DECISION-MAKING AT THE FIRST MANAGEMENT LEVEL: THE INTERFERENCE OF THE ORGANIZATIONAL CULTURE

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ABSTRACT

Purpose: This article aims at explaining how a decision is made in the first management level, within five different organizations, from different origins – American, Brazilian and Chinese – in different branches of activity.

Originality/value: This is an original work, since it goes beyond the frontiers of knowledge about the subject researched, both for its approach and for its practical usefulness in the day-to-day of the decision makers, being useful for both professionals – and decision making – and for companies – on how to improve the decision-making capacity of their managers.

Design/methodology/approach: Fifty managers were interviewed, through the application of a qualitative exploratory research, with the collection of data through semi-structured interviews and content analysis as data analysis and treatment technique.

Findings: One may conclude that the decision-making of the first level decision-making managers is more rational. Also, the organizational culture, among the studied variables is the one with the greater impact in the way this management level makes the decisions. This influence of the organizational culture contains three important elements: 1. the need of the manager to act procedurally, using the rules and standards of the company, 2. the use of supporting tools for the decision-making and 3. the learning from the current relationship – or from the past one – with their peers. To go deeper in the theme, we suggest the analysis of the influence of gender in decision-making, under the focus of rationality or intuition, in the first level of the managerial function of the organizations.

KEYWORDS

1. INTRODUCTION

In the business scenario, it is usual and mandatory that executives make numerous decisions and these decisions may be either simple or complex, with a high or low impact. The maximum activity of an executive is the decision-making (Moresi, 2000). Therefore, two decision-making models are adopted: the rational and the intuitive one (Vergara, 1991). Understanding how both models work in the daily life of the decision-makers, and if there is coexistence between them, is a constant concern, by both academia and the corporate environment (Kladis & Freitas, 1995).

According to Oliveira (2015), the intuition generates a conscious result, through an unintentional, uncontrollable, and unconscious process. On the other hand, the rationality generates the same conscious results, by using a much more laborious, controlled, intentional as well as a conscious process. Thus, the cognitive intuition types and rationality ones are opposites, but they can eventually coexist, generating an intuitive rationality or a rational intuition.

According to Moresi (2000), senior executives make their decisions based on qualitative information and of strategic value, once the low-level executives need information that allow routine and more operational decision-making. In this article, one seeks to understand the vision, in the hierarchical first level managers, who have at least one employee directly related to him/her and a senior manager or director to whom he/she may report. The focus on these managers is due to their power to block great ideas or important projects, within a hierarchical decision-making process.

Additionally, Mintzberg and Quinn (2001) states that the decision-making, which doesn’t take into consideration the organizational culture, may bring unintended and not expected consequences, in other words, it influences the leader, the way of leading, and consequently, the decision-making.

Pozo (1998), on his turn, states that in the decision-making, similar characteristics in experiences help to solve present and future problems. Thus, the greater the numbers of experiences accumulated by the manager, the greater are the chances of the decision-making to be more successful.

It is important to emphasize that the leadership theme, according to Medeiros and Guerra (2017), despite being well studied, it is still one of the most studied of the administration area, once it is complex, dynamic and it is in constant evolution. Andriotti, Freitas, and Martens (2014) observe that
there is a series of doubts concerning decision-making – if in a rational or irrational way, whether objectively or subjectively – therefore, it is a subject of both, academic and managerial interest.

In this context of uncertainties, this article seeks to contribute by studying the characteristics of the decision-making of a group of leaders, in different companies and areas of expertise in order to be able to answer the research question: How is the decision-making, under the sight of the first managerial level with different organizational cultures?

To answer this question, the next section is devoted to analyzing the variables, organizational culture, decision-making theory – rationality and intuition – hierarchical level and professional experience. In the sequence, the used methodology is explained, as well as the analysis of the collected results. Finally, in the conclusion, it is suggested future research, besides presenting limitations and managerial and academic implications from the findings of this study.

2. LITERATURE REVISION

According to Medeiros and Guerra (2017), the leadership subject is associated to the personal characteristics of the leader, previously shaped. Contrarily, Barros and Moreira (2017) evidence a leadership proposal under the focus of the character analysis. Following, the constructs discussed in this article are revisited.

2.1. Theory about the decision-making process – rationality and intuition

Making a decision is part of any human being’s life and it is not different for the organizational environments. Being rational or intuitive, the decisions made will reflect in results, the ones the executives will be held accountable. So, when it comes to deciding, rationality or intuition need to be calibrated, since many variables may influence in the choice of one or another or even for both cognitive types, complementarily (Morgan, 2002; Vergara, 1993). To Corso, Raimundini, Granado, and Janissek-Muniz (2014), the decision-making happens in environments of certainty and uncertainty, where this last option makes the decision more complex.

Making decisions, according to Leitão (1993), is something prescriptive and normative, where rationality is sustained by rules and models, which
drive to rational choices. To March (1994), they are actions that produce an expected result, after detailed analysis of all available options, being able to use them as support of analytical tools, many of them based on quantitative methods, such as the influence diagram, the strategy table and the decision tree (Petraglia, Gati, Yu, Nascimento, and Camargo, 2014). According to Hein (1972, p. 27), “... the trend has been to express in terms of mathematical magnitudes and later, base the decision placed in a mathematical optimization process”.

In opposition to rationality, there is intuition. Many times the decision-maker does not have competence, experience or ability to decide. Thus, in an uncertain scenario, with few tools that might help in the decision-making process, with the existence of risks inherent in the process, uncomplete information and lack of experience of the leader, a space for intuition is opened. Hafenbrädl, Waeger, Marewski, and Gigerenzer (2016) state that decision-making must be made in a short time and considering a small part of the available information.

The intuition, from the Latin intuito, is associated with seizure via inspiration, without empirical experience or reflection, with immediate capture of the essence of a reality (Barros & Moreira, 2017). To Kruglanski and Gigerenzer (2011), intuitive judgments arise in the mind of the decision-maker, quickly and effortlessly, usually without connection with some ongoing and unconscious event, how they are formed and where they come from. Agor (1986) states that intuition is more perceived at the top management level of companies, where the scenario in which they are involved is of great uncertainty, with lack of information, without comparative historic and with a huge pressure caused by the time factor.

It is worth emphasizing that intuition should not be perceived as something supernatural. Fisher (1989) clarifies this when he states that intuition is not the sixth sense but it is a knowledge we do not know where we got it. Vergara (1991) says that thought and sensation are conscious, feeling might be conscious or unconscious, but the intuition is just unconscious. To Gigerenzer and Gaissmaier (2011), the human mind uses mental tools for the decision-making: Statistics, Logic and Heuristics. The authors disagree with the common sense, which, in general, associates the first two with more assertive rational decision-making, while the later would be intuitive or irrational, usually more prone to errors. For them, there are cases where the intuitive decision-making could be more accurate than when it is based on rationality.

In the same line, Zanela (1999) understands that a pure rational model shows a failure, by ignoring the subjective factors that end up influencing
the decision-maker to make a decision by default of any quantification. Silva, Czykiel, Figueiró, Santos, and Galvão (2013) alert that the decision-making is not purely a rational process, but it also involves the personality, the values of the decision-maker, as well as the leader’s awareness over the impact of his/her decision.

According to Pacheco Júnior and Gomes (2016), this process incorporates rational and subjective aspects. However, regardless of a decision rationality degree, it will always be a limited rationality, since the human being has cognitive limitations, does not have all the information, does not perform all the necessary checks, and can’t evaluate all the available options. The central idea of limited rationality is that the individuals seek to be rational, but there are many limitations and restrictions and due to this, their actions cannot be completely rational. (March, 1994; Ribeiro, 2015).

Vergara (1991) states that there are several rationalities because rationality is a non-uniform way of thinking. Understand them in the process of decisions is important, because what is purely rational for a person, it is not for another one. A decision can be: 1. objectively rational – correct behavior in order to maximize certain values, in a specific situation; 2. subjectively rational – maximize the performance related to the actual knowledge of the subject; 3. consciously rational – adjustment of the means to the aimed purposes is part of a conscious process; and 4. deliberately rational – adequacy of the means to the purposes, intentionally caused by the individual or by the organization. A decision is organizationally rational if it is guided towards the objectives of the organization; it is personally rational if it aims the individual’s objectives (Simon, 1965).

Simon (1987), who claims that there is a complementarity between reason and intuition, since this is not irrational, far less, it works independently. Damásio (2012) goes further, by stating that the unconscious has a preponderant role in the decision-making and the more complex this decision is, the more influenced it is by the unconscious. The more joyful is an environment, the more positive emotions it will generate, therefore, new ideas are stimulated by unconscious action.

Morgan (2002) has also addressed the need to understand the tensions between the rational and the irrational, in order to achieve a better integration and balance. Morgan (2002, p. 246) states that “... rational processes of decision-making need to give room to creative and intuitive jumps”. The second is a process of immediate decision, unconscious and focused on the whole while the first is detailing, conscious, analyzing and synthesizing.
2.2. Organizational culture and decision-making

According to Morgan (2002), the word “culture” metaphorically derives from the idea of cultivation: the process of preparing and improving the earth. Whenever we talk about culture, we are generally referring to the pattern of development reflected in the system of knowledge, ideology, values, laws and daily rituals of a society. According to Truong, Hallinger, and Sanga (2017), there are many studies that search to understand the decision-making under a transcultural perspective.

The cultural differences must be considered in the decision-making process, since each country has distinct patterns of behavior and personal characteristics of its population (Zanela, 1999). According to Morgan (2002), nowadays, we live in an organizational society. In Japan, in Germany, in Hong Kong, in Great Britain, in the United States or in Canada, the great organizations are probably influencing our life. Thus, according to Truong et al. (2017), it is not an uncommon fact, or either surprising, that the culture, not only the organizational one, but especially the one of each individual, has an important role and many times, a deterministic one in the decision-making process.

Morgan (2002) says that when considering the organizations as cultures, one may see them as mini-societies, with their values, rituals, ideologies and their own beliefs. There are important variations in cultural style, from one nationality to another. While some corporative cultures are uniform and strong, others are fragmented by the presence of subcultures. Shared meanings in the organizations allow people to behave in an organized way. Organizational Culture may be defined as:

… the set of basic assumptions invented, discovered or developed by a particular group, when learning how to deal with problems of external adaptation and internal integration and that has worked well enough to be considered as valid and to be taught to new members as the correct way of perceive, think and feel in relation to these problems. Thus, in order to analyze a specific organization under the cultural aspect, we always have to take into account the culture of the individuals who are part of it. (Schein, 1992, p. 12)

Renand (2007) claims that the Chinese organizational culture is based on the dialectical logic with emphasis in the contradiction and recognizes the value of conflict between opposing ideas. It combines paradox and
contradiction. Chinese people perceive themselves acting in the group context and not in an independent or autonomous way. Their managers are more oriented towards the mutual benefit of the partners and need to trust them in order to reach their goals. To the author, most Asian cultures consider the long-term perspective for planning and making decisions and there is no Western immediacy. To be more effective, Chinese managers disregard deadlines and are driven by internal forces, such as their employees. The embodiment of relationships is a trend where employees often work for the superior, not for the company. The Chinese nationalism can create a distrust to work with foreigners, creating barriers and conflicts.

According to Santiago (2012), the Chinese culture reveals a distancing of power. In other words, it is extremely hierarchical and with an unequal distribution of power. There is a chasm among managers, bosses and workers at the base of the pyramid, but this fact is widely accepted. Somehow, the workers expect this patriarchalism. The Confucian values of respect for hierarchy reinforce the authoritarian leadership present in this culture, which is reflected in the Chinese organizations.

Freitas (1997) says that the Brazilian organizational culture is hierarchical, with centralization of power and distance in relationships between different social groups. The passivity and acceptance of the lower groups is a cultural inclination. Organizations are paternalistic and based on personal relationships, with the presence of “trickery”, expressed in flexibility and adaptability as a means of social navigation. The quest for material benefit with short-term return, with aversion to manual and methodical work, with less discipline, is a national trend. Zanela (1999) complements that the profile of the Brazilian administration is characterized by an immediate vision, driven to fast results and focused on crises solution. There is a lack of strategic planning with the decisions, centralized at the highest hierarchical levels.

Once to Chu and Wood Jr. (2008), the Brazilian organizations begin to orient themselves by the financial results, but there is still a predominance of a human orientation. There is still a lack of planning and structuring of actions, with managers who have difficulties in meeting deadlines and focused on short-term. It is characterized by authoritarianism, with submission and little challenge to higher orders, with conflict aversion. Finally, the preference by the decision-making in the instances and superior positions with cordiality in behavior and difficulty in saying “no” is highlighted.

According to Zanela (1999), the influence of the American culture in the companies is identified in the low power distance, with a medium level
of dependence on superiors, with the presence of the individualism. As ours, the organizational culture is faced to short-term results and has high tolerance to uncertainty. It has a practical and pragmatic view of things with the goal of putting them to work efficiently besides transmitting explicit and clear information. The material success is an important component, in other words, the results of organizations and their success are sought at all costs. The administration is seen as something challenging, the decision-making is largely delegated, there is permission to take risks and invest in the career.

### 2.3. Hierarchical levels and decision-making

In order to understand the differences of the process in distinct hierarchical levels, it is fundamental to rescue the concept knowledge of information, having in mind that the decision-making vary according to the data and the facts that each one has about the object of analysis, which will serve as a discussion in the choice of the best option, in a decision-making process.

According to Moresi (2000), the maximum activity of any executive, regardless of his/her hierarchical positioning in an organization is the decision-making. This is the moment where he/she shows the capacity of leading the subordinates and his/her internal reason. The executives spend most of their time studying the environment and seeking to identify the possible lines of action. The decision-making is much more than the final moment of choice. It is a complex process of reflection, research and analysis.

Contrary to Moresi’s (2000) theories, arise Mello and Fucidji’s (2016) studies, which correlate Simon’s (1999) analysis and the use of evolution as an algorithmic process. Evolutionary theories are born in Darwin’s theory, so that the evolution or progression of the manager would be something natural, born. Mello and Fucidji (2016) define that the algorithm becomes a standardized form and logically consistent, where information is received and results are generated from them, making a decision to be made sequentially with uniform procedures.

The researches of Kladis and Freitas (1995) accompany Moresi (2000). For them, the decisions in a company can be classified according to the administrative level where the decision is made: 1. operational level – decisions made regarding to normally pre-established procedures and rules, in order to assure that the operational activities are properly performed; 2. tactical level – decisions related to the administrative control, such as the necessity to formulate new decision rules to be applied; and 3. strategic
level – decisions related to the strategies to be used so that the company reaches its broader and generic objectives without a defined periodicity.

According to Sornberger, Hoppen, Rigoni, Klein, and Redivo (2017), the leadership at strategic levels, associated with legitimacy and trust, has central roles in the decision-making process, which, rational or intuitive, will present a convergence to the strategy and objectives of the company. Pacheco Júnior and Gomes (2016) affirm that senior management decision-making, respecting its hierarchical degree, is based on rationality. It constantly uses management and analysis techniques, once in the managerial sphere; the adversities are more complex, imprecise and broader than in other decision-making spheres.

As state Simon (1987) and Kladis and Freitas (1995), as the decision-making raises from the operational level to the hierarchical one, it increases the number of non-scheduled decisions at the expense of the planned decisions, which increases the uncertainty. There are non-scheduled known decisions in which eventually, the executive has already had the opportunity to try a similar situation in a previous experience. There are also the unpublished non-scheduled decisions, where there is no rule or any other form of aid for decision-making by the executive.

According to Moresi (2000), the top management of an organization needs qualitative information, which contains a high added value to obtain a global vision of the situation. In the lower level of the management, the need will be of quantitative information of low added value, which allows the performance of routine tasks. However, the decision-making process based on the highest hierarchical levels opens room for innovator decisions. In other words, it allows talking not about just two or more already established options, but about when there is no clear and obvious alternatives and in these scenarios where the decisions by influence became more relevant (Ribeiro, 2015).

The studies of Perez et al. (2014) prove that the hierarchy factor, often established by the age, in which the oldest people may occupy higher positions, has a role of central importance in the decision-making process. There is, therefore, a clear correlation between hierarchical levels, age and associated professional experience. Moss, Sharpley, and Wilson (2014) go beyond when state that the managers can increase the decision-making power of their subordinates by creating a positive environment, which stimulates the intuition. Lerner, Valdesolo and Kassam (2015) corroborate this idea when state that the emotions influence the judgements and the choices of the decision-makers.
2.4. Experience and Decision Making

According to Pozo (1998), the process of perception creation that the man has over a specific theme, is based on the prediction and organization of concepts, which, on the other hand, allows the construction of the scenarios, mental models or implicit or explicit theories. The concepts are part of a sine qua non condition so that the individual has references. Following this line, the concept and the perception allow the individual to make an analysis of the context, fact that will keep or change his/her actions as a decision-maker. Further, up, the accumulated knowledge and previous experience will be valuable elements for the decision-making process.

March (1994) already warned that it is part of human nature to observe more the planned actions and the consequent decision between two or more possible alternatives. In cases of situations already experienced, the issue of the memory of the already taken actions is rescued, making it possible to choose between the available options.

Following this same line, Gün (2014) states that for the correct learning of the professors, in the development phase, it is necessary the follow up by more experienced professionals who may serve as inspiration and expertise source, accumulated along the practices and which encompass not only tacit but intuitive knowledge, obtained through evaluations and critical reflections of attitudes and interactive decisions made in the classroom. Shepherd, Williams, and Patzelt (2015) affirm that the human capital influences the decision-making of entrepreneurs, including his/her education, training, work experience, background and skills.

Pozo (1998, p. 175) highlights that “the previous experience with a problem helps in the solution of problems structurally similar, or that at least had specific structural aspects in common”. Perez et al. (2014) go beyond when stating that people ready to make decisions increase their self-perception about their own competencies, as well the capacity to deal the associated pressure. Reem, Kitsantas, and Maddox (2014) have already warned about the importance of creating housing programs, where newly graduated nurses improve their decision-making skills, having the opportunity to practice their functions in real life, under the coordination of the most experienced ones. However, Zeni, Buckley, Mumford, and Griffith (2016) claim that experiences bring with them bias that have the potential risk of harming the decision-making in a world of constant changes.

It is suggested that the time of permanence in the function or even previous experiences add knowledge to the individual, which will be held
and, in a timely manner, brought to light and reused. Nonetheless, Dijkstra, Pligt, and Kleef (2013) alert about the difference between the knowledge level and the experience level. According to the authors, the knowledge about a specific domain is something explicit, obtained through studies, while the experience is measured by the variety of situations and stimulus to what a specific person has been exposed to along his/her life. Individuals that have relative experience in decision-making but limited knowledge about a theme to be decided would benefit more from intuition in detriment of deliberation.

Franklin (2013) informs that early decision-makers are highly dependent on rationality for a quality decision making. When more experienced, they go beyond, structuring the information and the knowledge concerning the different situations associated with the decision to be made, characterizing itself as a rational evolution. Rzeszutek, Szyszka, and Czerwonka (2015) emphasize that professionals with a great knowledge of a particular subject, as in the capital market, sometimes are dominated by behavioral, cognitive and emotional biases that harm their decision-making.

A definition of knowledge for Davenport (1998, p. 19) would be that “the knowledge is the most precious information […], valuable precisely, because someone gave to the information a context, a meaning, an interpretation”. Thus, one may consider the knowledge as information processed by the individuals. The added value to this information depends strictly on the prior knowledge of these individuals. Through our actions, they are acquired so that they cannot be disassociated from the subject individuality. According to their personal characteristics and mental models, the individual processes the information.

The knowledge itself is a concept more complex than the information. Gonçalves (1995, p. 311) emphasizes that “knowing is a process of understanding and internalizing the received information, possibly combining them in order to generate more knowledge”. Thus, the more experience gained and the greater the number of information received, the greater will be the aggregate knowledge. Therefore, it will be easier for the manager to propose solutions for the actual problems, from situations already experienced.

However, Franklin (2013) observes that it is important to note the difference between performing an analysis to make a decision and develop an experience of an analysis in a decision-making. Still, according to the author, this measure has a broader view, starting from the circumstances that involve an object or an already known model of analysis for a theoretical and practical field of knowledge structuring and information about situations of decision-making that promote a quality decision-making.
3. RESEARCH METHODOLOGY

This work is characterized as a qualitative and exploratory research. Theodorson and Theodorson (1970) define the exploratory study as a preliminary search of a main objective, making the researcher familiar with the phenomenon he/she wants to investigate. Subsequent studies can be better detailed, deep and accurate.

The semi-structured interview was used as a tool to collect data, because in cases of doubtful responses, there is the possibility of clarification with the interviewee, besides allowing the inclusion of new questions during the research, if necessary (Tomar, 2007). The interview was applied in five different organizations from three countries (China, Brazil, and United States), of different fields of activity (telecommunications, oil & gas, financial and beverage manufacturer), in different areas (sales, marketing, operations, etc.).

Altogether, interview scripts were distributed to 10 first level managers, in each one of the researched organizations, totalizing 50 respondents. The only criterion to choose the respondents of the research was that they were from the first hierarchical level in their company. In other words, they should not have any manager under their leadership. It was presented to these managers a questionnaire with 14 open and closed questions, 6 of which were analyzed, since they directly approached the constructs surveyed.

In order to ensure the confidentiality of the surveyed companies, the sample was named as follows: Organization A – Brazilian Financial; Organization B – Chinese Telecommunication; Organization C – American Oil Company; Organization D – American Beverages; and Organization E – Brazilian Oil Company. The companies were selected by the accessibility criteria, in other words, non-probabilistic sampling (Albuquerque, Silva, Pernambuco, Lima, & Cunha, 2017).

The data was treated using content analysis, an investigative method that systematically seeks to describe the content of a message, in order to allow the inference of knowledge regarding the conditions of production and reception of messages. The researchers were free to interpret the data and to understand the characteristics of the messages.

Initially, a series of categories identified through content analysis of open responses, were identified. Then, the most significant ones, from the frequency of occurrence point of view, were analyzed. Finally, one went back to the responses in order to check again to understand how the interviewees
understood such selected constructs/categories, associating them to the analysis of the sampling proportion of multiple-choice questions

4. ANALYSIS OF RESULTS

The comparability results of the information and behavior of the organizations, produced from the research questions, are listed below.

**Question 1.A – As the concept of what is rational:**

**Organization A:** The perception of what is to be rational is in line with Simon (1965), that approaches concepts as rational decision in the senses of objectivity, subjectivity, consciousness, deliberality or organizational, because when answering the interviews with terms related to planning the environment in order to reach goals, more than 50% of the respondents showed it is about a rational decision.

**Organization B:** For this group, generally speaking, rationality is related to following procedures, standards or performing activities correctly.

**Organization C:** more than 50% of the respondents state that being rational is to think reasonably and logically. Some of them also associated rationality to departments with more rules and formalities.

**Organization D:** Having compatibility with Simon (1965), the terms related to the decision-making by the majority of the respondents were associated to numbers with data and facts, considered before performing the action, with a strong presence of pragmatism.

**Organization E:** In this group, all the respondents associated rationality when following the company’s rules. Such result show itself associated with the awareness that procedures exist and must be followed.

**Question 1.B – As the concept of what is intuitive:**

**Organization A:** About 60% of managers are not clear about the concept of intuition, agreeing with Vergara (1991, 1993) and Fisher (1989). The frequent association of intuition with the supernatural was made with something that transcends the natural, sixth sense, among others. 40% of the managers were coherent with the literature on what it is to be intuitive, approaching ideas of how to achieve an answer unconsciously; having an idea without knowing where it came from and let the unconscious act.
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Organization B: The respondents seemed confused in relation to the meaning of the word intuition. Many of them related the concept with past experiences, previous knowledge or sixth sense, what, in fact, is not about intuition, according to Vergara (1991, 1993) and Fisher (1989).

Organization C: the respondents of this organization stated that being intuitive is to be moved by the previous experience, ideas and conceptions that may come to mind, use perceptions, feelings, take actions according to the perception, see what others may not see in a same situation.

Organization D: More than 50% of the managers have a reasonable knowledge of what intuition is and in line with the theoretical reference. 90% of them consistently answered what it is to be intuitive, approaching ideas on how to achieve a response oppositely to the rational one.

Organization E: The intuition concept varies greatly among the respondents. Perhaps by the way they express themselves, some of them seem to mix intuition with issues like consciousness, fear and female sixth sense, as alerted by Vergara (1993).

Question 2 - About the decision-making being rational or intuitive

In the question about the decision-making being rational or intuitive (Figure 4.1), one can see dispersion in the responses (Figure 4.1):

![Figure 4.1](source: Elaborated by the authors.)
**Organization A:** The decision-making is predominantly rational, due to the high regulation to which the market in this segment is subject. The managers perceive that, the organization internalizes this control spirit of the control body, not allowing a more intuitive decision. Many managers highlight their functional responsibilities and the organizational processes as the great pillars for the rationality of their decisions.

**Organization B:** More than 50% of respondents think they are more intuitive in private life and more rational in corporate life. For some of them, the past knowledge and accumulated experience help them to balance between the rational and the intuitive. The influence of the organizational culture in the rational decision-making was mentioned by the managers.

**Organization C:** In this question, we realized the first most obvious divergence. 40% of the respondents consider the decision-making rational, 20% consider it intuitive and 40% consider it as being both rational and intuitive, depending on each situation. It is worth saying that the ones who responded that their decisions are rational are part of sectors whose procedures are very solid and part of the daily routine.

**Organization D:** The decision-making is rational but with a support of intuition, concerning to the qualitative and sensibility analysis about a project or a difficult theme to be solved. All managers understand that there is no way to isolate the rationality from intuition. They both must be necessarily together in a business case, for example, with the description and foundation of the hard benefits, from rational calculations and the soft benefits, resulting from qualitative, intuitive aspects.

**Organization E:** 90% of the respondents assure that their decisions are more rational than intuitive. Factors such as institutional pressure and time in the job are important, once the respondents report that the pressure takes them to use more the rational decision, due to the fact of mitigating risks. Some recent managers have stated that they do not feel secure in using intuition since they are in the beginning of their career.

**Question 3 - The importance of the element feeling in the decision-making process**

The feeling’s degree of importance can be seen in Figure 4.2, below:
Figure 4.2
FEELING’S DEGREE OF IMPORTANCE

Organisation A: The culture brand of the organization and its organizational processes arise as factors, which don’t encourage the presence of feeling in the decision-making process. The diverse opinion for the importance or not of the feeling is explained by the personal factor, in other words, of its use in the respondent’s personal life. The few managers who have freedom to act represent the 10% of the ones who understand the importance of the feeling.

Organisation B: All respondents recognized that the feeling is important in decision-making, in which the majority consider it as necessary or regular.

Organisation C: 80% of the respondents report the importance of the feeling between neutral, important and very important, what, once again, shows the acceptance of the company in intuitive decisions.

Organisation D: According to the decision profile based on both rationality and intuition, the importance of feeling is strongly justified for the managers. Although the organization is an entity controlled by the SOX (Sarbanes & Oxley) processes, with several rules to be followed, the organizational culture with values of “make it happen”, exemplary leadership, contagious collaboration, constructive nonconformity and creative boldness, encourages an environment prone to the use of feeling.

Organisation E: For 90% of the respondents, the feeling is an important element for the decision-making and among these, 20% even consider this as a very important phenomenon. Just 10% understand it as not important.
Question 4 - If the decision-making practices of the peers influence / serve of reference for the decision-making:

![Figure 4.3: INFLUENCE OF THE PEER DECISIONS](image)

**Organization A:** More than 50% of the respondents state that negative and positive examples can be a source of help during the decision-making. It should be emphasized that positive decisions must be consistent with the company’s strategy and must be in compliance with standards and possible laws, what, once again, states the culture of the organization aligned with the external influences.

**Organization B:** All the respondents stressed the importance of learning from the models of other managers, both from the correct answer, and from the errors.

**Organization C:** 90% of the respondents stated that the peers’ decision-making practices work as references and example, while 10% of them, said the peers’ decision-making practices do not work as a parameter.

**Organization D:** They were unanimous when said that the peers’ decision-making practices influence and work as reference for the decision-making, based on the ratio of errors and hits as pillars for their decisions.

**Organization E:** There was unanimity in the recognition that the peers work as reference in the decision moment.
Question 5 - As the influence of the organizational culture in the decision-making process

**Figure 4.4**

**INFLUENCE OF THE ORGANIZATIONAL CULTURE**

- **Brazilian Financial:** The cultural aspect is reported as an influencing factor in the decision-making process; however, some managers report autonomy to decide, especially in moments where there are no pre-established patterns and in the support activities.

- **Organization B:** There is not a very strong influence of the company, in the managers’ decision-making process, in very technical functions or areas where there is no company’s interest in influencing or controlling employees. However, even in those cases, tough the respondents do not realize, they are being influenced by the company.

- **Organization C:** All respondents stated they have autonomy and independence to make their own decisions. The company’s organizational culture, based on a liberal management model is evident.

- **Organization D:** They all informed that the organizational culture directs the decision-making process. The company’s internal values encourage managers to have autonomy and a certain freedom, provided that they are aligned with their peers and leaders.

*Source: Elaborated by the authors.*
Organization **E**: The totality of respondents answered positively to the question. For all of them, culture is something that dominates and drives the decision-making process.

### 5. FINAL CONSIDERATIONS

For the top management level managers at the surveyed organizations, the decision-making is preponderantly rational. It was interesting to observe that there is a poor knowledge of what an intuitive decision-making is and those who claim to consider both cognitive decision types – rational and intuitive –, in practice they are more rational in their decision-making. To the managers, a rational decision is generally, to follow the rules, standards and procedures of the company. It is also thinking reasonably and logically, making decisions based on data, numbers and facts, in a planned, practical, clear, objective way and with a technical background. However, it is worth mentioning that managers consider the intuition, the feeling, important in the decision-making. This point corroborates the idea that there is indeed an external influence in the decision-making of the first level manager, notwithstanding, at the end, they effectively make the decision based predominantly on rationality.

It is worth mentioning that among the analyzed variables, the organizational culture was the one that showed itself most strongly influential in the way the first-level managers make their decisions, with 94% of them claiming to be influenced by it. Three important elements are present in the influence: 1. the need of the manager to procedurally act, from the rules and standards of the company; 2. the use of support tools in the decision-making; and 3. the learning from the actual – or past – relationship with the peers. This last element, the learning with the peers, is one of the strongest mechanisms of how the influence of the organizational culture in the decision-making of a certain company works. The top-level managers end up by learning, observing the errors and hits of their peers and finding out how the company wants its managers to behave.

The understanding of the respondents in relation to what rationality is aligned with the theoretical references exposed in this article. The same cannot be said about what they understand about intuition. Perhaps by the way they express themselves, some seem to confuse intuition with concepts such as consciousness, fear, sixth sense and even with past knowledge or experience. Vergara (1993) has already warned about this. The difficulty is
due to the little clarification on the meaning of the word intuition, which in many cases leads them to the path of feeling.

One of the limitations of this work is the inferences inherent in content analysis. It is important to include means of validation of the made interpretations, including techniques such as credibility of data by informants, the corroboration of the inferences by other judges and the triangulation (Guba & Lincoln, 1981).

In order to go deeper in the theme, we suggest analyzing the influence of gender in the decision-making, under the focus of rationality or intuition, at the first level of the managerial function of organizations. Half of the managers, who took part in this research, have stated that there is a differentiation in the way men and women make decisions. Further validation and studies are needed, in order to know if the female managers are really more intuitive than the male managers or if it is just a matter of management training, past experiences, culture and personal values, independently of the gender.

Longitudinal surveys on the experience of managers, of the first level of the managerial function, and intuitiveness, or rationality in the decision-making, could bring clarification to an important issue: would the managers that were more rational in the decision-making become more intuitive, along the time and with accumulation of experiences?

TOMADA DE DECISÃO NO PRIMEIRO NÍVEL GERENCIAL: A INTERFERÊNCIA DA CULTURA ORGANIZACIONAL

RESUMO

Proposta: O presente artigo busca explicar como é a tomada de decisão no primeiro nível gerencial, de cinco diferentes organizações, de diferentes origens (americana, brasileira e chinesa) em distintos ramos de atuação.

Originalidade/valor: Trata-se de um trabalho original, uma vez que ultrapassa as fronteiras do conhecimento sobre o tema pesquisado, tanto pela sua abordagem quanto pela sua utilidade prática no dia a dia dos tomadores de decisão, sendo útil tanto para os profissionais – como tomar decisão – quanto para as empresas – como aprimorar a capacidade de tomada de decisão dos seus gestores.
**Design/metodologia/abordagem:** Foram entrevistados 50 gestores, por meio da aplicação de uma pesquisa qualitativa exploratória, com a coleta de dados realizada por meio de entrevistas semiestruturadas e a análise de conteúdo como técnica de análise e tratamento dos dados.

**Descobertas:** Conclui-se que a tomada de decisão dos gestores de primeiro nível decisório é mais racional e que a cultura organizacional, dentre as variáveis estudadas, é a de maior impacto na forma como esse nível de gestor toma suas decisões. Essa influência da cultura organizacional traz consigo três elementos importantes: 1. necessidade do gestor em atuar de forma procedimentada, a partir das regras e normas das empresas; 2. uso de ferramentas de apoio à tomada de decisão; e 3. o aprendizado a partir do relacionamento atual, ou passado, com os pares. Como aprofundamento do tema, sugerimos analisar a influência do gênero na tomada de decisão, sob o enfoque da racionalidade ou intuição, no primeiro nível da função gerencial das organizações.

**PALAVRAS-CHAVES**


**REFERENCES**


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