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Book Review: Leadership and Decision-Making

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Introduction

How do we define leadership? How can we measure leadership behavior? These questions have been around for a long time and several researchers, sociologists and psychologists have tried to answer them in an attempt to define the process of leadership. Despite a large body of work available, there are many diverse opinions about this subject and it is not clear what impact these studies have on the ways the leaders are selected and developed or on their behavior. The reason for differences in defining the concept of leadership and setting its standards could be attributed to the complexities involved in identifying the process that lead to leadership and measurement of leadership behavior. Victor Vroom and Philip Yetton, in their book *Leadership and Decision-making* (1973), have made a fresh attempt to address these traditional problems of leadership through the approach of decision-making.

Victor Vroom is a professor at the Yale School of Management and is a well-known researcher and author of several books. His primary research was on the expectancy theory of motivation and his work includes books like *Work and Motivation* (1964), *Leadership and Decision-making* (1973) and *The New Leadership* (1988). Philip Yetton is a professor and director at the Australian Graduate School of Management and runs its Leadership and Decision-Making workshop. He is a well-known researcher with interest in the areas of leadership, project management, governance and organizational design, and capabilities.

Summary

The authors argue that an understanding of the decision-making process is critical not only for the explanation of the individual leader's behavior but also for the behavior of complex organizations. The organizational decision-making process involves both cognitive and social processes. Generally, events occurring between the identification of a problem and its solution or decision are both intrapersonal and interpersonal; the interpersonal or social aspects of decision-making are most directly relevant to the processes of leadership. Leaders not only make decisions but also select, design and regulate the environments or social systems that help make or execute those decisions. The authors explored ways in which leadership is reflected in social processes that are utilized for decision-making, specifically in leaders' choices regarding the degree and the way they allow their subordinates to be involved in the decision-making process.

Evaluation/Analysis

Traditional managerial systems lack or limit the involvement of subordinates in the problem-solving and decision-making processes. However, there is some empirical evidence supporting the belief in the efficacy of participative management. Field experiments conducted by Coch and French (1948), Bavelas (1950), and Strauss (1955) suggest that productivity can be increased significantly by giving the workers an opportunity to participate in decision-making and goal-setting. Several field studies (Katz, Maccoby, & Morse 1950; Vroom, 1960) indicate a positive co-relation between the amount of influence supervisors afford to their

subordinates in decisions that affect them and the subordinate's individual or group performance. Social psychologists and behavioral scientists have argued for greater influence in decision-making on the part of those who are held responsible for decision execution. The research in this book has assessed the effectiveness of the decision-making process of the leaders based on this variable, i.e. the degree of participation by their subordinates. The participation of subordinates in a decision-making process could range between the two extremes of no participation at all, i.e. the decision being autocratic or being a collective group decision. These two alternatives and all in between vary in terms of not cognitive but social processes, specifically in the amount and form of opportunity afforded to subordinates to participate in the decision.

The underlying theme of the book is derived from two observations that are consistent with existing empirical evidence about a leader's choice in a decision process, the first is which process should he use to make the decision and the second is which decision-making process would he/she actually use. The first observation results in the evaluation of consequences of a leader adopting a particular behavior or leadership style and described as a normative model. The second observation is the study of processes that generate the behavior of the people in leadership roles and presented as a descriptive model.

The normative model developed by Vroom and Yetton (1973) is based on examining a leader's behavior purely in cognitive terms and seeks to arm leaders with a set of rules for solving a problem. These rules take the form of an algorithm that would assure satisfactory solution to a problem. The normative model for participative management addresses the questions such as: Should leaders adopt the same decision-making process regardless of the nature

of the situation, and if not, then what situational properties should affect their choices among alternative decision-making processes? The authors have presented a taxonomy of leadership behaviors with distinct alternatives expressed in terms of the extent to which subordinates have an opportunity to participate in decision-making. This, along with the definitions of a set of situational variables that existing empirical evidence suggests, should be considered in evaluating the alternative consequences of these decision processes. For example, if a leader has to make a decision in which the acceptance of the decision by subordinates is critical to effective implementation, and if it is not certain that an autocratic decision made by the leader would receive that acceptance, the model suggests that the feasible set of solutions contain alternatives: AI (problem is solved or decision is made by the leader himself using information available at that time); AII (leader obtains the necessary information from his subordinates, he may or may not tell them what the problem is and then decides the solution himself); CI (leader shares the problem with the relevant subordinates individually and then makes the decision himself which may or may not reflect subordinates' influence); CII (leader shares the problem with the subordinates as a group, obtaining their collective ideas and makes the decision himself which may or may not reflect subordinates' influence); and GII (leader shares the problem with the subordinates as a group and then generates a consensus on a solution). The model prescribes that the leader must choose AI because it requires the minimum man-hours to implement the solution.

The authors then analyzed the thought process of a leader and the way he or she evaluates alternative solutions to a problem. The objective is to attempt to formulate a descriptive model of a leader's decision-making processes that could

subsequently be tested against his behavior in similar situations. The underlying theme of this approach is to understand how leaders behave and is significantly different from other studies in the sense that leaders' behavior is assumed to be attributable to individual differences, situational variables, and the interaction between them. The book presents the descriptive approach in good detail and supports it with case studies that are based on both managers' personal experiences and the standardized cases.

The book objectively discusses the inherent problems with the normative model as it is prone to interpretational errors such as in identifying and defining a situation by the leaders and their lack of understanding of the model. A detailed comparison of the normative model with the actual behavior is presented but the results remain somewhat inconclusive. The research suggests that depending on the situation, the use of normative model led the managers to make decisions that were more autocratic as well as more participative but it falls short of prescribing the model to people in leadership position.

Conclusion

Several case studies have been cited and compared with other researches in this area as well as with past and present leadership theories. The book takes a novel approach and opens new avenues for further discussion and research on the study of leadership behavior. It provides a framework for using participation in decision-making as the basis and is an excellent gateway to research other leadership concepts. I would recommend *Leadership and Decision-making* (1973) for readers who are interested in more than just an abstract concept of leadership and are looking for a more concrete approach to investigate the decision-making aspect of leadership. The models presented in the book fulfill that need and to a possible extent backed up by studies and empirical data.

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