Decision processes in organizations

Selart, Marcus

Preprint / Preprint
Sammelwerksbeitrag / collection article

2. Decision processes in organizations

Marcus Selart

Norwegian School of Economics

Abstract

In this chapter, it is demonstrated that the concepts of leadership and organization are closely linked. A leader should initially get to know the organizational culture as well as possible. Such a culture can for example be authoritarian and conformist or innovative and progressive in nature. The assumption is that leaders are influenced by their own culture. Strategic decisions are characterized by the fact that they are new, complex and open in nature, and being able to develop a strategy is one of the most difficult tasks for a leader. Traditionally, it is primarily the top leadership in an organization that works with strategic decisions, and thus it is common that strategic issues are handled by top leadership teams. This is related to the globalization of business and to the fact that the pace of work has increased significantly. In order to exercise leadership, a leader must have access to power. A power base can be created through networking as well as by using different political tactics. However, it is important to use political tactics in order to promote the organization's interests. When a leader has built up a power base, it is essential that power is used properly. The decisions that leaders make must be ethically correct and not violate universal human values. For instance, they should not lead to negative consequences for others within or outside the organization. Evidence suggests that most leaders have the potential to develop as ethical decision makers.

Leadership, decision making, and rationality

Herbert Simon's book *Administrative Behavior* (1947) was groundbreaking in many ways. He indicated that the premises for a decision are the key factors in an organization's decision making. These premises affect, and are affected by, how an organization is structured. Therefore we need to examine the decision-making processes in order to understand how the administrative behavior in various organizations functions. Simon also launched the concept of "bounded rationality". This form of rationality implies that managers' ability to process information is limited and must be adapted to reality. The following basic assumptions are made in the model:

1. Decision makers are generally assumed to be rational in certain given frameworks.
2. Decision makers generally lack complete information with regard to options, decision consequences and future preferences.

3. Decision makers are likely to have limitations in terms of both time and mental capacity.
4. Decision makers are assumed to have a limited capacity to process information.
5. Decision makers are assumed to be influenced by emotions when making their decisions.
6. Perception is assumed to be important in the sense that decision makers often operate along what they perceive.

In later research, it has been demonstrated how organizational activities have the capacity to modify the individual leader's bounded rationality, and vice versa (March & Simon, 1958). These results have been replicated and extended by Cyert & March (1963).

Research has since then revealed that leaders normally do not have access to all the relevant information. They have neither the expertise nor the capacity to process all possible information available. Due to these limitations, leaders lack the perfect knowledge of the decision situation that is prescribed by economic decision theory. Instead, organizational researchers have demonstrated that leaders' actual decision-making can be described as repetitive and complex. It is also influenced by deviations and biases (Mintzberg et al. 1976). According to Witte (1972), it is only in a minority of decision processes where one can discern a common thread between the problem definition and the choice of solution. Based on observations made by March (1971), it is common that the goals of leaders and organizations change over time. It is also common for leaders to discover their preferences through their actions and the experienced consequences of these. Therefore, it is not always the case that leaders first specify their preferences and then select the appropriate action. According to Cohen et al. (1972) the decision-making in organizations is characterized by that problems, potential solutions and actors are being mixed in an erratic manner. By this reason, preferences, technology options, potential solutions, and participants do not always have a strong connection to the fundamental problem. It has therefore been suggested by Lindblom (1988) that objectives and means cannot be separated in the decision process, since they are intertwined. Due to this, the decision maker has to evaluate the objectives and the means simultaneously.

In line, Brunsson (1982, 1985) has noted that the more rational the decisions of different actors are, the more likely it is that these decisions will not lead to action. When the participants in a decision process perceive that the chosen alternative only constitutes one out of several possible options, this can lead to a lack of commitment. A similar effect can occur when they discover that the chosen alternative could lead to a variety of consequences that are

difficult to predict. Therefore, it is more likely that the participants in a decision process are acting when they cannot see any alternatives and only expect good results. For this reason, irrational decisions more often lead to action.

However, there are occasions where leaders can make use of rational theories as an ideal and yet arrive at prompt and vigorous action. These rational theories generally assume that (March, 1997):

1. Every decision maker is aware of all the options.
2. Every decision maker is aware of the consequences of all the options, at least in terms of probabilities.
3. Every decision maker has a consistent preference order for all the options.
4. Every decision maker uses decision rules from which a single action can be selected.

In real life decision makers frequently use a model where they scan for information in two or more layers (Etzioni, 1985, 1986). This is done in order to eliminate alternatives. Rational theories can normally be used as an ideal in situations where the political dimension is not so significant.

According to Brunsson (1989, 2007) decision making constitutes a verbal process that leaders use as an instrument to support their actions through creating visions for the future and mobilizing resources. It is often the case that an organization has different stakeholders and objectives which cannot be satisfied simultaneously. For this reason it is common that leaders are forced to present and support various visions at different times. This two-sidedness can sometimes help the organization to make controversial decisions that may result in forceful action. In addition, the decision process creates responsibilities. If a leader has contributed to a decision in public he or she is also responsible for it. The way a decision process unfolds has an impact on how the organization as a decision-making body is perceived.

Based on partially similar arguments, Weick (1969) has criticized the idea of organizational decisions as stable and objective phenomena. Instead, these decisions are highly subject to how individual leaders interpret them. Leaders create meaningful interpretations of organizational decisions based on their impressions and experiences. It is these interpretations that form the basis of how the leaders subsequently act in different situations. By this reason, organizations operate in environments of human interpretation. For Weick, the information process is central to all organizational activity. Organizations cannot be regarded as static

systems as they evolve continuously. This development affects ideas, impressions, data, values and practices. Due to this development an organization can be equated with a system of interpretation (Daft & Weick, 1984; see also Schutz, 1932).

As a result of this research Weick (1995) has developed the concept of *sensemaking*. By the help of sensemaking it is possible for leaders to:

1. Change their perceptions so that they become mutually consistent.

2. Modify their goals and expectations so that they are consistent in relation to their perceptions.

3. Change their perceptions so that they are consistent with activities that have already taken place.

4. Manipulate the environment to make it consistent with their perceptions and needs.

It has been suggested by Weick that it is through the sharing of perceptions and expectations that top executive teams are able to function in a crisis situation. *This form of shared understanding is referred to as a collective mind*. When such a mind works optimally the team members do not need to communicate openly. All understand each other without having to speak (Weick & Roberts, 1993). It has been suggested by Giddens (1993) that decision makers to some extent are guided by tacit knowledge on how to act. He states that most of the rules implicated in the production and reproduction of social practices are only tacitly grasped by actors.

A thorough discussion of the concept of rationality in relation to leadership and organizational decisions is to be found in Hodgkinson & Starbuck (2008).

Knowing the organizational culture

An important ingredient in all decision making is the organization’s culture. All decisions are both affected by, and affecting, this culture. If the organization's culture is authoritarian and conformist, this implies that it is often tied to a bureaucracy. This generally results in limitations when it comes to making dynamic decisions. In case the organization's own culture is innovative and progressive, this normally implies that leaders are expected to be

more adventurous and make decisions based on their own initiative. There are also examples of organizations that vary between an authoritarian and innovative culture. Here it is important to be able to detect what regards the moment and act accordingly. The essence of culture is a set of values that has a number of norms related to itself (Schein, 1991). These norms define what is considered to be correct or incorrect behavior and what counts as valuable to the organization. Examples are power distance between individuals, equality between men and women, if it is important to avoid the risk, or whether it is acceptable to take chances or not. The values are not always observable, but are often taken for granted. A strong culture is characterized by the organization being so ideologically driven that an individual action is affected and inhibited by the pattern of shared basic assumptions (Schein, 1991). Some theorists say that a leader can make use of a strong culture as a form of ideological control (Morgan, 1997). According to this view, to lead an activity is equivalent to an ideological practice that reinforces the 'right' attitudes, values and norms of an organization. Hereby, the employees can be controlled.

In the research literature there are basically three perspectives on organizational culture represented (Frost et al, 1991; Meyerson & Martin, 1987):

1. *The integration perspective* means that the organizational culture is seen as a unifying and inclusive force, and that one has to do with a unified culture. Central concepts are "shared values", "common goals" and "common beliefs" (Deal & Kennedy, 1982; Peters & Waterman, 1982),

2. *The differentiation perspective* involves a focus on cultural differences and the existence of subcultures. Individuals and groups are expected to have their own needs, perceptions and values, be they organizational or personal. Since cultures, by definition, are interpretation systems variations between individuals and between groups must be expected. A group can differentiate by standing in contradiction to the main culture, or by representing something additional (Meyerson & Martin, 1987). Alvesson (2002) uses the concept of "limited ambiguity" on the organizations' limits for what is considered to be acceptable and effective variation.

3. *The fragmentation or uncertainty perspective* is characterized by the organization being regarded as an arena in which social actors constantly negotiate and renegotiate what is perceived as meaningful.

The leader of an organization is usually in the best position to be able to influence its own culture. In stable organizations the leaders are usually part of the culture. They must know it and be able to express it in order to appear legitimate. Culture controls management as much as management controls culture. This sets the limits for what is possible when it comes to changing attitudes and behavior. Leaders who come from outside or strong reformers can often count on a strong opposition (Strand, 2007). According to Trice and Beyer (1993), there exist four different roles that leaders can take in case they want to influence their own culture:

1. Leaders can mitigate conflict by creating consensus around what is considered to be common.

2. Leaders can express culture through their personality, their role and their way of being, and may thus provide a platform to change the culture.

3. Leaders can develop entirely new organizations and try to make their mark on them.

4. Leaders can try to take the opportunity to change the organization on special favorable occasions, for example, during crises, mergers, etc.

It is important to remember that the type of organization has an impact on the leader's opportunities to change and manage the culture. Roughly we can distinguish between four main types of organizations (Strand, 2007):

1. The team-oriented organization.

2. The contractor-oriented organization.

3. The bureaucratic organization.

4. The expert organization.

Strategic aspects of decision making

Traditionally, leadership research has focused on middle managers in organizations. A shift has taken place, in the sense that many theorists seriously have started to become interested in how top managers make strategic decisions, often through team collaboration (Cannelle &

Monroe, 1997). This newfound interest reflects a growing interest in creating an understanding about how large organizations must change in order to assert itself in international competition.

A strategic decision is characterized by the fact that it is new, complex and open. It often extends over a longer period of time and involves a number of dynamic factors. The process is generally uncertain, and nothing can be taken for granted (Mintzberg, 1979, 1983). It usually ends with a choice being implemented. Strategic leaders usually do not make a large number of decisions. Instead, they concentrate on the most important ones. Moreover, they think through the characteristics of a strategic decision and concentrate on these rather than that they solve problems. They make a few important decisions based on thorough analyses of consequence.

As stated by Michael Porter (1980), the most important objective for a strategic decision is to develop and take advantage of an opportunity in the market where the competition is absent. Such an opportunity will most likely create a protected position for the firm (Porter, 1980). When competition is high, the prices of the products will fall and the opportunities for the firms to make a profit will be lowered. According to Jay Barney (1991) the point of departure for a strategic decision should be made elsewhere. Leaders should instead focus on the resources that the organization is in possession of, either alone, or together with others (Barney, 1991). The assumption is made that it is the different and unique combinations of resources that create sustainable competitive advantage. The resources can include machinery, patents, production procedures, skills, brands, or favorable locations. Some resources are dynamic in nature, in the sense that they are developed when used, creating knowledge (Teece, Pisano, & Shuen, 1997).

Typically, organizational decisions can be divided in three different levels. The highest level is referred to as *strategic decisions*. These decisions affect an organization's general direction, long-term objectives, philosophy and values. The uncertainty is generally high. The middle level is referred to as *tactical decisions.* These support the strategic decisions. They tend to be of moderate importance and to have moderate impact. The lowest level is known as *operational decisions*. These take place every day and are used as support to the tactical decisions. They are immediate and usually have short-term consequences generally to a low cost. However, there are important interactions between the different levels, for example, in the making of a strategic agenda (Dutton, 1997). Such an agenda is not only the product of

the top leadership's perception. Middle managers also play an important role as active agents in the design. The strategic agenda is affected also by an organization's routines and ecological processes.

Strategic decisions are primarily concerned with the top leadership of an organization. The decisions are usually very important for the organization and often have long-term consequences. Since the decisions are so important to the organization, they must be closely linked with each other. In this way a consistent pattern of decisions is created, or a strategy that can guide the organization. Strategic decisions are usually the result of a collaboration between the most influential members of a top leadership team. Strategic choices may for example include the development of new products to address new markets, or the investment in new technology (Harrison, 1999). But a top leadership team must also be able to take advantage of the organization's knowledge to create a successful strategy (Wright, 2001). *The organization's key resource in the creation of a strategy is heterogeneity in the knowledge that employees possess*.

An important theme of leadership research is what kind of role a top leadership has for the performance of a major organization. There is research showing that leaders have significant impact on the organization's performance (Finkelstein & Hambrick, 1996; Katz & Kahn, 1978; Peters & Waterman, 1982). Other results point in the opposite direction, i.e. a leader has limited influence on how the organization performs (Hannan & Freeman, 1984; Meindl, Ehrlich, Duke & Rich, 1985; Pfeffer, 1977). The type of industry may matter with regard to this issue. Doubters present three main arguments for their position.

1. An organization's performance is determined largely by factors that the leader has no control over. Such factors include the economic situation, the market, fiscal and technological change.

2. Internal and external barriers imply that only political coalitions are strong enough to change the organization.

3. Individual leaders' ability to influence organizations is exaggerated on a regular basis. They are often given more credit than they deserve if things go well for the organization while they often get more criticism than they deserve in case it goes bad.

There are a whole series of internal barriers to change in an organization that a leader may face (Hambrick & Finkelstein, 1987). One type consists of strong coalitions within the organization itself. These may involve trade unions or other leaders with a strong power base. Another type is manifested by a strong organizational culture that is resistant to changes. Larger organizations are often characterized by standardized routines that are difficult to change. Generally, people are opposed to changes that threaten their status and power. They are also against negative actions which are contrary to their values and perceptions. In addition, they are unfavorable towards demands that require that they do things in new ways.

There are also a number of external change barriers that can meet a leader. An organization's products and services constitute such. Even the market in which the organization operates can be seen as some kind of barrier. If an organization is dependent on a few major customers or suppliers it may also be considered as an obstacle. Another obstacle is the governmental laws and regulations.

To conclude, Hambrick & Finkelstein (1987) suggest that managerial discretion is based on three principal components:

1. The task environment.

2. The internal organization.

3. The managerial characteristics.

The task environment includes factors like product differentiability, market growth, industry structure (especially Oligopoly), demand instability, quasi-legal constraints, and powerful outside forces.

The internal organization includes factors like inertial forces (age, culture, capital, intensity), resource availability, and powerful inside forces.

The managerial characteristics includes factors like aspiration level, commitment, tolerance of ambiguity, cognitive complexity, internal locus of control, power base, and political acumen.

Most large organizations have a top management team that includes the CEO and other top leaders. However, it varies from organization to organization, how this group works. In some

organizations, there is a hierarchy of authority within the group, while in others the power is allocated relatively egalitarian (Ancona & Nadler, 1989). In the latter case, it is not uncommon for all team members to help the CEO in formulating strategies. This is known as a top management team. It is notable that there may well be autocratic CEOs of organizations that formally work with leadership teams. There are also cases where there are democratic CEOs of organizations that formally work with traditional hierarchies within the top management team.

There are many benefits to an organization with a top management team (Ancona & Nadler, 1989; Bradford & Cohen, 1984; Eisenstat & Cohen, 1990; Nadler, 1988). For instance, a top management team has the potential to make better strategic decisions when its members possess the relevant knowledge which the CEO lacks. Strategies designed by top management teams are usually perceived as better than those in which the team had no influence (Korsgaard, Schweiger & Sapienza, 1995). Strategies rooted in the team are also perceived as more fair and they make the team feel more confident in the leader. In addition, the team will be more motivated to implement the decisions.

Indications exist that the current situation of an organization has an effect on the top management team's potential success (Ancona & Nadler, 1989). A team usually experience success in environments characterized by complexity and rapid change. The team is also effective in situations where the external requirements of the CEO are high. Research conducted by Eisenstat and Cohen (1990) shows that the top management team is often more successful when the CEO is allowed to choose his or her team. Such a team should be based on the skills and experiences that the members have. It is important to remember that the team members' individual characteristics are just as important as that of the CEO for the organization's effectiveness (Bantel & Jackson, 1989; Edmondson, Roberto, & Watkins, 2003; Hitt & Tyler, 1991; Keck & Tushman, 1993).

The CEO should in addition give the team a broad mandate, but should make clear where the boundaries are between their own responsibility and that of the team. It is also positive if the CEO indicates that the climate of cooperation in the team should be characterized by openness and trust. He or she should at the same time avoid actions that encourage competition and distrust in the team. It is also not good if the CEO regularly invites to meetings with part of the team on issues that are of relevance and interest to all.

An important part of strategic management decisions is to be able to control all external factors affecting the decisions. It is not wrong to develop a monitoring system in this area. Research suggests five activities that are all important in a surveillance context:

1. To identify what information is relevant to collect (Bates, 1985; Narchal, Kittappa & Bhattacharya, 1987).

2. To use multiple relevant sources of information (Milliken & Vollrath, 1991).

3. To learn what customers and clients need and desire (Peters & Austin, 1985).

4. To learn about competitors' products and activities.

5. To relate ecological information to the strategic plans (Hambrick, 1982).

One of the most difficult tasks of a leader is to develop a successful strategy for the organization. There are often no simple answers to how this can be done most effectively. Research suggests seven activities that are essential in this context (Bennis & Nanus, 1985, Kotter, 1996; Nanus, 1992, Wall & Wall, 1995; Worley, Hitchin, & Ross, 1996):

1. To decide on the long-term objectives and priorities.

2. To assess the organization's strengths and weaknesses.

3. To identify core competencies

4. To evaluate if there is a need for a major change of the strategy.

5. To identify promising strategies.

6. To evaluate the strategy’s likely outcome

7. To involve other leaders in the selection of strategy.

Leaders can sometimes have quite different views on which the organization's main goals are. However, research shows that successful companies are characterized by a higher degree of consensus on what the common goals are (Hard Aker & Ward, 1987; Grönhaug & Falkenberg, 1990). Consensus seems to have a coordinating effect in relation to other

organizations and has an ability to facilitate the cooperation within. There are currently developed techniques that can be used in order to draw attention to differences in a management group's perception of the organization's main goals. These techniques are designed to build a consensus around the new objectives. This is done by means of probability judgments and causal analysis, among other methods (Strand, 2002).

Different leaders learn from their experiences in different ways. There are three basic factors that can influence leaders to learn from their strategic experiences (Camerer & Ho, 2001): These are:

1. Reflection.

2. Change.

3. Dedication.

Reflection: Leaders who are good at learning tend to have a "high reflection index". This means that they actively reflect on what move they should have made in a strategic game. Leaders who have a "low reflection index" can be trapped by using a strategy that is not necessarily bad, but not in the vicinity of alternative strategies.

Change: The second factor is the leader's perception of how fast the surroundings change. When change is rapid leaders should attach little importance to the old experience, because what worked for a few years ago suddenly has become irrelevant. However, when the environment is stable, leaders can afford to learn over longer periods and give equal weight to past successes and failures. In the latter case, managers use a long history of profits and losses when selecting a strategy.

Dedication: The third factor is how quickly a leader hangs on to a strategy that has proved effective in practice. There is a tendency among leaders to repeat what has previously worked well. This can lead to very good performance, since the repetition of this kind often improves efficiency. But something needs to change. This happens when a previous correct decision is no longer adequate, that is, when the environment changes rapidly. If leaders are unsure of how fast the surroundings change, it may be justifiable to consider all decisions as first-time choices. If it feels wrong to follow previously implemented solutions it is probably time to find a new one. An alternative strategy may be found that work better.

Political aspects of decision making

Decision makers are often forced to use political means to achieve their goals. To act politically means to exercise influence in any possible way. A leader can use power to mobilize resources, energy and information in accordance with a goal or a strategy. In addition, power and other resources may be acquired, developed and used in situations of uncertainty or disagreement (Pfeffer, 1981). There is in other words, clearly a need for competence in the leader's use of political means. Leaders who understand the politics, political behavior, and political effects usually make better decisions. Since both power and politics are key phenomena in all organizational life, these phenomena constitute a major component of all leadership decisions. Political power is used by leaders to make choices that ensure pre-determined conclusions that are in conformance with the leader's preferences. The political context affects how groups make decisions, and this context is constantly subject to change. When leaders interact or compete against each other as political actors this kind of strategic behavior impacts on others.

All legitimate power in formal organizations derives from the top management. It is only this management that has the power to intervene anywhere in the decision process and set the tone for the important decisions. The relation between organizational politics and power ought to be straightforward. A power base facilitates the use of political means to achieve more power. Power is thus both a target and a means. Effective decision makers are generally aware of their power, and use it in their efforts to influence and determine the outcomes of the various decisions (Ferris & Kacmar, 1992; Bacharach, et al. 1995; Madison, et al. 1980; Feldman, 1988).

Leaders can also build a power base by organizing themselves into networks. This is done in order to reduce uncertainty. The organization is created to exercise control and provide an overview. However, it is constantly threatened by circumstances over which it has no complete knowledge of, or control over. By participating in the network leaders can increase their ability to preserve relevant control, while they can afford to be exploratory and open to the outside world. Still, they must give up some of their autonomy in order to be eligible for benefits. Also, leaders must demonstrate trust which does not necessarily result in mutual trust. The benefits of engaging in a network can be divided into four categories (Strand, 2007):

1. Market advantages.

2. Adaptation and uncertainty control.

3. Learning opportunities.

4. Governance and internal simplification.

A distinction is made in the literature between seven different kinds of basic types of power that a leader can use:

1. *Legitimate power,* the power a leader receives as a result of his or her *position* in an organization's formal hierarchy.

2. *Information power,* the power a leader receives by the possession and control of information.

3. *Expert power,* the power that stems from the special knowledge and skills of the leader.

4. *Reference power,* the power that is based on identification, namely that the employees can identify themselves with the leader or the organization.

5. *Charismatic power,* the power leaders can exercise by their personality,

6. *Coercive power;* the power that is based on the fact that the leader can punish employees.

7. *Reward power;* the power that builds on the fact that leadership can reward employees.

There is a discussion in the research literature about whether or not the use of political behavior in itself should be regarded as legitimate or illegitimate when leaders are about to make decisions (Mintzberg, 1983; Pfeffer, 1981). According to Mintzberg, leaders have four choices in their daily work:

1. To pretend that the political behavior does not exist.

2. To recognize the existence of political behavior, and to regard it as illegitimate by trying to eliminate and prevent it.

3. To acknowledge its existence, but choose not to interfere.

4. To acknowledge its existence as something inevitable and to participate actively in the political game.

Whatever choice the leader makes, he or she may after a while experience that it is difficult not to participate in the political game. Otherwise it will be easy for others to determine what role you as a leader should play in it.

Mintzberg (1983) describes organizations in terms of internal and external coalitions. The internal coalitions receive their power from four different sources, or what he chooses to call systems:

1. The authoritarian system.

2. The ideological system.

3. The expert system.

4. The political system.

The first three systems are considered by Mintzberg as legitimate because they exist in order to help the organization achieve its goals. The political system on the other hand, seeks to displace the legitimate power derived from the top management.

There are clear similarities between the concepts of "leadership" and "power". For instance, leaders use power as an important means to achieve goals. But there are also differences between the concepts. A leader needs to exercise leadership in order to have similar objectives as the employees, but this is not necessary for the exercise of power. In addition, a leader must in order to exercise leadership also focus on his or her leadership style. However, to exercise power is more about focusing on the *inter-subjective level* to ensure control over individuals and groups.

Management decisions can be manifested in the context of three different types of profiles of political power:

1. The creation of goals (Etzioni, 1964; Cyert & March, 1963).

2. The allocation of resources (Ackoff, 1970).

3. The use of dominance and autonomy (Dahrendorf, 1959).

These profiles are not mutually exclusive. For example, creating objectives have implications for resource allocation. Similarly, the use of an internal resource may create a dominant position in the sense that those who have control over the resource get power over consumers. The critical resources for a task or scarce resources tend to have a high value as power bases.

The power of leadership decision making is essentially economic in nature. It is up to the leadership to determine the allocation, utilization and outcomes of the resources it disposes of. In large organizations the power to determine how large the new investments will be is central. Central is also the power to decide where, when and how such investments are implemented.

There is a lot of research that emphasizes that the need for power is an important prerequisite for leadership. But the organizational and personal success also depends on *how* power is used (Strand, 2007). According to McClelland (1999), power, performance and contact need all have the ability to explain how leaders behave in the organization. For instance, entrepreneurial leaders have a great need for achievement and power, but generally have less need for relationships. Performance motives are important in any leadership, but very strong motives may often be inconsistent with the organization's functions, as seen in a wider context. In case you measure all success as own success and strongly link results with your own effort, other stakeholders and the needs of the organization are at risk of coming in the background. Performance-hungry leaders often have trouble delegating responsibility to their employees. For these, it is more important to be better than others than to make sure that others are performing. Power motives are more typical of the leaders of successful organizations. The mature form of power is characterized by the fact that it focuses on relevant organizational objectives often in combination with socially acceptable ways of exercising power. Unacceptable manners are characterized by coercion, manipulation, impulsive aggression, authoritarian behavior and the use of force (Strand, 2007).

It is of course interesting to study power as a source of influence. But it is also possible to study what types of behaviors are used by leaders to exert influence. Such behavior is often referred to as an *influence tactic*. The literature defines three main general types of influence tactics (Yukl & Chavez, 2002).

Impression management tactics are aimed at influencing people to like the leader or to make positive assessments about the same. Often, the leader gives praise to employees or offers help without demanding anything in return. It is also effective for leaders to regularly speak of their accomplishments and qualifications. Note that this kind of tactics works just as well carried on by the leaders as by the employees.

Political tactics are used to influence organizational decisions, or encourage the interests of individuals or groups (Kacmar & Baron, 1999; Pfeffer, 1992; Porter, Allen, & Angle, 1981). A relatively common political tactic is to try to influence how key decisions are made and by whom. As a leader one may be tempted to select decision-makers who are known to support one's suggestions. Another popular approach is to try to influence a meeting agenda or to get policy makers to make use of criteria known to favor one's proposal. Often it is effective to use facts and figures (Stone, 2002). In order to quantify, decisions about categorization are needed, that is, on what should be included and excluded in a particular context. When measuring a phenomenon this means to create standards around what is considered to be too little, too much and just right. Political tactics are also used in order to defend oneself against the opposition and to silence criticism (Valle & Perrewe, 2000). Another way to influence is to frame the problems to suit one's purposes. A leader can also be interested in preventing certain types of decisions being made, through control of the agenda (Lukes, 1986). The trick is to monitor the decisions that shall be made, but equally those which shall not be made. It is not uncommon that leaders sometimes withhold important information, and merely present the selected facts in order to avoid certain decisions. In order to escape criticism after a decision is made, it is common for leaders to express publicly what the decision is about in as vague and imprecise terms as possible. This is especially true for top leaders (Stone, 2002). Some political tactics will use deception, manipulation, or abuse of power (Zanzi & O'Neill, 2001)

Proactive influence tactics are often aimed at changing how a task is performed, in one way or another. It may be about getting an employee to perform a new task, or changing procedures on an existing task. Other application areas for these types of tactics may be to provide support for a project or for a proposed change. Both persuasion and legitimate power can be used to achieve these goals.

The image of political behavior in organizations may seem to be negative, manipulative and malicious. But it is important to remember that this type of behavior can actually support the organization (Mintzberg, 1983). It is important that leaders realize that political action can:

1. Correct weaknesses and create flexibility.

2. Ensure that the most suitable organization members receive leadership roles.

3. Ensure that all views on an issue will be ventilated.

4. Support the necessary organizational changes.

5. Support decision making, particularly in the implementation phase, of a choice involving several different stakeholders.

Ethical aspects of decision making

Leadership research indicates that there are a number of key ethical decision-making perspectives that govern the decisions:

The utilitarian perspective

The rights perspective

The fairness perspective

The utilitarian perspective: The goal is to create as much benefit as possible for an organization. The perspective has been dominant in business decisions, and important key concepts are efficiency, productivity and profitability. The approach can sometimes mean that a minority will be deprived in order for the majority to be better off. It has been suggested that utility maximization is the best approach for leaders to achieve their stated objectives (Baron, 1993). It is based on their goals that leaders can argue for taking into account different norms as a guide to their decisions. The use of a norm can be seen as a decision.

The human rights perspective: According to this perspective, decisions should be made in accordance with key policy documents such as the Declaration of Human Rights. The so-called precautionary principle means that every leader must be alert to avoid injury when making decisions. Individual rights are often stressed. The individual right to speak freely is an example of this. It also stresses that each citizen has certain basic rights.

The justice perspective: A distinction is made in the literature between distributive and procedural justice. Distributive justice is about a resource to be distributed as equitably as possible, either in full equality or on the basis of need or performance (equity). Procedural justice is based on that the actual process of creating justice must be as fair as possible, even if the outcome could be different for different individuals.

Almost all leaders seek to influence in any way. The main issue is not whether the leaders use power or not. The essential issue is *how* they use their power (Gini, 1998). Leaders who have power can use authority to promote their own careers and finances at the expense of the organization's employees and the public. In addition, leaders can by the introduction of various unethical practices affect others in a negative direction (Beu & Buckley, 2004). It is therefore not strange that the abuse of power leads to many people being interested in the ethical aspects of leadership. Another reason is general public's declining trust in leaders, fueled by the scandals published in the media (Kouzes & Posner, 1993). Despite the great interest in ethical leadership, there is at present no consensus on how this term should be defined or measured. One reason for this is that there is no neutral basis. Theories about ethical leadership almost always involve values and implicit assumptions (Heifetz, 1994).

It is important to be able to make a distinction between ethics tied to an individual leader and the ethics of various specific types of leadership behaviors (Bass & Steidlmeier, 1999). Both types of ethics are difficult to evaluate. Regarding the assessment of individual leaders, there is a wealth of relevant criteria, for example, the leader's values, moral development, conscious intentions, possible choices, influence, and behavior. Many leaders often possess a mix of strengths and weaknesses with respect to these criteria. One problem that emerges when we evaluate individual leaders is when to determine the criteria to be used and their relative priority. The final assessment can be colored as much by the assessor as by the leader's

qualities.

Assessments that focus on ethics related to specific decisions or actions are most likely to include objectives (ends), whether or not the behavior is consistent with moral standards (means), and the results (outcomes). These three criteria are considered most often in relation to each other. A common issue is whether the objectives still justifies the means. Can leaders for example engage in behavior such as lying to avoid injury to their employees?
There are many types of leadership behaviors that are classified as unethical by the majority. These include falsifying information, to steal assets for personal gain, to blame mistakes on others, to sell trade secrets to competitors, to be bribed in exchange for services, and to pursue a ruthless leadership that damage others. It is important that leaders at all levels have respect for their fellow human beings' equal and high value, and seek ethical awareness and maturity. Furthermore, leaders should use their professional position with responsibility and objectivity, and keep their head role apart from their role as citizen and stakeholder. Leaders must also be aware of the limits of their own competence and be open for critical review of their leadership. It is therefore important for leaders to continuously maintain and develop their professional skills (see also Blennberger, 2007, for detailed discussions).

A leader should, as far as possible seek to maintain loyalty to the Board of the organization. Here, an important key word is transparency. In addition, a leader should work to develop the organization and secure that its resources do not become over-harvested. It is an advantage if the leaders can work in accordance with the organization's basic mission and character. Leaders should not pursue such claims on salary and other allowances that are not proportional to labor input value to the organization or is not compatible with fair practice in the labor market. Recently, the issue has been raised if a board can give its CEO a bonus in case of a profit loss (see also Blennberger, 2007, for detailed discussions).

It is essential that leaders have respect for managerial colleagues and try to maintain loyalty to them and other employees in various positions. A leader has a specific responsibility for employees' conditions and development, and should pay particular attention to vulnerable individuals and groups. Sensitive information about employees or job seekers should be handled with great care. Leaders must take responsibility for their own workplace being a constructive, respectful and generous social environment. Significant changes in work, which

adversely affects employees, should have a factual basis and be implemented with respect, honesty and care. In case a leader notices that others in the organization fails to respect the laws or the correctly made decisions, he or she is obliged to take action. This may involve colleagues or members of the Board, etc. It can also imply that others in the organization exhibit offensive or discriminatory attitudes and actions. These can be reflected in the Board's working methods, or in other leaders' or co-workers' conduct. In such cases the ethical leader should respond strongly. In case a leader himself/herself becomes the subject of criticism, it is important to treat this constructively, with a conciliatory and generous attitude (see also Blennberger, 2007, for detailed discussions).

It should be emphasized that a leader should make sure that the organization inspires confidence and protect customers, partners and stakeholders. In addition, he or she should take care for that the organization handles competitive situations in accordance with good business practice. Consider that two airlines are the only ones to operate a line between a Scandinavian metropolis and a tourist resort on the Mediterranean. It can be tempting for the financial managers in both companies to negotiate for as high ticket price as possible on the line instead of engaging in price competition. This runs counter to good business practice and can also be regarded as cartel conduct. (see also Blennberger, 2007, for detailed discussions).

A general rule of conduct is that the ethical leader must act in such a way that the organization and its activities result in confidence. A leader must ensure that those seeking work in the organization are treated in a respectful and non-discriminatory manner. In view of the environmental debate, a leader must also ensure that the activities of the organization are compatible with a sustainable development. Efforts should be made to make the organization find suitable forms of social responsibility, based on its goals and conditions (see also Blennberger, 2007, for detailed discussions).

Most leaders possess an opportunity to develop themselves to become guided by their values (Kohlberg, 1984). This means that leaders strive to develop an advanced moral reasoning. Value driven leaders are concerned that their daily activities reflect important ethical values such as honesty, fairness and personal integrity (Trevino, 1986; Trevino & Youngblood, 1990). They have a highly developed moral sensitivity and are driven by formulating ethical

problems. Faced with difficult decisions, they know what they stand for, and often have the courage to act according to their principles. Not infrequently this type of leaders integrates codes of ethics in the formal organizational systems in order to communicate to employees what the company stands for. For example, they can act to establish ethics committees, etc. Also, they actively seek to facilitate an ethical discourse within the organization, by stimulating the development of an ethical vocabulary. Since moral reality is a moving target, value driven leaders realize that they must reiteratively formulate and reformulate the ethical problems of the organization. They also understand that ethical problems can emerge everywhere in the organization and that others than the human resources department must be involved in detecting and solving them. Moreover, value driven leaders are often anxious to scrutinize the manner in which they formulate the problems they face in an organizational context. When an ethical issue arises, they make sure that the inter-subjective nature of the issue is acknowledged within the organization (Pedersen, 2009).

Ethical leadership decisions may in addition be related to leaders' individual needs and personalities (Mumford, Gessner, Connelly, O'Connor, & Clifton, 1993; O'Connor, Mumford, Clifton, Gessner, & Connelly, 1995). Leaders who possess such personality characteristics as narcissism, power orientation and lack of emotional maturity more often engage in destructive self-oriented behavior than others. These leaders also have problems with trust in others. They often treat others as objects that are subject to manipulation. Such leaders use power to exploit others and promote their own careers, rather than to achieve objectives that are essential for the organization.

There is also a link between ethical leadership decisions and social context, in the sense that these decisions are strongly influenced by the situation (Trevino, 1986; Trevino, Butterfield, & McCabe, 1998). Unethical behavior can easily be observed in organizations characterized by the following factors:

1. High productivity demands.

2. Internal competition for rewards and advancement.

3. Strong emphasis on obedience and authority.

4. A lack of standards for ethical behavior and individual responsibility.

Emotionally mature leaders who are on a high moral level of development have in addition been shown to reasonably well be able to resist the social pressure to use destructive and unethical practices. Leaders are normally exposed to greater ethical challenges than the average citizen. They are also more exposed and vulnerable to claims about fairness. Hereby they are exposed to a range of situations involving value choices and ethical values. Leaders are often exposed to moral choices that have the character of paradoxes and dilemmas.

Leaders must take into account both the values of their own culture, as well as market and societal demands. For example, it can be a dilemma for many leaders whether to hire foreign workers at lower wages or not. They are, after all, better off than in their home countries. Another dilemma is if a leader should be able to receive stock options in their own company to enhance his or her motivation. This may have implications for social contracts of any kind. A third dilemma is whether leaders should hold back or delay information that they have exclusive access to and that is likely to harm the stock price. Finally, a fourth dilemma arises when leaders keep down the wages of their own organizations, at the same time as they raise their personal salaries drastically.

A problem of practical leadership is that a leader's values and actions are not always in line with each other (Irwin & Baron, 2001). For example, a leader can be a member of various environmental protection associations, while he or she at the same time takes a decision that goes against the environmental concerns in their own industry. *A useful practical guideline might be to ask yourself as a leader if you can stand before a group and openly declare that I have done this and this*. Several self-critical questions could be put such as:

1. What would a person that likes me say?

2. What would a person that does not want me well say?

3. How would I react if someone else had done the same thing?

4. What would the press be able to write?

In recent years, corporate governance has been suggested as a remedy for moral corruption. The term "corporate governance" refers to a governance form that allows stakeholders in the company, especially shareholders, to get insight into the business. Central phenomena are transparency, strict reporting rules, leadership accountability and good structure. Scandals like Enron, Arthur Andersen, Skandia Liv, etc. have fed this way of thinking, and the need for it seems to have increased since the millennium shift.

Ethical decision-making often starts at the individual level, but mostly includes both group and organizational decisions made by people who may well be on different places in the world. Depending on background factors such as age, experience, culture and context the definition of what is considered ethically or morally correct may vary. What ethical values we choose to prioritize may thus also vary. This creates particular problems in a globalized business world. Leaders who have a background in different cultures can, for example, have problems in establishing an ethical code of conduct for a special project or a particular commercial transaction. An important issue is how the leaders can maintain their own ethical standards when doing business with others who do not share these standards. At present, we know very little about how the heterogeneity of moral norms affects ethical decision making in different business contexts. A practical solution could be to try to develop some form of decision rules that can be helpful in ethical trade-off situations.

Conclusions

The concepts of leadership and organization are closely linked. A leader should get to know the corporate culture as well as possible. It can for example be authoritarian and conformist or innovative and progressive in nature. The premise is that leaders are both affected by, and influence, their own culture.

Strategic decisions are characterized by the fact that they are new, complex and open in nature. To develop a strategy is one of the most difficult tasks for a leader. Traditionally, it is primarily the top management in an organization that works with strategic decisions. It is becoming increasingly common for a top management team to be created in order to concentrate on strategic issues. This is related to the globalization of business and to the fact

that the pace of work has increased significantly.

In order to exercise leadership, a leader must have access to power. A power base can be created by leaders organizing themselves into networks. Such a base can also be created by using different political tactics. However, it is important not to make use of political tactics, for own personal profit's sake but to promote the organization's interests. When a leader has built up a power base, it is important that power is used properly. The decisions that leaders make must be ethically correct and must not violate universal human values. In addition, the decisions should not have negative consequences for others within or outside the organization. The evidence suggests that the majority of leaders have the potential to develop as ethical decision makers and that it is possible to discern various phases of an overall development curve.

Checklist

1. How can an organizational culture influence you as a leader? How can you as a leader influence an organizational culture?
2. Why are strategic decisions considered so important for an organization?
3. What are the benefits of letting a top management team address the strategic decisions in an organization?
4. What is the CEO's main role in relation to his team when a new strategy is about to be developed?
5. What kind of power is most important to hold for you as a leader?
6. What are the pros and cons of the use of political tactics to attain power?
7. How can you as a leader develop yourself to become a good ethical decision-maker?
8. What are the main problems of ethical leadership decisions in the globalized business world?

References

Abrahamson, E. (1996). Management fashion. *Academy of Management Review, 21*, 254-285.

Ackoff, R. L. (1970). A concept of corporate planning. New York: Wiley

Adair, J. (2007). The art of creative thinking. London: Kogan Page.

Agor, W. H. (1991). The logic of intuition: How top executives make important decisions. In J. Henry (Ed.), Creative management. London: Sage Publications.

Ahlstrom, D., & Bruton, G. D. (2008). International management: Strategy and culture in the emerging world. Mason, OH: South-Western Cengage Learning.

Allwood, C.M., & Selart, M. (2010). *Decision Making: Social and Creative Dimensions*. Dordrecht: Springer.

Allwood, C. M., & Selart, M. (2001). Social and creative decision making. In Allwood, C. M., and Selart, M. (Eds.), *Decision Making: Social and Creative Dimensions*. Boston/Dordrecht: Kluwer Academic Publishers.

Alvesson, M. (1989). Ledning av kunskapsföretag. Stockholm: Norstedts förlag.

Alvesson, M. (2002). Understanding organizational culture. London: Sage Publications.

Amabile, T. (1996). Creativity in context. Boulder, CO: Westview – Harper Collins

Ancona, D. G., & Nadler, D. A. (1989). Top hats and executive tales: Designing the executive team. *Sloan Management Review, 3*, 19-28.

Anderson, L. E., & Balzer, W. K. (1991). The effects of timing on leaders' opinions on problem-solving groups. *Group and Organizational Management, 16*, 86-101.

Argyris, C. (1991). Teaching smart people how to learn. *Harvard Business Review, 69*, 99-109.

Aronson, J., Cohen, G., & Nail, P. R. (1999). Self-affirmation theory: An update and appraisal. In E. Harmon-Jones and J. Mills (Eds.), Cognitive dissonance: Progress on a pivotal theory in social psychology. Washington DC: American Psychological Association.

Bacharach, S. B., et al. (1995). Strategic and tactical logics of decision justification: Power and decision criteria in organizations. *Human Relations, 48*, 447-488.

Balogun, J., & Johnson, G. (2004). Organizational restructuring and middle management sensemaking. *Organization Studies, 26*, 1573-1601.

Baltes, P. B., & Smith, J. (1990). Toward a psychology of wisdom and its ontogenesis. In R. J. Sternberg (Ed.), Wisdom: Its nature, origins, and development. Cambridge: Cambridge University Press.

Baltes, P. B., & Staudinger, U. M. (2000). A metaheuristic (pragmatic) to orchestrate mind and virtue toward excellence. *American Psychologist, 55*, 122-136.

Bantel, K. A., & Jackson, S. E. (1989). Top management and innovations in banking: Does the composition of the top team make a difference ? *Strategic Management Journal, 10*, 107-112.

Barker, J. R. (1993). Tightening the iron cage: Concertive control in self-managing teams. *Administrative Science Quarterly, 38*, 408-438.

Barney, J. B. (1991). Firm resources and sustained competitive advantage. *Journal of Management, 17*, 99-120.

Barney, J. B. (2007). Gaining and sustaining competitive advantage. Upper Saddle River, NJ: Prentice Hall.

Baron, J. (1993). Morality and rational choice. Dordrecht/Boston: Kluwer Academic Publishers.

Bartholome, F. (1989). Nobody trusts the boss completely: Now what? *Harvard Business Review, 67*, 135-142.

Bass, B. M. (1990). Handbook of leadership: A survey of theory and research. New York: Free Press.

Bass, B. M. (1997). Does the transactional-transformational leadership paradigm transcend organizational and national boundaries? *American Psychologist, 52*, 130-139.

Bates, C. S. (1985). Mapping the environment: An operational environmental analysis model. *Long Range Planning, 18*, 97-107.

Bazerman, M. H. (2006). Judgment in managerial decision making. New York: Wiley.

Beach, L. R. (1997). The psychology of decision making: People in organizations. London: Sage Publications.

Bennis, W. G., & Nanus, B. (1985). *Leaders: The Strategies for Taking Charge*. New York: Harper & Row.

Beu, D. S., & Buckley, M. R. (2004). This is war: How the politically astute achieve crimes of obedience through the use of moral disengagement. *Leadership Quarterly, 14*, 551-568.

Bigelow, J. (1992). Developing managerial wisdom. *Journal of Management Inquiry, 1*, 143-153.

Blake, C. (2008). *The Art of Decisions: How to Manage in an Uncertain World*. London: Prentice Hall.

Blennberger, E. (2007). Etik & Ledarskap (Ethics and Leadership). Malmö: Liber.

Boal, K. B., & Hooijberg, R. (2001). Strategic leadership research: Moving on. *Leadership Quarterly, 11*, 515-549.

Bradford, D. L., & Cohen, A. R. (1984). *Managing for Excellence: The Guide to developing High Performance Organizations*. New York: Wiley.

Browne, M. (1993). Organizational decision making and information. Norwood, NJ: Ablex Publishing Corporation.

Brunsson, N. (1982). The irrationality of action and action rationality: Decisions, ideologies, and organizational actions. *Journal of Management Studies, 19*, 29-44.

Brunsson, N. (1985). The irrational organization: Irrationality as a basis for organizational action and change. New York: Wiley.

Brunsson, N. (1989). The organization of hypocrisy: Talk, decisions, and action in organizations. Chichester: Wiley.

Brunsson, N. (2007). The consequences of decision making. Oxford: Oxford University Press.

Bryman, A. (1996). Leadership in organizations. In S. R. Clegg, C. Hardy, and W.R. Nord (Eds.), Handbook of Organization Studies. London: Sage Publications.

Camerer, C. F., & Ho, T. H. (2001). Strategic learning and teaching. In S. J Hoch, H. C. Kunreuther, and R. E Gunther (Eds.), *Wharton on Making Decisions*. New York: Wiley.

Camerer, C., Loewenstein, G., & Prelec, D. (2004). Neuroeconomics: Why economics needs brains. *Scandinavian Journal of Economics, 106*, 555-579.

Camerer, C., Loewenstein, G., & Prelec, D. (2005). Neuroeconomics: How neuroscience can inform economics. *Journal of Economic Literature, 42*, 9-64.

Campbell, R. J. (1989). Human resource development strategies. In K. N. Wexley (Ed.), Developing human resources. Washington DC: Bureau of National Affairs.

Cannella, A. A., & Monroe, M. J. (1997). Contrasting perspectives on strategic leaders. Toward a more realistic view of top managers. *Journal of Management, 23*, 213-237.

Cannon-Bowers, J. A., Tannenbaum, S. I., Salas, E., & Volpe, C. E. (1995). Defining competencies and establishing team training requirements. In R. A. Guzzo and E. Salas (Eds.), Team effectiveness and decision making in organizations. San Francisco: Jossey-Bass.

Chao, G. T., Walz, P. M., & Gardner, P. D. (1992). Formal and informal mentorship. A comparison on mentoring functions contrasted with non-mentored counterparts. *Personnel Psychology, 45,* 619-636.

Child, J. (2001). Trust – The fundamental bond in global collaboration. *Organizational Dynamics, 29,* 274-288.

Christensen, S. L., & Kohls, J. (2003). Ethical decision making in times of organizational crisis: A framework for analysis. *Business and Society,* 42/3, 328-358.

Cialdini, R. B. (1993). Influence: Science and practice. New York: Harper Collins Publishers.

Clore, G. L., Wyer, R. S., Dienes, B., et al (2001). Affective feelings as feedback: Some cognitive consequences. In L. L. Martin and G. L. Clore (Eds.), Theories of mood and cognition: A user's handbook. Mahwah, NJ: Erlbaum.

Cohen, M. D., March, J. G., & Olsen, J. P. (1972). A garbage can model of organizational choice. *Administrative Science Quarterly, 17,* 1-25.

Cooper, A. C., Woo. C. Y., & Dunkelberg, W. C. (1988). Entrepreneurs' perceived chances for success. *Journal of Business Venturing, 3,* 97-109.

Coyle, G. (2004). Practical strategy: Structured tools and techniques. Harlow: Prentice Hall.

Cyert, R. N., & March, J. G. (1963). A behavioral theory of the firm. Englewood Cliffs, NJ: Prentice-Hall.

Daft, R. L., & Weick, K. E. (1984). Toward a model of organizations as interpretation systems. *Academy of Management Review, 9,* 284-295.

Dahrendorf, R. (1959). Class and class conflict in industrial society. Stanford: Stanford University Press.

Dane, E., & Pratt, M. G. (2007). Exploring intuition and its role in manegerial decision making. *Academy of Management Review, 32,* 33-54.

Daniels, K. (2008). Affect and information processing. In G. P. Hodgkinson and W. H. Starbuck (Eds.), The Oxford handbook of organizational decision making. Oxford: Oxford University Press.

Das, T. K., & Teng, B. S. (1999). Cognitive biases and strategic decision processes: An integrative framework. *Journal of Management Studies, 36,* 757-778.

Day, D. V. (2000). Leadership development: A review in context. *Leadership Quarterly, 11,* 581-613.

Deal, T. E., & Kennedy, A. A. (1982). *Corporate Culture: The Rites and Rituals of Corporate Life*. Harmondsworth: Penguin.

De Bono, E. (1971). Lateral thinking for management. New York: McGraw-Hill.

Debons, A., King, W. K., Mansfield, U., & Shirey, D. L. (1981). The information profession: Survey of an emergent field. New York: Dekker.

De Leede, J., Nijhof, A. H. J., Fisscher, O. A. M. (1999). The myth of self-managing teams: A reflection on the allocation of responsibilities between individuals, teams, and the organization. *Journal of Business Ethics, 21*, 203-216.

Dollinger, M. J. (1984). Environmental boundary spanning and information processing effects on organizational performance. *Academy of Management Journal, 27*, 351-368.

Donnellon, A. (1996). Team talk: Boston: Harvard Business School Press.

Dotlich, D. L., & Cairo, P. C. (1999). Action coaching: How to leverage individual performance for company success. San Francisco: Jossey-Bass.

Dreher, G. F., & Ash, R. A. (1990). A comparative study of mentoring among men and women in managerial, professional, and technical positions. *Journal of Applied Psychology, 75*, 539-546.

Drucker, P. F. (1995). Managing in a time of change. New York: Penguin.

Dutton, J. E. (1993). Interpretation on automatic: A different view of strategic issue diagnosis. *Journal of Management Studies, 30*, 339-357.

Dutton, J. E. (1996). Strategic agenda buildning in organizations. In Z. Shapira (Ed.), Organizational decision making. Cambridge: Cambridge University Press.

Edmondson, A. C., Roberto, M. A., & Watkins, M. D. (2003). A dynamic model of top management team effectiveness: managing unstructured task streams. *Leadership Quarterly, 14*, 297-325.

Eek, D., & Selart, M. (2009) The choice between allocation principles: Amplifying when equality dominates. *International Journal of Psychology*, 44**,** 109-119.

Eflin, J. (2003). Epistemic presuppositions and their consequences. *Metaphilosophy, 34*, 48-67.

Elsbach, K. D., & Barr, P. S. (1999). The effects of mood on individual's use of structured decision protocols. *Organizational Science, 10*, 181-198.

Eisenstat, R. A., & Cohen, S. G. (1990). Summary: Top management groups. In J. R. Hackman (Ed.), *Groups that work (and those who don't)*. San Francisco: Jossey-Bass.

Eneroth, B. (1992). Att handla på känn: Om intuition i professionell verksamhet. Stockholm: Natur och kultur.

Etzioni, A. (1964). Modern organizations. Englewood Cliffs, NJ: Prentice-Hall.

Etzioni, A. (1985). Guidance rules and rational decision making. *Social Science Quarterly, 66*, 755-769.

Etzioni, A. (1986). Mixed scanning revisited. *Public Administration Review, 46*, 8-14.

Fagenson, E. A. (1989). The mentor advantage: Perceived career/job experiences of protégés versus non-protégés. *Journal of Organizational Behavior, 10*, 309-320.

Feldman, S. P. (1988). Secrecy, information, and politics: An essay on organizational decision making. *Human Relations, 41*, 73-90.

Ferris, G. R., & Kacmar, K. M. (1992). Perceptions of organizational politics. *Journal of Management, 18*, 93-116.

Finkelstein, S., & Hambrick, D. C. (1996). *Strategic Leadership: Top Executives and their effects on Organizations*. St. Paul MN: West

Fisher, R., Ury, W., & Patton, B. (1981). Getting to yes. Boston: Houghton Mifflin.

Fiske, S. T. (1992). Thinking is for doing: Portraits of social cognition from daguerreotype to laserphoto. *Journal of Personality and Social Psychology, 63*, 877-889.

Floyd, S., & Wooldridge, B. (1992). Middle management involvement in strategy and its association with strategic type: A research note. *Strategic Management Journal, 13*, 153-167.

Floyd, S., & Wooldridge, B. (1997). Middle management's strategic influence and organizational performance. *Journal of Management Studies, 34*, 465-485.

Frost, P. J., Moore, L. F., Louis, M. R., Lundberg, C. C., & Martin, J. (1991). *Reframing Organnizational Culture*. London: Sage.

Gabarro, J. J. (1985). When a new manager takes charge. *Harvard Business Review, 63*, 116.

Gannon, M. J., Smith, K. G., & Grimm, C. (1992). An organizational information.processing profile of first movers. *Journal of Business Research, 25*, 231-241.

Ganster, D. C. (2005). Executive job demands: Suggestions from a stress and decision-making perspective. *Academy of Management Review, 30*, 492-502.

Gärling, T., Karlsson, N., Romanus, J., & Selart, M. (1997). Influences of the past on choices of the future. (pp. 167-189). In Ranyard, R., Crozier, W. R., & Svenson, O. (Eds.). *Decision Making: Cognitive models and explanations*. New York: Routledge.

Gärling, T., Karlsson, N., & Selart, M. (1999). The role of mental accounting in everyday economic decision making (pp. 199-218). In P. Juslin, and H. Montgomery (Eds.), *Judgment and Decision Making*. Hillsdale, NJ. Erlbaum.

Giddens, A. (1993). The constitution of society. Cambridge: Polity Press.

Gigerenzer, G. (2007). Gut feelings: The intelligence of the unconscious. London: Penguin Books.

Gigerenzer, G., & Hoffrage, U. (1995). How to improve Bayesian reasoning without instructions: Frequency formats: *Psychological Review, 102*, 684-704.

Gigerenzer, G., Todd, P. M., & the ABC Research Group. (1999). *Simple Heuristics that make us Smart*. New York: Oxford University Press.

Gilbert, D. T. (2002). Inferential correction. In T. Gilovich, D. Griffin, & D. Kahneman (Eds.), Heuristics and biases: The psychology of intuitive judgment. Cambridge: Cambridge University Press.

Gillholm, R., Ettema, D., Selart, M., & Gärling, T. (1999). The role of planning for intention-behavior consistency. *Scandinavian Journal of Psychology, 40*, 241-250.

Gini, A. (1998). Moral leadership and business ethics. In J. B. Ciulla (Ed.), *Ethics, The Heart of Leadership*. Westport CT: Greenwood Publishing.

Ginsberg, A., & Abrahamson, E. (1991). Champions of change and strategic shifts: The role of internal and external change advocates. *Journal of Management Studies, 28*, 173-190.

Gioia, D. A., & Chittipeddi, K. (1991). Sensemaking and sensegiving in strategic change initiation. *Strategic Management Journal, 12*, 433-448.

Goffman, E. (1959). The presentation of self in everyday life. Harmondsworth: Penguin.

Gordon, W. J. (1961). Synectics. New York: Harper and Row.

Grønhaug, K., & Falkenberg, J. (1990). Organizational success and success criteria: Conceptual issues and an empirical illustration. *Scandinavian Journal of Management, 6*, 267-284.

Grønhaug, K., Hellesøy, O., & Kaufmann, G. (2006). Ledelse i teori og praksis. Bergen: Fagbokforlaget.

Guzzo, R. A., & Dickson, M. W. (1996). Teams in organizations: Recent research on performance of effectiveness. *Annual Review of Psychology, 47*, 307-338.

Hackman, J. R. (1983). A normative model of work team effectiveness (Tech. Rep. No. 2). New Haven, CT: Yale School of Organization and Management Research Program on Group Effectiveness.

Hackman, J. R. (1987). The design of work teams. In J. Lorch (Ed.), Handbook of organizational behavior. Englewood Cliffs, NJ: Prentice-Hall.

Hall, D. T., Otazo, K. L., & Hollenbeck, G. P. (1999). Behind closed doors: What really happens in executive coaching. *Organizational Dynamics, 29*, 39-53.

Hambrick, D. C. (1982). Environmental scanning and organizational strategy. *Strategic Management Journal, 3,* 159-174.

Hambrick, D. C., & Finkelstein, S. (1987). Managerial discretion: A bridge between polar views of organizational outcomes. In L. L. Cummings andd B. M. Staw (Eds.), *Research in Organizational Behavior, Vol. 9*. Greenwich CT: JAI Press.

Hambrick, D. C., Finkelstein, S., & Mooney, A. C. (2005). Executive job demands: New insights for exploring strategic decisions and leader behaviors. *Academy of Management Review, 30*, 472-491.

Hambrick, D. C., & Mason, P. (1984). Upper echelons: The organization as a reflection of its top managers. *Academy of Management Review, 9*, 193-206.

Hannan, M., & Freeman, J. (1984). Structural inertia and organizational change. *American Sociological Review, 49*, 149-164.

Hansen, M. T., Nohria, N., & Tierney, T. (1999). What's your strategy for managing knowledge? *Harvard Business Review, 77*, 106-116.

Hardaker, M., & Ward, B. K. (1987). How to make a team work. *Harvard Business Review, 65*, 112-118.

Hare, P. A. (1994). Individual versus group: In P. A. Hare, H. H. Blumberg, M. F. Davies and M. V. Kent (Eds.), Small group research: A handbook. Norwood, NJ: Ablex

Harrison, F. E. (1999). *The Managerial Decision-Making Process*, Boston: Houghton Mifflin Company.

Harrison, J. S., & Freeman, R. E. (2004). Democracy in and around organizations: Is democracy worth the effort ? *Academy of Management Executive, 18*, 49-53.

Heath, C., & Gonzalez, R. (1995). Interaction with others increase decision confidence but not decision quality: Evidence against information collection views of interactive decision making. *Organizational Behavior and Human Decision Processes, 61*, 305-326.

Hedelin, L., & Allwood, C. M. (2001). Managers' strategic decision processes in large organizations. In C. M. Allwood and M. Selart (Eds.), Decision making: Social and creative dimensions. Boston: Kluwer Academic Publishers.

Heifetz, R. (1994). *Leadership without Easy Answers*. Cambridge: MA. Belnap Press of Harvard University Press.

Heller, F. (1992). Decision making and leadership. Cambridge: Cambridge University Press.

Heller, R. (1998). Making decisions. New York: DK Publishing Inc.

Hersey, P., Blanchard, K. H., & Johnson, D. E. (2008). Management of organizational behavior. Upper Saddle River, NJ: Prentice Hall.

Hicks, M. J. (1991). Problem solving in business and management. London: Chapman & Hall.

Hickson, D., & Miller, S. (1992). Concepts of decisions: Making and implementing strategic decisions in organizations. In F. Heller (Ed.), Decision Making and Leadership. Cambridge: Cambridge University Press.

Hitt, M. A., & Tyler, B. B. (1991). Strategic decision models: Integrating different perspectives. *Strategic Management Journal, 12*, 327-352.

Hjertø, K. B. (2004). Teamledelse. In Ø. L. Martinsen (Ed.), Perspektiver på ledelse. Oslo: Gyldendal Akademisk.

Hoch, S. J. (2001). Combining models with intuition to improve decisions. In S. J Hoch, H. C. Kunreuther, and R. E Gunther (Eds.), *Wharton on Making Decisions*. New York: Wiley.

Hodgkinson, G. P., & Sparrow, P. R. (2002). The competent organization. Buckingham: Open University Press.

Hodgkinson, G. P., & Starbuck, W. H. (2008). Organizational decision making: Mapping terrains on different planets. In G. P. Hodgkinson and W. H. Starbuck (Eds.), The Oxford handbook of organizational decision making. Oxford: Oxford University Press.

Hofstede, G (1991). Culture and organizations: Software of the mind. New York: McGraw & Hill.

Holmes, F. L. (1985). Lavoisier and the chemistry of life: An exploration of scientific creativity. Madison, WN: University of Wisconsin Press.

Howard, A., & Bray, D. W. (1988). Managerial lives in transition: Advancing age and changing time. New York: Guilford Press.

Hrebeniak, L. G. (2005). Making strategy work: Leading effective execution and change.Upper Saddle River, NJ: Pearson Education.

Hrebeniak, L. G., & Joyce, W. F. (1984). Implementing strategy. New York: Macmillan Publishing Company.

Huber, G. P., & Daft, R. L. (1987). The information environments of organizations. In F. M. Jablin, L. L. Putnam, K. H. Roberts, & L. W. Porter (Eds.), Handbook of organizational communication. London: Sage Publications.

Hughes, G. J. (2001). Aristotle on ethics. London: Routledge.

Ilgen, D. R., Hollenbeck, J. R., Sego, D. J., & Major, D. A. (1993). Team research in the 1990s. In M. M. Chemers and R. Ayman (Eds.), Leadership theory and research; Perspectives and directions. San Diego, CA: Academic Press.

Irwin, J., & Baron, J. (2001). Values and decisions. In S. J Hoch, H. C. Kunreuther, and R. E Gunther (Eds.), *Wharton on Making Decisions*. New York: Wiley.

Isenberg, D. J. (1984). How senior managers think. *Harvard Business Review, 6*, 80-90.

Isenberg, D. J. (1991). How senior managers think. In J. Henry (Ed.), Creative management. London: Sage Publications.

Jacobs, W. (1994). Real time strategic change: How to involve an entire organization in fast and far-reaching change. San Francisco: Berrett-Koehler.

Jacobsen, D. I. (2008). Organisasjonsendringer og endringsledelse. Bergen: Fagbokforlaget.

Janis, I. L. (1972). Victims of groupthink. Boston: Houghton Mifflin.

Janis, I. L., & Mann, L. (1977). Decision making. A psychological analysis of conflict, choice, and commitment. New York: Free Press.

Jennings, D. F, & Lumpkin, J. R. (1989). Insight into the relationship between strategic momentum and environmental scanning: An empirical analysis. *Akron Business & Economic Review (ABER), 20*, 84-93.

Jennings, D., & Wattam, S. (1994). Decision making: An integrated approach. London: Pitman Publishing.

Johannessen, J-A., Olaisen, J., & Olsen, B. (1999). Managing and organizing innovation in the knowledge economy. *European Journal of Innovation Management, 2*, 116-128.

Jones, M. L. (1990). Action learning as a new idea. *Journal of Management Development, 9*, 29-34.

Jung, D. I., & Avolio, B. J. (1999). Effects of leadership style and followers' cultural orientation on performance in group and individual task conditions. *Academy of Management Journal, 42*, 208-218.

Kacmar, K. M., & Baron, R. A. (1999). Organizational politics: The state of the field, links to related processes, and an agenda for future research. In G. R. Ferris (Ed.), Research in personnel and human resources management, Vol. 17. Stamford, CT: JAI Press.

Kahneman, D. (2003). A perspective on judgment and choice: Mapping bounded rationality. *American Psychologist, 58*, 697-720.

Kahneman, D., & Lovallo, D. (1993). Timid choices and bold forecasts: A cognitive perspective on risk and risk taking. *Management Science, 39*, 17-31.

Kahneman, D., & Tversky, A. (1979). Prospect Theory: An analysis of decision under risk. *Econometrica, 47*, 263-291.

Kanter, R. M., Stein, B. A., & Jick, T. D. (1992). The challenge of organizational change. New York: The Free Press.

Kaplan, R. E., Kofodimos, J. R., & Drath, W. H. (1987). Development at the top: A review and a prospect. In W Pasmore and R. W. Woodman (Eds.), Research on organizational change and development. Greenwich CT: JAI Press.

Karasek, R. A. (1979). Job demands, job decision latitude, and mental strain: Implications for job design. *Administrative Science Quarterly, 24*, 285-308.

Karlsson, N., Gärling, T., & Selart, M. (1997). Effects of mental accounting on intertemporal choice. *Göteborg Psychological Reports, 27*, No 5.

Karlsson, N., Gärling, T., & Selart, M. (1997). Explanations of effects of prior outcomes on intertemporal choice. *Göteborg Psychological Reports, 27*, No 4.

Karlsson, N., Gärling, T., & Selart, M. (1999). Explanations of effects of prior income changes on bying decisions. *Journal of Economic Psychology, 4*, 449-463.

Kasperson, J. X., Kasperson, R. E., Pidgeon, N., & Slovic, P. (2003). The social amplification of research. In N. Pidgeon, R. E. Kasperson, and P. Slovic (Eds.), The social amplification of risk. Cambridge: Cambridge University Press.

Katz, D., & Kahn, R. L. (1978). *The Social Psychology of Organizations*. New York: Wiley.

Katzenbach, J. R., & Smith, D. K. (1993). The wisdom of teams. London: McGraw-Hill Publishing Company.

Keck, S., & Tushman, M. (1993). Environmental and organizational context and executive team structure. *Academy of Management Journal, 36*, 1314-1344.

Khatri, N., & Ng, A. (2000). The role of intuition in strategic decision making. *Human Relations, 53*, 57-86.

Kilburg, R. R. (1996). Toward a conceptual understanding and definition of executive coaching. *Consulting Psychology Journal: Practice and Research, 48*, 134-144.

Klein, G. (1996). The effect of acute stressors on decision making. In J. E. Driskell and E. Salas (Eds.), *Stress and Human Performance*. Hillsdale, NJ: Erlbaum.

Klein, G. (1998). *Sources of Power: How People Make Decisions*. Cambridge, MA: MIT Press.

Klein, G. (2003). *Intuition at Work*. New York: Bantam Dell

Kleindorfer, P. R. (2001). Decision making in complex environments: New tools for a new age. In S. J Hoch, H. C. Kunreuther, and R. E Gunther (Eds.), *Wharton on Making Decisions*. New York: Wiley.

Kohlberg, L. (1984). *The Psychology of Moral Development*. New York: Harper and Row.

Korsgaard, M. A., Schweiger, D. M., & Sapienza, H. J. (1995). Building commitment, attachment, and trust in strategic decision making: The role of procedural justice. *Academy of Management Journal, 38*, 60-84.

Kotter, J. P. (1982). The general managers. New York: Free Press.

Kotter, J. P. (1988). The leadership factor. New York: The Free Press.

Kotter, J. P. (1996) *Leading Change*. Boston: Harvard Business School Press.

Kouzes, J. M., & Posner, B. Z. (1993). *Credibility: How Leaders Gain and Lose it, why People Demand it*. San Francisco: Jossey-Bass.

Kovach, B. E. (1986). The derailment of fast-track managers. *Organizational Dynamics, 15*, 41-48.

Kovach, B. E. (1989). Successful derailment: What fast-trackers can learn while they're off the track. *Organizational Dynamics, 18*, 33-47.

Kram, K. E. (1985). Mentoring at work: Developmental relationships in organizational life. Glenview IL: Scott Foresman.

Kram, K. E., & Hall, D. T. (1989). Mentoring as an antidote to stress during corporate trauma. *Human Resource Mangement, 28*, 493-510.

Kuvaas, B. (2002). An exploration of two competing perspectives on informal contexts in top management strategic issue interpretation. *Journal of Management Studies, 39*, 979-1003.

Kuvaas, B., & Selart, M. (2004). Effects of attribute framing on cognitive process and evaluation. *Organizational Behavior and Human Decision Processes, 95*, 198-207.

Lant, T. K., & Shapira, Z. (2001). Introduction: Foundations of research on cognition in organizations. In T. K. Lant and Z. Shapira (Eds.), Organizational cognition: Computation and interpretation. Mahwah, NJ: Lawrence Erlbaum Associates.

Larrick, R. P. (2004). Debiasing. In J. Koehler & N. Harvey (Eds.) *Blackwell Handbook of Judgment and Decision Making*. Oxford: Blackwell Publishers.

Lee, W. S., & Selart, M. (2011). The impact of emotions on trust decisions. In K. O. Moore and N. P. Gonzales (Eds.), *Handbook on Psychology of Decision-Making*. Hauppage, NY: Nova Science Publishers.

Lerner, J. S., Small., & Loewenstein, G. (2004). Heart strings and purse strings: Carryover effects of emotions on economic transactions. *Psychological Science, 15*, 337-341.

Liberman, N., & Trope, Y. (1998). The role of feasibility and desirability considerations in near and distant decisions: A test of temporal construal theory. *Journal of Personality and Social Psychology, 75*, 5-18.

Lindblom, C. E. (1988). Democracy and market system. Oslo: Universitetsforlaget.

Lines, R., Selart, M., Espedal, B., & Johansen, S. T. (2005). The production of trust during organizational change. *Journal of Change Management, 5*, 221-245.

London, M., & Maurer, T. J. (2004). Leadership development: A diagnostic model for continuous learning in dynamic organizations. In J. Antonakis, A. T. Cianciolo and R. J. Sternberg (Eds.), The nature of leadership. London: Sage Publications.

London, M., & More, E. M. (1987). Career management and survival in the workplace. San Francisco: Jossey-Bass.

Lovallo, D., & Kahneman, D. (2003). Delusions of success – How optimism undermines executives' decisions. *Harvard Business Review, 7*, 56-63.

Lubart, T. I., & Sternberg, R. J. (1995). An investment approach to creativity: Theory and data. In S. S. Smith, T. B. Ward, & R. A. Finke (Eds.), The creative cognition approach. Cambridge, MA. MIT Press.

Luce, M. F., Payne, J. W., & Bettman, J. R. (2001). In S. J Hoch, H. C. Kunreuther, and R. E Gunther (Eds.), *Wharton on Making Decisions*. New York: Wiley.

Lukes, S. (1986). Power. Oxford: Blackwell.

Lyles, M. A., & Thomas, H. (1988). Strategic problem formulation: Biases and assumptions embedded in alternative decision-making models. *Journal of Management Studies, 25*, 131-145.

Madison, D. L., et al. (1980). Organizational politics: An exploration of managers' perceptions. *Human Relations, 33*, 79-100.

Mahoney, T. A. (1988). Productivity defined: The relativity of efficiency, effectiveness, and change. In J. P. Cambbell, R.J. Cambell et al. (Eds.), Productivity in organizations. San Francisco: Jossey-Bass.

Malan, L-C., & Kriger, M. P. (1998). Making sense of managerial wisdom. *Journal of Management Inquiry, 7*, 242-251.

Malhotra, D., & Bazerman, M. H. (2007). Negotiating genius. New York: Bantam.

Manz, C. C. (1992). Mastering self-leadership. Empowering yourself for personal excellence. Englewood Cliffs, NJ: Prentice-Hall.

Manz, C. C., & Manz, K. P. (1991). Strategies for facilitating self-directed learning. A process for enhancing human resource development. *Human Resource Development Quarterly, 2*, 3-12.

March, J. G. (1971). The technology of foolishness. *Civiløkonomen* (Copehhagen), 18/4: 4-12.

March, J. G. (1991). Exploration and exploitation in organizational learning. *Organization Science, 2*, 71-87.

March, J. G. (1994). *A Primer on Decision Making: How Decisions Happen*. New York: The Free Press.

March, J. G. (1997). Understanding how decisions happen in organizations. In Z. Shapira (Ed.), Organizational decision making. Cambridge: Cambridge University Press.

March, J. G. (1999). *The Pursuit of Organizational Intelligence*. Oxford: Blackwell

March, J. G., & Shapira, Z. (1987). Managerial perspectives on risk and risk taking. *Management Science, 33,* 1404-1418.

March, J. G., & Simon, H. A. (1958). Organizations. New York: Wiley.

Margerinson, C. J. (1988). Action learning and excellence in management development. *Journal of Management Development, 7*, 43-54.

Martinsen, Ø. L. (2004). Perspektiver på ledelse. Oslo: Gyldendal.

Maule, A. J. (2008). Risk communication in organizations. In G. P. Hodgkinson and W. H. Starbuck (Eds.), The Oxford handbook of organizational decision making. Oxford: Oxford University Press.

Mayer, R. C., Davis, J. H., & Schoorman, F. D. (1995). An integrative model of organizational trust. *Academy of Management Review, July*, 709-734.

McCall, M. W, & Kaplan, R. E. (1990). Whatever it takes: The realities of managerial decision making. Upper Saddle River, NJ: Prentice Hall.

McCall, M. W., Lombardo, M. M., & Morrison, A. M. (1988). The lessons of experience: How successful executives develop on the job. Lexington, MA: Lexington Books.

McCauley, C. (1998). Groupthink dynamics in Janis's theory of groupthink: Backward and forward. *Organizational Behavior and Human Decision Processes, 73*, 142-162.

McCauley, C. (2001). Leader training and development. In S. J Zaccaro and R. J. Klimoski (Eds.), The nature of organizational leadership. San Francisco: Jossey-Bass.

McCauley, C. D. , & Douglas, C. A. (1998). Developmental relationships. In C. D. McCauley, R. S. Moxley, and E. Van Velsor (Eds.), The center for creative leadership handbook of leadership development. San Francisco: Jossey-Bass.

McClelland, D. C. (1999). Human motivation. Cambridge: Cambridge University Press.

McKenna, B., Rooney, D., & Boal, K. B. (2009). Wisdom principles as a meta-theoretical basis for evaluating leadership. *Leadership Quarterly, 20*, 177-190.

McMackin, J., & Slovic, P. (2000). When does explicit justification impair decision making? *Applied Cognitive Psychology, 14,* 527-541.

Meindl, J. R., Ehrlich, S. B., & Dukerich, J. M. (1985). The romance of leadership. *Administrative Science Quarterly, 30,* 78-102.

Meyerson, D. E., & Martin, J. (1987). Cultural change: An integration of three different views. *Journal of Management Studies, 24,* 623-647.

Milliken, F. J., & Vollrath, D. A. (1991). Strategic decision-making tasks and group effectiveness: Insights from theory and research on small group performance. *Human Relations, 44,* 1229-1253.

Mintzberg, H. (1973). *The Nature of Managerial Work*. New York: Harper & Row.

Mintzberg, H. (1975). The manager's job: Folklore and fact. *Harvard Business Review, 53,* 49-71.

Mintzberg, H. (1979). *The Structuring of Organizations*. Englewood Cliffs, NJ: Prentice Hall

Mintzberg, H. (1983). *Power in and around Organizations*. Englewood Cliffs, NJ. Prentice Hall.

Mintzberg, H., Raisinghani, D., & Théorét, A. (1976). The structure of unstructured decision processes. *Administrative Science Quarterly, 21,* 246-275.

Montgomery, H. (1983). Decision rules and the search for a dominance structure: Towards a process model of decision making. In P. Humphreys, O. Svenson, and A. Vari (Eds.), Analyzing and aiding decision processes. Amsterdam: North-Holland.

Montgomery, H., Gärling, T., Lindberg, E., & Selart, M. (1990). Preference judgments and choice: Is the prominence effect due to information integration or information evaluation? In K. Borcherding, O. Larichev., & D. M. Messick (Eds.), *Contemporary Issues in Decision Making*. Amsterdam: North-Holland.

Montgomery, H., Selart, M., Gärling, T., & Lindberg, E. (1994). The judgment-choice discrepancy: Non-compatibility or restructuring? *Journal of Behavioral Decision Making, 7,* 144-155.

Morgan, B. B., & Bowers, C. A. (1995). Teamwork stress: Implications for team decision making. In R. A. Guzzo & E. Salas (Eds.), Team effectiveness and decision making in organizations. San Francisco: Jossey-Bass.

Morgan, G. (1997). *Images of Organization*. London: Sage

Moore, D. A., Kurtzberg, T. R., Fox, C. R., & Bazerman, M. H. (1999). Positive illusions and forecasting errors in mutual fund investment decisions. *Organizational Behavior and Human Decision Processes, 79,* 95-114

Mumford, M. D., Gessner, T. L., Connelly, M. S., O'Connor, J. A., & Clifton, T. C. (1993). Leadership and destructive acts: Individual and situational influences. *Leadership Quarterly, 4,* 115-147.

Mussweiler, T., Strack, F., & Pfeiffer, T. (2000). Overcoming the inevitable anchoring effect: Considering the opposite compensates for selective accessibility. *Personality and Social Psychology Bulletin, 26,* 1142-1150.

Nadler, D. A. (1988). Organizational frame bending: Types of change in the complex organization. In R. H. Kilmann and T. J Covin (Eds.), *Corporate Transformation: Revitalizing Organizations for a Competitive World*. San Francisco: Jossey-Bass

Nadler, D. A., & Tushman, M. L. (1990). Beyond the charismatic leader: Leadership and organizational change. *California Management Review, Winter*, 77-97.

Nanus, B. (1992). Visionary Leadership: *Creating a Compelling Sense of Direction for your Organization*. San Francisco: Jossey-Bass.

Narchal, R. M., Kittappa, K., & Bhattacharya, P. (1987). An environmental scanning system for business planning. *Long Range Planning, 20,* 96-105.

Neill, T., & Mindrum, C. (2000). Human performance that increase business performance: The growth of change management and its role in creating new forms of business value. In M. Beer and N. Nohria (Eds.), *Breaking the code of change*. Boston: Harvard Business School Press.

Nemeth, C., Connell, J., Rogers, J., & Brown, K. (2001). Devil's advocate versus authentic dissent: Simulating quantity and quality. *European Journal of Social Psychology, 31,* 707-720.

Nobel, C. (1999). The eclectic roots of strategy implementation research. *Journal of Business Research, 45,* 119-134.

Noe, R. A. (1988). An investigation of the determinants of successful assigned mentoring relationships. *Personnel Psychology, 41,* 457-479.

Noe, R. A. (1991). Mentoring relationships for employee development. In J. W. Jones, B. D. Steffy and D. W, Bray (Eds.), Applying psychology in business: The managers handbook. Lexington MA: Lexington Press.

Nutt, P. C. (1986). Tactics of implementation. *Strategic Management Journal, 10,* 230-261.

Nutt, P. C. (2002). Why decisions fail: Avoiding the blunders and traps that lead to debacles. San Francisco: Berrett-Koehler Publishers.

Oberholzer-Gee, F. (2001). Learners or lemmings: The nature of information cascades. In S. J Hoch, H. C. Kunreuther, and R. E Gunther (Eds.), *Wharton on Making Decisions*. New York: Wiley.

O'Connor, J. A., Mumford, M. D., Clifton, T. C., Gessner, T. L., & Connelly, M. S. (1995). Charismatic leaders and destructiveness: A historiometric study. *Leadership Quarterly, 6*, 529-555.

Paulus, P. B., & Yang, H. C. (2000).Idea generation in groups.: A basis for creativity in organizations. *Organizational Behavior and Human Decision Processes, 82*, 76-87.

Payne, J. W., Bettman, J. R., & Johnson, E. J. (1992). Behavioral decision research: A constructive processing perspective. *Annual Review of Psychology, 43*, 87-131.

Pedersen, L. J. T. (2009). Making sense of sensitivity: Moral sensitivity and problem formulation in business. Doctoral dissertation. Bergen: The Norwegian School of Economics and Business Administration Press.

Peters, T. J., & Austin, N. (1985). *A Passion for Excellence: The Leadership Difference*. New York: Random House

Peters, T. J., & Waterman, D. H. (1982). *In Search of Excellence*. London: Harper & Row.

Peterson, D. B. (1996). Executive coaching at work: The art of one-to-one change. *Consulting Psychology Journal: Practice and Research, 48*, 78-86.

Peterson, R. S., Owens, P. D., Tetlock, P. E., Fan, E. T., & Martorana, P. (1998). Group dynamics in top management teams: Groupthink, vigilance, and alternative models of organizational failure and success. *Organizational Behavior and Human Decision Processes, 73*, 272-305.

Pettigrew, A. M. (1972). Information control as a power resource. *Sociology, 6*, 187-204.

Pettigrew, A. M. (1998). Success and failure in corporate transformation initiatives. In R. D. Galliers and W. R. J. Baets (Eds.), *Information technology and organizational transformation*. London: Wiley.

Pfeffer, J. (1977). The ambiguity of leadership. *Academy of Management Review, 2*, 104-112.

Pfeffer, J. (1981). Power in organizations. Marshfield MA: Pitman.

Pfeffer, J. (1992). Managing with power: Politics and influence in organizations. Boston, MA: Harvard Business School Press.

Pfeffer, J., & Sutton, R. I. (2006). Hard facts, dangerous half truths and absolute nonsense: Profiting from evidence based management. Boston: Harvard Business School Press.

Podsakoff, P. M., MacKenzie, S. B., Paine, J. B., & Bachrach, D. G. (2000). Organizational citizenship behaviour: A critical review of the theoretical and empirical literature and suggestions for future research. *Journal of Management, 26*, 513-563.

Policastro, E. (1995). Creative intuition: An integrative review. *Creativity Research Journal, 8*, 99-113.

Porter, L. W., Allen, R. W., & Angle, H. L. (1981). The politics of upward influence in organizations. *Research in Organizational Behavior, 3*, 109-149.

Porter, M. E. (1980). Competitive strategy. New York: Free Press.

Prideaux, G., & Ford, J. E. (1988). Management development: Competencies, teams, learning contracts, and work experience-based learning. *Journal of Management Development, 7*, 13-21.

Prince, G. (1970). The practice of creativity. New York: Harper and Row.

Proctor, T. (1999). Creative problem solving for managers. London: Routledge.

Quinn, J. B. (1980). Strategies for change: Logical incrementalism. Homewood, ILL: Irwin.

Raiffa, H. (1985). Post-settlement settlements. *Negotiation Journal, 1*, 9-12.

Rasiel, E. M., & Friga, P. N. (2002). The McKinsey Mind. New York:: McGraw Hill.

Read, W. H. (1962). Upward communication in industrial hierarchies. *Human Relations, 15*, 3-15.

Reid, S. (1984). Information acquisition and export entry decisions in small firms. *Journal of Business Research, 12*, 141-157.

Rickards, T. (1985). Stimulating innovation: A systems approach. London: Frances Pinter.

Ritov, I., & Baron, J. (1992). Status-quo and omission biases. *Journal of Risk and Uncertainty, 5*, 49-61.

Robbins, S. P. (2005). Organizational Behavior. Upper Saddle River, NJ: Prentice Hall.

Rogers, B. (1993). Giving creativity a shot in the arm. *Involvement and Participation, 2*, 6-10.

Rognes, J. K. (2008). Forhandlinger. Oslo: Universitetsforlaget.

Roos, G., von Krogh, G., & Roos, J. (1994). Strategi. Dublin: Green Valley University Press.

Rosow, J. M., & Zager, R. (1988). Training: The competitive edge. San Francisco: Jossey-Bass.

Rotter, J. B. (1980). Interpersonal trust, trustworthiness, and gullibility. *American Psychologist, January*, 1-7.

Rousseau, D. M., Sitkin, S. B., Burt, R. S., & Camerer, C. (1998). Not so different after all: A cross-discipline view of trust. *Academy of Management Review, July*, 393-404.

Rowe, G., & Wright, G. (1999). The Delphi technique as a forecasting tool: Issues and analysis. *International Journal of Forecasting, 15*, 353-375.

Rowe, G., & Wright, G. (2001). Expert opinions in forecasting: Role of the Delphi technique. In J. S. Armstrong (Ed.), Principles of forecasting: A handbook for researchers and practitioners. Norwell, MA: Kluwer Academic Publishers.

Sadler-Smith, E. (2008). Inside intuition. London: Routledge.

Schein, E. H. (1987). Process consultation: Lessons for managers and consultants. Reading MA: Addison Wesley.

Schein, E. H. (1991). What is culture ? In P. J. Frost, L. F. Moore, M. R. Louis, C.C. Lundberg and J. Martin (Eds.), *Reframing Organizational Culture*. London: Sage

Schindler, P. I., & Thomas, C. C. (1993). The structure of interpersonal trust in the workplace. *Psychological Reports, October*, 563-573.

Schoemaker, P. J. H., & Russo, J. E. (2001) Managing frames to make better decisions. In S. J Hoch, H. C. Kunreuther, and R. E Gunther (Eds.), *Wharton on Making Decisions*. New York: Wiley.

Schön, D. A. (1983). The reflective practitioner: How professionals think in action. Cambridge: Basic Books.

Schuler, R. S., & Jackson, S. E. (1987). Linking competitive strategies with human resource management practices. *Academy of Management Executive, 1*, 207-219.

Schulz-Hardt, S., Jochims, M., & Frey, D. (2002). Productive conflict in group decision making: Genuine and contrived dissent as strategies to counteract biased decision making. *Organizational Behavior and Human Decision Processes, 88*, 563-586.

Schutz, A. (1932). Der sinnhafte Aufbau der sozialen Welt: Eine Einleitung in die verstehenden Soziologie. Vienna: Springer.

Schwarz, N. (2000). Emotion, cognition, and decision making. *Cognition and Emotion, 14*, 433-440.

Scott, W. (1995). Institutions and organizations. Thousand Oaks, CA: Sage Publications.

Selart, M. (1996). Structure compatibility and restructuring in judgment and choice. *Organizational Behavior and Human Decision Processes, 65*, 106-116.

Selart, M. (1997). Aspects of compatibility and the construction of preference (pp. 58-72). In Ranyard, R., Crozier, W. R., & Svenson, O. (Eds.). *Decision Making: Cognitive models and explanations*. New York: Routledge

Selart, M. (2005). Understanding the role of locus of control in consultative decision making: A case study. *Management Decision, 43*, 397-412.

Selart, M., & Boe, O. (2001). On practitioners' usage of creativity heuristics in the decision process. In Allwood, C. M., and Selart, M. (Eds.), *Decision Making: Social and Creative Dimensions*. Boston/Dordrecht: Kluwer Academic Publishers.

Selart, M., Boe, O., & Gärling, T. (1999). Reasoning about outcome probabilities and values in preference reversals. *Thinking and Reasoning, 5,* 175-188.

Selart, M., Boe, O., Kuvaas, B., & Takemura, K. (2006). The influence of decision heuristics and overconfidence on multi-attribute choice. *European Journal of Cognitive Psychology, 18,* 437-453.

Selart, M., & Eek, D. (1999). Contingency and value in social decision making (pp. 261-273) In Juslin, P., and Montgomery, H. (Eds.), *Judgment and Decision Making.* Hillsdale, NJ: Erlbaum.

Selart, M., & Eek, D. (2005) Is there a pro-self component behind the prominence effect?. *International Journal of Psychology, 40,* 429-440.

Selart, M., Gärling, T., & Montgomery, H. (1998) Compatibility and the use of information processing strategies. *Journal of Behavioral Decision Making, 11,* 59-72.

Selart, M., Gärling, T., Montgomery, H., & Romanus, J. (1994). Violations of procedure invariance in preference measurement. *European Journal of Cognitive Psychology,* ***6,*** 417-436.

Selart, M., & Johansen, S. T. (2011). Ethical decision making in organizations: The role of leadership stress. *Journal of Business Ethics, 99,* 129-143.

Selart, M., & Johansen, S. T. (2011). Understanding the role of value-focused thinking in idea management. *Creativity and Innovation Management, 20,* 196-206.

Selart, M., Johansen, S. T., Holmesland, T., & Grønhaug, K. (2008). Can intuitive and analytical decision styles explain managers' evaluation of information technology? *Management Decision, 46,* 1326-1341.

Selart, M., Karlsson, N., & Gärling, T. (1997). Self-control and loss aversion in intertemporal choice. *Journal of Socio-Economics, 5,* 513-524.

Selart, M., Nordström, T., Kuvaas, B., & Takemura, K. (2008). Effects of reward on self-regulation, intrinsic motivation, and creativity. *Scandinavian Journal of Educational Research, 52,* 439-458.

Selart, M., & Patokorpi, E. (2009). The issue of design in managerial decision making. *Problems and Perspectives in Management, 7,* (4), 92-99.

Senge, P. (1990). The leader's new work: Building learning organizations. *Sloan Management Review, 3,* 7-23.

Senge, P. (1990b). The fifth discipline: The art and practice of the learning organization. New York: Doubleday.

Shapira, Z. (1994). Risk taking: A managerial perspective. New York: Russell Sage Foundation.

Shapiro, D., Sheppard, B. H., & Cheraskin, L. (1992). Business on a handshake. *Negotiation Journal, October*, 365-377.

Shaw, P. (2008). Making difficult decisions: How to be decisive and get the business done. Chichester: Wiley Capstone.

Shiloh, S., & Rotem, E. (1994). What makes a good decision-maker ? Self and social evaluations of decision making competence versus performance measures in a simulated decision. Personality and Individual Differences, 17, 477-488.

Simon, H. A. (1947). Administrative behaviour: A study of decision-making processes in administrative organizations. New York: Macmillan.

Sims, H. P., & Lorenzi, P. (1992). The new leadership paradigm: Social learning and cognition in organizations. London: Sage Publications.

Sims, H. P. & Manz, C. C. (1996). Company of heroes: Unleashing the power of self-leadership. New York: Wiley.

Sinclair, A. (1992). The tyranny of a team ideology. *Organization Studies, 13*, 611-626.

Singer, T., & Fehr, E. (2005). The neuroeconomics of mind reading and empathy. AEA papers and proceedings, Pp. 340-345

Slovic, P., Finucane, M., Peters, E., & MacGregor, D. G. (2002). The affect heuristic. In T. Gilovich, D. Griffin, & D. Kahneman (Eds.), Heuristics and biases: The psychology of intuitive judgment. Cambridge: Cambridge University Press.

Smith, K. G., Grimm, C. M., Gannon, M. J., & Chen, M. (1991). Organizational information processing, competitive responses, and performance in the U.S. domestic airline industry. *Academy of Management Journal, 34*, 60-85.

Sowell, T. (1996). Knowledge and decisions. New York: Basic Books.

Staw, B. M. (1976). Knee-deep in the big muddy: A study of escalating commitment to a chosen course of action. *Organizational Behavior and Human Decision Processes, 16,* 27-44.

Staw, B. M., & Ross, J. M. (1978). Commitment to a policy decision: A multi-theoretical perspective. *Administrative Science Quarterly, 23*, 40-64.

Steele, C. M., Spencer, S. J., & Lynch, M. (1993). Self-image resilience and dissonance: The role of affirmational resources. *Journal of Personality and Social Psychology, 64*, 885-896.

Sternberg, R. J. (1990). Wisdom: Its nature, origins, and development. Cambridge: Cambridge University Press.

Sternberg, R. J. (2001). Why schools should teach for wisdom: The balance theory of wisdom in educational settings. *Educational Psychologist, 36*, 227-245.

Sternberg, R. J., & Ben-Zeev, T. (2001). Complex cognition: The psychology of human thought. Oxford: Oxford University Press.

Sternberg, R. J., & Lubart, T. I. (1991). An investment theory of creativity and its development. *Human Development, 34*, 1-31.

Sternberg, R. J., & Lubart, T. I. (1995). Defying the crowd: Cultivating creativity in a culture of conformity. New York: Free Press.

Stewart, T. A. (2009). The nine dilemmas leaders face. Unpublished manuscript.

Stoffels, J. D. (1994). Strategic issue management: A comprehensive guide to environmental scanning. Milwaukee WN: Pergamon.

Stone, D. A (2002). Policy paradox: The art of political decision making. New York: Norton & Company.

Stoycheva, K. G., & Lubart, T. I. (2001). The nature of creative decision making. In C. M. Allwood and M. Selart (Eds.), Decision Making: Social and creative dimensions. Dordrecht/Boston: Kluwer Academic Press.

Strand, T. (2007). Ledelse, organisasjon og kultur. Bergen: Fagbokforlaget.

Stroh, L. K., & Johnson, H. H. (2006). The basic principles of effective consulting. London: Lawrence Erlbaum.

Sutton, R. I.., & Hargadon, A . (1996). Brainstorming groups in context: Effectiveness in a product design firm. *Administrative Science Quarterly, 41*, 685-718.

Svenson, O. (1992). Differentiation and consolidation theory of human decision making: A frame of reference for the study of pre- and post-decision processes. *Acta Psyhologica, 80*, 143-168.

Svenson, O., & Maule, A. J. (1993). Time pressure and stress in human judgment and decision making. New York: Plenum Press.

Taylor, S. E. & Brown, J. D. (1988). Illusion of well-being. A social psychological perspective on mental health. *Psychological Bulletin, 103*, 193-210.

Taylor, S. E., & Brown, J. D. (1989). Positive illusions: Creative self-deception and the healthy mind. New York: Basic Books.

Taylor, S. E., & Brown, J. D. (1994). Positive illusions and well-being revisited: Separating fact from fiction. *Psychological Bulletin, 116*, 21-27.

Teece, D. J., Pisano, G., & Shuen, A. (1997). Dynamic capabilities and strategic management. *Strategic Management Journal, 17,* 509-533.

Tengblad, S. (2006). Is there a 'new managerial work'? A comparison with Henry Mintzberg's classic study 30 years later. *Journal of Management Studies, 43,* 1437-1461.

Thaler, R. H., & Sunstein, C. R. (2008). *Nudge.* New Haven. Yale University Press

Thompson, L. (2005). The mind and heart of the negotiator. Upper Saddle River, NJ: Prentice Hall.

Thompson, L. (2008). Making the team: A guide for managers. Upper Saddle River, NJ: Prentice Hall.

Tichy, N. (1983). Managing strategic change. New York: Wiley.

Torbert, W. R. (1987). Managing the corporate dream: Restructuring for long-term success. Homewood , ILL: Dow Jones-Irwin.

Trice, H. M., & Beyer, J. M. (1993). The culture of work organizations. Englewood Cliffs, NJ: Prentice-Hall

Trevino, L. K. (1986). Ethical decision making in organizations: A person-situation interactionist model. *Academy of Management Review, 11,* 601-617.

Trevino, L. K., Butterfield, K. D., & McCabe, D. L. (1998). The ethical context in organizations: Influences on employee attitudes and behaviors. *Business Ethics Quarterly, 8,* 447-476.

Trevino, L. K., & Youngblood, S. A. (1990). Bad apples in bad barrels: A causal approach. *Journal of Applied Psychology, 75,* 378-385.

Turner, M. E., & Pratkanis, A. R. (1998). A social identity maintainance model of groupthink. *Organizational Behavior and Human Decision Processes, 73,* 210-235.

Turner, M . E., Probasco, P., Pratkanis, A. R., & Leve, C. (1992). Threat, cohesion, and group effectiveness: Testing a social identity maintainance perspective on groupthink. *Journal of Personality and Social Psychology, 63,* 781-796.

Tversky, A., & Kahneman, D. (1974). Judgment under Uncertainty: Heuristics and Biases. *Science, 185,* 1124-1131.

Ulrich, D. (1997). Human resource champions. Boston: Harvard Business School Press.

Vaill, P. B. (1998). The unspeakable texture of process wisdom. In S. Srivastva and D. L. Cooperrider (Eds.), Organizational wisdom and executive courage. San Francisco: The New Lexington Press.

Valle, M., & Perrewe, P. L. (2000). Do politics perceptions relate to political behaviors ? *Human Relations, 53*, 359-386.

Vidaillet, B. (2008). When “decision outcomes” are not the outcomes of decisions. In G. P. Hodgkinson and W. H. Starbuck (Eds.), The Oxford handbook of organizational decision making. Oxford: Oxford University Press.

von Krogh, G., Ichijo, I., & Nonaka, I. (2000). Enabling knowledge creation. Oxford: Oxford University Press.

Vroom, V. H., & Jago, A. G. (1988). The new leadership: Managing participation in organizations. Englewood Cliffs, NJ. Prentice Hall.

Vroom, V. H., & Yetton, P. W. (1973). Leadership and decision making. Pittsburgh: University of Pittsburgh Press.

Wall, S. J., & Wall, S. R. (1995). *The New Strategists: Creating Leaders at All Levels*. New York: The Free Press.

Weick, K. E. (1969). The social psychology of organizing. Reading, MA: Addison-Wesley.

Weick, K. E. (1993). The collapse of sensemaking in organizations: The Mann Gulch disaster. *Administrative Science Quarterly, 38*, 628-652.

Weick, K. E. (1995). Sensemaking in organizations. Thousand Oaks, CA: Sage.

Weick, K. E. (2001). *Making Sense of the Organization*. Oxford: Blackwell.

Weick, K. E. (2004). Mundane poetics: Searching for wisdom in organization studies. *Organization Studies, 25*, 653-668.

Weick, K. E., & Roberts, K. H. (1993). Collective mind in organizations. Heedful interrelating on flight decks. *Administration Science Quarterly, 38*, 357-381.

Whitely, W. T., & Coetsier, P. (1993). The relationship of career mentoring to early career outcomes. *Organization Studies, 14*, 419-441.

Whittington, J. L., Pitts, T. M., Kageler, W., & Goodwin, V. L. (2005). Legacy leadership: The leadership wisdom of the apostle Paul. *Leadership Quarterly, 16*, 749-770.

Whittington, R. (2003). The work of strategizing and organizing: For a practice perspective. *Strategic Organization, 1*, 117-125.

Witte, E. (1972). Field research on complex decision making processes: The phase theorem. *International Studies of Management and Organization, 2*, 156-182.

Worley, C. G., Hitchin, D. E., & Ross, W. L. (1996). *Integrated Strategic Change: How OD builds Competitive Advantage*. Reading MA: Addison-Wesley.

Wright, G. (2001). *Strategic Decision Making: A Best Practice Blueprint*. Chichester: Wiley.

Wright, G., & Goodwin, P. (2008). Structuring the decision process. In G. P. Hodgkinson and W. H. Starbuck (Eds.), The Oxford handbook of organizational decision making. Oxford: Oxford University Press.

Yukl, G. (2005). Leadership in organizations. Upper Saddle River, NJ: Prentice Hall

Yukl, G., & Chavez, C. (2002). Influence tactics and leader effectiveness. In L. L. Nader and C. A. Schriesheim (Eds.), *Leadership*. Greenwich, CT: New Information Age Publishing.

Zaccaro, S. J., Rittmana, A. L., & Marks, M. A. (2001). Team leadership. *Leadership Quarterly*, *12*, 451-483.

Zand, D. E. (1997). The leadership triad: Knowledge, trust, and power. New York: Oxford University Press.

Zanzi, A., & O.Neill, R. M. (2001). Sanctioned versus non-sanctioned political tactics. *Journal of Management Issues*, *13*, 245-262.

Zey, M. G. (1988). A mentor for all reasons. *Personnel Journal*, *January*, 46-51.