

E. Frank Harrison

*Illinois State University*

# The Managerial Decision-Making Process

TECHNISCHE HOCHSCHULE DARMSTADT	
Fachbereich 1	
Gesamtbibliothek	
<u>Betriebswirtschaftslehre</u>	
Inventar-Nr. :	<u>15.384</u>
Abstell-Nr. :	<u>A 121618</u>
Sachgebiete:	<u>1.2</u>
	<u>1.4.5.1</u>

Houghton Mifflin Company · Boston  
*Atlanta Dallas Geneva, Illinois*  
*Hopewell, New Jersey Palo Alto London*

# Contents

*Preface*    *xi*

<b>1. An Overview of Decision Making</b>	<b>1</b>
Profile of a Decision	3
Decision Theory	5
The Scope of Decision Making	6
A Typology of Decisions	11
The Locus of Choice	15
Summary	17
<b>2. The Nature of the Decision-Making Process</b>	<b>21</b>
The Structure of the Process	23
Interdisciplinary Aspects of Decision Making	40
Summary	53
<b>3. Rational Decision Making</b>	<b>57</b>
Rational Versus Nonrational Behavior	59
The Concept of Maximizing Behavior	62
The Case for Maximizing Behavior	63
The Case Against Maximizing Behavior	66
The Concept of Satisficing Behavior	70
The Case for Satisficing Behavior	73
Summary	78

<b>4. The Environment of Decision Making</b>	<b>83</b>
Environmental Dimensions	85
Environmental Forces	91
Summary	110
<b>5. Values for Decision Making</b>	<b>115</b>
The Concept of Values	117
The Hierarchy of Values	121
Managerial Values	125
Ethical Behavior	131
Value Conflicts	135
Summary	137
<b>6. The Psychology of Decision Making</b>	<b>141</b>
Personality as a Determinant of Choice	143
The Propensity for Risk in Choice Behavior	151
Perception in Decision Making	158
Subconscious Influences on Decision Making	168
Summary	170
<b>7. The Sociology of Decision Making</b>	<b>175</b>
Profile of a Group	177
Theories of Group Behavior	179
Group Norms and Conformity	183
Group Structure	187
Group Communication	191
Characteristics of Effective Groups	195
Group Decision Making	198
Conflict in Group Decision Making	204
Group Versus Individual Decision Making	207
Summary	212
<b>8. Techniques for Decision Making</b>	<b>217</b>
Probability Theory	220
Utility Theory	226
Frameworks for Reducing Uncertainty	230
Game Theory	241
Models for Decision Making	244
Summary	253

<b>9. Implementing the Decision</b>	<b>257</b>
The Cuban Missile Crisis: A Perspective	259
The Decision-Making Process in the Cuban Missile Crisis	263
Evaluation of the Cuban Missile Crisis	270
The TFX Case: A Perspective	272
The Decision-Making Process in the TFX Case	275
Evaluation of the TFX Case	281
Comparative Evaluation of the TFX Case and the Cuban Missile Crisis	285
Summary	291
<b>10. Perspectives on Managerial Decision Making</b>	<b>295</b>
The Integrative Perspective	298
The Interdisciplinary Perspective	299
The Interlocking Perspective	302
The Interrelational Perspective	304
A Perspective on Management Theory and Practice	305
	<i>Glossary</i> 309
	<i>Bibliography</i> 317
	<i>Index</i> 333