

## Typology of decision making in high ranking managers of public sector in Chaharmahal and Bakhtiari province according to substantive rationality and instrumental rationality: Part 1

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**Abstract:** The Among the responsibilities which managers are, in most theories and concepts on management, supposed to assume is decision making which is indeed considered as one of the main criteria in confirming their qualifications and/or assigning them to positions. Decision making is the main essence of management process and the heartbeat of the organization. Methods: The sample population consisted of 51 high ranking managers of the public sector and the questionnaire administration was done according to census method. Data analysis was done by SPSS 16 software using descriptive and inferential statistics such as *t*-test, Mann-Whitney, chi-square, Pearson correlation coefficient, etc. Results: Decision making style of 120 (39.2% of the) participants was based on substantive rationality and that of the rest was based on instrumental rationality. In addition, the results indicated no association between decision making style and age and management history, partial association between decision making style and organizational nature, and strong association between decision making style and academic degree (the participants with higher academic degrees had instrumental decision making style). Conclusion: Regarding the present study's results, we offer some recommendations on change of predominant paradigms in managerial environment of public organizations according to Islamic values and special attention to modifying the managers' decision making style according to organizations' nature.

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### 1. Introduction

Decision-making is defined as making choices according to the information in access [1]. Life cycle of a human consists of a variety of his/her decision makings. Decision making is very important in organizations' affairs. The significance of decision making is so critical that some have referred to organization as a "network of decisions" and to management as an "act of decision making". The managers, thank to professional necessities, are considered as decision makers or decision takers and the quality of these decisions could determine the success of organizations in achieving organizational purposes. Each manager bases his/her decisions on his/her (own) styles. The adoption of appropriate decision making styles by the manager is a very important factor for his/her success and efficacy of the organization [2]

The decisions are made to realize the purposes in view of available resources. The decision makings determines the type of purposes and how to realize them. Therefore, decision making is a mechanism that includes all activities of the organization and indeed affects all members of the organization either personally or as a member of the group. An organization with no mechanism for decision making will collapse and hence turn into an amalgamation of the people who follow their own

purposes. Decision as a start point is critical for recognizing organizational purposes [3].

Peter Draker in this regard says: The focus of future management is on decision making *process and its comprehension. Paying attention to this fundamental point is vital because decision making is the essence of management and management could be equivalent to decision making. In other words, all activities of management are related to decision making* [4].

In industrial societies it is argued that decision making should be rationally. Although a decision could be taken in view of experiences, personal judgment, traditions, beliefs, and even direct understanding, instrumental rationality-based decision making is generally offered as the best method of decision making in formal organizations (the organizations that follow specific and predetermined purposes). Therefore, managers are advised to take action, that is, not to involve their personal emotions and feelings in decision makings rather take a decision objectively and realistically. Accordingly, decision making process based on instrumental rationality means that decision makers must limit all items regarding to the subject of decision, their outcomes, and effects and then adopt "the best way" through assessment of the outcomes [5]. As decision making process diverges from

“rationality”, it approaches to intuitive decision making. According to this approach, even if an individual wants to act completely rational in unplanned and unspecified decisions, he will have to take the final decision according to intuitive and empirical judgments. *“The managers take a decision while they pay no attention to the effects the decisions will have on the benefit or other measurable outcomes. Most palpable factors influence the adoption of the best solution greatly. By a “systematic” method these factors could not be measured; therefore, people select the solution based on intuitive judgments. Usually, the managers take their decision based on what they think (feel) as appropriate rather than what the data and documents indicate”*[2].

Intuitive approach is indeed the use of previous experiences and knowledge which have been saved in long term memory of individuals and a large number of behavioral patterns which are appropriate to decision making conditions within a process of recognition and retrieval are retrieved. Therefore, a combination of logical and intuitive methods is used in each decision making, whose type is directly related to the type of the problem [6]. On the other hand, The intuitive process, which is not explicit and global, includes of establishing salience among pieces of information and obtaining patterns that create coherence [7-11].

The question of which one of the above-mentioned methods is better and yields more acceptable outcomes has remained to be clearly commented on and/or be investigated through a reliable study. As a result, some experts have called the adoption of one of those patterns as propitious and dependent on different conditions. However, the important and basic question which could be raised is on the rate of the effect of a variable called culture or society on decision making and adoption of one of those two methods in the society.

The present study is aimed to identify decision making style based on instrumental rationality and intuitive rationality the effect of organizational nature and demographic characteristics of managers on decision making style, and to offer necessary recommendations.

## 2. Methods

The sample population in this study consists of high ranking managers of public organizations (executive organizations) of Chaharmahalva Bakhtiari province. Thanks to the limited sample population, all high ranking managers of the public sector of the province (n=64) were enrolled according to stratified method. In other words, sample size comprised all sample population. Therefore, 64 questionnaires were prepared and in practice 58 copies were distributed. At the end, 51 copies were faultlessly filled out and the

data were analyzed. Rationality is a related critique of planning as a rational enterprise is that planning problems and facts do not speak for themselves but are defined by the planner [12].

The questionnaire of the present study has been developed after extraction of the assumptions indecision making styles based on instrumental and intuitive. Rationality obtained from scientific resources authored by the professors, inside and outside the country, in management science particularly the experts on decision making sciences and techniques and using the advice elicited from prominent professors of the university on composition and general scheme of the questionnaire and how to develop it. The questionnaire is within the general framework of the research hypotheses and questions, developed to determine decision making styles of high ranking managers in public organizations of Chaharmahalva Bakhtiari province based on intuitive rationality and instrumental rationality and their association with the managers’ demographic characteristics and the nature of the organization managed by them. For gathering the data relevant to the managers’ decision making style a researcher-developed questionnaire consisting of 36 items including the components and assumptions of the two decision making methods based on instrumental rationality and intuitive rationality were used to determine the style of decision making.

To be sure about the research instrument and its authenticity, we handed out the questionnaire among five professors to have them give their comments and advice. Having elicited their comments and eliminated the problems with the questionnaire, we developed the final version of the questionnaire based on the logical precept that it is necessary for them to offer their assessments within a more detailed framework compared to a simply general assessment.

The questionnaire’s reliability was calculated using SPSS software and its reliability was obtained as 0.87.

In this study, for analyzing the data descriptive statistics (concentration criteria, distribution criteria, and frequency tables accompanied with relevant graphs) and for establishing the research’s hypotheses, parametric referential inferential statistical tests (t-test, Mann-Whitney, chi-square, and Pearson correlation coefficient) in SPSS 16 statistical software were used.

## 3. Results

According to Table 1 indicating frequency distribution of the decision making style based on instrumental rationality and intuitive rationality in the sample under study, the lower frequency (n=20) indicates those participants whose decision making style is based on intuitive rationality, comprising

39.2% of the whole sample population. The higher frequency (n=31) indicates those participants whose decision making style is based on substantive rationality, comprising 60.8% of the whole sample population. According to Pearson correlation coefficient, there is a negative, significant association between the age and instrumental rationality style's

score; the older the age, the lower the score of instrumental rationality) style.

The level of chi-square's significance in Tables 4-10 is 0.414, indicating a strong association between decision making style and academic degree. The participants with higher academic degrees have instrumental rationality decision making style.

**Table 1:** Frequency of distribution and proportion of decision making styles in the sample.

Statistical Index The style	Frequency	Percent	Cumulative percent!
Intuitive rationality	20	39.2	39.2
Instrumentalrationality	31	60.8	100
Total	51	100	

**Table 2:** The association between decision making styles themselves, and age and management history

	Age	Management history	Instrumental style score	Intuitive style score
Age	r=1 p>0.05	r=0.471* r=1	r=-0.303* p=0.031	r=-0.006 p=0.965
Management history	r=0.471 P=000	r=1 p>0.05	r=-0.106 P=461	r=-0.158 p=0.268
Instrumental style score	r=-0.303 p=0.031	r=-0.106 p=0.461	r=-1 p>0.05	r=-0.158 p=0.268
Intuitive style score	r=-0.006 p=0.965	r=0.158 p=0.268	r=-0.158 p=0.268	r=1 p>0.05

**Table 3:** The association between decision making style and academic degree

Individual style Academic degree	decision making style based on Instrumental rationality		decision making style based on intuitive rationality		Total	
	No.	%	No.	%	No.	%
Ph.D	4	50	4	50	8	100
MSc or MA	8	80	2	20	10	100
BSc or BA	18	56	14	44	32	100
Degree associate	0	0	0	0	0	0
Diploma	1	100	0	0	1	100
Total	31	61	20	39	51	100

**Table 4:** The distribution of organizational nature and decision making style.

Organizational nature	Style	Distribution	%
Cultural, social, and educational	Instrumental	7	70
	intuitive	3	30
Production and economy	Instrumental	12	80
	intuitive	3	20
Services and Infrastructure	Instrumental	10	55.6
	intuitive	8	44.4
Governance	Instrumental	2	25
	intuitive	6	75
Total	Instrumental	31	60.8
	intuitive	20	39.2

Regarding Table 4 that indicates the frequency distribution of the sample under study based on organizational nature and decision making style of high ranking managers of the sample organizations, we found that the highest frequency was observed in the managers of the organizations with service-infrastructure nature who had

instrumental decision making style. The significance of this result will be examined in the inferential part.

#### 4. Discussion and conclusion:

The data indicated that the sample (including 51 individuals) were all male, indicating that women are [in most cases]disregarded in managerial positions in the province. The results of the present study

indicated that decision making style of 20 (39.2% of the) participants under study was substantive rationality-based and that of 31 (60.8% of the) participants was instrumental rationality-based. This finding was not unexpected thanks to the textbooks taught to would-be managers in the country's universities and predominance of western thoughts and paradigms of management over the country's intellectual and managerial domains. Other researchers' argument for predominance of instrumental rationality over the country's organizational essence and theories which is due to pursuing western patterns is also confirmed by these findings.

The level of chi-square's significance to examine the association between decision making style and organizational nature of the four groups was calculated as 66%, indicating partial association between decision making style and the organizational nature. The majority of the participants in the governance group had intuitive-based decision making style and most participants in other groups had instrumental) -based decision making. Since the nature of (cultural, social, educational; service and infrastructure; and governance) organizations under study and the reason for their existence are *non*-profiteering and *non*-economic, it seems that there is low suitability between the rationality governing the method of managers' decision making and the organizations' nature, indicating that no investigation to date has been done to identify the managers with the decision making style appropriate to the organizational nature when assigning the managers to positions by high ranking managers.

Regarding the results according to which the participants with the highest cumulative frequency (84.2%) were under 50 years old and the majority (58.8% of the) managers had under-10-year management history, we could infer that adequate attention is not, in the province, paid to tacit knowledge which is the product of obtained experiences during several years by the managers with long history in management. Of course, this fact is confirmed by the country's high ranking managers who argue for hiring younger managers. In addition, since decision making style of most managers in this study was instrumental rationality, innovation, creativity, and other accomplishments attainable through intuitive decision making may be hindered in the province.

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## 5. Recommendations for the future:

- The necessity of revisiting the content of educational material used in scientific, academic circles based on an Iranian, Islamic paradigm.
- Viewing the contribution of training to promoting decision making skills, we should more seriously address the discussions on decision making and the factors influencing it in in-service courses, consultation and specialized workshops.
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