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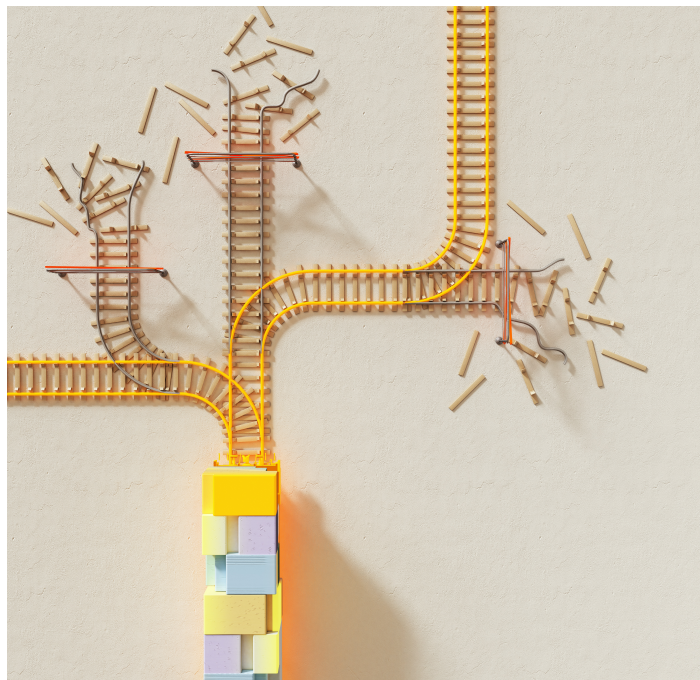
## From Biases to Brilliance

An Interpretative phenomenological analysis of the connection between leadership experience and decision-making style to explore the influence of cognitive biases on decision-making and leadership potential

Master's thesis in Organization and Management

Supervisor: Jonathan Reams

July 2023



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Faculty of Social and Educational Sciences  
Department of Education and Lifelong Learning



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My years doing my courses at NTNU have been quite different from when I did my bachelor's degree as I have culminated some years of work experience since my last school stich. I now feel that I am more able to find valuation in newfound learning and applying it instantly to my everyday work life.

I would like to thank two more important individuals; my dog, Edie, for her patience and for forcing me out on long walks, making sure I got to clear my mind after being succumbed in the writers' bubble on long evenings. Lastly the support of my dear mother for facilitating support and delicious food making it possible to finish this degree whilst keeping my other obligations intact.

Christian Amundsen Mevold

Harstad, 23. July 2023

## Abstract

The purpose of this study has been to explore decision-making among leaders, with a specific focus on the impact of cognitive biases, organizational factors, and cultural awareness.

When confronted with decisions, individuals are consistently required to exercise their decision-making capabilities. This applies not only in personal matters but also within the professional realm where daily choices must be made. However, it is important to consider how past experience influences current decision-making processes and assess the impact of cognitive biases on these choices. The connection between previous encounters and present-day judgments is an important aspect that needs examination. Moreover, exploring the influence of cognitive biases adds another layer of understanding regarding decision-making tendencies.

Dealing with this challenge requires a level of competence that can be managed according to the unique starting point of each individual, employing diverse strategies to navigate their personal biases. Given that people employ varying degrees of intuition and rational thinking during this process, these contemplations give rise to the research inquiry outlined as follows:

### **“How does experience contribute to bias in leader decision-making?”**

To answer the research question, I interviewed five executives from the tech business all of which were seemingly successful in their jobs and respected. Participants participated in the one-hour semi-structured interview with questions that addressed various aspects of how they made their decisions.

The method was carried out by IPA-Interpretative Phenomenological Analysis, which allows a thorough review of each participant's data material.

The findings from the interviews became evident in four themes, which were decision-making approaches and styles, impact of organizational factors, dealing with discomfort, and leadership styles and adaptability.

These themes indicate an overall finding that that experience can lead to biases in decision-making. Self-awareness and embracing diversity help mitigate these biases, leading to more effective decisions. Organizational factors, such as size and structure, impact decision dynamics. Cultural awareness fosters inclusivity and equitable decision-making. Effective leadership involves embracing discomfort, staying authentic, and prioritizing organizational goals over personal recognition. Understanding biases empowers leaders to make better-informed decisions in complex situations.

## Abstract in Norwegian

Formålet med denne studien har vært å utforske beslutningstaking blant ledere, med et spesifikt fokus på virkningen av kognitive skjevheter, organisatoriske faktorer og kulturell bevissthet

Når individer blir konfrontert med beslutninger, kreves det konsekvent at de utøver sine beslutningsevner. Dette gjelder ikke bare i personlige forhold, men også innenfor det faglige området hvor daglige valg må tas. Det er imidlertid viktig å vurdere hvordan tidligere erfaringer påvirker nåværende beslutningsprosesser og vurdere virkningen av kognitive skjevheter på disse valgene. Sammenhengen mellom tidligere møter og dagens beslutninger er et viktig aspekt som må undersøkes. Videre, å utforske påvirkningen av kognitive skjevheter legger til et nytt lag av forståelse angående beslutningstendenser.

Å håndtere denne utfordringen krever et nivå av kompetanse som kan styres i henhold til det unike utgangspunktet til hver enkelt, ved å bruke ulike strategier for å navigere i deres personlige skjevheter. Gitt at folk bruker ulik grad av intuisjon og rasjonell tenkning under denne prosessen, gir disse kontemplasjonene opphav til forskningsundersøkelsen som er skissert som følger:

### **"Hvordan bidrar erfaring til skjevhet i lederbeslutninger?"**

For å svare på forskningsspørsmålet intervjuet jeg fem ledere fra teknologibransjen, som alle tilsynelatende hadde suksess i jobbene sine og respekterte. Deltakerne deltok i det en times semistrukturerte intervjuet med spørsmål som tok for seg ulike aspekter ved hvordan de tok sine beslutninger.

Metoden er utført av IPA-Interpretative Phenomenological Analysis, som tillater en grundig gjennomgang av hver enkelt deltakers datamateriale.

Funnene fra intervjuet ble tydelige i fire temaer, som var beslutningstilnæringer og stiler, påvirkning av organisatoriske faktorer, håndtering av ubehag og lederstiler og tilpasningsevne.

Disse temaene indikerer et samlet funn om at den erfaringen kan føre til skjevheter i beslutningstaking. Selvbevissthet og å omfavne mangfold bidrar til å dempe disse skjevhetene, noe som fører til mer effektive beslutninger. Organisatoriske faktorer, som størrelse og struktur, påvirker beslutningsdynamikken. Kulturell bevissthet fremmer inkludering og rettferdig beslutningstaking. Effektivt lederskap innebærer å omfavne ubehag, forbli autentisk og prioritere organisatoriske mål fremfor personlig anerkjennelse. Å forstå skjevheter gir ledere mulighet til å ta bedre informerte beslutninger i komplekse situasjoner.

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# 1. Introduction

## 1.1 Wax the Floors

The ability to make big decisions has always fascinated me, and if you add the aspect of time into this equation, I have found it even more fascinating that certain people seem to have no problem with coming to the right conclusion seemingly every single time. This was at least until I started experiencing the world of leadership firsthand throughout my career. The blind faith I had in my seniors started to dwindle as I entered my working years and I specifically recollect an episode during my initial service in the military where you are taught to obey your peers and defer to asking any questions. The issue at hand was that I had finished my daily chores as a private aboard one of the royal Norwegian Navy's frigates and reported this to my commander hoping I would be dismissed for the day after putting in a hard shift. The response was however not what I was hoping for. My commander looked surprised, but I could tell from the look in his eyes that he was accessing his brain for a quick programmed response, "private, there is no such thing as being done with chores in the navy, you can wax the floors in this room". To my amusement, I looked down at the floors before answering, "but sir, these floors are rubber mats, it makes no sense waxing them?" With a smug smile my commander uttered the words, "private! Look at the distinctions on your shoulders and look at mine; who is in charge here?". And from that moment two things became clear to me. For one, being a leader does not mean that you always make good decisions, and secondly, a career in the military was not for me.

After this, I have had the privilege of working for several exciting organizations under a variety of different leaders, and I have started to wonder if the ability to make decisions is not something that is naturally bestowed upon all people. Does every person have the potential to be a great leader or is this something that is acquired through experience and practice? And another interesting question which the answer has changed with time for me is; what defines a great leader? I used to think that titles and personal accomplishments were what made someone a great leader, but after witnessing both leaders in firsthand experience and second-hand through doing business with their subordinates, I have come to realize that the ability to lead and inspire is not something that is based on status or results. It has something to do with how you make decisions. But why?

The role of decision-making in leadership is critical to an organization's success and if you look at the decline of some previously big companies a common theme is that the management at some point made decisions in good faith that led to their downfall (Christensen, 2013, p. 16-17). When recruiting new leaders I experience a higher focus on personality traits and uncovering biases from the recruiting agencies than I did a few years ago (Teft, 2023). The purpose of this study is to look into the connection of cognitive biases and experience with decision-making using interpretative phenomenological analysis (IPA) to gain a better understanding of how leadership experience and decision-making styles are related to cognitive biases and, in turn, influence leadership potential. A qualitative analysis of interviews with experienced leaders will be conducted in order to gain insights into their decision-making processes and how they navigate cognitive biases in their leadership roles.

In a hectic work environment leaders frequently rely on their intuition or "gut feeling" to make decisions in complex and uncertain situations to stay in a state of flow (Kahneman, 2011, p. 43-44). This intuitive sense is frequently useful, particularly when there is a lack of

clear information or time to analyze data. However, relying solely on gut instinct can be problematic because it is vulnerable to biases and accepting superficially attractive answers (Kahneman, 2011, p. 50).

## **1.2 Taking Walks and Changing Paths**

Who are the people who tend to gravitate toward leadership? Is it the aspect of power, climbing the social ladder, or the need of being liked by those around them? I have to admit that by sitting here as a CEO and writing my master's thesis on the subject of leadership I am not the one to "throw the first stone" because I am obviously one of the people who are attracted to the phenomena of leadership in one way or another. What I truly believe is that my motivation for being a leader comes from a place of wanting to be free to make my own decisions and have some sense of control over my own life. I also believe that some leaders might agree with my reasoning, but others might be fueled by ulterior motives. I believe whatever your reasoning to become a leader is it will influence decision-making and how you lead, but what factors lead up to our decisions?

This is where my personal reason for investigating decision-making comes into play. Starting on the road to my master's degree during the pandemic I was determined to follow a path that would make me a more attractive candidate for future employers, and so indispensable to my company that the option of being laid off because of a global crisis would not be an option. To obtain this I thought the specialization regarding strategy and innovations would fit the bill perfectly, but during the process, something changed. Like so many others the idea of getting a dog in the era of home office standards seemed brilliant and a consequence of this was a routine with long walks filled with plenty of time to listen to podcasts and audiobooks. One of the books I was particularly fascinated with during my walks was "Thinking fast and slow" (Kahneman, 2011) and what it did is that it made me question my pattern when it came to decision-making. Another consequence was that it steered me on a different path toward the specialization in relational leadership where my conception of being a competent leader was further shattered in the course "Leadership development and organizational transformation" where I discovered how much of an inward listener I was, even though I thought my years of experience as a leader who were limited would be to an advantage compared to one with more seniority "stuck in his ways". Luckily for me, I did not despair but found a new motivation to explore my leadership qualities, such as decision-making, which was based on understanding my own thought processes. At the same time, it made me think: What if I hadn't discovered my leadership flaws until the end of my career, and what if I did discover this but felt no incentive to change? Thinking that "biases can cloud a leader's judgment and lead to decisions that are detrimental to the organization and as leaders, it is critical to be aware of these and understand how they may influence our decision-making processes to break the pattern" (Dobelli, 2013, p. 10-11). This is what led me to my research question for my thesis.

## **1.3 The Main Question**

The following is the key research topic for this thesis project:

**"How does experience contribute to bias in leader decision-making?"**

To explore this I will be using Daniel Kahneman's theory (2011) to understand the relationship between leadership experience and decision-making style and how this is impacted significantly by cognitive biases. According to Kahneman's research, these cognitive biases have a significant impact on decision-making and can cause errors in judgment and decision-making. The opposites of gut-feeling and rational thinking will be essential to my research with the view on gut feelings as something heuristic, fast and intuitive as opposed to the view on rational thinking as something more deliberate and thought through. The need to limit my study arises when you broach such vast subjects as cognitive biases and decision-making where I could stray from my path exploring additional factors which may include emotional intelligence, ethical deliberations, and the influence of situational circumstances.

I have used a combination of theorists such as Dobelli (2013), Northouse (2021), and Goleman's (2011) practical approach, to focus on the significance of experience in leadership and decision-making where leaders develop a more insightful understanding of the complexities of different choices. Furthermore, this will help me to gain valuable insights into how different leadership theories can be put into practice and highlight how critical self-awareness is to effective leadership and judgment.

## **1.4 The Structure**

Chapter 2 will focus on theories around decision-making trying to break down the mechanism that happens when we have to make choices and analyzing the thought process behind this. In order to connect this with experience I will also be looking at theory that explains how we evolve as we gain more insight and familiarity throughout our career as leaders.

Further on in chapter 3 I will be looking at the methodological approach in my project with a special spotlight on how this influences my research and why I chose this specific strategy in addition to paying attention to crucial areas of research quality and moral connotations.

In chapter 4 the results of my analytical research will be presented in the form of qualitative data with key takeaways from my interviews in addition to a breakdown of the quantitative research I have found relevant to this project. These findings will be connected to the theory from chapter 2 in the following chapter 5 where I discuss the implications of my study in light of the theory.

The final chapter is devoted to a summary of the most important aspects of my thesis, answering my research question, limitations of my study, together with recommendations for further research.

Lastly the appendixes will provide additional data and different models relevant to this project.

## 2. Theory

In order to unpack my key research topic I have broken it down in this theory chapter where I start by looking at the phenomena of leadership experience and how we grow as leaders. This brings the element of decision-making into frame where I introduce the concept of Kahneman's systems 1 and 2 (2011), which explains the two main types of thinking that individuals apply when making decisions. Further on I explore how biases influence these systems which are essential to my research and put it in context with previous studies in the field of leadership and decision-making.

As my research revolves heavily around experienced leaders I explore what defines them and this brings me into the core of my theory chapter, where I take a closer look at biases and how they affect decision-making specifically in experienced leaders. As my research is done in the tech industry I included important theoretical input looking at how biases can affect decision-making in a rapidly changing technological environment.

Lastly, I discuss the importance of self-awareness and its impact on decision-making. This theory chapter offers a comprehensive exploration of the interrelation between leadership experience and decision-making growth. Finishing with the impact of culture to conclude the chapter, highlighting how cultural values can influence biases and subsequently decision-making processes in experienced leaders.

### 2.1 The Duality of Experience

#### 2.1.1 Leadership & growth

Leadership is a complex phenomenon that has been studied for decades and there are many theoretical approaches to define it. After years of dissonance scholars only agree upon one thing: There is no common definition (Northouse, 2021, p. 62). But a factor in each approach is that experience plays a part in how leaders make decisions and influence their leadership style. As leaders gain more experience, they may become more transformational in their leadership approach, focusing on inspiring and motivating their team to achieve their goals (Northouse, 2021, p. 502). Alternatively, leaders may adopt a more transactional approach, focusing on the exchange of rewards and punishments to encourage their team's performance (Northouse, 2021, p. 527).

How you develop as a leader is a result of your vertical and lateral growth where vertical growth is concerned with a deep understanding of oneself, an expansion of worldview and an increase in leadership capacity. Lateral growth, on the other hand, involves expansion of skills and knowledge within a given discipline, but both forms of growth are influenced by experience (Eigel & Kuhnert, 2016, p. 42-43). Leaders with more experience have the opportunity to develop a more sophisticated understanding of themselves and the world around them through acquired knowledge over time while lateral growth requires more deliberate practice and focused learning which allows leaders to deepen their expertise in a particular area (Eigel & Kuhnert, 2016, p. 44-45).

Benefits labeled with "maturity" such as increased self-awareness, empathy, and an expanded worldview can lead to more authentic leadership and better navigation of complex environments (Eigel & Kuhnert, 2016, p. 45-47). However, there are also drawbacks to each

form of growth where vertical growth may lead to discomfort and resistance as leaders confront their biases and limitations; it can also be challenging to balance the need for self-reflection with the demands of leadership (Eigel & Kuhnert, 2016, p. 46) together with the fall pits in lateral growth which may result in a narrow focus, causing leaders to miss out on opportunities for growth and learning in other areas (Eigel & Kuhnert, 2016, p. 47). By looking closer at the framework for how we make decisions throughout our leadership experiences we can determine what part growth and experience plays in decision-making.

### **2.1.2 Navigating changes with system 1 and 2**

In the space of me starting my masters course on NTNU and finishing my thesis we have experienced a global pandemic, the war in Ukraine, and an economic crisis, so I am not making a bold statement by saying the world has been through some bigger changes in the last few years than we are used to. To put these global implications in perspective of the life of an average leader in the tech industry it has meant being able to adjust to changes quickly and adapting to consumer trends that are difficult to predict (Kaspersen, 2023). That is why it is even more interesting to look at what drives us in making the decisions we do and even more so when we are pressured to make them quicker than we would like by approaching this with Kahnemans system 1 and system 2 theory (Kahneman, 2011).

The essence of system 1 is that it is a fast, automatic, and intuitive way of thinking that is responsible for the majority of our everyday decisions and actions. It operates quickly and with little effort, relying on heuristics or mental shortcuts to process information. On the other hand, System 2 is a slower, more analytical, and deliberate way of thinking that requires effort and attention. It is used for tasks that are more complex or require more cognitive resources, such as problem-solving or critical thinking (Kahneman, 2011, p. 17).

Kahneman suggests that while System 1 is useful for making quick decisions and saving mental effort, it is also more prone to errors and biases. System 2, on the other hand, is better at detecting and correcting these biases but can be tiring to use for extended periods (Kahneman, 2011 p. 23-26). By understanding the interplay between these two systems, we can gain insights into how we think and make decisions, and how to improve our decision-making abilities, but how do our cognitive biases affect these systems?

### **2.1.3 The effect of bias in experience**

Cognitive biases highlight the potential for errors in decision-making due to biased thinking (Kahneman, 2011, p. 44-45). This theory is especially relevant for leaders, who often need to make important decisions that can impact their organizations and stakeholders. Cognitive biases can be difficult to recognize and overcome, which can lead to suboptimal decision-making outcomes. However, leadership experience may play a role in mitigating these biases, as experienced leaders may have encountered similar situations before and learned to recognize and avoid these biases (Kahneman, 2011, p. 242). Viewing intuition as tapping into "stored memory" we can relate this to Pavlov's conditioning experiments meaning experienced leaders shape their decision-making through trial and error where they are plausible to repeat what gave them success in similar situations (Kahneman, 2011, p. 243). This might be valid if the environment is regular, and the judge has learned its regularities (Kahneman, 2011, p. 248), but this kind of expert intuition should be evaluated by considering the environmental consistency and the expert's learning history, setting aside

their belief in subjective confidence as it is not a good diagnosis for valid intuition (Kahneman, 2011, p. 249)

However, the theory on cognitive biases does not only highlight the potential for errors in decision-making due to biased thinking but also emphasizes the need for deliberate effort to overcome these cognitive illusions. As system 1 operates automatically and cannot be turned off at will it is prone to errors in intuitive thought which are difficult to prevent and system 2 has no clue to the error which means biases are difficult to avoid (Kahneman, 2011, p. 31). The best we can do is learn to recognize situations where mistakes are likely to happen through experience and try harder to avoid mistakes when stakes are high As system 1 operates automatically and cannot be turned off at will it is prone to errors in intuitive thought which are difficult to prevent (Kahneman, 2011, p. 32). Experience alone may not be enough to prevent cognitive biases from affecting decision-making. Instead, leaders must be self-aware and willing to engage in reflective thinking and critical evaluation of their decisions which includes taking the time to consider alternative perspectives and actively seeking out information that may challenge their assumptions when stakes are high (Kahneman, 2011, p. 30-32). By engaging in deliberate and reflective thinking, leaders may be better equipped to recognize and overcome their biases and make more accurate and effective decisions. This underscores the importance of continuous learning and personal development through challenging and understanding ourselves as a leader who wants to enhance your decision-making skills in complex and dynamic environments.

By exploring the concept of effort in cognitive operations and how different mental processes require varying levels of effort you can pose the questions of what makes some cognitive operations more demanding and effortful than others and what outcomes must be purchased in the currency of attention (Kahneman, 2011, p. 39-40). Stating that effort is required to maintain several ideas which require separate actions or need to be combined according to a rule will explain why system 2 is the only one that can follow rules, compare objects on several attributes, and make deliberate choices between options, while System 1 detects simple relations and excels at integrating information about one thing (Kahneman, 2011, p. 40).

The crucial capability of System 2 in the adoption of task sets allows it to program memory to obey an instruction that overrides habitual responses. This is referred to as "executive control," and it describes the adoption and termination of task sets. This also identifies the prefrontal area of the brain, which is involved in operations that are associated with intelligence (Kahneman, 2011, p. 40).

Difficulties of switching from one task to another, especially under time pressure is one of the reasons that mental multiplication is so difficult and the ability to control attention is not simply a measure of intelligence, as measures of efficiency in the control of attention predict performance in various fields beyond the effects of intelligence (Kahneman, 2011, p. 39-40).

By discussing the effects of time pressure on cognitive operations and the hurried character of tasks that require one to keep several ideas in mind simultaneously we can note that cognitive overload can be avoided by dividing tasks into multiple easy steps, committing intermediate results to long-term memory or paper, and taking time to cover long distances (Kahneman, 2011, p. 40). People conduct their mental lives by the law of least effort, even those who think for a living and overall this provides insight into the role of effort in cognitive

operations and sheds light on the factors that contribute to mental workload (Kahneman, 2011, p. 41). So what signifies effective decision-making for leaders?

#### **2.1.4 Balancing thoroughness and the need for timely action**

Successful decision-making is a balance between the need for thoroughness and the need for timely action. Despite extensive research on the elements that leads to successful decision-making in business, little is understood about what factors influence the success of decisions. This is due to the fact that most research focuses on individual decision makers rather than the decision-making process itself (Nutt, 2008, p. 430-432).

Paul Nutt studied 49 actions made in 24 organizations, including governmental agencies and commercial enterprises, to solve this issue. He studied the decision-making process in each case, taking into account characteristics such as decision-making style, information utilized, stakeholder engagement, and decision-making time frame (Nutt, 2008, p. 427-428). An interesting discovery was that good judgments were distinguished by a number of critical variables. For starters, they had a high degree of stakeholder participation, which meant that a varied variety of persons and groups had a role in the decision-making process and this helped to guarantee that all important views were taken into account. Second, good judgments were frequently reached through a collaborative decision-making method in which individuals collaborated to create a consensus (Nutt, 2008, p. 447).

The quantity of information used was another important component in making good selections where he discovered that effective judgments were often dependent on a variety of information sources rather than a single source or type of data (Nutt, 2008, p. 443). This enabled decision-makers to acquire a more full view of the issue and make better educated choices.

In conclusion, Nutt's research emphasizes the necessity of including stakeholders in decision-making, employing a collaborative decision-making method, and utilizing a varied variety of information sources. Organizations can boost the chance of making effective judgments by doing so.

## **2.2 Experienced Leaders**

### **2.2.1 Are leaders born?**

What is the significance of our experience as leaders? In order to overcome bias we need to establish that leadership is a learning process. We've all heard phrases like "She was born to be a leader" and these remarks are frequently said by those who have a trait-based approach to leadership (Northouse, 2021, p. 68). According to this view, certain individuals have distinct inborn features or attributes that make them leaders, and it is these qualities that distinguish them from nonleaders. On the other hand the process approach views leadership as a phenomena that exists in the context of interactions between leaders and followers and makes leadership open to everybody (Northouse, 2021, p. 69).

Leadership may be noticed in leader behaviors and learnt as a process. If we look at criticism against the trait approach to leadership firstly, there is a vague definition in respect of which traits are deemed necessary for effective leadership (Northouse, 2021, p. 151-152).

Secondly, the trait approach tends to overlook situational factors that can impact leadership effectiveness, presupposing that leadership traits are static across all situations, whereas research has shown that leadership efficacy is context dependent (Northouse, 2021, p. 152). Thirdly, the trait approach places too much emphasis on individual characteristics of a leader and not enough on the dynamic interplay between the leader, followers, and the situation (Northouse, 2021, p. 153). Fourthly, the trait approach puts excessive stock in innate qualities and implies that leadership cannot be developed or learned, whereas research indicates that leadership can be cultivated through training, experience, and feedback (Northouse, 2021, p. 154). Finally, despite the large body of research, the trait approach has not consistently found a robust correlation between specific traits and leadership effectiveness (Northouse, 2021, p. 154-155). This lack of empirical support raises doubts about the trait approach's validity as a forecaster of leadership effectiveness.

Competence in leadership can be built through compelling self-insight exercises, activities, and cases, and applying concepts in various settings, so learning how to be a leader depends on how you reflect upon your experiences (Daft, 2018, p. 24). By establishing that experience plays a part we can raise another question; exactly how does it play a part? The effect experience has on leaders is determined by how we are influenced by it. When facing a challenge do you take the easy route or do you "lean into the challenge and contradictions"? (Eigel & Kuhnert, 2016, p. 191). Leaders who have been in their role for a long time may become complacent and resistant to change, which can hinder their ability to adapt to new challenges and opportunities (Christensen, 2000, p. 155). In addition, leaders who have had negative experiences may become more risk-averse and cautious in their decision-making, which can prevent them from taking necessary risks and making bold decisions (Dobelli, 2014, p. 80-81).

It is important for leaders to reflect on their experiences and how they have influenced their decision-making and leadership style to help them to identify areas where they need to improve and develop their skills and knowledge to become more effective decision-makers and identify our "stuckness" (Eigel & Kuhnert, 2016, p. 202). Understanding ourselves and letting go of our old ways of perception will help our self-authored conclusions (Eigel & Kuhnert, 2016, p. 251). To delve further into this we need to look closer at the experienced leader.

### **2.2.2 The importance of emotional self-awareness and empathy**

What advantages does the experienced leader inhabit? According to Goleman (2010) throughout your experiences the role of the amygdala, a part of the brain that is involved in emotional processing tends to be more finely tuned in response to situations than in the brain of a less experienced leader. This heightened amygdala response can lead to more accurate and nuanced emotional reactions, which in turn can inform better decision-making for the experienced leader (Goleman, 2010, p. 24-28).

The importance of emotional self-awareness and empathy are crucial for effective decision-making and through experience, leaders can develop a greater understanding of their own emotional reactions and those of others, which can inform better decision-making in complex and emotionally charged situations (Goleman, 2010, p. 60-62). Effective leaders are characterized as those who are able to manage and develop their emotions and the emotions of those around them, rather than those who simply have high IQs (Goleman, 2010, p. 68-70).



Further on, a group of structures near the center of our brains called “the basal ganglia” extracts decision rules from our accumulated life wisdom (Goleman, 2010, p. 12). When making a decision, the verbal cortex generates our thoughts, but accessing the subcortical circuitry can provide further inputs from the gut into what we call “gut sense” of a decision being right or wrong which is important information experience leaders rely upon. This can be seen in context with the associative activation to trigger a cascade of activity in the brain where ideas that have been activated activate many others, and most of the work of associative thinking is hidden from our conscious selves (Kahneman, 2011, p. 54-56). Successful leaders use a strategy of consuming information but also testing their rational decision against their gut feeling where the gut sense helps answer questions about purpose, meaning, or ethics (Goleman, 2010, p. 14-15).

## **2.3 How Cognitive Biases Determine our Thoughts**

Despite our best efforts to be rational, human beings are not always capable of making objective decisions. Our emotions, biases, and other irrational factors can cloud our judgment and lead us to make decisions that are not based on facts and reason. This is due in part to the complex and dynamic nature of the world around us, which often presents us with incomplete and ambiguous information, making it difficult to arrive at a truly rational decision. By challenging our irrational ways of thinking we can help ourselves recognise and evade certain biases, which I subjectively admit to exercising as well as being exposed to.

### **2.3.1 Affect heuristic**

An interesting phenomena when looking directly at the decision-making process of a leader is the “affect heuristic” which according to Kahneman's theory is when people often rely on their emotions and intuition when making judgments, especially in situations where they lack complete information or are under time pressure (Kahneman, 2011, p. 13). The affect heuristic can lead to biases and errors in decision-making, as individuals may rely too heavily on their emotional reactions rather than objective analysis of all available information. Leaders who are influenced by the affect heuristic may make decisions that are overly cautious or overly optimistic, depending on their emotional state (Lerner & Keltner, 2000, p. 474-475). While our beliefs can change based on new information, our emotional attitudes often remain relatively stable. System 2, the cognitive process responsible for deliberate memory search, complex computations, and logical analysis, is more of an apologist for the emotions of System 1 than a critic of them. It tends to search for information that is consistent with existing beliefs rather than examining them critically (Kahneman, 2011, p. 105). This is in some way a form of “self-betrayal” where you enter the box and become self-deceived which may result in inflating others faults, your own virtue, value of things that justify your self-betrayal, and blame (The Arbinger Institute, 2010, p. 289) where you see others as objects and tend to have self-focused objectives and behaviors (The Arbinger Institute, 2019, p. 80-82).

The impact of the affect heuristic can be mitigated by taking steps to slow down the decision-making process and engaging in deliberate, analytical thinking where leaders can seek out diverse perspectives and gather as much information as possible before making a decision, to avoid making a choice that is biased by their emotions (Slovic et al., 2007, p. 1346). Additionally, leaders can work to become more aware of their emotional reactions and biases and take steps to counteract them in the form of self-reflection to better understand their

emotional states and thought patterns that lead up to decision-making (Lerner & Keltner, 2000, p. 487-488).

### **2.3.2 Uncovering Biases**

If we could learn to recognise and evade the biggest errors in thinking – in our private lives, at work or in government – we might experience a leap in prosperity. We need no extra cunning, no new ideas, no unnecessary gadgets, no frantic hyperactivity – all we need is less irrationality. (Dobelli, 2014, p. 12)

In today's complex work environment, leaders must make countless decisions every day, and these decisions can have far-reaching consequences for their organizations. However, decision-making is often biased by various factors that can lead to suboptimal outcomes. One such factor is the confirmation bias, which leads us to seek out and interpret information in a way that confirms our pre-existing beliefs, rather than considering all the available evidence (Dobelli, 2014, p. 26-27). Another interesting bias is the sunk cost fallacy, which causes us to continue investing in a project or strategy even when it is no longer rational to do so, simply because we have already sunk resources into it (Kahneman, 2011, p. 353-354). The halo effect is also worth exploring, as it causes us to overestimate the abilities of individuals or organizations based on a single positive trait or characteristic (Dobelli, 2014, p. 93-94). In contrast, the horns effect leads us to make negative judgments about a person or organization based on a single negative trait or characteristic (Dobelli, 2014, p. 94). The availability heuristic is another interesting bias to consider, as it causes us to overestimate the likelihood of events that are more easily remembered or vivid, regardless of their actual probability (Kahneman, 2011, p. 136-137). Finally, the bias of the anchoring effect can have a significant impact on decision-making, as it causes us to rely too heavily on the first piece of information we receive when making a decision (Dobelli, 2014, p. 76-77). Understanding these biases and how they affect decision-making can help leaders make more informed and rational choices for their organizations. The question is; can you be aware of this if you have not experienced it?

## **2.4 The Innovator's Dilemma**

"If it ain't broke, don't fix it" is a classic statement I have come across multiple times while dealing with leaders, but as time consumes me in my current job I find myself starting to adopt these words myself. According to "The Innovator's Dilemma," (Christiansen, 2000) executives who can make bold, innovative decisions will prosper in today's fast-changing corporate world.

What is even more relevant by the day is the fact that successful companies can be overtaken by smaller and more agile competitors as the technological advantages in 2023 seem to be growing rapidly after the pandemic acted as a catalysator for technological advances (McCain, 2023). The dilemma stems from the fact that these successful companies have made decisions that have led to their success, but these same decisions also make it difficult for them to respond to disruptive technologies or business models (Christensen, 2000, p. 100-101).

At the heart of the "Innovator's Dilemma" is the idea that companies often make decisions based on their current customers' needs and wants. These decisions lead to incremental

improvements in products and services that keep customers satisfied and loyal. However, as a company becomes more successful, it can become entrenched in its own processes and ways of thinking. It can become increasingly difficult for it to make the type of bold decisions required to respond to disruptive innovations (Christensen, 2000, p. 88-89).

Disruptive innovations are characterized by their ability to offer a simpler, cheaper, or more convenient solution to a customer's needs or wants. These innovations are often initially dismissed by established companies as being inferior or not relevant to their core business. However, as these technologies or business models mature, they can become serious threats to the established companies (Christensen, 2000, p. 263-266).

Finally, the Innovator's Dilemma emphasizes the need of making decisions that balance short-term objectives with long-term vision. Businesses that are overly focused on their present consumers' demands and desires risk being surpassed by disruptive technology or business strategies. Leaders must build a culture that is open to new ideas, ready to take chances, and focused on long-term success in order to solve the Innovator's Dilemma (Christensen, 2000, p. 242). In the face of disruptive innovation, successful decision-making necessitates a willingness to challenge assumptions, disrupt the status quo, and embrace new ways of doing things (Christensen, 2000, p. 461). In my interviews all my respondents work in the tech industry with some level of previous success, but their experience varies and so it will be interesting to observe if there is a correlation between decision-making and how they face their new challenges.

## **2.5 Willingness to Change**

### **2.5.1 Stuck in a box**

Experiencing different leaders and being a leader myself I believe that everyone would like to be the best version of themselves and that involves making the right decisions. So why do they not? You may stifle effective decision-making and leadership by fostering a "box" mentality (The Arbinger Institute, 2010, p.97-101). This mindset happens when people emphasize their own wants and desires over the needs of others, seeing others as things rather than people with their own needs and goals (The Arbinger Institute, 2010, p.108-110). Furthermore, self-deception can cause people to focus on exterior issues rather than internal ones. Meaning leaders may be biased to blaming failures on other factors rather than admitting their own part in the issue. (The Arbinger Institute, 2010, p. 289).

How do you as a leader "get out of the box" and release your leadership potential? The answer is to continuously be learning and experiencing while refusing to reject others and developing an empathy and understanding perspective toward others admitting that our way of seeing things is not the only one (Eigel & Kuhnert, 2016, 151). In other words you need to experience your own bias and reflect upon it. Transitioning into a more self-aware leader demands letting go of our support system that has previously helped us and challenging the ideologies that have shaped our belief system (Eigel & Kuhnert, 2016, 260). Being innovative is essential for gaining success and having a favorable effect in leadership situations (The Arbinger Institute, 2010, p. 318). Not just knowing this, but to actually "live the material" you need to be concentrating on self-improvement rather than perfection, as well as looking inside to discover one's own boxes rather than blaming others for being in the box. When one realizes they have been in the box, it is also necessary to apologize and keep trying, and to

focus on ways to help others rather than on what they are doing wrong. Finally, rather than worrying about whether others are helping oneself, the emphasis for a leader should be on whether one is helping others (The Arbinger Institute, 2010, p. 319).

### **2.5.2 Awakened leaders**

A qualitative and phenomenological research about "Awakened leaders: born or made?" (Marques, 2010) defines awakened leadership, examines its core, debates whether this leader is born or produced, and evaluates several perspectives on the concept. One definition of an awakened leader is someone who "refuses to put on different hats when it comes to their personality" (Marques, 2010, p. 308). This is debatable if you look at the definition of a "level 5 leader" which argues that clear, compelling values are critical (Eigel & Kuhnert, 2016, 160) together with the ability to live in tension of the contradiction of their opposing values (Eigel & Kuhnert, 2016, 161). This approach makes more sense in regards to an awakened leader being someone who is more of a self-aware with internalized moral perspective, balanced processing, and relational transparency (Northouse, 2021, p. 599). Past experiences have opened the awakened leader up to be more comfortable with "coming to terms that opposites exist and making the best decision for the moment, although they may make a different decision next time. They hold both values in their hands, honoring both and neglecting neither" (Eigel & Kuhnert, 2016, 161)

The components of morals, values, ethics, integrity, honesty, trust, kindness, forgiveness, courage, love, and profound listening are revealed to be integral in the research based on 11 different awakened leaders (Marques, 2010, p. 308). The findings have practical consequences for leaders who need to reevaluate their talents in order to operate well in an interconnected society. Leaders may use reflection to improve their poor abilities and assess their work environment to reduce issues that limit the practice of awakened leadership in their company. The report identifies awakened leadership as a multifaceted and all-encompassing leadership trend (Marques, 2010, p. 307), but why strive for the awakened leadership? The impact of globalization on organizations in a dynamic culture brings the need for a different type of leader who can navigate cultural differences and foster an environment of acceptance and mutual respect. The internet and technology have made it easier for organizations to operate globally, but leadership is needed to ensure effectiveness and efficiency. That is why leaders need to develop sensitivity and insight into cultural differences to avoid conflicts in the workforce through trust and credibility (Marques, 2010, p. 309). Further exploring the term "cultural differences" is not just what part of the world you originate from, but in today's workplace, especially in tech firms which I have worked in, it is more about what generation you belong in. So in other words the emphasis on what would previously be perceived as "softer values" are important if you are to be perceived as an authentic leader (Marques, 2010, p. 317).

What is interesting in this study is that all the respondents were leaders who were looked upon as successful and had excellent reputation (Marques, 2010, p. 310), but they all mentioned that something drastic had happened throughout their life, related to making errors, but that this experienced changed them, and "opened their eyes" (Marques, 2010, p. 312). This relates to the triggers we need to transition in the form of challenges, and choosing to lean in to these (Eigel & Kuhnert, 2016, 137) and how making errors and acknowledging what we did wrong can spur our growth (Eigel & Kuhnert, 2016, 138). The conclusion we can draw from this is that experience made them the leaders they are today,

because they were curious about themselves, and were willing to leave a state of comfort to change.

## 2.6 Uncovering the Impact of Culture on Decision-Making

In order to understand what impacts our decisions it is important to have a look at what is rooted in our business culture. Through experience the aspect of culture is something we adapt to fit in, and as workers we observe the work environment and how people interact. "Culture is beneath awareness in the sense that no one bothers to verbalize it, yet it forms the roots of action" (Hampden-Turner & Trompenaar, 2020, p. 154). In Norwegian business culture there is a focus on individualism, achievement, and competitiveness, which can result in a more assertive and independent leadership style (Hampden-Turner & Trompenaar, 2020, p. 254). We tend to communicate directly and prefer explicit statements over indirect communication and reading between the lines (Hampden-Turner & Trompenaar, 2020, p. 94). A lot of culture comparisons are directed at global scale and meant to explain the difference between the east and the west, but it is not necessary to travel to a new continent to experience cultural changes, and in my experience it might be enough to change companies within the same neighborhood. Even so there are some elements that are constant like "time" which is often viewed as a scarce resource that must be used efficiently, resulting in a more structured and process-oriented leadership style (Hampden-Turner & Trompenaar, 2020, p. 96-98).

Change and innovation are highly valued in Norwegian business culture, leading to a more adaptive and flexible leadership style where the concept of egalitarianism is emphasized, resulting in a more participatory and democratic leadership labeled in the categories of "incubator" or the "guided missile" where the role of the leader is to set a clear vision and provide guidance rather than micromanaging or controlling every detail (Hampden-Turner & Trompenaar, 2020, p. 980). Risk-taking and experimentation are encouraged, resulting in a more entrepreneurial and visionary leadership style.

If we want to get to the root of decision-making through experience we need to acknowledge that leaders are expected to lead by example and demonstrate a strong work ethic. Communication is viewed as a two-way process that requires active listening and open dialogue where they are evaluated based on their ability to achieve results and meet performance targets, emphasizing the importance of effectiveness and efficiency (Hampden-Turner & Trompenaar, 2020, p. 789). "A corporate culture has a profound effect on an organization's effectiveness, because it influences how decisions are made, how human resources are used, and how the organization responds to the environment" (ibid., p. 785-786). Through experience we learn to contribute to our business culture and observe our role as someone who is there to help others (Eigel & Kuhnert, 2016, 288) and this can be a way of avoiding bias in decision-making by looking at ourselves as part of something bigger.

### 3. Methodology

In order to delve deeply into each informant's experiences, this master's thesis uses a qualitative research method with a phenomenological perspective (Johannesen et al., 2019, p. 78). This type of method resonates well with my genuine interest in how each interviewee interprets their experiences connected with decision-making. To define and organize the phenomenological research of the relationship between decision-making processes and the experience from my participants, I specifically employ the Interpretative Phenomenological Analyses/IPA (Smith, Flowers, & Larkin, 2009).

Interviews were conducted one on one with a physical meeting with a semi-structured in-depth frame where an interview guide formed the starting point of the conversation hoping to reveal if the participants are aware of where their decision-making origins come from.

#### 3.1 Qualitative Method, IPA, and Decision-Making

Because decision-making processes are complicated phenomena, I chose IPA and qualitative research. This research approach requires gathering and evaluating non-numerical data, which allows for a deeper investigation of individual leaders' experience and in contrast to quantitative research, qualitative research is focused on producing rich and thorough descriptions (Johannesen et al., 2019, p. 93), which fits my objective of delving into the minds of leaders well.

IPA is a qualitative research methodology that aims to explore individuals' subjective experiences (Smith et. al, 2009, p. 7), and because decision-making is deeply rooted in the individual's point of view, it is a methodology that can assist me in providing an in-depth examination of people's experiences, feelings, and interpretations (Smith et. al, 2009, p. 46). IPA is particularly well suited to investigating how people think while making decisions because it allows for the examination of the meanings and interpretations that different leaders attach to their experiences (Smith et. al, 2009, p. 16).

Furthermore, IPA is founded on three philosophical disciplines: phenomenology, hermeneutics, and ideography and I will introduce all of them in this section as they enable a flexible and iterative approach to data analysis (Smith et. al, 2009, p. 9), which is especially valuable for investigating complex and dynamic decision-making processes. The necessity of introspection is also emphasized by IPA (Smith et. al, 2009, p. 29), which means that researchers must be conscious of their own biases and preconceptions throughout the study process.

Overall, IPA and qualitative methodologies can be effective tools for uncovering how individuals think while making decisions. As a researcher I can acquire a better grasp of the subjective sensations and interpretations that underpin decision-making processes by employing these strategies and this is especially important in domains that I will explore like psychology, sociology, and business (Smith et. al, 2009, p. 24), where understanding decision-making processes is essential for devising clear and effective strategies.

### 3.2 Why Phenomenology?

Phenomenology is a way of thinking in philosophy that concentrates on exploring how individuals experience and comprehend their surroundings (Smith et. al, 2009, p. 15). By applying phenomenology in research, it can be a useful approach to understanding how people interpret and experience their environment. This perspective provides valuable insights into how participants perceive themselves and make decisions while in-depth interviews utilizing phenomenology can give a unique perspective on leadership decision-making processes (Johannesen et al., 2019, p. 169).

Phenomenology, which originated with philosopher Edmund Husserl, is a valuable approach that prioritizes the real-life experiences of individuals. Husserl emphasized the importance of bracketing or setting aside one's preconceptions and biases when exploring these experiences (Smith et. al, 2009, p. 16). When researchers use phenomenology to study leadership, they can gain insights into how participants see themselves as leaders and how this influences the decisions they make. This can be done by examining the subjective experiences of participants delving into the way they think, feel and perceive their surroundings, all in the context of their leadership roles, while remaining mindful of the need for the after use, or bracketing of assumptions (Johannesen et al., 2019, p. 171).

### 3.3 The Paradox of Bias

Another strength of phenomenology is its flexibility and adaptability (Smith et. al, 2009, p. 45). Phenomenological analysis can be tailored to the specific research questions and goals of the study. This means that researchers can develop a nuanced and detailed understanding of the decision-making processes of participants in the context of their leadership role. How I as a researcher decode is essential to how I perceive the material I get out of my interview subjects (Johannesen et al., 2019, p. 172) and in this matter it is a paradox that while I seek to uncover hidden bias I stand in danger of applying my own bias to this research. To suspend my own bias I used the method of bracketing and was open to the fact that my preconceptions were present, but they not to be presented in the analysis.

The concept of the hermeneutic circle is a fundamental idea in hermeneutic theory that describes the dynamic relationship between the part and the whole. While taking in the answers from your participants you try to look at both the details they give up, but also the bigger picture (Smith et. al, 2009, p. 30). IPA researchers need to be aware that their interpretation of the data is shaped by their own biases and perspectives as Gadamer stated that the hermeneutic circle allows us to see beyond our own prejudices (Smith et. al, 2009, p. 29), and in the context of leadership and decision-making, it is important to engage in critical reflection of one's assumptions and perspectives.

To be able to get the essence out of what my subjects try to convey I categorized my biases and bracketed them in accordance to what is important to my study before starting the interview process. The transcription was put into brackets where questions linked to what the subject actually said were put next to each other (see appendix F). To code the interview is just a part of the process where I try to get a hold of the subject's opinion and put it into a system which will help me interpret the data when I go through my findings (Johannesen et al., 2019, p. 173).

### **3.4 Various Truths and Meanings**

Hermeneutics is the examination of interpretation when exploring the relationship between experience, decision-making style, and cognitive biases. Hermeneutic principles were established by scholars such as Schleiermacher, Heidegger, and Gadamer, who emphasized the importance of comprehending the context of the text and the hermeneutic circle, which is the connection between understanding and interpretation (Smith et. al, 2009, p. 24). When interpreting, hermeneutics opens the door to various truths and meanings and according to Schleiermacher, interpreting a text required comprehending the author's intent, whereas Heidegger argued that understanding was an interpretation and contextualization process. Gadamer expanded on Heidegger's concept, stressing the hermeneutic circle and the skill of navigating it (Smith et. al, 2009, p. 29-30). IPA applies these hermeneutic principles to examine participants' subjective experiences and interpretations concerning their leadership roles and to disclose insights into the effect of cognitive biases on decision-making and leadership potential (Smith et. al, 2009, p. 31).

Idiography is a branch of psychology that focuses on the particular rather than the general. Unlike most psychology, which is legislative and concerned with making claims at the group or population level, idiography is interested in understanding how particular experiences are understood from the perspective of particular people in a particular context (Smith et. al, 2009, p. 31). This means that IPA, a type of idiography, is committed to analyzing data thoroughly and systematically, and using small, purposively selected and carefully-situated samples to gain a deeper understanding of subjective experiences.

It's important to note that idiography's focus on the particular does not mean it is solely focused on the individual. The phenomenological view of experience is complex and recognizes that experience is uniquely embodied, situated, and perspectival, while also being a worldly and relational phenomenon, being in tone with my exploration of experience versus decision-making on both an individual and group level. Because experience is in-relation-to, it is not a property of the individual per se, but a given person can offer a personally unique perspective on their relationship to various phenomena of interest (Smith et. al, 2009, p. 31)

### **3.5 Qualitative Semi-Structured Interview**

Qualitative Semi-Structured Interview is a valuable approach for exploring complex and nuanced phenomena. Unlike standardized surveys, semi-structured interviews allow for open-ended questions that encourage participants to reflect on their experiences in their own words, without being constrained by pre-determined response options (Johannesen et al., 2019, p. 171). This approach provides rich data that captures the unique perspectives and lived experiences of participants. Additionally, the semi-structured nature of the interviews allows for flexibility and adaptation to the particularities of each participant's story, while still maintaining a degree of consistency across interviews. Moreover, I can ask follow-up questions to clarify and deepen my understanding of the participant's experiences, which allows for a more nuanced and detailed analysis (Johannesen et al., 2019, p. 171). Overall, semi-structured interviews are a valuable method when seeking to explore complex phenomena in a way that captures the richness and diversity of individual experiences.

After talks with my supervisor I was put on a path towards in-depth interviews and through reading other master theses on relatable subjects to mine I understood that a semi-



structured interview would suit my approach well. In order to create sufficient application for the NSD (Norwegian center for research and data) I needed to be careful with my wording and at the same time ask somewhat open and exploratory questions (Smith et. al, 2009, p. 66). The first step in creating an interview guide for a semi-structured interview was to identify the research questions and objectives. This helped me determine the topics that should be explored during the interview (Johannesen et al., 2019, p. 147). From there, I created open-ended questions that allow participants to freely express their thoughts and feelings on the topic.

It was important to avoid leading questions that may bias the responses or steer participants towards a particular answer. Instead, questions were open-ended and phrased in a way that encouraged participants to share their experiences and perspectives in their own words.

I also tried to ensure that the questions flow in a logical order so that the conversation remains focused and relevant to the research objectives. The guide included prompts or follow-up questions to encourage participants to elaborate on their responses and clarify any points that may be unclear (Johannesen et al., 2019, p. 148). After feedback from my supervisor I revised my questions so that they were more in line with my theory keeping the transition from level 3 to level 4 in mind (Eigel & Kuhnert, 2016, p. 246-247) to explore if they were self-aware and had seen the weakness in their own thinking, as well as keeping questions more open, and less biased.

### **3.6 Grappling with Double Hermeneutic**

When I conduct an interview, I recognize the importance of using the interview guide in a flexible way. While it serves as a useful guide and can provide helpful prompts for phrasing questions and transitioning from broad topics to more specific ones, it is not an inflexible structure. As the interviewer, I aim to be an active listener and co-participant in the conversation, which means being open to the direction in which the participant wants to take the discussion (Smith et. al, 2009, p. 66). Ultimately, my goal is to create a comfortable space for the participant to share their thoughts and experiences, and adapting to their needs and interests is a key part of achieving that. The reason for this approach is my purpose to interpret the context of leadership experience and decision-making where I am trying to distance myself and my own opinions to gain new knowledge on a topic unknown to me as a researcher (Johannesen et al., 2019, p. 156), but known to me from a subjective perspective as a leader and subordinate.

As I engage in IPA, I find myself grappling with what is known as a "double hermeneutic." My task is to not only understand the participant's interpretation of a particular phenomenon, but also to interpret their interpretation (Smith et. al, 2009, p. 37). This highlights my dual role in the process, where I am both similar to and different from the participant. I relate to the participant as a fellow human being who uses everyday experiences to make sense of the world. However, I also recognize that I am not the participant and my understanding of their experience is limited to what they choose to share with me, which is inevitably colored by my own experiences and perspectives. As a result, I view the participant's interpretation as "first-order" meaning, while my interpretation is "second order" (Smith et. al, 2009, p. 37). My fear regarding this is that when you interpret an interpretation your lack of objectivity might cause you to get lost in translation.

When doing my qualitative research interview and trying to steer clear of my subjective interpretation I found it helpful that I could rely on my interview guide in the sense of a semi structured interview as this helped my stay on the same path for each interview and not taking the mental shortcuts fueled by my own bias which would had led me to ask follow up questions which would have suited my narrative of creating characters who were easy to analyze, instead of human beings with complex and diverse experiences.

### **3.7 Choosing Participants**

I gave much thought to who I wanted to interview for my research as I saw this as an opportunity to explore different mindsets of a selection of leaders which fascinated me in various ways as I either knew them as previous business partners, colleagues, or customers in the tech industry. My initial concern was that I would not be able to uncover all of the possibilities in different decision-making styles from a few in-depth interviews, but after consulting with my supervisor he made me realize that by choosing this approach there would be a spectrum of experience that might be more complex, but also more valuable. In addition I would be able to look at literature that was connected directly to my findings from the interviews.

Choosing participants I decided upon interviewing five different leaders who were all experienced (Johannesen et al., 2019, p. 114), but the aspect I knew separated them the most was how I perceived their decision-making styles which would insure the different angles related to my problem statement (Johannesen et al., 2019, p. 111). Through typology (Johannesen et al., 2019, p. 118) some of them were known for making quick decisions and others were more “thinkers”, but common to all of them was that they were seemingly successful in their jobs as tech leaders and respected.

As I prepared for my research study, I made sure to provide participants with clear information about confidentiality and ethical approval. To do this, I created an information letter and consent form (found in appendix A and B), which outlined the key details of the study and what participants could expect if they chose to take part. This included information about how their data would be stored and protected, as well as approval from NSD (see appendix C) to ensure that the study met appropriate ethical standards. By providing this information up front, I hoped to create a sense of trust and transparency with my participants, and to ensure that they felt comfortable and informed about their involvement in the study.

### **3.8 Face to Face**

To ensure full and detailed descriptions of the interviewees' interpretations, emotions, experience, understanding, and reflections upon decision-making I decided to do a one on one interview face to face. In order to get the most out of the IPA methodology you have to explore the participant's unique perspective and interpretation of a phenomenon, which can often involve subtle nuances and complexities that may be difficult to capture through other research methods (Smith et. al, 2009, p. 66). By conducting interviews in person, I can build a rapport with the participant, and establish a sense of trust and openness that may not be possible through other means (Smith et. al, 2009, p. 67). This, in turn, allows me to ask follow-up questions and to probe deeper into the participant's experiences and perspectives. Additionally, in-person interviews offer nonverbal cues that can add important context and

insight to the data, such as changes in facial expression, tone of voice, and body language (Sturges & Hanrahan, 2004, s.110). While other research methods may have their own benefits, I find that face-to-face, in-depth interviews are the most effective way to gather rich, nuanced data that is central to the IPA method.

I changed my approach during my first interview. I noticed right away that the quality of the answers I got from my first interviewee was sub par from what I knew was possible to get from such a reflective individual. I therefore stopped the interview and the recording, and started off just talking in a more normal conversational type of approach. This made it easier to establish rapport with my respondents (Smith et. al, 2009, p. 64-65). It felt like we started more lightly and built a common ground with trust before we went on to do the actual interview. This was a valuable lesson for me, as it made me aware that I had to schedule more time to do an informal start in order to get the quality of the good conversation I wanted from my interviews. After transcribing my first interview I got an insight into the effectiveness of the interviewing strategy and I felt more secure from my second interview and onwards.

### **3.9 Transcription**

In line with the IPA approach, my focus during transcription was on interpreting the meaning of the participants' accounts rather than delving non-verbal utterances, which are emphasized in conversation analysis. This allowed me to concentrate on the content and uncover the underlying themes and perspectives.

To streamline the transcription process, I followed a selective approach, only transcribing information that would be subjected to analysis. By considering the specific requirements of my research, I tried to ensure that the features of social interactions I transcribed were relevant and insightful (Smith et. al, 2009, p. 74).

For a semantic record of the interviews, I transcribed all spoken words, employing conventional spelling unless unconventional words were used. I was particularly focused on noting how the individuals felt or reacted to my questions as the value of non-verbal communication was the reason I chose face to face interviews. This also helped me to guide the interview in the right direction with active listening and allowing the participant sufficient time to respond (Smith et. al, 2009, p. 66). This approach enabled me to capture the participants' experiences and insights in a meaningful and comprehensive manner, contributing to a rich interpretation of the research data.

### **3.10 Data Analysis in Relation to the Hermeneutic Circle**

The analysis of data began by creating transcripts from my interviews. I started off with the questions and then put each participant's answers in separate brackets next to the transcript which served as observations and reminders for potential layers of analysis as the data unfolded during the analysis process (see appendix F).

Following that, a framework was developed, comprising three distinct categories. The first category focused on descriptive comments, where a close adherence to the participants' descriptions without interpretation allowed for a more in-depth exploration of their lived

experiences (Smith et. al, 2009, p. 84). Keywords were used to represent the topics mentioned.

The second category involved linguistic comments, capturing specific elements such as words, phrases, sentences, thinking pauses, confusion, fluency level, metaphors, and laughter, which helped understand the participants' use of language.

The third category encompassed conceptual comments, providing room for introspection and exploration at a conceptual level. This facilitated a deeper examination of how the data could be analyzed, considering the influence of individual components and the overall understanding of the matters discussed. In this category, there was a shift from focusing solely on the participants' statements to identifying broader themes, and questions were sometimes brought in as an interrogative tool to help me analyze the theme at a more conceptual level.

The challenge I found was the balance between being a good interviewer and a thorough researcher. The first role required me to engage in order for it to be a dialogue and not a monologue, but at the same time keeping in mind that my perception was not the one I was after so my own opinions were not to affect my subjects. The third category of my analysis was therefore the most challenging one where I had to strike a balance between the dynamic and creative aspects of analyzing. Personal thoughts and perspectives were documented throughout the process to maintain a record of the reasoning leading to conclusions. This approach aimed to ensure a balance between creativity and maintaining a participant-centered focus, rather than solely focusing on the researcher's perspective (Smith et. al, 2009, p. 36-38).

### **3.11 Quality of my Studies**

As a qualitative researcher in a field where the definition of quality is somewhat dynamic, I chose to use the Johannessen, Tufte, and Christoffersen's (2019) framework to evaluate the quality of my studies. This framework includes four criteria: reliability, internal credibility, external credibility, and objectivity.

Reliability is the first criterion that I consider when evaluating a qualitative study. I look for evidence that the research methods and data analysis techniques are consistent and dependable. This can be demonstrated through the use of audit trails, and detailed documentation of the research process (Johannessen et al., 2019, p. 229).

Internal credibility is the second criterion that I consider. I assess whether the study accurately reflects the experiences and perspectives of the participants. To enhance internal credibility, I looked for evidence of multiple sources of data, member checking, and reflexivity on the part of the researcher (Johannessen et al., 2019, p. 230).

External credibility is the third criterion that I consider. I assess the extent to which the research findings can be generalized to other settings or populations. To enhance external credibility, I look for evidence of purposive sampling, the inclusion of diverse participants, and thick description to ensure that the research findings are grounded in the experiences of the participants (Johannessen et al., 2019, p. 231).

Finally, I consider the degree of objectivity in a study. Objectivity refers to the extent to which the researcher is able to remain impartial and free from personal biases or values. I look for evidence of reflexivity, transparency, and the use of multiple researchers to ensure that the research is not influenced by the biases of a single individual (Johannessen et al., 2019, p. 232).

In conclusion, Johannessen, Tufte, and Christoffersen's framework provides a useful set of criteria for evaluating the quality of qualitative research. By assessing reliability, internal credibility, external credibility, and objectivity, I am able to ensure that my research is robust, credible, and relevant to the broader field (Johannessen et al., 2019, p. 229)

### **3.12 Ethical Concerns**

Ethical concerns are critical in research, and a thorough framework for ethical research conduct that aligns with the standards defined by Norway's National Council for Research Ethics in the Social Sciences and Humanities (NESH) is essential (Johannessen et al., 2019, p. 85). By sticking to these principles and standards, I may guarantee that my research is performed in an ethical manner that respects participants in the study' rights and autonomy (Johannessen et al., 2019, p. 83).

One of the most important ethical considerations in qualitative research is access to and use of personal data. I was aware of the need to protect the privacy of research participants and to ensure that any data collected is anonymized to protect their identities (Johannessen et al., 2019, p. 88). By obtaining informed consent for data sharing, and ensuring that any data shared is done so in a responsible and ethical manner I have a responsibility to follow through and have done this by storing data securely based on the NSD standards. I made sure that participants were fully informed about the nature and purpose of the research, and that they understood their rights as participants where they are given the opportunity to withdraw their consent at any time without any negative consequences (Johannessen et al., 2019, p. 88).

Furthermore, I had a duty of confidentiality and anonymity to my research participants. I took all necessary steps to protect their identities and personal information, and ensure that any data collected is kept secure and confidential. Participants were assured that their personal information would not be disclosed to any third parties without their consent (Johannessen et al., 2019, p. 90).

As the tone in my interviews were quite good and we were always building up rapport in the start of the conversations there were sometimes challenges related to the informant sharing personal reflections which were in line with the questions, but might borderline "oversharing". When this happened I made a note and revisited the statement after the interview and made sure that it was removed from the transcript and in line with what was promised regarding personal data and anonymity.

## 4. Findings

In this chapter, I will present my findings and themes from analyzing my interviews with the different leaders presenting their perspectives on decision-making through a qualitative research design. To be able to understand the complex nature of leadership decision-making, I used an interpretive analytical approach to the subjects and phenomena. Through this approach, I aimed to gain a deeper understanding of the decision-making strategies and processes used by leaders in different contexts. Starting with nine categories I then narrowed it down to four themes that I will present in this chapter.

Part four's themes are intended to provide an overview of the study as well as some possible interpretations based on the interviews. In chapter five, a more nuanced and expanded examination of theory on these topics will be offered.

The following themes will be presented in my findings:

- Decision-Making approaches and styles
- Impact of organizational factors
- Dealing with discomfort
- Leadership styles and adaptability

For a complete overview of both the interviews and all nine categories, see appendices E and F.

To keep my informants anonymous I have given them the fictional names: Devin, Aaron, Winston, Miranda and Austin.

### 4.1 Decision-Making Approaches and Styles

#### 4.1.1 Piloting thinking process and learning from experience

During the analysis of the interview transcripts, a significant theme emerged related to the participants' decision-making approach, which was characterized by Miranda as a "Piloting thinking process." She expressed her inclination towards an active and experimental (referred to by her as "piloting") mindset eagerly, almost sitting at the tip of her chair, when making decisions and shared her preference for practical exploration rather than relying solely on theoretical analysis.

*My day consists of making decisions. We decided to propose a workation (term for a vacation where you work) in the company and put forward a proposal that it should be piloted. Trial, error, learn. Before making a decision I consult my gut and ask myself why, how and what? -What has worked for me in the past? A good dose of experience always comes into play when making my decisions. -Miranda*

An important aspect of this "piloting thinking" process was the participants' reliance on past experiences as valuable input for their decision-making. They acknowledged the lessons learned from previous successes and failures and considered them as valuable guides in their current decision-making processes. Miranda stated that both positive and negative

experiences were valuable sources of knowledge, understanding that learning can arise from both successful outcomes and setbacks. This reliance on experiential knowledge empowered her to navigate complex situations with greater confidence and efficiency.

Moreover, the participants found a sense of comfort and personal growth in embracing this “piloting thinking” process. Austin viewed it as a sign of maturity and capability as leaders, going beyond instinctual responses and adopting a more systematic approach to decision-making. This mindset allowed him to thrive in fast-paced and demanding environments.

*If you want to be fact-based and have an analytical approach, and know that jumping to conclusions can be a very scary trap to fall into, then the sum of fact-based and numbers at the bottom, supplemented by the ability to recognize a situation, will guide you to the right choice -Austin*

Aaron emphasized the significance of avoiding the repetition of past mistakes. He understood the value of applying the lessons learned from previous experiences to prevent similar errors and improve decision outcomes. Together with Winston he embraced a growth mindset, emphasizing the importance of continuous learning and personal development.

*Always try to test what you learn in your own organization. Changes are necessary. If you don't change, you stiffen. -Winston*

Devin, Aaron, and Winston emphasized the benefits of exchanging insights and knowledge with colleagues, mentors, and industry professionals. By tapping into the collective wisdom of their networks, participants expanded their perspectives and gained new insights that influenced their decision-making.

#### **4.1.2 Relational and cultural decisions**

The significance of taking into account the relational aspects of decision-making was emphasized with the need to consider the potential impact of their decisions on individuals, teams, and stakeholders involved. Building strong relationships, fostering open communication, and seeking input from others were identified as crucial practices for making decisions that valued and respected the people affected by them.

*When it comes to decisions within HR-management, especially in tough times, I have found that you need to be “cold” in your analysis, but “warm” when you implement your decisions. -Austin*

This is not in line with Devin’s view as he clearly states:

*If it is too cynical and cold, I won't have anything to do with it. This has helped me to be solution-oriented and have a positive mindset where I always consider my alternatives. I want to challenge my own decisions, but I will not compromise when it comes to my integrity. I don't care what the outcome is for me as long as the people I care about are not harmed. -Devin*

This might indicate that the leader's personality somewhat rubs off on their leadership style as Devins definition of integrity was not the same as Austin’s.

Cultural awareness and sensitivity were also highlighted as essential factors in decision-making. The participants acknowledged the influence of organizational culture, values, and norms on their choices, but had different views on how to approach them.

*Starting a new job it is crucial to understand the culture of the company. Culture and hierarchy go together, and this is not possible to obtain by reading an organizational chart. Who are the key people and ambassadors? I'll give you a clue: It's not the ones with the most fancy titles. My interest is in people. BUILD trust and relationships through asking questions, listening and understanding. -Miranda*

She recognized the importance of aligning decisions with the cultural context of her organization and considering the potential implications for diverse cultural backgrounds. By integrating cultural perspectives into her decision-making, she aimed to create an inclusive environment that respected and embraced the diversity within their teams and organizations.

Culture plays a part on decisions, one way or the other:

*I once became a part of a culture that was more concerned with fact-based decisions than I was. This challenged me to go against my gut feeling, but it was inclined to challenge this. It felt so good to correct one's own assumption. It even felt enlightening -Aaron*

*I was confronted by someone after working briefly as a manager for a firm. I was made aware that I had certain behavior patterns which I think I had inherited from my previous boss that were not experienced as good communication. When I was made aware of this behavior, it dawned on me that the reason I did not have any chemistry with certain subordinates at my new job was my lack of adapting to the new culture. I needed to change -Winston*

#### **4.1.3 Gut feeling and intuition**

All of the respondents acknowledged the presence of a subtle yet influential sense, often referred to as a gut feeling, which guided their choices alongside logical reasoning. This theme brought out the longest pauses and was clearly what made the participants ponder the most.

Gut feelings were described using metaphors, anecdotes, and examples with implicit meanings or an attempt on explicit rational explanations.

Describing this gut feeling as an intuitive hunch or an inner knowing that provided valuable information beyond what could be consciously explained. It acted as a silent alarm or a guiding force, alerting them to potential risks, opportunities, or underlying dynamics. Despite its intangible nature, they recognized it as an essential component in their decision-making toolkit.

*Experience is really just that you recognize things and the simple decisions are easier to make with experience. Problems I have encountered before are easy to solve. Much of what I do during the workday is based on experience. Intuition will improve over the years with the help of experience, but you can't just look back to look forward - Winston*



Intuition, as participants expressed, was not a mystical concept but rather a product of their accumulated experiences, knowledge, and expertise. It represented a subconscious mechanism that allowed them to tap into a deeper level of understanding. Through intuition, they could discern patterns, anticipate outcomes, and navigate complex or ambiguous situations. It was a result of their innate ability to recognize familiar patterns and draw upon useful knowledge acquired over time.

*What you eventually become is good at recognizing challenges. My secret is that the challenges are the same today as they were 40 years ago. The toolbox is just different. The questions are the same, but the answer is adjusted according to society and market development. -Aaron*

Gut feelings acted as initial triggers, prompting them to delve deeper into the decision context. This involved gathering relevant information, seeking input from others, and conducting a thorough evaluation before reaching a final decision.

When did they rely on gut feelings over factual decisions? All respondents pointed out consequence and time to decide as the two main factors where gut feelings typically were used in low risk or short time decisions.

## Summary

The participants acknowledged the importance of drawing upon their past experiences when making decisions. They found value in learning from both their successes and failures, using those insights to navigate complex situations with confidence. Embracing a mindset of continuous growth, they emphasized the significance of ongoing personal development. They also highlighted the benefits of exchanging knowledge with colleagues and industry professionals, which enriched their decision-making process. In summary, the participants recognized the significance of leveraging past experiences to make informed and effective decisions.

## 4.2 Impact of Organizational Factors

### 4.2.1 Organization size

The analysis of the data shed light on the theme of how organization size impacts decision-making processes. Miranda, Aaron and Austin recognized that the size of the organization significantly influenced their thinking patterns and approaches to decision-making.

They acknowledged that larger organizations presented unique challenges in decision-making. The scale and complexity of decisions necessitated a more comprehensive analysis, taking into account a multitude of factors and considering the long-term consequences. In contrast, they noted that decision-making in smaller organizations had distinct characteristics with the close-knit nature of smaller teams allowing for more direct communication and collaboration, enabling faster decision-making.

*I feel some satisfaction from having insight and experience. But I feel the need to legitimize this as well, and especially in working in bigger organizations. A manager who makes too many quick decisions based on his own experience can create*

*uncertainty if you do not explain why you do what you do to your subordinates. You must have the team with you even if you see the solution ever so clearly. To me there are two types of leaders: if you are clear in your goals, you are moderate in your actions, and the ones that are unclear in their goals, can appear unclear in their behavior. -Aaron*

Furthermore, Miranda recognized that decision-making in larger organizations often involved navigating hierarchical structures and considering the prevailing organizational culture. At a point she laughed at her own naivety before stating:

*I used to believe that culture was the same in different organizations, but starting a new job I couldn't see where the decision-making authority was through an organizational chart, as the true decision makers were rooted in the culture. Experience does not help you if you underestimate the culture. -Miranda*

On the other hand, decision-making in smaller organizations provided Austin with greater autonomy and direct involvement in various aspects of the decision-making process. The smaller team size facilitated smoother communication, enhanced collaboration, and fostered a stronger sense of ownership and accountability for the decisions made.

*Driving processes is the most important thing for a leader. Leading one to one like all founders do is easy, but as the organization grows the leader will have to lead through the next level, and you will not be better than by being able to build an organization that can lead through all levels. -Austin*

#### **4.2.2 Initiatives, autonomy and building trust**

One prominent theme that emerged from the analysis of the interview transcripts was the participants' emphasis on the importance of individuals taking proactive initiatives and having the freedom to make decisions based on their expertise and judgment.

Devin and Winston highlighted the value of empowering employees to take ownership of their decisions within their roles giving them clear mandates. They emphasized the need for a supportive environment that encourages autonomy, as it leads to increased employee engagement and satisfaction, as well as more innovative and effective decision outcomes.

*As a manager, it is easy to support employees in the direction they have chosen to go, as long as they have thought it through and presented a plan. They usually just need to be seen and heard. Then I feel happy to be involved and that I have contributed by assisting and empowering others. I think it's a good way to have others come up with ready-made alternatives and make them work and think a little for themselves. -Winston*

Additionally, Miranda stressed the benefits of distributing decision-making authority across different levels of the organization. By giving teams and individuals more autonomy, organizations can respond more quickly to challenges and opportunities and facilitate a more agile decision-making process.

Trust was identified as a critical factor in promoting initiatives and autonomy. Creating a culture of trust, where individuals feel supported and their decisions are respected, allows for

calculated risks, independent decision-making, and learning from experiences, ultimately driving organizational growth and success. Establishing and nurturing relationships through asking questions and understanding other perspectives contributed to a healthy work environment and inclusive decision-making process.

*There was a situation in the company where we had to re-prioritize things. I was responsible for culture and HR and went into the meeting with a list of priorities thinking it was wrong to state my priorities first. I sat all day and listened and gained so much insight in this meeting that I readjusted my priorities. The effect was a more correct priority list for me, and ownership to the list from the workers. Who knew listening could do so much good? -Miranda*

## Summary

The study found that the size of an organization has a substantial impact on how decisions are made. Larger organizations face specific challenges that demand a thorough analysis and consideration of various factors, whereas smaller organizations benefit from their close-knit teams, allowing for quicker decision-making through direct communication and collaboration. Decision-making in larger organizations often involves navigating hierarchical structures and considering the prevailing organizational culture, whereas smaller organizations grant more autonomy and direct involvement in the decision-making process. Encouraging proactive initiatives and empowering employees to make decisions based on their expertise and judgment leads to higher engagement, satisfaction, and more innovative outcomes. Additionally, distributing decision-making authority, fostering trust, and building relationships contribute to a positive work environment and overall success.

## 4.3 Dealing with Discomfort

### 4.3.1 Lack of insight and information

A theme that emerged from the analysis of the interview transcripts was some of the participants' awareness of the negative consequences resulting from a lack of insight and information in decision-making.

*If I can choose, I prefer to make choices slowly rather than hastily. If possible I want to postpone decisions and wait. My worst decisions in my life tend to be quick decisions which lacked a well-founded basis. -Devin*

There was some acknowledgement that a lack of insight and information could lead to an incomplete understanding of the problem, limited options, and suboptimal decision outcomes. Aaron reflected on this and elaborated on his own mantra while chuckling a bit:

*When you are in a hurry and have to make quick decisions your thoughts can often be all over the place. My old boss had this saying that stuck with me: "I didn't have time to write you a short letter so it became a long one". -Aaron*

Furthermore, several of the participants highlighted the value of seeking diverse perspectives and challenging your own assumptions to overcome blind spots and biases. They emphasized

the need to gather insights from various sources, including colleagues, mentors, industry professionals, and external research, in order to gain a broader understanding of themselves.

*As early as possible, be aware of your strengths and weaknesses. Find out how to close the gap on the latter. -Austin*

Continuous learning and staying updated with industry trends and best practices seemed important to all of the participants who recognized that decision-making processes could be hindered by a lack of awareness regarding emerging technologies, market dynamics, and evolving customer needs. Aaron explained that he navigated this better in his older years as he became more resilient and assertive in managing conflicts.

To address the challenge of insufficient insight and information, Miranda stressed the importance of effective information-sharing mechanisms and knowledge management systems within the organizations where she advocated for a culture of learning, where knowledge is readily accessible.

*I am completely dependent on inspiration and insight from other countries, companies and cultures. I'm always on the search, but it never feels enough. Right now I'm reading a book about how to deal with other people and I love the mindset where you crave inspiration, fill up creativity, see the value of exploring beyond your borders. I want it not only for myself, but also for the organization -Miranda*

#### **4.3.2 Opposition and conflict management**

What challenges did the participants experience in their decision making? In certain circumstances, such as time constraints or when illegal actions happen, as highlighted by Austin, there is a need for making prompt decisions. There was also consensus that difficulties in dealing with larger organizations or complex business scenarios could harm their judgment.

Regarding communication and leadership styles, the participants emphasized the crucial role of effective communication in managing opposition and conflict. They acknowledged the significance of clear and direct communication in leadership, as discussed by Miranda. They expressed a desire for more transparent communication channels to foster a comfortable environment under their leadership, as mentioned by Austin. This underscores the importance of creating a supportive and inclusive atmosphere that encourages the expression of opposing viewpoints and constructive conflict resolution. But even if you are to listen to your opposition that does not mean you always succumb.

*Taking on the opposition early reduces room for surprise. People get frustrated over little things, but they have to live with that. Leaders need to learn to be a little more stubborn. -Miranda*

The role of empathy in leadership was reflected upon in this regard. While it was recognized as valuable, there were discussions around the challenges it presents, particularly when dealing with strong-willed individuals or when excessive empathy hampers cooperation. Striking a balance between empathy and assertiveness was deemed necessary, emphasizing the significance of understanding and considering different perspectives when making decisions, as underlined by a serious Austin.

*If you as a leader have too much empathy, and you have strong people beneath you who have no concerns in picking a fight, it can lead to poor cooperation and a difficult work environment. -Austin*

Addressing difficult discussions early on was highlighted as significant in the interviews as Winston mentioned that avoiding or postponing such conversations can lead to further complications and worsen conflicts. Effective leaders were encouraged to proactively address sensitive issues and promote open dialogue, creating an environment where concerns can be expressed and conflicts can be resolved.

Experience and intuition were identified as important factors to handle conflict and the participants noted that with increased experience, intuition tends to sharpen, enabling more confident and informed decision-making. However, they also emphasized the importance of combining experience and intuition with objective analysis and data-driven approaches, as mentioned by Austin. This balanced decision-making process allows leaders to visualize potential outcomes and make more well-informed choices.

### **4.3.3 The need to be liked**

A theme which I experienced different viewpoints on was rooted in how each participant needed to be liked. Miranda and Winston underscored the significance of embracing discomfort and confronting refusal as integral components of their leadership roles. Miranda highlighted the importance of addressing challenging discussions early on, acknowledging the discomfort that arises when difficult decisions need to be made. Winston shared his perspective on embracing the ambiguity that accompanies choosing between different development opportunities, emphasizing "the need to let go when a battle has been lost".

Austin, Devin and Miranda acknowledged the inherent human desire to be liked, particularly when occupying leadership positions where Austin stressed the importance of overcoming the need for constant validation and maintaining focus on the organization's goals and objectives. Similarly, Miranda concurred, acknowledging the gratification that comes from being liked but emphasizing that leaders must prioritize making the right decisions for the overall success of the company, even if they are not universally popular.

Winston emphasized the need to navigate the desire for approval and recognition as a leader where he acknowledged the potential biases that may arise from wanting to please others and expressed his commitment to addressing and overcoming these biases. He emphasized the need for leaders to maintain authenticity and make decisions that align with the organization's long-term vision, even in the face of resistance or disapproval.

Devin, on the other hand, was quite clear on where his choices originated from and made an honest confession:

*My motivation in making better choices is rooted in my desire to have a better life. Thinking about making good choices makes me feel better. It is in line with who I want to be. The choices you make must be good in relation to those you care about. Whether it's at work or privately. I want to be a decent guy. I want to be well liked. - Devin*

This is a different approach than Winston has, as he meant that effective leaders remain focused on the organization's goals, maintain open lines of communication, and make tough decisions when necessary, no matter how you are viewed. This falls into the category of some of the interesting reflections on what our needs as leaders were rooted in:

*Look at great entrepreneurs like Elon Musk and Steve Jobs both bullied growing up, and look at their leadership styles. As leaders, it looks like you yourself become what your surroundings and your parents were to you. If you dive deep enough into it, you can route a lot back to childhood. And better so; If you become aware of this, you can act accordingly to better your own leadership style. -Austin*

## Summary

The interviews provided awareness of negative consequences resulting from limited insight and information in decision-making. Some participants expressed a preference for making choices slowly and avoiding hasty decisions. They recognized that a lack of insight could lead to incomplete understanding, limited options, and suboptimal outcomes. Seeking diverse perspectives, continuous learning, and managing personal biases were highlighted as important. Effective communication, addressing conflicts early, and balancing empathy with assertiveness were emphasized. Overcoming the need for constant validation and focusing on long-term goals were discussed, along with the significance of self-awareness and embracing discomfort. The influence of childhood experiences on leadership style was also acknowledged.

## 4.4 Leadership Styles and Adaptability

### 4.4.1 Flexibility and adaptation

Through my interviews the participants highlighted their journey of developing their leadership styles over time. Devin emphasized that leaders must go beyond passive listening and truly understand the perspectives and concerns of their team members. His opinion was that active listening, which involves empathy and genuine engagement, creates an environment where individuals feel valued and enhances decision-making. By actively listening and seeking to understand, leaders can cultivate stronger relationships and foster a sense of trust and collaboration within their teams. Speaking in metaphors he talked about the fact that listening to your employees and acknowledging when you need to change strategy was the main difference between an agile and conventional leader:

*They keep doing things because they have put so much time and effort into it. When you are hiking, do you base your choice of trail on the terrain ahead or the path you just walked? -Devin*

Aaron elaborated on this with an anecdote from his days in product development:

*I was part of a culture that was concerned with fact-based decisions and we launched a product to market that went against my gut feeling, but it did well in tests and competitors also launched the same product, so it affected my gut feeling from bad to good. After launch we revisited our original feeling and cut our losses after discussing*

*it internally. We got the project stopped before we had used too much money, but our competitors did not and lost a lot. Kill your darlings! -Aaron*

#### **4.4.2 Direct communication**

Miranda and Austin highlighted the importance of direct communication in effective leadership and the need for transparent and open communication channels that encourage honest dialogue. By establishing an environment where team members feel comfortable expressing themselves, leaders can build trust and nurture strong relationships. Austin echoed this sentiment, recognizing the significance of direct communication in challenging situations that require difficult decisions or conflict resolution, where leaders who can effectively communicate directly are better equipped to navigate complexities and maintain transparency within their teams.

Winston and Devin on the other hand believed that indirect communication or a more diplomatic approach was more effective in certain situations together with procrastinating, particularly when managing conflicts or sensitive topics.

*The difference between an easy and a difficult decision are the consequences. If there are lasting consequences that you can't get rid of overnight the costs are higher than when the possibility to backtrack is easier. When trying to guard against all possible pitfalls, not making a decision can sometimes be the right decision. -Devin*

#### **4.4.3 Overcoming personal biases**

The participants unanimously emphasized the significance of recognizing and acknowledging personal biases as an essential initial step in addressing them. Austin highlighted the need for awareness regarding biases that may arise in HR-related decisions, while Winston openly acknowledged personal prejudices and expressed a commitment to personal growth. Miranda highlighted the role of thoughtful decision-making based on past experiences while remaining conscious of personal biases.

Winston and Austin discussed the utilization of decision-making frameworks and structured processes to mitigate personal biases. Winston shared an approach that involves systematic analysis of strategy and direction to establish conditions for decision-making whereas Austin emphasized the need for fact-based, relational, and culturally informed decisions, suggesting the implementation of frameworks to guide impartial and equitable judgments.

*We have sessions on strategy and direction for the company from 3-5 years, and that is a really long timeline in today's society. Especially for someone like me who is really impatient, but long-termism can be broken down into smaller tasks that will take you to your goal. I have 6 teams under me where we work continuously with "the annual wheel" in order to get our decisions right. As a manager, it is easy to support employees in the direction they have chosen to go, as long as they have thought through the plan they usually just need to be listened to. -Winston*

*You can divide decisions into those that will create turbulence and negative energy, and decisions that do not create noise. If you shy away from conflict, you want to look for consensus-driven decisions. I have built up my own toolbox to weather the storm, but I wish I was more direct in management communication at an earlier stage. I've*

*been too concerned that people should not feel uncomfortable under my leadership.* - Austin

Miranda and Winston emphasized the significance of seeking external input to overcome personal biases. Miranda stressed the importance of building trust and relationships through active inquiry and understanding of others' perspectives. Winston highlighted the value of seeking support and inspiration from external sources such as TED Talks and individuals renowned in their field, reflecting an openness to diverse perspectives and ideas.

*Before, I used to go into more "action mode" when I met someone opposing my viewpoint. Now there is more listening and understanding where I try to spend more time understanding where they are coming from. At leadership meetings, I have written: "Obama mama" on the top of my notepad. Meaning that "When they go low, I go high" just trying to listen more and take "the high road". I don't think too much about getting my own viewpoint through. It is not that important to me anymore.* - Miranda

Both Miranda and Austin recognized the significance of continual learning and personal growth in overcoming personal biases. They both highlighted the influence of personal development and childhood experiences on leadership style, emphasizing the need for self-awareness.

#### **4.4.4 Self-awareness and personal development**

All participants acknowledged the significance of self-awareness and personal development in effective leadership. Miranda discussed how personal experiences shape leadership styles and underscored the importance of self-reflection to foster improvement. Self-aware leaders identify their strengths, weaknesses, and biases, enabling them to make informed decisions and cultivate positive team dynamics. Austin demonstrated a willingness to take risks and embrace growth opportunities, recognizing that personal development is an ongoing journey that contributes to effective leadership and summing it all up by saying: "The more confident you become in yourself, the less need you have to counterattack". Winston emphasized the role of self-awareness in acknowledging biases and committing to personal growth and stated that "Further education has opened my mind more to development and makes me realize that there is a lot of learning to be done". But he also admitted to succumbing to his own personal bias by making his mind up when his firm held a tender process for suppliers. His mind was made up from the get-go, and he swayed the rest of the decision-makers making it a quick decision and saving the company time. Besides from this they agreed upon the fact that leaders who prioritize self-awareness seem to make objective decisions and create an environment that supports team development and success.

One common denominator for all the leaders I interviewed was their attitude to the concept of change. Devin stated: "I want to become more aware, and in that regard, change is exciting". To build on this Austin phrased it as: "Change leads to more experience, and experience leads to better intuition". This was also in line with Miranda's view as she was "welcoming change with open arms" and naming it as the "cornerstone of personal growth".

Summary



The importance of being flexible and adaptable in one's leadership style, which involves actively listening, showing empathy, and understanding team members' perspectives was evident in the study. Direct communication was highlighted as a key factor, creating an environment of openness and trust for honest dialogue. Additionally, the participants recognized the need to overcome personal biases by being self-aware and seeking external input to make unbiased decisions. They also emphasized the significance of personal development and continual learning in leadership, acknowledging strengths and weaknesses, and embracing change as an opportunity for growth. Overall, self-awareness, adaptability, and a commitment to personal development were seen as crucial qualities for effective leadership.

## 5. Discussion

In the discussion chapter I will explore the impact of experience on leaders' decision-making process where the aspect of a leaders' experiences shapes their decision-making styles and the role cognitive biases play in this process. This is a crucial question as it helps us understand how one's background and past experiences shape the choices we make. By examining the cognitive biases that individuals apply when making decisions, we can gain insights into how these biases impact leadership potential and organizational outcomes.

This discussion chapter aims to analyze the influence of cognitive biases on decision-making, based on the findings from the interviews conducted in this study and combine the findings with the theory in chapter 2.

To provide a comprehensive overview of how experience contributes to bias in leader decision-making in this chapter, we can utilize the following mind map as a reference point:

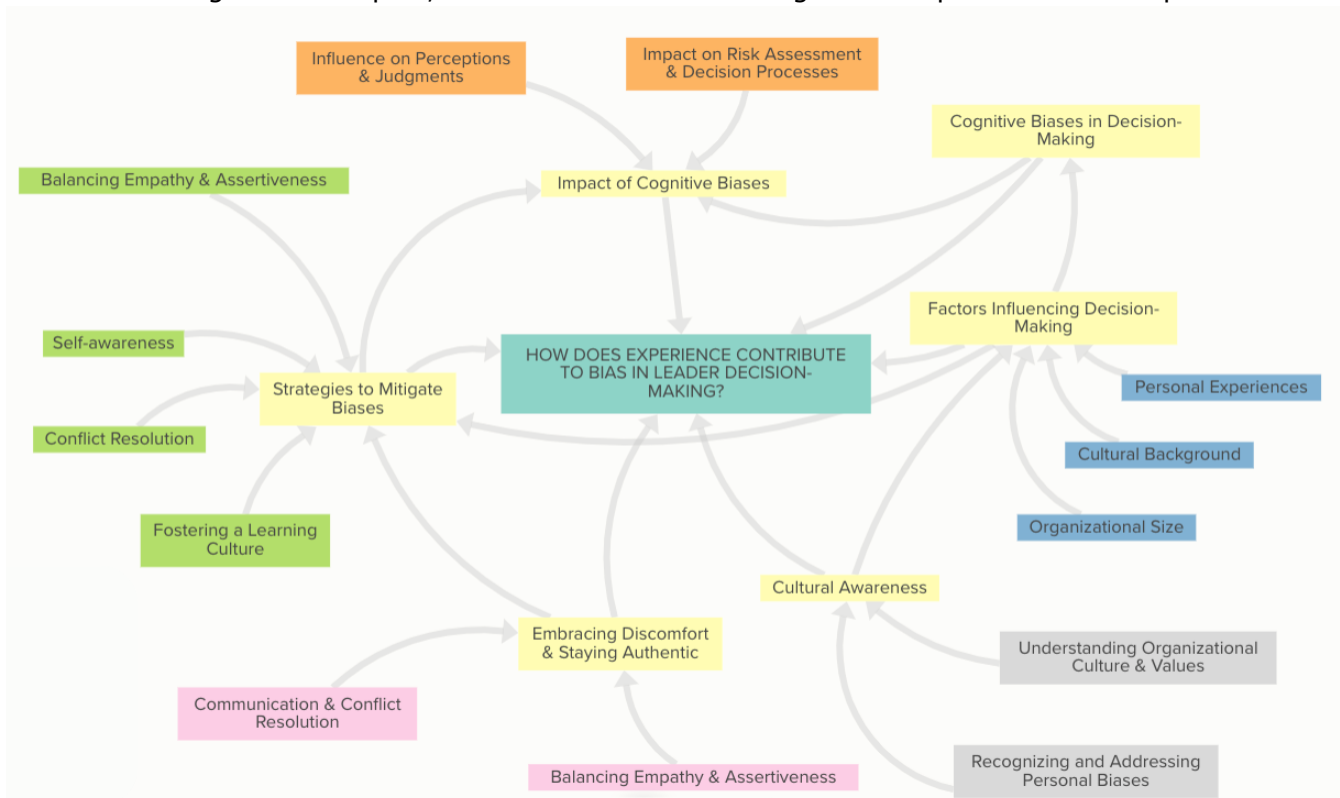


Figure 1. Mind map of factors in the study.

### 5.1 Drawing Wisdom from Experience and Addressing Biases

#### 5.1.1 Pilot thinking process

The participants in this study displayed a decision-making approach characterized by what can be termed a "piloting thinking process." This process involves actively engaging in continuous learning and adapting, similar to the way a pilot navigates an aircraft through changing conditions. Participants described their decision-making as a dynamic and iterative process that involves gathering information, evaluating options, making adjustments based on feedback, and staying adaptable in the face of uncertainties. Miranda's preference for

practical exploration and experimentation reflects this pilot thinking process, as she emphasized the importance of trying out different approaches and learning from failures. If you take a step back and look at what Miranda is describing, it is really just the concept of learning from your success and failures while staying self-aware using your reflective system 2 for analytical thinking, while recognizing patterns and acting accordingly using your automatic system 1 for intuitive thinking (Kahneman, 2011, p. 244).

While the concept of "piloting thinking process" may seem like an effective decision-making approach, there are potential limitations to consider. One potential drawback is that relying too heavily on the concept of continuous learning and adaptation can result in a lack of decisiveness and delayed actions. In a fast-paced business environment, leaders need to be able to make quick decisions without getting caught up in analysis paralysis of our awareness (Kahneman, 2011, p. 22) where Miranda's piloting approach will not work in a situation where she discovers that the landing wheels have fallen off 20 seconds before runway impact. An example of landing wheels falling off came with the pandemic in March 2020 when business plans needed to be scrapped overnight for many tech leaders where consumers habits and needs changed from one day to the next. Additionally, the pilot thinking process may overlook the importance of rational thinking and logical reasoning. By prioritizing intuition and gut feelings, leaders may neglect critical information and fail to thoroughly evaluate all available options. This could lead to biased decision-making based on personal biases or limited information as "we can be blind to the obvious, and we are also blind to our blindness" (Kahneman, 2011, p. 23) or in another word "self-betrayal" (The Arbinger Institute, 2010, p. 289).

The "piloting thinking process" described by Miranda and observed in the study proves to be a dynamic and adaptive approach to decision-making. It involves continuous learning, practical exploration, and leveraging both positive and negative experiences as sources of knowledge. This process empowers leaders like Miranda to navigate complex situations with confidence and efficiency.

Additionally, prioritizing intuition over rational thinking may result in biased decision-making like confirmation bias (Dobelli, 2014, p. 26) as we are prone to cognitive biases and blind spots that can cloud our judgment through our limited capacity of attention (Kahneman, 2011, p. 23).

To overcome these limitations, leaders should strike a balance between the "piloting thinking process" and rational decision-making and be interested in learning about and working with their blind spots.

### **5.1.2 Reliance on past experiences**

All participants in the study had one thing in common: they highly valued their past experiences as a valuable resource for gaining knowledge and understanding. They acknowledged the lessons learned from previous successes and failures as voiced by Miranda through trial, error, learn in 4.1.1, considering them valuable guides in their current decision-making process (Daft, 2018, p. 24). However, their reliance on gut feelings and past experiences may sometimes lead to reactive decision-making in the phenomena of "affect heuristic", where they may not fully consider long-term consequences or seek out alternative perspectives before making a choice (Kahneman, 2011, p. 13). This reactive approach can potentially overlook potential risks and result in biased decision-making.

Positive and negative experiences are seen as valuable sources of knowledge and understanding, but only if leaders reflect upon their experiences as Aaron pointed out while reflecting on the importance of experience in 4.1.3, it is only beneficial if you actually learn from it. This means that experience alone does not automatically qualify you as a good leader. Rather, it provides an opportunity for continuous growth and a deeper understanding of oneself, enabling both vertical growth in self-awareness and lateral growth in the expansion of skills (Eigel & Kuhnert, 2016, p. 42-43).

The role of self-awareness is crucial for a continuously learning mindset and self-aware leaders can recognize their biases and strive to remain objective in their decision-making processes as underlined by the participants in 4.4.4. However, their emphasis on past experiences and reliance on intuition may lead participants to anchor their decisions to past outcomes or patterns, even if the current situation calls for a different approach. This anchoring bias can limit their ability to explore innovative solutions and adapt to changing circumstances (Dobelli, 2014, p. 76-77).

Additionally, the participants' focus on past experiences and intuition may lead them to rely on readily available information, neglecting the need for a more thorough analysis of all relevant data and exploring other perspectives (Dobelli, 2014, p. 34-35). This availability bias can potentially hinder their ability to gather comprehensive and diverse information, limiting their perspective when making decisions.

Furthermore, their reliance on intuition and past experiences may lead to overconfidence in their decision-making abilities and this overconfidence bias could result in overlooking potential risks or alternative perspectives that could be critical to making well-informed choices (Dobelli, 2014, p. 43).

To ensure well-rounded and unbiased decisions, leaders must be vigilant about these potential pitfalls and actively work to balance their reliance on past experiences with analytical thinking and open-mindedness. By considering alternative perspectives, actively seeking out information that challenges assumptions, and engaging in reflective thinking processes, leaders can mitigate the influence of cognitive biases on their decision-making, leading to more adaptive and agile leadership in today's rapidly changing business landscape.

### **5.1.3 Gut feelings and intuition**

Gut feelings and intuition can be valuable tools in decision-making, particularly for experienced leaders who have developed a deep well of knowledge and expertise (Kahneman, 2011, p. 242-243). However, leaders need to recognize that intuition can be influenced by cognitive biases and should not be solely relied upon when making important decisions (Dobelli, 2014, p. 43).

The participants in the study acknowledged the significance of gut feelings in their decision-making processes in chapter 4.1.3, where they described them as intuitive hunches or inner knowing that provided valuable information beyond what could be consciously explained. Gut feelings acted as initial triggers, prompting them to delve deeper into the decision context, trying to evaluate the validity of their thoughts (Kahneman, 2011, p. 248-249). This invoked the longest pauses during the interviews, indicating that gut feelings were what made the

participants ponder the most and they recognized them as an essential component in their decision-making toolkit, complementing their rational analysis and logical reasoning.

Defining what gut feelings really are is quite fascinating as we navigate through life's various situations, the basal ganglia play a vital role in extracting decision rules from our experience and our accumulated wisdom from past successes and failures is stored within this primitive circuitry (Goleman, 2010, p. 14). However, when we encounter a new decision, our verbal cortex takes charge, generating thoughts and considerations. To tap into our life experience and make a more informed choice, we must also tap into the subcortical circuitry.

Interestingly, the basal ganglia not only connect with the verbal areas but also has significant ties to the gastrointestinal tract – the gut. Thus, when making decisions, our gut feeling of whether something feels right or wrong holds crucial information (Goleman, 2010, p. 14-15). In other words, it doesn't mean disregarding the data, but rather, if it contradicts what your gut is telling you, it might be worth reconsidering. Why is this interesting? By proving the link between the psychological and physical reaction and breaking it down in terms even the most objective and fact-oriented scientist could not deny, we can establish the fact that the gut feeling plays a part in how we make our decisions.

To summarize gut feelings, also described as intuition, are valuable tools in decision-making for experienced leaders. They are intuitive hunches that provide valuable information beyond conscious explanation where gut feelings prompt individuals to explore decisions further and complement rational analysis. Transitioning from learning to making "automatic" decisions involves gaining experience, recognizing patterns, and developing intuition. With practice, decisions become more routine and automatic, allowing leaders to respond quickly. In other words, it is the fine tuning of your system 2's ability to apply self-control to system 1 (Kahneman, 2011, p. 30-33).

Through intuition, my respondents could discern patterns, anticipate outcomes, and navigate complex or ambiguous situations. It was a result of their innate ability to recognize familiar patterns and draw upon useful knowledge acquired over time. As Winston mentioned, experience in 4.4.3 is crucial in developing intuition, and over the years, intuition tends to improve with the help of experience. However, they also recognized that intuition should be complemented by objective analysis and data-driven approaches to make well-informed decisions.

While it is true that intuition and gut feelings can provide valuable insights in decision-making, it is important to consider the potential drawbacks of relying solely on these intuitive hunches. One could argue that gut feelings are subjective and based on personal biases or limited information (Dobelli, 2014, p. 34-35). Unlike logical reasoning and factual analysis, which rely on concrete evidence and data, relying on gut feelings alone may lead to decisions that are not well-informed or objective.

Furthermore, intuition can be influenced by emotions, stress, or external factors, which may cloud judgment and lead to irrational decision-making (Dobelli, 2014, p. 154). It is essential to balance intuition with a holistic approach that incorporates logical reasoning and critical thinking.

#### **5.1.4 Addressing cognitive biases**

Throughout my interviews I was impressed with how aware my interviewees of their cognitive biases in decision-making. Austin, Miranda, and Winston all acknowledged the presence of biases and the impact they can have on their decision-making processes by recognizing that biases could arise from their personal experiences, cultural backgrounds, and leadership styles. Additionally, they emphasized the importance of self-awareness in identifying and understanding their biases in 4.4.3. Even though there was much awareness, the powerful bias of the framing affect, where the way information is presented can influence decision-making, was never mentioned (Dobelli, 2014, p. 102). For example, by presenting the same information positively or negatively can lead to different outcomes. Participants may not be fully aware of how the framing of information can unconsciously influence their choices and the fact is that no matter how objective you strive to be a hint of your subjective self will shine through. That's just called being human. Represented by Winston's already made-up mind in a tender process where he advocated slightly for the supplier, he favored by voicing his opinion early in the process, setting the tone.

The need to overcome biases and make objective decisions was placed on the agenda by Miranda and Austin which stressed the significance of being open to diverse perspectives and challenging their assumptions to mitigate biases (Lerner & Keltner, 2000, p. 487-488). They acknowledged that personal biases could hinder effective decision-making and expressed a commitment to personal growth and self-reflection to overcome these biases. While the participants expressed a desire to overcome biases, the strategies they discussed may not fully address certain inherent biases like the earlier mentioned anchoring bias or availability bias. Back to the example from Winston's tender process, he used not only the framing bias, but also the anchoring bias on his colleagues where he made them rely too heavily on the first piece of information they receive (the "anchor") when making subsequent decisions (Dobelli, 2014, p. 102). To top it off he was inflicted by the availability bias going into the process where his decisions was made up by readily available information rather than seeking out more comprehensive or diverse sources of information (Dobelli, 2014, p. 35).

The value of seeking external input and diverse perspectives to overcome personal biases was highlighted by all respondents. Engaging in active listening, open communication, and understanding different viewpoints were identified as effective approaches to challenge assumptions (Hampden-Turner & Trompenaar, 2020, p. 789) and make more objective decisions. The hunt for objectivity seems to be valued by the participants to fight their own biases, and a way to inflict this is by blind decision-making processes (The Arbinger Institute, 2019, p. 80-82) which involves concealing certain information about individuals involved in decision-making to reduce potential biases related to their identities or reputations.

The interviews displayed a strong awareness of their cognitive biases in decision-making, stemming from personal experiences, culture, and leadership styles. However, even though the participants can be categorized as "aware," they sometimes choose to lean into their comfortable biases instead of challenging themselves. The journey towards objectivity is ongoing, as eliminating all subjective influence is impossible due to inherent human biases.

#### **5.1.5 Personal growth, -what is stopping us?**

Personal development and continuous learning play a crucial role in overcoming biases for leaders through ongoing learning and exposure to diverse perspectives. Leaders can challenge their own assumptions and broaden their understanding of various issues and ease their way towards being out of the box (The Arbinger Institute, 2010, p. 244-245).

Continuous learning helps leaders stay informed about emerging trends, technologies, and market dynamics as displayed by Miranda and Aaron in 4.3.1, reducing the risk of making decisions based on outdated or incomplete information. By constantly seeking to improve themselves, leaders become more open-minded and adaptable, making them better equipped to handle different situations and make more balanced decisions (Eigel & Kuhnert, 2016, 161). Knowing this; what hinders us all from becoming great leaders?

The ability to learn, adapt, and make balanced decisions are right in front of us. However, to fully embrace these capabilities and achieve personal growth as leaders, we must be mindful of the biases that can potentially hinder our progress and among the most dangerous biases for personal growth are those that reinforce a fixed mindset and discourage openness to new ideas and perspectives through an inward mindset (The Arbinger Institute, 2019, p. 80-81). When leaders succumb to these biases, they risk becoming stagnant in their leadership style and decision-making, ultimately hindering their effectiveness in dynamic and rapidly evolving environments.

One of these biases is the availability heuristic which is where people rely on easily recalled information to make decisions, leading to overestimating the likelihood of events based on how vivid or memorable they are in their memory (Kahneman, 2011, p. 136-137). In this case your actual experience hampers your personal growth as it can lead to biased judgments where you may give more weight to recent or emotionally impactful examples, even if they are not statistically representative. Another critical bias that we must address in this matter is the status quo bias, which tempts leaders to prefer sticking to familiar routines and resisting change (Dobelli, 2014, p. 180). This reluctance to explore new ideas or seek learning opportunities can inhibit personal development and hinder our ability to adapt to new circumstances effectively. So how do you overcome this?

Leaders must cultivate a self-awareness, embrace open-mindedness, and actively seek new learning opportunities to adapt effectively and make balanced decisions through staying curious, challenging established assumptions, and seeking feedback to grow (The Arbinger Institute, 2019, p. 106-107). Said simply; to achieve growth the first step is wanting to grow.

### **5.1.6 Summary**

This chapter explores the impact of cognitive biases on leaders' decision-making processes, highlighting the significance of balancing intuition with analytical thinking. The concepts of "piloting thinking process," continuous learning, and adaptability were observed in experienced leaders. Over-reliance on past experiences and biases like similarity and confirmation biases could hinder diverse perspectives and critical evaluation. Leaders must be self-aware, open to diverse perspectives, and actively seek input to make objective decisions and foster a supportive decision-making environment. By addressing cognitive biases, leaders can make well-informed choices and enhance organizational outcomes.

## **5.2 Organizational Factors**

### **5.2.1 Size matters**

In the findings chapter I shed light on decision-making approaches and mindsets among participants, emphasizing the value of exchanging insights and the role of past experiences

and intuition. Now, let's delve into how organizational size affects decision-making processes which was talked about especially in 4.2, considering the complexity of decision-making, hierarchical structures, communication challenges, autonomy and flexibility, speed vs. deliberation, resource allocation, organizational culture, and the trade-off between agility and bureaucracy in different-sized organizations.

Participants recognized the need for comprehensive analysis and consideration of long-term consequences, aligning with Miranda's emphasis on positioning decisions with the cultural context of the organization as mentioned in 4.2.1. A known factor in larger organizations, is that decision-makers may fall victim to the "Planning Fallacy" bias (Dobelli, 2014, p. 199-200), underestimating the complexity of certain decisions. This bias might cause them to overlook potential challenges and risks, leading to insufficient preparation and analysis. Consequently, these decisions may result in missed opportunities and suboptimal outcomes.

Hierarchical structures in larger organizations may influence decision-making dynamics where the "Authority Bias" can stifle open and constructive decision-making processes, as decision-makers excessively rely on authority figures (Dobelli, 2014, p. 30-31) which also works against giving your employees more autonomy which Austin underlined as important in 4.2.1 where he stated that the importance of leadership adaptability as organizations grow. While leading one-to-one might be manageable in the early stages, effective leaders must develop the ability to lead at different levels to build a successful and scalable organization. If you are not adopting as your organization grows it might discourage dissenting opinions and inhibits the sharing of valuable insights among team members, leading to groupthink (Dobelli, 2014, p. 65-66) and limited exploration of alternative solutions. This finding is in line with Austin's reflection on the hierarchical nature of decision-making in larger organizations and the need to explain decisions to subordinates. On the other hand, Devin's preference for a positive and solution-oriented mindset showcases how smaller organizations with more autonomy enable quicker decisions with direct involvement from team members.

### **5.2.2 Empowering autonomy**

Significant emphasis on empowering individuals and fostering autonomy in decision-making was highlighted by the participants in the study (Marques, 2010, p. 317). For instance, Austin mentioned the importance of leading through different levels as the organization grows, allowing for more direct involvement in decision-making processes within smaller teams. He stated, "Driving processes is the most important thing for a leader. Leading one to one like all founders do is easy, but as the organization grows, the leader will have to lead through the next level, and you will not be better than by being able to build an organization that can lead through all levels."

Miranda, on the other hand, stressed the benefits of distributing decision-making authority across different levels of the organization (Marques, 2010, p. 316). She stated, "As a manager, it is easy to support employees in the direction they have chosen to go, as long as they have thought through the plan. They usually just need to be listened to."

The participants recognized that empowering employees with decision-making autonomy leads to more engaged and satisfied teams (Marques, 2010, p. 308). By delegating decision-making authority, leaders can also respond more quickly to challenges and opportunities, enhancing the organization's agility and adaptability (Marques, 2010, p. 316). As Winston mentioned, "Changes are necessary. If you don't change, you stiffen."



However, it is crucial to consider how cognitive biases can impact this approach (Dobelli, 2014, p. 76-77). For instance, anchoring bias can come into play when individuals are given too much autonomy without proper guidance or oversight. As Austin put it, "If you are clear in your goals, you are moderate in your actions, and the ones that are unclear in their goals can appear unclear in their behavior." This suggests that without proper alignment to the organization's goals and values, excessive autonomy can lead to unclear decision-making.

Open communication and collaboration were also highlighted as crucial practices in decision-making (Hampden-Turner & Trompenaar, 2020, p. 789). The participants recognized that decisions often have an impact on individuals, teams, and stakeholders involved, and involving them in the decision-making process helps ensure that their perspectives are considered and valued. As Devin mentioned, "If it is too cynical and cold, I won't have anything to do with it. This has helped me to be solution-oriented and have a positive mindset where I always consider my alternatives."

By fostering open communication and seeking input from others, leaders can gain diverse insights and avoid blind spots, leading to more robust decision outcomes. Collaboration also promotes a sense of ownership and accountability among team members, as they feel more invested in decisions they have been involved in shaping (Eigel & Kuhnert, 2016, p. 288). As Winston stated, "I don't care what the outcome is for me as long as the people I care about are not harmed."

Trust was recognized as a critical factor in creating a supportive environment for decision-making (Marques, 2010, p. 309). When employees feel trusted, they are more likely to take calculated risks, engage in independent decision-making, and learn from their experiences. As Devin explained, "My motivation in making better choices is rooted in my desire to have a better life. Thinking about making good choices makes me feel better. It is in line with who I want to be. The choices you make must be good in relation to those you care about. Whether it's at work or privately. I want to be a decent guy. I want to be well-liked."

Building trust allows leaders to foster open communication and transparency, enabling team members to express their ideas, concerns, and perspectives without fear of judgment or negative repercussions (Marques, 2010, p. 309). Creating a culture of trust allows leaders to build strong relationships with their teams, promoting a sense of psychological safety and mutual respect (Marques, 2010, p. 309). As Miranda emphasized in 4.1.2, "BUILD trust and relationships through asking questions, listening, and understanding."

However, pitfalls can arise due to biases within the trust-building process (Dobelli, 2014, p. 65-66). The similarity bias could influence the establishment of trust within a group. Team members may be more likely to trust individuals who share similar backgrounds, experiences, or perspectives, potentially excluding diverse viewpoints. This lack of diversity in decision-making can hinder innovative thinking and lead to tunnel vision and groupthink. Similarly, the confirmation bias can come into play when trust is established within a team or organization. Team members may be more inclined to trust and give credence to the ideas and decisions of their peers, superiors, or those they share a positive relationship with, potentially overlooking better alternatives.

### **5.2.3 Fostering inclusive decision-making**

Organizations facing communication challenges might be affected by the "Information Overload" bias (Dobelli, 2014, p. 135-136), hindering decision-making processes. Decision-makers struggle to filter through vast amounts of information, leading to delays and potential oversight of critical data. As a result, rushed or uninformed decisions may negatively impact the organization's performance. Aaron's anecdote about legitimizing his decisions in 4.2.1 illustrates the challenges of decision-making in a large organization that prioritizes fact-based decisions, potentially leading to slower processes due to formal communication channels.

Smaller organizations with high autonomy may fall into the trap of the "Illusion of Control" bias, leading to overconfident decision-making (Dobelli, 2014, p. 48-49). Decision-makers overestimate their ability to control outcomes, taking on higher risks than necessary. This may result in decisions driven by an inflated sense of control rather than a rational evaluation of potential outcomes. Participants like Winston and Devin highlighted the benefits of empowering employees to take ownership of their decisions, leading to increased engagement and satisfaction in 4.2.2. However, the potential overconfidence stemming from the "Illusion of Control" bias may impact the overall risk assessment process.

Organizational size also influences the balance between speed and deliberation in decision-making processes. The "Anchoring Bias" may influence decision-making when participants face time constraints, anchoring their choices on initial data or opinions without fully exploring alternative options (Dobelli, 2014, p. 76-77). This bias can hinder objective and thorough evaluation, potentially leading to snap judgments with long-term consequences. Larger organizations may prioritize more deliberative decision-making to ensure thorough analysis and risk assessment, as emphasized by Miranda in 4.2.1. In contrast, smaller organizations may adopt a faster decision-making approach to respond swiftly to market changes, as exemplified by Aaron's mantra in 4.3.1 which is similar to "Kill your darlings" (Dobelli, 2014, p. 28-29) to avoid clinging to unsuccessful projects.

In larger organizations, the "Sunk Cost Fallacy" can hinder resource allocation decisions and decision-makers might be reluctant to abandon projects or initiatives with substantial investments, even when evidence suggests they are no longer viable (Kahneman, 2011, p. 353-354). This bias could lead to resources being allocated inefficiently, prolonging the life of failing ventures and hindering the pursuit of more promising opportunities. Participants in larger organizations, such as Austin, may be more cautious and meticulous in their decision-making to minimize risks and optimize resource utilization. Considering the "Sunk Cost Fallacy" bias in resource allocation decisions may help decision-makers adopt a more rational and objective approach.

Finally, in larger organizations with bureaucratic structures, the already mentioned "Status Quo Bias" may hinder decision-making agility (Dobelli, 2014, p. 180). Decision-makers might favor maintaining the status quo, even when more agile approaches could lead to better outcomes which can impede the organization's ability to adapt to market changes and exploit new opportunities, ultimately affecting its long-term competitiveness. The challenges of navigating bureaucratic structures and decision-making processes were evident in Austin's reflections on leading in larger organizations in 4.2.1. In contrast, the emphasis on agility and adaptability in smaller organizations, as seen in Winston's approach in 4.2.2, can help foster a more dynamic decision-making environment.

#### **5.2.4 Summary**

In summary, organizational size plays a significant role in shaping decision-making processes and behaviors. The complexity of decision-making, hierarchical structures, communication challenges, autonomy and flexibility, speed vs. deliberation, resource allocation, organizational culture, and the trade-off between agility and bureaucracy are all important factors that participants need to navigate when making decisions in different-sized organizations. By understanding and acknowledging these biases and factors, decision-makers can adapt their approaches to optimize decision outcomes and contribute to the overall success and growth of their organizations.

## **5.3 Culture at the Helm**

### **5.3.1 The importance of cultural awareness in decision-making**

In the realm of decision-making, cultural awareness emerges as a pivotal factor, exerting a profound influence on how leaders perceive, analyze, and respond to diverse situations. These insights are supported by the compelling findings derived from the interview transcripts, wherein participants highlighted the significance of organizational culture, values, and norms in shaping their choices. This dedicated discussion section embarks on an exploration of the multifaceted aspects of cultural awareness in decision-making, accentuating its impact on inclusive decision-making, organizational adaptation, and fostering relationships with diverse stakeholders.

The participants recognized the pivotal role of organizational culture in the decision-making process. Aligning choices with the cultural context of their respective organizations was perceived as crucial by the leaders as Miranda emphasized in 4.1.2 by the importance of understanding the company's culture, she underscored that it extends beyond mere organizational charts and titles. In her own words, "Who are the key people and ambassadors? I'll give you a clue: It's not the ones with the fanciest titles. My interest is in people. BUILD trust and relationships through asking questions, listening, and understanding". However, it is essential to be cautious of confirmation bias (Dobelli, 2014, p. 26), as it can lead to seeking information that confirms existing beliefs while overlooking critical cultural aspects. The paradox in this is that by focusing hard on the ones without "fanciest titles" you are already subjected to a form of bias, potentially missing out on valuable insights and perspectives from stereotyping (Kahneman, 2011, p. 174-175) that leaders have nothing to contribute apart from leadership.

Confronting and mitigating cultural biases and prejudices emerges as a critical aspect of decision-making when stereotyping poses a notable challenge when leaders rely on generalized assumptions about individuals based on their cultural backgrounds giving them an illusion of validity (Kahneman, 2011, p. 430). Such biases can lead to unfair judgments and perpetuate cultural prejudices. Participants like Winston reflected on the importance of addressing personal biases and prejudices in 4.1.2 where he shared a transformative experience during his tenure as a manager, acknowledging inherited behavior patterns that hindered effective communication with subordinates due to a lack of cultural adaptability. Winston's realization underscores the significance of self-awareness in combating biases.

### **5.3.2 Fostering diversity**

Embracing diversity emerges as a paramount consideration for cultivating inclusive decision-making and leaders who demonstrate cultural awareness and value diverse perspectives can create an environment that fosters openness and respect (Hampden-Turner & Trompenaar, 2020, p. 254). This is achieved through actively seeking input from individuals with varying cultural backgrounds and integrating their perspectives into the decision-making process. Participants like Austin and Aaron eloquently acknowledged the value of diverse viewpoints, with Austin affirming that "a great leader can't be afraid to challenge themselves by seeking out other viewpoints and considering alternatives" in 4.3.2. Aaron's experience further exemplified the enlightening nature of embracing diverse perspectives when he became part of a culture that emphasized fact-based decisions, which challenged his reliance on gut feelings. Despite this challenge, he embraced the opportunity to question his assumptions and found the experience enlightening as he corrected them.

Globalization necessitates navigating cross-cultural challenges, which demands cultural sensitivity and humility from leaders. Ethnocentrism, the belief in the superiority of one's cultural norms, can hinder effective decision-making and lead to misjudgments (Hampden-Turner & Trompenaar, 2020, p. 884-885). Miranda's experience exemplifies the importance of cultural sensitivity in 4.1.2 when operating in diverse cultural contexts where her transition to a new job highlighted the significance of understanding decision-making authority through the lens of culture, not just organizational charts

Building trust and respecting cultural differences are foundational pillars of successful decision-making where the halo effect can influence how leaders perceive individuals based on a single positive attribute (Kahneman, 2011, p. 93-94), and to put this into context a charismatic hard worker could sway Miranda, as those could be qualities, she would appreciate more than a cynical and moody manager. To ensure comprehensive assessments, leaders must acknowledge the unique qualities of each individual. Creating an environment of trust involves recognizing and appreciating cultural diversity, valuing contributions from all stakeholders.

The journey of cultural awareness is not static but dynamic, requiring continual learning and growth where we lean into challenges (Eigel & Kuhnert, 2016, p. 137). Leaders who prioritize ongoing education about different cultures and perspectives are better equipped to adapt to changing contexts and make informed decisions (Eigel & Kuhnert, 2016, p. 151). A speed bump in this case is the anchoring bias, which can hinder embracing new insights (Kahneman, 2011, p. 124-125), should be consciously addressed by leaders to foster a learning culture for cultural awareness.

### **5.3.3 Summary**

In summary, cultural awareness stands as a critical determinant in decision-making processes, as evidenced by the participants' experiences in this study and the impact of cultural awareness on inclusive decision-making, organizational adaptation, and relationships with diverse stakeholders cannot be understated. By embracing cultural diversity, acknowledging personal biases, and fostering a learning culture, leaders can make decisions that are sensitive, equitable, and aligned with their organization's values and the stakeholders they serve. With the world becoming increasingly interconnected and diverse, prioritizing cultural awareness becomes an imperative for leadership success.

## 5.4 Embracing Discomfort and Staying Authentic

### 5.4.1 Communication and conflict

Addressing challenges in decision-making, particularly in time-constrained situations and dealing with complex scenarios, was a key theme that emerged from the findings chapter. Participants faced various obstacles when making decisions, especially when time was limited or when confronted with intricate business scenarios. Austin's emphasis on the need for prompt decisions in certain circumstances in 4.3.2 could be influenced by the confirmation bias where he might tend to favor examples or anecdotes that confirm his belief in the importance of quick decisions, potentially overlooking potential drawbacks or alternative perspectives (Kahneman, 2011, p. 84-85). Similarly, Aaron's insightful saying from his old boss in 4.3.1, "I didn't have time to write you a short letter so it became a long one," illustrates the availability heuristic and by relying on this readily available example, Aaron may give more weight to instances where time-constrained decisions led to positive outcomes while neglecting situations where hasty decisions resulted in negative consequences (Kahneman, 2011, p. 135-137).

Additionally, addressing difficult discussions early on was mentioned as significant in the interviews. Proactively handling sensitive issues and promoting open dialogue creates an environment where concerns can be expressed, and conflicts can be resolved. For instance, Winston highlighted the importance of embracing discomfort and confronting refusal as integral components of leadership roles in 4.3.2, emphasizing that leaders must be willing to address challenging discussions and potentially uncomfortable situations to foster open communication and conflict resolution. This proactive approach could on the other hand also be influenced by the self-serving bias, where participants attribute successful conflict resolution to their own proactive actions, while attributing any negative outcomes to external factors beyond their control (Dobelli, 2014, p. 180). How stubborn and authoritative should a leader be when facing a tough decision?

The significance of striking a balance between empathy and assertiveness to handle conflicts is a conundrum which all the participants pondered. While empathy is valuable in understanding others' perspectives, excessive empathy might hinder effective decision-making, especially when dealing with strong-willed individuals (Goleman, 2010, p. 60-62). Austin shared his perspective on leaders needing to balance empathy and assertiveness, particularly when strong-willed individuals are involved in 4.3.2, illustrating the importance of understanding and considering different viewpoints while still making tough decisions for the organization's success. However, this balancing act could be affected by the already mentioned anchoring bias, where participants may be anchored to certain initial impressions of the individuals involved in conflicts (Kahneman, 2011, p. 133), leading them to under- or over-emphasize either empathy or assertiveness based on their preconceived notions or early perceptions.

Experience and intuition can sharpen over time, enabling leaders to make more confident and informed choices as reflected upon by Aaron in 4.3.1. However, these should be complemented with objective analysis and data-driven methods to visualize potential outcomes and make well-informed decisions (Lerner & Keltner, 2000, p. 474-475). Austin's example of effective leaders becoming what their surroundings and parents were to them during childhood in 4.3.3 also points to the influence of the availability bias (Kahneman,

2011, p. 133) where participants may be more inclined to adopt decision-making styles and behaviors that are familiar to them from their upbringing, rather than exploring alternative approaches that could lead to more effective leadership.

#### **5.4.2 Authenticity as a compass**

The theme of the participants' desire to be liked in leadership roles emerges prominently from 4.3.3 where each participant grapples with the inherent human desire for approval and recognition, particularly when occupying leadership positions. This bias, known as the "liking bias," may influence their decision-making process as they might prioritize choices that garner popularity among their peers or subordinates (Dobelli, 2014, p. 59-60), even if those decisions are not necessarily the best for the organization's long-term success. Devin, in 4.3.3, acknowledging his need to be viewed as a "decent guy", shows a possible bias towards wanting to be liked by his colleagues, which could lead him to avoid difficult decisions that may evoke resistance or disapproval, thus also being affected by conformity bias to "fit in with the flock" (Kahneman, 2011, p. 66).

The significance of maintaining authenticity and making decisions aligned with the organization's long-term vision is a key finding from the interviews where Winston's reflection from the same passage emphasizes the need for leaders to navigate the desire for approval and recognition while staying true to himself and the organization's goals. Even so, navigating the waters of good intentions are filled with dangerous bias-reefs and an example of this can be inductive thinking (Kahneman, 2011, p. 78). Winston, with the best of intentions, is making decisions based on his own authenticity as a moral compass every day, simply because in his experience it is what has worked every time, and then one day a decision is made that has devastating results. When you have moved into these waters there is also a probability that your compass can lure you to neighboring bias-reefs like false causality (Kahneman, 2011, p. 91-92) where your correlation is biased and survivorship bias (Kahneman, 2011, p. 13) overestimating the chance for success.

In exploring the reflections of Austin in 4.3.3 on great personality and decision-process entrepreneurs such as Elon Musk and Steve Jobs, an intriguing connection between childhood experiences and leadership styles emerges. This insight might suggest the presence of a potential "confirmation bias" (Dobelli, 2014, p. 26) where leaders may look for role models or examples that confirm their own beliefs or behaviors. However, his realization that understanding the roots of leadership behaviors in 4.4.3 can lead to improving one's own leadership style shows the significance of self-awareness in overcoming personal biases. By being self-aware and seeing their own weakness leaders can better recognize their inclinations towards seeking approval (Eigel & Kuhnert, 2016, p. 246-247) or validation and consciously make decisions based on what is best for the organization's long-term vision rather than seeking immediate popularity.

#### **5.4.3 Summary**

The findings chapter discusses embracing discomfort and authenticity in leadership, along with the importance of effective communication. Biases such as confirmation bias, availability heuristic, self-serving bias, liking bias, anchoring bias, availability bias, induction bias, survivorship bias, and confirmation bias again, are evident in participants' reflections. These biases may influence decision-making, self-perception, and seeking approval. Recognizing and addressing biases is crucial for effective leadership.

## 6. Conclusion

Embarking on my master thesis quest I chose a subject which I genuinely wanted to learn more about, but already had my thoughts on from the start. That is why I in retrospect am so grateful that I chose the phenomenological approach to keep my own prejudice in check in the interview process as working with bias makes you very aware of your own biases (and they are many). My perspective on cognitive biases has been altered by this process, shifting it from viewing them as inherently "dangerous" to instead recognizing them as a concept that one must accept and live with, while remaining mindful of their influence. The insights gained from the process have helped me understand that cognitive biases are an inherent part of human decision-making and cannot be completely eliminated. Nevertheless, understanding these biases empowers us to make better-informed decisions with greater effectiveness when confronted with intricate circumstances.

### 6.1 Summary

In this master thesis, I have explored the multifaceted aspects of decision-making among leaders, with a particular focus on the impact of cognitive biases, organizational factors, and cultural awareness. Through in-depth interviews with experienced leaders, I have gained valuable insights into their decision-making processes, the challenges they face, and the strategies they employ to navigate complex scenarios effectively.

So how does experience contribute to bias in leader decision-making? Throughout my thesis I have learnt that navigating the treacherous waters of decision-making, leaders are seasoned sailors, drawing upon the winds of experience to guide their course. Like a well-worn map, experience charts a path strewn with biases, lurking beneath the surface like hidden reefs. The winds of confirmation bias fill their sails, propelling them towards familiar shores and overlooking uncharted territories. The lighthouse of anchoring bias casts its unwavering beam, fixating their heading to past waypoints, limiting exploration of new horizons. Yet, amid the vast expanse of the sea, a wise sailor knows the value of self-awareness. They trim their sails, embracing the gusts of diverse perspectives, allowing for a more balanced and unbiased journey. Casting aside the anchor of status quo bias, they navigate the currents of change, embracing innovation and adaptability. As leaders hoist the flag of authenticity, they rise above the storms of in-group bias, welcoming crew members from different backgrounds aboard their vessel. With the compass of openness, they steer clear of ethnocentrism, respecting the uniqueness of each cultural breeze that fills their sails.

In conclusion, experience is both a sturdy vessel and a double-edged sword for leaders. It can propel them towards greatness, yet its biases can lead them astray. By skillfully harnessing the winds of self-awareness, embracing diversity, and staying true to their vision, leaders can set sail on a course that defies bias, navigating uncharted waters with confidence, and reaching new horizons of effective decision-making.

Organizational factors, such as size and structure, also exert a profound influence on decision-making dynamics. Larger organizations, with their hierarchical structures and formal communication channels, may face challenges in fostering open and constructive decision-making processes. On the other hand, smaller organizations with higher autonomy may grapple with overconfidence and the illusion of control, potentially leading to hasty decisions.

Leaders must be adaptable and recognize the trade-offs between agility and bureaucracy to optimize decision outcomes in their respective organizational contexts.

Cultural awareness emerged as a critical determinant in decision-making processes. Leaders who demonstrate cultural sensitivity and embrace diversity can create an inclusive environment that fosters openness and respect. By actively seeking input from individuals with varying cultural backgrounds and integrating their perspectives into the decision-making process, leaders can make decisions that are more equitable and aligned with the organization's values. However, cultural biases and prejudices must be addressed to ensure comprehensive and unbiased decision assessments.

Embracing discomfort and staying authentic are vital attributes for effective leadership. Leaders must proactively address challenges and engage in difficult discussions while remaining true to themselves and their organization's long-term vision. The desire for approval and recognition may influence decision-making, but self-awareness and a focus on the organization's goals can help leaders navigate these biases and prioritize decisions that are in the best interest of the organization.

## **6.2 Suggestions for Further Research**

While this master thesis has provided valuable insights into decision-making among leaders, there are several avenues for further research that can expand and deepen our understanding of this complex phenomenon. First and foremost, conducting longitudinal studies that follow leaders over an extended period could offer a more comprehensive analysis of how decision-making processes evolve and adapt in response to changing circumstances and experiences. Longitudinal research can also shed light on the long-term consequences of different decision-making strategies and their impact on organizational outcomes.

Additionally, exploring the intersectionality of cognitive biases and cultural awareness in decision-making would be a fruitful area for further investigation. Understanding how cultural biases and cognitive biases interact and potentially reinforce each other can offer valuable insights into decision-making in diverse and multicultural organizational contexts. This research could uncover strategies to address these biases effectively and foster more inclusive and equitable decision-making practices.

Furthermore, examining the influence of organizational culture on decision-making in various industries and sectors can provide valuable comparative insights. Different industries may have unique decision-making challenges and opportunities and understanding how organizational culture shapes decision-making in these diverse contexts can offer practical implications for leaders in different fields.

Incorporating neuroscientific methodologies could also contribute to a deeper understanding of the neural processes involved in decision-making among leaders. Neuroscientific research can provide objective data on how cognitive biases manifest in the brain and how cultural awareness may modulate decision-making neural circuits. Such interdisciplinary approaches can bridge the gap between psychological theories and neural mechanisms, providing a more holistic understanding of decision-making processes.



Lastly, exploring decision-making in crisis situations or high-stakes environments could offer valuable insights into the unique challenges and strategies employed by leaders under pressure. Investigating how cognitive biases may be exacerbated or mitigated during crises can inform leadership training and development programs to enhance decision-making abilities in critical situations.

### **6.3 Limitations to the Study**

Despite the valuable insights gained from this master thesis, it is essential to acknowledge certain limitations that may have influenced the study's findings and conclusions. Firstly, the qualitative nature of the research, relying on interviews and self-reporting from participants, may introduce potential biases in the data. Participants may be prone to social desirability bias, where they present themselves in a more favorable light or align their responses with perceived societal expectations of effective leadership. To mitigate this limitation, future research could consider incorporating mixed-method approaches, combining qualitative data with quantitative measures, to triangulate findings and enhance the validity of the results.

Secondly, the study's sample size, while diverse and representative of various leadership roles and organizational sizes, may still limit the generalizability of the findings. Expanding the participant pool to include a more extensive and diverse range of leaders across various industries and cultural contexts could provide a broader understanding of decision-making practices.

Additionally, the research relied on self-reported experiences and reflections from leaders, which may be subject to memory biases or selective recall. Longitudinal studies or real-time decision-tracking methods could help capture decision-making processes more accurately and reduce potential biases associated with retrospective reporting.

Furthermore, the focus on cognitive biases and cultural awareness, while essential aspects of decision-making, represents only a portion of the multifaceted factors that influence leaders' choices. Future research could explore other variables, such as emotional intelligence, ethical considerations, and situational factors, to provide a more comprehensive understanding of decision-making in leadership roles.

### **6.4 Concluding Reflections**

As the world becomes increasingly interconnected and diverse, prioritizing cultural awareness and authenticity becomes imperative for leadership success. This research contributes to the ongoing discourse on decision-making in leadership roles and offers valuable insights for both academics and practitioners in the field of management and leadership.

In my final conclusion, if leaders are more self-aware and understand the stages of their own development they are better equipped to create and sustain effective organizations. Leaders can use their own adult development to grow and become more effective but only if they embrace the discomfort of challenging their assumptions, confront biases head-on, and continually seek diverse perspectives. By fostering a culture of open communication, collaboration, and trust, leaders can navigate the complexities of decision-making in diverse organizational settings. Moreover, they must stay authentic, ensuring that decisions align with their organization's long-term vision rather than seeking short-term popularity. As they

embark on this journey of self-discovery and cultural awareness, leaders can lead with empathy and assertiveness, making well-informed choices that not only reflect their authentic selves but also propel their organizations toward sustainable success. By doing so, leaders will not only impact their organizations positively but also inspire a new generation of empowered and visionary leaders who will shape a brighter and more resilient future.

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## Appendix A- Informal letter

Are you interested in taking part in the research project  
"From bias to brilliance"?

Purpose of the project

You are invited to participate in a research project where the main purpose is to look at leadership as a crucial aspect of any organization, and the ability to make effective decisions is a fundamental component of strong leadership. Unfortunately, many individuals with leadership potential may find themselves locked away, unable to fully unleash their potential due to a lack of decision-making skills. This thesis seeks to explore the relationship between decision making and leadership potential, examining the ways in which decision-making ability can unlock the potential for strong leadership in individuals and organizations.

Which institution is responsible for the research project?

NTNU, Department of Pedagogy and Lifelong Learning is responsible for the project..

Why are you being asked to participate?

You have been asked to participate with your insight into this project because of your experience as a leader throughout your career.

What does participation involve for you?

Participation will involve an interview with me, of about an hour duration. This can take place at the beginning of March or when the participants schedule is appropriate, in person or on Microsoft Teams video conferencing. The exact time is agreed with each informant to suit them best.

The interview will be recorded on audio, and I will take handwritten notes along the way.

The interviews will be stored only until the research project is completed, and the data used as empirical evidence in the master's thesis will be anonymized so that information cannot be returned to you as a person or your firm.

Participation is voluntary

Participation in the project is voluntary. If you chose to participate, you can withdraw your consent at any time without giving a reason. All information about you will then be made anonymous. There will be no negative consequences for you if you choose not to participate or later decide to withdraw.

Your personal privacy – how we will store and use your personal data

We will only use your personal data for the purpose(s) specified here and we will process your personal data in accordance with data protection legislation (the GDPR).

It will be the researcher; master student Christian Amundsen Mevold and supervisor Professor Jonathan Reams from NTNU, who will have access at the responsible institution.

I will replace your name and contact details with a code. The list of names, contact details and respective codes will be stored separately from the rest of the collected data», you will store the data on a research server, locked away/encrypted, etc.

The data used as empirical evidence in the master´s thesis will be anonymized so that information cannot be returned to you as a person or your firm.

What will happen to your personal data at the end of the research project?

The project is scheduled to end within July 2023 (latest February 2024). All data will be anonymized immediately and deleted at the end of the project.

Your rights

So long as you can be identified in the collected data, you have the right to:

access the personal data that is being processed about you

request that your personal data is deleted

request that incorrect personal data about you is corrected/rectified

receive a copy of your personal data (data portability), and

send a complaint to the Norwegian Data Protection Authority regarding the processing of your personal data

What gives us the right to process your personal data?

We will process your personal data based on your consent.

Based on an agreement with NTNU, NSD – The Norwegian Centre for Research Data AS has assessed that the processing of personal data in this project is in accordance with data protection legislation.

Where can I find out more?

If you have questions about the project, or want to exercise your rights, contact:

NTNU, Department of Pedagogy and Lifelong Learning via Supervisor Jonathan Reams, email: [Jonathan.reams@ntnu.no](mailto:Jonathan.reams@ntnu.no), phone: +47 73591651.

NSD – The Norwegian Centre for Research Data AS, by email: ([personverntjenester@nsd.no](mailto:personverntjenester@nsd.no)) or by telephone: +47 55 58 21 17.

If you have questions about how data protection has been assessed in this project by Sikt, contact:

email: ([personverntjenester@sikt.no](mailto:personverntjenester@sikt.no)) or by telephone: +47 73 98 40 40.

Yours sincerely,

Supervisor    MA student

Jonathan Reams    Christian Amundsen Mevold

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## **Appendix B- Consent form**

I declare that I am willing to be a participant in the project about decision making. I am aware that I can withdraw from this project at any time during the research; either during the interview, or at any given point in the process without having any consequences for me.

The project is approved by NSD, Norwegian Center for Research Data AS and thereby subject to ethical guidelines for anonymization as well as for storing and use of data material.

I have been informed, and I am aware, that the conversation with the researcher is confidential, the interview will be recorded, and transcribed. (The recordings will be destroyed once the transcription has taken place).

I have received and understood information about the project and have been given the opportunity to ask questions. I give consent to participate in an interview.

I give consent for my personal data to be processed until the end date of the project, approx. February 2024.

(Signed by participant, date)

## Appendix C- NSD approval

### Vurdering av behandling av personopplysninger

**Referansenummer**  
850714

**Vurderingstype**  
Automatisk ?

**Dato**  
19.02.2023

**Tittel**

Leadership potential: Locked away without the key to decision making

**Behandlingsansvarlig institusjon**

Norges teknisk-naturvitenskapelige universitet / Fakultet for samfunns- og utdanningsvitenskap (SU) / Institutt for pedagogikk og livslang læring

**Prosjektansvarlig**

Jonathan Reams

**Student**

Christian Amundsen Mevold

**Prosjektperiode**

10.01.2023 - 31.01.2024

**Kategorier personopplysninger**

Alminnelige

**Lovlig grunnlag**

Samtykke (Personvernforordningen art. 6 nr. 1 bokstav a)

Behandlingen av personopplysningene er lovlig så fremt den gjennomføres som oppgitt i meldeskjemaet. Det lovlige grunnlaget gjelder til 31.01.2024.

[Meldeskjema](#)

**Grunnlag for automatisk vurdering**

Meldeskjemaet har fått en automatisk vurdering. Det vil si at vurderingen er foretatt maskinelt, basert på informasjonen som er fylt inn i meldeskjemaet. Kun behandling av personopplysninger med lav personvernulempe og risiko får automatisk vurdering. Sentrale kriterier er:

- De registrerte er over 15 år
- Behandlingen omfatter ikke særlige kategorier personopplysninger;
  - Rasemessig eller etnisk opprinnelse
  - Politisk, religiøs eller filosofisk overbevisning
  - Fagforeningsmedlemskap
  - Genetiske data
  - Biometriske data for å entydig identifisere et individ
  - Helseopplysninger
  - Seksuelle forhold eller seksuell orientering
- Behandlingen omfatter ikke opplysninger om straffedømmer og lovovertrедelser
- Personopplysningene skal ikke behandles utenfor EU/EØS-området, og ingen som befinner seg utenfor EU/EØS skal ha tilgang til personopplysningene
- De registrerte mottar informasjon på forhånd om behandlingen av personopplysningene.

**Informasjon til de registrerte (utvalgene) om behandlingen må inneholde**

- Den behandlingsansvarliges identitet og kontaktopplysninger
- Kontaktopplysninger til personvernombudet (hvis relevant)
- Formålet med behandlingen av personopplysningene
- Det vitenskapelige formålet (formålet med studien)
- Det lovlige grunnlaget for behandlingen av personopplysningene
- Hvilke personopplysninger som vil bli behandlet, og hvordan de samles inn, eller hvor de hentes fra
- Hvem som vil få tilgang til personopplysningene (kategorier mottakere)



- Hvor lenge personopplysningene vil bli behandlet
- Retten til å trekke samtykket tilbake og øvrige rettigheter

Vi anbefaler å bruke vår [mal til informasjonsskriv](#).

**Informasjonssikkerhet**

Du må behandle personopplysningene i tråd med retningslinjene for informasjonssikkerhet og lagringsguider ved behandlingsansvarlig institusjon. Institusjonen er ansvarlig for at vilkårene for personvernforordningen artikkel 5.1. d) riktighet, 5. 1. f) integritet og konfidensialitet, og 32 sikkerhet er oppfylt.

## Appendix D- Interview guide

Introduction:

\* The goal of the conversation (I am interested in examining three key aspects of the decision-making process, two of which are your subjective experience and the external, system-related element. The interpersonal and relational part is another aspect that interests me.)

\* Details of confidentiality and anonymity.

\* What is the respondents' managerial experience, age and gender?

1. Can you give examples of any typical short-term problems you encountered where you had to make a decision?
  - a. Can you recall a specific situation and how you made that decision? (steps in the process, etc.)
  
2. Can you give examples of any long-term decision-making problems you encountered where you had to make a decision?
  - a. Can you recall a specific situation and how you made that decision? (steps in the process, etc.)
  
3. What triggers you to move beyond gut feeling or intuition to stop and analyze the situation in order to make a decision?
  - a. Can you recall a specific situation and how you made that decision? (steps in the process, etc.)
  - b. How did it make you feel?
  
4. The difference between decisions.
  - a. Can you describe an easy decision?
    - i. When the decision was made, how did it make you feel?
  - b. Can you describe a difficult decision?
    - i. When the decision was made, how did it make you feel?
  - c. What distinguishes these?
  - d. What happens for you when you encounter a decision-making circumstance that is challenging for you?
  - e. Can you remember a specific situation that helped you make better decisions?
  
5. Have you made a decision where things went differently than expected?
  - a. Why did it not go as planned?
  
6. Can you think of a decision where past influence
  - a. Helped your decision-making process?

- b. Harmed your decision-making process?
7. Have you ever made a decision that went against your past experiences?
    - a. Can you describe the situation and your thought process?
  8. How do you stay up-to-date on current trends and developments to prevent your past experiences from limiting your decision-making capabilities?

## Appendix E- Categories found from analyzing

Categories found in the process of analysing the transcripts.  
(with under-themes related to the categories).

### 1. Decision-Making Approaches and Styles:

- Piloting thinking process: Being open to experimentation and testing ideas.
- Fact-based, relational, and cultural decisions: Considering multiple perspectives and relying on past experiences.
- Gut feeling and intuition: Incorporating intuitive judgments based on experience.

### 2. Impact of Organizational Factors on Decision-Making:

- Organization size: Recognizing the differences in decision-making between smaller and larger organizations.
- Hierarchy and culture: Understanding the importance of organizational culture and hierarchy when making decisions.
- Initiatives and autonomy: Feeling motivated by organizational initiatives that address needs and provide space for decision-making.

### 3. Leadership Styles and Adaptability:

- Listening and understanding: Incorporating active listening and empathy into leadership styles.
- Direct communication: Desiring more direct and transparent communication within the management structure.
- Flexibility and adaptation: Adjusting leadership styles to different cultural contexts and being open to personal development.

### 4. Challenges and Discomfort in Decision-Making:

- Lack of insight and information: Feeling uncomfortable when decisions are made with limited understanding.
- Opposition and conflict management: Addressing opposition early and seeking consensus-driven decisions in conflict-averse situations.
- Overcoming personal biases: Striving to overcome cognitive biases and making objective decisions.

### 5. Experience, Expertise, and Decision-Making:

- Learning from past experiences: Avoiding repeating past mistakes and continuously learning from previous decisions.
- Insight and analysis: Gaining valuable insights, background knowledge, and analytical skills through experience.
- Intuition and decision-making: Developing intuition as a result of increased experience and expertise.

### 6. Emotional Factors in Decision-Making:

- Impatience and risk-taking: Feeling impatient when decisions are delayed and being willing to take risks.
- Pride and satisfaction: Experiencing a sense of pride when approved initiatives satisfy proposers' needs.

- Discomfort and refusal: Dealing with discomfort and refusal in decision-making and translating it into effective action points.

#### 7. Communication and Relationship Building:

- Building trust and relationships: Establishing trust and rapport through asking questions and understanding others.
- Confirmation and understanding: Recognizing the universal need for confirmation and understanding among managers and leaders.
- Timely communication: Practicing reflection and thoughtful communication, particularly when dealing with emotionally charged situations.

#### 8. Self-Awareness and Personal Development:

- Childhood influences: Exploring how personal development and childhood experiences shape leadership styles.
- Recognizing personal biases: Developing self-awareness to identify and address personal biases in decision-making.
- Leadership toolbox: Building a personal toolbox to navigate challenges and develop as a leader.

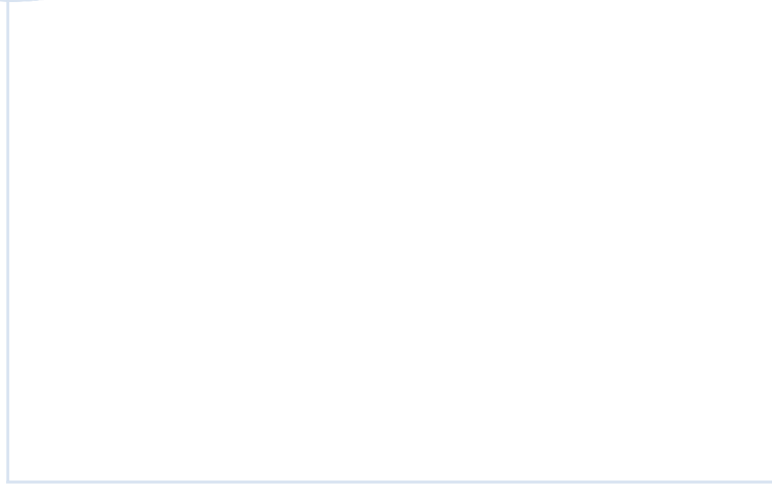
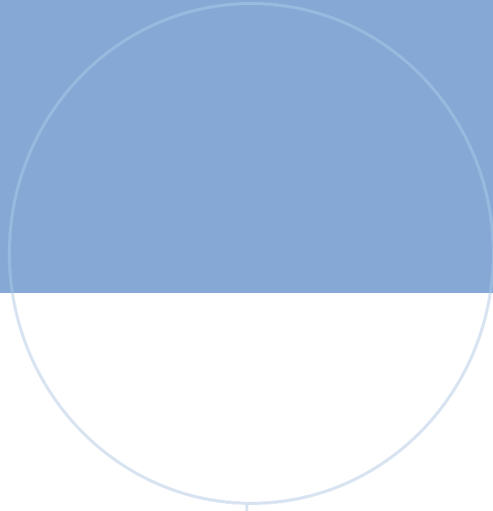
#### 9. Analytical Decision-Making and Long-term Vision:

- Visualizing outcomes: Considering potential consequences and visualizing future outcomes when making significant decisions.
- Analytical analysis: Applying objective and analytical thinking to decision-making processes.
- Driving organizational processes: Taking a proactive role in driving organizational processes and leading at all levels.

These categories and their under-themes provide an insight into the connection between leadership experience, decision-making style, cognitive biases, and leadership potential, as analyzed through the transcripts of the five interviews.

## Appendix F- Example of IPA Bracketing

		<b>Excerpt of transcription</b>	<b>Descriptive</b>	<b>Linguistic</b>	<b>Conceptual</b>
Number	Questions	What did he say?	The subject of the talk	The specific use of language	Interrogative and underlined
4 d)	What happens for you when you encounter a decision-making circumstance that is challenging for you?	When a decision over which he has little influence is made and which he disagrees with, he finds it difficult to settle down. Needs to make the other party understand the consequences of the decisions that have been made. Disagreed a lot, had to fight to see if he could get the other party to understand	Challenges and frustrations that arise when one disagrees with a decision that has been made and feels powerless to influence it. The individual feels a strong <b>need to communicate their concerns and make the other party understand the potential consequences</b> of the decision. This can lead to a sense of agitation and unrest until some resolution or understanding can be reached.	The individual feels a strong need to communicate their concerns and make the other party understand the potential consequences of the decision.	Do we always need to make the other part understand in order to be good leaders?



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