# Presentation Title: Decision Making

Slide 1:  
Decision Making  
POSC 315  
Week 8

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Slide 2:  
Agenda Setting       Decision-Making  
Policy design in the  
Alternative Selection  
stage requires decisions about what "tools" to adopt and how to design a policy to achieve the desired outcome.  
As well decision-making also permeates ongoing policy design, budgeting, implementation, and evaluation.  
Decisions  
Decisions are made throughout the policy process  
There are important considerations at each "stage"  
There are multiple decision points at each stage  
There are several theories about the decision-making process, both for individuals and organizations.  
Decisions  
Matters can be complex or simple:  
Complex: What is the best way to reduce the number of people who die in car accidents?  
Simple: Should we build a new bridge?  
Remember, our constitutional system intentionally slows policy-oriented decision-making.

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Slide 6:  
Decision-Making Theories  
Rational Choice  
Bounded Rationality  
Incrementalism

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Slide 7:  
Rational Choice  
The Rational-Comprehensive Model is the starting point for many decision-making theories.  
All important factors are considered  
Analysis of policy goal and policy tool is separate  
Goals are isolated before tools are considered  
A  
good  
policy is the  
technically  
best policy  
Rational Choice  
Starts with a rational actor:  
Economic Man  
Complete and perfect information  
about a problem(s)  
about its causes and effects  
about the consequences of alternative solutions  
about the consequences of inaction  
Can accurately weigh costs and benefits  
Rational Choice  
Optimization  
The rational actor will choose the policy that maximizes benefits and minimizes costs  
All alternatives are considered, and the rational actor chooses the best one  
Achieve maximum social gain from the decision  
Rational Choice  
Pretty unrealistic model  
Information is never complete  
Information is never perfect  
Costs and benefits are never known  
Costs and benefits are never accurately weighed  
There are always constraints on the decision-maker  
Bureaucracy  
helps to make the model more realistic  
Rational Choice  
Six Steps to Rational Choice  
Define the problem  
Identify decision criteria  
Weight the criteria  
Generate alternatives  
Rate each alternative on each criterion  
Compute the optimal decision

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Rational Choice  
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Slide 13:  
Bounded Rationality  
Herbert Simon (1916-2001)  
Nobel Prize in Economics (1978)  
The capacity of the human mind for formulating and solving complex problems is very small compared with the size of the problems whose solution is required for objectively rational behavior in the real world.  
Bounded Rationality  
Recognizes goals and tools are intertwined  
Means and ends—goals and tools—are considered together  
A good policy is one where consensus can be reached  
Bounded Rationality  
Starts with a rational actor:  
Administrative Man  
This actor's rationality is "bounded" by:  
Limited information  
Limited time  
Limited cognitive capacity  
Limited resources  
Limited ability to process information  
So they  
satisfice  
rather than optimize  
Bounded Rationality  
Satisficing  
, "satisfy" + "suffice"  
Makes the most rational decision with the information and experience available  
The administrative actor will choose the policy that is "good enough"  
Decisions are made by choosing between facts and values  
The first alternative that meets the minimum criteria is chosen  
Achieve a satisfactory social gain from the decision  
Bounded Rationality  
Rational Choice  
Bounded Rationality  
Complete information  
Limited information  
Values and facts are separate  
Values and facts are intertwined  
Goals are isolated before tools are considered  
Goals and tools are considered together  
Means and ends are separate  
Means and ends are intertwined  
A "good" policy is the "technically" best policy  
A "good" policy is one where consensus can be reached  
Analysis is comprehensive  
Analysis is limited  
Relies heavily on theory  
Succession of alternatives reduces reliance on theory

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Slide 19:  
Incrementalism  
Charles Lindblom (1917-2018)  
"The Science of Muddling Through" (1959)  
"The Science of Muddling Through Revisited" (1979)  
"Still Muddling, Not Yet Through" (1993)  
"The Science of Muddling Through: Fifty Years Later" (2009)  
Incrementalism  
Builds on the work of Herbert Simon  
Recognizes people cannot process all the information available  
We do the best we can with the information processing capacity we have  
Based on "successive limited comparisons"  
Compare alternatives to the status quo  
Choose the alternative that is the least different from the status quo  
Incremental change is the norm  
Incrementalism  
Simplifies the decision-making process  
Reduces the number of alternatives to consider  
Allows only those that are marginally different from the status quo  
Allows decision-makers to rely on feedback from experience  
Manages risk by making the process serial and remedial  
Avoids the possibility of large, irreversible errors.  
Incrementalism  
Successive Limited Comparisons  
Compare alternatives to the status quo  
Choose the alternative that is the least different from the status quo  
Incremental change is the norm  
Incrementalism  
Problems with Incrementalism  
Incrementalism is not always possible  
Some problems are too complex  
Some problems are too urgent  
Some problems are too important  
Some decisions require huge leaps: "moonshots, wars, pandemics, depressions"

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Slide 25:  
Dysfunctional Decision-Making  
Dysfunction often arises not from problems of disagreement but rather problems of agreement.  
People can be hesitant to disagree with the group, or to speak truth to power.  
Savvy administrators put safeguards in place to avoid groupthink.  
Dysfunctional Decision-Making  
Groupthink  
A group of people make irrational decisions because they are more concerned with maintaining group cohesion than with assessing the facts of the problem with which the group is concerned.  
The group is more concerned with maintaining unanimity than with objectively evaluating their situation, alternatives, and consequences.  
The Bay of Pigs Invasion  
,  
The Challenger Disaster  
,  
The Abilene Paradox  
The Garbage Can Model  
Michael Cohen, James March, and Johan Olsen (1972)  
Decisions are made in an "organized anarchy"  
Decisions are made in a "garbage can"  
Problems  
Solutions  
Participants  
Choice opportunities  
The Garbage Can Model  
Basic Structure:  
There are choices looking for problems  
There are issues and feelings looking for decision situations in which they might be expressed  
There are solutions looking for issues to which they might be the answer  
There are decision makers looking for work  
The Garbage Can Model  
The Garbage Can Model is a model of decision-making in organizations with:  
Unclear goals  
Fluid participation  
Unclear technology  
Organizationally induced time constraints  
The Garbage Can Model  
When the timing is right for a choice opportunity, a problem, a solution, and a decision maker to come together, a decision is made.  
The decision maker can pull a "solution" out of the "garbage can" and apply it to the "problem" at hand, hoping it works or suits the decision-maker's purposes.

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Slide 32:  
Conclusion  
Decision-making is a critical part of the policy process  
We discussed three theories of decision-making:  
Rational Choice  
Bounded Rationality  
Incrementalism  
We also discussed two theories of dysfunctional decision-making:  
The Garbage Can Model  
Groupthink

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Slide 33:  
Next Week  
No In-Person Class  
There will be a documentary film to watch and the second documentary writing assignment is assigned. The film and the assignment will be posted on Canvas.

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