

Towards a Theoretical Model of Emotion based Managerial Decision Making

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Abstract: Emotions as a discipline has been researched for decades but there is still much to explore. There is always a need to address upcoming research questions. The theoretical model proposed in this study shows the factors contributing to the emotional reactions of an individual in their decisions. The propositions are made showing the interplay of factors affecting emotions and its impact on the decisions made by the managers in an organization. This study reviews the existing literature in emotions and decision making and aims to develop a conceptual framework incorporating the environmental factors in the managerial decisions of an organization. This study provides a framework based on which further empirical work could be concluded. A search was made on the web of science, science direct, JSTOR databases, using keywords as 'choice' and 'decision making', 'emotion and decision making, affect in decision making but restricted from 1960 onwards, identified over 53,000 publications. After going through the titles and the abstracts, key papers related to emotion theories relevant to decision making and emotions in decision making are screened out. These selected papers are read and summarized and used in structuring the literature review and building the conceptual model. The journals related to the research area considered were Emotion, Cognition and emotion, Emotion review and Motivation and review where the relevant papers are searched to get the extended body of knowledge on the topic under concern.

With the rise in the scope of emotional research there is an increased growth in finding the relationship of emotions with people, their workplace at managerial levels. Organizations, regardless of considering them as a rational entity, emotional researchers are recognizing emotions as an integral part of organization (Giardini and Frese, 2004). The flux of organization from a rational being to the context of real emotional world requires detailed extensive study of emotions within the context of organization. So the emerging era of studying emotions in organization presents complications in methodological and epistemological concerns. Like other research studies this research study has its philosophical underpinnings. This research study has objective ontology means universalism of one true reality and it is epistemologically subjective meaning the individuals and contexts are attributed meanings perceiving knowledge about the external world as subjective in nature. Research methodology is followed by discussion and conclusion on the proposed conceptual framework that results from this study. Furthermore, this research is not just filling the research organizational gap but contributes to the conceptual development in the area.

1. INTRODUCTION

Making decisions is an everyday phenomenon. Everything we do consciously or unconsciously is the result of a decision of some sort. Some decisions require little effort, called simple decisions while others require careful thought processes, such as the case of complex decisions. During the last few decades, researchers have shown interest in identifying the relationship of emotions with decision making. Herbert Simon (1967) states that “to have a complete theory of human rationality, we have to understand the role of emotions in it”, this suggests that his theory of bounded rationality would be incomplete without considering the role of emotions. For a longtime, decision making was considered as purely a rational process, where decision makers were of the view that most decisions on the basis of utility theory i.e., choosing the alternatives that offered the most benefit (Loewenstein and Lerner, 2003; Slovic, Peters, Finucane and MacGregor, 2002; Böhm and Brun, 2008). After the significant research done by Johnson and Tversky (1983), affect and reason gained importance in organizational research (Forgas and George, 2001) and behavioral decision-making researches (Oatley et al., 2011). However, limited theoretical clarification is available for identifying the answers to the questions of the importance of emotions in managerial decision making as well as to know how various emotions may interrelate with other external factors in the environment which affects a decision maker to influence the decisional outcome (Kim, 2012).

Studies in cognitive decision theory emphasize the rational aspect of decision-making process explaining its various cognitive constructs (Leonard et al., 2005; Papadakis and Barwise, 1997). Some other research studies have stressed the behavioral aspect of the decision process (Elbanna, 2006; Ireland and Miller, 2004; Seo, Goldfarb, and Barrett, 2010) and with time, theorists have come to accept that emotions have their dominant role in meaningful strategic decisions (Frijda 1988, Frijda 1994, Keltner and Lerner 2010, Lazarus 1991). Emotions play their role in reducing negative feelings such as regret, sadness, guilt, etc. (Clark and Isen 1982, Erber and Wang Erber 2000) or increasing positive feelings like happiness or pride (Aaker and Williams 1998, Andrade and Cohen 2007).

Decision makers prioritize emotions rather than their cognition in making their decisions (Kringelbach and Rolls, 2004). Emotions are closely linked to cognition, for their nature is unconscious and automatic and guide human actions in response to external stimulus (Wofford and Daly, 1997; Lazarus, 1991; Kuhl, 1986). It is also declared in the other research studies by Bechara and Damasio (1997) which concludes that in some contexts, emotional factors are more predictive in making high quality decisions rather than the rational factors.

The line of argument taken up in this study is that the emotions affecting managerial decisions may be somewhat resolved from an extensive study of existing literature on emotions and its interplay with other inner and outer constructs in decision making occurrences. The purpose of this research study is to develop a conceptual model that proposes the areas where emotions arises in decision process and to identify how external environmental factors integrate with emotions in decision process. Based on the scant theoretical work on emotions in decision making process, this research attempts to add in the existing literature of emotions within the scope of decision making.

The next section is about the background where already done researches are cited following a discussion on the interplay of emotions with other environmental constructs with various propositions.

2. THEORETICAL BACKGROUND AND LITERATURE ON EMOTIONS AND DECISION MAKING

2.1 Emotions and Moods

An emotional experience starts when an exciting stimulus interacts with an individual (Elfenbein, 2007). Emotion theorists agree on the basic difference between emotions and moods – stable or long-term tendencies towards happiness (Kagan, 2010). The basic difference between them the existence and nonexistence of an event, triggering a person's feelings, where emotions have the triggering effect and moods do not trigger feelings (Parkinson, Totterdell, Briner, and Reynolds, 1996). Kim (2012) explains emotions as temporary feelings or reactions to a person, object or even an event. Naragon-Gainey (2014, 2017) notes that emotions are very strong and have relatively flexible connections among emotional expressions (e.g., physiological responses, cognitions, behaviors, facial expressions), whereas moods manifest in more subtle physiological expressions. From a more functional perspective, Reisenzein, Studtmann, and Horstmann (2013) suggest that moods and emotions give variety of information, where emotions predominantly give information about the existing situation, and moods offer data about inner environment for response to the external environment.

Emotions are episodic phenomenon that are dynamic in nature, have a beginning and an end, and occupying an interval of time governed by the mental states of the individuals experiencing them (Ekman and Davidson, 1994; Frijda, 1994; Kirouac, 1995; Scherer, 1984). Emotions and relative reactions are provoked by a person's biased appraisal of a situation or object according to their needs or aims. The way in which people evaluate an object or event is a contributor to the emotions they feel. This evaluation is termed as appraisal which helps in changing an individual's behavior because it is linked with their experiences of the beneficial and the harmful (Ellsworth and Smith, 1988; Lazarus, 1991). Emotions are event specific, object specific (Lazarus, 1991b), or subject specific, and have a certain reason for a mental content (Forgas, 1995), so their effects on behavior are focused and specific (Frijda, 1986).

This study defines emotions within the specific context as an active dynamic process, generated by a specific stimulus (an object or event), within the course of interaction, for a specific period having behavioral consequences (Scherer, 1984). Moreover, the terms emotion and affect are used interchangeably.

2.2 Types of Emotions

Lerner and Loewenstein (2015) classify emotions related to decision-making into two: The emotions which shape the decision making and arise from the imminent decision are called integral emotions. An example can be a person who is worried about the result of an uncertain choice, opting for a kind outcome rather than a risky but possibly more rewarding option. These special properties of integral emotions work at both the conscious and subconscious levels. The latter is termed as incidental emotions which persistently transfer over from one event to the next, affecting decisional outcome (Keltner and Lerner, 2010; Lerner and Tieden, 2006; Lerner and Keltner, 2000). This process is termed as the transferring of incidental emotions (Loewenstein and Lerner 2003; Bodenhausen 1993). Such carry over are exemplars of the logical fallacy of ad hominem where incidental emotion activated in one condition spontaneously provokes a cause to blame an individual in other conditions even if the targets

of incidental anger are not related to the source of the anger (Quigley and Tedeschi 1996). This transmission of emotions occurs unconsciously, and is directed from a source towards a target.

The next section discusses the theoretical model based on the literature, indicating the relationships of how emotions interplay with other environmental factors in decision implementation.

2.3 Integration of Emotions and Environmental Constructs

The first step in decision making process is the environmental scanning (Milliken, 1990), other stages include to collect the information for identifying the major issues and problems, problem identification, and decisional choice. External and internal sources of information are collected during an environmental scan. According to Pettigrew (1992) decision maker's perceptions are governed by their subjective/personal and informative view of the external world, which means that decision maker's informational activities are rooted in their inner constructs including psychological factors and the outer context of an organization.

2.3.1 Emotions and Past Experiences

Emotions serve as a base for information gathering, which is necessary for making decisions (Zull, 2006) and according to Wolfe (2006), emotions are considered as a factor that mediates what is already learned and what is still remembered. Experts are of the view that to learn it is necessary that we should be attentively engaged and for that emotions play their role in triggering a person's attention to a subject. Additionally, the coding and encoding processes involved in learning are tied to the specific emotions (Wolfe, 2006). Han, Agrawal and Dubachek (2013) assumed and concluded that people resist information which is not related to their past experiences. In decision making process the emotions in the past experiences serves as informational base in choosing among the alternatives (Schwarz and Clore, 2003; Slovic et al., 2002). Information processing emphasizes internal processes of a human brain, including capturing information, its storage, retrieving it back, and reacting accordingly to messages. Information processing also recognizes the external stimulus in information processing which results in a particular behavior. These emotions of an individual is the result of two pathways of a human brain where one is fast path way and the second is slow pathway (Damasio, 2000; Ochsner, Bunge, Gross, & Gabrieli, 2002). These basic emotions are regulated by the oldest part of the brain which is called the limbic system containing amygdala, thalamus and the hypothalamus. The thalamus is the gatekeeper in this process of the pathways where the response to the basic emotion is determined by fast pathway passing through the limbic system. The sudden response to any action i.e. primary emotion is determined by the fast pathway for example putting brakes on the highway roads whereas secondary emotions are regulated by the slow pathway in the cortex of the brain. Another example can be achieving an important objective helps you to enjoy your secondary emotions in the form of joy and satisfaction but in other case if your medal is won by one of your friend which you think you deserved, this experience of secondary emotion can be negative in the form of being angry or sad. This results in mulling over the incident for weeks or months with negative emotions each time you remember your loss (Martin & Tesser, 2006). This whole process of gathering information in the brain depends upon recollecting our information from the past which is a complex process. Here information travels from thalamus to frontal lobes for analysis and is further integrated and then moves to amygdala. This creates arousal of emotion which produces behavioral responses in light of the information gathered from the

past experiences. Hence, I argue that the decisions made by a decision maker are influenced by the emotions that are triggered based on their past experiences.

Hypothesis 1. Decision makers experience emotions differently based on their varied past experiences.

2.3.2 Organizational context and emotions in decision making

According to Kahnemann and Tversky (1979) individuals perceive, shape, and understand information in a variety of ways where different decisions made may differ between individuals and also across contexts or situations. In 1979, Kahnemann and Tversky introduced the word framing of a problem which is the collection of information about the current decision along with the information of the decisional context (time constraints, emotional aspects). Framing is a key finding from Prospect Theory, which states that when a problem is encountered, people form a virtual representation about issue (Kahnemann and Tversky; 1980). Framing is a hidden intuitive action but may be worked out intentionally by the people involved in decisional process or by others. This is demonstrated widely in lab experiments by Kahnemann and Tversky in 1979 and 1981. In these experiments the researchers have shown that the way individuals describe their outcomes on the basis of their losses or gains which resulted in entirely diverse decisions being made. Behavioral decision theorists have identified that in many cases positive emotions result in favorable outcomes, whereas negative emotions result in unfavorable outcomes (Pham, 1998; Zajonc and Markus, 1982). Positive moods assist inductive reasoning and creativity (Isen, Johnson, Mertz, and Robinson, 1985), while negative moods enhance deductive reasoning (Mayer and Salovey, 1993). Also, when faced a risk individuals display rigid and preventive behaviors (Sandelands, Staw and Dutton, 1981).

The feelings generated usually facilitates our decision making process which involves selecting alternatives according to the situation (Damasio, 1994; Ketelaar&Clare, 1997). In making decision, a decision maker is surrounded by unlimited factors and issues which surrounds a decision where each factor is having advantages as well as disadvantages making it difficult to decide optimally within the given premises and time (Ketelaar&Clare, 1997). This dilemma is resolved by pleasant and unpleasant feeling which invokes a unique and distinct frame of mind (Schwarz &Clare, 1983; Raghunathan& Pham, 1999) which enables the prioritization of alternatives according to their adaptation in a given context (Ketelaar&Clare, 1997). This is also argued by Damasio (1994) that human emotional system plays an important role in an individual who select among a number of potential alternatives by providing instant emotional assessment of each alternative with referring to its goodness or badness.

Behaviors are influenced by the thinking and experiences of a specific frame of mind, hence impacting a person's decision and behavior (George, 2000). Therefore, this study posits that:

Hypothesis 2. Organizational context affects decision makers' emotional experience in making decisions.

2.3.3 Mental/psychological states affecting decision making

People make decision in variety of ways (Weber and Lindemann, 2007). This appraisal framework has worked to move the study of emotions to connect various emotional appraisal theories with the influence of these emotions on incidental decisions (Lerner and Keltner, 2000). An emotional appraisal leads to various impulses as driving forces depending on the settings (Dunn and Hoegg, 2014) where the effect of an emotion varies with the activated appraisal tendency so a variety of reactions may arise from a single emotion. According to this appraisal-tendency framework, specific triggers activate a cognition termed as appraisal tendency results in evaluation of a succeeding event based on their emotions (Lerner and Keltner, 2000, 2001). Based on the fundamental appraisals of every emotion and decisional outcomes differs accordingly. This appraisal-driven method analytically examines the effects of emotions on decision-making. Existing literature displays two of the basic emotions which are sadness and disgust as negative emotions in close relation, may have a different reaction because of varied tendencies of each emotion. According to Damasio's (1991) somatic marker hypothesis, emotions guide an individual's behavior in decision making, hence any changes in the external environment stimulates physiological changes. These somatic markers transform the emotions towards the specific behavior and their outcomes. In course of making decisions, the stimuli called as somatic markers evoke certain emotions that are intentionally or unintentionally connected with a decision makers past experiences and lead the decision towards reactions that are either acceptable or not (Damasio,1994).

Research studies (Raghunathan and Pham, 1999) show that cognitive characteristics of a decision maker and their emotions influences decisional outcomes. Every decision process in a business organization (e.g. buying, selling, recruitment etc.) is affected by emotions (Seo and Barrett, 2007). This takes into consideration the differences in individuals' disposition, their mental capabilities and their ability to cope up with cognitive limitations in managing emotions.

It is very obvious from our everyday life that emotions influence our decisions just the same way as the result of our decision influences our experienced emotions. Lerner and Kelter (2000) have concluded that fearful people make pessimistic decisions but angry people make optimistic decisions at individual level. The psychological states of either being happy or sad can ease the decision process relevant to situational requirements (Ketelaar&Clare, 1997; Damasio, 1994). This is also cited determined by Morris (1989), Schwarz &Clare (1988) that different psychological states of being in a pleasant or unpleasant mood can help an individual to make effective decision. This enables and facilitates an individual in making decisions in a given situation to the adaptive requirements (Ketelaar&Clare, 1997).

Hypothesis 3. Decision makers' mental or psychological states affect emotions in decision making.

2.3.4 Culture and Emotions in Decision Making

According to early theorists, natural selection is also a factor governing specific emotions (Darwin 1998, Ekman 1993). Other researchers consider culture and language to shape emotional responses (Barrett 2006, Lindquist and Gendron 2013). Emotions differ across boundaries (Prinz, 2004) taking an example of Malay language which has not any substitute word for anger rather for its speakers anger takes on different forms. The closest term used for anger is marah which is related to brooding (Goddard, 1996).

Emotions are the results of nature and are developed with the passage of an individual life (Prinz, 2004). James Lange theory describes emotions as short lived perceptions and bodily reactions of an individual for behavioral responses (Prinz, 2004). According to Prinz (2004), emotions are described in realm of social constructivism and emotions are interpreted as cognitive/mental appraisals rooted in behaviors (Averill, 1980). These cognitive appraisals are the judgments about how a situation bears on an individual wellbeing. The appraisals and emotional scripts (a different range of actions about what to do) are enculturated which mirror morals and norms of a culture. When an individual acts on an emotional script, they are actually involved in behavior endorsed by culture. In such a situation according to Prinz, an individual is working on his/her capacity to choose among alternatives. Culture also effects how an individual body reacts (Prinz, 2004) and the emotional expressions are the result of cultural changes. Ekman (1969) argues that culture influences facial expressions and may inspire people to act and reshape bodily reactions. Culture also affects the contents of emotions, which depends on the way emotions are set up through elicitation files. The elicitation files act as activation for emotional reactions which can be biological or developed during lifetime. With the passage of time these files are creating more and new files which trigger the emotions for the reactions to take place (Prinz, 2004). Emotions can be embodied as well as culturally constructed where culture reshapes our bodily responses and readjust existing emotions therefore leading towards a different decisional outcome. Some studies seem to illustrate the effect of emotions in mental processing with their self-referential processing of positive and negative stimulus (Breslow, Kocsis, &Belkin, 1981; Denny & Hunt, 1992; Mathews & Bradley, 1983). Regarding this self-reference, Fossati et al. (2003) found a difference in brain activation when processing a positive or negative stimulus leads towards a more emotionally processed reaction. This can be further explained as when an individual is facing a set of problems and some facts, he/she tries to react naturally because of the knowledge background that is acquired over his/her life span. This knowledge is the result of the cultural understandings i.e. an individual never thinks of a particular reaction rather reacts (J. Dudovski, 2012). Similarly when an individual is facing a problem or decision in another culture, again the reaction is instinctively referring to his own cultural understandings termed as Self-Reference Criterion which is an unconscious reference to one's own cultural values, experiences and knowledge as a basis for decisions. The reaction of a decision maker is based on values, norms, meanings and behaviors according to the culture rather than his rational thinking which ultimately affects the decision made by an individual (Lee, 1966). Therefore it is proposed that

Hypothesis 4. Decision makers' emotional reactions are the result of cultural values.

3. Research Philosophy

The above cited literature makes this study a qualitative one facilitating the exploration of the issue under consideration. For understanding of the multiple facets of the issue this qualitative study gives the surety that the phenomenon under consideration is explored through a variety of lenses from different perspectives. Consequently, any qualitative study is designed by the research philosophies and their relevant paradigms. A set of beliefs about the methodology to be followed is called the research philosophy which includes data collection, its analysis and interpretation about research phenomenon. This research philosophy is selected considering the propositions. Philosophy is a thinking pattern with a coded set of beliefs; about oneself, the world that surrounds him or her and the relationship between the two. The research philosophy leads the researcher towards certain *paradigms* that need to be discussed. For example, positivism, social constructivism, advocacy and pragmatism (Creswell 2007). The first two paradigms are scientific in nature whereas the last two are normative in nature. The

research paradigm that is pertinent to this study is positivism. Comte's positivism was extended by the work of the 'Vienna circle' during the late 1920s, commonly referred to as Logical Positivism, adding the dimension of logical analysis and verifiability to the previous commitments to empiricism. Karl Popper's work led towards the start of the hypothetico-deductive tradition of positivism making 'falsification' the primary tool of a positivist. Thus, excepted truth would hold until they are negated or falsified.

Our conception of positivism is consistent with the views expressed by scholars in the fields of organizational studies (Eisenhardt 1989; Lee 1991). This view of positivism is the combination of the empiricist tradition, which sought the foundation of human knowledge in unquestionable experience of the external world, and depend on publicly verifiable, observable and systematically collected data (Ackroyd and Hughes 1992); and the critical rationalist tradition, whose main proponent, Karl Popper, determined that positive evidence (confirmation) and the inductive method which is the search for rules that lead from limited observations to the establishment of valid generalizations are not at the core of scientific method but negative evidence which is falsification and deduction are at the heart of science. Combining the two traditions results in hypothetico-deductive model (Ackroyd and Hughes, 1992), which is viewed as being central to the world of positivist research today (Lee 1999) and is applied in this research study.

3.1 Theoretical Framework

According to Halpern (2014) decision making "always involves making a choice between a set of possible alternatives". An individual can make effective decisions with critical psychological skills because psychological skills may lessen inaccuracies and enhance the decisional quality (Halpern, 2014). Though, research shows that not every individual has critical thinking skills because they don't have the relevant attitude, yet individuals can improve their critical skills with proper instructions and efforts (Halpern, 2014). In order to understand the critical thinking in decision making, researchers have suggested processing theories of cognition (Bechara, Damasio; 1997; Kahneman, 2003; Zajonc, 1980). Kahneman (2011) explains that there are two interacting systems in decision making, which he declares as System 1 and System 2. The practices of System 1 called as "fast thinking", and are viewed as effortless, firm, emotionally charged and automatic. System 1 uses memories, emotions, and stereotypes to construct a logical image of the world unconsciously and is the backbone of most decisions individuals make and is efficient and never stops with making ultimate conclusions. System 2, or "slow thinking", is in control of practices that are slow, organized, logical, cognitively demanding and emotionless. Since System 1 operates automatically and with a sense of ease, System 2 usually endorses its responses. System 1 transmits ideas to system 2 which are converted into beliefs. Kahneman (ibid) shows how the two thought systems having same input results in different outcome. It reveals the strength of intuition of human as rational beings. This subconscious mind governs our decisions and action. According to the dual process approach conscious analysis of an event affects emotional appraisal and that most of our actions happen automatically without the participation of the conscious-self unless challenged by uncertainty (Tiedens & Linton, 2001) or any novel situation (Bargh, Chen, & Burrows, 1996).

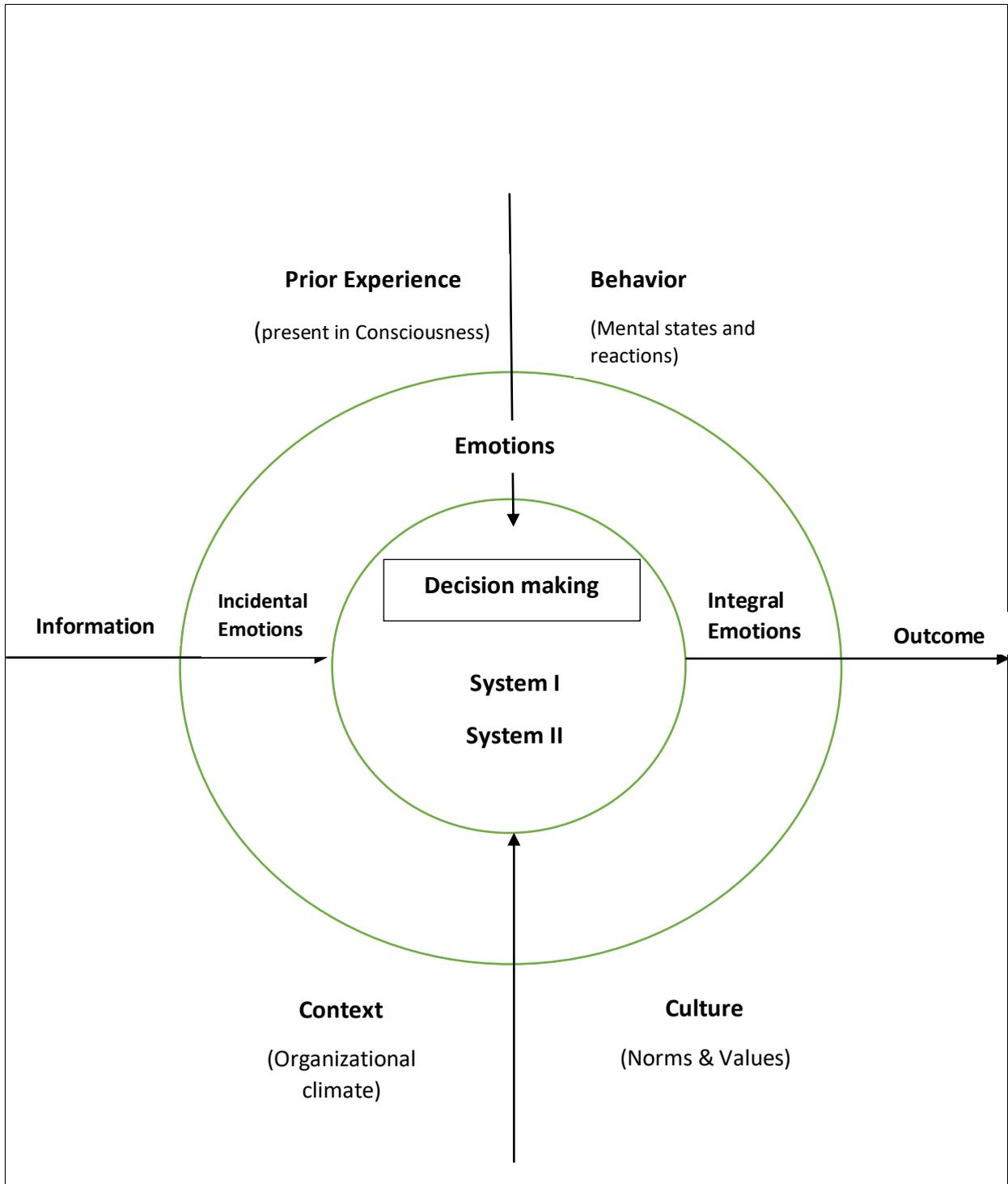
Apart from the individual role in effective decision making, an organization is also a factor contributing decision outcome. An organization as an entity details the decisions that individuals make as organizational participants (Simon, 1945). So, organizational members have a dual role to play, first

they simplify complex decisions, and second is to assist the organizational members in decisions. Simon (1945) argues that organizational decision-making is boundedly rational, with an important relation between human decisions and natural limitations along with the structure and activity of an organization. In 1963, Cyert and March show that in established organizations, decision-making is influenced by past experiences or past decisions (either explicitly or implicitly). They proposed a model of the goal-direction, economization, and learning entity to the organization. This decision-making model focuses on cost and decisions of the firm where past decisions were an important part of the environment of new decisions. High energy level equips the managers to focus their attention on the issue with the sense of urgency in dealing with uncertainties (Gaudine and Thorne, 2001). This emotional energy helps the manager in the decision-making to access information, and experiences for an overall beneficial decision of an organization. Feelings and emotions are crucial for any decision which serves for providing better chance of survival for a decision in a specific context (Loewenstein, 1996). Thorne and Gaudine (2001) emphasize that positive emotional states arouse productive and ethical decision making in organization.

Emotions have also been described as an essential part of decision making in social environments (Simon, 1987; Damasio, 1994). Laroche (1995) infer that decision making in organizations is the form of social representations, where managers and employees coordinate efforts and team work rather than working independently (Ferris et al., 2000). Social reasoning is the core of human experience in organizations (Gioia, 2001) which proves to be relevant for human resource management because of its impact on decision making regarding employees, their interaction with each other, with the clients and with the overall organization (Sutton, 1999). Organizational decisions have been conceptualized in a social context (Simon, 1987; Laroche, 1995) with a view that survival of a company depends upon the decisions of its managers (Sayegh, Anthony, and Perrewé, 2004). These decisions need information about objects, people, context, surroundings and are influenced by the biological regulation (drives, instincts, and the emotions attendant) of decision maker (Sayegh, Anthony, and Perrewé, 2004).

The existing literature cited above helps us to conclude with a theoretical model (figure 1) which delineates the interplay of various factors with emotions affecting the decision making.

Figure 1. Emotions and Decision making



4. CONCLUSION

The research work done on emotions and decision making makes up decades of work but still there seems to be a sort of ambiguity in explanation of the emotions in making relative choices (George,

Chattopadhyay, Sitkim, and Barden, 2006, Meindl, Stubbart, and Porac, 1994). The model developed in this study helps to realize the role of emotions in the decision making perspective and highlights the factors that affect emotions. This model explains the way information is perceived incorporating the cultural, psychological, contextual, and prior experiences in making a managerial decision in organizations which is explained in light of previous research studies in section 2.3.

The incorporation of internal (psychological, contextual) and external factors (experience, culture) helps us to understand the manner in which emotions are rooted in managerial decisions and how they can be managed and monitored to make an effective decision. Kim et al. (2006) suggests that when decision makers perceive unfavorable external (culture and experience in case of this study) and internal environment (psychological and contextual factors) they pursue similar organizational strategies but pursue heterogeneous strategies when these decision makers perceive favorable environments in the industry. . Thomas (1993) highlights the significance of emotions in management as well as in the process of decision making. Thus, the theoretical conceptualization of emotions in the context of decision making adds to the existing body of knowledge in conceptual and empirical advancement of the area.

From a practical point of view, it may help the practitioners to manage emotional experience in today's competitive environment. The managers in today's strategic organizations need to have the know-how of managing emotional reactions to better fulfill customers' demand. This can be done by arranging some seminars or training sessions for small businesses or entrepreneurs who are more exposed to extreme emotional experiences and lack professional training in managing variety of emotions. This research study emphasizes that emotions and the ways managers handle them in decision making have important consequences for decision outcome. In terms of practical implications for educating people working in managerial jobs, this research study helps i) to train managers ii) to identify the role of emotions in making effective decisions and iii) to help employees in learning about managing their emotions in decision making process.

The proposed theoretical model requires input from experts in the form of focus groups from industry and academics for getting it refined and to check it empirically. Emotion, in general, is complex and multidimensional (involving multiple factors effecting it) phenomena which cannot be explained by a distinct definition and difficult to exactly measure any emotion. According to Bodenhausen (1993), emotional experiences are distorted by coping behaviors hence the expressions may not always match with the experienced emotions. Emotions are fleeting and unconscious simulations in most cases where executives are reluctant to express their emotional experiences. Among the factors leading to emotional complexities are the backgrounds and the personalities of people (Kuhl, 1986). Thus, empirical testing of this model could try to capture the underlying nature of emotion. In the end this theoretical model and its empirical testing on the role of emotion in managerial decision-making settings should lessen the ambiguity related to the effective decision-making behaviors and their relative choices.

5.Limitations

Every research study has its own limitations. It is worth mentioning that selection criteria for research articles and journals might have left out some of the relevant papers. Another limitation of this study is as emotions are not having a clear and explicit definition in research papers, the categorization and the working definition was based on interpretation and assumptions of the author's definition. Although this research study provide insights into the research area but does not provide completeness in improvement of decision effectiveness. Despite these limitations this research provides conceptual implications on the role of emotions in decision making.

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