

MANAGEMENT**THEORY**

ASPECTS OF RATIONAL BEHAVIOUR IN ORGANISATIONAL MANAGEMENT

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Abstract: The paper deals with the specific features of some behavioural aspects of organizational management. It offers a slightly different interpretation by focusing on rational behaviour, which, in our opinion, is a major factor and a key driver of more efficient communication and management.

Key words: rational behaviour; behavioural aspects; management.

JEL: A13, Z13.

Affecting the behaviour of the human factor and changes related to that process take place gradually, since behavioural changes are slow and difficult and desired results can only be achieved progressively in the long run. The aim of this research is to outline the major aspects of rational behaviour in management. There are different types of rationality. The focus of our attention is on functional rationality, which relates primarily to the behaviour and decision-making of managers of social organizations.

The aim of this paper is to present the specific features of some behavioural aspects of organizational management and to interpret them from a different perspective by focusing on rational behaviour.

The hypothesis we put forward is that rational behaviour is a major factor and driver of more efficient communication and management.

Rational behaviour is exercised when the interests of individuals and organizations converge. It has an impact on adequate decision-making in the managerial process.

In terms of management, rational behaviour is essential for:

- Achieving improved efficiency of the managerial communication;
- Making adequate managerial decisions;
- Resolving various problems in the course of the management process.

process.

The theory of management offers different interpretations of the behaviour of *the human factor*. It is a major category in the literature dealing with *the basic behavioural aspects of management*. This paper focuses on the significance of **rational behaviour in organizational management**. Most researchers identify the following elements of rational behaviour: *choice; experience; thinking pattern; proneness to conflict; intuitive insight; a planned goal and the means (actions) for accomplishing that goal; self-rationalisation; control and self-control; self-constraint; sense of duty; assessment and self-assessment; empathy; emotional responsiveness; judgment; intuition; knowledge and motivation*.

Rational behaviour is interpreted by employing the concepts of **reasonableness** (*meaningful choice; perceived sense of duty; adequate judgment; self-rationalisation; control and self-control; self-constraint; responsibility, assessment and self-assessment*); **utility** (*experience; pattern of thinking; proneness to conflicts; empathy; emotional responsiveness; intuition*); **expediency** (*a planned goal and the means (actions) for accomplishing that goal; knowledge and motivation*).

The underlying axiom of economic science approaches human action as a **choice**. When discussing *rational behaviour*, economists interpret human activity as the materialization of a choice, or the result of a *judgment*, rather than a predictable or predetermined response. Mises believes that the only axiom of economic science is the statement that any human activity is rational. Economic behaviour, then, can only be analysed as a type of choice and choice is a major category in economics. (<http://www.easibulgaria.org/choice.php/12.07.2018>)

Choice is the most general materialisation of rational behaviour. It is a constituent of and can be perceived in any human activity that is considered to be rational. Choice is only materialized through human activity. The latter is always constrained by and to the type of choice. That choice also relates to other alternative actions available. Hence, human activity occurs in result

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of a choice that is made. Making a choice is an instance of rational activity that is typical of human beings. A choice can be attributed neither to the effect of natural phenomena which exist beyond human willpower, nor to specific social developments. Social phenomena like competition, for example, are the result of the actions of individuals and hence, of the choice which individuals make, rather than of the pursuit of a common (public) objective. If a group consists of rational and reasonable individuals, they will likely act in compliance with their common interest. (<http://www.easibulgaria.org/choice.php/12.07.2018>)

Although we agree with the statement that choice is a defining aspect of rational organizational behaviour, we tend to disagree that it is the only significant one. Rationality of behaviour also relates to different other aspects of human interaction (Fotev, 2012) – **experience; thinking pattern; proneness to conflicts; intuitive insight**, etc.

Mannheim approaches functional rationality as **a planned goal and the means (actions) for accomplishing that goal**. According to him, the more developed a society is, the more numerous the spheres where rational human behaviour is demonstrated will be. Mannheim's concept of functional rationality also raises the issue of individual human social actions. Furthermore, he describes another type of rationality – **self-rationalisation**. Self-rationalisation requires from individuals to exercise **self-control** and to plan their own behaviour so that it will be in line with the functional rationality of the organisation (Fotev, 2012).

Mannheim points out that rational organizational behaviour requires maximum persistent **self-constraint** as it refers to and regulates not only the activities related to the organizational process, but also implies self-control on ideas and feelings. Functional rationality does not result in the development of substantive rationality since decision-making involves a relatively small circle of people who can demonstrate substantive rationality while the majority of people who are part of a social organisation do not have the opportunity to do so and have to comply with a particular matrix of behaviour and somewhat limited judgment. According to Mannheim, this results in a social crisis, lack of development and a sense of helplessness. He believes that such crises are due to the changing living conditions of a society and the values it shares, as well as to the conflict between mutually exclusive values

and norms. Such crises can be overcome through *social reconstruction*, which raises the issue of *social planning*. Rational social planning is considered to be a solution for reconciling social and cultural contradictions, for cultivating social **control and self-control** so as to continuously improve society and human behaviour. This requires patience; perseverance; careful judgment; well-grounded decisions; intelligent actions and assessment of what has been achieved so far and purposeful changes. The *sense of duty* should therefore outweigh the personal interests of individuals (Fotev, 2012).

There are *two major approaches* to **responsibility** in management. The first one focuses on responsibility in *the decision-making process*. Rational behaviour is analysed in terms of individuals' receptivity to the decisions of an organisation. That process may be approached as the ability of individuals to behave rationally (Blodgett, 2001). We agree with that statement since it relates to issues, which are essential to the development of an organisation. The efficiency of a managerial process then depends on individuals' sense of duty and their *adequate behaviour*. Authors who support that view also believe that *the sense of duty* is a major factor, which affects the behaviour of individuals when they take decisions which are of key importance to the organisation.

This hypothesis is questionable since *the sense of duty is an essential, yet not the only factor*, which affects the behaviour of individuals in the managerial process. Hence, a few contradictions arise which relate to the significance of *responsibility* as a major or secondary factor in taking managerial decisions.

The first approach tends to be limited in scope as it only refers to managerial decision-making. Some authors (Reynolds, 2003) propose that a *second* approach should also be established to refer to the responsibility of individuals within an organisation, since it is one of the factors, which *affect relationships (rather than decisions)*. It is human interaction that underlies the managerial process, rational behaviour and the efficiency of an organisation. The first approach is often criticized as inapplicable as it does not deal with the social component.

In our opinion, both aspects of affecting the rational behaviour of individuals should be taken into account. In other words, we cannot claim that *responsibility* is a factor of managerial decision-making without taking into account the relationships between the people in an organisation. It is these

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relationships that the perceptions and behaviour of individuals are based on. We support the thesis that *responsibility* should be approached as a factor, *which determines both the decision-making process and the efficiency of managerial communication*. Rational behaviour depends on the individuals' *sense of duty*, yet it also relates to the *emotional aspect* of communication.

There is a relation between *rational behaviour* and **assessment and self-assessment** (Mastenbroek, 2000). In terms of organizational behaviour these are interpreted as the ability to observe the managerial process, to analyse occurring situations and to implement the managerial decisions which have been made (Fisher, 2000). After studying related scientific literature, we have established that this is a *debatable issue, which needs further comprehensive research*.

For the purposes of our research of rational behaviour, we also pay attention to behavioral elements such as the *emotions* and the *empathy* of individuals to the problems experienced by other people. This terminology is also employed by other authors in related publications (Keltner, 2003).

Some authors (Eisenberg, 2000), also focus on empathy as a positive element of rational behaviour and a requirement for efficient managerial communication. They define empathy as a value related to the ability of individuals to give moral support to their counterparts. This brings people together in the managerial process and the accomplishment of organizational goals.

Other authors, (Gaudine and Thorne, 2001), relate *the role of emotions in rational behaviour to ethical decision-making in management*. Most of them, however, do not approach emotions from the perspective of the *emotional sensitivity of the personality* but in terms of the ethical conduct of different groups (formal and informal) in the managerial process.

These authors claim that emotions, whether positive or negative, have an impact on rational behaviour in the managerial process. The former help bring teams together, whereas the latter impair efficient managerial communication.

The behaviour of the human factor is also approached in terms of the *ability of individuals to make rational judgments* (Siegler, 1997).

The theory of *moral judgment and maturity* (Gielen and D. Markoulis, 1994) is employed to study business ethics from *the point of view of rational*

behaviour. In Kohlberg's theory of Moral Development (Rest, 1999), the issue is approached from the *perspective of self-development and gender division*. For example, Kohlberg focuses on the rational judgment of men, whereas other authors (Ashforth and G.Kreiner, 2002) deal with the rational judgment of the opposite sex. There seems to be no definite statement about the differences between them, though. C. Gilligan summarises that the rational judgment of men and women (gender division) depends on their different approach to organizational decision-making (Gilligan, 1982).

This view is not subject to further analysis in this paper, since, in our opinion, the *ability to make rational judgments in management* is not determined by the gender of the decision-makers only but also by individual and collective attitudes, by the objective and subjective reasoning of individuals as well as by the formal and informal relations between the people in an organisation.

We should note, though, that the ability of individuals to make *rational judgments* does not depend entirely on *self-development* as an internal factor (Kohlberg's theory), but also on some external factors such as *organizational culture, climate, standards, etc.* (Frey, 2000).

A modern approach to studying *rational judgment* in organizational behaviour is Haidt's *Social Intuitionist Model* (Haidt, 2001). Haidt designed the model in order to identify *the relationship* between moral judgments and individuals' intuition. The focus is on situations, which require making adequate and prompt decisions.

In Haidt's model, the role of *intuition* in rational behaviour is approached as *an instant and prompt reaction for taking rational managerial decisions*. In our opinion, in terms of the human factor, a similar process will be impossible unless there is sufficient professional experience gained and a well-established system of values.

In some publications, (Camerer and G. Loewenstein, 2004), the rational behaviour of individuals is defined to be the result of **knowledge**. In terms of management, this is a major *requirement to decision-making*, since most managers rely on their *professional experience and knowledge*. This helps them comply with established standards of conduct and, if necessary, *cancel their own behaviour* (Bandura, 1999).

A number of authors (Loe, L. Ferrell and P. Mansfield, 2000) approach that process as being related to *managerial relations and the*

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knowledge on which decision-making is based. According to them, partners can help improve the process of rational decision-making through moral responsibility, empathy to the goals that have been set and self-initiative.

Motivation is another major psychological aspect of rational behaviour we would like to focus on (Bergman, 2004). Motivation refers to *different components* (needs, attitudes, satisfaction, etc.) which *produce an impact on the rational behaviour of individuals*. These have been subject to extensive research in the theory and practice of management (Adair, 2006).

Our research deals with ethical motivation and its importance to rational behaviour, which is a *relatively new issue* in the theory and practice of management. Some *new accents* have been added to the research of ethical motivation over the past few years. Ethical motivation is a result of the interaction between *the moral values and the moral reasoning of individuals and determines their rational behaviour* (Bergman, 2004).

Some authors (Aquino and A. Reed, 2002) study the correlation between *self-awareness* and motivation. We believe that a more definite interpretation of their significance would contribute to eliciting their role. We lay an emphasis on *rational judgment, the motivation behind the materialization of a formed judgment and the behaviour to be expected* in result. The latter is a consequence of a *conscious or unconscious choice*, which may affect managers' emotions and responses. *Good self-awareness and control and a system of sound values* are all prerequisites of *motivation*.

Modern trends in organizational development require that organizations should take certain effort to adopt and employ policies and programmes that aim at encouraging rational organizational behaviour. Implementing such initiatives is a hard and slow process as it implies introducing certain changes in the consciousness and behaviour of the members of an organisation and that is extremely challenging to accomplish.

The importance of rational behaviour to organizational management may be summarized in the following conclusions:

Functional rationality has a positive impact upon decision-making and choosing the appropriate line of conduct in the managerial process.

Rational behaviour is the result of conscious internal choices as well as continuous effort and actions in order to accomplish common goals in the process of managerial communication.

Rational behaviour is extremely helpful to balancing the relations in the process of managing social organizations.

Taking into account the psychological aspects of rational behaviour contributes to the improved efficiency of the managerial process. We should point out that the dynamic development of an organisation implies adapting the ideas, goals and manner of management to the constantly changing conditions of the internal and external environment.

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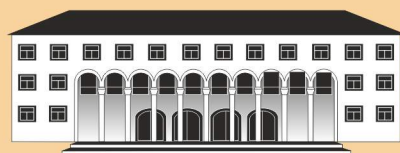
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