

Decision Making for Organizational Sustainability

Mukesh Mihir

Amity Business School, Amity University Mumbai

Dr. Bhawna Sharma Pardoo

Amity Business School, Amity University Mumbai

Abstract

In the current volatile, uncertain, complex and ambiguous socio-economic environment, organizational sustainability is the need of hour. Though the organizational life cycle follows a typical path, every organization cannot survive forever. Very few organizations in this world maintain their continual growth. Decisions taken by the team from time to time make the difference. There are many myths about right or wrong decisions. But the truth is far away from the discussions and general opinion. There is a need to understand the importance of decision making to get the organization going with its continual growth without affecting the future generation. This paper talks about decision making in organizations for their sustainability. It also talks about the myth prevailing about it, where people are either unable to take decisions or leave it to others as a strategy. These decision makings in an organization may have significant impact on Sustainable Development Goals (SDG), especially on SDG8 (decent work and economic growth) and SDG10 (reduced inequalities). This study encompasses the role and significance of decision making on these SDGs, which directly impact organizational sustainability in the long run.

Keywords: Decision-making, Sustainability, Organizational Life cycle, business decisions, diversity, sustainable growth.

INTRODUCTION

The concept of product life cycle is widely taught and discussed in managerial books. **(Fig-1)** Similar is the organizational life cycle, where growth is impacted after achieving maturity stage by declining and then re-invention / diversification is required to revive continual growth. However, in the whole lifecycle, decision plays a vital role.

As discussed in various forums earlier, when the organization reaches its maturity stage, there is a need to take decisions for diversification for re-inventing business or harvesting as a choice. There are various financial theories and concepts for making such decisions.

In fact, at every stage, right from Concept creation and development to Market development and business optimization, we must make a choice out of available options.

From beginning to end, i.e., from concept and design to harvesting stage, we need to take various decisions. These strategic decisions may be of a short-term nature or for a long-term result. The typical decision tree is deciding the estimated path. But, while endeavoring the predefined path, we need to take many steps which are undefined. The environmental conditions can't be predicted in toto. Thus, decision making becomes a crucial and critical turning point in the life cycle of an organization.

It is often found these days that people are not ready to take decisions on their own. They are either in a dilemma or pass this responsibility to others to make it. The reason could be many. People in the organizations are required to be trained and developed to take decisions at the right time.

No decision is right or wrong. What we need to do is to take another decision based on the earlier decisions taken in the

past. Of course, the knowledge and update about the environment makes it easier to choose a path.

RESEARCH QUESTION

Different people have different ways of making decisions. It may fail or gives a successful outcome. Now, the following questions arise regarding decision making in an organization:

1. What are the models currently available for decision making?
2. Is decision making a competence?
3. What are the different steps being taken for decision making process?
4. Is there any significance of decision making in an organization for its success?
5. How important is Decision Making and what impact does it makes on Organizational Sustainability?

OBJECTIVE

To answer these fundamental questions, this study is done based on finding the gap after preparing a literature review related to the title. This paper has the following objectives in line with finding the solutions to the research questions mentioned above.

- A. To develop an understanding of different Decision-Making techniques.
- B. To discuss the various models available currently for decision making.
- C. To analyze the data collected from the sample organizations related to SDG (Sustainable Development Goals) for its impact on sustainability.
- D. To recommend a model for decision making in an organization for Organizational Sustainability.

DESIGN AND METHODOLOGY

The study encompasses the cause and effect of different decisions taken by Indian PSUs regarding SDG goals. The secondary data is collected from the authentic sources viz. Govt. Budget, Annual Reports of the sample organizations. The perception of employees was assessed by analyzing primary data collected through a questionnaire designed for the stakeholders. Top 10 Indian PSU with respect to their investment in various activities related to SDG (Sustainable Development Goals) were taken as sample organization. Data related to SDG8 (decent work and economic growth) and SDG10 (reduced inequalities) were collected and analyzed for the outcome of decision making in line with Organizational Sustainability.

REVIEW LITERATURE

Decision-making is the process of choosing from a range of options or courses of action to achieve a specific goal or outcome. Organizational leaders need to take many decisions to move forward in the process of executing their roles. They must select the best option out of two or many available ones while conducting the task. This decision may vary from person to person. Human Resources map decision making ability under competency mapping.

Decision making as a competence:

Competency Model defines that Competence in decision making is the ability to confidently and decisively decide on a course of action after critically analysing information, parameters and constraints. Decisions come from gathering information and viewing the choices from different perspectives. High quality decision making requires flexibility and

openness as well as a careful evaluation of the costs and benefits.

In general, the following 7 steps are required to take a decision:

1. Identify the decision that needs to be made
2. Gather relevant information
3. Identify alternative solutions
4. Weigh the evidence
5. Choose among the alternatives
6. Take action
7. Review your decision and its impact (both good and bad)

It is easy to follow the steps. Nevertheless, decisions are either kept pending or passed on to the next person in today's working environment. What could be the cause of this situation? Here comes the competence, which is required. Decisions need courage, attitude, ability and intention to move ahead.

If we understand the fact that no decision is right or wrong. There might be a better option or choices we have while moving ahead. What we need is to follow the steps mentioned above and then act with the consequences we face. That simply means we must keep on taking decisions with the changing environment. Most important is to move ahead.

Various Decision-Making Models:

1. Rational decision-making models - This type of decision-making model is the most common type that you'll see. It's logical and sequential. The seven steps listed above are an example of the rational decision-making model.

When your decision has a big impact on your team and you need to maximize outcomes, this is the type of decision-making process you should use. It requires you to consider a wide range

of viewpoints with little bias so you can make the best decision possible.

2. Intuitive decision-making models - This type of decision-making model is dictated not by information or data, but by gut instincts. This form of decision making requires previous experience and pattern recognition to form strong instincts.

This type of decision making is often made by decision makers who have a lot of experience with similar kinds of problems. They have already had proven success with the solution they're looking to implement.

3. Creative decision-making model - The creative decision-making model involves collecting information and insights about a problem and coming up with potential ideas for a solution, like the rational decision-making model.

The difference here is that instead of identifying the pros and cons of each alternative, the decision maker enters a period in which they try not to actively think about the solution at all. The goal is to have their subconscious take over and lead them to the right decision, like the intuitive decision-making model.

4. Decisions making tool with AI - Tracking key decisions can be challenging when not documented correctly. Artificial Intelligence can be also used as a tool which can help us track key decisions, collaborate with teammates, and stay on top of progress all in one place.

What is Sustainability?

Development that meets the needs of the present without compromising the ability of future generations to meet their own needs. (Fig-2)

For an organization to sustain the VUCA (Volatile, Uncertain, Complex and Ambiguous) environment, the goals are to be set in such a way, where all the three aspects are covered in a balanced way. The organization not only should have a financial goal, but it should also develop a culture to develop its people for future needs, and it should also run in a way that the environment is protected.

Why is decision making so important for sustainability?

With change in economic and social environment, organizational goals and objectives require changes. However, corporate growth needs to be maintained. There are many factors we need to consider with change in the environment. Unless our environment is safe, we, as an organization, can't survive. For sustainability, our decisions need to be viable, bearable and equitable. Balance is the key factor.

DISCUSSIONS AND OUTCOMES

Based on the feedback provided by the stakeholders as primary data and Annual Reports and other documents as secondary ones, the following details have been collected and analyzed for top 10 PSUs contributing to society and environment under various SDG goals.

The following table gives a comparative overlook of decisions taken by top 10 Indian PSUs in the line sustainability.

On the other hand, the feedback taken from stakeholders in the form of a questionnaire suggests that many people believe in the phenomenon that if the situation is ambiguous, let it solve on its own. Is that the right approach in the corporate world? There are examples where this kind of approach leads to a disaster and the organization could not survive. Diversification is the answer to the

maturity stage for a change in market conditions.

Another approach is to delay the decision for the sake of favorable condition to come. This also is not the right approach. We can lose a big volume and market share, which may lead to a big financial loss for the organization. This way, we are giving the opportunity to the competitors, especially the start-ups, to come up and make a dent on our market share.

Sometimes, the successor blames the predecessor for the current situation, as if the wrong decisions were taken in the past. But the fact is that the successor is unable to execute the plan according to the decisions taken earlier. Or the situation has changed, and new decisions are required to be taken in time. The concept of Change Management plays a vital role over there.

A choice by one person may be different by another in the same situation, depending on his or her perception, knowledge and experience and capability to resist external and internal influence.

It is often found that team leaders depend on their superiors for taking decisions in an ambiguous situation. The superiors may not be aware of the ground level details, so the decision taken by them, if at all, may be at a gross level. This may not be the best choice for that situation at a lower level.

Similarly, policies made in general are interpreted by the field force at their own convenience sometimes. It's an ambiguous and complex situation at field level, so a decision is required by the team in that very situation.

CONCLUSION AND RECOMMENDATIONS

The study concludes that decision making is very important to achieve organizational sustainability. Continual growth of an organization can only be

sustained, when various decisions are taken in time with the changing environmental conditions. This study recommends the following points regarding the decision-making process:

- Leadership is incomplete without decision-making competence.
- We must select the best options available to move ahead.
- No decision is right or wrong. It depends on the situation and availability of resources at a particular moment.
- If you do not take a decision, nature will take its own and then you will have to face the consequences.
- Decision has its cascading effect. Every decision-making situation is a consequence of a decision taken in the past. So is this decision will work for the future.
- Decisions need to be viable, bearable and equitable.
- Sustainability is the goal, which can be achieved by continuous change and updating the system.
- A balance between economic, social and environment can only lead to organizational sustainability.
- Unless our environment is safe, an organization, cannot survive.

LIMITATIONS AND FUTURE SCOPE OF STUDY

The paper encompasses the study of decision making and its effect on organizational sustainability of Indian PSUs. However, similar studies can be undertaken for Private Sector, Multinational Companies (MNCs) and Govt. Organizations in Indian and International context. The outcome of the same can be shared and may be compared to arriving at

a conclusion about decision making in different organizations.

REFERENCES

- Aljohani, A. (2025). AI-Driven decision-making for personalized elderly care: a fuzzy MCDM-based framework for enhancing treatment recommendations. *BMC Medical Informatics and Decision Making*, 25(1). <https://doi.org/10.1186/s12911-025-02953-5>
- Burkynskyi, B., Andryeyeva, N., Khumarova, N., & Kostetska, K. (2021). An Innovative Approach to the Implementation of Sustainable Business Ideology in Ukraine. *Environmental Research, Engineering and Management*, 77(4), 48–63. <https://doi.org/10.5755/j01.ere m.77.4.29163>
- Camaréna, S. (2021). Engaging with artificial intelligence (AI) with a bottom-up approach for the purpose of sustainability: Victorian farmers market association, Melbourne Australia. *Sustainability (Switzerland)*, 13(16). <https://doi.org/10.3390/su13169314>
- Chygryn, O., Ziabina, Y., & Iskakov, A. (2023). Communicative Channels of Stakeholder Interaction as an Element of Ensuring Sustainable Development of the Business Sector. *E3S Web of Conferences*, 456. <https://doi.org/10.1051/e3sconf/202345602001>

- Dongrey, R., & Rokade, V. (2021). Assessing the effect of perceived diversity practices and psychological safety on contextual performance for sustainable workplace. *Sustainability (Switzerland)*, 13(21). <https://doi.org/10.3390/su132111653>
- Engelmann, J., Al-Saidi, M., & Hamhaber, J. (2019). Concretizing green growth and sustainable business models in the water sector of Jordan. *Resources*, 8(2). <https://doi.org/10.3390/resources8020092>
- Fonseca, L., & Carvalho, F. (2019). The reporting of SDGs by quality, environmental, and occupational health and safety-certified organizations. *Sustainability (Switzerland)*, 11(20). <https://doi.org/10.3390/su11205797>
- Indrawati, N. K., Muljaningsih, S., Juwita, H. A. J., Jazuli, A. M., Nurmasari, N. D., & Fahlevi, M. (2025). The mediator role of risk tolerance and risk perception in the relationship between financial literacy and financing decision. *Cogent Business and Management*, 12(1). <https://doi.org/10.1080/23311975.2025.2468877>
- Karaca, N. K., & Gultekin, A. B. (2017). Business Management in Sustainable Buildings: Ankara-Turkey Case. *IOP Conference Series: Materials Science and Engineering*, 245(6). <https://doi.org/10.1088/1757-899X/245/6/062008>
- Milošević, M. R., Nikolić, M. M., Milošević, D. M., & Dimić, V. (2022). Managing Resources Based on Influential Indicators for Sustainable Economic Development: A Case Study in Serbia. *Sustainability (Switzerland)*, 14(8). <https://doi.org/10.3390/su14084795>
- Palekhov, D., & Palekhova, L. (2018). Methodical approaches to increasing the energy efficiency of global value chains. *Naukovyi Visnyk Natsionalnoho Hirnychoho Universytetu*, 6, 165–172. <https://doi.org/10.29202/nvngu/2018/22>
- Paul, S., Ali, S. M., Hasan, M. A., Paul, S. K., & Kabir, G. (2022). Critical Success Factors for Supply Chain Sustainability in the Wood Industry: An Integrated PCA-ISM Model. *Sustainability (Switzerland)*, 14(3). <https://doi.org/10.3390/su14031863>
- Peng, Y., Ahmad, S. F., Ahmad, A. Y. A. B., Al Shaikh, M. S., Daoud, M. K., & Alhamdi, F. M. H. (2023). Riding the Waves of Artificial Intelligence in Advancing Accounting and Its Implications for Sustainable Development Goals. In *Sustainability (Switzerland)* (Vol. 15, Issue 19). Multidisciplinary Digital Publishing Institute (MDPI). <https://doi.org/10.3390/su151914165>

process[1]. (n.d.).

Rashid, K. H. O., Aziz, R. Al, Karmaker, C. L., Bari, A. B. M. M., & Raihan, A. (2025). Evaluating the challenges to circular economy implementation in the apparel accessories industry: Implications for sustainable development. *Green Technologies and Sustainability*, 3(2). <https://doi.org/10.1016/j.grets.2024.100140>

Raza, A., Ejaz, F., Khokhar, M., Illés, C. B., & Hossain, M. B. (2024). Potential barriers and drivers in the growth of blue economy: Perspectives of nautical tourism. *Journal of Infrastructure, Policy and Development*, 8(9), 3173. <https://doi.org/10.24294/jipd.v8i9.3173>

Roldán, F. R., & Cabrales, Á. L. (2021). Expanded abstract Social Economy Values: Human Resource Management and Sustainability. *CIRIEC-Espana Revista de Economia Publica, Social y Cooperativa*, 102, 33–59. <https://doi.org/10.7203/CIRIEC-E.102.18291>

Seyfi, S., Vo-Thanh, T., & Zaman, M. (2024). Hospitality in the age of Gen Z: a critical reflection on

evolving customer and workforce expectations. *International Journal of Contemporary Hospitality Management*. <https://doi.org/10.1108/IJCHM-01-2024-0035>

Zhang, Y., Zhong, M., & Jiang, Y. (2017). A data-driven quantitative assessment model for taxi industry: the scope of business ecosystem's health. *European Transport Research Review*, 9(2). <https://doi.org/10.1007/s12544-017-0241-0>

(Aljohani, 2025; Burkynskyi et al., 2021; Camaréna, 2021; Chygryn et al., 2023; Dongrey & Rokade, 2021; Engelmann et al., 2019; Fonseca & Carvalho, 2019; Indrawati et al., 2025; Karaca & Gultekin, 2017; Milošević et al., 2022; Palekhov & Palekhova, 2018; Paul et al., 2022; Peng et al., 2023; Rashid et al., 2025; Raza et al., 2024; Roldán & Cabrales, 2021; Seyfi et al., 2024; Zhang et al., 2017)

Comparative statement SDG goals by PSUs

PSU	Key SD Initiatives	Aligned SDGs
1. Indian Oil Corporation Ltd (IOCL)	Investment in solar and wind power, clean energy transition	SDG 7 (Affordable and Clean Energy), SDG 13 (Climate Action)
2. Bharat Petroleum Corporation Ltd (BPCL)	Solar (31.6 MW) and wind (11.8 MW) installations, energy conservation	SDG 7, SDG 13
3. State Bank of India (SBI)	Sustainable financing, financial inclusion, renewable energy loans	SDG 8 (Decent Work and Economic Growth), SDG 9 (Industry, Innovation, and Infrastructure)
4. Hindustan Petroleum Corporation Ltd (HPCL)	Environmental management systems, waste reduction, CSR	SDG 12 (Responsible Consumption and Production), SDG 3 (Good Health and Well-being)
5. Oil and Natural Gas Corporation (ONGC)	Renewable energy investments, cleaner tech adoption	SDG 13, SDG 9
6. Coal India Limited (CIL)	Eco-friendly mining, land reclamation, biodiversity preservation	SDG 15 (Life on Land), SDG 13
7. NTPC Limited	\$23B investment in solar, wind, hydro power; energy transition	SDG 7, SDG 13
8. Steel Authority of India Ltd (SAIL)	Partnership with BHP to cut emissions, explore green steel	SDG 9, SDG 13
9. GAIL (India) Ltd	2% PAT for CSR: education, health, environment, community projects	SDG 3, SDG 4 (Quality Education), SDG 13
10. Rail Vikas Nigam Ltd (RVNL)	Sustainable rail infrastructure, smart transport projects	SDG 9, SDG 11 (Sustainable Cities and Communities)

[Source: Annual Reports of different PSUs]

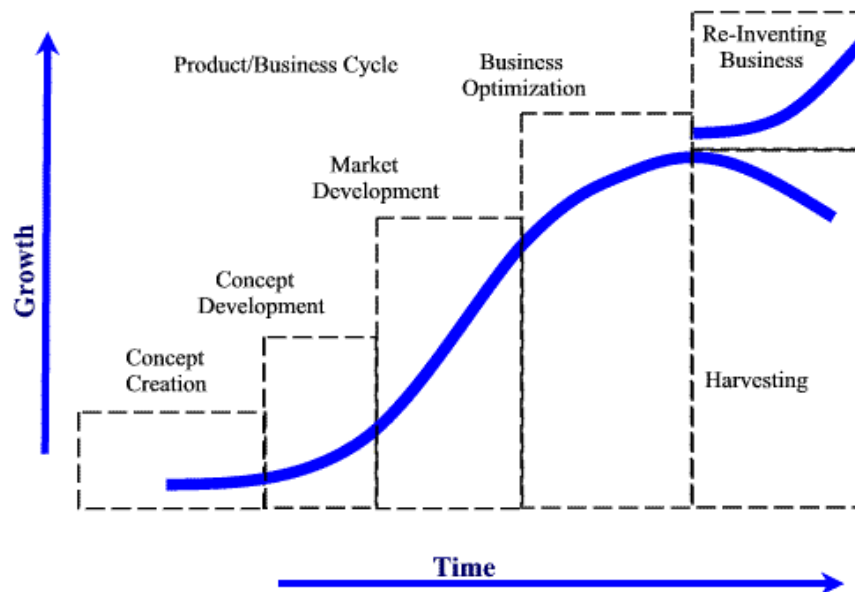


Fig-1

[Source: pinterest.com]

Decision making involves the following steps (Fig-2)



[Source: <https://www.umassd.edu/fycm/decision-making/process/>](Process[1], n.d.)

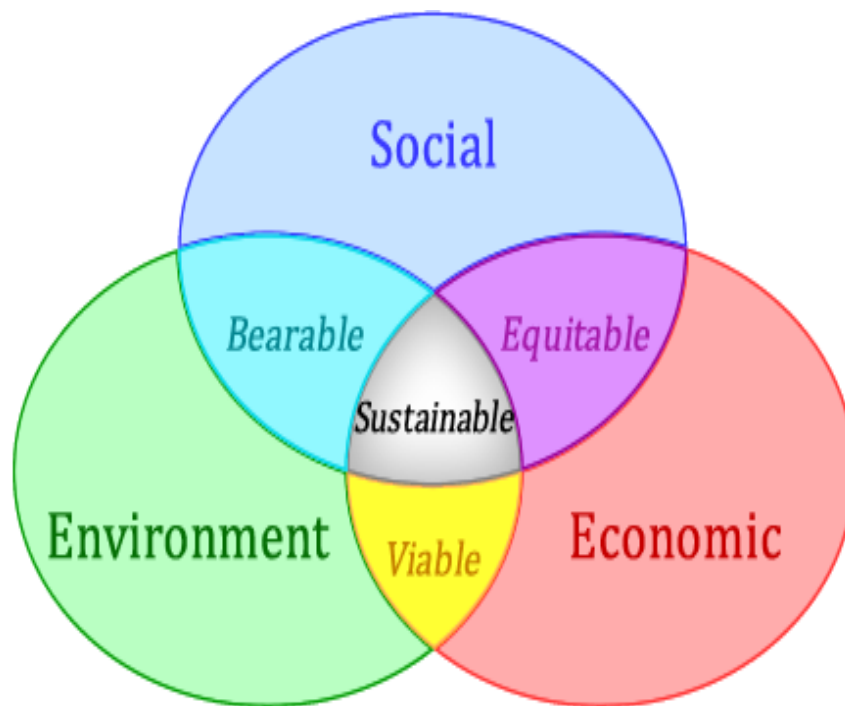


Fig-3

[Source: International Union for the Conservation of Nature]