



Higher National Unit Specification

General information for centres

Unit title: Decision Making for Managers

Unit code: F5GG 36

Unit purpose: This Unit is designed to enable candidates to use decision making concepts to analyse managerial decisions. It enables candidates to develop an approach to decision making which will allow them to make effective decisions in routine and non routine settings likely to be encountered by those in management positions in organisations. Candidates will also be able to critically evaluate the approach to decision making and draw conclusions from this evaluation to enhance future decision making.

On completion of the Unit the candidate should be able to:

- 1 Analyse models of decision making.
- 2 Develop an approach to making decisions.
- 3 Evaluate the decision making process.

Credit points and level: 2 HN credits at SCQF level 9: (16 SCQF credit points at SCQF level 9*)

**SCQF credit points are used to allocate credit to qualifications in the Scottish Credit and Qualifications Framework (SCQF). Each qualification in the Framework is allocated a number of SCQF credit points at an SCQF level. There are 12 SCQF levels, ranging from Access 1 to Doctorates.*

Recommended prior knowledge and skills: Candidates should have a good working knowledge of what management involves, probably gained through work in a managerial position in an organisation. Candidates should have good communication and analytical skills which could be demonstrated by successful completion of management Units at SCQF level 8 such as *Management: Leadership at Work* (DV88 34) or *Management: Plan, Lead and Implement Change* (DV8C 35).

Core Skills: There are opportunities to develop the Core Skill of *Problem Solving* at SCQF level 6 in this Unit, although there is no automatic certification of Core Skills or Core Skills components.

Context for delivery: If this Unit is delivered as part of a Group Award, it is recommended that it should be taught and assessed within the subject area of the Group Award to which it contributes.

Assessment: This Unit can be assessed holistically by means of a report based on an organisation with which the candidate is familiar. Candidates are expected to demonstrate that they can develop a suitable approach to managerial decision making in organisations and apply, justify and evaluate this approach to the analysis of decisions and to suggesting decisions that could be taken. The report could be supplemented by oral questions to ensure all aspects of the Evidence Requirements are fully met. If desired, assessment can be based on a case study.

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The sections of the Unit stating the Outcomes, Knowledge and/or Skills, and Evidence Requirements are mandatory.

Where evidence for Outcomes is assessed on a sample basis, the whole of the content listed in the Knowledge and/or Skills section must be taught and available for assessment. Candidates should not know in advance the items on which they will be assessed and different items should be sampled on each assessment occasion.

Outcome 1

Analyse models of decision making

Knowledge and/or Skills

- ◆ Types of decision
- ◆ Rational decision making model
- ◆ Alternative models of decision making
- ◆ Group decision making

Outcome 2

Develop an approach to making decisions

Knowledge and/or Skills

- ◆ Definition and diagnosis of the problem and/or issue
- ◆ Generating alternative solutions
- ◆ Deciding between alternatives
- ◆ Gathering acceptance and implementation
- ◆ Techniques of decision making

Outcome 3

Evaluate the decision making process

Knowledge and/or Skills

- ◆ Comparison with the rational model
- ◆ Criteria for evaluation
- ◆ Strengths and weaknesses
- ◆ Drawing lessons for the future

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Evidence Requirements for the Unit

Candidates must provide evidence which draws on knowledge and skills items from all three Outcomes to show that, in the context of a particular organisational environment, they can:

- ◆ draw on a range of relevant concepts and theories of decision making to analyse the way in which managers in the organisation make routine and non-routine decisions, including group decisions
- ◆ make use of relevant models of decision making to develop a suitable approach to decision making which could be used to tackle a specific situation likely to be faced by managers where there is a degree of unpredictability
- ◆ use a selection of relevant decision making concepts to justify this approach to decision making
- ◆ identify and use suitable criteria to critically evaluate this approach to decision making
- ◆ draw conclusions from the evaluation which compare the decision making process to the rational model and which suggest lessons for future managerial decision making

Assessment Guidelines for the Unit

Assessment for this Unit can be undertaken holistically. Candidates may base their evidence on an organisation with which they are familiar. They can be given a brief to which they can respond. This should draw their attention to routine and non-routine decision making and point them towards situations for which they can develop an approach to decision making.

Alternatively, candidates can be given a case study of an organisation. It should cover routine and non-routine decision making. It should also include a suitable situation for which candidates can develop an approach to decision making. This situation should contain some elements which are unpredictable. The case could be presented in video format.

Candidates can present their evidence in the form of a report in which case it should be about 4,000 words long. It could be completed in their own time or during time allocated for the purpose during an integrated development session. A written report could be supplemented by oral questions to ensure all aspects of the Evidence Requirements are fully met.

Administrative Information

Unit code: F5GG 36
Unit title: Decision Making for Managers
Superclass category: AF
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Version	Description of change	Date

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Higher National Unit specification: support notes

Unit title: Decision Making for Managers

This part of the Unit specification is offered as guidance. The support notes are not mandatory.

While the exact time allocated to this Unit is at the discretion of the centre, the notional design length is 80 hours.

Guidance on the content and context for this Unit

This Unit is intended for all managers who wish to develop their ability in decision making. It may be undertaken as part of a management training and development programme. It is primarily aimed at managers who have some experience of taking decisions in managerial contexts.

The Unit recognises that decision making is influenced by many factors, one of which is the candidate themselves. For this reason the Unit is designed to enable candidates to develop an approach to decision making with which they are comfortable. This approach, however, has to be consistent with the model used in the Unit as this is the guarantee that effective decisions can be made. The Unit also stresses evaluation of decisions so that candidates get into the habit of reviewing decisions they have made and refining and developing their approach in line with their experience. It is predominantly an applied Unit and the focus is on decisions, both routine and non-routine, that managers in organisation could take.

The following notes give some additional information on each Outcome.

Outcome 1

This Outcome could also cover what a decision is (a commitment to a course of action) and Simon's three elements in decision making (intelligence activity, design activity, choice activity). It may help also to clarify the distinction between a decision and a problem (a difference between an actual and a desired state) and the distinction between the actual problem and its symptoms. These can help to set the scene for the following:

Types of decision: in responses to a problem, crisis, opportunity (Mintzberg); simple and complex; programmed and non-programmed; strategic, administrative, operating (Ansoff).

Rational decision making model: problem definition; collect information; generate alternative solutions; compare each solution against pre-determined criteria; choose optimum solution; implement the solution; evaluation.

Alternative models of decision making: The various alternatives should cover process, political, organisational and societal influences. This is important as it will enable links to be made to other modules and the various factors that can affect decision making eg in ethics, leadership, organisation management. It is more important that candidates recognise that there are many alternatives to the rational model than that they know specific alternatives in detail.

Higher National Unit specification: support notes (cont)

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Candidates should also recognise that the various alternatives often stem from dissatisfaction with the rational model. Some possible alternative approaches include: intuitive; incrementalism (Lindblom); garbage can theory (Cohen); action rationality (Brunsson); Simon (bounded rationality and satisficing); Cyert and March (quasi resolution of conflict, uncertainty avoidance, problemistic search); behavioural aspects of the rational model (eg Kahneman); influence of power (eg autocratic; democratic); organisational learning; heuristics.

Group decision making: Vroom-Jago model; groupthink (this represents a further alternative to the rational model based on group dynamics).

Outcome 2

This Outcome follows through the main steps of the rational model. However, the intention is to encourage candidates to tailor this to their own preferred style and to recognise that it needs to be used in a flexible and adaptive fashion. Some techniques may be valid at more than one stage of the process. When doing this, candidates should bear in mind the issues raised in Outcome 1 and recognise that the rational model may be no more than a loose framework. The focus of this Unit is on the decision making process itself and issues such as gathering acceptance for any solution and implementing any decision are less important in the context of this Unit. However, candidates should be aware that these are key considerations. Candidates are expected to consider a specific situation and propose a suitable approach to decision making in this situation. This approach should be based on the theories and concepts introduced in Outcome 1. It should also be linked to the various alternatives to the rational model.

Definition and diagnosis of the problem and/or issue: soft systems approach; why-why; fishbone diagram.

Generating alternative solutions: use of thought showering; lateral thinking; morphological analysis.

Deciding between alternatives: how-how; evaluation matrix.

Gathering acceptance and implementation: setting SMART objectives; planning; stakeholder diagram.

Techniques of decision making: decision tree; cost benefit analysis.

Candidates are asked to develop an approach which is suitable for a particular situation. However, when doing so they should endeavour to find an approach which has as wide an applicability for their work as managers as possible.

Outcome 3

This Outcome is designed to encourage candidates to look back critically on decisions and the decision making process and consider how effective it was in producing a suitable Outcome to the initial problem.

At this level, candidates would be expected to identify suitable criteria for the evaluation based on the decision making concepts covered in Outcomes 1 and 2.

Higher National Unit specification: support notes (cont)

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Candidates are expected to compare the decision with the rational model. Effectively, therefore, the extent to which the rational model has been followed amounts to a criterion for any and every evaluation. Other criteria for evaluation can be used. They are likely to include some of the following: whether the problem recurred; the time taken to make the decision; whether the decision making approach was suitable for the problem; the costs of the decision making process; the nature of the solution (eg economy, equity); who was affected by the solution and in what ways; the extent to which the end justified the means; what alternative approaches could have been used.

By applying suitable criteria to their evaluation, candidates can draw some general conclusions from it to inform their overall approach to managerial decision making eg what changes they would make in the light of the evaluation and why; what things they would not change in the light of the evaluation and why. Conclusions such as these can be used to draw lessons for the future which may help candidates to develop and improve their approach to managerial decision making.

Guidance on the delivery and assessment of this Unit

This Unit can be delivered on a stand-alone basis. It can be used as part of a management development programme.

Delivery of this Unit will involve ensuring that candidates do acquire the relevant underpinning knowledge to enable them to develop a robust approach to making decisions of the type that they will meet as managers in organisations. The underlying principle of the Unit is that candidates have to work out for themselves an approach to making decisions which they can use to make effective managerial decisions. This must be consistent with the basic model of decision making used in the Unit and take into account the various techniques available to improve the quality of decisions. Candidates should also recognise the deficiencies inherent in the basic model and the difficulties of applying it in practice. All these issues demand a flexible and adaptable approach. In addition, the decision maker also influences the process of decision making. For these reasons, it is important that candidates work out for themselves how to tailor the basic model to their own individual situation.

The Unit is well suited to distance learning because it can give candidates the opportunity to relate the underpinning knowledge, skills and techniques to situations with which they are familiar. Candidates can be given short case studies or examples of problems which require a decision where they can be asked to work through the decision making approach and decide on a suitable course of action. They could also be given case studies of decisions which have been taken and asked to work out the process of decision making and evaluate the decision in the light of this. These examples can assist candidates to develop their own approach.

They can be presented as self-assessment tasks and, as such, they can be used for assignments and for formative assessment. Candidates could, for example, write a brief report on a decision known to them. The report could include the process by which the decision was taken and an evaluation of the decision.

This type of approach should help to prepare candidates for the final summative assessment for which they will be required to respond to a brief on decision making. This brief may be related to an organisation with which the candidate is familiar or make use of a case study of a suitable organisation. The formative assessment referred to above is likely to assist candidates to develop the skills and ability to analyse and evaluate the decision making process.

Higher National Unit specification: support notes (cont)

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Opportunities for developing Core Skills

All elements of the Core Skill of *Problem Solving* that is planning and organising, critical thinking, and reviewing and evaluating, will be developed and enhanced as candidates undertake the Unit. Using a case study as stimulus, candidates undertake identification and assessment of all factors impacting on routine and non routine management decisions and justify approaches taken. Comparison with recognised models of decision making and the outlining of alternative approaches will involve a high level of critical and creative thinking.

Designing a range of strategies which allow on-going opportunities for review and adjustment will be integral to achievement. Identifying criteria for evaluation of approaches to decision making will support detailed examination of their validity and consideration of personal decision making as first line managers. Group discussion of issues during formative work may be useful to reinforce analytical evaluation although candidates should be independently able to identify and discuss effective decision making approaches.

Open learning

This Unit is particularly suitable for Open Learning as candidates should be able to acquire the relevant knowledge by working through the distance learning material which will be available for this Unit. Appropriate arrangements would need to be made for assessment and quality assurance.

Disabled candidates and/or those with additional support needs

The additional support needs of individual candidates should be taken into account when planning learning experiences, selecting assessment instruments, or considering whether any reasonable adjustments may be required. Further advice can be found on our website www.sqa.org.uk/assessmentarrangements

General information for candidates

Unit title: Decision Making for Managers

This Unit has been designed to offer developmental opportunities to managers in all types of organisations. Decision making is a fundamental part of being a manager and the approach you develop from this Unit can be applied to all aspects of your managerial role.

The Unit enables you to develop a consistent approach to decision making which will cover both routine and non-routine situations. This should help you to decide on an effective course of action to tackle the kind of problem that you will meet as a manager. The Unit introduces you to different models of decision making and takes you through the stages involved in making a decision. It also looks at evaluating decisions you have made which will help you to refine and develop your approach. This can be particularly important as a manager where you may be required to explain decisions you have made and be held accountable for the consequences of them. It is an applied Unit and you will be expected to apply the underpinning knowledge and techniques in the Unit to situations where decisions have to be made.

You will be given support material to help you work on this Unit on your own. It will give you the background knowledge and understanding that you need but will also involve you in reviewing your own experience and looking at case studies of decisions which managers may have to make. This will help you to develop the skills of analysis, selecting a course of action and evaluation which you will need for the assessment.

The assessment for the Unit may require you to provide a report which tests your ability to critically analyse decision making in routine and non routine contexts in an organisation. The report may also require you to use relevant decision making models and concepts to develop an approach to decision making in a particular situation. You are required to develop criteria to evaluate this approach and draw some conclusions from the evaluation which you could apply to the way you make managerial decisions. It is expected that your report should be about 4,000 words long.

You will have succeeded in meeting all the requirements of this Unit if you pass this assessment.