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## What is Strategic Decision Making and Strategic Decision Practices in Intelligent Organizations

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**Abstract:**

**Purpose:** This study aims to conceptualize strategic decision making and examine the nature of strategic decision practices within intelligent organizations. It seeks to clarify how intelligent organizations design, support, and institutionalize strategic decisions in increasingly complex and dynamic environments.

**Design/Methodology/Approach:** The paper adopts a conceptual and integrative approach, drawing from the strategic management, organizational theory, and decision sciences literature. It synthesizes theoretical perspectives on intelligence, learning, analytics, and governance to build a structured framework for understanding strategic decision processes and practices in intelligent organizations.

**Findings:** The study distinguishes between strategic decision making as a cognitive-analytical process and strategic decision practices as the structured organizational routines, tools, and governance mechanisms that enable high-quality strategic choices. Intelligent organizations are characterized by data-driven insights, adaptive learning systems, cross-functional integration, digital decision support tools, and feedback-oriented governance. The findings suggest that strategic decision practices in intelligent organizations move beyond intuition-based models toward hybrid models integrating analytics, artificial intelligence, and human judgment.

**Practical Implications:** The proposed framework provides managers with guidance on designing strategic decision architectures that enhance responsiveness, resilience, and long-term value creation. Organizations can improve decision quality by institutionalizing structured evaluation mechanisms, fostering knowledge integration, and leveraging digital intelligence systems.

**Originality/Value:** This study contributes to the literature by clearly differentiating strategic decision making from strategic decision practices and positioning intelligent organizations as a distinct context where advanced analytics, learning capabilities, and adaptive governance reshape traditional strategy processes. It offers a comprehensive conceptual foundation for future empirical research on intelligent strategic systems.

**Keywords:** Strategic Decision Making, intelligent organizations.

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## 1. Introduction

Today, top managers must deal with several unprecedented challenges which make decisions more complex. New demands have emerged in the twenty-first century. Top managers at all levels must devise and implement various tactics to survive in this world and economy. Strategic decisions, when implemented correctly, are an opportunity to reposition and realign an organization to better “fit” (Harrison, 1996).

Successful strategic decision making enables an organization to maintain competitive position, align internal operations with external environment and survive threats and challenges, while conversely, because of their magnitude, a single, poorly made strategic decision can lead to the demise of an organization and result in corporate embarrassment, large economic losses for stakeholders or even bankruptcy (Mueller *et al.*, 2007. p. 853).

Economic turbulence has come and gone throughout history and strategic decisions need to be made regardless. When faced with uncertainty, traditional decision-making processes may be insufficient (Moallemi, 2020). Top managers are responsible for establishing policies, guidelines, strategic objectives and namely, strategic decision making (Christino, 2021).

During economic turbulence, top managers potentially must face a paradox where a strategic decision might only solve the short-term distress of the company but be worse off in the long-term and vice versa. A long-term decision may strike the company harder during the current situation but end up successful in the long run (Tabesh and Vera, 2020). Top managers must also take strategic decisions quicker during a period of economic turbulence since there is less time for analysis, risk assessment, and information (El Beshlawy and Ardroumli, 2021).

Albeit an economic downturn is inevitable, top managers need to stand prepared for them (Bakonyi, 2018). Economic turbulence, unlike a short-term, transient downturn in financial performance, presents considerable hurdles for top managers in meeting concurrent stakeholder expectations (Chiu and Walls, 2019). Economic turbulence can be seen as a turnaround situation and there are ways to take advantage of the situation.

There can be an opportunity to create a competitive advantage through strategic decisions, however it requires highly skilled top managers (Bakonyi, 2018). There is at least a dozen different views on strategy (Mintzberg and Lampel, 1999; Tsoukas and Knudsen, 2012) that is derived from Greek words “stratos” and “agein”. When combined into the term “strategos” it means the art of troop leader, office of general, command or generalship (Bailey, 2007).

In military context, strategy refers to the art and science of identifying, assembling, and marshalling troops and equipment of war in a manner that must guarantee the

complete defeat of the enemy. Bailey (2007) enumerates different definitions of strategy in the context of business management summarized as a way of action that is necessary to achieve the main goal given scarcity of resources. In other words, it is about gaining a competitive advantage over adversaries given a set of options.

Nichols (2010) makes a distinction on three forms of strategy: (1) general strategy, (2) corporate strategy, and (3) competitive strategy. Corporate strategy relates to the environment in which the company operates while competitive strategy defines the basis in which the company competes.

According to Papadakis and Barwise (1988), “SDM is of great and growing importance because of five characteristics of strategic decisions: They are usually big, risky and hard to reverse having significant long-term effects, they are the bridge between deliberate and emerging strategy, they can be a major source of organizational learning, they play an important role in the development of individual managers and they cut across functions and academic disciplines”.

Strategic decision-making is an attempt to plan for the long-term future of an organization and increase the odds that the organization will be successful. Strategic decision-making is a specific type of decision-making that is “important in terms of the actions taken, resources committed, or the precedent set (Eisenhardt and Zbaracki, 1992) in addition to Strategic decisions are a specific type of decision, as opposed to tactical decisions and operational decisions (Bess and Dee, 2008).

Mintzberg *et al.* (1976) explain the essence of strategic decisions: A strategic decision process is characterized by novelty, complexity, and open-endedness, by the fact that the organization usually begins with little understanding of the decision situation it faces or the route to its solution, and only a vague idea of what that solution might be and how it will be evaluated when it is developed. Only by groping through a recursive, discontinuous process involving many difficult steps and a host of dynamic factors over a considerable period is a final choice made.

The purpose of strategic management is to contribute to finding ways to improve the organization’s performance. This contributes to the strategic decision to take the direction of organization and determine its ability to keep its position in the light of the environment in which they can be predictable. Tatum *et al.* (2003) state that managers make day-to-day decisions or resolve immediate problems.

They also elaborated that managers have different decision styles due to the amount of information, number of alternatives, and attempt to integrate and coordinate multiple sources of input. Nevertheless, the managers can take the right strategic decision through the decision-making process, which help to ensure the efficiency of the strategic decision. Elbanna and Child (2007) notes that strategic decision-making process (SDMP) deals with the process of making the strategic decision, implementation and the factors that affect the process. The research aims to

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demonstrate knowledge and understanding of how things work in strategic decision making.

## **2. Strategic Decision Making**

Decision-making is a process that occurs daily in homes, schools, political, and governmental organizations, corporate boardrooms and executive offices. Decisions, especially important decisions, are made by leaders and managers located at the top of the organizational hierarchy (Hickson *et al.*, 1986).

Decision-making is the process through which managers identify organizational problems and attempt to resolve them (Bartol and Martin, 1994). In the words of Harris (2009) decision making involves an act of identifying and ably selecting among an array of alternatives based on the inclination. It includes variety of processes that are all intermediate steps between thought and action which are the precursors to behaviour (Talley, 2011).

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## **3. Strategic Improvisation**

The strategic improvisation is seen as new management strategy that emerged in last decade of last century as a result of dynamic nature of environment, which opposes traditional way of doing business, especially with regard to process of strategy formulation and implementation, rate of environmental changes, making planning process difficult if not impossible, in addition to that Strict adherence to strategic planning is an obstacle to creativity and flexibility.

Perry (1991) is first to address concept of strategic improvisation and refers to it as a process of formulating and implementing strategy together at right time. Strategic improvisation is defined as an approved method for leaders to seize new and unexpected opportunities, and as ability of senior managers to integrate internal and external resources and capabilities, build their capabilities and automatically reconfigure them to address unpredictable and rapidly changing strategic opportunities and threats (Levallet and Chan, 2015).

Strategic Improvisation is one of new concepts that enhances competitive advantage of organizations that struggle to survive in today's turbulent environment because it allows flexibility and adaptability to turbulent dynamic environment (Ibrahim *et al.*, 2016) Strategic Improvisation has been defined as an action taken in different

situations in real time that involves a great deal of spontaneity and creativity and this means that it can be one of best ways to reconcile organizational tensions (Julienti *et al.*, 2015) and see (Hu *et al.*, 2017) to strategic improvisation as a behavioral strategy that leaders use on behalf of their organizations to respond to uncertainty, time pressure, and insufficient resources.

According to Ibrahim *et al.* (2018), concept of strategic improvisation is an emerging field of Research in management science that deals with providing solutions on how organizations adapt to dynamics of current environment. Strategic improvisation involves reusing old materials and combining them with something new that results in a new way of engaging with a particular audience in a particular environment (Al-Abadi *et al.*, 2020).

And goals of strategic improvisation are:

- Increases performance, yet there is still a dearth of studies that Research direct relationship between strategic improvisation and performance of the organization as a whole (Bakar *et al.*, 2015).
- Generates value for company in terms of follow-up management of change and modification to adopt best practices, as well as adding flexibility and innovation (Arshad *et al.*, 2015).
- Helps managers identify an excellent set of IT capabilities and organizational memory to focus on development in order to seize opportunities or avoid problems (Levallet and Chan, 2015).
- Enables organizations to adapt with flexibility and provides them with capabilities to adapt to changing environmental requirements quickly and effortlessly (Al-Abadi *et al.*, 2020).

As for reasons that called for adoption of strategic improvisation, as strategic improvisation expresses a deliberate and intended action that occurs due to presence of certain reasons related to the pressures that fall on organization in order to adapt to ongoing environmental changes, which sometimes forces it to leave existing strategies and plans and change its strategic course.

Organizations improvise when faced with an unexpected event (problem) that will occur because of environmental disturbance (Cunha *et al.*, 1999). In this context, (Crossan *et al.*, 2005) asserts that turbulent environmental conditions are characterized by ambiguity and uncertainty, which complement lack of time and inability to plan.

The higher degree of ambiguity and uncertainty, the greater possibility of improvisation. And (Beltran, 2015) believes that organization may deliberately adopt improvisation as a studied strategy, to avoid long and costly planning process, and it should be used wisely under specific circumstances, and achieve positive results in high turbulence environments (Norena-Chavez and Thalassinou, 2022).

### 3.1 Strategic Improvisation Dimensions

Strategic improvisation in business organizations is one of their attempts directed at responding quickly to continuous environmental changes and developments, with aim of maintaining their competitive advantages, making them always superior to competitors and achieving strategic sovereignty. In determining dimensions of strategic improvisation, researcher relied on dimensions that were mentioned in doctoral thesis of (Bashkali, 2019), which were represented by (strategic vigilance, strategic agility, minimal structures, resource recruitment, and organizational memory), and reason for choosing these dimensions is due to researcher's choice.

The fact that these dimensions are commensurate with nature of organization in question, and that business organizations require a set of organizational capabilities.

**a.) Strategic Vigilance:** Strategic vigilance is mental orientation that evaluates environment on a continuous basis instead of inattention (Ormsby, 2012). Strategic vigilance refers to ability to accurately and realistically evaluate external and internal conditions in a way that facilitates construction of important ideas (Braun and Martz, 2007). Clar *et al.* (2008) believes that strategic vigilance is a set of processes aimed at searching for and processing information and then disseminating and protecting it to be at disposal of right person at right time, so that he can make right decisions at right time.

**b.) Strategic Agility:** Strategic agility means ability to quickly and unexpectedly change (Erande and Verma, 2008). It also means ability to sense and take advantage of opportunities through long-term planning and implementation of business changes quickly and effectively as needed (Al-Abidi and Al-Moussawi, 2014). This dimension refers to organization's ability to redistribute its resources and organize its operations with lightness and speed that helps to adopt and prepare for change.

According to this, organization needs to learn quickly and continuously to re-engineer its business, adopt innovative processes, and formulate flexible strategic options (Mustafa, 2010). For these strategic options to be appropriate to use, organizations must have ability to reallocate their resources according to these options. Speed of redistribution of these resources and cost incurred by organization to carry out this distribution play a key role in validity of these options. Organizations with strategic agility can provide many options while ensuring a high flow of resources (Kettunen, 2010).

**c.) Minimal Structure:** Success of organization in highly dynamic environments depends on way it adopts formation of elements that facilitate process of rapid response to unexpected circumstances, or so-called open structures, or micro-structure, where such structures are built through a clear strategic intent and presence of a number of simple rules and a large extent of Individual freedom, as strategic intent here helps to present way in which strategic leaders can control

strategic direction of organization in a way that their control is not far from center through thick structures, and simple rules, they provide space for discovery and stimulate necessary improvisational ways to deal with high uncertainty. In dynamic markets (Cunha and Cunha, 2006).

**d.) Recruitment of Resources:** Employing resources, is skill of using a resource from available resources to solve unexpected problems, and phrase “unexpected” means occurrence of change, and how can describe today’s changing environments and cannot wait until appropriate resources are obtained, but quite contrary, who can Obtaining these resources, he can achieve a competitive advantage and therefore resources must be disposed of as if they are at hand (Abdul Hussein, 2015).

**e.) Organizational Memory:** Knowledge is essence of organizational memory (Al-Baghdadi, 2007). Organizational memory is defined as declarative memory and procedural memory maintained by organization that can be used in making decisions. Strategic improvisation benefits from procedural and declarative memory. Procedural memory is characterized by presence of many diverse procedures. These procedures and rules can form necessary “groundwork” for strategic leaders to begin process of effectively reconfiguring capabilities and upgrading.

However, redesigning capabilities may not be innovative or novel in this memory; Because it is based on only existing routines and patterns, and on other hand, declarative memory that refers to more general knowledge applicable to different contexts, is less constrained by routines, and due to relative generalization of this type of memory, and lack of an associated framework, processes of Recreating abilities using declarative memory is more creative, but also slower (Levallet and Chan, 2016).

#### **4. Intelligent Organizations**

Intelligent Organizations differ from other business organizations as they consist of activities, procedures and work related to employees, implementation and control of rest of organization’s various activities, and nature and procedures followed to accomplish work, and therefore we find that there are various concepts of Intelligent Organizations, Intelligent Organizations as a contemporary concept calls for change in way they are managed By business organizations, taking into account implications of both learning and development, training and development.

It is an entrance whose main objective is to maximize organization’s intelligence with its willingness to accept change, which gives organization ability to deal positively with change (Quinn, 2005). Learning organization is a purposeful social unit whose managers possess a high level of knowledge and wisdom to deal with emergency and emerging events (Al-Tai, 2013). It is organization that invests human talents and information technology through a system of institutional values that depends on respect, creativity and transparency (Ghalichani and Hakkaka, 2016).

And dealing with problems they face with high flexibility and making strategic decisions in a timely manner (Ghneim, 2017). Or those organizations that use long-term strategies with aim of achieving a sustainable position in long term (Ghorbani *et al.*, 2019). It is organization's ability to use advanced technologies in implementation of its internal and external activities to achieve its excellence in work (Al-Aubaidy, 2021).

Al-Jubouri (2021) defined them as organizations that invest in their human talents and information technology through an institutional value system based on creativity, transparency and respect. It was shown (Resan, 2021) that it is organization that learns and adapts to environment in which it operates, emphasizing value of organized external survey of external environment, and organization must learn how to be Intelligent by linking the learned elements in information management and organizational learning.

Intelligent Organizations are organizations that are interested in investment of existing minds and information technology available through a valuable system based on transparency and information disclosure. One person's multiple experiences and skills (Pharaoh *et al.*, 2015).

The importance of Intelligent Organizations also lies in benefits they bring to business organizations (Marshall *et al.*, 2019), as follows:

- **Reaching Goal:** Purpose of applying foundations of Intelligent Organizations is to reach strategic goals of organization in fastest time and with least effort and cost.
- **Teamwork:** Intelligent Organizations enable individuals working in them to work collectively based on principle of work is everyone's responsibility.
- **Competitiveness:** Analysing and understanding external environment is one of most important pillars of Intelligent Organizations because it will enable them to outperform competitors in an optimal way, in addition to obtaining a market position and great financial resources.
- **Gaining Customer loyalty:** Quick response to customer will make him show confidence and loyalty to organization at expense of other organizations. Intelligent Organizations have main goal of reaching customer as quickly as possible.

While (Abdo, 2021) importance of Intelligent Organizations in organizing communication between elements of educational process, and with educational services from anywhere and at any time, as well as solving problems of traditional learning systems through optimal use of technical resources. One of advantages of Intelligent universities is to build a person who is intellectually minded, self-sufficient, self-taught, knowledge-based, mind-blowing, innovative and creative. The most important characteristics of Intelligent Organizations can be summarized in following (Al-Awaini, 2016):

- **Lack of Commitment to Place and Time:** Ability to access scientific content from anywhere and at any time through modern communication devices and networks.
- **Self-Reliance in Learning:** It is personal privacy of education, and organization of communication and cooperation in education between all parties involved.
- **Ease of Access:** Access educational information and services, such as online learning systems, and more.
- **Technical Effectiveness:** Technical competence provides strength of university's IT infrastructure through cloud technologies, virtualization techniques, and others.
- **Openness:** by providing open repositories of educational materials and e-learning resources, providing training in all disciplines, as well as free access to scientific research resources.

#### **4.1 Intelligent Organizations Dimensions**

Clarke and Clegg (2000) have indicated that some writers emphasize that Intelligent organization is originally sustainable organization. Many writers and researchers regarding defining dimensions of Intelligent Organizations refer to what came in writings of (Schwaninger, 2009):

**a.) Continuous Learning:** It means continuous acquisition of knowledge through experience that leads to continuous change in strategic behavior (Buchanan and Huczynski, 2004). Then use that knowledge to improve compatibility between Intelligent organization and its environment and create greater value for it (Wheelen and Hunger, 2010).

Abu Afash (2014) believes that process of continuous learning is not only a necessary condition for employment, but rather an imperative necessity to work in contemporary business organizations. Reason for interest in continuous learning is due to rapid changes in business environment.

**b.) Availability of Strategic Alternatives:** It's one of components of strategic management, and to determine them, it is necessary to predict expected results when there is no change in current strategy, considering objectives of organization, which are determined considering change in surrounding environment and available resources (Wheelen and Hunger, 2012).

Availability of strategic alternatives means defining path adopted by organization to achieve its mission in short and long term, considering surrounding environmental conditions and competition, and it requires every organizer to have an idea and concept of principle of organization or define what its tasks are (Al-Juboory and Al-Samman, 2020). Strategic alternatives must provide clarity of purpose or goal that organization seeks to achieve (El Talla *et al.*, 2017).

**c.) Understanding Environment:** It is carried out through environmental surveys (Pharaoh *et al.*, 2015). It is process through which information from external and internal environments is monitored, evaluated and distributed to key individuals in organization to avoid surprises at strategic level and to ensure its long-term health (Abu Alba, 2018).

Success of this principle is based on a set of sub-principles, which are understanding of uncertainties, strategic perspective, and systems thinking (Aboudi and Al-Maadidi, 2019). Organizations usually deal with an ambiguous environment in terms of degree of complexity and uncertainty and strive to understand their environment in which they operate. This understanding means that they realize complexity and uncertainty of ways to facilitate effective decision-making (Matheson and Matheson, 1998).

## 5. Managerial Functions

With the rapid development of the organizations in the world with a globalization, the managers should think to exploit all the available opportunities to eliminate the threats facing the organization's (McLaughlin and McLaughlin, 2007).

Therefore, the manager's work through the different managerial functions on appropriate strategic decision-making, which contributes to keep the survival of organization in the market and competitive position in the market.

### 5.1 Decision Making Process

Decision makers and managers need to allow themselves to be in the process of decision-making. This decision-making process will give the opportunity to decision makers and managers to come up with the alternatives, evaluate each alternative, and select the best alternative or solution to the problem. Many studies in the field of strategic decision-making describe the process as a sequence of steps, phases or routes. Several impediments have been identified in the way of a correct definition of the issue which is the subject of decision: Paying attention to effects and not to causes, selective perception, defining problems through solutions etc., (Cornescu *et al.*, 2004).

The seven steps followed by the author (Litherland, 2013) are: Defining the problem, identifying and limiting the factors, development of potential solutions, analysis of the alternatives, selecting the best alternative, implementing the decision and establishing a control and evaluation system. This process represents the most commonly one used by the managers.

The process of making strategic decisions has been an important theme of strategy research over the last two decades (Papadakis and Barwise, 2002). Barnard, (1938) distinguished earlier between "logical" and "non logical" processes as bases for

decision-making. Mintzberg *et al.* (1976) identify three phases of strategic decision-making: “Identification,” “development,” and “selection.”

The identification phase involves two routines, decision recognition and diagnosis. Decision recognition involves identifying opportunities, crises, and problems that lead to decision activity. There are two routines within the development phase, search and design (Mintzberg *et al.*, 1976). The search routine involves such behaviors as searching the memory of the organization, passively waiting for a solution to appear, announcing to outsiders that a solution is needed in hopes of an answer, and finally actively searching for solutions.

When the search routine fails the design, routine begins; failure to find a “ready-made” solution leads to the “custom-made” design of one. Typically, organizations design only one custom-made solution—as opposed to the time-consuming work of designing several only to discard all but one. Most decision-making resources are deployed and used during the search and design routines of the development phase as compared to other routines and phases in the cycle.

The selection phase has three sequential routines: “Screen,” “evaluation-choice,” and “authorization” (Mintzberg *et al.*, 1976). Screening seems to be an implicit part of the process; alternative solutions are eliminated in a rapid review according to feasibility and appropriateness. Different theoretical models of strategic decision processes, which reflect different conceptions of organization, have been suggested by various literatures.

The models that differ substantially in terms of their underlying assumption about the decision context and the characteristics of decision process are usually influenced by different factors. According to Nooraie, (2012) the factors affecting the strategic decision-making in particular the different stages and process can be classified into four major categories.

- Decision-specific characteristics
- Internal organizational characteristics
- External environmental characteristics
- Management team’s characteristics.

## **5.2 Organization Performance**

Performance lies at the heart of any managerial process and organizational construct and is therefore considered as a critical concept in the strategic management field. It is critical that the managers understand and design strategies to make and select good strategic decision, which lead to obtain a greater performance.

Performance as a theoretical construct can be defined as “the accomplishments or outcomes of an entity” (Phillips and Mountinh, 2000). It can be defined also as “the

way an organization performs via other similar organizations in its industry, not only on traditional financial indicators of performance, but on important non-financial indicators as well” (Khatri and Ng, 2000). Many researchers agree that organizational performance is a complex, multidimensional phenomenon and a function of many variables (Lytle and Timmerman, 2006).

Anderson, 2004 assessed organizational performance by efficiency and market expansion to reflect overall economic performance, which was measured by self-assessed indicators of an organization’s profitability and sales growth compared to its close competitors. (Jurkiewicz and Giacalone, 2004) stipulated that organizational culture will lead to firm performance.

Thus, workplace spirituality such as benevolence, generativity, humanism, integrity, justice, mutuality, receptivity, respect, responsibility, and trust will give an impact on individual workers; and will lead to higher productivity and will improve firm performance. Organization high in workplace spirituality outperform those without by 86%. Further, such organizations reportedly grow faster, increase efficiencies, and produce higher returns on investments. This can be triangulated by three areas as such motivation, commitment, and adaptability (Jurkiewicz and Giacalone, 2004).

### **5.3 Environment Factors**

The internal and external environment of organizations is changing continuously, which causes challenges for human competence development and management. Most of the quality costs form from poor work practices causing lost labour (Andersson *et al.*, 2004). Environment or external factors influenced strategic decision-makings and subsequently affected the organization performance. Mangers made strategic decision-makings based on the external factors that affect their decisions.

Porter (1979) created five forces that explained the environmental factors, which affect managers’ strategic decision-making (Pearce and Robinson, 1997). The organization must deal with an environment that is determined by the strategic decisions of top management.

Apart from that, also listed external environment factors that has an impact on decision making such as Porter’s “five-forces,” regulatory pressures, emergent technologies, and economic conditions (Provan, 1989).

In addition to the Internal factors are the most important factors that influence the process of strategy formulation because it focuses on the goal, and to look at the strengths and weaknesses within the organization (Provan, 1989). Crook *et al.* (2003) stated that the Company analysis needs to be considered in the process of strategic decision-making.

## **5.4 Decision Approach**

Kohlberg's, (1973) description of ethical decision making as a rational process, where people reason through moral dilemmas by applying moral principles or some other criteria, set the stage for research on ethical decision making for a while. There are three types of rational ethical decision-making models (Sonenshein, 2007).

Some of the rational models assume that managers engage in reasoning based on moral theories, such as deontology or utilitarianism, and then act according to the principles of these theories (such as truth-telling as a duty, as per deontology, or benefit to the majority in utilitarianism) (Hunt and Vitell 1984).

Other rational models propose that rather than based on moral theory, managers reason according to the stage of their moral development or based on rewards and sanctions (Treviño and Youngblood, 1990).

The third type of reasoning models are based on "moral intensity": People respond to ethical issues on the basis of differences in the consequences (impact on victims or beneficiaries), consensus about the good or evil of the proposed act, the probability of effect, its temporal immediacy and proximity to its victims or beneficiaries, and other components of moral intensity (Jones, 1991).

## **5.5 Leadership Behaviour**

Leadership is often a concept that has many different meanings, and there is not a single, communally used definition according to Yukl (2002).

According to Barton and Martin, (1994) we can describe and classify the behaviour of the leader based on the degree leadership behaviour as:

- Impoverish management: Exertion of minimum effort to get required work done is appropriate to sustain organization membership
- Country club management: Thoughtful attention to needs of people for satisfying relationships leads to a comfortable friendly organization atmosphere and work tempo
- Authority-obedience: Efficiency in operations results from arranging conditions of work in such a way that human elements interfere to a minimum degree
- Organization man management: Adequate organization performance is possible through balancing the necessity to get out work with maintaining morale of people at a satisfactory level
- Team management: Work accomplishment is from committed people; interdependence through a common stake in organization purpose leads to relationships of trust and respect.

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Einarsen *et al.* (2007) distinguish 4 types of leadership behaviour; the distinction between these 4 types has been made based on the two domains: Organization and subordinates.

- Tyrannical leadership: Where a leader shows anti-subordinate behaviour, but pro-organizational behaviour
- Derailed leadership: Where a leader shows anti-subordinate behaviour and anti-organizational behaviour
- Supportive–disloyal leaders: Where a leader shows pro-subordinate behaviour, but anti-organizational behaviour
- Constructive leadership: Where a leader shows pro-subordinate behaviour and pro-organizational behaviour.

While the executive professional experiences with the leader affecting the behaviour leadership as it helps to make strategic decisions. So and Smith, (2003) indicated that differences in decision makers' cognitive styles, cognitive abilities and personality are important factors in decision-making and performance. The managers' leadership roles need consider eight suggested questions as they develop a plan, solve a problem, meet a challenge, or seek to exploit an opportunity. The questions to be considered are goals (outcome), communications, participation, competence, satisfaction, co-operation, norms, and reviews (Rausch, 2003).

Larssona and Vinberg (2010) stated, "Leadership is an important factor for organizations," which shows the role that leadership plays in the journey of success in accomplishing the plans and achieving the goals to make a visible change. The strategic leadership stat is a powerful, visual and conceptual guide to strategic behaviour.

It focuses the organization on the delivery of value to the customer and highlights the key areas where effort must be continuously directed (Nicholls, 1994). Thus, the management of an organization would simultaneously be performing their strategic leadership role and ensuring the competitive success.

## **5.6 Organizational Justice**

Organizational justice has attracted a great deal of attention from management researchers, and the importance of organizational justice has been recognized as a fundamental basis for effective cooperative action in the organization (Konovsky, 2000). Organizational justice describes "individuals' and the group's perception of the fairness of treatment (including, but not limited to, allocations) received from an organization and their behaviour reaction to such perceptions" (James, 1991).

The presence of organizational justice in management decisions is an important indicator of the quality of exchange relationships between individuals and their employing organizations as well as between employees and organizational agents

(Tekleab *et al.*, 2005). Organizational justice considers as the ethical treatment of individuals within an organization and is intimately tied to leadership and decision process. In addition to the organizational justice refers to the structural elements of the organization that allow employees involvement in decision-making and provide for the fair distribution of incomes being (Greenberg, 1993).

### **5.7 Decision Support Systems (DSS)**

Eom *et al.* (1998) defined DSS as computerized interactive systems that support decision makers in the decision-making process, utilize data and models, and assist in solving problems with varying degrees of structure. DSSs are typically used for semi-structured or non-structured types of decisions, which many times preclude a “correct” answer, and contrast with the nature of structured decisions (Aldag and Power, 1986). Decision makers, whether making a personal or managerial decision, want to feel as though they are making the best decision possible given the available information.

Much of the underlying technologies driving today’s DSS take advantage of the Internet, providing decision makers with the rapid dissemination of information (Shim *et al.*, 2002). DSS is an established area of information system applications, which assists the decision makers to derive an in time, efficient solution (Pourvakhshouri and Mansor, 2003).

Majchrzak and Gasser (2000) indicated that TOP-MODELER© can help managers in overcoming the burden of strategic decision making in their daily business operations. The system also assists the managers to understand their organization structure in gaining closest relationship possible.

## **6. Results and Findings**

By reviewing the literature and previous studies the research indicates that the strategic decision-making process plays an important role in the effective performance of the organization. The study also showed that how strategic improvisation is done in intelligent organizations and the interconnection of SDM’S with managerial functions.

## **7. Conclusion**

Making solid strategic decisions is hard. Making solid decisions in general is hard, but strategic decisions are especially tough for the very fact that they are complex by definition and about an uncertain future. But this doesn’t mean they can’t be improved. There are good strategic decisions and there are bad strategic decisions. The bad ones suffer from people’s cognitive limitations. The good ones are less affected by such limitations. They are not perfect, but they are better because they are made by more aware and better-informed decision-makers.

## 8. Practical Implications and Future Research

This would provide a cognitive insight into the interactions of process and contextual variables as understood by strategic decision makers themselves rather than as recorded indirectly by researchers. Further research could build upon this study in several ways. The additional variables could be incorporated. For example, greater understanding of why and how different decision processes are followed might be furnished by including a strategic choice perspective.

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