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## **A critical analysis of resetting decision making in any organization**

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**Abstract.** The role of management is very important in the strategic growth and development of any organization in the long run. Important decision making is a critical factor for the strategic planning of organizational vision and mission. There are times when this important factor needs to be relooked from the fresh pair of eyes and apply the learning from past experience to reset it to suit the current requirements. This paper talks about the critical analysis of resetting decision making in any organization. Secondary analysis has been done for different organizations to understand the role of factors impacting the decision making process in an organization and how team performance and targets are set. The aims and objectives of the companies have been studied and critically analyzed to see if this is in accordance with the strategic objectives of the company. The study of decision making for different companies have given an in-depth focus to this research and have highlighted the entire process of working a management team in an organization.

**Keywords.** Decision Making, Corporate Planning, Organizational Structure, Management Decisions, Strategic Approach

### **Introduction**

Decision making is an integral part of any management process of an organization. Higher management works as an important link to companies' day to day process by decision making and supervision. Companies totally depend on management teams to get a proper direction for growth and work. Every organization has a unique approach of business dealings. Competitors play with different strength points in the market and instead of going defensive, organizations focus on working to further its strong points and excel in the long run. Strategic options available have been in line with strengthening areas to maximize customer satisfaction.

Considering the wider market and competition, everything comes down to profit which in turn comes with customers. Working on maximizing customer's value and providing best services has been the strong point for any organization and its existing planning revolves around that which is good for the company. Organizations can analyze the alternative options of maximizing its customer satisfaction by giving them customized services as per their needs. Customization might make the company struggle in volumes but will help the company win customers and in turn building their trust in the long run. This will also obtain more customers by providing maximum value and satisfaction which is the main aim of corporate (Andrews, K., 1971).

Further, the risk involved in customization and focusing on individual's need rather than working on the overall service of the organization can bring more cost and effort to the company and minimize the profit numbers in the short and medium term. However, in the long run, it can be considered as an investment for the company and could be put under research and study expenses done to understand and serve the customers better.

Organizations aim to integrate the value chain of the supply chain management to create a seamless flow of goods and services. However, this task is not easy especially for large scale organizations. The company has a large volume of services to handle and maintain a seamless flow for all of the critical and hard to manage. Communication gaps in the value chain are the main problems in this chain which creates delays and inaccuracies in the delivery system. This in turn lowers the customers' trust and satisfaction on the company. The strategy made by the company to cater to this problem and create an integrated value chain would minimize the leak of information and would reduce the delays due to miscommunication or loss of communication in the order and delivery systems.

The strategy made by organizations to maximize customers' satisfaction has been planned well with the analysis of value chain system of the organization. Companies identify gaps in its system and devise an enterprise to integrate its process to create a seamless flow of information. This strategic long term plan is to address the loopholes in the system and allow the flow of information in the more efficient manner in turn creating an uninterrupted flow of goods across the world (Ben-David, I., Graham, J.R. & Harvey, C.R., 2013).

#### **An analysis of the components of the value chain in an organization**

Organizations have channelized all its planning in creating a strategic plan with small components of integrating the value chain. This plan of integration is a long term approach to organize the business and minimize the cost of delivery with most accuracy. The management of value chain and business of the company needs an updated enterprise solution to be managed by the required experts in the company. Technological expertise along with management expertise would be required to keep up with the pace of development and strive for long term growth and development. The company utilizes every aspect of this component in its planning and is in the right direction of creating a robust strategy.

The enterprise planned to achieve the goal of complete integration is subject to the technological changes in the market which is frequent and uncertain. Technology used by companies would also need to be upgraded accordingly as per the latest tools and software used in the market. The company has identified the problem areas and need to keep itself updated with the latest solutions available in the market to fulfil its need and create a seamless flow of communication with all systems and departments (Bloom, N., Brynjolfsson, E., Foster, L., Jarmin, R., Patnaik, M., Saporta-Eksten, I. & Van Reenen, J., 2019).

Market factors involved here apart from technology is the financial requirements and maintenance of the enterprise to keep up the value chain of the company integrated. Technological expertise along with the operational management would be required as per the latest market availability of software packages to run enterprise solutions.

Organizational objective of maximizing its customers' satisfaction has been the focus of all its strategic plans. Organization's long term plan of achieving this goal has strengthen the company's unique selling point and has made it stronger to survive in the long run. The plan would give the company a competitive advantage to win the customers. Customers would bring profit and their satisfaction would help the brand name of the company, in turn serving the shareholders' and management's interest (Bandiera, O. Hansen, S., A. Prat & R. Sadun, 2019).

Strategic planning of the company for value chain integration and logistics management has served the expectations of the shareholders. Shareholders are in line with the management decision and agree with the long term approach of handling the company's objective. Customer satisfaction has always been paramount for the company and this step to further enhance their unique proposition will strengthen the company with its long term vision of creating a seamless value chain which will be integrated at each point of the process (Collis, D. & G. Ruckstad, 2008).

Logistics planning and management is another horizon to this strategy and that is also in line with the long term approach used to bring the company in the path of strengthening its core values. Stakeholders' interests are served here and the company is working to strive for success in the long run.

### **Decision making in an organization**

The secondary research has been conducted on different companies to understand their strategic objectives and decision making process alignment with those objectives. The study also includes the change in management decision making based on the learning and feedback from the performance motoring done at regular intervals. The method used in this critical analysis is the study of aims and objectives of organizations and to understand how the companies change their decision making process based on their organizational goals.

The first company chosen for this analysis is DHL. DHL aims to be a leading courier company and a reliable logistics company for the world. It's objective of focusing on the customers' requirement and connecting with their needs is an important aspect of the company's business. The organization grows with the customer base and aims to increase its reach by exploring more regions and customer bases. Customer behaviour has been studied by the company as its main objective and team's performance has also been aligned accordingly to take care of the company's objective of an in-depth research and study. The company is in the mode of exploration and teams have been in line to support the company by all means (Camuffo, A., Cordova, A. & A. Gambardella, 2017).

Team performance in DHL aims to strengthen the objectives defined for the company's annual mission and vision. The company aims to offer customers the best service at all times, at the highest level of quality, reasonable prices and aims to expand and serve more nations to create a worldwide reach and presence. DHL has a well defined structure to measure team performance year round and suggests feedback for continuous improvement. The organization believes that continuous improvement is better than giving feedback once a year which does provide the opportunity and scope of improvement for employees. Hence they have decided a performance pyramid to take care of their team performance targets (Eisenhardt, K. & C. Bingham, 2017).

The performance pyramid of the organization takes care of the following parameters. The performance target measures the strategic and operational goals in order to widen its reach across nations. Team performance targets are set accordingly to measure the scope of expansion for the company. DHL believes in working individually is easy and the company rewards individual contributors along with team workers. The company employs a Gantt chart method to measure and track its tasks, goals and objectives. A detailed level annual plan is created with the details about the tasks chose for achieving the yearly goals and objectives of the company and the performance targets are set accordingly (Garvin, D. & Roberto, M., 2001). In DHL, the value of team performance is directly measured based on the activities defined for directly targeting the company's revenue. Defined activities get the maximum bonus points apart from the other routine business activities employees are supposed to do on a daily basis. Routine

activities also carry some weight, but the direct performance linked metrics are paramount and puts high importance in the calculation of team performance.

Performance targets in teams are defined based on the current performance of the company which acts like a benchmark for the organization. Teams' performance is directly measured against the defined goals and objectives of the company setting a clear way of valuating the teams performances. This helps the team in clearly planning their work to meet the targets and support the company for the growth and development (Gibbons, R., Matouschek, N. & Roberts, J., 2013). The current performance of the company highly impacts the teams' performance target and that is a clear and wise way of setting targets for your teams in the company. Organizations' performance would be measured against the teams' performance which would be the actual performance of the company and the contribution from its human workforce. This will clearly define the contribution and profit generated by the human resources of the company (Heath, C. & Heath, D., 2013).

### **Other parameters impacting the decision making process**

Individual commitment is equally important to the organization to bring a strong team effort in the long run. Individuals in the organization have to be motivated enough to contribute to the tangible and intangible benefits of the organization. From the unique perspective as the global leader in logistics, DHL is committed to sharing insights for the global community's benefit. The company's leadership is committed to value both individual performance and team achievements to evaluate the company's long term gains and losses. Strategy is based and dependent on the contribution from human resources of the company in order to plan a long term vision of the company. DHL acknowledges the effort of employees' commitment to the organization's long term growth and development (Klein, G.A., 2004).

The strategic objective is to explore its service to other nations and regions required a long term delegation of responsibilities along with continuous monitoring of the assigned responsibilities. The company aims for a detailed research and study work to determine the future scope of expansion and the prospective customers which the company should target. They are trying to bring some similarity in its existing customers with the new set of customers to target and is planning to devise a strategy to meet the new customers' requirements as well (Lafley, A. & R. Martin, 2013).

Evaluation of the research work reveals that the association of new customers with the existing customers with an approach of clustering and segmentation would help the company in the long term. Mentoring and coaching for this strategy would require a string management with the experience of handling multiple customer bases which would help the company expand with its vision and mission. Team performance of DHL has been seriously evaluated all round the year to align the work with the company's strategic objectives. Continuous feedback and 360 degree assessment helps the company in maintaining its employees on the right track and together they strive to achieve the goal of the company (Mankins, M.C. & Steele, R., 2006).

The second company chosen for this analysis is Carrefour. Carrefour aims to establish as a leading retailer across the world. The objective of the company is to expand in different parts of the world along with its existing presence in Asia and Europe. The company's current strategy is to win the customers' trust and provide a quality service to increase the volume of sales. The strategic objective of the company is in line with its aims and objective and that all sums up to the growth of company by gaining more customers across the globe. Carrefour has been doing well in some countries apart from France, but the future scope includes further expansion of the retail shop to include customers from all parts of the world. The company

strives to establish its presence as a powerful chain and become a brand symbol in the world of retail shopping (Miles, R.E., Snow, C.C., Meyer, A.D. & Coleman Jr, H.J., 1978).

The aims and objectives are regularly assessed based on the performance metrics defined against those aims and objectives. For example, sales volume is one of the important metrics to decide on the expansion and growth of the company in terms of volume and profit. Further, the company has model to determine the descriptive statistics of the key performance metrics which gives a regular snapshot of the performance of the company and check if the performance is aligned with the defined strategic objectives. The diagnostic model to assess and audit the progress of the existing aims and objectives is built on the key performance drivers identified for the company and is linked to the company's aims and objectives (Mintzberg, H., 2009).

Carrefour has done a phenomenal job outside France since the company started expanding outside its home country. The brand has become very popular wherever Carrefour has started its business. Popularity of the company can be easily figured out with the fact that there are multiple Carrefour stores in each city where the company has ventured to start the business. Organization's objectives have been achieved well so far and the next step would be to include more and more countries in its list of expansion and become a global brand and leader. The retail chain will be expanded further to meet the planned objectives of the company in order to excel the graph of already rising growth (Nelson, C.R. & Winter, S., 1982).

Stakeholders of Carrefour seem to have trust in the company and its vision. The company has done well so far in its field and its future strategic objectives look brighter. The future plan to expand its business is a good sign for the stakeholders to get motivated and feel positive about the future. Stakeholders interests are very well served by the rising phase of the organization and stakeholders are benefited out of this plan. The strategy of the company is in turn affected by the planning of the current objectives serving the stakeholders interests. Stakeholders are a very important part of the company's business and the strategies made by the company depends upon it. Stakeholders interest are with the company and will continue to remain so they make sure stakeholders feel the sense of belongingness with the company.

Carrefour organizational strategy aims at aligning the company's aims and objectives to the plan of growth and expansion. The company has seen a phenomenal growth in its sales over the past few years and the future scope of development looks brighter. They aim to spread across the globe and establish itself as a leading retail chain. The objective of the company is to gain more customers by providing the value services and align the interest of the company with customer satisfaction. Existing organization strategy takes care of this aim and objective of the company, thus helping in creating a strong vision for the company and its long term growth and expansion plans. Evaluation would remain positive for the company's organizational strategy as it is in line with the company's aims and objectives (Ruefli, T.W. & Wiggins, R.R., 2003).

### **Resetting the old ways of decision making**

The study conducted on the companies' reveal that the organization decision making is a dynamic process and it keeps on evolving with the company's performance. A regular analysis and performance measurement is conducted for all the important revenue and risk metrics of the company and based on that decisions are made. Further, the research and analysis of DHL revealed that the company values its human resources and take their feedback while senior management decision making process. The team performance plan is revised after every assessment and based on that the strategy and micro management of the tasks also change to help the company stick to the defined objectives and support the team in achieving its goals. Team performance in DHL is evaluated using the continuous feedback and 360 degree

assessment. Moreover, the bell curve approach is defined to help employees' access their performance with respect to their colleagues and this helps in creating a rank and hierarchy of performance which is awarded as per the defined criteria.

The changes are suggested based on the performance and the gaps identified to the predefined goals in order to meet the company's objectives. Change is usually initiated year round to avoid major setbacks and losses as the organization believes in continuous improvement (Simon, H.A., 1947)

Team performance in DHL is aimed to meet the defined objectives in line with the companies' long term strategy and vision. The agreed objectives are acknowledged by the team and based on that, tasks are defined for each employee year round. Multiple checks are there to maintain the accuracy of the alignment of the teams' performance to the defined goals of the company but in case of any problematic performance, the company takes corrective measures and gives a chance to the employees to fix the mistakes. The company has a policy of accepting mistakes and learning from them to avoid the same mistake in future.

Meeting strategy is of prime importance to the company and honest feedback is given after accessing the performance of the teams. Criticism is important parts of feedback which keeps the work in check and helps the employees in maintain their efforts in the right direction. Individual contributions need to be awarded and rewarded both as a token of acknowledgement and appreciation to value their work. The strategy made to utilize the value of human resources to help the company grow in the right direction is the result of the methodologies designed to value individual contributions. Further encouraging performers to take training sessions to share their knowledge, would give them a sense of achievement and make them feel part of the organization. IT would also help the growth of skill sets of the human resource of the company (Syverson, C., 2011).

Individual dynamics indeed impact the organization's overall culture and long term strategy. Organizations' political interests are secured by individual's commitment to help the long term strategy. DHL ensures that the company's interest is put at forth above all the other interest which does not add any value to the company. The company values talent and resources more than any other interest and believes in securing the commitment of its employees. Political interests and other negative dynamics are kept away from the work culture of DHL in order to maintain a positive and progressive work environment.

Similarly, for the second company chosen, Carrefour, the study reveals that the organization growth plans are linked with management decision making and is ultimately linked with the team performance of different teams in the company. Short and medium term strategy of the company would include the improvement of services for increasing the customer satisfaction. Further, the opening of more stores of Carrefour in the unexplored part of the world would further strengthen the position of the company to achieve its aims and objectives. Long term vision of the company needs to be aligned with medium and short term strategies.

The organizational aims and objectives would include the medium and short term objectives along with its long term vision. Alternative strategies used through medium and short term planning would further strengthen the long term vision of the company and would gain the trust of shareholders in the long run. The company aims to perform better and become bigger using alternative strategies as per the requirements. The organizational aims and objectives planning would allow the company to clarify its vision and accordingly define its aims and objectives to choose the long, medium and short term strategy.

The organizational goal of Carrefour is simple and includes long term vision of becoming a powerful leader in the retail industry. The company has designed its aims and objectives accordingly to fulfil its goals and the performance targets are said accordingly for

the teams. Human resource has been trained based on the present strategy to achieve the target set for the organization as per its long term vision. The company aims to grow and expand in all parts of the world with its world class services in the retail chain. The organization would get support of its shareholders as well to go ahead on this path and even stakeholders are with the company on this mission. Sense of belongingness in Carrefour is admirable and the company ensures to take care of all its employees. It would be entirely true to say that the present strategy is sufficient to achieve the organizational goals of Carrefour.

Existing strategy of Carrefour is supportive in the achievement of organizations aims and objectives. The existing strategy of monitoring the company regularly for its key metrics performances and modify or suggest changes when ever required is a good plan to keep the company's performance on track. Annual planning of the company's aims and objectives gives a baseline to define the organizational strategies to help the achievement of set standards declared by the company. The organization has been clear in its vision and with that in mind the strategy is decided. Existing strategy is checked for its performance and practicality on a regular basis and any change suggested is implemented to keep the company's performance on track (Peters, T.J., Waterman, R.H. & Jones, I., 1982)

Current position of the organization in its accomplishment of strategic objectives is quite strong as the continuous feedback and checks keeps the performance of the company in line with the defined aims and objectives. The company uses different strategic options to determine the best path for fulfilling its vision and mission. Set standards of the company are checked again against the current performance of the company and the baseline set is adjusted based on that. The company aims to perform better with every passing year and has plans to spread in every part of the globe. In this grand mission of expansion the current position of the organization is on track as the company has established itself well in major parts of the world. The Carrefour brand has been liked and is popular amongst the people from all regions. The company aims to serve the countries better and become bigger in this process. The organization has accomplished its plan of long term growth and development with its smart strategic options and strives to perform better in future.

### **Conclusion**

The critical analysis of the resetting decision making for different companies has given a valuable insight which is an important piece of information for organizations. The aims and objectives of the organization is clearly aligned with the company's strategic objectives. The future scope of work could include the industries from different sectors of the economy to understand if there is any difference in the working style and the decision making process of the higher management. The wider market in any industry has been phenomenal in defining the company's strategy. Competitor analysis has been done by the organizations to understand available services offered by the market with respect to the customers' satisfaction. Companies have explored different strategic options to achieve competitive advantage in the market and have been successful in defining its strategy accordingly. Strategic options chosen by the companies have been beneficial in defining the horizons of growth and establish a path of growth and expansion further down the line. Competitor impact has been negligible as the companies believe in creating a unique selling proposition for its customers and establish a different image. Organizations now want to set up its own area of expertise and offer to create a comprehensive yet unique platform for service compared to its competitors across the world.

The alternative plan for an organization has been on cutting down the attrition rate of the existing customers and acquiring the new ones. The company aims to establish a strong base before expanding further and for satisfaction of the existing customers is important for the

company. The aim of the organizations now is to excel in the field of telecommunication services and maintain a brand image for its unique and excellent services. Customer satisfaction would bring more customers and volume to the sales of the company which would in turn bring profit to the organization in the long run. Risk assessment has been done for this strategy based on all the existing horizons and the alternatives have been defined based on the options available in the market. The feasibility analysis has also been done to make the strategic objectives a successful attempt to define the company's vision.

Potential problems of an organization could be the struggle in achieving customer's satisfaction as the market and government has different rules for different nations. Organizations would find it difficult to standardize its strategy and objectives as different countries would pose different challenges to the organization. Future growth and expansion would highly depend on the business environment of the developed and specially developing nations. Selected strategies by the companies mainly focuses on a detailed research of the customers and business market of the nations before planning to venture in the new market. Detailed research would establish and highlight the existing problems which focus on establishing a considerable solution to cater to the problems. Future of decision making and its revolution would continue to impact the organizational growth in the long run.

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