- Validity is high</li> <li>- Generalises from one setting to another</li> </ul>

Source: Adapted from Hussey and Hussey (1997) p. 54

In brief, this section (section 3.3) addressed the qualitative research methodology and demonstrated the distinctions between that method and the quantitative approach. The next section will describe the case study method that has been selected to obtain this research.

### 3.4 Justification for the case study method

This section provides the research designs that are to be used in this study. A case study has been selected as the research strategy for obtaining the data collection. First, the definition of case study will be addressed. Then, the reasons for selecting a case study as the research strategy is discussed. This section then provides a criteria for judging the quality of the case study design. Following this, the case study is designed following criteria for selecting multiple case studies. Finally, data collection is addressed and a pilot case interview is provided.

Cooper & Emory (1995), Yin (1994) and Zikmund (2000) distinguish between three types of case study research: exploratory, descriptive and causal research. Researchers in business related subjects traditionally limit case studies to explanatory use. It is not

conducted to provide conclusive evidence but to clarify problems. The descriptive research is conducted when there is some understanding of the nature of the problem. Finally, causal research identifies cause and effect relationships when the research problem has been narrowly defined. Thus, for this research, exploratory research through case study analysis is the appropriate research strategy as the cases method can be useful (Perry & Coote 1994; Orosz 1997). Its ability to study problems in depth, place them in context and understand the stages in the process is of benefit, particularly in a professional area (Gilgun 1994). Observation, description and comparison provide a greater insight into the problem (Yin 1994; Perry & Coote 1994; Perry 1998; Edwards 1998), as does the case study's ability to understand situations in context and the stages in processes (Gilgun 1994). The ability to utilise an interview approach allows the researcher to investigate the participants' own experiences in relation to the research project (Orosz 1997; Perry 1998).

Case studies are often described simply as exploratory research (Hussey and Hussey 1997). Yin (1989, 1994) described case study research as an empirical inquiry that investigates a contemporary phenomenon within its real life context especially when the boundary phenomenon and context are not clearly evident. Moreover, Zikmund (2000) described case studies as an exploratory research technique that intensively investigates one or a few situations similar to the research's problem situation.

Case studies are also used in education when students are invited to put forward solutions to actual or imaginary cases, using models and theories from literature together with their own experience (Gummesson 2000).

According to the definition described, case study research can be comprehensively defined as:

- an exploratory research technique that intensively investigates one or a few situations similar to the research's problem (Zikmund 2000)
- an extensive examination of a single instance of a phenomenon of interest and is an example of a phenomenological methodology (Hussey & Hussey 1997)

- more emphasis on a full contextual analysis of fewer events or conditions and their interrelations (Cooper & Schindler 2001)
- the boundaries between the phenomenon and context are unclear (Yin 1994)
- A methodology based on interviews that is used in post-graduate thesis involving a body of knowledge (Perry & Coote 1994).

The definitions of a case study have already been addressed. The reason for selecting the case study methodology as the research strategy will now be discussed.

First, a case study can be of particular value in the applied social sciences where research often aims to provide practitioners with tools (Gummesson 2000; Yin 1994). The ability to study a problem in depth, place it in context and understand the stages in the process is of benefit. This research aims to discover and describe the answer to the question “How should the firm develop its decision-making style to capitalise on amalgamating best management practice with traditional Thai society and culture?” and generalise that to a model. It is not reliant on statistical analysis. Thus, a case study is appropriate to this research topic as it is an in depth study aimed at describing the real world (Yin 1994).

Second, Yin (1994), one of the best-known advocates of case study research, views case studies as the preferred strategy when “how” or “why” questions are being posed, when the investigator has little control over events and when the focus is on a contemporary phenomenon within some real-life context. This research problem is a “how” question. Thus, the research will be more valuable if derived from an exploratory approach. This approach must explore rather than explain how firms should develop their decision-making style to capitalise on amalgamating best management practice with traditional Thai society and culture. Yin (1994) outlines the relevant situations for different research strategies as shown in Table 3.3.

Table 3.3: Relevant situations for different research strategies

Strategy	Form of research Question	Requires control over behavioural events?	Focuses on Contemporary events?
Experiment	How, Why	Yes	Yes
Survey	Who, What, Where, How many, How much	No	Yes
Archival analysis	Who, What, Where How many, How much	No	Yes/No
History	How, Why	No	No
Case study	How, Why	No	Yes

Source: Based on Yin (1994, p.6).

Third, case studies do not require a large extent of control over and access to actual behavioural events (Yin 1994). As a result, the researcher needs little control over the behaviour and no access to actual behaviour. Thus, the use of a case study analysis is appropriate with the research issuer.

Finally, the case study is preferred in examining contemporary events (Yin 1994) and the degree of focus on contemporary as opposed to historical events is considered. As the purpose of this research is to investigate contemporary phenomena, being whether the firm should develop its decision-making style to capitalise on amalgamating best management practice with traditional Thai society and culture, this method is appropriate. Thus, the case study methodology is a more suitable approach than other methodology options.

In summary, this section (section 3.4) addressed the reason for selecting the case study methodology as the research strategy. As mentioned above, there are four reasons. First, the case study allows for in-depth investigation. Second, the research question involves the “how” and “why” type of questions which are appropriate to the research issuer. Third, the

researcher does not require extensive access to or control over the behavioural patterns of the subjects. Finally, the research issue is related to contemporary events. Sub-section 3.4 will address the criteria for judging the quality of a case study design.

### 3.4.1 The criteria for judging the quality of a case study design

Linking data to propositions and having criteria for interpreting the findings are involved in the data analysis steps in case study research. A good case study is expected to show its effectiveness in terms of linking data and setting a set of criteria for interpreting the findings (Yin 1994). Criteria for judging the quality of research designs are also essential. In empirical research, there are basically four tests to establish the quality of any empirical social research (Yin, 1994). Table 3.4 list the four tests and the case study tactic for dealing with them.

Table 3.4: Case study tactics for four design tests

Test	Case study tactic	Phase of research in which tactic occurs
Construct validity	<ul style="list-style-type: none"> <li>- use multiple sources of evidence</li> <li>- establish chain of evidence</li> <li>- have key informants review draft case study report</li> </ul>	<ul style="list-style-type: none"> <li>- data collection</li> <li>- data collection</li> <li>- composition</li> </ul>
Internal validity	<ul style="list-style-type: none"> <li>- do pattern-matching</li> <li>- do explanation-building</li> <li>- do time-series analysis</li> </ul>	<ul style="list-style-type: none"> <li>- data analysis</li> <li>- data analysis</li> <li>- data analysis</li> </ul>
External validity	<ul style="list-style-type: none"> <li>- use replication logic in multiple-case studies</li> </ul>	<ul style="list-style-type: none"> <li>- research design</li> </ul>
Reliability	<ul style="list-style-type: none"> <li>- use case study protocol</li> <li>- develop case study database</li> </ul>	<ul style="list-style-type: none"> <li>- data collection</li> <li>- data collection</li> </ul>

Source: Base on Yin (1994, p.33)

Yin (1994 p.33) summarised the definition of the four design tests, which he identified in numerous textbooks, as follows;

- Construct validity: establishing correct operational measures for the concepts being studied
- Internal validity: establishing a causal relationship, whereby certain conditions are shown to lead to other conditions, as distinguished from spurious relationships
- External validity: establishing the domain to which a study's findings can be generalised
- Reliability: demonstrating that the operations of a study such as the data collection procedures can be repeated with the same results

Base on Yin (1994) Table 3.4, this research employs two case study tactics; that of construct validity and reliability. The two tests are discussed below.

Construct validity is the focus on the development of correct operational measures for the concepts under review (Cooper & Emory 1995; Yin 1994). As Table 3.4 shows regarding case studies, three tactics are available to increase construct validity: multiple sources of evidence, establishing a chain of evidence, and having the case informants review the draft case study report.

Data collection for case studies can rely on many sources of evidence. Yin (1994) points out six sources of evidence: documentation, archival records, interviews, direct observation, participant-observation, and physical artifacts. For this research only five of the six sources apply, as physical artifacts were not suitable for the area of the study. Details of these multiple sources of evidence are discussed in details in section 3.4.3.

The idea of reliability refers to minimising the errors and bias in a study (Yin 1994). Moreover, Cooper & Emory (1995) point out that reliability refers to the extent that the study would produce similar results if repeated again. According to Table 3.4, Yin (1994) recommended that a two tactics procedure should be adopted to develop a case study. For this research, the interview protocol was developed in the research design phase and tested

in the pilot case interviews before it was used for the main data collection. It is addressed in section 3.4.5. The following section will discuss the design of the case study itself (3.4.2).

### **3.4.2 Designing the case study**

A research design is the logic that links the data to be collected to the initial questions of a study. Yin (1994 p.19) described a research design as:

*“an action plan for getting from there, where here may be defined as the initial set of questions to be answered and there is some set of conclusions about these questions.”*

Yin (1994) also points out that another way of thinking about a research design is as a blueprint of research dealing with at least four problems: what questions to study, what data is relevant, what data to collect and how to analyse the results. For the case study, Yin (1994) recommended that there are five components of research design; a study's questions, propositions, units of analysis, the logic linking the data to the propositions and the criteria for interpreting the findings.

- Study questions: the case study strategy is most likely to be appropriate for “how” and “why” questions. As shown in Table 3.3 (section 3.4). For this research, the questions how and why have been used. Figure 3.2 shows the research questions for this study.

Figure 3.2: Research questions for this study

- Why should the firm develop an effective decision-making style?
- How can the firm develop an effective decision-making style?
- How does the firm employ the group decision-making style to its fullest capacity?
- What problems may emerge as a result of shifting the decision-making style used by the firm?

Source: Developed for this research

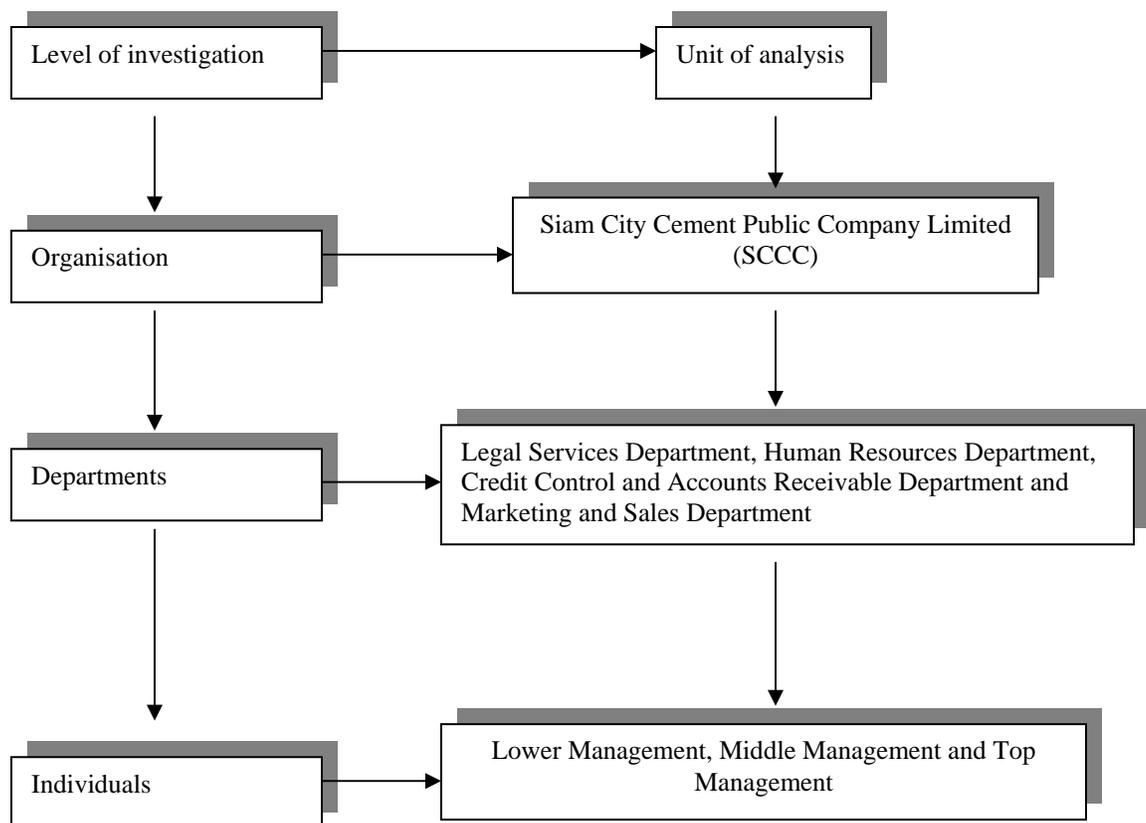
- Study propositions refer to each proposition while directs attention to something that should be examined within the scope of the study. For this research, propositions are developed from the research questions as shows in Figure 3.3

**Figure 3.3: Research propositions**

- That the firm efforts should be directed to develop an appropriate and effective decision-making style
- That the firm should develop the decision-making style based on the group decision-making strategy
- That a model can be developed that is appropriate for the firm
- That sufficient characteristics exist in Thai firms to apply and monitor a new model

- Unit of analysis specifies whether the level of investigation will focus on the collection of data about organisations, departments, work groups or individuals (Zikmund 2000). Moreover, Hussey & Hussey (1997) identify a unit of analysis as the kind of case to which the variables or phenomena under study and the research problem refer, and about which data is collected and analysed. For this research, the unit of analysis is divided into four units as illustrated in Figure 3.4

Figure 3.4: Unit of analysis



Source: Develop for this research

As Figure 3.4 shows, the unit of analysis for this research refers to the relationship between the level of investigation and the analysis. First, the company in Thailand has been selected as the organisation to be investigated. The company to be examined is the SCCC. Second, was the department level which was divided into four areas; Legal Services Department,

Human Resources Department, Credit Control and Accounts Receivable Department and Marketing and Sales Department. Third was the individual level. At this level, interviews focused on Lower Management, Middle Management and Top Management level.

- The logic linking the data to the propositions and criteria for interpreting the finding: a good case study is expected to show its effectiveness in terms of linking data and establishing a set of criteria for interpreting the findings (Yin 1994). Criteria for interpreting the quality of research designs are also essential. The case study tactics have been described in section 3.4.1.

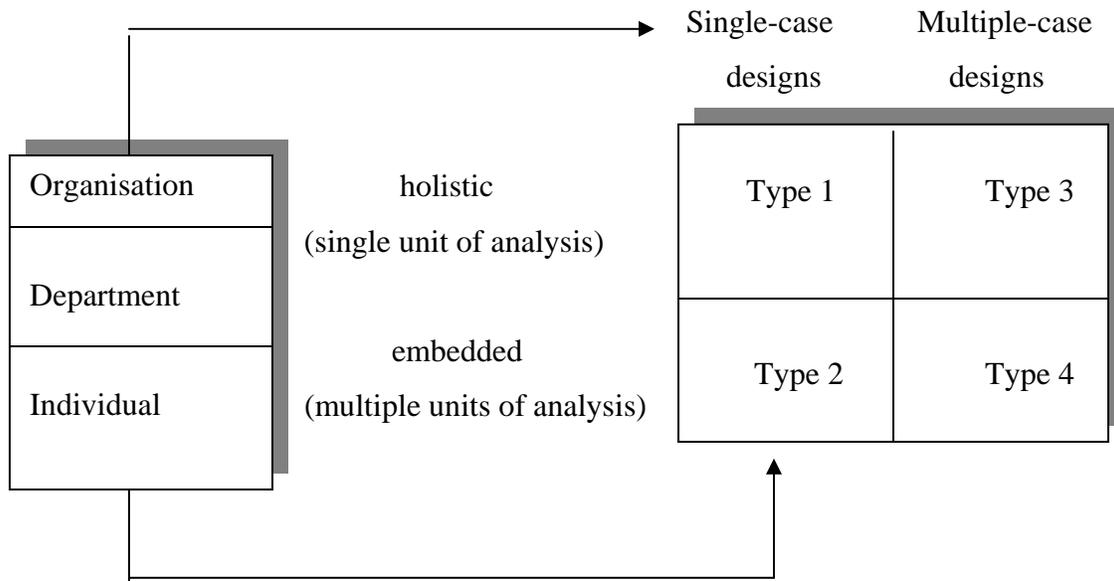
In summary, for this research the five components of research design are addressed. In particular, the unit of analysis is discussed and determined with reference to the organisation in Thailand. The follow section will discuss the criteria for selecting a single case study.

### **3.4.3 Criteria for selecting single case studies**

The case study research designs for this thesis are based on basic types of designs for case study approaches by Yin (1994). As Figure 3.5 shows, there are four types of designs based in a 2X2 matrix (Yin 1994).

Yin (1994) identified that the matrix assumes single and multiple case studies reflect different design situations and within these two types, there also can be unitary or multiple units of analysis. The four types of case study designs are; single-case (holistic) designs, single-case (embedded) designs, multiple-case (holistic) designs and multiple-case (embedded) designs. This is illustrated in Figure 3.5.

Figure 3.5: Basic types of designs for case studies



Source: Developed for this research

For this research, a single case study approach was used (type 2, embedded multiple analysis) instead of multiple case designs. As Figure 3.5 shows, the main unit analysis is the organisation as a whole. Within the organisation, the level of analysis includes departments and individuals. A single case study approach, type 2 with multiple units of analysis was selected for this research as:

- a single case is one in which the case represents an extreme or unique case;
- a full variety of evidence is provided including documentation, archival records, interviews, direct observations, and participant observation;
- a single case represents the critical case in testing a well-formulated theory, the theory has specified a clear set of propositions as well as the circumstances within which the propositions are believed to be true
- the situation exists when an investigator has an opportunity to observe and analyse a phenomenon previously inaccessible to scientific investigation
- with such subunits, an embedded design can serve as an important device for focusing a case study inquiry; and as

- an embedded design, the data focuses on individual employees, thus the study will in fact become an employment and not an organisational study.

To sum up, this section addressed the criteria for selecting single case studies. A single case study type 2 (embedded) approach was used in this research because the subunits can often add significant opportunities for extensive analysis, enhancing the insights into the single case. The following section will address the data collection.

### **3.4.4 Data collection**

This section focuses on the data collection for this research. There are three main elements that should be considered for data collection. First, the sources of data collection must be identified. This is followed by selection of the methodology for the actual collection and finally the time allocated to this task must be planned.

First, data collection for case studies can rely on many sources of evidence. Multiple sources of evidence can be obtained. There are documentation, archival records, interviews, direct observations, participant observation and physical artifacts (Yin 1994). In this research, data was mainly drawn from documentation, interviews, archival records, direct observations and participant observation.

The principal source of data comes from the interviews. Interviews were the major source of data used in this research as they provide valuable insights (Yin 1994). An interview encourages interviewees to share their experiences and can provide as much information as is possible in a free flowing environment (Cooper & Emory 1995). Moreover, Hussey and Hussey (1997) suggested that interviews are associated with both positivist and phenomenological methodologies. They are a method of collecting data in which selected participants are asked questions in order to find out what they do, think, or feel. Interviews make it easy to compare answers and may be face-to-face, voice-to-voice or screen-to-screen; conducted with individuals or a group of individuals (Cooper & Emory 1995; Hussey and Hussey 1997; Zikmund 2000). For this research, interviews with selected personnel and focus groups are conducted with a number of employees in the organisation.

Personal interviews are direct communications where interviewers in face-to-face situations ask respondents questions. This versatile and flexible method is a two-way conversation between an interviewer and a respondent (Zikmund 2000). The most important aspect of an interview is an opportunity for feedback and an opportunity to follow up or probe. If a respondent's answer is brief or unclear, the researcher may ask for a clearer or more comprehensive explanation (Cooper & Emory 1995; Hussey and Hussey 1997; Zikmund 2000). For this research, there were 20 men and 20 women who were randomly selected from four departments to be interviewed personally. The interviews were recorded by tape recording and notes were also made by hand.

Data collection was conducted with the firm in Bangkok. The period of the data collection time was between May and September 2002. This is shown in Table 3.5.

Table 3.5: Periods of time for data collection on this research

Periods of time	Task
1-15 May 2002	Collecting general data of the organisation that is relevant to the research
16 May-10 June 2002	<p><b>Personal interviews (Legal Services Department, 6 persons)</b></p> <p>Legal Services Manager  Assistant to Legal Services  Assistant Manger Legal Services Department  Assistant to Legal Services, Manager-Contracts  Officer support  Officer support</p>
11June-11July 2002	<p><b>Personal interviews (Human Resources Department, 12 persons)</b></p> <p>Personnel Officer  Human Resources Professional  Human Resources Professional Manager  Corporate Learning &amp; Development officer  Corporate Learning &amp; Development officer  Learning &amp; Development Coordinator  Strategic Operational Development Manager, Learning &amp; Development Manager  Learning &amp; Development Manager  Compensation &amp; Benefits Officer  Payroll Supervisor  Compensation &amp; Benefits Manager  Senior Vice President, Human Resources &amp; Management Development</p>
12July-31 July 2002	<p><b>Personal interviews (Credit Control and Accounts Receivable Department, 5 persons)</b></p> <p>Credit Control &amp; Account Receivable officer  Credit Control &amp; Account Receivable Manager</p>
1 August- 9 September 2002	<p><b>Personal interviews (Marketing and Sales Department, 17persons)</b></p> <p>Marketing officer  Marketing officer  Marketing officer  Product Development Manager  Marketing Manager  Sales Representative  Sales Representative  Sales Representative  Sales Representative  Sales Representative  Sales Representative  Senior Sales Representative  Senior Sales Representative  District Manager  Area Manager  Regional Sales Manager  Western &amp; Southern Regional Manager  Senior Vice President, Marketing and Sales</p>

Source: Developed for this research

In summary, section 3.4.4 addressed the data collection phase of the study that concentrated on the number of interviews divided into the two interview methods. First personal interviews were conducted focusing on the four departments within the organisation. Second, the periods of time for data collection on this research are addressed. The following sub-section outlines the pilot case interviews for this research.

### **3.4.5 The pilot case interviews**

A pilot case study is the collective term used to describe small-scale exploratory research techniques that use sampling (Zikmund 2000). Pilot case studies help the researchers to develop prior theory and general approaches for the data collection process and help the researchers to review and revise their data collection plans before the main case studies are conducted (Yin 1994).

For this research, the two pilot interviews were conducted at Bangkok at the main offices. First, Middle Management within the organisation were tested for pilot interviews. Secondly, a pilot interview was conducted with the Lower Management. Both pilot tests assist the researcher to develop relevant lines of questioning and also to provide some conceptual clarifications for the research design (Yin 1994) and in developing the protocols to be used in the research.

## **3.5 Case study analysis**

The role of the general strategy is to help an investigator to choose among different techniques and to complete the analytical phase of the research successfully. Yin (1994) suggested that there are two general strategies to be applied in a case study. The first is to rely on theoretical propositions and the second is to develop a case description. For this study, theoretical propositions will be relied upon because the original objectives and design of the case study presumably were based on such propositions, which in turn reflect a set of research questions, reviews of the literature and new insights. Moreover, the propositions also help to organise the entire case study and to define alternative

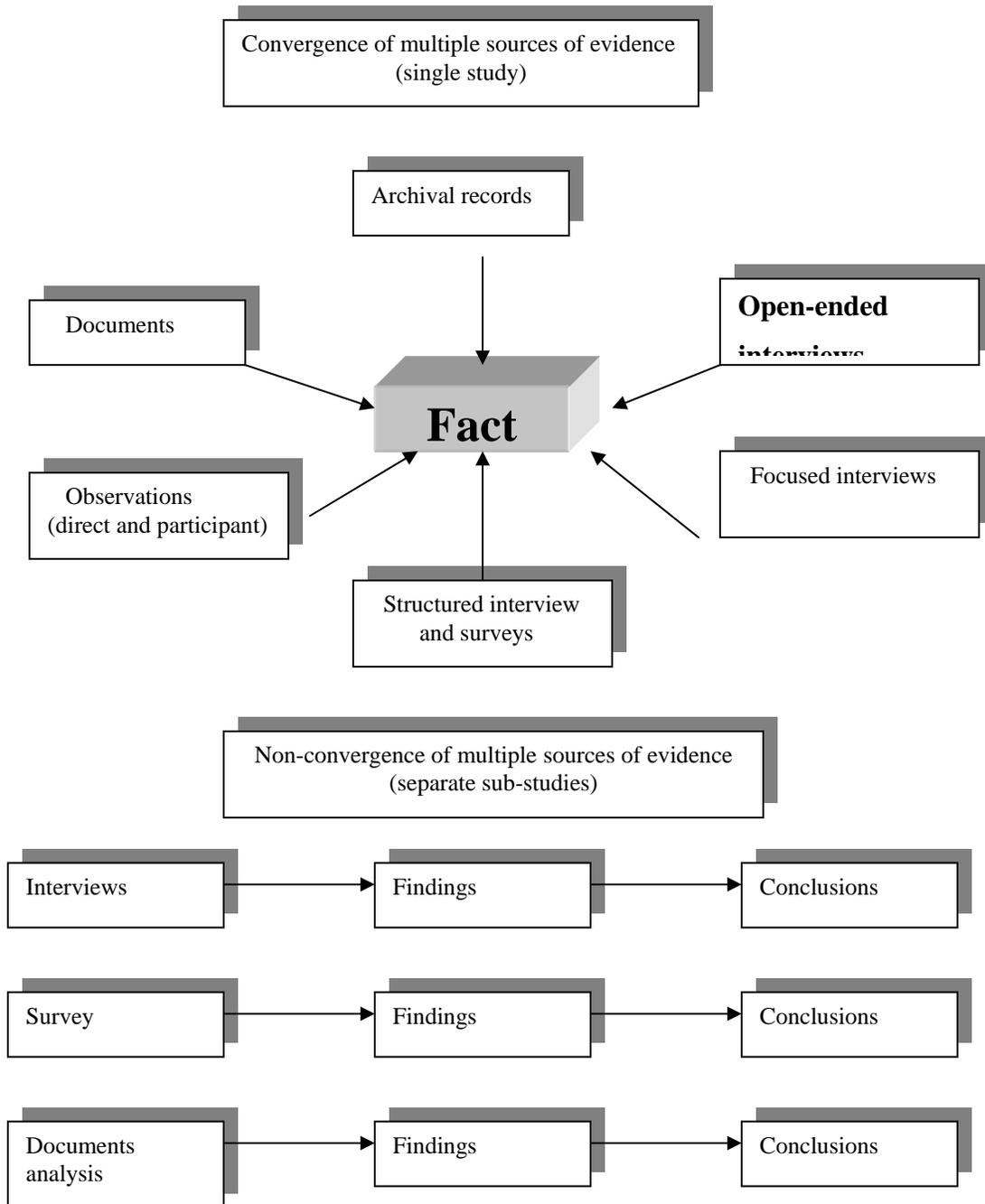
explanations to be examined. Theoretical propositions about causal relations answer “how” and “why” questions and can be very useful in guiding case study analysis in this manner.

Yin (1994) points out that the propositions would have shaped the data collection plan and therefore would have given priorities to the relevant analytical strategies. For this study, the propositions are based on several numbers of relevant theories such as, effective decision-making style and decision-making strategy. Thus, the propositions help to focus attention on certain specific data and to a data collection plan (Yin 1994).

In social science, the term triangulation is used for the application of two or more methods on the same research problem to increase the reliability of the results (Gummesson 2000; Hussey & Hussey 1997; Yin 1994). Triangulation refers as the combination of methodologies in the study of the same phenomenon. The idea of triangulation is based on collection information from a diverse range of individuals and settings by using a variety of methods (Denzin 1978). The triangulation data proposed in this study is analysed by the use of multiple sources of evidence as mentioned in section 3.4.4.

Yin (1994) suggested that there are two methods for using triangulation. They are convergence of multiple sources of evidence and non-convergence of multiple sources (see Figure 3.6). The convergent method uses triangulation to demonstrate that all the observations conform to one interpretation (fact). With the convergence of observations from many different sources (across time, space and analytical level) the researcher can make a powerful argument that the interpretation is vigorous (Denzin 1978; Potter 1996). On the other hand the non-convergence method is based on seeing different facts through separate sources of evidence. Triangulation is an important method since it provides researchers with a means to distinguish between the idiosyncratic, focusing on differences and the representative, focusing on the convergences (Yin 1994, & Potter 1996).

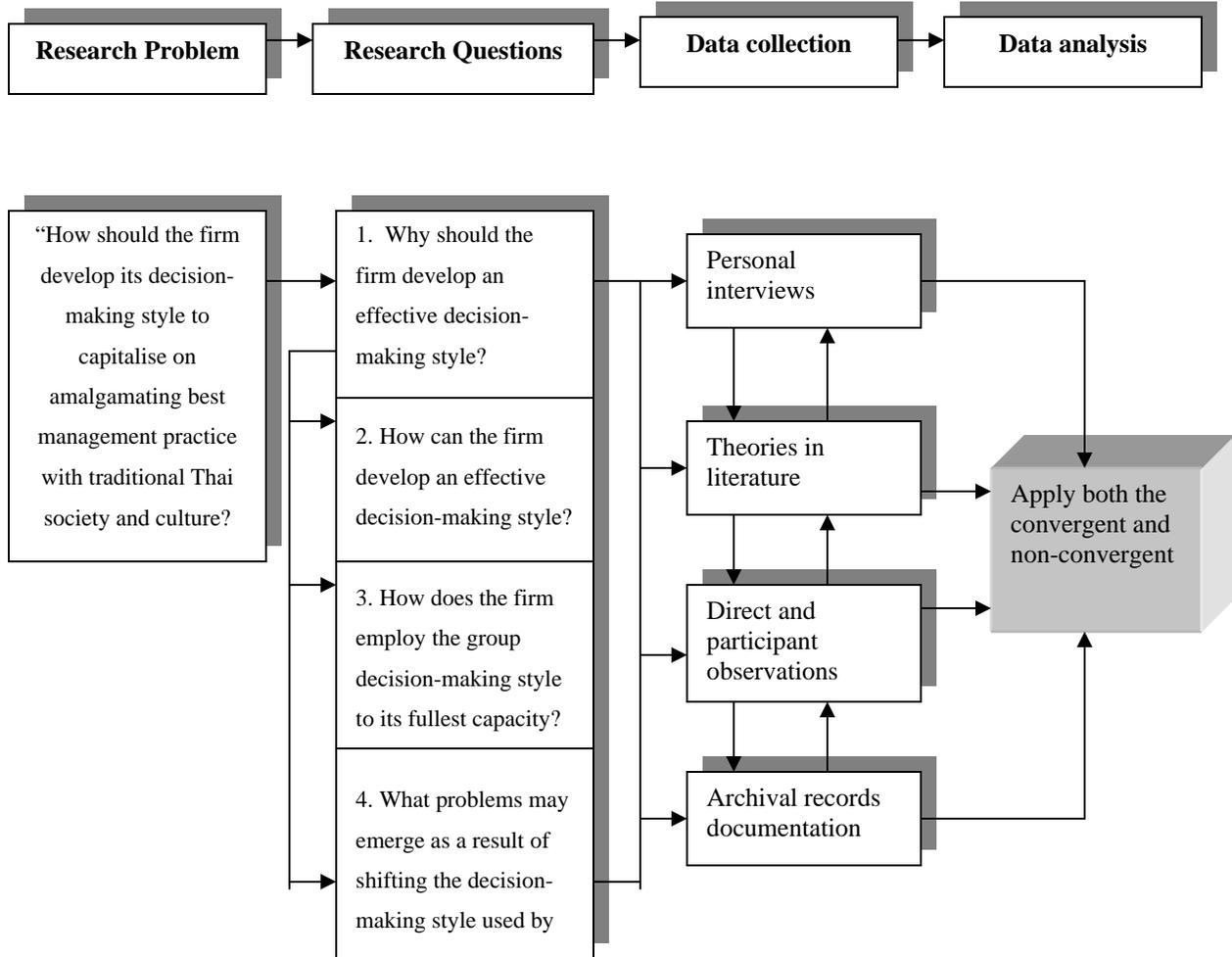
Figure 3.6: Convergences and Non-convergence of multiple source of evidence



Source: Adapted from Yin (1997 p.93)

Moreover, Potter (1996) points out that the effective procedure for using the triangulation methods is to apply both the convergent and non-convergent techniques into the same research design so as to use the full power of the methods. Based on Potter's (1996) suggestion, the methods of triangulation in this study are applied in order to answer the four established propositions, as well as other research issues proposed by this study. Figure 3.7 shows the relationship between the research problem, research questions, data collection methods and triangulation methods (applying both the convergent and non-convergent techniques).

Figure 3.7: The incorporation of the triangulation method

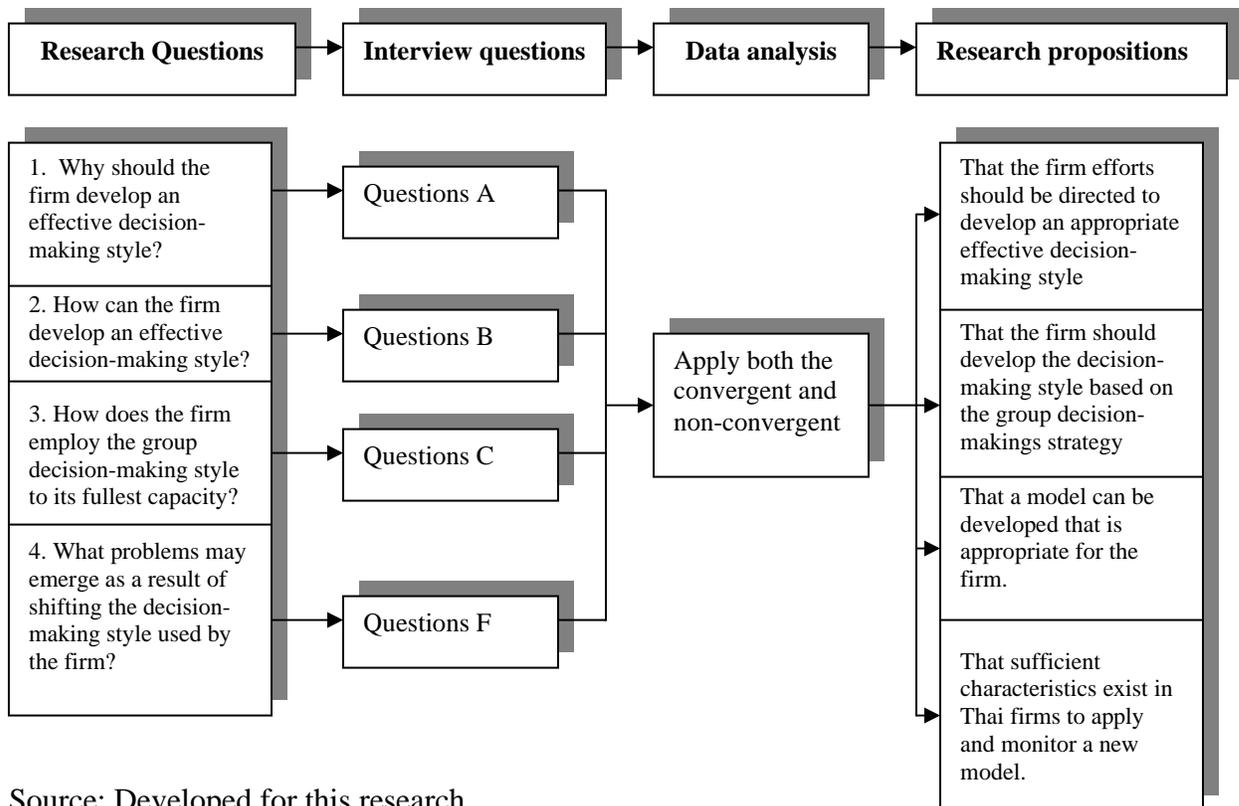


Source: Developed for this research

Figure 3.8 summarises these research issues and the related interview questions of this study. Research questions 1 to 4 were treated using different data collection methods. The interview serves two major functions in this research. First, it forces the researcher to think through the questions to be asked during the interviews (Yin 1994). Second, it enables the interviewer to group the questions according to the research issues so as to facilitate subsequent data analysis.

The interview questions were related to the four research questions and also to the relevant theories drawn from the literature reviewed. The research issues were also tested through the relevant literature. The data collected through the methods were then analysed by both the convergent and non-convergent models incorporating the relevant theories. Finally, the link with each stage brings about a finding from the propositions tested and the decision-making model for the SCCC.

Figure 3.8: Summary of the research issues and related interview questions



Source: Developed for this research

Table 3.6: The interview questions which relate the research questions and the research propositions

<p><b>Research question</b></p> <p>1. Why should the firm develop an effective decision-making style?</p> <p><b>Interview questions</b></p> <ul style="list-style-type: none"> <li>• What is your understanding of effective decision-making?</li> <li>• Why should the firm have effective decision-making?</li> <li>• How does effective decision-making support the organisation's performance?</li> <li>• What are the advantages to the firm if it develops an effective decision-making style?</li> <li>• Do you believe that decisions are currently being made effectively and efficiently?</li> </ul>
<p><b>Research proposition</b></p> <ul style="list-style-type: none"> <li>• That the firm efforts should be directed to develop an appropriate effective decision-making style</li> </ul> <p><b>Research question</b></p> <p>2. How can the firm develop an effective decision-making style?</p> <p><b>Interview questions</b></p> <ul style="list-style-type: none"> <li>• What do you think the decision-making should look like if the firm develops its own decision-making style?</li> <li>• To what extent are you capable of making decisions together?</li> <li>• Do you think the organisational structure of the firm is appropriate for group decision-making to be used to solve the problem? Why?</li> <li>• How can group decision-making work with the employees of the firm?</li> </ul>
<p><b>Research propositions</b></p> <ul style="list-style-type: none"> <li>• That the firm should develop the decision-making based on the group decision-making strategy.</li> </ul> <p><b>Research question</b></p> <p>3. How does the firm employ the group decision-making style to its fullest capacity?</p> <p><b>Interview questions</b></p> <ul style="list-style-type: none"> <li>• How does group decision-making development start?</li> <li>• What can be done to support employees?</li> <li>• What can be employees do to assist the firm in ensuring its new decisions-making method works?</li> <li>• What will be used to develop group decision-making ability for the firm?</li> </ul>
<p><b>Research proposition</b></p> <ul style="list-style-type: none"> <li>• That a model can be developed this is appropriate for the firm.</li> </ul> <p><b>Research question</b></p> <p>4. What problems may emerge as a result of shifting the decision-making style used by the firm?</p> <p><b>Interview questions</b></p> <ul style="list-style-type: none"> <li>• What is important for employing the group decision-making method?</li> <li>• Who will be most affected by a change in the decision-making style?</li> <li>• What aspects of the firm can be used to effectively implement the new style?</li> </ul>

### **3.6 Limitations of case study research**

This section discusses limitations of the case study research and how to overcome these limitations.

First, a concern relates to the development of a theory based on case analysis as it results from a lengthy development phase which can then lead to complexities that are too difficult to comprehend (Eisenhardt 1989). This research complex theory was avoided by the development of prior theories and specific research issues.

Second, case studies can be difficult to conduct due to operational and logistical problems (Yin 1994). For this research, this problem was overcome by using multiple research methodologies for case study and a systematic process for fieldwork for data collection.

Finally, it may be a concern that the findings of this research are specific to this Thai firm only. To overcome this, further studies should be undertaken in both Thailand and overseas organisations.

### **3.7 Ethical considerations**

Ethics in academic research involves three parties: the researcher, the sponsoring client (user) and the respondent (Zikmund 2000). Each party has certain rights and obligations. It is the responsibility of the researcher to ensure that the privacy and anonymity of respondents are preserved (Zikmund 2000). According to the following suggestion by Zikmund the ethics of this research are:

First, it is the obligation of the researcher to keep the information about the organisation and the way it operates as a commercial venture in confidence and to use that information solely for research purposes.

Second, the organisation was invited to participate in the research. The data collection from the employees within the organisation is conducted by personal interviews. The respondents were assured that the research results would not be used for purposes other than academic knowledge and advancement.

Finally, ethical concerns of the respondents will be covered by following the guidelines set down by the Graduate College of Management of Southern Cross University which ensures that no persons involved in the study will be identified either directly or indirectly and that results of the research will not be released to any third party without permission. All respondents will be advised that participation in this study is purely voluntary and that they can withdraw at any time they choose. Official permission to conduct the study will be obtained from the management of the organisation involved in the study.

### **3.8 Conclusions**

This chapter describes the research methodology utilised in this research. Based on qualitative data, the research uses case study research methodology as this was found to be an appropriate methodology since no particular theory had been developed for the special topic “How should the firm develop its decision-making style to capitalise on amalgamating best management practice with traditional Thai society and culture?”

Data collection is based on multiple sources of evidence. These sources of evidence can be summarised as documentation, archival records, interviews, direct observations, participant-observation, and physical artifacts. Interviews and observations have been used for this study.

Triangulation plays an important role in the data analysis for this research. There are two views of using triangulation on reconciling facts. The views are convergent and divergent views. Following Potter’s (1996) suggestion, this research applies both convergent and non-convergent techniques into the same research designs in order to use the full power of the techniques.

This approach is necessary to ensure a vigorous and diverse collection of information. The final aim of this research is to filter out what is consistent so that meaningful conclusions can be made from the data. Finally, limitations of the case study methodology and ethical issues have also been considered.

## **Chapter Four: Data Analysis**

### **4.1 Introduction**

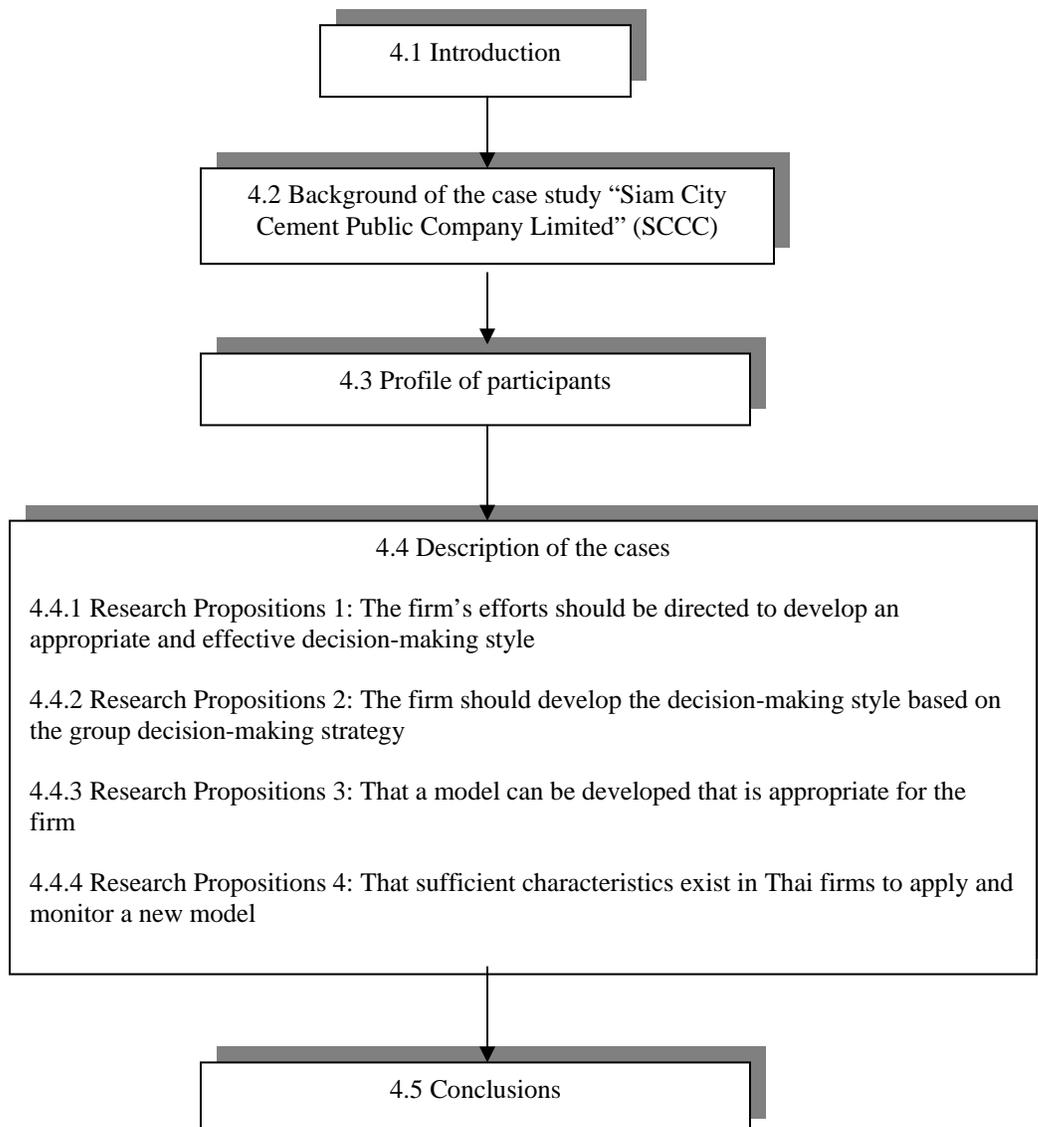
The previous chapter described how the research design and methodology were developed and how the data was collected. In turn, this chapter now analyses the collection of data. The purpose of this chapter is to examine patterns in the collected data and to relate it to the research propositions established for this study. It is presented in five sections as outlined in Figure 4.1. The section starts with a brief background of the case study “Siam City Cement Public Company Limited” (section 4.2). Section three presents the profile of participants (section 4.3); including gender, age, education, and other details of the case study participants (section 4.3.1 to 4.3.4). Finally, section four describes the case (section 4.4); including an analysis of research propositions 1 to 4 (sections 4.4.1 to 4.4.4). This is followed by a general conclusion (section 4.5).

### **4.2 Background of case study “Siam City Cement Public Company Limited (SCCC)”**

SCCC is a Thai firm which was established in the 1960s (SCCC’s Annual Report 2001). For over 30 years since the founding of the company by the “Ratanarak” family, SCCC has played a major role in the development of modern Thailand. Due to an increasing demand for its products both domestically and overseas, SCCC became a member of the “Holcim” group, a leading global cement producer, in 1998 (SCCC’s Annual Report 2001). SCCC is one of Portland’s leading cement and mixed cement manufacturers and exporters in Thailand. The company’s success is built on its single-minded focus on

cement, aggregates, concrete and related construction and building materials as its core business. SCCC is committed to becoming the preferred supplier of cement in Thailand, to increasing the levels of service to its customers, to greater financial performance, to the development of staff and playing an even larger role in the community. SCCC's operations have grown to be among the largest and most technically sophisticated in the world (SCCC's Annual Report 2001).

Figure 4.1: Outline of chapter four with section numbers and their inter-relationship



Source: Developed for this research

### 4.3 Profile of participants

As previously discussed in chapter 3, in-depth interviewing strategies were applied to collect data. The interviewees for the case study were selected in order to assess their experience and to represent an information rich basis for this research (Patton 1990, p.169). This section provides a profile of the participants in relation to their gender, age, education and other details.

#### 4.3.1 Gender

Participants were asked to indicate their gender. The statistics from this question are summarised in Table 4.1. There were 20 men and 20 women who were randomly selected from each department of the SCCC by means of their position codes to cover as many positional characteristics in the SCCC as possible.

Table 4.1: Gender of the participants

Gender	Frequency	Percent
Male	20	50%
Female	20	50%
Total	40	100%

Source: Developed for this research

### 4.3.2 Age

The participants were asked to indicate their age in one of four categories: 20- 30 years, 31- 40 years, 41-50 years, and 51-60 years. The results are shown in Table 4.2:

Table 4.2: Age of the participates

Age	Frequency	Percent
20- 30	13	32.5%
31- 40	23	57.5%
41- 50	3	7.5%
51- 60	1	2.5%
Total	40	100%

Sourer: Developed for this research

The largest group (57.5%) of participants were aged between 31 and 40 years. The second largest group (32.5%) consisted of participants who were between the ages of 20 and 30 years. These two groups together rendered 90% of the participants in the study under the age of 50, indicating that the majority of the employees of the firm were relatively young. Moreover, 2.5 percent (one respondent) were within the age of 51- 60.

### 4.3.3 Education

Participants were asked to nominate their level of education, ranging from diploma level through to postgraduate standard. The results are as shown in Table 4.3.

Table 4.3: The level of education of participants

Education	Frequency	Percent
Diploma level	1	2.5%
Undergraduate level	23	57.5%
Postgraduate level	16	40%
Total	40	100%

Source: Developed for this research

The majority of participants were educated to an undergraduate level (57.5%). All of these participants completed their bachelor degrees before joining SCCC. The second largest group was those who had completed postgraduate study. This group comprised 40% of all case study participants. Finally, only 2.5 percent of participants fell into the diploma level category.

### 4.3.4 Details of case study participants

The seniority and experience of the participants contributed a depth of information to this research. Table 4.4 summarises the details of the participants who were from the head and branch offices (Phaholyothin). The positions of the participants working in the head office covered the Legal Services Department, Human Resources Department, and sub-sections of the Human Resources Department (including learning & development, payroll and the personnel officer section). The positions of participants working in the

Phaholyothin office included the Credit Control and Accounts Receivable Department, and the Marketing and Sales Office.

A total of 40 interviews were undertaken representing the four departments. The four departments in this research were selected to provide both theoretical and literal replication as described in Chapter 3. Each of the departments consisted of five to seventeen interviewees drawn from Lower, Middle and Top-level Management in the SCCC. The case interview data from these participants was synthesised to provide a picture of each department. This is shown in Table 4.4.

Table 4.4: Summary of departments in this research

<b>Departments</b>	<b>Description</b>
Legal Services Department (LS)	- Provision of legal services
Human Resources Department (HR)	- Learning and development - Compensation and benefits <del>Recruitment and employee relations</del>
Credit Control and Accounts Receivable Department (CCAR)	- Account management - Financial services
Marketing and Sales Department (MS)	- Marketing Promotion - Sales

Source: Developed for this research

These four departments were used in the in-depth interviewing process. Each interview dealt with an individual from a department and was coded appropriately. The number of interviews was limited to 40 because replication was well established and further interviews were not providing additional data. Each interviewee was allocated a code to maintain anonymity for the participants. The initial code represents which department the interviewer was allocated to (LS1, HR2, CCAR3 and MS4). This is shown in Table 4.4. A number was also allocated to show the order of the interviews. Finally, a code representing each of the participants was applied. For example, a line manager, interviewed second in Department 2 would read HR2MM\*. This is shown in Table 4.5.

Table 4.5: Summary of participants in this research and the coding applied

<b>Department 1</b>	<b>Department 2</b>	<b>Department 3</b>	<b>Department 4</b>
<b>Legal Services Department (LS1)</b>	<b>Human Resources Department (HR2)</b>	<b>Credit Control and Accounts Receivable Department (CCAR3)</b>	<b>Marketing and Sales Department (MS4)</b>
LS1LM*	HR2LM*	CCAR3LM*	MS4LM*
LS1MM*	HR2MM*	CCAR3MM*	MS4 MM*
LS1TM*	HR2TM*	CCAR3TM*	MS4TM*

LM\* = Lower Management

MM\* = Middle Management

TM\* = Top Management

Sources: Developed for this research

The following section presents the occupational characteristics of the 40 participants in the four departments. The participants were from the head and phaholyothin offices (as outlined in section 4.4.4). Table 4.6 presents the details of the participants and indicates their organisation, identifying code, gender, years of work experience with the organisation and their position.

Table 4.6: Details of case study participants

Participant Code	Gender	Years with organisation	Position
LS1 LM	M	4	Officer support
LS1 LM	F	7	Officer support
LS1 MM	M	1	Assistant to Legal Services, Manager-Contracts
LS1 MM	M	9	Assistant Manager Legal Services Department
LS1 MM	M	8	Assistant to Legal Services, Department Manager-Litigation and Licenses
LS1 TM	F	2.5	Legal Services Manager
HR2 LM	F	7	Personnel Officer
HR2 MM	F	2	Human Resources Professional
HR2 MM	M	2	Human Resources Professional Manager
HR2 LM	F	1.1	Corporate Learning & Development officer
HR2 LM	F	4	Corporate Learning & Development officer
HR2 LM	F	1	Learning & Development Coordinator
HR2 MM	F	1	Strategic Operational Development Manager, Learning & Development Manager
HR 2 MM	F	2	Learning & Development Manager
HR2 LM	F	11	Compensation & Benefits Officer
HR2 LM	F	28	Payroll Supervisor
HR2 MM	M	2.5	Compensation & Benefits Manager
HR2 TM	M	3	Senior Vice President, Human Resources & Management Development
CCAR3 LM	F	4	Credit Control & Account Receivable officer
CCAR3 LM	F	8	Credit Control & Account Receivable officer
CCAR3 LM	M	7	Credit Control & Account Receivable officer
CCAR3 LM	F	10	Credit Control & Account Receivable officer
CCAR3 MM	F	5	Credit Control & Account Receivable Manager
MS4 LM	F	6	Marketing officer
MS4 LM	F	10	Marketing officer
MS4 LM	M	7	Marketing officer
MS 4 MM	F	1.5	Product Development Manager
MS 4 MM	M	15	Marketing Manager
MS4 LM	F	2	Sales Representative
MS4 LM	M	5	Sales Representative
MS4 LM	M	7	Sales Representative
MS4 LM	M	8	Sales Representative
MS4 LM	M	8.5	Sales Representative
MS4 LM	M	8	Senior Sales Representative
MS4 LM	M	10	Senior Sales Representative
MS4 MM	M	13	District Manager
MS4 MM	M	6	Area Manager
MS4 MM	M	10	Regional Sales Manager
MS4 MM	M	12	Western & Southern Regional Manager
MS4 TM	F	5	Senior Vice President, Marketing and Sales

Source: Developed for this research

In summary, this section has discussed the character of the SCCC organisation that has contributed data for this study. The case is divided into four departments; the Legal Services (LS1), Human Resources (HR2), Credit Control (CCAR3) and Marketing and Sales Departments (MS4). Moreover, there is a discussion of the individual participants providing details of gender, age, education, position of participants, years with the organisation and the identification code given to protect anonymity.

## 4.4 Description of the case

This section presents the findings of the research. The research problem being explored is:

*“How should the firm develop its decision-making style to capitalise on amalgamating best management practice with traditional Thai society and culture?”*

The research problem is broken down into the following four research propositions.

- Research proposition 1: That the firm’s effort should be directed to develop an appropriate and effective decision-making style.
- Research proposition 2: That the firm should develop their decision-making style based on the group decision-making strategy.
- Research proposition 3: That a model can be developed that is appropriate for the firm.
- Research proposition 4: That sufficient characteristics exist in Thai firms to apply and monitor a new model.

#### **4.4.1 Research proposition 1**

Research Proposition 1 suggests that the firm should develop an appropriate and effective decision-making style. Based on the literature reviewed and the data collected, a number of findings relevant to SCCC have been made. These include the decision-making style at SCCC and a method to develop an appropriate and effective decision-making style. This section is divided into two sub-sections relating to the present decision-making style at SCCC and the potential for a more appropriate model.

##### **4.4.1.1 Decision-making style at SCCC**

To begin considering the firm's efforts in developing an appropriate and effective decision-making style, its history was sought from the interviewees. Participants were asked to consider how the decision-making style at SCCC had influenced their experiences of management and to summarise their perception on a Likert scale ranging from 1 to 5, as explained below:

- 'Strongly Disagree' which is attributed a value of 1;
- 'Disagree' - a value of 2;
- 'Neither Agree nor Disagree' - a value of 3;
- 'Agree' - a value of 4; and
- 'Strongly Agree' - a value of 5

The response to each of the attitudinal questions is presented in Table 4.7.

Table 4.7: Summary of the influence of decision-making from interviewees in each department

Row	Issue	Case LS1	Case HR2	Case CCAR3	Case MS4	All cases
<b>1</b>	<b>Do Top Management make the formal decisions in the company?</b>	<b>4, 4, 4, 5, 5, 3</b>	<b>5, 4, 4, 5, 5, 5 4, 4, 5, 5, 4, 3</b>	<b>4, 4, 5 4, 4</b>	<b>4, 4, 4 4, 3, 5, 5, 5, 5, 5, 5, 4, 5, 4, 4, 4, 3</b>	
<b>2</b>	<b>Average Response</b>	<b>4.16</b>	<b>4.41</b>	<b>4.20</b>	<b>4.29</b>	<b>4.26</b>

Source: Developed for this research

This table establishes that the participants firmly agree that Top Management hold the decision-making power at the SCCC. The net result of 4.26 equates to a response between ‘agreement’ and ‘strong agreement’ with the proposition.

Aside from this, the participants who were interviewed fully agreed that Middle Management directly influenced their working styles, personal development and career advancement. However, there were some participants from the upper management categories (MM and TM) who considered their influence as minimal. These participants believed that decision-making should come from the top-down rather than from below because top level management decisions were much more effective as they were based on greater experience.

Beyond the use of interviews, a search of archival records on file was also conducted. The reports from each department meeting showed that the roles of Top Management (TM) were essential in decision-making at SCCC. The Top Management principally conducted the main decision-making processes including planning, implementing and evaluating. The Middle and Lower Level Management merely followed the processes proposed by Top Management (see section 2.4). This means that the organisational structure at SCCC seems to be a form of autocratic leadership because the majority of decision-making comes from Top Management, although they do give their subordinates some latitude in carrying out their work. Many of the LM and MM who were interviewed, implied that there were many projects ordered by the TM without consultation about the feasibility of their implementation. They were merely informed of the work to be done and only reported successful results back to the Top Management.

This substantial impact of the Top Management decision-making on the employees at SCCC appears to be a consistent finding. When interviewing the Legal Services (LS1), Human Resources (HR2), Credit Control and Accounts Receivable (CCAR3) and Marketing and Sales (MS4) Departments, it was found that decision-making depended entirely on the command of the Top Managers. All employees were forced to follow the decisions issued by Top Management.

In brief, this section found that the decision-making at the SCCC emanated from top-level management rather than the middle or lower levels. This view was derived consistently from each of the four departments interviewed. This is inconsistent with the concept of group decision-making, which forms the basis of the following propositions. The following section will discuss whether such an approach would be appropriate within the SCCC.

#### 4.4.1.2 Developing an appropriate and effective decision-making style at SCCC

This section discusses whether the SCCC should develop an appropriate and effective decision-making policy. In order to determine this issue, each participant was asked to consider and summarise their perceptions on a Likert scale ranging from one to five (see section 4.4.1.1). A summary of their answers is provided in Table 4.8.

Table 4.8: Summary of whether the firm should develop an appropriate and effective decision-making style

Row	Issue	Case LS1	Case HR2	Case CCAR3	Case MS4	All cases
1	The SCCC should develop an appropriate and effective decision-making style	4, 4, 4, 3, 3, 3	4, 3, 3, 4, 4, 4, 3, 3, 4, 4, 4, 5	3, 4, 5 4, 4	4, 4, 4, 4, 3, 5, 5, 5, 5, 5, 5, 4, 5, 4, 4, 4, 3	
2	Average Response	3.50	3.75	4	4.29	3.88

Source: Developed for this research

As Table 4.8 indicates, the average interviewee agreed (3.88) that the firm should develop an appropriate and effective decision-making policy. The participants from MS4 (from Lower and Middle Management) who had been working with the company for more than five years summarised the decision-making policy as:

*In the past few years, the decision-making style has become less centralised. Employees can participate in the decision-making process more than in the past. However, decision-making at the department level is still done by one person*

*only. For the marketing department, the decision is still made by Top Management (TM) who receive information from subordinates before making the decision themselves. More often, the Top Management make decisions without information from the subordinates. Although, TM listen to their subordinates' ideas, if the opinions are different from theirs, Top Management will make decisions based on their own opinion.*

On the other hand, during interviews with participants from HR2 (Lower and Middle Management level) it was mentioned that, at present, decision making in that department seems to be a combination of both decentralised and centralised processes. However, the participants would prefer the decision-making policy to evolve to allow Lower Management to become more involved in decision-making. In addition, they believed that this was the key to the development of a decision-making policy and why many of them had undertaken roles as decision-makers. They considered that even mere consultation with Lower and Middle Management would improve the decision-making process. One such view is stated below:

*“At present, decision-making within HR4 is a combination of styles. The Top Management make decisions regarding the main policy, then decentralise the authority to their subordinates who implement that policy. In the meantime, the staff can make decisions at soon as a problem is under their authority. But it would be much better if the main policy was made by gathering information from Lower and Middle Management because if staff can share their ideas, the decision-making will be more effective and efficient.”*

When interviewing the Top Management in the Human Resources Department, it was discovered that they believe the departments have their own responsibilities for decision-making because the Middle Management are delegated some authority. This obviously is in contrast to the views of the Lower Management who believe that, in substance, decision-making is a Top Management role. This is shown in the quotation from one respondent who stated:

*“I am not worried that the Middle Management give their authority to Lower Management to make decisions. Each sub-department makes decisions within their responsibility. This process has occurred since I began work here. From my perspective, the decision-making within each department is decentralised. For example, at the function level there are meetings to brainstorm new ideas. If the decision-making can be done at the function level, it will be done there. However, I would like to see each department empowered to make decisions by themselves because it will be faster and will result in improved worker satisfaction. If it is beyond their authority, the problem should be passed up to the department supervisor or manager.”*

Likewise, when LS1 participants were asked whether the SCCC should develop an appropriate and effective decision-making style, staff from Lower and Middle Management levels described the decision-making style at the department as already effective. They referred to the Top Management encouraging the employees to become involved in the decision-making but still believed there was room for increased involvement at the Lower Management levels. This is summarised below:

*At present, all employees can suggest ideas and make decisions. In the case that the suggested idea is applicable or acceptable, it will still need to be approved by a supervisor or manager. Once approved, the idea will be implemented.*

*Decentralisation has been undertaken in my Legal Department. For example, if we do not understand a problem then we will hold a group meeting to brainstorm the solution.*

The idea of involving Lower Management was also discussed by members of LS1. There, it was found that the Top Management level encouraged decentralising the decision-making process to involve the employees. One manager remarked that the staff at LS1 had the ability to make effective and efficient decisions whereas previously most of them never paid attention to such things, nor had their leaders seriously encouraged them to do so. Considerable developments in effective decision-making skills were essentially

required from them. The most important issue for the LS1 department is therefore to establish a method of increasing staff involvement of in the decision-making process.

Similarly, within the CCAR3 Department most of the Lower and Middle Management described that the decision-making style at CCAR3 combined the two methods (Top Management decisions and Lower Management decisions) but agreed that it was better if the SCCC developed a policy of group decision-making. This group commented:

*Currently, the decision-making style mixes the top-down style and a decentralised style. According to the top-down style, the organisation gives a direction or target that will be followed in each department. By the decentralised style, employees can suggest their ideas to the management team. Besides that, the employees can make decisions on some issues within their responsibility. However, if the group can make the decision it would be far more beneficial because group decisions tend to be more accurate.*

In summary, this section presented the data relating to Research Proposition 1. The data from the four departments reveal that developing an appropriate and effective decision-making policy at SCCC is important. The evidence shows that decision-making at MS4, in which one person makes the decisions, should be transformed into a decentralised system by increasing employee involvement in decision-making. This idea is supported by the opinions from LS1, HR2 and CCAR3. These departments strongly believe that the firm needs to develop an appropriate and effective decision-making style, which is suitable to the present environment. The data therefore suggests that such a process should be established to improve the business strategy of SCCC. The next section will discuss whether the group decision-making strategy would be the most appropriate style to implement in the context of the SCCC.

## 4.4.2 Research proposition 2

Research Proposition 2 looks at the issue of whether or not SCCC should develop a decision-making style based on a group decision-making strategy. From interviews and data collection, a number of findings have emerged. These include evidence that although there is an understanding of what effective decision-making is among the firm's managers, there is still a lack of such decision-making being employed.

### 4.4.2.1 Understanding of effective decision-making

An understanding of effective decision-making is important for the firm as without such an understanding, such a process would be impossible to implement. Participants were therefore asked to consider what they understand about effective decision-making at the firm and summarise their perception on a Likert scale ranging from one to five (see section 4.4.1.1). A summary of their perceptions is provided in Table 4.9.

Table 4.9: Summary of the perception of participants regarding effective decision-making

Row	Issue	Case LS1	Case HR2	Case CCAR3	Case MS4	All cases
1	I have a good understanding of effective decision-making	4,4,3 3,4,3	4,4,4 5,4,5 4,4,4 4,4,4	4,4,5 4,5	3,3,3 3,3,3 2,3,2 2,3,4 3,3,2 3,4	
2	Average Response	3.50	4.16	4.40	2.82	3.72

Source: Developed for this research

According to the results in Table 4.9, the participants from the four departments believed they had a good understanding of effective decision-making. The overall average of 3.72 means that the participants agreed that they had a good understanding of effective decision-making. It was found that participants from HR2 and CCAR3 were the most competent, easily outperforming MS4 and LS1.

Even considering the findings from MS4 and LS1, the evidence shows that the understanding of effective decision-making in the departments is considerable. The application of the decision-making model by Lower and Middle Management in these departments is primarily focussed on information as the most important asset. Moreover, the participants strongly believe that even if they have accurate information they have to follow a number of rigid rules, known as departmental regulations, and the most important is that Top Management makes the final decision. This is summarised below;

*Before making an effective decision, the issue should be understood. Besides, information has to be complete before making the decision. But in a real situation, sometimes the decision-making cannot be done before the deadline due to the rules. In any event, it is quite often a decision made by one person in the department.*

The opinions of Lower and Middle Management from the HR2 department supported this idea. They also believed that effective decision-making should come from accurate information and the process should be followed. Moreover, they believed that suggestions from Top Management were also important for effective decision-making. One member of Lower Management also suggested:

*“In my opinion, effective decision-making requires persons who are concerned with that problem taking part in the decision making process. In addition, before decisions are made the decision-makers should receive some directions or guidelines from Top Management for clarity. Then they can make appropriate decisions.”*

In addition, an interview was conducted with the Top Management from the HR2 department concerning effective decision-making. The Top Manager of HR2 believed that decision-making should be done only after considering all the likely effects. Thus, they have to discuss the possible effects of these decisions and know the potential outcome of each. The manager mentioned:

*“At present, this organisation is dynamic. Effective decision-making is therefore of utmost importance for the firm. Each decision made should consider the repercussions that may flow from the decision. Thus, decision-making requires systems. It should not be done by common sense. The firm should train staff in the correct decision-making process. The result of such a plan will be to the advantage of the organisation.”*

The Lower and Middle Management in the CCAR3 department commented:

*Effective decision-making has to achieve the target and has to solve problems within a specified time. Effective decision-making, from our point of view, can be done by two methods, that is, down to top and top to down. For the CCAR3, decision-making is not down to top oriented only. The top to down method will also be applied when suitable.*

Another manager from CCAR3 stated that effective decision-making from their point of view was as follows:

*“ Effective decision-making is an art. Before making the final decision, the decision maker has to mix a lot of information before bringing everything together with the accurate decision”*

In brief, this section found that the participants from four departments understood that effective decision-making should be made after carefully considering all the effects that

may happen in the department and organisation. Despite this understanding, the next section establishes that the application of the appropriate decision-making process is still flawed in certain aspects.

#### 4.4.2.2 Lack of group decision-making for the firm

This section looks at how the SCCC employ group decision-making to solve problems within the firm. In order to determine this issue, participants from each department were asked to consider and summarise their perceptions on a Likert scale ranging from one to five (see section 4.4.1.1). A summary of their answers is provided in Table 4.10.

Table 4.10: Summary of how the SCCC employ group decision-making to solve problems

Row	Issue	Case LS1	Case HR2	Case CCAR3	Case MS4	All cases
1	Subordinates are readily involved in group decision-making related to their work	1,2,2 2,2,2	2,2,3 2,2,2 2,3,2 2,3,4	2,2,2 2,3	1,1,2 2,2,1 3,3,3 2,1,1 2,2,3 2,3	
2	Average Response	1.83	2.41	2.2	2	2.11

Source: Developed for this research

As Table 4.10 indicates, the average participant disagreed (2.11) with the proposition that the firm involved subordinates in decision-making. This was especially evident from the

responses of the participants from MS4. Almost all participants believed that whether group decision-making was employed depended on Middle and Top Management. If those managers made a serious attempt to apply this strategy it would be better than one person making the decisions. This is summarised as follows:

*The group decision-making style should be applied in the department because group members will share the ideas and responsibility for decision-making. However, at present it depends on policy that comes straight from Top Management. If the departments applied the group decision-making strategy the outcome would be better. However, the department should be provided with some support in group decision-making. For example, supervisors or managers should be available to give advice to make decisions conform to the organisation's policy.*

Another Middle Manager also believed that group decision-making was essential for the MS4 department but that group decision-making could not apply in all cases. The manager argued:

*“ Group decision-making is very important because all staff can suggest their ideas no matter what their position is. Their suggestions can be raised up to their leader to make decisions by applying the group decision-making method. However, group decision-making is not appropriate for all cases. It depends on the significance of work and time. The MS4 Department has to consider when group decision-making is appropriate before using it.”*

On the other hand, when Lower Management was interviewed they repeatedly mentioned that group decision-making is important for the MS4 Department but they believed the leader never seriously considered employing this strategy. It seems that this strategy is just another policy set up by the organisation, which in reality is never practiced in the MS4 Department.

Correspondingly, Middle Management revealed that they took commands from their top leaders and only reported back to the leaders the basic details of how their assigned jobs were proceeding. The manager went on to suggest that what subordinates did was his responsibility. Consequently, it was necessary to keep checking the progressive status of jobs being carried out by Lower Management so that reports could immediately be made to the leaders if required.

Therefore, the managers could not be fully democratic leaders. Rather, they had become directive democratic leaders. They made decisions participative by allowing their subordinates to share possible methods for carrying out the assignments. However, they had to closely supervise their subordinates to ensure that performances would satisfy the organisational leader.

This idea was supported by the opinions of Lower Management from the LS1 Department. Lower Management from LS1 felt that the group decision-making strategy had been set up by the organisation. As a result, each department had to follow this policy but there were discrepancies in how much effort was placed into conforming to it. One Lower Manager mentioned:

*“I think the organisation supports group decision-making. However, it is not 100% complete because it depends on the level of management in each department and the experience of the leader. At the moment, I strongly believe that the LS1 manager tries to apply the group decision-making strategy to solve problems in accordance with the firm’s policy but I also feel that the application of group decision-making still needs to be taken more seriously.”*

In addition, when Lower Management from CCAR3 were interviewed they supported the comments of the Lower Management of LS1. They also mentioned that the firm should continue to encourage group decision-making because they felt that the outcome of group decision-making was more accurate. However, they also felt that the firm failed to seriously encourage group decision-making.

Another member of Lower Management indicated that group decision-making would be effective and efficient if Middle Management supported this strategy. This is summarised:

*The application of group decision-making depends on whether managers support it or not. If managers support group decision-making and employees have a good relationship with each other, then the end result will be effective.*

Similarly, most of the Lower Management from HR2 also commented that the manager should respect their subordinate's opinions in order to enhance group decision-making. This group commented:

*Managers who dare to support group decision-making and accept their subordinate's opinions can extend their department's ability to make effective decisions. Currently, managers do not dare to make decisions because they are afraid of feedback that will affect their jobs. In any event, they do not accept the opinions of their subordinates because they think that subordinates are merely performers.*

However, an interview with the Middle Management from HR2 revealed an understanding of the feelings of Lower Management. When receiving orders from Top Management and passing them on to his subordinates, the manager did not want to put pressure on them to follow the order because he realised that before Top Management made the final decision, Lower Management should be involved. He believed that group decision-making increases the capability of the department. However, although supervisors and managers should give subordinates suggestions, they should also trust the decisions made at the lower levels. Middle Management noted:

*“Group decisions can increase the firm's capability but the process requires guidance. The supervisors and managers have to remain close with their staff and*

*can tell them what the right process is. Moreover, supervisors and managers should accept other opinions also. Although their staff raises a comment, supervisors and managers should accept that they should share the ideas. After sharing the ideas, their staff will be encouraged to make decisions. In addition, evaluation of whether the decision is right or wrong depends on reasons and not on position.”*

Moreover, other Middle Management from HR2 pointed out that support systems for group decision-making should be developed to provide as much assistance as possible for the department. There were comments from other interviews that there was a lack of support systems to assist group decision-making. Several participants considered that the ultimate support should come from the Top Management positions within the department.

During an interview with Top Management from LS1, their perspectives were found to be very different to those of the Lower Management levels. Top Management believed that subordinates should not be involved in the group decision-making process because they had a lack of knowledge and experience in group decision-making. This quote is from one respondent who stated:

*“I think group decisions will be more efficient when staff are specialised in their own work. Before they comment on other issues that they are not concerned with, they should know what they do. The problem is that they do not understand what they are doing. When they lack knowledge and experience, their information may be distorted. As a consequence, the resulting decision may be distorted respectively.”*

In summary, this section presented the data relating to Research Proposition 2. The data from the four departments indicates that the firm should develop a decision-making style based on group decision-making. From the participants’ point of view, effective decision-making should consider all information at the party’s disposal. The majority of participants suggested group decision-making should be applied seriously in the firm in

order to improve employees' performance. Moreover, several participants pointed out that support systems are important for the firm.

This section found the firm should develop group decision-making because participants believe that this method is consistent with democratic ideals and therefore decisions made by groups may be perceived as more legitimate than decisions made by one person. Moreover, the participants also believed that an individual decision maker has complete power and by not consulting others can create a perception that a decision was made autocratically and arbitrarily. The next section will discuss the model to be developed that is most appropriate for the firm.

### **4.4.3 Research proposition 3**

Research Proposition 3 looks at the most appropriate model that can be developed for the firm. To develop group decision-making as a model it is necessary to establish the perspective of employees at the firm. According to information obtained from the interviews, there was strong support in all four departments in the belief that group decision-making was necessary for the firm's development.

#### **4.4.3.1 Group decision-making is necessary for the firm**

Each participant was asked to consider whether group decision-making was necessary at the firm and summarise their perceptions on a Likert scale ranging from one to five (see section 4.4.1.1). A summary of their answers is provided in Table 4.11.

Table 4.11: Summary of the perception of the necessity of group decision-making at the firm

Row	Issue	Case LS1	Case HR2	Case CCAR3	Case MS4	All cases
1	Group decision-making is necessary for the firm	4,5,5 5,5,5	3,4,4 4,5,4 5,4,5 4,5,4	4,5,4 3,5	4,5,5 4,4,4 4,5,5 4,5,5 4,4,4 3,3	
2	Average Response	4.83	4.25	4.20	4.23	4.37

Source: Developed for this research

As Table 4.11 indicates, the average participant agreed or strongly agreed (4.37) that group decision-making was necessary for the firm. Almost all the interviewees believed that there would be better outcomes for the organisation if the firm applied group decision-making. However, almost all interviewees agreed that there was still a long way to go before this situation would occur, indicating that the need to involve the employees in decision-making was of utmost importance.

The majority from the four departments felt that group decision-making was necessary for the firm but the seniority system was so strict that subordinates were not brave enough to present their creative ideas to the supervisors. In addition, they noted that the seniority system was a significant blockage in developing people because the most senior

person in the department always became the leader, whereas the subordinates merely followed and carried fewer responsibilities.

Besides that, participants from four departments mentioned that the seniority system created a lack of self-confidence in the subordinate workers. They were reluctant to present innovative thoughts to their superiors because superiors tended to reject creative notions, claiming that, based on their superior experience and knowledge they could foresee that the proposed ideas would not be workable. In fact, they did not want to lose face because if they accepted the ideas, it meant that their subordinates may have been considered smarter than them (see section 2.6.1.4 in chapter two).

During the interview with Top Management from HR2, it was discovered that this department encouraged employees to make group decisions more than the other three departments. They saw group decisions as producing better results than those made by a single person. Moreover, Top Management noted that many young employees had tremendously interesting ideas useful for the firm but they were still stuck in the traditional seniority culture and therefore the ideas were not developed.

However, things are changing. Many senior officials have retired and others have recognised that they can no longer keep up with the ongoing changes. This era belongs to the new generation whose energy and ideas were fresher than theirs. As the manager mentioned:

*“There is often truth to the saying that two heads are better than one. A group brings a wider diversity of experience and perspectives to the decision-making process than an individual acting alone. I also strongly believe that groups have a greater amount and diversity of information; they can identify more alternatives than an individual. This is the reason why I have tried to encourage group decision-making within the department. Besides that, I want to see a new dimension of our department culture. I would like to encourage all the young*

*employees to be confident in their creative ideas. I would like them to not worry about negative reactions from their bosses when they make a decision.”*

In order to employ group decision-making in the SCCC, the Human Resources Department organised a seminar workshop for the employees. The purpose of the seminar was to introduce the conceptual framework of model group decision-making to Lower and Middle Management. The HR2 Department expects that the participants will bring the idea into practice. However, the researcher's direct observations reveal that Lower Management and some Middle Managers do not understand the idea of group decision-making as yet, due to their lack of work experience.

One Middle Manager from HR2 suggested that applying the group decision-making strategy in the Human Research Department was not impossible. Of all steps in implementing the group decision-making model, the first step was the most essential. Middle Management suggested that this step involved creating awareness of decision-making. This is shown in the quotation from one respondent below:

*“ In my point of view, the Top Management of HR2 have tried to apply group decision-making to improve outcomes. However, the first step of getting people to become a group is absolutely essential. Only once this occurs can we create awareness of group decision-making and make it happen. Group decision-making will become a key weapon for HR2 in the SCCC.”*

Confirmation of this statement was found in an interview with Lower Management from HR2 who accepted that group decision-making was necessary for the department. Besides that, they expected suggestions and advice from more senior managers to help them make their group decisions. Therefore, the employment of group decision-making was necessary for the department. They also strongly believed that if other departments applied the group decision-making strategy, the organisation would achieve better performances.

This idea was also accepted by the opinions of the LS1 and CCAR3 Departments. Lower and Middle Management from those departments believed that group decision-making increased acceptance of the solution. When one person made the decision, the decision consistently failed because people did not accept the solution. However, if the people to be affected by, and who would implement, the solution were able to participate in the process, they were more likely to accept it and to encourage others to accept it also. The Lower and Middle Management strongly believed that members were reluctant to fight or undermine a decision that they helped to develop.

In addition, when asked what was necessary to create group decision-making in the SCCC, one Top Manager from LS1 suggested that regardless of the organisational structure, building the three levels of group decision-making was the most important; that is, the individual, departmental and organisational levels. Top Management also noted that leaders at all three levels had to make serious attempts to raise the awareness of group decision-making in their departments.

Furthermore, Lower and Middle Management from LS1 and CCAR3 believed it to be most important that managers would not pay attention to group decision-making unless they were told that it was absolutely vital for their advancement. They also remarked that emphasis on the importance of group decision-making within the SCCC should be taken seriously and repeated continuously. Moreover, the importance of group decision-making should specifically be linked to job advancements. This idea was supported by the opinions from Lower and Middle Management from MS4 as they thought that the Marketing and Sales Department should take the idea more seriously in order to increase group decision-making within the department.

However, some Middle and Top Management from MS4 argued that group decision-making could not be applied to all situations, as it was time-consuming. Within the market environment, a quick decision is most important, as this group commented:

*It takes time to assemble a group and the interaction that takes place once the group gets to work is frequently inefficient. The result is that groups almost always take more time to reach a solution than it would take an individual making the decision alone.*

Another Middle Manager from MS4 noted that group decision-making sometimes is not perfect because members of a group are never perfectly equal. They may differ in rank in the organisation, experience, knowledge about the problem, influence with other members, verbal skills, assertiveness and similar attributes. This inequality creates the opportunity for one or more members to use their advantages to dominate others in the group. Middle Management also believed that a dominant minority could frequently have an excessive influence on the final decision, thereby slowing the process down.

In summary, this section found that almost all participants accepted that the group decision-making model was necessary for the SCCC. Most participants wanted to see group decision-making applied seriously because they strongly believed that group decision-making improves the organisation's performance. The only dissenting views came from certain managers who believed that the potentially excessive time spent in making decisions made them impractical. However, the majority view was that group decision-making is necessary for the SCCC. The next section will discuss the Thai business structure and whether it is capable of sustaining the implementation of the group decision-making model and monitoring its progress.

#### **4.4.4 Research proposition 4**

Research Proposition 4 looks at whether there are sufficient characteristics available in Thai firms to apply and monitor a new model. This section of the research establishes that sufficient characteristics exist in Thai firms to apply and monitor such a model. The questions sought the interviewee's opinions on Research Proposition 4 and the responses concluded that there was strong support in all of the departments for the outcomes presented.

#### 4.4.4.1 How to make group decision-making sustainable for the firm

Top and Middle Management from HR2 noted that developing human resources by means of applying group decision-making methods was a challenge for the SCCC. The challenge was not only based upon ensuring group decision-making happened but also sustaining the model once it was implemented. In order to sustain group decision-making, the enhancement of the employees' creativity was seen as vital. This group explained:

*Building group decision-making must start by building individual creativity. The SCCC cannot apply group decision-making effectively and efficiently if its individuals are not creative. Creativity is not a quality of a person; it is a quality of ideas of behaviours. Creativity is crucial to solving problems in a way resulting in important innovations. If the SCCC wishes to enhance its employees' creativity, it must take the issue seriously and be patient, because making employees become a creative people takes time.*

Making employees creative seems to be the first priority of the SCCC if it really wants to sustain group decision-making. Top Management from LS1 also believe that creativity is the first priority, echoing the sentiments of the other managers.

Moreover, the LS1 manager also mentioned that making employees become cohesive within their groups is also important for the SCCC. Top Management from LS1 pointed out:

*“From my point of view, to make group decision-making sustainable for the SCCC, concern should be placed on group cohesiveness. I have been talking to many executives both from the Middle and Top Management levels about how to make groups more cohesive. Most of them believe that group cohesiveness is an important indicator of how much influence the group as a whole has over individual members. The more cohesive the group, the more positive individuals*

*feel about their membership in the group. So we believe that group cohesiveness is one factor that can work towards sustaining group decision-making within the firm.”*

This statement from LS1 was supported by the opinions of all participants in the research. One of the Lower Management from LS1 pointed out that making groups become more cohesive could be a sustainable benefit both within the individual group and the entire SCCC.

Similarly, Lower Management from CCAR3 and MS4 also noted that once members of a group learn to know and like other members, they tend to feel an even closer sense of identification within the group and cohesiveness increases. In addition, Middle Management for CCAR3 also mentioned that highly cohesive groups often have less tension and hostility and fewer misunderstandings than non-cohesive groups. This has several helpful consequences. Members of cohesive groups are more likely than others to participate in group activities, convince others to join the group and resist attempts to disrupt the group.

When Middle Management from MS4 was interviewed, they commented that the two methods mentioned above were not sufficient in isolation to enhance the group decision-making process. They noted that the firm should apply other techniques for improving group decision-making. Most of the Middle Management from MS4 suggested that brainstorming techniques should be applied within groups in order to support effective decision-making. This group commented:

*Brainstorming is a technique for overcoming the pressures to conform that retard the development of creative alternatives. It does this by utilising an idea-generating process that specifically encourages all alternatives while withholding any criticism of those alternatives.*

This idea was supported by opinion from Top Management at MS4, who viewed creativity, group cohesiveness and brainstorming as important factors to be used for encouraging groups to make effective decisions. In addition, Top Management also noted that groups needed to be trained continuously on how to make effective decisions within their present environment.

On the other hand, Lower Management from four of the departments thought that the three methods were important for encouraging employees to make the effective decision. They also implied that they ought to have more opportunities to express the decisions they reached to their managers.

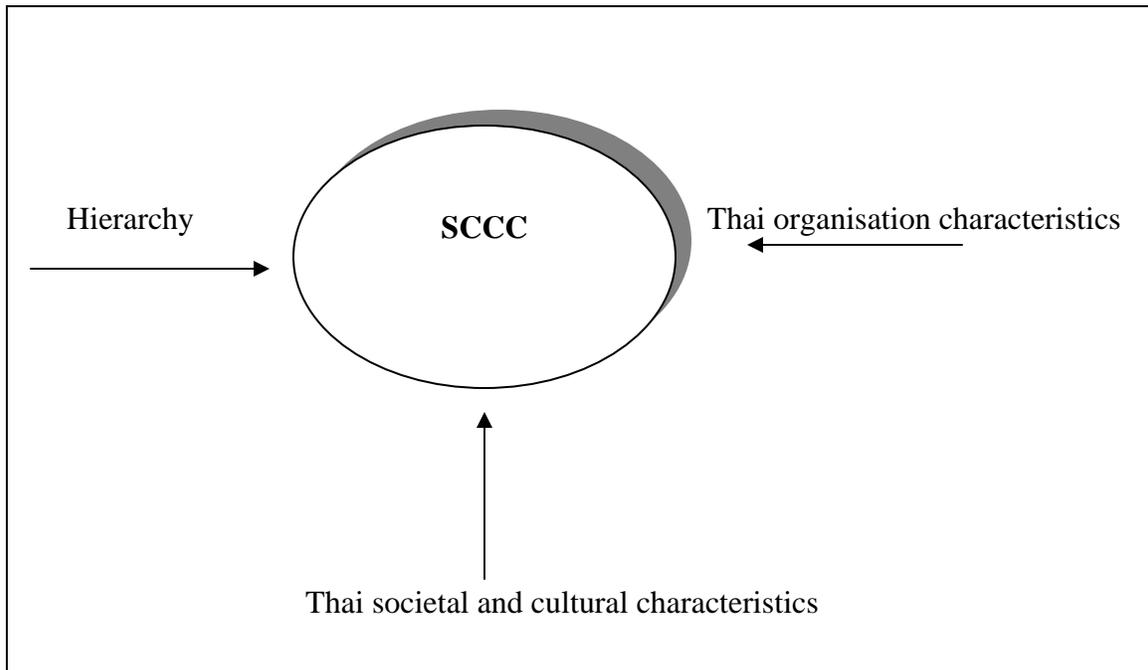
From direct observation, the researcher found that the Human Resource Department had set up a variety of seminars in order to improve their employees' performances. One of these was aimed at enhancing the employees' ability to make effective decisions. This evidence revealed that the SCCC perceived effective decision-making as important for the organisation. This was why the SCCC tried to encourage people in the organisation to improve their decision-making. However, this programme was primarily focussed on Lower and Middle Management.

In brief, this section found that ensuring group decision-making is sustainable for the SCCC involved three main considerations; creativity, group cohesiveness and brainstorming. These three techniques should be applied simultaneously and consistently. In applying the techniques, the HR Department has an important role in organising programmes to improve the firm's ability to sustain the decision-making model.

#### **4.4.4.2 Factors involved in building group decision-making for the firm**

To determine the factors involved in building group decision-making at the firm, the participants were asked to summarise their perceptions of the issue. A summary of their answers is provided in Figure 4.2.

Figure 4.2: Factors involved in building group decision-making at the firm



Source: Prepared for this research

As shown in Figure 4.2, the participants suggested several factors that may both support or impede the success of building a group decision-making environment in the SCCC. Participants from four departments were asked to identify factors that were important for creating a group decision-making model for the SCCC. They then provided three main factors that were most likely to affect the organisation if the SCCC applied the group decision-making. Those factors were the idea of hierarchy, Thai organisational characteristics and Thai societal and cultural characteristics.

Most of the Lower Management from the four departments agreed that these three factors (hierarchy, Thai organisation characteristics and Thai societal and cultural characteristics) would have an affect on the development of group decision-making at SCCC. They pointed out that the Thai people are brought up with the concept that they must adhere to the seniority system. Because of this culture, they believe that before building a group

decision-making model at the SCCC they should consider this factor carefully. They feel that the seniority system would have a substantial affect, as subordinates will not dare to argue with their supervisors or managers because they will think that the confrontation will affect their position at the firm.

In addition, a Lower Manager from the MS4 Department who had been working there for more than 5 years, remarked that the above-stated three factors would be influential in building group decision-making within the Department because Middle and Top Management preferred subordinates to follow managerial decisions. Subordinates do not argue with their managers due to the seniority system and also out of respect for the managers. They feel that managers in the Thai culture are always right.

One of the Lower Management pointed out that to solve the above problem, the firm should hire a new generation of staff who would accept the new concept. Being a statement from Lower Management at MS4 this was particularly insightful, as that department is known to hold strong Thai social and cultural values pertaining to seniority and hierarchy (see section 2.6.1.1 to 2.6.1.2 in chapter two).

When interviewed, the Middle and Top Management from HR2 suggested that when applying group decision-making in the firm, three key levels were identifiable; the organisation, the departments and the individuals. However, it was suggested that a summit committee should make the necessary development policies for each level. These ideas were also supported by opinions from Lower and Middle Management in all four departments. They also suggested that group decision-making in the SCCC should apply on three levels; the individual, the department and the organisation.

Another Middle Manager from CCAR3 noted that the leader at all levels had to take serious steps to raise the awareness of group decision-making among their subordinates. Middle Management implied that building group decision-making in the SCCC was an enormous task due to the three factors mentioned above in Figure 4.2. They also believed several Middle and Top Managers would not pay attention to the building of group

decision-making unless they were told it was absolutely vital for their position within the firm.

Confirming this view, every interviewee from Lower Management agreed with the statements from the Middle Management of CCAR3. They also remarked that emphasis on the importance of building group decision-making for SCCC should be made seriously and continuously. They also mentioned that the encouragement of group decision-making should be specifically linked to job advancement within the firm.

This section has found that the implementation of the group decision-making model will be primarily affected by three main factors. The seniority system inherent in Thai culture may impede the ability of managers to encourage lower level workers to voice their views. Furthermore, the Thai organisational, and societal and cultural, characteristics add to this impairment and must be considered when determining whether the group decision-making model is feasible in the context of the SCCC.

## **4.5 Conclusions**

This chapter has provided an analysis of data collected from the SCCC in Thailand. It provided a profile of the research participants including their gender, age and education and analysed the propositions in forms of quotations, descriptions, tables and figures to ensure a multi-faceted approach. The quotations contained the direct thoughts of the participants, as derived from extensive interviewing. The descriptions drew relevant data from documentation and applied archival record methods to provide a picture of the scenes that were observed by the researcher. The tables and figures exhibited some relevant data through graphic presentations.

The interviewees were located in four main departments; the Legal Services Department (LS1), the Human Resources Department (HR2), the Credit Control and Accounts Receivable Department (CCAR3) and the Marketing and Sales Department (MS4). There

were a total of 40 participants, including 20 men and 20 women, who worked in a wide range of positions within the firm.

Data analysis was used to find the answers to the four research propositions. The majority of the participants viewed group decision-making as necessary for the firm and suggested that the group decision-making model should be applied seriously. This would involve the Middle and Top Management changing their perceptions of subordinates in order to apply the model more effectively. In addition, the evidence revealed that in employing the group decision-making model at the SCCC, consideration must be made of the individual, departmental and organisational levels. The four stated propositions were established as the main factors to be considered to ensure the implementation of the model was effective and efficient for the SCCC.

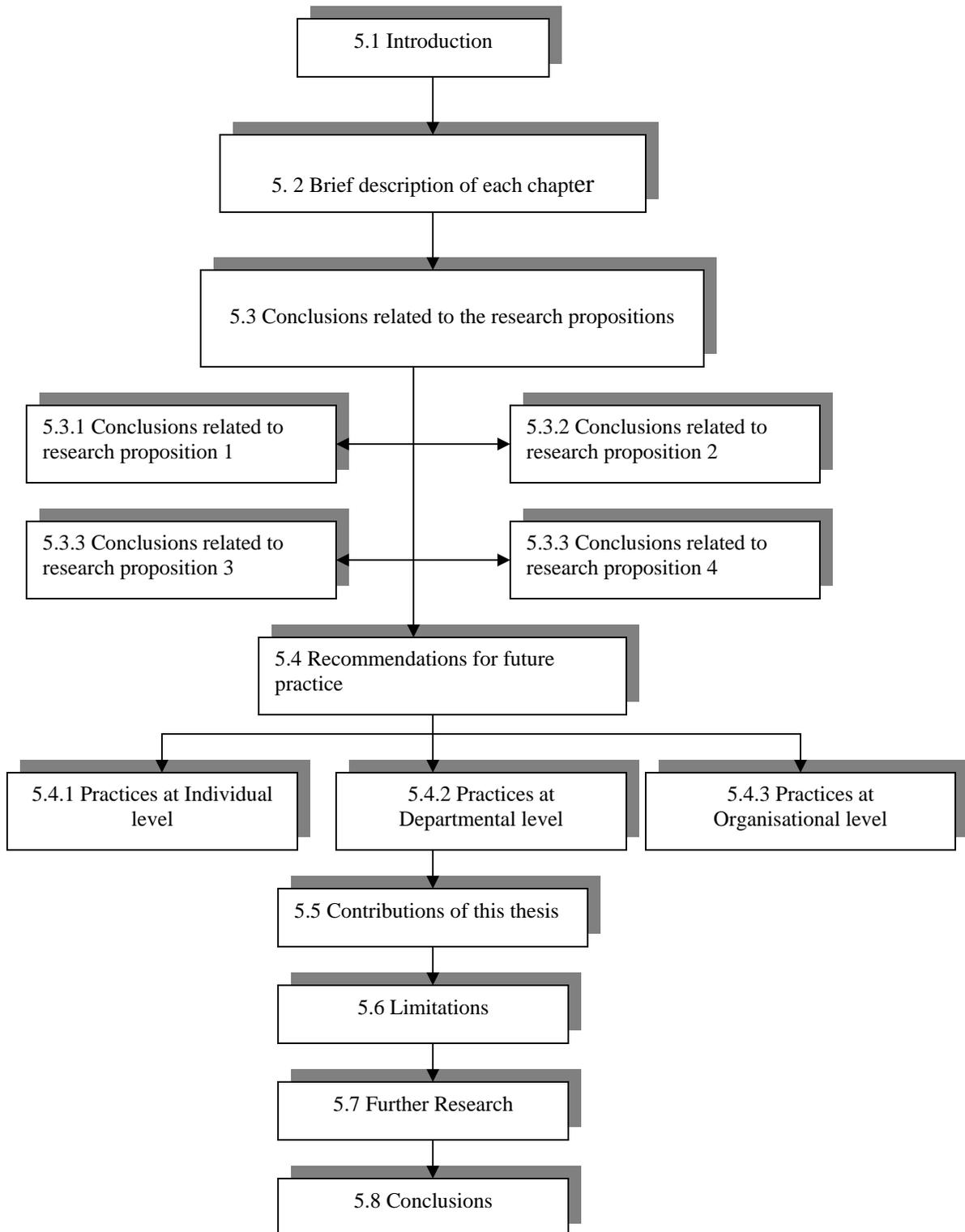
Finally, the participants raised three main factors that could impact on the building of a group decision-making model at the SCCC. These were the seniority system, Thai organisational characteristics and Thai societal and cultural characteristics. These three factors could potentially jeopardise even the best-laid plans to implement this particular model. As such, a consideration of them is necessary in the implementation phase. They will therefore be discussed in the next chapter, which deals more broadly with the implementation of the group decision-making model within the SCCC. The chapter seeks to derive conclusions and recommendations as to the most appropriate methods of implementing the proposed policy.

# Chapter Five: Conclusions and Recommendations

## 5.1 Introduction

In chapter four, the data collected from the SCCC in Thailand was described and analysed. The purpose of chapter five is to integrate this research and draw its component elements together. The chapter is presented in eight sections. First, the structural map of the chapter sections is outlined to provide a guide for the reader. Following this, a brief is provided discussing the contents of each previous chapter (section 5.2). The third section presents the conclusions drawn in this report regarding the four research propositions (section 5.3). Section four presents recommendations for practice (section 5.4), referring specifically to practices at the individual (section 5.4.1), departmental (section 5.4.2) and organisational levels (section 5.4.3). The chapter moves on to discuss the contributions of the thesis (section 5.5) before providing an overview of the limitations inherent in the research (section 5.6). Then, suggestions for further research are canvassed looking into the future (section 5.7). The chapter concludes with a brief conclusion (section 5.8). This structure is shown in the outline provided in Figure 5.1.

Figure 5.1: Outline of chapter five with section numbers and their inter-relationships



Source: Developed for this research

## 5.2 Brief description of each chapter

This thesis was primarily designed to address the research problem: *How should the firm develop its decision-making style to capitalise on amalgamating best management practice with traditional Thai society and culture?*

Chapter one described the overview of this thesis. The importance of this research was established and the background to this research was addressed. The research problem and propositions, including the research questions and objectives, were also identified. In addition, the thesis was justified and its methodology was briefly discussed.

In chapter two, the extensive literature was reviewed and gaps in the current theories were identified. The chapter began with a discussion of the parent discipline. This discipline was discussed in three sections. The first involved a description of the concept of decision-making, the decision-making process and types of decisions. This was followed by a summary of the models of decision-making including the rational model, the bounded rationality model, the political model and the process model. The second parent discipline section described the organisational structure, the organisational decision-making and the locus of decision-making. Finally, the third parent discipline section explored group decision-making, group considerations in decision-making and enhancing group decision-making processes.

The chapter then proceeded with a discussion centered on the immediate discipline. This section referred to the key elements that influence Thai decision-making styles, including Thai societal and cultural characteristics, hierarchy, Thai organisational characteristics and customary decision-making processes in the country. The chapter concluded with a discussion of the research gaps relating to group decision-making and an identification of the research issues to be addressed.

Chapter three was used to establish the methodology that was used to conduct this research. This section outlined the characteristics of qualitative approaches, including the

predominant methodology in this thesis, being exploratory research. The chapter moved into a justification for the paradigm and provided reasons why the proposed research methodology was appropriate for this case study. This was followed by a discussion of why the SCCC was chosen to be the focus of this research. This flowed into a discussion of the foremost processes for collecting optimal data and a discussion of the analytical techniques used to ensure data integrity in the research. The chapter concluded with reflections on the limitations encountered in the case study research and the ethical considerations factored into the thesis.

In chapter four, the data collected from the SCCC in Thailand was analysed and the profile of all participants was explained. Also, the analysis of the data from the 40 in-depth interviews was presented, revealing a group including 20 men and 20 women who worked in a wide range of positions within the firm. Quotations, descriptions, tables and figures were used to illustrate the results, ensuring a multi-faceted approach.

Finally, this chapter will present the conclusions and recommendations to be made regarding each of the research propositions. The findings from chapter four will be compared to the literature review outlined in chapter two. Particular reference is made to the contribution of this research to the understanding of the research problem. The chapter deals with the implications of these findings for theory and practice and a discussion on the limitations of the study. To conclude, recommendations are made for further research.

### **5.3 Conclusions related to the research propositions**

This section presents the findings derived regarding the four research propositions that were presented in chapter four and compares these with the literature review seen in chapter two. This thesis aims to achieve four research objectives; to examine the factors that influence the firm in developing its decision-making style; to examine the strategies which could support the firm to develop its decision-making style; to build a model of decision-making effectiveness that is appropriate for the firm; and to examine the

implications of applying the model and the characteristics that may be needed to succeed in employing an effective decision-making style within the firm, which is considered the final product of the thesis. In order to achieve the research objectives, the four research propositions were set and have been tested through the data analysis procedures discussed in chapter three. The following subsections discuss the conclusions drawn from each proposition.

### **5.3.1 Conclusions related to research proposition 1**

Research proposition 1: *“That the firm’s efforts should be directed to develop an appropriate and effective decision-making style”*

The literature reviewed in chapter two confirmed that effective decision-making was crucial for organisations of today in order to improve their performance. Many authors in the literature have defined the concept of decision-making. This group includes Stoner et al. (1994) who noted that decision-making is the process by which a course of action is selected as the solution to a specific problem. Another author, Huber (1988), was seen to distinguish decision-making from ‘choice making’ and from ‘problem solving’. In addition, Mintzberg et al. (1976), defined a decision-making process as a set of actions and dynamic factors that begins with the identification of a stimulus for action and ends with a specific commitment to action (see section 2.3.1 in chapter two).

In order to develop an appropriate and effective decision-making model for the SCCC, the evidence from the literature was used to trace the model’s development as an important corporate asset. According to the immediate discipline described in section 2.6, the literature suggested that the development of an appropriate and effective decision-making style at the SCCC should have concern for three keys elements that influence the Thai decision-making style. These are Thai society and culture, a strong vertical hierarchy and organisational characteristics (see section 2.6.1 in chapter two).

Reynolds (1987) pointed out that the typical Thai organisation has its roots in bureaucratic and feudalistic systems. This was confirmed by the current reality of SCCC, which was found to possess considerable bureaucratic elements in its environment. SCCC's organisational structure was built on a line of command and a vertical structural system in which there must be an unbroken upward flow of documents and approval. Work processes contained many steps and took a long time to be finished. Most employees worked routinely and did not want to get involved in decision-making due to this bureaucratic system.

Moreover, Fieg (1989) noted that the Thai approach to management typically followed a pattern of benevolent paternalism. The superior-subordinate relationship inherent in the culture is highly paternalistic, a situation in which an effective supervisor is a "teacher and respected relative". The superior has the right to make orders but also the responsibility to protect and assist their subordinate (see section 2.6.1.3 in chapter two). From the data collected from several sources of evidence, it was confirmed that the SCCC organisation was extremely close and highly paternalistic. Thus, when the final decision was made, it usually came directly from Top Management in the organisation. Superiors made the decisions and were not influenced by the opinions or ideas of their subordinates regardless of the worthiness of the suggestion. Moreover, recent studies have found that Thais find it perfectly acceptable for a manager to decide things in an authoritarian way (see section 2.6.1.4. in chapter two). Perhaps as a result of this, decisions in Thai companies are not usually made by a group (Holmes & Tangtongtavy 1996; Lawler, Zaidi & Atmiyanadana 1989). The research showed that the decision-making styles employed effectively meant that superiors, or the people in charge of an organisation, were the sole font of decisions made by a firm. Decision-making was outside the domain of all but a few select members of the organisation.

According to the data collected in chapter four, all employees who were interviewed in this study raised the idea of SCCC developing an appropriate and effective decision-making style as a positive result. They believed that effective decision-making should be transformed so as to include decentralised systems that would increase employee

involvement in decision-making. The HR department has already responded, to an extent, to this idea by instigating training courses introducing the idea of effective decision-making to Lower and Middle Management, whose roles they considered very crucial for the SCCC. These Lower and Middle Management levels are being targeted as the catalysts for creating an effective decision-making environment in their workplace in future years. This means that the development of an appropriate and effective decision-making model for the SCCC has already been initiated in some areas of the firm. The steps in building this process are the teaching of individuals in the correct decision-making methods, the integration of the trained individuals into group situations and finally, the training of the groups to work together to improve the department's decisions as a whole.

Through analysis of the data collected in chapter four, it seems that the development of an appropriate and effective decision-making model will not be too easy to apply in the context of the SCCC. This is due to the key factors that currently influence its decision-making style (see section 2.6.1.1 to 2.6.1.4 in chapter two). However, it is still possible to make this adjustment, it will just take some time to successfully implement. The Top Management level of the SCCC mentioned that an improvement in the quality of decision-making should be achieved by making alterations one step at a time. Top Management strongly believed that there was a perpetual development of decision-making in the firm due to the constant improvement in understanding of decision-making by employees, and their willingness to adopt the information taught to them.

This idea of the Top Management was extensively recognised by all levels of SCCC employees. The employees agreed with the ideas raised by Top Management and they also believed that the more that employees develop effective decision-making, the better the organisational performance would be. According to a member of the Middle Management level, the development of an appropriate and effective decision-making style for the SCCC would involve changes in the organisational structure because developing an appropriate and effective decision-making style would be likely to affect the line of command. Aside from that, with the data collected from several sources of

evidence, it was found that the SCCC was an organisation that relied on past experiences for present solutions and all decisions came from the Top Management level, who always thought that they knew more than the other members of SCCC.

Moreover, according to data analysis conducted in chapter four, the four departments, LS1, HR2, CCAR3 and MS4, confirmed that the decision-making style at the SCCC at present depended entirely on the commands of the Top Management. Once Top Management made decisions, all staff were to follow the decisions without disapproval. This meant that groups never made decisions, as decision-making was centralised in the domain of specific individuals.

Furthermore, the evidence from the data analysed revealed that decision-making in the MS4 Department was centralised, with just one person designated to make the main decisions. From the Lower and Middle Management point of view, there was a belief that to develop an appropriate and effective decision making style within the MS4 Department, there needed to be an increase in employee involvement in decision-making. That is, there was a need to make the decisions more decentralised. In addition, the LS1, HR2 and CCAR3 Departments also suggested that SCCC should develop an appropriate and effective decision-making style by improving employee participation in the company's decision-making.

However, the development of an appropriate and effective decision-making style for the SCCC will not be as effective as is seen in Western organisations because of its unique limitations as mentioned in sections 2.6.1.1 to 2.6.1.4 of chapter two. The firm should implement unique policies and managerial practices to implement a successful, effective decision-making style. Lewis et al. (2001) suggest that each organisation must develop a structure and style that is best suited to its own dimensions (see section 2.4.1 in chapter two). It is also important to remember that one can never fully achieve a perfectly appropriate and effective decision due to business environment changes. Therefore, in implementing the ideal decision-making structure for the SCCC, the focus must be on matters peculiar to that organisation and its unique characteristics.

Another sign encouraging the SCCC to develop an appropriate and effective decision-making style was the optimistic perception of all employees at the firm. They emphasised that if SCCC developed an appropriate and effective decision-making style it would become a more meaningful organisation that was able to function more co-operatively, effectively and efficiently.

Therefore, with the strong support of evidence from the literature reviewed in chapter two, as well as the data collected by means of the methodology cited in chapter three and analysed in chapter four, it is evident that the SCCC should be directed to develop an appropriate and effective decision-making style if it wishes to improve its organisational decision-making. The outcome would be improved efficiency and business success. The next section describes research proposition two, which recommends the development of a decision-making style based on the group decision-making strategy.

### **5.3.2 Conclusions related to research proposition 2**

Research proposition 2: “ *That the firm should develop a decision-making style based on the group decision-making strategy*”

Bartol et al.’s (1998) study was used to compare individual decision-making and group decision-making and found that the latter had several notable advantages. Despite these advantages, there were also several potential disadvantages of group decision-making highlighted in the research (see section 2.5.1 in chapter two). However, many researchers have remarked that group decision-making tends to provide a more accurate assessment of the issue. The evidence indicates that, on average, groups make better decisions than individuals (Michaelson et al. 1989; Henry 1993; Paese et al. 1993; Gigone & Hastie 1993; Straus & McGrath 1994). Moreover, in terms of creativity, an important asset in corporate decision-making, the group was found to be more effective than an individual decision-maker (Bartol et al. 1998; Robbins, et al. 2000; Stoner et al. 1994).

Bartol et al. (1998) noted that the quality of a decision is regularly higher when groups have participative leaders who encourage members to contribute actively and to work to gain a better understanding of the organisation. As a result, Top Management should realise that successful decision-making for the SCCC requires that management understands the firm's characteristics in terms of the vertical system, and the social and cultural traits of the SCCC.

Development of a decision-making style based on group decision-making within the SCCC will be based heavily on leadership within the departments. According to the data collected in chapter four, most of the participants believed that an application of group decision-making should be focused on the controlling managers who will attempt to apply group decision-making. Leadership was found to be an important component in the development of an appropriate and effective decision-making style. Leaders were required to utilise the various disciplines of decision-making and provide a strong foundation from which their groups were able to work. Supportive and shared leadership would lead to the development of an appropriate and effective decision-making regime. Therefore, the role of leadership is critical to the development of decision-making and is a focal part of the change process. The determination of which discipline should provide the leader was important, however, the fact that the best person for the job was chosen was more significant. Once in place, that person would become the key to, and lead the changes required, to develop an appropriate and effective decision-making style.

This statement corresponded with the insights of some Top and Middle Management. The leaders correspondingly suggested that the development of group decision-making within the SCCC depended on a policy initiated from the top. Most importantly, the Top Management, being the group who developed company policy, believed that they were the only group capable of initiating a sweeping policy such as this.

Despite the obvious desire for the company to use group decision-making, such a process is not presently employed. This was displayed by the data collected in chapter four, which found that participants believed the SCCC did not employ group decision-making.

Almost all participants believed if group decision-making were to be employed, the major determinant would be the actions of Middle and Top Management. They believed that SCCC employees would like to become involved in decision-making and expected the firm to develop a decision-making style based on a group structure. However, it was found that some people might be resistant to the change in decision-making policy at the outset, especially at the management level. In addition, most participants noted that the SCCC, as a bureaucratic institution, had a rigid hierarchical structure in which power resided almost exclusively in the Top Management. As such, it was firmly established that the participants believed the development of a decision-making style based on a group structure would depend on upper management policy.

The perspective of the participants from the four departments regarding whether the SCCC should develop group decision-making appeared to be positive. The feedback was enthusiastic towards such a move with a belief that the change would be an improvement in organisational decision-making. In effect, the staff had a clear picture in their mind of how to make group decisions but in practice, they did not have the skills to actually perform the role. As such, considerable development of their capability and skills in making effective group decisions was still required of the participants. This task of developing staff skills in making decisions and increasing group decision-making habits was seen as a formidable task. The participants believed that the Middle Management level should assist the staff by providing them with useful advice and directing them in relation to their potential options.

To enhance group decision-making, four technical strategies for improving group decisions have been suggested (see section 2.5.2.1 in chapter two). These participative decision-making strategies are: The Vroom-Yetton Technique, The Nominal Group Technique, The Delphi Technique and Groupthink. Among the participative decision-making techniques, the groupthink strategy is most suitable for the SCCC. The basis of groupthink is the tendency of cohesive groups to seek agreement about an issue at the expense of realistic situation appraisal. With groupthink, members seek to preserve the group's cohesion and are reluctant to cause disagreement or provide unsettling

information. Such tendencies are viewed as disastrous. If SCCC is to develop group decision-making, the groupthink strategy is strongly recommended as the most suitable method for improving the organisation's performance in the new decision-making style.

According to the data collected in chapter four, participants suggested that managers have the potential to avoid group decision-making pitfalls and reap its advantages. One important step is to involve group members in decisions when their personal information and knowledge bears directly on the decision's outcome. In this way, the time consumed in making group decisions can be justified. Employees should also be involved when their understanding and acceptance of the decision is important to ensure the successful implementation of the decision.

Another step in facilitating group decision-making is the careful consideration of the group's composition. For example, including individuals who are likely to consider major organisational goals can help overcome any tendency towards self-interest. Including people skilled in encouraging other's ideas can also reduce the problem of one or more persons dominating the group and declining the involvement of others.

The literature review in chapter two suggested that we should enhance the group decision-making process (see section 2.5.3 in chapter two) by setting up mechanisms to help implement groupthink in SCCC. One such mechanism is designating one or more "*devil's advocates*", individuals assigned to ensure consideration of the negative aspects of any attractive decision alternatives. Another is engaging in "*dialectical inquiry*", a procedure in which a decision is approached from two opposite viewpoints.

The SCCC possesses considerable bureaucratic elements. Therefore, there may be some conservative people and key groups reluctant to follow the new creative concept and who will oppose the firm's new decision-making model at the outset. In order to cover this problem, the SCCC staff should be made aware of group decision-making's importance in the improvement of the quality of decision-making. Based on the data analysed in chapter four, almost all participants believe that development of decision-making must

start with the employees taking awareness seriously. This approach is likely to stimulate the employees to pay more attention and accept the new method of decision-making. This will later develop into a commitment between the employee and the decision-making method within the SCCC. Once the commitment occurs, development of group decision-making can take place automatically and that will stimulate individual, departmental and organisational decision-making.

Developing a decision-making style based on group decision-making at SCCC should be applied on three levels: individual development, departmental development and organisational development. A HR Department team is expected to be responsible for manipulation of individual development through the production of creative and effective decision-making. Middle and Top Management are the key agents to apply group decision-making at the departmental level. Finally, the Top Executives are seen as the organisational role models who could implement an organisational group decision-making style.

The development of the group decision-making style within the SCCC is very much dependent on Top Management. This was shown to be a relevant factor in the literature reviewed in chapter two. Even though there are techniques and ideas to be followed, the process is based more on philosophy than on rules in an organisational manual. Top Management must undertake a real belief and appreciation of the vision for the plan to be a success. It is also vitally important that the Top Management believe in the potential of the people around them.

### **5.3.3 Conclusions related to research proposition 3**

Research proposition 3: “ *That a model can be developed that is appropriate for the firm*”

Based on the data collected in chapter four, and the literature review's description of a group decision-making model in chapter two, this research confirms that the group decision-making model is appropriate for the SCCC for several reasons.

First, there were signs from almost all levels of employees that to improve the present decision-making style, the firm should encourage group decision-making because it provides more options to resolving a problem. There is no way of knowing beforehand which approach to a complex problem will best achieve the desired result. The more approaches considered, the greater the chance of finding the best solution. Obviously, four or seven people in a group will generate many more options than any one person.

Second, group decision-making is generally more adept at problem solving than the average individual because the group brings a greater amount of information and expertise to bear on a problem. It can also generate more alternative solutions, catch mistakes and make it more likely for the solution to be understood, accepted and implemented. The participants generally believed that group decision-making was the most beneficial model that could be employed at the SCCC.

Third, group decision-making increases the likelihood that decisions or solutions will be accepted. A decision will not be effective unless those who must implement its outcomes accept the decision and make it work. Many studies have shown that when people participate in the decision-making process, they see the solution as their own and acquire a psychological stake in its success (Bartol et al.1998; Robbins et al.; Stoner et al. 1994).

Fourth, employees are more likely to know and understand a decision and its outcome when they have helped to craft it. If a manager makes a decision individually, it must then be relayed to those who have to carry it out and may become scrambled in the process. By including the implementers of the decision in the decision making process, the chance of communication failure is heavily reduced.

Finally, the participants believe that the encouragement of group decision-making within the SCCC will avoid the excessive concentration of power in a single individual. This individual has the risk of reaching decisions prematurely due to a lack of consultation. As outlined in chapter two, group activity is an important factor in achieving success in group-work and should not be avoided by the SCCC. Therefore, it is suggested that effective results require formal procedures for meetings, and guidelines for both group leaders and group numbers.

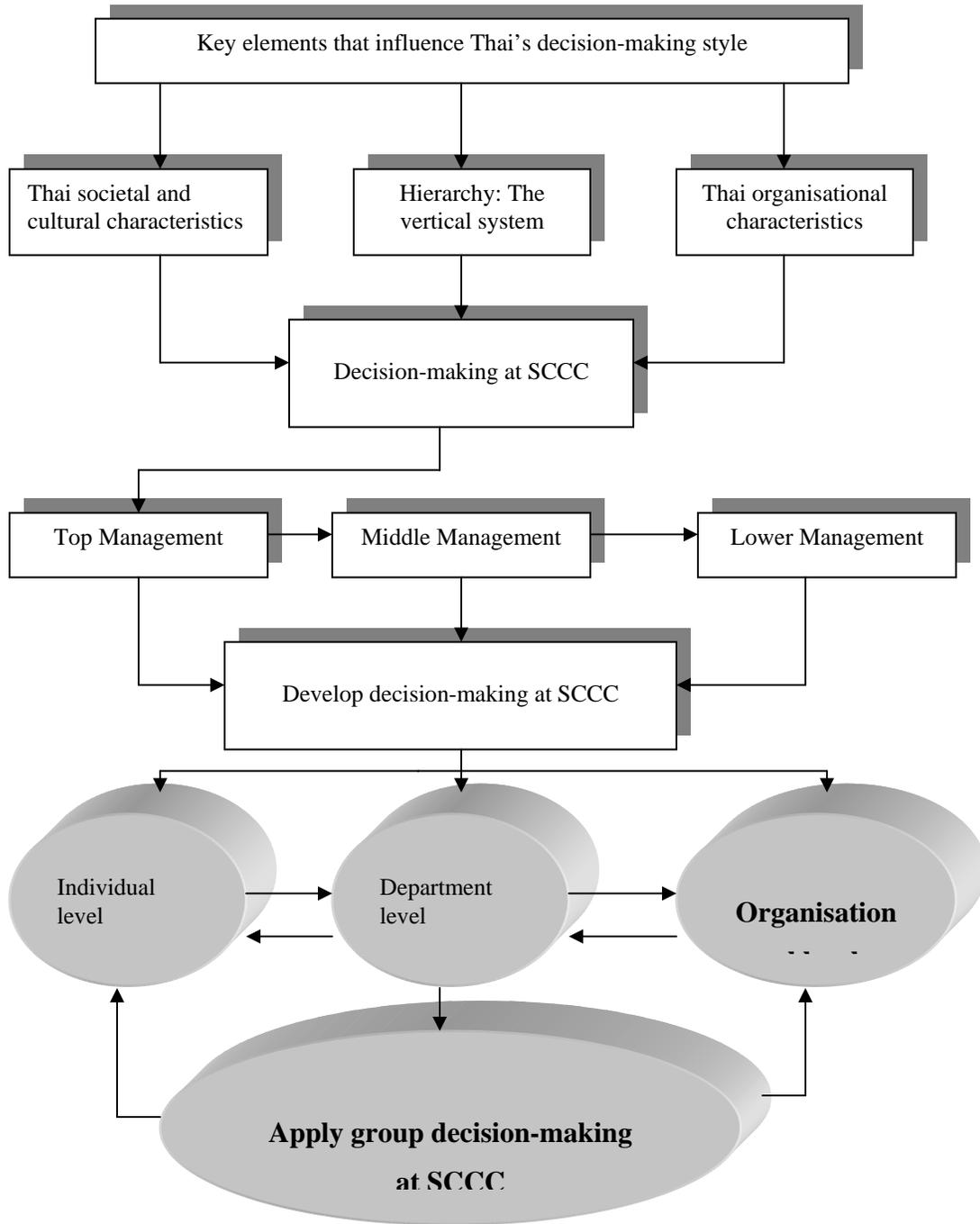
For the several reasons stated above, the SCCC should employ a group method in order to improve organisational decision-making. Based on the data collected in chapter four, a group decision-making model, incorporating the identified components (see figure 5.2), can be developed for the SCCC to initiate the process of developing a decision-making model. The model begins with key elements that factor in the Thai decision-making style including Thai societal and cultural influences, the vertical system and Thai organisational characteristics. The effectiveness and success of decision-making in Thailand relies on several factors as presented in section 2.6 in chapter two.

One such factor is the hierarchical decision-making process at the SCCC. Decisions within the firm are generally made at the Top Management level. These decisions then flow to Middle and Lower Management for implementation. There are rare occurrences when Middle or Lower Management make decisions, but this is only usually when the upper levels have expressly forfeited their right to make the decisions. This hierarchical structure impedes the group decision-making structure at present because the subordinate employees are not given a chance to have input into any decisions. In order to effectively develop a group decision-making model, all departments and areas of the SCCC must be involved. Individuals must be empowered to have their say in the organisation's direction.

This requires the firm to establish an effective decision-making vision. The vision must contain an effective decision-making style based on group decision-making. To enhance

group decision-making at the SCCC, efforts must be made on three levels; the individual, departmental and organisational levels.

Figure 5.2: The model of group decision-making style at SCCC



Source: Developed for this research

The individual level is linked with effective individual decision-making. The HR Department will be responsible for developing this level of decision-making. The ad hoc HR teams must first unfreeze individuals by the doomsday management approach. With this approach, the individuals are expected to gain awareness of effective decision-making and apply the group decision-making style in their tasks. Moreover, in order to support effective individual decision-making, the HR Department should design relevant programs revealing the means of applying effective decision-making in practice. The programs should encompass understanding of the utility of making decisions in groups and constantly reinforce the positive connotations of working in groups. These teams can then deliver their acquired knowledge of group decision-making back to their departments and initiate group decision-making. The practices will educate individuals about how to apply group decision-making in basic decision-making practices. In this regard, the individuals are expected to develop effective decision-making skills that can be constantly improved.

The enhancement of group decision-making in the SCCC should also be implemented at the department level. Data collected in chapter four indicated that Middle Management is the key connector in the link between Top and Lower Management. These Middle Managers have closer relationships to their subordinates than their Top Management counterparts do. If the education of the individual, as outlined above, is effective, the department's decision-making processes will also improve. Middle Management level are the crucial link between the development of the individual's skills and the improvement of the department's skills as they are able to encourage individuals to share their acquired knowledge with the rest of the department. Their position as role models, their managerial style and their behaviour significantly influence their subordinate's perceptions. Subordinates tend to learn how to make effective decisions and develop their working styles based on their Middle Managers, rather than Top Managers, due to the long hierarchical distance from the top executives (see section 26.1.2 in chapter two).

Therefore, Middle Management personnel are most important due to their integral roles in allowing departmental change by motivating individuals to apply group decision-

making. To improve their departments, they have to encourage the departmental members to share information and expertise to bear on a problem. This will make those members more comfortable in voicing their views in the decision-making process.

Moreover, empowerment simplifies the involvement of the individual and departmental levels' entry in the decision-making process. The superiors should solicit problem-solving ideas and encourage the subordinates to volunteer ideas also. They should put decision-making power in the hands of the person who knows the most about the task. Empowerment involves increasing the decision-making discretion of workers (Robbins et al. 2000). With empowerment, the SCCC individuals can view themselves as having a meaningful impact on their working lives.

The degree of empowerment in the SCCC will be an indicator of the incremental progression of decision-making from the individual to the department and then to the organisational level. However, it is important to note that empowerment involves more than simply giving employees flexibility in determining how to carry out a leader's stated objective. Beyond autonomy, it also involves sharing the appropriate information and knowledge to allow employees to do what is necessary to help the organisation meet its goals.

The development of organisational decision-making within the SCCC will be a consequence of a successful progression through the individual and departmental levels of development. If the lower levels of decision-making develop effectively, the organisation as a whole will be able to use this system to make truly 'organisational decisions.'

At the organisational level, the Top Management should no longer act in an authoritarian way. They should remain active in decision-making by proposing ideas, but should allow criticism of these ideas as if they were on the same level as any other participant. This consultative, facilitative approach will encourage others to oppose their views, and gain a more rounded solution to a given problem. This is a different role to what they have been

used to, and will take some adaptation. However, if attempted seriously, the development of effective organisational decisions based on group decision-making will be the result.

As a result, Top Management in the organisation should encourage group decision-making as the ideal decision-making style. Sincerity and consistency in the enhancement of group decision-making at the SCCC is therefore a compulsory task for Top Management if they really wish to transform individual decision-making into group decision-making.

In brief, the enhancement of group decision-making at the SCCC should be applied at all strata; namely the individual, departmental and organisational level. If group decision-making develops through these levels, the SCCC has a realistic chance of achieving a decision-making style that is truly based on the group.

#### **5.3.4 Conclusions related to research proposition 4**

Research proposition 4: *“That sufficient characteristics exist in Thai firms to apply and monitor a new model.”*

Based on the data collected in chapter four and the literature review in chapter two, ensuring group decision-making is sustainable for the SCCC will involve four main considerations; creativity, groupthink, leadership and organisational characteristics including hierarchy, Thai organisational characteristics and Thai societal and cultural characteristics.

Creativity is required to establish a new idea (Bartol et al. 1998). Creative decision-making groups should be composed of competent personnel from a variety of backgrounds and should be directed by a leader who can stimulate creative behaviour. Data collected in chapter four revealed that almost all participants believe that to sustain group decision-making, the enhancement of employees' creativity was vital. The group creativity process could be enhanced through brainstorming techniques, such as all group

members participating and suspending the evaluation of ideas for a period to keep suggestions flowing. While brainstorming avoids decision-making temporarily, reaching a decision is the aim of the creative decision-making group. A permissive atmosphere fosters the creativity of its members, in which originality, unusual ideas and even eccentricity are encouraged. To enable SCCC to maximise creativity, managers must be aware of how the process of organisational innovation occurs and learn how to manage this schema. The creative process in SCCC should involve three general steps; idea generation, idea development and implementation. Once SCCC's employees are able to develop creativity, then groupthink could be employed.

Groupthink is another factor that exists at SCCC. Based on the literature in Chapter 2 (see section 2.5.2.2), almost all empirical studies of groupthink have focused primarily on two antecedent conditions; the group's cohesiveness and directive leadership (Aldag & Fuller 1993; Chen et al. 1996; McCauley 1989; Montanari & Moorehead 1989; Park 1990; Tellock et al. 1992). The cohesiveness of a group at SCCC is an important indicator of how much influence the group as a whole has over individual members. The more cohesive the group, the more positive the individuals will feel about their membership in the group.

Once SCCC's employees become members of a group and increase their knowledge, they tend to feel an even closer sense of identification with the group and cohesiveness naturally increases. Highly cohesive groups often have less tension, less hostility and fewer misunderstandings than non-cohesive groups. For this reason, they are potentially more productive than non-cohesive groups. This has some helpful consequences. Members of cohesive groups are more likely than others to participate in group activities, convince other staff to join a group and resist attempts to disrupt the group. Cohesion also increases conformity to group norms. This can be helpful as deviance can endanger the group. It can also be harmful if innovation is one of the group's objectives. There is clear evidence from the literature in chapter two and data collected in chapter four, that managers can improve group performance simply by increasing cohesion. This will also enhance group decision-making at SCCC.

A further key consideration in the implementation and monitoring of the group decision-making model is the leadership within the firm. Group leadership is a key factor in the successful implementation of the group decision-making model at SCCC. Middle Management level is seen to be the most influential leader in the firm in an effort to engage in group decision-making. This is based on the Middle Manager's role as being responsible for the membership of the group, for its assigned tasks and for his or her own leadership behaviour. The leader should not only control the size of the group but should also monitor the qualifications of its members.

Moreover, a group leader should be aware of the decision-making style with which he or she is most comfortable and which is most suitable for a group task. To manage discussions effectively, the leader should begin clearly establishing what the meeting should accomplish. A brief summary of the situation by the leader or another informed person is usually sufficient to satisfy this function. Therefore, leaders at the SCCC are a key factor for enhancing group decision-making for the reasons mentioned above.

A final consideration relating to the impact of Thai practices was derived from the literature review in chapter two and data collected in chapter four. Within this area, there were three main factors that were seen as most likely to affect an organisation if the SCCC applied the group decision-making. These were hierarchy, Thai organisational characteristics and Thai societal and cultural characteristics (see section 2.6 1.1 to 2.6.1.3 and see section 4.4.4 in chapter four). These factors need to be considered, as they are potential stumbling blocks in the development of any business strategy based on group work in Thailand. However, effective management and planning should be able to override the impact of these factors.

In summary, the SCCC will need to contemplate the impact of four main factors when implementing and monitoring the group decision-making model. These four characteristics each have a substantial impact and if harnessed in the right way, can make the transition to the new decision-making style, a successful one.

## **5.4 Recommendations for practices**

Based on the concept of the model group decision-making style and data collected in chapter two, the recommendations for practices at SCCC should be applied at three levels; the individual, departmental and organisational. These levels will be the cornerstones from which practical management implementations will be carried out to development group decision-making at SCCC. In this respect, it is appropriate to make practical recommendations for each level.

### **5.4.1 Practices at Individual Level**

Employee participation is an attractive idea. This implies that the quality of individuals is significantly associated with the quality of the group and organisation. That is, individual developments reflect organisational growth. As a result, in the development of decision-making at the SCCC, individual readiness must be a focal point.

The literature in chapter two (see section 2.3) suggested that effective decision-making included four major steps. The first, identifying the problem, involves scanning, categorization and diagnosis stages. The second, generating alternative solutions, emphasises the importance of alternatives in achieving a high quality solution. The third, evaluating and selecting an alternative, requires consideration of feasibility, quality, acceptability, costs and reversibility. The final step, implementing and follow up, focuses on careful planning, sensitivity to those involved in the implementation and those affected by it and the design of follow up mechanisms.

Employee involvement in decisions that affect their work situations can be an effective way for devising better work methods and for solving important problems. For this to be truly effective however, three preconditions need to exist for an improvement in individual decision-making at SCCC. First, the employees need to be knowledgeable about the issues on which they are devising solutions. Second, the employees must be motivated to solve the problem in a way that is consistent with the best interests of the

organisation. Finally, mechanisms must be set up to facilitate the implementation of these solutions.

Individual decision-makers at SCCC often lack the problem-solving skills needed to identify valid solutions and to develop arguments for their implementation. Also, they often lack the skills to sell their idea. In addition, they may lack critical group skills that are needed in the problem solving process. It is therefore crucial to check on the degree to which the relevant skills and information are present.

Employees may not be motivated to devise a solution that is in the best interest of the SCCC. Good solutions could mean the elimination of their job, the interesting components of their work or someone else's job. Therefore, SCCC need to be aware of the degree to which the individual decision-making process might require workers to consider options that are not in the employee's best interests. As a result, knowledge and skill is the core of any efforts to involve employees at SCCC in the decision-making process. The critical knowledge required of the employees is their understanding of the decision and the general operation of the organisation. Furthermore, participative programs vary widely in the degree to which they provide training and develop people's knowledge.

To design relevant training programs, it is important to focus on the kind of training that is done. Training can cover such topics as interpersonal skills, problem analysis, decision-making skills, economic education to help employees understand their business unit, education in the operation of the SCCC and a wide array of technical training that may either be directly related to the individual's job or related to the broader running of the organisation. Each of these topics should be treated seriously and adapted to be relevant to the SCCC itself.

Obviously there is a big difference between training individuals how to do their own jobs better (including relevant technical skills) and training them in a group with reference to interpersonal skills, leadership skills, and the economics of the business. The latter enable

individuals to participate in a much broader array of decision-making activities and affect their expectations about the kinds of decisions and activities in which they will be involved. For example, the type of decision-making changes that are instituted, the type of knowledge that is developed in the work force, the way in which the upward and downward flow of decision-making affect the employees and finally, how much of the organisation is involved in decision-making.

The HR Department needs to be aware of the importance of supporting the effective learning of decision-making and must work towards disseminating the training broadly throughout the SCCC. Although the individuals will initiate their own learning, groupthink is more likely to occur in supportive environments. The staffs also need to recognise differences in the individual's capacities for groupthink. They should make efforts to increase these capacities and the readiness to direct their own ideas. Those individuals are required to acquire the skills necessary for groupthink.

The individuals must have the right attitudes to apply effective decision-making. They should realise that improving their own decision-making is a good thing. They must realise that it is a continuous, ongoing process, with no end. In order to do this, the HR Department should encourage them to share their skills acquired from personal experience with other. The HR Department must expand their role beyond designing and delivering formal training program. They should emphasise opportunities for the individuals to develop their skills in order to improve decision-making.

Encouraging the individuals to be aware of effective decision-making and to learn from others within their department is another way to build and maintain a decision-making environment. One can learn from others around the workplace. To become resourceful individuals, they must be highly valued in their own creative decision-making styles. The SCCC employees must trust in and care for each other. One who helps others to employ effective decision-making must be applauded and promoted. Each individual should be expected to generate at least one option that is distinctive from the other members of the department and to keep on learning from one another. In this regard, the leaders at all

levels should allow their subordinates to seek their peculiar hidden potential and make it useful for others to learn from.

In addition to creating and nurturing an effective decision-making style, the managers must support and give the opportunity to subordinates to explain their ideas. Managers should talk to their subordinates individually about their personal vision and convince them to use the decision-making process as the main lever with which to satisfy this vision. The manager should also be ready at anytime in order to make suggestions for, and facilitate actions for, their subordinates who are committed to applying the process of effective decision-making.

To be able to deal with the new challenge, employees at SCCC need new skills in critical system thinking. They are expected to have a good command of effective decision-making theories and the ability to identify promising new decision-making tools and technology. With effective decision-making, employees can help the SCCC maximize learning at all levels by creating forums for people to share ideas and best practices.

Once the SCCC employees understand the concept of effective decision-making, developing group decision-making can be conducted with greater ease and more systematically. Employees in SCCC must realise that group decision-making is not just collecting employees together. Group decision-making will never occur effectively unless the members of the group understand the purpose of the model. For the SCCC, groups can be formed among people working in the same department. In this regard, the department leaders in those sections must act in order to improve group ideas and transform the ideas into practices. These managers must engage in a managerial style that has a learning focus, which will improve group performance especially in relation to decision-making.

To implement the policies stated above, the individuals should expand their information by sharing the knowledge they gain with other teams or groups in their Department. They are expected to understand how to effectively communicate with other group members.

When groups really learn, they produce extraordinary results and the learning capacities of the group members grow more rapidly than if they learnt individually.

When SCCC employees apply group decision-making they form highly effective groups, which make individual members feel secure in making decisions that seem appropriate to them. This is due to the goals and philosophy of operation being clearly understood by each member and each member being provided with a solid base for their decisions. This unleashes initiative and pushes decisions down the scale of hierarchy, while still maintaining a coordinated and directed effort. The supportive atmosphere of the group, with the feeling of security it provides, contributes to a cooperative relationship between its members. This cooperative nature itself contributes to and reinforces the supportive atmosphere.

Moreover, the group cohesion is sufficiently supportive for the members to be able to readily accept any criticism that is offered and to make the most constructive use of it. The criticism may deal with any relevant aspect of decision-making, as the member feels sufficiently secure in the supportive atmosphere of the group to be able to accept, test, examine and benefit from the criticism offered.

Furthermore, group processes within a highly effective group enable the members to exert more influence on the leader and to communicate far more information to him, including suggestions as to what needs to be done and how the job could be done better; suggestions not generally available in a one on one relationship. As a result, the managers receive all the information that the group possesses to help them perform their decision-making effectively.

In summary, individuals should be taught to develop their decision-making skills personally before being integrated into groups. This process will ensure that the individual will have the requisite skills to make effective decisions before developing the necessary group work skills that are required to effectuate group decision-making. This process will encourage the smooth development of group decision-making at the SCCC.

#### **5.4.2 Practices at Departmental Level**

In applying group decision-making at SCCC, leaders in the departments are essential in order to ensure effective implementation of the process. In the department, the leader is the person who has primary responsibility for linking group decision-making with the rest of the organisation. Other members of the group may help perform this function by serving as linking pins in overlapping groups other than that provided by the line organisation, but the major linking is necessarily through the line organisation. The leader of a department has full responsibility for the group's decision-making and for seeing that his group meets the demands and expectations placed upon it by the rest of the organisation. Other members of the group may share this responsibility at times, but the leader can never avoid full responsibility for the adequate performance of the group decision-making. Their role is vital and cannot be replaced by others within the organisation.

Although the leader has full responsibility, they should not try to make all the decisions. SCCC leaders should develop their group into a unit, which will make better decisions than leaders can make alone, if the correct level of participation is encouraged. Thus, leaders at all levels should encourage individuals to work and apply decision-making as a group rather than an individual. The leaders must ensure their subordinates share their experiences, both negative and positive, and even reasonable disagreements within the group, as they are usual phenomena. Moreover, all SCCC leaders at the department level must help the group in developing efficient communication and influencing processes which provide it with better information, more technical knowledge and more experience for decision-making purposes than the leader alone can assemble.

In the process of group decision-making, the leader must ensure that each member fully identifies with each decision and is highly motivated to execute it fully. The leaders at SCCC must be primarily responsible for establishing and maintaining a thoroughly supportive atmosphere within the groups. SCCC leaders have to encourage other members to share their responsibility but must never lose sight of the fact that as the

leader of a work group that is part of a larger organisation their behaviour is likely to set the tone for their subordinates. Furthermore, leaders should be in a position to act as the bridge between the individual, group and organisational decision-making levels. This bridge must be strong enough to collect the groups together and to form a unified organisation that makes decisions based on the input of every member in the firm.

Although the SCCC's leaders accept the responsibility associated with their role of leader of a group decision-making process that is part of a larger organisation, they should seek to minimise the influence of their hierarchical position. SCCC leaders should be aware that trying to get results by pulling rank adversely affects the effectiveness of their group and their relationship with the group. Thus, SCCC's leaders should endeavour to de-emphasise their status and act humbly in the presence of their fellow group members to ensure optimal output from the process.

SCCC's leaders should perform this in a way that suits their individual personality and method of leading. There are many ways to lead and support group decision-making and the following are but a few:

- Listening well and with patience
- Not being impatient with the progress being made by the group, particularly when it is dealing with difficult problems
- Accept the blame when subordinates make mistakes or fail in their tasks
- Give the group members opportunity to express their thoughts without restraining the flow of ideas by pressing the leaders' own ideas
- Being careful never to impose a decision upon the group
- Putting contributions in the form of questions or by stating propositions speculatively

The leaders strengthen the group and group processes by ensuring that the group deals with all problems that involve the group. SCCC's leaders at the department level should not handle such problems outside the group nor with individual members of the group.

While the leader is careful to see that all matters which involve and affect the whole group decision-making process are handled by the whole group, leaders should be equally vigilant to ensure that they do not undertake to discuss matters or tasks which do not concern the group in the group meeting agenda. Matters concerning one individual member and only that member should, of course, be handled individually. Matters only involving a subgroup should be handled by that subgroup. However, the whole group is kept informed of any subgroup action at all times.

SCCC's leaders fully reflect and effectively represent the decisions of their group when they sit in another group while performing the function of linking the group to the rest of the organisation. Leaders bring to their group the views and decisions of the other groups in the organisation. In this way, SCCC's leaders provide a linkage whereby communication and the exercise of influence can be performed in both directions.

SCCC's leaders should have adequate competence to handle the technical problems faced by the group, or should have the full access to this technical knowledge. This may involve bringing in, as needed, technical or resource personnel. Another option is for the leader to arrange for one or more of the group members to be provided with technical training, so that the group can have the necessary technical knowledge available when the group discusses a problem and arrives at a decision.

The leaders at SCCC might be called the center of the group. SCCC's leaders endeavour to build and maintain a keen sense of responsibility for achieving the group's goals and meeting its obligations to the larger organisation. SCCC's leaders should help to provide the group with the stimulation arising from restless dissatisfaction. The leader should discourage complacency and the passive acceptance of the current situation. SCCC's leaders have to help the members to become aware of new possibilities, more important values, and effective decision-making. As a result, the enthusiasm of the leader is important to ensure that the remainder of the group is aware of group decision-making's significance within the organisation.

In summary, the development of group decision-making at the SCCC very much depends upon the leader within each department. This level will prove whether the transition from effective group decision-making to organisational decision-making can be made seamlessly. In other words, department leaders facilitate sub-organisational decision-making as opposed to organisational decision-making, which is akin to the decision of a larger group. Therefore, all levels of leaders, whether within the same or different departments, should support each other so that not only group decision-making will be improved, but the organisations' decisions will be strengthened also. The important thing for practices at the departmental level is that the leaders at this level must make the individuals aware of the necessity and significance of effective group decision-making. The working philosophy of the department leaders must be changed from the traditional decision-making style; a transition from individual decision-making towards group decision-making.

#### **5.4.3 Practices at Organisational Level**

The development of group decision-making will never be successful if the SCCC organisation does not take the plans to apply group decision-making seriously. At the organisational level in the SCCC, the top executives might consider the following suggestions.

To enable the planned decision-making model at the SCCC's organisational level, the Top Executives must be aware of how the innovation process in organisations occurs and how to manage it. If a decision is to be of any benefit to the organisation, or a subsection of the organisation, then it has to be translated into firm actions. In order for this to take place, SCCC should be tested for its feasibility. For example, this test is primarily to do with the resources available to the individuals or groups who will be implementing the decision. Although the specific resource requirements will depend on the nature and context of the decision, SCCC should make some general comments about the types of resources that may be needed for effective decision-making.

The most obvious resource requirement for SCCC will be finance which may be the first requirement to launch the group decision-making model. The budget must take account of all other resource costs within the firm to establish precisely how much money is available to be spent on group decision-making.

Implementation of the group decision-making model may alter the firm's human resource requirements, either in terms of the quantity or type of labour usage. Consideration must be given as to whether the firm is capable of implementing the new requirements and whether training is required for the development of these new skills. Furthermore, a major factor in the application of group decision-making is recognising the value of information as a resource. Information is a source of competitive advantage and may have to be developed in order to apply it effectively.

At the organisational level in the SCCC, the leader who has the most experience in every dimension of the SCCC should design the shared vision. The supreme vision must significantly inspire the organisational members to mutually achieve it by indicating specified points at which to aim. The mission must clearly show what the SCCC wants to achieve. Based on the vision and mission, the core values are the guiding principles that should help the leaders determine organisational choices, decisions, policies and behaviour.

Moreover, the policies should be redesigned to support group decision-making for the SCCC. The strategies should be re-deployed with encouragement for group decision-making. The structures must be harmonised to apply group decision-making in an effective and efficient manner. The term 'structure' in this sense does not necessarily refer to the organisation's structure; it is a reference to any structure designed to support group decision-making.

In addition, leaders at the organisational level, including Top Management in every department, also have to act as agents of change. With this role, they must persuade the individuals around them to do more than they previously did and even more than they

thought they could do. To perform this role, they will be required to possess adequate communication skills.

The SCCC will engage in three types of communication; downward, upward and horizontal. Downward communication will be made from the top executives in the organisation downwards through the hierarchical system. The message needed for communication change should be concerned with improving understanding of the necessity of changes, the benefits to gain from such change and the agendas for change.

Upward communications is made from lower levels to higher levels within the SCCC. The leaders at all levels must encourage their subordinates to think of new ideas or innovative improvements or solutions, especially their attitudes towards the change in decision-making at SCCC.

Horizontal communication is anything made across the same level within the organisation. Messages flowing laterally should be concerned with coordination. At the organisational level, top executives must talk in the same language. This means that they must have the same target of change and the top executive must be the person who sets the target. Communicating to coordinate with each other at this level may be performed at formal meetings such as monthly seminars or informal conversations. Once they have communicated in this way, they will spark confidence in Middle Management. Consequently, they can be sure that no matter which top executive they communicate with, they will receive the same message as they if they were communicating with someone else of that tier.

Therefore, those who lead the SCCC at the organisational level have to be very tactful not only in speaking and listening but also in persuading. The purpose of the communications is to make understanding of the needs for change in decision-making and to call for mutual cooperation from the individuals towards the change implementations.

Developing a decision-making style based on group decision-making at SCCC involves changes to existing practices and sometimes to personnel, organisational structures and technologies. Indeed, it is highly likely that a change to any one of these will lead to further changes within SCCC. Clearly, for group decision-making to be implemented effectively at SCCC, the processes of change must be carefully managed so as to avoid or overcome resistance. Some of the key measures that may be of practical use in avoiding or reducing resistance to the group decision-making model at SCCC are:

First, there must be adequate involvement of the relevant people. SCCC needs the broadest possible involvement and participation in the change from the previous model, which involved individual decisions, to the new model which is based on group decision-making. To exclude people from these processes, whether deliberately or not, will be to alienate them; and to alienate them is to invite resistance to the changes.

Second, there must be support from senior management. This support is required on the basis that much resistance emanates from a fear of failure. Senior managers can, therefore, facilitate changes by understanding and supporting employees' needs and helping to remove that fear. Moreover, the application of the group decision-making model should not threaten autonomy or security. Therefore, SCCC must ensure that the employees have the flexibility to respond to the changing demands placed upon them and have the capability of sustaining gainful employment. This can be managed through effective training policies. It can be seen, therefore, that decisions in organisations can rarely be taken or implemented in isolation. While the SCCC will operate group decision-making, its environments will necessitate organisational changes at both a strategic and an operational level. This successful implementation of change will require not only the moral support of senior managers but also support in terms of training and resources.

Third, although it may seem obvious to many that feedback to individuals and groups will be a necessary part of the process of evaluation, it is useful to formalise the monitoring of performance of group decision-making. This is partly for confidence building, but also so that adjustments can be made if targets or expectations are not being

met. It should be stressed that feedback should be a two-way, or even multidirectional, process.

Finally, SCCC should make all employees feel mutual support, trust and confidence in applying the group decision-making strategy. This common sense direction is required if an organisation is to implement change effectively.

In summary, there are several key considerations that the SCCC and, in particular, the Executives of the firm, should be made aware of before implementing the group decision-making model. The implementation of the new policy will cause substantial changes to the firm and the employees. If these changes are anticipated, the fallout of their occurrence can be minimised or even utilised to an advantage. The leaders of the organisation have a crucial role to play in the transition process and are responsible for ensuring that their subordinates support the idea. These guidelines are proposed as a guide to make the transition process run smoothly and without incident.

## **5.5 Contributions of the Thesis**

This thesis offers a significant number of contributions. First, the conclusions derived from the research will be forwarded directly to the SCCC, to suggest that the model group decision-making process, as the final product of this thesis, should benefit that organisation directly in terms of improving its organisational decisions. Second, several organisations in Thailand that still engaged in decision-making based on the will of a single person at the top of the organisation should also benefit from this research. These companies could adopt the suggested changes to improve their organisational decision-making. Developing decision-making based on this group decision-making model is a powerful option for organisations wanting to improve their decision-making. Finally, this in-depth investigation has refuted the arguments presented in the literature reviewed by proving that developing group decision-making in a bureaucracy that involves Thai societal and cultural characteristics, a hierarchy and Thai organisational characteristics is possible. The following subsections describe details of these contributions in detail.

### **5.5.1 Contributions for the SCCC**

This thesis provides several possible benefits for the SCCC. First, the tested research propositions confirm that the SCCC should employ group decision-making to make effective and efficient organisational decisions. The thesis has provided evidence and arrived at conclusions based on the findings to ensure that the suggested approach is suitable for the organisation. Furthermore, in-depth investigation provides an opportunity for the SCCC to alter the present decision-making style by employing group decision-making for the firm to become an effective organisational decision-maker.

Second, this thesis has provided an opportunity for all levels of employees in the SCCC to explain their thoughts about the current decision-making process. They have come to realise that decisions made by a single person are not sufficient or efficient for the SCCC. This awareness can influence the SCCC's reconsideration of the current decision-making process and help them determine that it is not appropriate and requires restructuring. This redevelopment, or restructuring, should foster the formation of societies in the workplace to provide the considerable foundations required to facilitate the development of effective decision-making at the SCCC.

Finally, this thesis has offered an alternative in the field of organisational decision-making. Based on the thesis's findings, and practices in all levels in the SCCC, this thesis reveals that the centralised organisational decision-making (decisions made at a high level by Top Management or even by a single individual) within the SCCC can become a decentralised system (where the decision-making power is dispersed among more individuals at the Middle and Lower Management levels). This will be a feasible transition providing Top Management adopts a positive attitude towards group decision-making and truly encourages the change.

### **5.5.2 Contributions for Thai organisations**

As SCCC engages in centralised decision-making, this case study thesis can have several benefits for other Thai organisations that also employ a hierarchical structure that does not foster group decision-making. The centralised decision-making style is used in many Thai firms, including family businesses, state owned enterprises and big private companies. These firms have many common characteristics, such as possessing a number of hierarchical organisational structures.

Furthermore, the change to organisational decision-making requires a positive management strategy to develop decision-making. The strategic tool for sustaining the group decision-making model is likely to be applicable to such decentralised organisational decision-making. What they may have to do through the use of the new model is to identify the change management strategy and strategic tools that are suitable for their unique organisational culture and style.

### **5.6 Limitations**

Every research design and investigation has limitations (Yin 1994). This thesis also has limitations to its research potential.

First, it may be that a different participant group of 40 interviewees might have given different answers to the questions. However, the composition of the group was arguably representative of those officers who had experienced the particular management education under discussion. Therefore, this limitation is not seen as particularly significant. The interview questions themselves were developed from the literature review. Their content and form were potentially a limitation and as such should be kept in mind, even if not viewed as a major constraint.

Second, the data collected for this thesis was appropriate as at the collection time. Changes in the organisational structure and key leaders at the SCCC may affect the utility

of the research output in the future. Similarly, the findings are considered valid for the SCCC in the present and immediate future, but are likely to become dated and possibly less useful as time progresses. Moreover, although the research is not so specific to be relevant to other organisations, it is important to note that the research was not designed to investigate questions across organisations but merely within the SCCC.

## **5.7 Further research**

There are several aspects of this investigation that provide suggestions for future research. Follow-up studies using similar methodology may be valuable. As a case study methodology was used in this research, future research could use quantitative methods to survey a larger sample. Such future research may be expanded to take into account more than one organisation. Future research could investigate several related organisations which engage in organisational decision-making. Moreover, future research in other Thai organisations, including family business, state owned enterprises, private companies and governmental organisations, should be encouraged so as to broaden the scope of the findings.

## **5.8 Conclusions**

This chapter drew together the literature review which was presented in chapter two and the analysis of data in chapter four. The chapter discussed the conclusions made from the research issues, then presented the conclusions relating to research propositions one to four. This was followed by a series of recommendations for practice. This section provided recommendations for each level of the organisation (individual, departmental and organisational) to ensure relevance. The chapter moved into a discussion of the thesis' contributions and noted the limitations experienced. Finally, the chapter closed with the implications for further research; a natural progression from the past to the future.

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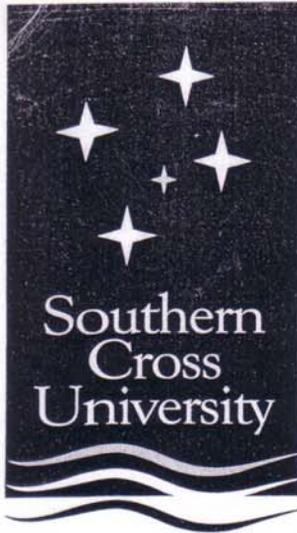
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**TO WHOM IT MAY CONCERN**

The main purpose of this letter is to introduce Mr Akkapong Kittisarn who is a researcher at the Graduate College of management, Southern Cross University, New South Wales, Australia.

Mr Akkapong Kittisarn is a Doctor of Business Administration (DBA) candidate currently conducting a research study in the area of organisational decision-making styles in Thailand. You are kindly asked to provide whatever assistance you may be able to offer to help the candidate in his endeavours.

Should you have any queries about the nature of this research Mr Kittisarn would be pleased to answer all questions or, alternately, you might like to contact me at the following contact addresses:-

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Your every assistance will be greatly appreciated.

Yours sincerely

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