

The Influence of Emotions in Making Hard Decisions in Organizational Contexts

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INTRODUCTION

In the present study, we focus on the influence of emotions and the emotional consequences of decision-making processes. Specifically, we have analyzed the emotional consequences for managers of making hard decisions in organizations. In this work we define hard decisions as those affecting the status, professional career, and/or salary of employees in the organization. Ten managers from different multinational organizations were interviewed.

Hence, this work represents a qualitative exploratory study in which the managers' opinions and experience from different professional environments are the subject of analysis and discussion. After the application of a semistructured brief interview, the answers were analyzed by content analysis.

BACKGROUND

During the last decade, the importance attained by feelings and emotions in the psychology field has gained momentum in a remarkable manner; this is proved by the fact that emotions have become a subject of study from a business perspective. The study of emotions in an organizational framework has been developed in two major lines: on the one hand, the study of direct influence in individual emotional states and, on the other hand, the analysis of the indirect influence of discrete emotions. Research has unveiled how significant emotional effects and emotional states are about cognition and people behaviour. Particularly, scientific literature points at how emotions and emotional states bias our decisions and judgments toward the particular

emotional direction in where we stand. Research in this matter has found different effects for emotional states being partitioned into positive and negative states. If we find ourselves in a positive state, we will tend to evaluate events, our own behaviour, and the ones of others in a positive way. However, if our current situation involves a negative emotional state, we will proceed in a negative or nonpositive manner.

In regard to the influence of emotional states in performance, it has been consistently shown that positive effects predict a higher level of creativity, innovation, and cognitive flexibility (e.g., Isen, 1999, 2000). Literature on that matter has enabled us to attain a model of the influence of the affect about cognitive process strategies that explains these effects (Forgas, 1995; Forgas & George, 2001). Such model, widely known as the affect infusion model (AIM), argues that the nature and extension of the influence of affect hinges on the kind of process strategy being adopted in the performance of a task. For example, positive emotional states favour the use of a heuristic processing style very focused on our previous knowledge schemas. This processing style does not raise any question about the presented information and does not rely on criticism. Notwithstanding, negative emotions trigger particular alerts when something does not work properly and does not fit, claiming for a more reliable, concise, and detailed analysis of the situation.

When these results, coming from basic research, were analyzed in the applied context of organizations, the upshot of this new perspective has shown that positive emotional states do determine a higher performance in the assigned tasks, more satisfaction in terms of the work, and finally more prosocial behaviour and help with team members, implying a more significant

cooperation among individuals and work teams. In addition, they determine better evaluations when team-work members are judged; that is, our performance in a specific task is more favourably assessed and it helps in building up unaggressive and peaceful relationships in a negotiation. Particularly, concerning negotiation processes, research has depicted that happier or more positive people plan and use more cooperative strategies and less competitive haggling strategies. Furthermore, they succeed in closing the deal more often than negative, emotionally biased, or sad ones (Forgas, 1998). As for the influence of a negative emotional attitude, it generally shows the opposite effects: hassles and burdens for organizational performance, such as less work satisfaction or more demanding attitudes when assessing and scoring subordinates or colleagues.

Not only has the influence of mood on behaviour and performance in the organizational context been explored, but another particular research line encompasses the indirect influence of basic emotions such as anger, fear, or happiness. Such studies assume that emotions act as mediators between organizational variables and influence employees' emotional states and performance. This research has been studied fundamentally through two main cornerstones that connect the working environment affect and performance (including decision making), namely, cognitive resources and emotional regulation capability. Some results show that there is a moderate relationship between affect and satisfaction at work (Weiss & Cropanzano, 1996) or that what conditions mostly what we think and feel about our job hinges more on the hoard of negative and positive events in the working environments than the emotional intensity of such events (Brief & Weiss, 2002; Weiss, 2002).

With regard to the specific involvement of emotions in decision-making processes, research has focused mainly on the importance of emotional valence. Recent research on the impact of affective valence has compared the effects of positive and negative affect on assessment and decision making (e.g., Elster, 1998; Higgins, 1997). Studies developed within this framework are congruent with the mentioned studies. In principle, they have found that individuals in a good mood make more favourable assessments than individuals in a bad mood (Schwarz & Clore, 1996). Another research line has explored the possibility that emotions of different valence can influence assessments and behaviour in

the same direction (Bagozzi, Baumgartner, & Pieters, 1998), while the importance of specifying the motivational relevance of different emotional states has also been addressed (Higgins, 1998).

In addition to the aforementioned studies, remarkable recent research studies point at the influence of emotions about the decision-making process (Leone, Perugini, & Bagozzi, 2005). Nevertheless, these processes are not concerned with decisions adopted in the core of the organization. Thus, our report approaches the analysis of the influence of the affect, emotions, and feelings on decisions made by managers at the professional levels. Aligned with the recent studies previously stressed, our work is well founded on the analysis of affective valence, that is, the analysis of positive or negative influence of emotions.

THE INFLUENCE OF EMOTIONS IN MAKING HARD DECISIONS IN ORGANIZATIONAL CONTEXTS

Method

Ten managers with a wide experience in management have been interviewed. A semistructured questionnaire has been applied by which the participants were questioned about the presence of emotions and feelings in decision-making processes. The questions were as follows:

- What is your conceptualization of a hard decision?
- What have been the most difficult decisions you have made during your professional career?
- Are emotions present in the decision-making processes?
- If yes, in what way?
- If yes, is this a marginal or a significant presence?
- In what situations have the emotions been a hassle in making your decisions?
- In what situations have the emotions turned out to be a benefit?
- Are the emotions present in all decision-making processes?

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