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POWER OF INTUITION AND DECISION MAKING

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The words of **Sri Sri Ravishankar**, a spiritual guru- Intuition shines through the intellect, but it comes from beyond the intellect. Intuition can be a gift that you are born with, and it can also be developed through the regular practice of meditation.

Is intuition based on understanding or conscious reasoning-?

Intuition is the ability to acquire knowledge, without recourse to conscious reasoning or needing an explanation. Understanding intuition offers a consideration challenge for science, broadly speaking it involves – “learned responses that are not the outcomes of deliberate processes”. (Hogarth, 2010).

Herbert Simon’s research in the 1950s into the concept of bounded rationality guide much of the work on intuition. Simon suggested that people often make decisions and reduce their cognitive load- based on what is good enough.

Rather than arriving at complete and entirely correct answers, when faced with specific tasks, we often resort to heuristics or rules of thumb- that help form intuitive judgments (Simon, 1955).

The use of heuristics is considered commonplace and the default approach for decision making (Epstein, 2010). The process of recognition a fundamental evolved function is also crucial to intuition. It appears separate from other parts of human memory in the brain, capable of persisting in the most challenging conditions with accuracy sufficient for practical purpose.

Intuition appears to rely on the automation of decision making process. Logic or reasoning is analytical- the rational consideration of a problem.

Literature review-

An extensive literature has accumulated during the past three quarters of a century on the topic of intuition in management. The beginnings of management intuition scholarship are to be found in Chester Barnard’s insightful speculations on the role and significance of logical and non-logical processes in managerial work. Barnard’s thinking impacted profoundly Herbert Simon’s foundational concept of bounded rationality, which shed much needed light on how managerial decision-making is accomplished in real-world settings by using intuition as well as analysis. In parallel, management researchers in common with scholars in a wide range of applied fields also drew on Daniel Kahneman, Amos Tversky, and colleagues’ seminal behavioral decision research and its focus on the systematic errors and biases that accrue in managers’ intuitive judgments as the result of the use of heuristics (e.g., representativeness, availability, anchoring and adjustment, and affect heuristics). In recent years management researchers have drawn on further insights from Klein and colleagues’ work in naturalistic decision-making (NDM) (e.g., the “recognition primed decision-making model,” RPD) to conceptualize managerial work as expert performance and in understanding expert-versus-novice differences using the “skill acquisition model” (SAM). In recent years managerial intuition research has alighted on the

dual-process theories of Epstein, Evans, Stanovich, and others as a conceptual foundation for further theorizing and research in terms of System 1 (also referred to as Type 1) and System 2 (Type 2) processing. More recently still, research in neurology (e.g., the “somatic marker hypothesis”) and social cognitive neuroscience (e.g., the specification of complementary “reflexive (X)” and “reflective (C)” systems) has mapped the physiological and neural correlates of intuitive processing and begun to inform not only intuition research but decision research more widely in management and organization studies. These various developments have shed light on how intuitive decision-making is accomplished in managerial work across diverse management subfields including entrepreneurship, business ethics, human resources, and strategic management. More recently, scholars are turning to paradox theory and process philosophy as alternative ways of viewing the phenomenon of intuition in organizations.

ROLE OF INTUITION IN DECISION MAKING-

While we may be mostly unaware of our day to day decision making, it is likely to be a mix of intuitive and deliberate thinking (Hogarth, 2010).

The role of intuition appears to be no different in our everyday thought processes than in more crucial decision making.

Intuitive decision making is based on our past experiences and therefore repeatedly successful in similar situations, where previous outcomes and learning were useful and accurate. When future situation is significantly different, the intuition taken should be with caution. Without rational analysis any decision taken could be ineffective at best or dangerous at work.

When it works well and time constraints are strict, intuition can provide fast, focused thinking example the boat is sinking or a bomb is ticking, when there is time to deliberate how do we tackle global warming or racism? We must rely on rational evidence based analysis.

Research at the University of South Wales confirmed that Intuition significantly benefits decision making while adding that non conscious information can increase decision accuracy speed and confidence. (Lufityanto, Donkin & Pearson, 2016).

There is also a different understanding on Intuition, Intuition is that which never goes wrong, otherwise it is not intuition. It increases the ability to take decisions and the right words come at the right time.

No business can work without intuition. Right from dealing with people to make investment decisions, we have to listen to our gut feeling. If we are a poet or a literary person, we need intuition. If we are doctor, we need intuition. Doctors don't base on just prescription just on observation, there is something else that also contributes to the prescription.

Intuitive ability will help you get access to subjects which you have not intellectually acquired. For every innovation, you need both intellect and intuition. It is not enough if you have just studied and have intellectual abilities. For innovation, you need an intuition insight as well.

We shouldn't confuse desire with intuition. Other than business people we have fire fighters, tank platoon commanders and neonatal intensive care nurses work in fast paced and high stakes jobs and for whom intuition comes in handy for decision making.

Innovation and Intuition plays hand in hand. Neither our education system nor the workplace helps to develop our intuition. Guessing is not what intuition means, As the system never allows our intuition to develop our mind gets stressed not allowing us to use it.

CAN INTUITION ABILITY BE DEVELOPED OR IT CAN BE FORCED-

All innovation in the world has created when the person is relaxed. When Newton relaxed, the Archimedes principle was discovered and many more in history. So relaxation is the first step to boost your inner strength to innovation. A person who is stressed can never think of anything innovative one think in a rational way. So relaxing alone cannot urge your intuition. We need to be informed also. Having knowledge can help you to take rational decision. But inducing through meditation can only tap the intuitive ability of a person leading to take decision without regret.

Everybody has intuition. It is only few notice and use it for decision making. Only a peaceful mind can notice intuition without obstacles and utilize their intuition. There can be critical evaluation in accepting Intuition for decision making, as it doesn't have any scientific proof. But no one can regret the fact that 90% of the ideas come from peaceful mind and the fact that ideas are then used for decision making or innovation.

Intuition is an all time solution to indecisiveness. There is no reasoning, it is an instinctive and can be developed. It is the intuition that brings about decision making skills in us. There are program developed by a spiritual guru Sri Sri Ravishankar to develop intuition through meditation. The sense of intuition develops with a regular practice.

Why and how does decision making gets tough?

There are both Instinsic and extrinsic factors that decide good decision making Extrinsic factors like lack of available knowledge, choices available, procrastination, fatigue. Instrinsic factors like greed, fear, confusion, restlessness that builds stress in mind and stop relaxed mind and resulting in uncertainty.

Better decision making is possible only when one can overcome such obstacles. To make decisions without regret one should be aware of oneself, develop clarity of mind, built self confidence. This can only help a person to develop and recognize intuition and make use it for decision making.

Management perceptive on Intuition-

Management researchers over the course of the past eight decades have been greatly concerned with the relationship between human beings information processing capabilities and the complexities dynamism and uncertainties that characterize managerial work. The question is how human rationality, which is by nature bounded, can be developed to deal efficiently and effectively with the ambiguous and time pressured decisions and problems that are common in managerial work.

Intuition is amongst the hardest of bounded rationalities in various perennials, appearing and reappearing in various guises from 1980, to the present day. The early work on intuition was done in the field of basic discipline of psychology. The management researches started working on intuition more after 1990. Study of Intuition Pre-1990s Many researchers have carried out their research on intuition and many theories have been proposed to Literature review on the Role of Intuition in Decision Making Process Dr. Amit Kumar Gosar, Dr. Renati Solomon Literature review on the Role of Intuition in Decision Making Process explain the process of intuition Barnard (1938) declared that mental process fall into 2 distinct categories: non-logical and logical. Intuition based on behavior was explained by Simon (1947) in Bonded rationality. Hearptics and biases was proposed by Kahneman in late 1970s. BDT (Behavioral decision theory) and NDM (Naturalistic decision making) were explained in 1940 and 1998 respectively. Roger Sperry was awarded a Nobel prize for his research of 2 brain hemisphere in 1981. The significant study was carried out by a Nobel prize winner Danniell Kahneman explaining System 1 (Intuition) and System 2 (Reasoning) model. Study of Intuition Post-1990s

The fundamental studies in the theory development in the psychological and biological sciences to understand Intuition or role of intuition in decision making were not consolidated till 1990s. Management researchers after 1990s started working on Intuition and its application into decision making in an organization. The empirically based development witnessed in the early 2000. Few studies were carried out to explain different proposed theories. Barnard was referring to intuition when he spoke about 'non-logical processes' that were difficult to express in words but revealed themselves in actions and decisions. (Barnard 1938). About 50 years later Simon said "Intuition and good judgment are analyses frozen into habit" (Simon 1987). Jung recognized intuition and considered it as one of his personality types (Jung, 1926) later incorporated into the popular Myers-Briggs

Personality Indicator (MBTI) as a dichotomy between intuitive and analytic types (Myers, McCauley, Quenk & Hammer, 1998). Intuition is a genuine phenomenon that involves understandings and processes that are non-hierarchical, not based on formal education or years of experience, non-analytic, unpredictable, is quick and easy, and is made without extended conscious deliberation. Managers frequently use their business intuition to direct some part of their decision making and, hence, competitive impact. However, they do not ignore available information or their experiences. Rather, they use both analysis and intuition in their decision making. That is, systematic analysis and intuition are complementary rather than exclusionary, based on what the situation needs to get the best result at the time. Even though intuition is not fully understood, it is an acceptable and commonly used decision-making tool. (Glass, 2008) Business professionals do use intuition. For example, approximately 89% of marketing professionals frequently use their intuition to direct some part of their decision making and, hence, competitive impact. (Keen, 1996) It can be very useful when data is inadequate or unavailable. At the very least, intuitive thinking is effortless and unaffected by memory and attentional resources. But there are negative intuitional biases, too. For example, one bias is that people who use intuition are intellectually lazy and undisciplined in their thinking, relying on gut feelings. On the other hand, intuition can lead to game-changing decision making via a slower and deeper process that requires deliberative reasoning. In general, however, the best thinking in an organization involves the combination of creative and analytic thinking. (The Business Journal, 2012). Rational analysis is useful, but it is not a panacea for decision making. Rather, it is like the bricks of a wall with intuition being the mortar. That is, systematic analysis and intuition are complementary rather than exclusionary, based on what the situation needs to get the best result. (Vasconcelos, 2009) —Intuition enhances thoughtful decision-making, it doesn't replace it (Smart, 2009). In fact, intuition even can play an important role in determining how to perceive, approach, and respond to a business situation or problem. Even managers who stress analytical processes actually mix intuition into most decisions (Kutschera & Ryan, 2009). —Confident decision makers blend logic and intuition (of thought and feeling), the so-called two wings that allow leaders to soar (Patton, 2003). —Intuition is multifaceted (Gore & Sadler-Smith, 2011). More specifically, intuition is subconscious, complex, quick, not emotion, not biased, and not part of all decisions (Khatri & Ng, 2000). However, it has been argued that good management practice by business executives should rely more on intuition and less on systematic analysis.

Intuition is that which never goes wrong, otherwise it is not intuition. It increases the ability to take right decision and the right words come at right time. No business can work without intuition. Right from dealing with people to make investment decisions, you have to listen to your gut feeling, if you are a poet or a literary person, you need intuition. If you are a doctor, you need intuition. Doctors don't base the perception just on observation. There is something else that also contributes to the prescription.

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When we think of Decision making theories or approach, considering two dimensions: the urgency and size or impact of the decision. Autocratic, participatory Democratic and consensus based are the different decision making approaches.

The autocratic approach is for situations where you have low impact on business and involves in small decision. The democratic approach is for mid sized decisions involving less urgency. The consensus approach is for a huge decision but doesn't involve an emergency. Intuition comes into action in the participatory decision making approach. When big and quick decisions at high risk can highly impact your business. Intuition enhances analytic thinking and focuses on the present situation, providing insights into timing specify strategy and innovation. Investing in the business of the future is the key. Mukesh Ambani reiterates. Business and economic environment and importantly one's foresight give you a hint of the future business. Research reveals that Weston H. Agor, Harvard Researcher, author and editor studied two thousand managers over a period of two years. According to him intuition is a way of knowing. His research revealed that executives used intuition like explorer's to foresee the correct path to follow. In a study of thirteen thousand business executives by a Harvard researcher Parikh (1996), executives credited 80 percent of their business success to relying on their intuition. Gary Klein, Psychologist senior scientist Macro cognition and decision making consultant, notes (2003) that an

increasing number of top level managers, including CEO's are openly admitting to use of gut feeling or intuition for making decisions.

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