

Perception and individual decision making

[Business](#), [Management](#)



Mood, emotions, preferences and antipathy, desires and other psychological factors always have an influence on the decision-making process. These factors need to be identified and taken into account, especially when the manager faces opposition to a logically verified, fact-based position.

There is a certain pattern, the more complex a phenomenon is, the greater the imprint of the individuality of a person it bears. The process of making managerial decisions is a very complicated thing, therefore it depends on the psychological features of the leader, and on personal factors. Personal factors reflect the individual characteristics of a man and reveal the perception of organizational problems. Perception is the attitude of a person to the world around him or her. Individuals make decisions and act on the basis of how they see the situation based on their perception of the world around them. Sometimes individual perception can interfere with the rational decision-making process.

The issues of perception and interpretation of social behavior can be well analyzed through attribution theory. Attribution refers to attributing to oneself or another person some characteristics. Attribution theory is concerned with how people interpret events and how this affects their thinking and behavior (Shaver 21). Watching how the other person behaves, we seek to comprehend the reasons for this behavior. However, in view of the limited information, individuals can define only probable causes of the behavior of another person. These probable causes, in turn, affect the attitude towards this person.

Such psychological factors as moods, emotions, sympathies, desires actively influence the decision-making process. Individual factors are characterized by the peculiarities of individual perception of problems, the influence of stereotypes in assessing people and situations, and the phenomenon of halo. Thus, rational thinking in decision-making is always in the form of subjective rationalism.

Motivation, Theory, and Practice

In business management, motivation is a process of encouraging employees to undertake effective activities aimed at achieving the goals of the enterprise. The starting point of the motivational process is the needs, often understood as a deficit of something.

Understanding the content of motivation is the main indicator of the expert abilities of a good manager of the organization. Motivation is one of the important factors in improving the effectiveness of the entire organization. The organization's process can be well planned and organized, but if the employees of this organization are not responsible for their duties and are not personally interested in solving problems and tasks that have arisen before the organization, the results will not be impressive. Knowledge about why people do what they do is a prerequisite for helping them realize their own motives and prevent cases where motivations can cause certain complications.

One of the approaches to studying motivation is based on the study of human needs, which are the main motive for their conduct, and, consequently, activities. American psychologists Abraham Maslow, Frederick

Herzberg, and David McClelland can be attributed to adherents of such an approach. Maslow identifies groups of needs as physiological, security needs, social ties, self-esteem, self-actualization. He calls the needs of the lower levels needs, and the higher ones the needs of growth. However, he believes that these groups of needs are in a hierarchical dependence. Every higher need can be satisfied only if all the preceding ones are satisfied. Obviously, the proposed classifications and the division of needs into groups do not reflect their entire diversity.

Motivation is a combination of forces that induce a person to perform activities with the expenditure of certain efforts, with a certain level of diligence and conscientiousness, with a certain degree of perseverance, towards a certain goal. Knowledge of the logic of the motivation process gives significant advantages in managing this process.

Group Behaviour and Teams at Work

The market environment of the last decade has exerted ever more severe pressure on organizations, primarily due to its dynamism. To survive, organizations begin to apply new principles of work organization. These principles imply a rapid reorganization of their functioning, including as a result of using the team as the central cell of a modern organization.

A group is a relatively isolated association of a certain number of people, two or more, interacting to achieve specific goals. Group members interact with each other, so each person's actions influence the behavior of others. Also, the members of the group know that together they can achieve certain objectives and solve issues that are difficult to achieve individually.

Since the team is created to perform a specific task, this task determines the composition of the participants, the list of skills and abilities that they ought to have, the terms of implementation and the degree of control over the team by management. At the same time, team members can demonstrate high efficiency only if certain additional conditions are met. The first condition is getting the team members a certain satisfaction from teamwork. The more difficult the work is, the better the satisfaction of the participants. The second condition is the rational allocation of the roles (positions, tasks) of the team members, which could ensure the equality of contributions and acquisitions of team members. In the team, each member performs a specific target role, described by enumerating its tasks and actions.

The team is a kind of formal group, specially created by the leader for a specific task, the project. This is a group in which a high level of interaction is established between members who are actively working towards the achievement of the group goal. The transformation of the group into a team is gradual, provided that all of its members consider the success achieved as a general.

The team constantly grows trust in each other and the leader, and the sense of belonging to the team is cultivated and strengthened.

Leadership

The issue of leadership is a standout amongst the most imperative issues of modern business. This is due to the fact that the manager always works with people inside the company, members of other companies, influences them to achieve a certain goal. Identifying the distinctions in the characteristics of

the leader and manager, it is possible to bring different sets of their characteristics. A leader has features such as indifference, creativity, flexibility, people's inspiration, innovation, determination, imagination, propensity for experimentation, initiative to make changes, personal power. A manager is characterized by rationality, inclination to give advice, persistence, ability to tackle issues, analytical thinking, application of a structural approach, caution, authority, ability to stabilize the situation, official authority. However, the indicated division of these characteristics is relative and rather conditional, since, in fact, the skills necessary for leadership and quality management can be combined in one person. Therefore, in an effort to improve, the manager must try to shape the balance of qualities of the leader.

One of the main differences between manager and leader concerns the sources of power, as well as their dependent level of employee subordination. Leadership is a form of manifestation of influence on the behavior of people, based on predominantly socio-psychological contact and socio-psychological management methods in achieving the goals of the organization. It can be achieved through the harmonization of the interests of the organization and the interests of the followers of the leader and the desire to achieve a synergistic effect. In this context, management is a form of influence on human behavior, based primarily on administrative and economic management methods to achieve the goals of the organization. The leader and the manager must have all the methods of human management and be able to choose in each case the most effective method. The differences lie in the priorities given to them by one or another method.

Conflict and Negotiation

Negotiations represent a broad aspect of communication that encompasses the diverse areas of the individual's activities. As a method for resolving conflicts, negotiations are a set of tactical techniques aimed at finding mutually acceptable solutions for conflicting parties. The conflict is the collision of opposing interests and views, the tension and the extreme sharpening of contradictions, which leads to active actions, complications, and struggles. The conflict has played and plays an important role in the life of society, therefore it is not surprising that the study of conflicts is a topic that attracts the attention of many scholars. From a traditional point of view, conflicts in all their manifestations are very harmful and need to be avoided. From the human relations point of view, conflicts are inevitable in any group of individuals. With this approach, the role of conflict management and negotiation is the key to success. Negotiations are a form of relationship between people that is intended to reach an agreement when both parties have the same or opposite interests. Negotiations are mainly aimed at obtaining a solution by mutual exchange of ideas that meet the interests of both parties to the agreement and achieve results that would satisfy all its participants. It manifests itself in the form of various proposals to resolve the issue of discussion. Negotiations are the most versatile model for resolving a conflict, this is some sort of organized process leading to an agreement. The success of the negotiation process for resolving the conflict is largely determined by the ability to understand the partner, the correct assessment of the model of the behavior and the choice of an adequate communication style.