

## ORGANIZATIONAL EXPERTISE AND DECISION MAKING IN CORPORATE AND COMPLEX ORGANIZATIONS

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### Abstract

*The ability to carry out coordination tasks within the group is identified with the leading role of the group itself. If this ability manifests itself continuously, it is an indispensable premise for the attribution of leadership to the one who demonstrates and exercises it. Leadership is therefore a quality, a gift that is not only a factor of appreciation for the individual, but also a valuable resource for the group.*

*It usually happens that one or more members of an organization find it important to engage in seeking some influence on other members; this means making attempts to exercise authority. If these attempts are successful and are repeated over time, they can actually confer leadership on the one who has been the protagonist. In whatever sector they operate, companies need to reap the benefits offered by leaders capable of generating the emotional resonance in the company that allows everyone to realize their aspirations and make their potentials concrete.*

**Keywords:** *decision making; leadership; organization expertise; psychology of work.*

**JEL Classification:** M12, M15, M54

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### Introduction

It is important to note that, while it may be easy to achieve individual and private emotional satisfaction, the task is more complex when a leader wants to create an emotional resonance in the group of his collaborators. The awareness of one's individual emotional realities represents, for the entire organization of the company, the beginning of a useful analysis of the common habits on which those emotional realities are based and from which they are fed. In fact, this is precisely the starting point of the leader who wants to spread emotional intelligence in his organization. (Damasio A., 2000)

A group of people can in fact undertake change only when they have fully understood the reality of their internal mechanisms and, above all, when individual members of the company are aware of the dissonant or uncomfortable situations in which they are possibly operating. Understanding these realities, on an emotional level, is of fundamental importance; however, the awareness of the existence of dissonances and discomforts is not enough to bring about a change. (Eisenberg N., Fabes R. A., Guthrie I. K. E Reise M., 2000)

### 1. Time to rethink leadership

It is in fact necessary that the members of the group go back to the cause of the discontent, an emotional reality that usually does not originate in a disagreement with the leader but, very often, in the basic rules and habits consolidated and assimilated by the group. Starting from the understanding of the emotional reality, of the rules and habits that exist in the organization, it will be possible to develop a "collective ideal vision" which, in order to effectively involve everyone, must be in tune with each person's personal one. (Eisenberger N. E Spinard T. L., 2004).

In a period of great uncertainty and widespread criticality such as the one we are going through, it is time to rethink leadership as a source and guide tool in the development of human resources in the company. (Wagner R.K., Managerial, 1991).

We will therefore look at leadership as the result of the activity of an "effective leader", that is, one who is capable of innovating both in terms of product and organizational culture; a leader who pursues the improvement of his organization and who is not afraid to take new paths; a leader who makes the work day exciting and stimulating by creating meaning and purpose for and with his collaborators. (Getz I., Vuibert, 2002).

Contemporary organizational realities find themselves operating in environments that globalization has made particularly complex: the speed and rate

of change have no equal in the recent or distant past; the widespread knowledge at all levels of the structure does not go well with traditional top-down organizational models; the collapse of welfare systems; the emergence of multiculturalism, which on the one hand enriches organizations, on the other requires greater sensitivity and competence to make the machine work more effectively. (Gherardi S., 1990).

In short, a real revolution that raises many questions about the nature and characteristics of leadership for the future. It is therefore evident that, as the complexity of the context in which they operate has increased, today leaders, more than in the past, are faced with greater difficulties than in the past. (Wood R., Bandura A. E Bailey T., (1990).

Thus, the hierarchical image of a leader at the top of the pyramid, sufficiently capable, creative and competent to lead an organization seems to be anachronistic with respect to the changed environmental conditions: today it appears more appropriate that of a facilitator of knowledge and a negotiator of ideas. and the will from all levels of its organization. (Goleman D., 1998).

It is evident that such a leadership style requires the learning of skills and the acquisition of a sensitivity different from traditional ones. Leadership scholars affirm that, in the knowledge economy, traditional command and control models are unsuitable for exploiting the potential offered by what is now considered the true business capital: knowledge. (Mesquita B. E Albert D., 2007).

## 2. The evolution in the leadership style

The evolution in the leadership style towards models of a facilitative and co-creation nature, presupposes strong investments in terms of change but above all of cultural evolution, of challenging the mental assumptions through which we think about leadership and, more generally, the figure of the leader. (Mesquita B. E Markus H. R., 2004)

In organizations where it is considered necessary to operate even without predefined maps, and therefore to reduce the complexity and the unknown of the future through more inclusive leadership styles, which enhance the important contributions of the various "orchestral" voices, it will be necessary to evaluate how to pass from leadership models where the creed was "we work together to realize my ideas", to a behavioral typology in which the decision-making process is the result of the inclusion of all voices, including those apparently dissonant, in a perspective that can therefore be summarized in "we create our vision and our future together". (Frijda, N. H. (2017).

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Many private and public organizations find themselves having to face an increasingly global and multicultural market, characterized by socio-economic, political and technological changes. (Nutt P., , 1992).

In this way, organizations will often be called upon to overcome numerous challenges; some of these concerns the ability to:

- Change the organization if the market innovations require it;
  - Being able to continuously manage and update one's knowledge and information base;
  - Working in collaboration considering the increasingly blurred boundaries of companies and the presence of alliances with other organizations;
  - Incorporate new techniques and new theoretical and empirical insights.
- (Oatley K. E Johnson-Liard P. N., 1987).

If in the past more attention was paid to the activities and the role played by the leader, now we focus on the group of executives that make up the top of the organization, the "top management group", responsible not only for formulating and implementing solutions for large organizational problems, but also to develop administrative decisions that guarantee the carrying out of routine activities. (Quaglino G.P., Voglia Di Fare, 1999).

The way in which decisions are made depends on the characteristics of the group (structure, composition, processes, incentives, type of leadership) and of the problem examined. (Zech E., Rimè B., 2005).

The group activity is affected by the environmental characteristics, the organization and the way in which the group perceives the problem. (Yukl G., 1998).

The decision-making process has consequences on the qualitative and economic results of the decision. (Rimè B., 2005).

### 3. Literature review

Below, i have introduced the list of reference works for the studied sector and the approached subject:

- Eisenberg N., Fabes R. A., Guthrie I. K. E Reise M., [2000], *Dispositional Emotionality and Regulation: Their Role in Predicting Quality of Social Functioning*, In «Journal Of Personality And Social Psychology», 78, Pp. 136-157.;
- Eisenberg N., Fabes R. A., Guthrie I. K. E Reise M., [2000], Op. Cit.
- Eisenberger N. E Spinard T. L., [2004], *Emotion-Related Regulation: Sharpening the Definition*, In «Child Development», 75, Pp. 334-339;

#### **4. Research methodology, data and hypotheses**

The research approach was of a quantitative type, the relationship was structured in logically sequential phases, according to a substantially deductive approach (theory precedes observation), which moves in the context of justification, that is, of support, through empirical data, of the theory previously formulated on the basis of literature.

The clarification of the concepts and their operation in variables took place even before the research was started.

This method offered the advantage of being able to empirically detect the concept, on the other hand it had the disadvantage of a strong reduction and impoverishment of the concept itself, with the additional risk that the main variable may have replaced the central concept of the study (phenomenon of reification). The hypothesis of the research "Organizational expertise and decision making as a psycho-relational process, to be structured according to techniques proper to social psychology in relation to aspects of the world of work" (operational decisions that oversee the practical organization of research) has been widely confirmed by literature and the data contained therein and of the subjects studied and objective and standardized data (hard).

#### **5. Decision and judgment - closely related to the characteristics of the task**

The process of evaluating alternatives varies from subject to subject, as apparently rational choices can prove irrational. Furthermore, when rationality is no longer sufficient to achieve objectives, it is essential to use techniques linked to creative processes.

Decision and judgment are closely related to the characteristics of the task and the decision context; the use of judgment heuristics and simplified decision procedures by experts does not necessarily lead to making inaccurate judgments or making inappropriate decisions; some of these intervene in the process of formation and modification of judgment and choice. (Rimè B., 2007).

The heuristics of anchoring, memory availability, representativeness and the rule of elimination by aspects are taken into consideration.

The expert differs from the inexperienced in various cognitive and emotional characteristics; for example, he has "perceptive-attentive" skills that allow him to extract information that beginners do not see or to identify information patterns (Zuckerman M., 1992); tends to acquire information selectively, captures the most relevant in the environment, manages to develop simplified representations of complex decision dilemmas, reacts better to stress, etc. (Rolls E. T., 1999).

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The concept of decision stimulated by a problem coexists with that aimed at achieving a goal; the research carried out in the organizations and the psycho-social ones have highlighted that these two conditions correspond to situations originating from stimuli, developed through processes and which achieve different results. (Scherer K. R. , 2004).

The formulation and diagnosis of the problem are considered by cognitive models as the initial stages of the decision-making process. Psychological research has highlighted the role of mental schemes and models of decision makers on the process of perception and interpretation of environmental and organizational stimulus. (Zani B., 1999).

These stimuli are perceived and categorized in the light of the previous experiences of the decision maker, the history and routine procedures of the organization. Davidson, R. J., Sherer, 2009).

Interpersonal dynamics also help to standardize and make the diagnosis process automatic; with the passage of time, the heterogeneity between the members of the group gives way to greater homogeneity. Scherer K. R., 1984).

Another important factor in the decision-making process is the objectives; according to the “globalist” perspective, this process in organizations is initiated by environmental opportunities that allow for improvement or the possibility of growth. (Simon H.A., 1977).

A further phase of the decision-making process is the research and communication of information relating to alternatives. Once the problem has been identified and the objective guiding the action specified, the group must identify alternatives or solutions to solve the problem and select one of these. (Skinner B. F., 1971).

The group process facilitates and hinders the making of good decisions; limitations, distortions and errors can be encountered throughout the group decision-making process. (Spaltro E., 2001).

It is possible to develop and consolidate effective decision-making competence, as the result of practices that stimulate intuition, creativity, collaboration and constructive confrontation. (Stewart G.L. E Manz C.C., (1995).

The environmental and organizational context is becoming so complex that the presence and importance of groups are destined to increase. (Zappalà S., 2004).

Organizations' opportunities for growth depend on the ability of groups to be able to develop effective and creative decision making. (Voss J.F., Greene T.R., Post T.A. E Penner B.C., 1983).

## Conclusion

Decision-making processes, the behavior of organizations and experts in recent decades have had relevance in the socio-economic context.

As stated in the introduction, the decision-making process does not always and only take place in a linear way, but changes over time with continuous redefinition of personal goals.

Even after making a choice, the individual is always looking for new information, to convince himself and others of the validity of his decision.

A subject must be able to devise a specific strategy to reach a meaningful solution to the problem; the cognitive processes used to make a decision depend on the use of cognitive resources, which are essential for processing the information acquired.

Furthermore, a definition of a problem is given, a negative deviation from a reference value called the norm of which we do not know the cause; negative because at a certain moment something prevented the process from proceeding according to our intentions. The goal of the decision-making process is to choose the best solution following an examination of the various alternatives sought and to choose among these the most valid for our needs.

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