

RISK TAKING BEHAVIOR AND DECISION MAKING STYLES OF CSU COLLEGE DEANS: A CASE OF MANAGERIAL ETHICS

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Abstract: The risk taking behavior and decision making style of Cagayan State University's middle managers (the College Deans) is crucial in the process of its development. Thus, this study investigated the decision making style of the deans and the managerial ethics they employ. It made use of both quantitative and the qualitative methods. Respondents were 15 college deans' and 229 faculty members. Standardized and self made questionnaires as well as interview guide were utilized. Results show that majority of the deans display moderate risk taking behavior and normative decision making style. They display high risk taking behavior in loading and promotion; they utilize thinker decision making style and employ beneficence as managerial ethics. The deans are caught in a dilemma on how to bring organizational results or show loyalty to the top officials who designated them and on the other hand, how to maintain smooth interpersonal relationship with their subordinates.

INTRODUCTION

A manager makes decisions every day that affect their team and their organization. Sinha (2010) stated that decision making plays an important role in all phases of management, i.e., planning, organizing, directing, controlling, staffing, etc. Managers often find themselves facing alternative courses of action, out of which they are expected to choose or decide upon a single course of action. Decision making is often associated with risk taking. When a manager decides, he plunges into the unknown.

Like any organization, Cagayan State University undergoes the process of decision making through its middle managers, the college deans who may exhibit varied risk taking behaviors and ethical considerations in formulating decisions. Notably, the deans are the managers and leaders of their respective colleges. They play an important role in catapulting the performance of the college. Much of the expansion and advancement of the college lies on the dean's ability to take a risk as well as to decide. Issues, problems and concerns are threshed out based on the dean's ability to smoothen the rough sailing journey of the college.

As managers, the deans have the responsibility to make decisions to cater to the present dilemma their colleges are experiencing. As the head of the college, it is important to understand one's ethical obligations so that the organization's expectations can be met as well as exemplifying the appropriate behavior for others. Thus, they play a significant role in transforming the university based on their risk taking behavior and decision making styles which is affected by their ethical principles as individuals.

It is on this context that the researcher embarked on this endeavor to look into the risk taking behavior and decision making styles of college deans grounded on their managerial ethics as they perform their roles as managers and leaders in their respective colleges.

THE STUDY

Organizational decision making is complex, multifaceted and multidimensional process which is influenced by numerous factors. This study aimed to look into the risk taking and decision making style of the college deans of Cagayan State University as it relates to their managerial ethics. It determined the risk taking behavior and decision making style of the deans; the risk taking behavior and decision making style of the deans relative to loading, promotion, faculty development, faculty evaluation and curriculum development; the relationship between the respondents' risk taking behavior and decision making style; and the managerial ethics exemplified by the college deans in their decision making style. It made use of both the quantitative and the qualitative methods in data gathering. Permission was granted to administer the questionnaires to the 15 college deans and 229 faculty members as respondents. Faculty members were limited to regular teachers of Cagayan State University. Standardized questionnaires as well as self made questionnaires were the main data gathering instruments. The Decision Making Style of the deans was measured through the Decision Making Style inventory of Pierre Casse's Training for the Multicultural Manager (1982). It consists of twenty items that

determines whether one employs factual, intuitive, analytical or normative decision making style. The Risk Taking Inventory authored by Gene Calvert (2010) of the Highwire Management was used to determine the risk taking behavior of the deans. It is a fifteen item questionnaire that determines the level of risk taking behavior of the deans. A structured interview consisting of five cases each on loading, promotion, faculty development, faculty evaluation and curriculum development was conducted. Frequency count, percentage and chi square test of independence were used in the analysis of the data. The cases were thematically analyzed by determining the recurrent and dominant theme in each of the issues.

The respondents were the college deans of Aparri, Andrews, Carig, and Piat campuses. These are the colleges taken in the study because only the colleges not found in Tuguegarao were considered in other campuses namely: College of Agriculture, College of Arts and Sciences, College of Allied Health Sciences, College of Business, Entrepreneurship and Accountancy, College of Criminology and Justice Administration, College of Teacher Education, College of Engineering, College of Fisheries, College of Hospitality Industry Management, College of Human Kinetics, College of Information and Computer Science, College of Nursing, College of Public Administration, College of Technology and College of Veterinary Medicine. Hence, one of the major limitations of the study is the nature of the sample. This is because only 15 college deans were included as respondents who represented the 15 different colleges in the university.

FINDINGS

The study reveals that majority of the deans display moderate risk taking behavior as consistently assessed by them and by their faculty members. This finding means that the deans moderately take risks in promoting someone with unlimited potential with limited experience and in tolerating ambiguity and unpredictability. These behavioral manifestations also surfaced during the interview when the dean respondents said, *"I believe that real performance of the teacher is based not only on students' evaluation but on how I assess him during classroom visits. I don't entirely rely on the results of student evaluation because at times students are bias in assessing their teachers"*, *"All my teachers should be given equal opportunity to attend seminars. There should be distribution of 'wealth' in the sense that everybody has the chance to attend seminars"*. Moreover, they somewhat see that failure is a part to the long road to management success and that through failures, they are capable of discernment in the losses and are able to handle disappointments well. Thus, the deans tend to sensibly take risks by choice, not only by necessity and recognize risk taking as associated with success. As such, they sensibly believe that risk no matter how many times they fail, there will always be another opportunity to risk again and perhaps succeed that time. In short, they have the tendency to adhere to unconventional management practices like promoting someone on the basis of potential based on sound judgment as long as they can maintain their "comfort zones". Therefore, in taking risks, they have the tendency to calculate the recompense of their behavior. This result can be attributed to the sex and age of the respondents, that is, deanship is dominated by females and majority of them are middle-aged.

On the other hand, most of them display normative decision making style. This implies that they tend to be people-oriented and their wants and needs are based around being peaceful and harmonious, to be understood, to be respected, to please others and for approval. As such, they stress the importance of communication, relations, teamwork, expectations, individuals' uniqueness, and understanding. Hence, the deans display normative decision making style because they like harmony so they have difficulty dealing with conflict and tend not to make unpopular decisions. They would prefer decisions which are well-liked by the faculty members to maintain their 'popularity' as leaders. This can be seen in the responses of the deans during interview in the following words, *"A better working relationship exists when faculty members work together with us"*, *"I can sacrifice friendship for the betterment of the college"*. Similarly, the deans' normative decision making style is succinctly expressed by faculty respondents on the following words, *"My dean usually gives chance to faculty members to attend seminars by spreading the privilege of professional enrichment"*, *"My dean sacrifices friendship and thinks of the common good of the college"*. This finding agrees with the moderate risk taking behavior the deans exemplified. The moderate risk taking behavior they display is in consonance with the normative decision making style they employ. Thus, they would always adhere to what the majority expects them to do. They restrainedly take risk because they are very much focused on the wellbeing of others and on maintaining harmony.

Furthermore, the results show that the deans generally display high risk taking behavior on loading and promotion while manifest moderate risk taking behavior on faculty development and faculty evaluation and demonstrating low risk taking behavior on curriculum development. This implies that the college deans become flexible in the policies of the University relative to loading and promotion to maintain harmonious relationship within the college and may choose risky behaviors which may seem contrary to the realization of the vision, mission, goals and objectives of the University. The risk taking in this area is seen when the deans decide to do these even if they know that they jeopardize quality and effective instruction. This can be noticed on the responses of the deans in the interview such as *"I will give over load to a faculty member who is cooperative of the policies of the college as a way of thanking him. It is a way of rewarding a teacher who supports the*

college's policies and programs", "I will give over load to a faculty who is not giving me a headache" and "I will choose a faculty member who is cooperative to the policies of the college". Principally, the reason why they do this is to maintain the smooth interpersonal relationship within the organization. Thus, policies may be bent a little in order to ensure that harmony prevails in the college as well as the popularity of the dean to the faculty members is maintained. The deans take risks on loading and promotion basically because it is on these areas where their role as deans is felt. Similarly, it is in loading where the deans dip their fingers in matching faculty members with their load and have the options on whom to be given over load as a way of sustaining the support from the faculty. Likewise, it is also within their domain the listing of faculty members to be recommended for promotion. The deans have the last say on whom are to be included in the list of promoted because they are given the blanket authority to recommend faculty for promotion. In the performance of these roles, the deans see to it that majority of the faculty members are benefited from overload and promotion. This finding agrees with the normative decision making style shown by the deans that is, approval of people whom they worked with is important. They could afford to display high risk taking behavior in loading and promotion to make certain that the rapport within the college is maintained.

On the other hand, the deans employ thinker decision making style relative to these functions because these major roles entail high expectations of themselves and others. They are seen as the focal person in these areas and decisions lie on their hands. Hence, they are considered as managers in their respective colleges. That is why they want solutions to be fair and take flaws of process into consideration. It is for this reason that they enjoy debating the pros and cons of a situation and become irritated by surprises and irregularities. This finding is in contrast to the normative decision making style they employ. Generally, the deans display a behavior which considers more the 'pulse' of the college because they give priority to team work and harmony. .

Finally, the managerial ethics commonly exemplified by the deans in resolving dilemmas in their respective colleges is beneficence. The principle of beneficence guides the ethical theory to do what is good. This priority to "do good" makes an ethical perspective and possible solution to an ethical dilemma acceptable. This finding substantiates the moderate risk taking behavior that they displayed as well as the normative decision making style they used in the execution of their roles as managers in their respective colleges. The upholding of collaboration and accord in the college leads to the practice of beneficence. Hence, the deans consider the gain faculty members can get from their decisions and promote the advancement of the stakeholders in the college. In doing so, they make sure that moderate risk taking behavior is displayed so as not to affront either the administrator or the faculty members. This is evident because of their position as middle managers – bridge between the faculty members and the administrators.

CONCLUSIONS

Considering the findings of the study, it can be deduced that the deanship, just like any middle level position, has limited latitude and breadth of power. This principally explains why the deans in CSU exemplify moderate risk taking behavior. They are caught in a dilemma on how to bring organizational results or even show loyalty to the person who has entrusted him/her the position on one hand, and how to implement policies emanating from the top without much sacrifice of their smooth interpersonal relationship with their subordinates on the other. In short, to be in their position is likened to cooking "bibingka" in the traditional way wherein there is fire (pressure) from the top (key official) and the bottom (subordinates). Thus, how to handle these two great pressures brings them to take moderate risk taking behavior.

However, along areas on which their roles are central to their positions as deans such as on loading and promotion, there is a greater tendency for the deans to display high risk taking behavior since these are the roles where their presence is felt. This is attributed to the fact that these are the key roles they play where they call the "shots" so to speak. As deans, they have the ultimate pronouncement in terms of the subjects assigned and schedule as well as the list of recommended for promotion. In addition, it is on these areas where their authority as middle level leaders is tested. In displaying high risk taking behavior on these areas, they are nonetheless considered situational leaders employing "it depends" style. They take risks on a case to case basis because they have to maintain balance between the demands of higher management and the needs of their faculty members. Consequently, they become flexible in the implementation of the policies of the institution and adhere to popular decisions as well.

Essentially, the deans act as managers in the college where their roles are crucial in the implementation of varied activities and programs that promote advancement in the institution. And in deciding for the college, the deans as thinkers also consider the realization of the university's thrusts, goals and interests. Ideally, their position as middle level managers requires them to perform this as they are expected to continue a tight ship with the higher officials and become a team player in running the affairs of the university. They have to do this so as to maintain themselves in their position and to please the superiors who have placed them in power. This happens because along the way in their decision making, the good of the majority is always given utmost priority as indicated in their managerial ethics. Finally, decision-making and risk taking is context dependent. The context affects the form of decision analysis in many ways and the way decisions are made. In other words, the

structure as well as the culture of organization both influences the risk taking behavior and decision-making processes to a great extent. The deans may show more loyalty to persons (in low or high positions) than to the university as an institution. Primarily, this is attributed to the fact that deanship by its own nature is “by designation only” and hence, there is a need to show loyalty to the one who has bestowed him/her with the trust and confidence and at the same time make popular decisions for the subordinates to ensure his/her acceptance and popularity in the college.

Hence, Human Resource department should design activities and programs that cater to the needs of the deans such as the following: how to harmonize organizational and employees’ interests; decision and risk analysis; effective organizational communication; and interpersonal effectiveness.

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