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Subject : Emotional leadership and decision making : How can Emotional Leadership Deal with Behavioral traps in Decision Making.

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Emotional Leadership and Decision Making: How can Emotional Leadership Deal with Behavioral Traps in Decision Making

Contents

Abstract	3
Introduction	6
Chapter 1: Methodology	9
1.1 Introduction	9
1.2 Research Philosophy	9
1.3 Research Approach	10
1.4 Ethical Considerations	10
1.5 Limitations	10
1.6 Conclusion	11
Chapter 2: The concept of emotional leadership	12
2.1 Emotional intelligence	12
2.2 Neuroscientific progress and emotional intelligence	14
2.3 From emotional intelligence to emotional leadership	15
Chapter 3: The decision making process in organizations	20
3.1 The concept of decision making process in organizations	20
3.2 The importance of decision-making process in organizations	21
3.3 Models for decision making process in organizations	22
3.3.1 The Rational Decision-Making Model	22
3.3.2 The Bounded Rationality Model in organizations	24
3.3.3 The Incremental Model	25
3.3.4 The Garbage Can Model	26
3.3.5 The Political Model	28
3.3.6 The Carnegie Model	29
Chapter 4: Behavioral Traps and Emotional Leadership	31
4.1 The concept of behavioral traps	31
4.2 Emotional leadership against behavioral traps	34
4.2.1 The protective potential towards confirmation bias	34
4.2.2 The protective potential towards the anchoring effect	36
4.2.3 The protective potential towards availability heuristic	38
4.2.4 The protective potential towards the sunk cost fallacy	40
4.2.5 The protective potential towards groupthinking	42
4.2.6 The protective potential towards confirmation bias	44



4.2.7 The protective role towards escalation of commitment	46
4.2.8 The protective potential towards overconfidence bias.....	49
Chapter 5: Discussion-Conclusions	51
5.1 Introduction.....	51
5.2 Key Findings.....	51
5.3 Integration of Findings	54
5.4 Practical Implications.....	55
5.5 Limitations and Future Research Directions	57
5.6 Conclusions.....	58
References	58



Abstract

This study investigates the concept of emotional leadership and its impact on behavioral traps within organizations. Emotional leadership, rooted in emotional intelligence, emphasizes understanding, managing, and leveraging emotions to inspire and motivate teams. It highlights the importance of soft skills such as empathy, self-awareness, and critical thinking in leadership, contrasting with traditional task-focused leadership models. Emotional leaders create a positive work environment, foster open communication, and build trust, which are crucial in navigating the complexities of modern organizational settings.

The study explores how emotional leadership can mitigate various cognitive biases and behavioral traps that hinder effective decision-making. These include groupthink, confirmation bias, anchoring, overconfidence, and the sunk cost fallacy. Emotional leaders promote psychological safety, encouraging diverse viewpoints and critical analysis, which counteracts groupthink and fosters a culture of inclusivity and openness. By being self-aware and empathetic, emotional leaders reduce confirmation bias, enabling more balanced and informed decisions. They also challenge the anchoring effect by fostering mindfulness and encouraging teams to reassess their assumptions continually. Furthermore, emotional leadership addresses overconfidence bias by modeling humility and seeking feedback, thereby promoting realistic self-assessment and critical thinking. It helps teams avoid the sunk cost fallacy by focusing on future opportunities rather than past investments, encouraging adaptability and resilience. Emotional leadership also enhances conflict resolution skills, creating a culture where conflicts are addressed proactively and constructively.

The practical implications of this study suggest that incorporating emotional intelligence training in leadership development programs can significantly improve decision-making processes and organizational performance. Emotional leadership builds organizational resilience, adaptability, and a psychologically safe environment that values diversity and continuous learning. These qualities are essential in the



dynamic and interconnected world of the information age, where leaders must navigate rapid technological advancements and changing market conditions.

In conclusion, emotional leadership is a powerful tool for enhancing decision-making and organizational success. By fostering an environment of empathy, openness, and critical thinking, emotional leaders enable their teams to make more informed, rational, and effective decisions, ultimately driving long-term strategic goals and organizational resilience.

Key-words: behavioral traps; decision-making; emotional intelligence; emotional leadership; organizations



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Introduction

In the contemporary organizational leadership space, soft skills have increasingly enshrined themselves as part of an effective transformative leadership approach (Ngang, 2012). Soft skills of communication, emotional intelligence, adaptability, and collaboration are instrumental in handling the diffused nature of the modern business environment (Hendon et al., 2017). In an exploration of an era defined by fast-paced technological advancement, the dynamic of an overtly diversified workforce, and market landscapes that are constantly shifting, soft skills allow for leaders to foster clear and open communication, the development of robust/reliable teams, easily handle matters of change, and much more (Levasseur, 2013).

Much in that regard, the technically adept individual that lacks the ability to inspire, motivate, and build effective relationships becomes nearly equal to that without technical expertise. Soft skills provide a lever for modern leadership in that they enable the leader—not only to handle organizational endeavors—however, to inspire and empower the team members/employees toward a vision of shared success (Levasseur, 2013; Ngang, 2012). Soft skills are researched on all employees, irrespective of the level they occupy in a business entity. Emotional leadership. From the trends mentioned above, emotional leadership is a topic researched and talked about on the last few years. Emotional leadership is a concept wherein a leader uses emotional quotient/intelligence to lead and motivate employees. It consists of a very good study of one's emotional status and control. Study has shown that a leader who has good management of his emotions will instinctively have a good capacity for being aware of the emotional status of others and must also control the behavior of others (Humphrey, 2002). They manage their emotions well by being self-aware and self-regulated and at the same time, are sensitive to the feelings of others (Loughran, 2021). They also perceive and read the organization's mood which they can use to influence decision-making, lead with empathy, and create a sense of purpose that will unify people. Realistically, the success of any organization is hinged on employees who are engaged, dynamic, and united, and emotional leadership recognizes the crucial role of emotions in performance at the individual and group levels. Leaders high in emotional intelligence therefore use their



abilities to create energetic, committed human contexts in which people thrive and perform at their best (Kim & Yang, 2015).

By increasing our understanding of emotional leadership organizations are benefited and organizational performance is also being improved. Therefore, in the context of this theory, this study showed how emotional leadership impacted organizational decision-making by coping effectively with behavioral traps over the process. The research question of the study was the following: How is emotional leadership associated with behavioral traps?

The study had the following aims:

- 1) To analyze and present the concept of emotional leadership
- 2) To analyze and present the decision making process in organizations and
- 3) To explore the role of emotional leadership with regard to behavioral traps.

Its final objective was to contribute to the reduction of behavioral traps in organizations. We aim our conclusions and recommendations to the advancement of qualitative and quantitative research in the future.

This study used a theoretical investigation to study the role of emotional intelligence and behavioral traps. Hence, it consists a review study. The first chapter treated the concept of emotional leadership, with a more general reference to leadership and the need to incorporate emotional factors, leading to the need for emotional leadership. The second chapter treated the problem of the decision-making process in an organization, namely: general principles for the decision-making process, cognitive aspects of the decision-making process, and the way that organizations make decisions. The third chapter treated the role of behavioral traps; in concrete terms, it defined these traps and how organizations became entrapped in them. In addition, it investigated emotional leadership and the process of decision-making in organizations, that is to mean, how emotional leadership aided decision-making instead of falling into behavioral traps. The fifth chapter focused on the applications of emotional leadership; in concrete terms, how organizations could apply emotional leadership, what kind of training could take place, and so on. Finally, in the sixth chapter of the study, a



discussion was conducted of all of the above-mentioned chapters and some general conclusions were drawn on problems for organizational management. Because this is a conceptual thesis, the Chapter that follows is the Methodological Chapter, that explains our decision to create a conceptual thesis and it will be followed by the actual theoretical investigation of the review.

Chapter 1: Methodology

1.1 Introduction

The current study has been the outcome of an inner need of the writer to study thoroughly the field of emotional leadership and how this affects decision making process especially in the field of preventing and dealing with behavioral traps in decision making process. In addition the methodology of the current study is designed in such a way to clarify the main theoretical constructions of emotional leadership and decision making process and how the two are interconnected.

1.2 Research Philosophy

Among others that are mentioned in the current study a very influencing one is the one suggested by Riggio (2014). Riggio has argued that emotional leadership encourages critical thinking and intellectual humility within a team and an organization. An emotionally intelligent leader welcomes their members to challenge each and every information, assumptions, and evidence that they come across. By doing so, with a spirit of inquiry and curiosity, it creates an environment in which people become activated to search information and evidence rather than take it at face value. This kind of thinking helps protect against confirmation bias by encouraging people to take care of the evidence and consider alternative explanations before coming to conclusions.



1.3 Research Approach

As mentioned before, this study was a conceptual thesis, not involving a qualitative or quantitative data collection process. It has been conducted by the writer a thorough literature review [a major portion of the research work was taken from studies available on reputed academic search engines like Google Scholar and Scopus. It was effectively used with proper keywords like 'emotional leadership' and 'behavioral traps'] in order to make the search focused and thorough in order to find the necessary theoretical explanations for the linkage between emotional leadership on the one hand and dealing with behavioral traps in decision making the other.

1.4 Ethical Considerations

In the event that no primary data collection involving human subjects is conducted in this study, it is of utmost importance to mention that ethical considerations primarily relate to proper citation and acknowledgment of sources. All sources and authors referenced in the literature review and conceptual analysis are appropriately credited to uphold academic integrity and intellectual property rights.

1.5 Limitations

The main limitations of this methodology include the fact that the studied phenomenon is still developing and especially Greece still there is lack of related information. This is the reason that made us want to clear up the landscape on what is happening or not, to design as a conclusion some propositions for further investigation of the phenomenon and this is the first step before a qualitative or quantitative exploration. It is thus necessary to indicate that the research was not limiting the dates within which the studies had to be carried out; for instance, the publication of the studies was not limited to those published after 2015. Such a limitation can significantly reduce



the number of papers available for inclusion in the study. In any case, although there was no cut-off date as a boundary, a lot of effort was put into incorporating the most recent information. This helped the research to be based on very latest trends and findings evident in the field in question hence it was of importance for the study to its relevance and generalization. This was more important since this study was targeted towards organizational decision-makers. Having fresh ensures that the findings and recommendations made can be related with the present situation. This way, this study can make sense to those involved in organizational decisions by help them derive relevant inferences from it that can be applied in decision making processes. This is especially more important in the areas of emotional leadership and behavioral analysis since new research can often bring out new aspects and clarity on the issues. The use of books and academic databases made the theoretical foundation quite solid. By books, one gets a certain essence of formed knowledge and theories; in databases, one gets access to a wide range of the latest works and empirical data. This combination allows a comprehensive representation of the topic. This research is deep in its theoretical grounding and broad in its coverage of the current research.

1.6 Conclusion

Emotional leaders help the followers in these teams to make relevant, proper, and effective decisions, being realistic in viewing their capabilities and limitations and, on the other hand, open to other perspectives in an open way. Giving them instances and influencing them, it empowers the followers to deal with uncertainty and complexities with confidence and clarity, making decisions based on evidence, with a sense of humility and an open mind to learn from the best.



Chapter 2: The concept of emotional leadership

2.1 Emotional intelligence

The history of emotional leadership traces back to ancient civilizations where leaders were revered not only for their prowess in battle or political acumen, but also for their ability to inspire and motivate their followers through the power of emotions. In ancient Greece, political philosophers like Plato and Aristotle recognized the importance of emotions in influencing human behavior and advocated for the cultivation of virtues such as courage, temperance, and compassion in leaders. Similarly, in ancient China, Confucian scholars emphasized the role of empathy, benevolence, and moral integrity in effective leadership (Millon, 2004).

During the Renaissance period in Europe, humanist thinkers like Erasmus and Machiavelli explored the interplay between emotions and leadership. While Machiavelli famously argued for the pragmatic use of fear and manipulation by leaders to maintain power, Erasmus advocated for a more compassionate and ethical approach, emphasizing the importance of empathy, integrity, and humility in leadership (Jackson & Grace, 2018).

The beginnings of the understanding specifically emotional intelligence date back to September 13, 1848. On this day there was an accident in Vermont, United States, involving Phineas Gates, a railroad foreman, who suffered a head injury when a rod pierced his cheek and significantly injured his skull. Ironically, Phineas Gates survived the injury and, after being discharged from hospital, returned to work immediately. Before the accident, this foreman was a fairly quiet man, full of interest in his work and had never caused problems and tensions in his working and interpersonal environment. However, after the injury, his behaviour changed significantly. In particular, he started to become abusive towards his colleagues, using vulgar language. He became less interested in his work, was constantly involved in fights and was soon dismissed. Thus, a fruitful reflection emerged as to whether this injury was linked to changes in the foreman's broader emotional state (Macmillan,



2000). Taking this incident as a starting point, an intensive research effort emerged to understand the connection between specific brain regions and emotional intelligence (Kean, 2014).

In the 20th century, psychologists such as Sigmund Freud and Carl Jung delved deeper into the study of human emotions and their impact on behavior. Freud's psychoanalytic theory highlighted the role of unconscious desires and emotions in shaping personality, while Jung's analytical psychology explored the collective unconscious and archetypes that influence human behavior. These insights laid the groundwork for understanding the complexities of emotions and their implications for leadership (Millon, 2004).

The emergence of leadership theories in the 20th century, such as transformational leadership, further highlighted the importance of emotional intelligence in effective leadership. Transformational leaders, as articulated by theorists like James MacGregor Burns and Bernard Bass, inspire and motivate followers by appealing to their higher ideals and values, fostering a sense of trust, loyalty, and commitment (Al-Omari & Hung, 2012).

Yet, the most important contribution is that of Salovey and Meyer, as well as of Goleman. These researchers studied the concept of emotional intelligence, which is crucial for the concept of emotional leadership, since emotional leadership relates to the application of the principles of emotional intelligence to workplace and organizations. Emotional intelligence is a form of intelligence that relates to a person's ability to recognize emotions. This type of intelligence consists of a set of five basic dimensions (Rahim et al., 2002):

1. **Self-awareness:** This dimension relates to the ability of a person to be able to recognize his/her own emotions and the effect that he/she has on the emotions of others.
2. **Self-control:** Self-control has to do with the ability to maintain an emotional state in the midst of changing environmental situations.
3. **Motivation:** Motivation relates to the ability of an individual to be able to commit to goals set despite the existence of obstacles and difficulties, and to

accept the suspension of reward and satisfaction in order to more effectively achieve long-term goals.

4. Empathy: This dimension has to do with one's ability to successfully perceive emotions communicated to him/her through verbal and non-verbal messages.
5. Social skills: This category relates to skills related to an individual's ability to manage potential conflicts that arise in his/her interpersonal environment

In Goleman's (2004) approach, the intelligence index refers to a score obtained after relevant tests that reflect one's general intelligence, emotion, personality and abilities. Overall, on the basis of the approach developed, emotional intelligence constitutes a sub-parameter of the general concept of intelligence. According to Riggio & Reichard (2008), emotional intelligence constitutes a multifaceted concept, which refers to dimensions other than those referred to in the general concept of intelligence and is significantly differentiated from it. The distinction between emotional intelligence and other parameters of the general concept of intelligence is also confirmed, as Salovey & Mayer (1990) argue, by studies of a neurological nature, which lead to the conclusion that emotional intelligence leads to the activation of different areas of the human brain when demanding actions related to this aspect. Consequently, emotional intelligence constitutes a part of general intelligence, but also a distinct concept from the other individual parts.

2.2 Neuroscientific progress and emotional intelligence

Understanding emotional leadership and emotional intelligence is possible due to the significant developments in neuroscience during the last two centuries. The progressive development of neuroscience has made it possible to study whether specific regions of the human brain are associated with specific functions (Millon, 2004). Progress in the sciences was rapid during the 20th century and led to the discovery of unknown mechanisms. Until then, the human brain was considered a black box, and thanks to the rapid and rapid development of neuroscience, it was possible to understand the connection between specific brain regions and human behaviour



(Camerer, 2007). The effective study of the human brain is a prerequisite for the study of emotional intelligence. According to Damasio (1994), low levels of emotional intelligence are directly related to deficiencies in the development of specific brain regions responsible for decision making, such as the prefrontal cortex. Consequently, deficiencies in the functioning of these parts result in low levels of emotional intelligence.

Several studies have led to the finding that additional aspects of prefrontal cortex function are specifically related to emotional intelligence. In particular, the prefrontal cortex and the parietal prefrontal cortex are more strongly associated than other areas with the ability to process information that is emotional (Operskalski et al, 2015). In addition, the insular cortex of the brain is also involved in processing emotionally charged stimuli (Tan et al., 2014), as are the spindle gyrus, the inferior part of the parietal lobe, the cingulate fossa of the third frontal gyrus and the convolvulus of the prefrontal gyrus (Pan et al., 2014).

2.3 From emotional intelligence to emotional leadership

Emotional leadership is a multifaceted concept that delves into the intricate dynamics of human emotions within the realm of leadership. Unlike traditional leadership theories that predominantly focus on task delegation, decision-making, and strategic planning, emotional leadership places a significant emphasis on understanding, managing, and leveraging emotions to inspire, motivate, and empower individuals and teams. At its core, emotional leadership recognizes that emotions play a pivotal role in shaping behavior, influencing perceptions, and driving performance in organizational settings (Mayer & Salovey, 2001).

Central to the concept of emotional leadership is the idea that effective leaders must possess a high degree of emotional intelligence and manage both their own emotions and those of others. Leaders with strong emotional intelligence are adept at empathizing with their team members, sensing their needs, and adapting their leadership style accordingly. They possess the self-awareness to recognize their



strengths and weaknesses, the self-regulation to control their impulses and reactions, and the social skills to build rapport and foster collaboration (Mayer & Salovey, 2001).

One of the key tenets of emotional leadership is the recognition that emotions are contagious. Leaders who demonstrate enthusiasm, optimism, and resilience can uplift the morale of their team members and create a positive work environment conducive to productivity and innovation. Conversely, leaders who exhibit negativity, stress, or frustration can inadvertently spread a sense of disengagement and demotivation among their followers. Therefore, emotional leaders must be mindful of the emotional climate they cultivate within their organizations and strive to set a positive tone through their words, actions, and attitudes (Humphrey, 2002).

Moreover, emotional leadership emphasizes the importance of authenticity and vulnerability in leadership. Leaders who are genuine and transparent about their own emotions and experiences are more likely to earn the trust and respect of their team members. By sharing their triumphs, challenges, and failures, they create a culture of openness and authenticity that encourages others to do the same. This fosters stronger interpersonal connections, enhances communication, and promotes a sense of belonging within the team (Maamari & Majdalani, 2017).

In addition to fostering positive emotional climates and building trust, emotional leadership also encompasses the ability to effectively manage conflict and navigate challenging situations. Leaders who are skilled in conflict resolution and negotiation can defuse tensions, reconcile differences, and facilitate constructive dialogue among team members. By promoting open communication and fostering a culture of respect and understanding, they create an environment where conflicts are addressed proactively and resolved amicably, rather than festering and escalating into larger issues (Jin, 2010).

Furthermore, emotional leadership recognizes the importance of empathy and compassion in driving organizational success. Leaders who demonstrate empathy are better able to understand the perspectives and feelings of their team members, which enables them to provide more meaningful support and guidance. Whether it's offering a listening ear, providing encouragement, or offering assistance during difficult times,



emotionally intelligent leaders demonstrate genuine concern for the well-being of their followers. This not only strengthens the bond between leaders and their teams but also contributes to higher levels of engagement, satisfaction, and loyalty among employees (Mayer & Salovey, 2001).

It should be noted that realizing the importance of emotional leadership in the modern workplace requires analyzing the differences between the workplace environment of the industrial age and that of information society. As society has transitioned from the industrial age to the information age, the role of emotional intelligence among workplace leaders has become increasingly vital. In the industrial society, workplace leadership was characterized by hierarchical structures and authoritative management styles. Leaders in this era were primarily tasked with overseeing production processes, enforcing discipline, and ensuring efficiency within the organization. Command-and-control approaches were prevalent, with leaders exerting authority and making decisions top-down. Technical expertise and operational knowledge were highly valued, and leaders were expected to possess a deep understanding of the specific tasks and processes within their domain. Clear delineations of roles and responsibilities were established, and leaders were responsible for directing and supervising employees to ensure adherence to established protocols and standards. While innovation and creativity were not as prioritized as in later eras, effective leadership in the industrial society was essential for driving productivity, maintaining order, and achieving organizational goals amidst the rigors of mass production and industrialization (Hugner & Wheelen, 2004).

However, as we've moved into the information society, marked by rapid technological advancements, globalization, and a shift towards knowledge-based economies, the nature of work and leadership has evolved significantly. In the information age, where creativity, innovation, and adaptability are prized, the importance of emotional intelligence among leaders cannot be overstated. Unlike the industrial age, where tasks were largely routine and predictable, today's workplaces are dynamic and complex, requiring leaders to navigate uncertainty, ambiguity, and rapid change. In such environments, technical skills alone are insufficient. Leaders must also



possess the ability to understand and manage emotions – both their own and those of others – to effectively lead and inspire their teams (Uhl-Bien et al., 2007).

Thus, one of the key ways in which emotional intelligence has become indispensable for workplace leaders in the information age is in fostering employee engagement and motivation. In a knowledge-based economy where employees are valued for their creativity, critical thinking, and problem-solving abilities, leaders must create environments where individuals feel inspired, empowered, and valued. Leaders with high emotional intelligence are adept at recognizing and appreciating the unique talents and perspectives of their team members, which fosters a sense of belonging and fulfillment. By providing meaningful feedback, recognizing achievements, and cultivating a culture of trust and respect, emotionally intelligent leaders can enhance employee satisfaction and motivation, ultimately driving organizational performance (Uhl-Bien et al., 2007).

Furthermore, in the information society, where collaboration and teamwork are increasingly essential for innovation and success, emotional intelligence plays a critical role in building cohesive and high-performing teams. Leaders who possess strong interpersonal skills, such as empathy, communication, and conflict resolution, are better equipped to foster positive relationships among team members and promote collaboration. They are able to navigate interpersonal dynamics, resolve conflicts, and facilitate productive dialogue, which enhances teamwork and collective problem-solving. In an era where cross-functional collaboration and interdisciplinary approaches are becoming more prevalent, leaders who can effectively manage relationships and build consensus are invaluable assets to organizations (Mayer & Salovey, 2001).

Moreover, as the pace of technological innovation accelerates and disruptions become more frequent, leaders must be agile and adaptable in their approach to leading change. Emotional intelligence enables leaders to navigate uncertainty and ambiguity with resilience and optimism. By remaining attuned to the emotions and concerns of their team members, emotionally intelligent leaders can provide stability and reassurance during times of change, while also inspiring confidence and enthusiasm for the future. They are able to communicate a compelling vision, increase support, and mobilize resources to adapt to new challenges and seize opportunities. The area of



COVID-19 could be considered as an example of a crisis highlighting these parameters of emotional leadership (Wilson, 2020).

In addition, in an era where diversity and inclusion are recognized as drivers of innovation and competitive advantage, emotional intelligence is essential for fostering inclusive leadership. Leaders who are emotionally intelligent are more attuned to the experiences and perspectives of individuals from diverse backgrounds, which enables them to create inclusive environments where all employees feel valued, respected, and empowered to contribute their unique talents. By promoting diversity of thought and fostering a culture of belonging, emotionally intelligent leaders can unlock the full potential of their teams and drive innovation (Uhn-Bien et al., 2007).

In conclusion, as society has evolved from the industrial age to the information society, the importance of emotional intelligence among workplace leaders has only grown. In today's dynamic, interconnected, and rapidly changing world, leaders must possess the ability to understand, manage, and leverage emotions to inspire, motivate, and empower their teams. By fostering employee engagement, promoting collaboration, leading change, and championing diversity and inclusion, emotionally intelligent leaders play a crucial role in driving organizational success in the information age.



Chapter 3: The decision making process in organizations

3.1 The concept of decision making process in organizations

Decision making is a key function of management in organizations, which characterizes the way of life, operations, and organizational outcomes. A ladder procedure that involves identifying problems, generating solutions, evaluation of alternatives, and selecting the most desirable course of action that meets their organizational goals. It is a cumbersome and dynamic process, which conserves the situation at hand, the goals of organizations, resources available, people's preferences, and the constraints of the goal in question (Christensen & Knudsen, 2010).

Basically, the first step of the ladder procedure in decision-making process includes the step of identifying and defining the problem or opportunity that requires attention. This is basically recognizing the deviations from the desired results or identifying the need to improve a negative situation within the organization or its environment. According to Christensen & Knudsen (2010), the decisions must be clearly defined as it establishes the foundation for the rest of the steps in the decision process.

The next step in the decision process comes when the problem is identified. Here, the decision-makers gather information related to the problem, analyze and interpret the data, and consider different courses of action likely to come about as an effect of the decisions (Hugner & Wheelen, 2004).

The final step aims at generating alternative solutions or strategies to discuss a given problem or take advantage of a given opportunity within the environment. Here, divergent thinking, critical thinking, and other people's perspectives are required. The decision makers can use brainstorming as solutions tools to obtain the ideas or solutions needed, ask the stakeholders, or research best practices of other organizations facing a similar challenge. Every alternative is evaluated based on criteria such as feasibility,



costs, effectiveness, risks, and suitability in line with organizational goals and values. In this case, decision makers may use a cost-benefit analysis test where costs and benefits are calculated when making evaluation. The other determinants could be time, resource availability, and the organizational priorities. After a decision is reached, the decision has to be communicated effectively, the implementation should be accomplished, and monitoring and evaluation of the decision-making process should be conducted to achieve and re-calibrate its effectiveness when required: most assuredly critical stages in the process of decision-making (Hugner & Wheelen, 2004).

3.2 The importance of decision-making process in organizations

The decision-making process is of most importance in organizations as it contributes to effective management and organizational performance. Decisions made in an organization are of far-reaching consequence, from strategic and resource allocation to the daily operations within the organization and employee morale. Thus, the main reason for a vigorous decision-making process is to enable organizations to navigate complexities, seize opportunities, and respond to challenges in a proactive and strategic manner (Fulop et al., 1999).

First and foremost, the process of decision-making provides a structured framework for evaluating options and other alternatives and selecting the most appropriate course of action. With a systematic approach, organizations will not get into impulsive or arbitrary decisions but get guided by the analysis, evidence, and strategic thinking in making a choice. The overall consequence will be the mitigation of risks, minimization of uncertainties, and design of the likely outcomes that any organization should realize. Further, a structured decision-making process enhances transparency and accountability, since it permits stakeholders to understand why such decisions were made and holds decision-makers to account concerning their choices (Simon, 1979).

Besides, a decision-making process is one of the most significant tools that foster organizational alignment and coherence. Organizations in the contemporary business environment have different, competing priorities, conflicting interests, and diverse perspectives. A structured decision-making process enables organizations to reconcile these differences, aligning decisions with overarching goals, values, and priorities. In ensuring that decisions made are in line with the strategic path and values of the organization, the decision-making process brings about unity, cohesion, and collective purpose among employees and stakeholders. That, in turn, ensures organizational effectiveness and adaptability in the face of change and resilience (Tejeiro Koller, 2016).

Also, a decision-making process is a tool for fostering innovation and improvements within an organization. Organizations can explore new opportunities, challenge current assumptions, and in the process drive innovation at every level through the development of a work environment that fosters exploration, experimentation, and learning. A good decision-making process allows the employees to bring out their suggestions, throw in ideas, and take calculated risks from where a culture of creativity, agility, and resilience builds up. By assessing the results of those decisions and learning both from success and failure, the organization fine-tunes its decision-making process with time, which eventually builds up the capacity of the organization to make better choices and to adapt in a changed environment (Head, 2013).

3.3 Models for decision making process in organizations

3.3.1 The Rational Decision-Making Model

The Rational Decision-Making Model is one of the most common approaches within organizations due to the fact that this model supports strategic and operational decisions. Generally, the Rational Decision-Making Model is based on logic, analyses,



and optimization of solutions, applying a step-by-step systematic approach to identify the best solution from among other alternative solutions. The process generally starts with the identification and definition of the problem or opportunity that requires a decision. Usually, this process refers to collecting the necessary data, setting of goals and objectives, and understanding the elements involved and underlying the problem (Simon, 1979).

After defining the problem, the Rational Decision-Making Model goes on to generate alternative solutions. In other words, this means that the process implies brainstorming ideas, review other approaches, and consider other possible courses of events that are likely to solve the identified problem or, by contrast, seize the opportunity. The decision-maker tries to compile a complete list of alternatives, ranging from conventional to innovative, so as to explore all possible possibilities (Simon, 1979).

The next natural step for the Rational Decision-Making Model refers to the evaluation and comparison of these options. Alternatives are evaluated or judged on premade judgments or pre-established criteria, such as feasibility, effect, cost, risk, and consistency with organizational goals and values. Both quantitative and qualitative analytical methodologies may be used to estimate possible deleterious consequences and trade-offs of each possibility (Eisenführ et al., 2010).

The final natural step is reached when the Rational Decision-Making Model settles on one alternative solution. In other words, the decision-maker selects that alternative that meets the established criteria and objectives of the goals defined at the very beginning of the process. The decision is made in a rational manner through available information, analysis of possible outcomes and the consequences for the organization. A decision is implemented, outcomes are observed and evaluated to determine the effectiveness of the decision, and where necessary, adjustments are effected (Eisenführ et al., 2010).

In general, the Rational Decision-Making Model provides organizations with an organized and systematic approach to decision-making that allows them to select rationally and scientifically while optimizing choices. Organizations could enhance



their decision-making by following the model, decreasing risks, and maximizing desired results at the strategic and operational levels. However, one must keep in mind that problems in making a decision in the real world nearly always are complicated and ambiguous, and may not necessarily be totally rational based on the perfect assumptions behind the model (Simon, 1979).

3.3.2 The Bounded Rationality Model in organizations

The Bounded Rationality Model, developed by Herbert Simon, provides an alternative to the Rational Decision-Making Model at the time. Realizing the fact that most of the time decision-makers experience limitations in the case of information, cognitive capacity, and time, this model suggests that most people make satisfactory decisions or "good enough" rather than optimum ones. This model recognizes the fact that the cognitive capacity of the decision-makers is usually less than the complexities of real problems, which makes them adapt to heuristics, shortcuts, and simplified decision rules to deal with the different decision-making processes (Hernandez & Ortega, 2019).

What the bounded rationality model suggests is that the decision-makers, under bounded rationality, are making choices that are made under the constraint of the limitations they are facing concerning their cognitive and information available to them. This is what satisficing involves, where the individuals compromising and selecting the initial solution that will make them content with regard to the criteria set, instead of the analyzing of alternatives exhaustively. In other words, the decision-makers try to make satisfactory decisions under the constraints they face instead of striving for perfect or optimal outcomes (Jordão et al., 2020).

Another organizational relevant acceptance that the Bounded Rationality Model states is that most of the processes of making decisions involve biases, heuristics, and cognitive shortcuts. For example, decision-makers are prone to elicitation of the confirmation bias, where the irrelevant information is taken in which will coincide with the already formed beliefs and/or preferences by the decision-maker. Take, for



example, availability heuristic, in which an individual gives most weight to information, more available and easy to recall. Such a cognitive bias influences the objectivity and rationality of a decision, hence leading to poor outcomes (Gigerenzer, 2020).

Though it understands the human limitation of cognition, the Bounded Rationality Model is still capable of suggesting clues as to how the process of organization may be improved for the process of decision-making within the bounds of bounded rationality. Having an appreciation of cognitive limitations and biases in decision-making can help an organization design strategies to minimize such effects. This may be done through decision support tools, open debates, and the promotion of diversity in ideas and opinions. More so, an association can promote data-based decision-making due to the adoption of technology and analytics to enhance the availability and quality of the information in the decision-making process and reduce dependence on heuristics and biases. Finally, implementation of the principles of bounded rationality and methods of reducing related limitations enable organizations to improve the effectiveness and efficiency of their decision process (Gigerenzer, 2020).

3.3.3 The Incremental Model

The Incremental Model for any organizational decision-making process states that decision-making tends to carry on gradually, over a period, by minor adjusting and adapting in the existing policies, practices, or strategies rather than arising from some radical or revolutionary changes. This model finally appreciates the complexity, uncertainty, and the fact that organizational decision-making lacks rationality; thus, it limits the ability of the decider. The approach that would be followed would then be to make incremental adjustments through feedback, learning, and experimentation rather than trying to find and evaluate all the solutions at the start (Rajagopalan & Rasheed, 1995).



This means that the Incremental Model works from the assumption that organizations always have environments of ambiguity, partially available information, and conflicting interests. It does not really strive to settle on one optimal solution; hence, the decision makers are adaptive and pretty flexible in modulating their practices or policies with small changes or improvements that circumstances and feedback at hand demand. What they do is incrementally implement new practices, strategies, or policies before they do it on a full scale. This often lowers the level of uncertainty and risk that is always attached to decision making (Hugner & Wheelen, 2004).

That is to say, the Incremental Model is particularly suited to organizations whose environments are characterized by high dynamism and uncertainty and where rapid change of any nature is a constant component of the changing priorities that require a corresponding level of agility and flexibility in decision-making. Incrementalism enables an organization to respond most appropriately to issues and opportunities emerging at a point in time, while at the same time encouraging a culture of experimentation, learning, and continuous improvement. This model needs the kind of adaptive and open-minded decision maker who will then adjust the strategies or course of action in the face of new input or feedback—all the while building the capacity to survive and thrive in complex and turbulent environments (Rajagopalan & Rasheed, 1995).

3.3.4 The Garbage Can Model

Unlike the other models, the Garbage Can Model is not persuaded that decision-making has to necessarily take place in a linear sequence of problem identification, generation of alternatives, evaluation, and then making a choice. Decision making is reflected in a messy, non-linear process that is totally characterized by ambiguity, uncertainty, and randomness. Decision making can best be described in the Garbage Model as "garbage of problems, solutions, participants, and decision opportunities randomly marching into and out of each other's fields of perception" (Cohen et al., 1972).



This is simply meaning that organization can be seen as a loose coupling system, and decisions are made ad hoc on the impulsive interplay of different factors rather than through planned and explicit or systematic analysis. According to the Garbage Can Model, problems, solutions, decision opportunities, and decision makers are viewed as completely separate streams that flow independently and unpredictably meet and influence each other (Cohen et al., 1972).

But the most promising insight of the Garbage Can Model is that the opportunities are most frequent source of decisions; solutions may bring about problems, but problems may also be viewed offering solutions. Thus the decision-makers are often responding to solutions offered and tried over the years. In this view, decision-makers often settle for a solution that is most available or one which is easiest to find rather than the one that is best in relationship with the problem. Even the model implies that the occurrence of decisions to be likely to be affected by timing and confluence, the availability, or the coincidence of a decision and the availability of a person making a decision to treat this decision (Cohen et al., 1972).

Though the Garbage Can Model is at odds with the rational and orderly view, it offers a lot of aid in the understanding of the complexities and uncertainties of an organization in relation to decision-making. Through discovering that decision models are non-linear and contingent, an organization can more appropriately identify and manage the dynamics of decision processes, be forewarned with and devise strategies for potential obstacles to the successful implementation of these decision-making mechanisms, and adapt strategies to build a structure of effectiveness for decision processes. This can include the establishment of a culture of openness and flexibility, the promotion of varied perspectives and creativity, and the establishment of structures and processes to enable transparency and accountability in the decision-making processes. Lastly, organizations can apply the principles underlying the Garbage Can Model to more appropriately deal with the rigors and difficulties of non-linear, non-deterministic, non-rational, and threat-laden environments to build better decisions, despite the preponderance of ambiguity or uncertainty. By and large, embracing the lessons that the Garbage Can Model teaches allows organizations to make better-formed decisions in an unpredictable decision-making process (Cohen et al., 2012).

3.3.5 The Political Model

The Political Model of organizational decision-making offers a perspective that recognizes the influence of power dynamics, competing interests, and bargaining among stakeholders in shaping decisions within organizations. Different from the rational or incremental models that assume decisions are made based on objectivity in the analysis and evaluation of alternatives, the Political Model acknowledges that decisions are, in most cases, driven by a whole range of political factors. These may include the interests of individuals and groups, organizational politics and power struggles, among others. The Political model, therefore, conceptualizes decision-making as a process of negotiation and coalition-building between different stakeholders who have varied preferences, goals, and priorities. Such stakeholders may be grouped into different levels based on the level of authority, expertise, and influence within an organization. Outcomes of decisions, therefore, depend not only on the rationality or merit of a decision but also on the relative power and influence different stakeholders have, to be exact, wield in the decision-making process (Baldrige, 1971).

One important lesson to draw from the Political Model is that decision-making in organizations is often replete with conflict, competition, and compromise. Stakeholders can engage in strategic behavior, such as lobbying, coalition-building, or withholding information, to further their interests or prevent decisions that damage their objectives. Decision outcomes may depend on the balance of power at different levels between different stakeholders rather than a search for organizational goals or objectives. What is further notable is the fact that the Political Model demonstrates the importance of informal networks and alliances, and the patterns of power they reveal, in the analysis of the decision-making processes of organizations. People who make decisions have to be skillful politicians with good interpersonal skills to manage conflicts and to build support for decisions. It is only by political acumen, interpersonal skills, and being able to read the likely organization political responses that people who make decisions are able to address those political dynamics and important decisions.



When the political nature behind the process of decision-making is accepted, several plans may be developed to minimize the potential drawbacks associated with organizational politics and to make the process of decision-making more effective. It may either be transparency and accountability in taking decisions, a culture of free flow of information and the spirit of being an open organization, and conflict resolution and negotiation mechanisms. Ultimately, by also applying the key principles of the Political Model, organizations are able to understand the peculiar details of the process of making decisions and further develop strategies in dealing with the political dynamics in a bid to achieve the goals and objectives of a firm simultaneously (Baldrige, 1971).

3.3.6 The Carnegie Model

This model, referred to as the Carnegie Model of organizational decision-making developed by Richard Cyert and James March, focuses on organizational routines, habits, and standard operating procedures that essentially lie at the heart of decision processes. While the traditional model assumes decisions are made after the analysis and evaluation of alternatives according to rational processes, the Carnegie Model suggests that decisions are bounded by norms of the organization, history, and decisions are inert routines. Essentially, the basic assumption within the Carnegie Model is that organizations are made up of individual decision entities that perform within or under a set of developed routines and procedures. Routines guide choices about how decisions are made and acted upon within the organization. These get incorporated into the organizational routine environment or culture, which, eventually conditions the action of decision-makers by influencing their preference and choices. (Levinthal & Newark, 2023).

According to the Carnegie Model, the concept of bounded rationality predominates decision-making within organizations. The decision-makers have a limited cognitive capability, and similarly insufficient information processing. Hence, the decision-makers rely on heuristics, rules of thumb, and routines to simplify complex decision-making procedures and reduce mental efforts associated with the task of



making decisions. These routines help work more efficiently and effectively even when situations of uncertainty and ambiguity are prevalent (Feldman et al., 2021).

According to one of the insights this Carnegie Model provided was that decisions are made in piecemeal fashion, and learning from experience leads to the adaptation of action over the passage of time. This piecemeal approach to decision-making shapes the ability of organizations to maintain stability and continuity on one hand and to build in flexibility and adaptability on the other hand. Organizational decision making, therefore, can be more effective and less risky toward the set goals through routines and habits formed within the organization (Feldman et al., 2021).

The Carnegie Model generally provides a lot of insight on how organizations make decisions and why organizational routines help mold the decision process. By understanding how prevalent alternatives influence decisions, an organization can bring out the opportunity to ferret out processes that need to be improved and optimize decision processes with the view to attaining maximal organizational performance and effectiveness (Feldman et al., 2021; Levinthal & Newark, 2023).



Chapter 4: Behavioral Traps and Emotional Leadership

4.1 The concept of behavioral traps

Of the factors that highly determine human behavior and decision-making, cognitive biases or decision-making biases are among the most acknowledged. They manifest thinking and decision-making patterns when people make irrational or suboptimal decisions, usually under the influence of cognitive or emotional factors. Such traps may occur as overconfidence, confirmation bias, loss aversion, and anchoring. Overconfidence can make people overrate their capacities or the probability of something, which may lead to risky or careless decisions. The drive to look for evidence that confirms their ideas, simultaneously overlooking disconfirming ones, may lead to flawed judgments. Loss aversion makes people prefer avoiding a loss in relation to an equivalent gain, resulting in missed opportunities or the reluctance to take necessary risks. Such an outcome occurs due to the fact people to a great extent rely on initial information or a reference point while leading to a conclusion. Such human behavior traps reduce the efficiency of the processes of decision-making and barrier the ability of people to achieve their goals (Jones & Roelofsma, 2000).

Of all the known behavioral traps, the most recognized one is the confirmation bias. This refers to the tendency of most people to seek and interpret information that may support their already held beliefs or hypotheses, while at the same time playing down or ignoring information that may disconfirm them. Taken to its extreme, this bias can fuel more misconceptions, or the continuation of lies—even providing resistance to normally sense-making actions in decision-making and problem-solving. In a world filled with information, the confirmation bias can make the echo chambers and polarization afflicting society even worse with preexisting ideological divides. Klayman (1995) infers that.



Another common behavioral trap is the anchoring effect, which is the predisposition to place too much weight on the first piece of information identified in the process of making decisions—the anchor—even if that piece of information turns out later to be irrelevant to the decision at hand. Anchoring will thus lead to poor decisions if such adjustments are inadequate to reflect new or more relevant information. For instance, in negotiation, an initial offer will often impact the outcome of subsequent negotiations, thus potentially leading to a situation where somebody gains at the expense of another (Furnham & Boo, 2011).

Another example is the availability heuristic, a mental shortcut by which one judges or makes decisions based on the ease with which instances or occurrences come to mind through vividness or recency, rather than a full assessment of the factors involved. This has the effect of exaggerating the probability of highly publicized toxic events, such as plane crashes or terror attacks, while underestimating more common but less publicized ones. Indeed, the availability heuristic affects risk perceptions and behavior across a swath of arenas, including investment decisions, choices in health care, and responses to public policy (Du, 2022).

Another common behavioral trap is the sunk cost fallacy: the tendency of the individual to persist in the investment of resources in a decision or line of action because they have already sunk—as in past experience shows—substantial resources into it, even when it is no longer rational to do so. This leads to an escalation of commitment to projects, relationships, or investments that are failing, for the sole reason that people want to justify the investments they have made rather than consider objectively what the returns might be in the future. Sunk cost fallacy just makes it all the more reason to recognize and get over to take proper decisions: cutting losses and channeling resources to more promising opportunities (Strough et al., 2011).

With this, other examples include a lot of behavioral traps for human decisions and behavior, namely framing effect, hindsight bias, and overconfidence bias, among a number of others. Though these biases might tend to provide irrational or suboptimal outcomes, they simultaneously point at the limitations of human cognition and the complexity of decision processes. Therefore, these behavioral traps, provided that awareness is raised and measures for decreasing their influences are taken in turn, will



in turn better prepare individuals, organizations, and policymakers to be informed and effective in their decisions toward better outcomes and choices in various contexts (Flyvbjerg, 2021).

Organizations fall into behavioral traps just like individuals, since both are subject to so many cognitive biases and organization dynamics. These behavioral traps might delay decision-making, obstruct innovation, and sometimes cause a systemic failure if unchecked. Knowledge of the existence of these traps is therefore paramount for people in leadership positions within organizations accountable for controlling the influential impact and adopting a change in culture that will outshine a narrative of critical thinking and adaptability (Flyvbjerg, 2021).

One common pitfall in decision-making organizations face is groupthink. Groupthink implies too much conformity and harmony within a group such that there is an inhibition of critical thinking and hence the recognition or criticism of poor decisions. As a consequence, individuals are likely to be less likely to raise dissenting voices or to consider alternative solutions to problems, believing that this will lead them to social rejection and a general lack of acceptance. Several pathologies associated with decision-making can be caused as valuable information or perspectives are ignored or, indeed, disregarded to preserve group harmony, a dynamic known as groupthink (Jones & Roelofsma, 2000).

This can further be attributed to confirmation bias in organizations, where they will selectively look for and interpret information that justifies their preconceived beliefs or hypotheses and disregard contradictory evidence. This would result in poor decisions and strategic errors, as those making the decisions will not look at the perspectives of others or carefully consider the risks. In an environment of decision-making and high speed, the above is more damaging, since it affects judgments that are made with hurry based on little or even distorted information (Brooks, 2011).

One of the traps that organizations regularly fall into is escalation of commitment. This is manifested in the fact that decision-makers continue to invest resources such as time, money, or effort into those activities in which there is evidence that their failure to succeed. This results from the desire to justify one's previous

investments, an unwillingness to admit failure, or even the significance of sunk costs as an irrational consideration in decision-making about the future. Again, escalation of commitment frequently results in major losses for an organization and constrains it from adapting to changing circumstances (Sleesman et al., 2018).

Another common bias that organizations fall into is overconfidence bias, through which organizations overestimate their capacity, knowledge, or the possibility of success. This leads to reckless decision-making and a lack of preparedness for potential risks or challenges. This could be aggravated by past successes, competitive pressures, or a culture featuring boldness and risk-taking. Thereby, the young analyst could fail to pursue a proper risk assessment or identify the possible consequences of his actions, hence left vulnerable to unforeseen pitfalls (Flyvbjerg, 2021).

Organizational inertia can be defined as a trap that an organization falls into in its outdated practices, structures, or ways of thinking and that prevents it from adjustment to changes in its external conditions or in its internal needs. This might be the result of factors such as highly bureaucratized processes of work, resistance to change among employees, and lack of leadership vision and strategic direction. Forces that promote organizational inertia time and again are erosion and inhibition of competitiveness and innovation in the face of constant change; organizations become increasingly complacently opposed to necessary transformations over time (Hugner & Wheelen, 2004).

4.2 Emotional leadership against behavioral traps

4.2.1 The protective potential towards confirmation bias

Emotional leadership, however, might be protective in relation to the existence of confirmation bias. On one hand, emotional leadership can act as a buffer to confirmation bias because it brings self-awareness to leaders regarding themselves and to the members of a team. Emotionally intelligent leaders are aware of their own



cognitive biases and emotional triggers, meaning that they will be able to recognize when they may be falling prey to confirmation bias (Goleman, 2006). By recognizing their own predispositions and tendencies, emotionally intelligent leaders could then proactively challenge their assumptions, invite a multiple frame of reference, and genuinely weigh relevant facts and evidence accordingly (Boyatzis, 2018).

Further, emotional leadership develops empathy and perspective-taking features that are critical against confirmation bias. By empathizing with people holding other opinions or beliefs, team members can much better challenge their own assumptions and biases, leading to more balanced and nuanced decision-making (Bar-On, 2006). Emotionally intelligent leaders will always encourage their team members to consider alternative perspectives and look at the situation from the shoes of others. An empathetic handling of the situation helps to reduce polarized thinking and selective attention, wherein an individual may look for material to confirm the formed beliefs while disregarding or discrediting the evidence that acts to the contrary (Salovey & Mayer, 1990).

In addition, emotional leadership encourages critical thinking and intellectual humility within a team and an organization. An emotionally intelligent leader welcomes their members to challenge each and every information, assumptions, and evidence that they come across. By so doing, with a spirit of inquiry and curiosity, it creates an environment in which people become activated to search information and evidence rather than take it at face value. This kind of thinking helps protect against confirmation bias by encouraging people to take care of the evidence and consider alternative explanations before coming to conclusions (Riggio, 2014).

Emotionally leading might also create an open-minded climate and intellectual diversity among teams and organizations. Emotionally intelligent leaders will appreciate the diversity of thought and perspective among their juniors and actively seek the opinions of people with differential backgrounds, experiences, or viewpoints (Cherniss, 2010). Ways in which emotional leaders might do this are by fostering a climate in which people feel they can disagree and one in which those who disagree are valued. They could, in that way, unlock potential from diverse perspectives and insights



rather than perpetuate entrenched thinking from like-minded individuals (Cooper & Sawaf, 1997).

Emotional leadership tempts leaders, in turn, to walk the talk and lead by example, exercising behaviors such as intellectual humility, curiosity, and open-mindedness. This will serve as lubrication for a form of organizational culture in which others feel empowered to question common wisdom and the status quo in debate (Ashkanasy & Daus, 2002). This is authentic leadership at its best, as it develops a culture in which all are willing to challenge their assumptions and listen to other points of view. It creates intellectual curiosity and an open-minded environment whereby people and organizations are shielded from the pitfalls of confirmation bias (George, 2000).

In fact, emotional leadership is the strongest defense against the scourge of confirmation bias because it is bound to breed self-awareness, empathy, critical reasoning, and a culture of open-mindedness for teams and organizations (Goleman, Boyatzis, & McKee, 2002). It is by virtue of this that when people are made to challenge their assumptions, look at things differently, and put evidence to serious test, emotional leaders will create an environs where confirmation bias is less prone to grip any person. Rather than easily fall into polarized or selective thinking, teams with EI leaders benefit from great perspectives and insights and are capable of making more balanced, informed, and healthier decisions (Gardner & Stough, 2002).

4.2.2 The protective potential towards the anchoring effect

Emotional leadership could also provide one of the most potent defenses against the anchoring effect by creating self-awareness, fostering critical thinking, and encouraging a culture of flexibility for teams and organizations. Emotional leadership by its nature could help members in a team to be more mindful and reflective (Goleman, 1998). Emotional leaders could prevent the impact of this bias by fostering mindfulness and reflection among the members of their team. In that respect, emotional leaders decrease the effect of such a bias by fostering mindfulness and reflection in their team



members (Bar-On, 2006). Emotionally intelligent leaders encourage their teams to track how first pieces of information or even assumptions can affect the decision-making process. A leader from this perspective helps members become mindful to identify when they are anchoring their decisions to a piece of information or a reference point, and thereby challenge the anchor and consider alternative viewpoints (Caruso & Salovey, 2004).

Furthermore, emotional leadership encourages critical thinking and questioning of assumptions within teams and organizations. Emotionally intelligent leaders encourage the members of their team to critically analyze the validity and relevance of the information presented to them (Cherniss, 2010). In such a culture, people feel free to challenge conventional wisdom or explore new beliefs, so emotional leaders pave the path for freedom from a one-path reality. That is, rather than taking the first piece of information team members come across, they should be able to challenge and get more data, consider other perspectives, and reconsider the evidence before they make up their minds (Boyatzis, 2018).

Moreover, emotional leadership encourages a culture of flexibility and adaptability within teams and organizations. Emotionally intelligent leaders appreciate that the decision-making process is a dynamic and iterative process that requires flexibility and open-mindedness (Goleman et al., 2002). Therefore, emotionally intelligent leaders encourage their members to stay open to the information and the views of others, thereby allowing their team members not to be captives of the anchoring effect, who must closely follow a given rigid path. Rather, team members are encouraged to continually reassess their assumptions, revise their decisions, and change strategies as circumstances play out. This flexibility can help a team avoid the ruts and traps that anchoring bias tends to set, helping teams make more nimble and informed choices (Ashkanasy & Daus, 2002).

Emotional leadership also uses the approach of leading by example, with leaders modeling behaviors that include both curiosity and humility in terms of being able to admit when they are wrong (Riggio, 2014). When leaders are willing to ask questions about their beliefs and acknowledge the strength of opposing views, they create an



environment in which their peers feel they have the right to challenge prevailing wisdom and investigate new options. This type of authentic leadership does away with the anchoring effect and preserves an environment in which people feel comfortable to confess when they might have closed their decisions around a particular piece of information or reference point in order to shift and to learn from alternative views (George, 2000).

Another element is in how emotional leadership provides a learning and development culture, but this at the level of teams and in the organization itself. An emotionally intelligent leader is one who recognizes the fact that decision-making is a skill that can be developed over time (Gardner & Stough, 2002). When emotional leaders empower their teams to look back on past decisions, to learn from mistakes and develop these insights in future decisions, they inhibit the anchoring effect from organizational life. They ensure that teams do not rest on their laurels by sticking to irrelevant historic information but remain open to new ideas and new ways that, over the long term, turn out to be the more effective and informed ways to go (Cooper & Sawaf, 1997).

Briefly, emotional leadership is a potent antidote to the anchoring effect. It helps in building self-awareness, critical thinking, flexibility, and a culture of constant learning within teams and organizations. They can use it to foster mindfulness, challenge assumptions, encourage flexibility, and role-model the anchoring bias in a way that enables individuals to free themselves and make better, more agile, and resilient decisions. Emotional leaders demonstrate and influence; they help unlock organizational capacity in teams to gain confidence and clarity when facing complexity and uncertainty (Humphrey, 2002).

4.2.3 The protective potential towards availability heuristic

Emotional leadership may offer a strong defense for availability heuristic by enhancing mindfulness, critical thinking, and a culture of evidence-based decision-



making in teams and organizations. Emotional leaders effectively minimize this bias by enhancing awareness of the limitations of the availability heuristic among the team members (Goleman, 1998). The mindfulness created helps each individual be aware when they are depending too much on highly accessible information or colorful instances in order to make an appropriate judgment and thus be able to question such thoughts and seek more evidence before reaching a conclusion (Caruso & Salovey, 2004).

Emotional leadership also promotes critical thinking in teams and organizations. Emotionally intelligent leaders ensure that their team members can evaluate and judge the relevance and the credibility of the information presented to them (Cherniss, 2010). By creating a culture in which individuals are at ease to let go of conformity and question the truth and validity of instances readily available to them, emotional leaders help to deter the availability heuristic from distorting the decision-making processes. Rather than accepting information at face value, this discourages the members from making hasty judgments and encourages them to carefully review the evidence, consider alternative viewpoints, and evaluate the relative impact of considerations before coming to a decision (Boyatzis, 2018).

Emotional leadership also breeds a culture of evidence-based decision-making among teams and organizations. An emotionally intelligent leader is one who is well aware that decisions based off objective information and rigorous analysis, not purely on anecdotal evidence or personal experience (Goleman et al., 2002). By motivating the teams to gather and evaluate pertinent data, emotional leaders deter the availability heuristic from distorting the decision-making processes. Instead of relying on available information or vivid examples, the emotionally intelligent leader would systematically guide the collection and analysis of data from many sources so that judgment would be based upon a well-reasoned understanding of the facts (Riggio, 2014).

In addition to this, emotional leadership in any organization comes with the expectation that leaders should show through their own example traits like intellectual humility, curiosity, open-mindedness, and many other traits or behavioral qualities (George, 2000). Through evidence-based decision-making, emotionally intelligent leaders can actually kick-start a culture that would allow others to challenge the

availability heuristic and go ahead to seek objective data and its analysis. Emotionally intelligent leaders would be, therefore, quite effective in guarding against the availability heuristic from which would sort a culture of people challenging their biases and developing wiser and more rational decisions (Gardner & Stough, 2002).

These are fostering not only continuous learning and continuous improvement in making decisions but also creating a setting for a culture of learning in the teams or organizations. Leaders that are emotionally intelligent realize the fact that making decisions is something that is a skill and can be developed further over time (Cooper & Sawaf, 1997). Emotionally intelligent leaders prevent the availability heuristic from becoming entrenched within the organization by encouraging their teams to reflect on the decisions made in the past, learn from mistakes, and apply lessons learned in working through future situations (Ashkanasy & Daus, 2002).

Instead of relying on heuristics or shortcuts, those teams that are led by emotionally intelligent leaders are always finding ways for the improvement of the processes of decision-making and, therefore, are able to ensure that decisions are made on the best evidence and analysis available. From all the above data, it emerges that emotional intelligence could serve as a formidable defense against the availability heuristic, by the development of mindfulness, critical thinking, evidence-based decision-making, and a culture of continuous learning in teams and organizations. By making people aware of cognitive biases and skeptical about information that is obviously available, leading with an objective focus involving the data and its analysis, emotional leaders empower people to break through those shackles and make wiser, more reasoned, and just better decisions. Through their example and influence, emotive leaders unlock their team's potential to confidently and clearly navigate complexity and uncertainty (Humphrey, 2002).

4.2.4 The protective potential towards the sunk cost fallacy

Great emotional leadership helps protect against the sunk cost fallacy because it builds resilience, adaptability, and a focus on the long-run organization strategy at



the level of a team and organizational functioning. Emotional leaders make other team members resilient and adaptable (Goleman, 1998). Emotional leaders help people not make this error, common in human nature, encouraging them to gain perspective and focus on the future, rather than stay in the past-oriented thought of being overwhelmed (Bar-On, 2006).

Most of all, emotional leadership helps inculcate an open mindset within the leaders and team members. Emotionally intelligent leaders understand that the decision-making process is dynamic and iterative, so being flexible is going to be a key factor in success in making decisions (Boyatzis, 2018). Emotional leadership further requires leaders and team members to keep an open mind toward new information and diversified perspectives. Emotionally intelligent leaders know the process of making decisions is dynamic and iterative, so they facilitate for their teams the need for an updated assessment of assumptions and other courses of action as protection against lock-in decisions (Caruso & Salovey, 2004). That is, they do not get locked into a certain decision due to already existing investments in time, money, or effort. Instead, being led by an emotionally intelligent leader prevents fixation on past investments and enables the team to focus on the present reality and future opportunities for better, more agile, and responsive decision-making (George, 2000).

Emotional leadership further develops a learning culture and accountability within teams and organizations. Emotionally intelligent leaders help their followers step up to the station of ownership of decisions and learn from their mistakes (Gardner & Stough, 2002). By supporting a culture in which people are safe to admit that a project or course of action is no longer viable, emotional leaders help prevent the escalation of the sunk cost fallacy. Rather than be prideful or fear a loss of face for the team by admitting defeat, emotional leadership empowers the team to cut losses and redeploy its resources to opportunities that hold water (Cherniss, 2010).

Included in this is leading by example in emotional leadership: one should know how to be resilient and adaptive and open to showing mistakes. First, through modeling commitment to learning from failures and adaptation in light of changing conditions, emotional leaders build a culture within an organization where there is a feeling of opportunity to rise to the challenge of the sunk cost fallacy and make wiser, more



rational decisions (Ashkanasy & Daus, 2002). The sunk cost fallacy is further curtailed by authentic leadership, as it creates an atmosphere where members are free to prioritize long-term strategic goals above the objective of minimizing short-term losses or sunk costs (Goleman et al., 2002).

Emotional leadership further nurtures collaboration in decision-making as a central culture in an organization or team. Emotionally intelligent leaders know that decision making is a collaborative process; it is something that involves several perspectives and a wide array of people's input. This means that an emotionally intelligent leader gives room for discussion and effective exchange in such a way that the sunk cost fallacy does not become your decision as a leader or an effect of the group decision. The outcome, in its place, is taken through robust discussion and deliberation, whereby decisions are fully vetted and informed by evidence and analysis (Cooper & Sawaf, 1997).

In a nutshell, emotional leadership is very helpful in combating the sunk cost fallacy because the leader promotes resilience, adaptability, and accountability within teams and organizations. They use emotional leadership to create an organizational culture in which the people are driven to learn from their failures, open to new information, and focused on long-term strategic goals (Riggio, 2014). It is through the demonstration of their own examples and this influence that emotional leaders prepare the ground for teams to venture into leading through complexity and uncertainty with confidence and clarity from where organizational resources are allocated efficiently and effectively in order to meet the organization's objectives (Cherniss, 2010).

4.2.5 The protective potential towards groupthink

Emotional leadership can prove to be a powerful shield against groupthink because it makes diversity, open communication, critical thinking, and the provision of a psychologically safe environment possible in a team or organization. Emotional leaders can counteract this risk by being inclusive and drawing out diverse views from the team (Goleman, 1998).



A major way in which emotional leadership guards against groupthink is through the creation of an environment of psychological safety. Leaders high in emotional intelligence create an atmosphere wherein team members feel free to express their views, concerns, and ideas without the fear of negative judgment or backlash (Edmondson, 1999). Emotional leadership empowers people to challenge assumptions, existing opinions, or perspectives—in short, it makes dissension valuable—in order to bring up suggestions running contrary to conventional thinking and to contribute insights into the decision-making process (Cherniss, 2010).

The emotional leadership style further encourages those in leadership positions and team members to constantly be on the lookout for elements inherent to groupthink. Emotionally intelligent leaders vigilantly watch the dynamics of the group and the danger signals of groupthink—for instance, things like the pressure for conformity, self-censoring, or illusions of invulnerability (Janis, 1972). An emotionally intelligent leader makes that danger known to the members of the team so that groupthink is never able to establish a foothold, and may then work and make decisions as independent thinkers by analyzing the data around them in presenting dissenting views (Gardner & Stough, 2002).

Emotional leadership also stimulates a culture of diversity and inclusivity in a team or organization. Emotionally intelligent leaders are sensitive to the diversity of thought and often seek the opinion of individuals who bring different perspectives, backgrounds, and experiences to the table (Ashkanasy & Daus, 2002). Then, in this manner, emotional leaders will keep an environment of dissenting opinions valuable and will not allow the homogeneity and conformity of groupthink to thrive. Unlike other groups, emotionally intelligent-led teams are never swayed by group cohesiveness. This makes them motivated by a wide range of perspectives and ideas that go an extra mile in boosting how judgment processes are conducted (Goleman, Boyatzis, & McKee, 2002).

In addition, emotional intelligence promotes leadership through positive example, with leaders modeling such behaviors as humility, curiosity, and a willingness to be open to different points of view (George, 2000). Emotionally aided leaders demonstrate open-mindedness and diversity of thought, hence creating a culture with



staff members free to challenge stories and opinions maintained, question prevalent assumptions, and engage in productive controversy. The approach of authentic leadership prevents groupthink and at the same time, it encourages an organizational setting that celebrates independent thinking and critical evaluation instead of discouraging these approaches (Boyatzis, 2018).

Further, authentic leadership fosters accountability and transparency during the team and, generally in the organization. An emotionally intelligent leader makes team members act responsibly and learn from their mistakes (Cherniss, 2010). When a place is ready for people to admit that they might be wrong, this will prevent escalating commitment and, in turn, a decision-making process that is full of flaws. Rather than rigidly pursuing an unsuccessful course of action out of pride or an unwillingness to admit failure, emotionally intelligent leaders serve to enable teams to reconsider their strategies and adapt their approaches in response to changed circumstances (Edmondson & Lei, 2014).

In this regard, emotional leadership is a powerful antidote to groupthink, enhancing psychological safety, diversity, critical thinking, and accountability in a team or organization. By creating an environment where independent thinking and constructive dissent are encouraged, emotional leaders enable the team to make robust, informed, and resilient decisions. Leading emotional leaders work out models that influence individuals to question assumptions, pursue diverse views, and deal with complexity and uncertainty in a self-assured and clear manner (Riggio, 2014).

4.2.6 The protective potential towards confirmation bias

For example, emotional leadership works against confirmation bias by supporting self-awareness, empathy, critical thinking, and creating an open-minded culture within teams and organizations. In that case, it is an interpretive bias where



people interpret and remember information in such a manner that it fits their initial generally defective hypothesis, and discards, forgets, or even ignores information that might contradict what they think (Nickerson, 1998). Emotional leaders increase the mindfulness of their team members about their cognitive biases and emotional hot buttons (Goleman, 1998).

First, emotional leadership works to become a protective force against confirmation bias through the cultivation of self-awareness by leadership and later team members. Emotionally intelligent leaders will, in turn, be very conscious regarding their own cognitive biases and emotional reactions, enabling them to know when to fall prey to confirmation bias, and then through the process of making the team members aware of their many cognitive biases and the emotional traps they could fall into (Salovey & Mayer, 1990).

Additionally, emotional leadership creates empathy and perspective-taking, which helps conquer the confirmation bias. Emotionally intelligent leaders help their team members to look at things through different perspectives and try to put themselves in the other person's shoes. In that light, understanding better those who have different perspectives and opposing views furnishes a better chance for the various team members to challenge their assumptions and biases, enabling balance and a more nuanced set of decision-making (Goleman, Boyatzis, & McKee, 2002). Coupled with that is the empathetic approach that removes the polarizing and selective attention that often characterizes the confirmation bias and allows for more perspectives and more evidence to be proffered by the very same individual (Bar-On, 2006).

Furthermore, emotional leadership results in critical thinking and intellectual humility within a team or organization. Emotionally intelligent leaders empower team members to challenge assumptions, question conventional wisdom, and delve into the evidence. Emotional leaders develop a spirit of inquiry and skepticism, helping to create a climate in which people are more comfortable challenging their own views and trying to find possible alternative explanations (Riggio, 2014). Such a critical thinking orientation safeguards against confirmation bias by spreading a culture in which one is comfortable challenging their views, trying to find alternative possibilities, carefully



weighing evidence, and reconsidering alternative explanations before coming to a conclusion (Cherniss, 2010).

Emotional leadership further brings forth a culture of openness and inclusivity in teams and organizations. Emotionally intelligent leaders are those who value diverse perspectives and who consciously solicit input from people who come from different backgrounds, have different experiences, and have different points of view. What emotionally intelligent leadership does is create the kind of climate in which contradictory opinions are welcome within a group of people rather than closing oneself in the room of equally similar opinions (Ashkanasy & Daus, 2002). It does not encourage leaders to go out and surround themselves with people who have the same kind of views but to seek as much diversity as possible (Gardner & Stough, 2002).

Moreover, emotionally intelligent leadership emphasizes leading by example with behaviors such as humility, curiosity, and willingness to admit mistakes. As a result, it demonstrates the ability to approach information and evidence in an objective and truth-seeking manner (Boyatzis, 2018). It is a further measure in authentic leadership, which helps to prevent confirmation bias by creating space in which people feel free to be wrong and hence in a position to approach information and evidence from a truth-seeking perspective (Cooper & Sawaf, 1997).

Overall, emotional leadership provides the best antidote to confirmation bias; it calls for self-awareness, empathy, critical thinking, and an open culture in a team, either in organizations or team setups. People under such a leader would have the ability to question their assumptions, consider others' points of view, and look at the evidence critically to make more informed, reasonable, and objective decisions. Emotional leaders, through their influence, create an environment where intellectual honesty and curiosity are celebrated and where individuals can de-bias themselves from confirmation bias to follow the truth with clarity and confidence (Cooper & Sawaf, 1997).

4.2.7 The protective role towards escalation of commitment



Emotional leadership guards against another of these behavioral pitfalls in the form of escalation of commitment by building resilience, adaptability, accountability, and long-term strategic goal orientation into the culture of teams and organizations. Escalation of commitment, also referred to as the sunk cost bias, means the predisposition of an individual to continue on a given course of action if they have made prior investments in that exact course of action (Staw, 1981). The sunk costs—that is, those investment costs that cannot be recovered—then "escalate" commitment to them, investing more and more irrationally in a losing proposition. Emotional leadership preempts this because it builds into the culture of the team a position of resiliency and adaptability (Goleman, 1998).

The first way emotional leadership helps to prevent the escalation of commitment is through cultivating accountability and transparency. Team members feel empowered by the emotionally intelligent leader to own their decisions and learn from their mistakes. This culture allows team members to feel safe enough to say that a given project or course of action is not working and, therefore, not viable (Cherniss, 2010). Instead, they are able to humbly say that the strategy needs to be rethought, and the resources need to be directed at a more hopeful opportunity.

Additionally, emotional leadership fosters openness to new information and divergent views from both leaders and team members. Emotionally intelligent leaders understand that decision-making is a dynamic and iterative process, and they encourage their teams to question their assumptions and consider other courses of action (George, 2000). Rather than fixating on the recovery of sunk costs, teams guided by emotionally intelligent leaders focus on the present realities and the opportunities ahead, thus making more agile and responsive decisions (Goleman et al., 2002).

Emotional leadership also promotes a culture of resilient behavior in teams and organizations. An emotionally adept leader knows that failure or setbacks are inevitable in life. Due to the environment that encourages people to learn from errors and thus modify their strategies in response to changes, the escalation of commitment is averted by preventing further investment in a lost cause (Gardner & Stough, 2002). Failure is seen not as a defeat but as an opportunity to learn, allowing these teams, led by



emotionally intelligent leaders, to recover and rebound stronger and more resilient than before (Boyatzis, 2018).

Moreover, emotional leadership encourages leaders to lead by example in being humble, curious, and willing to be the first to admit mistakes. By showing that they are willing to learn from their failures and thus change their strategies in response to changing demands, emotional leaders create an environment in which people can rise above the escalation of commitment and make more rational and strategic choices (Riggio, 2014). Authentic leadership encourages people to prioritize long-term strategic goals over short-term losses, fostering a culture that values learning and adaptability (Goleman, 1998).

Emotional leadership also enhances collaboration and teamwork among organizational members. Emotionally intelligent leaders enable people to understand that decision-making is a collective venture, benefiting from a wide array of expert opinions and stakeholder input (Ashkanasy & Daus, 2002). Such leaders do not allow escalation of commitment to drive unilateral decisions or groupthink; instead, they promote open dialogues and constructive debates. Decisions are thoroughly vetted against evidence and analysis rather than succumbing to pressure or unilateral judgments (Cherniss, 2010).

In summary, emotionally intelligent leadership becomes one of the greatest bulwarks against the escalation of commitment, as it develops organizational resilience, adaptability, accountability, and a sense of focus on the long-term strategic goals of teams and organizations. Emotionally intelligent leaders establish transparent, open, and collaborative cultures that facilitate team learning from mistakes, adaptation of strategies, and informed, rational decision-making. Through their example and influence, emotional leaders empower teams to cope with the complex and uncertain world with confidence and transparency, ensuring functionally and effectively resourced settings in organizational objectives (Cooper & Sawaf, 1997).

4.2.8 The protective potential towards overconfidence bias

Emotional leadership is a very powerful tool for protection against the bias of overconfidence, by ensuring self-awareness, humility, critical thinking, and the culture of feedback and reflection at the level of teams and organizations. Emotional leaders manage the bias of overconfidence by cultivating an association of realistic self-assessment of their abilities with their team members (Goleman, 1998).

One of the principal ways in which emotional leadership safeguards against overconfidence bias is through the promotion of self-awareness on the part of the leaders and team members. Leaders who have emotional intelligence encourage their team members to identify strengths and weaknesses that may hinder the soundness of judgment (Salovey & Mayer, 1990). Emotional leaders safeguard against overconfidence bias in that it enables people to reflect at an individual level, hence realizing when they are starting to become overconfident in their ability or judgment (Bar-On, 2006).

Emotional leadership begets humility in the leaders and team members. Emotionally intelligent leaders are those who model such behavior by admitting their own mistakes, soliciting feedback from others, and acknowledging their team's contributions (Riggio, 2014). This type of humility serves to mitigate overconfidence bias because the individual is urged to decide in an open way and with a desire to listen to opposing views. Humble leaders also foster critical thinking and question assumptions by the team members. Emotionally intelligent leaders permit their team members to critically think about the validity of an assessment, judgment, or decision, and also about alternative positions (Cherniss, 2010). Emotional leaders provide a culture in which people feel free to challenge conventional wisdom and engage in constructive debate, thus avoiding the overconfidence bias that might dominate and reduce the potential range of possibilities and outcomes that a decision-maker should consider (Boyatzis, 2018).



Emotional leadership is able to create a culture that nurtures feedback and reflection within teams and organizations. Emotionally intelligent leaders understand that learning and development is an ongoing process. By making followers gain feedback from others, think about their experiences, and learn from their mistakes, emotional leaders will discourage the tendencies that make someone very sure of themselves, thus reducing the overconfidence biases (Goleman et al., 2002). They are humble and ready to learn from other team members rather than resting on their laurels and smug satisfaction of being correct.

Moreover, emotional leadership instills a culture of collaboration and collective decision-making in a team or organization. Leaders who are emotionally intelligent understand that decision-making is a group process, one that benefits from diverse viewpoints and task analysis from many contributors (Ashkanasy & Daus, 2002). Emotional leaders decrease overconfidence bias by encouraging dialogue and constructive debate; it ensures that any decision made is well-vetted and supported by evidence and analysis (George, 2000).

Chapter 5: Discussion-Conclusions

5.1 Introduction

The concluding Chapter of the current study attempts to clarify the overall findings that emerged from the analysis undertaken in the previous Chapters. More specifically it focuses on the key findings, the integration of the key findings in the field of eliminating behavioral traps in working areas and finally the practical implication that emerge through this conceptual analysis.

5.2 Key Findings

The key findings of the current study are the following:

1. Emotional leadership guards against overconfidence bias, as it supports self-awareness, humility, critical and reflective thought, and culture of feedback and reflection to have the members make informed, rational, and better decisions. Emotional leaders help the followers in their teams to make relevant, proper, and effective decisions, being realistic in viewing their capabilities and limitations and, on the other hand, open to other perspectives. Giving those instances and influencing them, it empowers the followers to deal with uncertainty and complexities with confidence and clarity, making decisions based on evidence, with a sense of humility and an open mind to learn from the best.
2. Emotional leadership also reduces another type of psychological bias which is anchoring. It does so with force. The force is brought about by the cultivation of a mental, impartial, and agnostic team culture. Emotional leaders make team members avoid the pitfalls of anchoring since they are made more self-aware and, hence, more attentive to the influence of first bits of information or assumptions which skew thinking and problem-solving processes. It helps in

promoting a questioning-deciding-revising culture. One needs to be on the lookout all the time to find the prior assumptions, thus enabling the flexibility to proceed further. Emotional leadership helps to diminish such a bias by allowing mindfulness and critical thinking. Emotional leadership cautions against easily available sources of evidence and demands more proofs in an all-round way before decisions are taken. They help the team build and maintain a culture of making decisions based on evidence with fewer biases toward certain decisions. For instance, the sunk cost fallacy comes into play, and one would want to continue investing in a project, though a failure, because a lot has already been committed to it. What drives resilience, better adaptability, and a long-term strategic view is emotional leadership. An emotional leader is one who takes the members through ways of looking into the future rather than in the past in terms of investment and resources committed, hence doing away with the fixations of sunk costs. This will create a safe platform where admitting a mistake is more likely to become a learning channel than a failure, hence helping to speak about the reallocation of resources better.

3. Groupthink is defined as a reach to an irrational decision because of the urge for harmony or conformity. Emotional leadership serves the purpose of negating groupthink by ensuring the existence of psychological safety in the team—a sound and safe climate that elicits different viewpoints and critical thinking. Emotional leaders make the members of teams feel safe in saying things, even opposing opinions, without the fear of punishment. That basically opens up the space for different perspectives and keeps away the homogenization of thought for better decision-making.
4. Confirmation bias leads people to select information that supports their preconceived views and to reject all information that may question views taken. Emotional leadership, therefore, reduces confirmation bias by developing self-awareness, empathy, and critical thinking among a group of people. Emotional leaders are aware themselves of their cognitive biases and are an example of questioning assumptions, with a need to consider diverse perspectives; hence, they help to create a culture of open-mindedness and

intellectual humility among work colleagues toward developing critical appraisal around evidence and not falling into a confirmation bias trap.

5. Emotional leadership addresses the overconfidence bias by developing self-awareness, humility, a culture of feedback, and reflection about one's thinking. Humility is therefore shown when emotional leaders are able to recognize their failures and seek feedback, which in turn will get the team accustomed to the same kind of behavior. Self-aware leaders inculcate among their teams an environment where critical thinking and continuous learning take precedence for their teams to make more realistic decisions, better informed, and lessening the impact of overconfidence bias. As can be described, the above evidence shows that emotional leadership enhances organizational decision making because the influence of many cognitive biases and behavioral traps is, as it were negated. Emotional leaders make their teams mindful of ways in which decisions are being arrived at and encourage the challenging of assumptions to many different receptors. This way, decisions are well balanced and articulated.
6. Emotional leaders also visualize a psychologically safe environment from which to view the act of admitting one's errors as an opportunity for learning, not a failure. This prevents not only escalation of commitment toward failing projects but also ensures better off resources to be allocated to more viable opportunities. In that regard, leaders who are emotional instill a sense under which organizations heed the errors of groupthink and confirmation bias.
7. Emotional leaders, with their varied behaviors, provide a model to be followed in displaying humility and curiosity through the process of constant learning and reflection, which greatly aid in keeping such overconfidence biases at bay. All in all, emotional leadership is a very useful management tool in the face of the multifarious dynamics of the modern organizational context, which is innovatively exploited to realize results of long-run strategic intent. Emotional leadership practices, if put in place effectively, in return build huge organizational resilience and adaptability to enhance the overall quality of the decision-making process.

5.3 Integration of Findings

With regard to the aims of the study, the first aim was to analyze the concept of emotional leadership. As indicated by the study, leaders should have the essential elements of emotional intelligence in them, such as self-awareness, self-regulation, empathy, and social skills, so that they can gain the people's trust, open up communications, and bring a healthy working environment within any organization. The emotional leader can deal with contemporary organizational complexities effectively while enhancing performance by meeting individual and group emotional requirements.

The second aim was to analyze and present the decision-making process in organizations. In this regard, the decision-making process in organizations was explained in great detail concerning the Rational Decision-Making Model, Bounded Rationality Model, Incremental Model, and the Garbage Can Model. The models contain varied perspectives on how decisions ought to be made in organizational activities, ranging from ones that show a logical and orderly perspective toward decision-making to some that entirely give credit to cognitive and environmental restraints. The study focused on the role of structured decision processes in promoting transparency, accountability, and organizational coherence. How such processes spark innovation and adaptability through critical thought, collaboration, and evidence-based decision-making is what the study also brings out.

The third aim was to examine the role of emotional leadership concerning the mitigation of behavioral traps, such as confirmation bias, anchoring, the availability heuristic, sunk cost fallacy, and groupthink. Emotional leadership instills a culture where the team members are always mindful, critically thinking, and open, thereby avoiding these cognitive traps. For example, emotionally intelligent leaders inspire self-awareness and empathy in team members, challenging them to question their assumptions and others' perspectives. This helps one make more balanced, informed



decisions and thus reduces the influence of behavioral traps associated with myopic and suboptimal outcomes.

As for the overall objective of the study to contributing to the reduction of behavioral traps in organizations, this study was directed toward decreasing behavioral traps in organizations through the application of emotional leadership. The study found that emotional leadership is a powerful way to enhance the decision-making process through a culture of psychological safety, critical reflection, and continuous learning. More resilient organizations with the ability to adapt are developed when leadership practices can grow the emotional and cognitive dimensions, enabling such leaders to handle uncertainties and complexities. The study supports that development programs for emotional intelligence in leadership practice are a mean for achieving such qualities and gaining organizational success, both in the short and long term.

5.4 Practical Implications

The practical implications for organizational management would be numerous once the current study demonstrates emotional leadership and its impact on the decision-making processes. Normal leadership development programs in organizations could include effective training in emotional intelligence. If the leaders are equipped with effective emotional management skills for both the leaders and the followers, major cognitive biases, such as anchoring, confirmation bias, and overconfidence, can be minimized, thereby ensuring a more rational and balanced decision-making process for organization performance and resilience. On the other hand, embedding emotional leadership can considerably improve team dynamics and overall organizational culture. With emotional intelligence, the leadership can develop a psychologically safe space where the members feel valued and that their voice matters. Such openness develops diversity in thinking and critical reflections, which in turn reduces possible risks in group thinking and enhances innovation. The organizational culture should imbed continuous learning, feedback, adaptations, and hence it will make the team dynamic and responsive enough in case there is a change in circumstances.



Emotional leadership goes further to increase conflict resolution and increase the engagement of employees within the organization. Emotionally sensitive leaders are known to be well-versed in negotiating the interpersonal terrain and dealing effectively with normal conflicts. Through open communication, they disentangle the emotional stuff, making it a motivated and concerted team. In this regard, high emotional leadership capacities are thus expected to register higher levels of job satisfaction with low turnover and a more extensive fit with organizational goals. Indeed, in order to achieve the practical implications of emotional leadership within organizational management, certain strategies could be examined. For example, leadership development programs can include training sessions with special emphasis on enhancing emotional intelligence through workshops on self-awareness, empathy exercises, and role-playing scenarios. These sessions could to improve conflict resolution skills. In addition, organizations can create a culture of open communication through the encouragement of leaders to use themselves as role models, taking advantage of authenticity, sharing their own experiences and emotions. Through that way, they could build trust and psychological safety. This could be further supported by regular feedback sessions and team-building activities that foster a sense of belonging and inclusivity. By using the aforementioned practices, organizations can minimize and reduce cognitive biases mentioned in this study, such as confirmation bias and anchoring, leading to more balanced decision-making process within the organization, fostering innovation and adaptability.

Further research on emotional leadership may also consider its applicability across other cultural contexts and sectors. Although in essence the study done has helped to get a feel of how emotional leadership affects decision making, a cultural study would go a long way to bring perceptions and uses to transpose to a global map of emotional intelligence. Comparative studies between the different sectors of work—like in health care, technology, and finance—might help in providing differences or similarities in the application and benefits of emotional leadership.

Similarly, longitudinal studies would also afford much by way of the long-term outcomes of the emotional leadership on organizational performance. Noting an organization over longer periods allows one to find whether the beneficial impacts of

such training in emotional intelligence and the practice of emotional leadership actually hold over time. Such studies might also identify the specific conditions under which emotional leadership would be most effective, contributing toward differentiating its role in organizational success.

Other studies can then look into the neurobiological characteristics that come along with emotional intelligence and leadership. As neuroscience grows, it will be feasible to demonstrate more specific information about how emotional intelligence influences cognitive processes in decision-making. Knowledge of brain mechanisms might enable one to design more accurate methods of either interventions or training programs aimed at developing emotional intelligence among leaders.

5.5 Limitations and Future Research Directions

The limitations of the current study (as already mentioned in the Methodology Chapter) are the following:

1. The studied phenomenon is still developing and especially Greece still there is lack of related information.
2. The absence of a cut-off date as a boundary. Such a limitation can significantly reduce the number of papers available for inclusion in the study.

Future research directions:

Future studies may be done to further establish the link that ties emotional leadership with other modes of leadership, such as transformational and transactional leadership. In what way emotional leadership supplements or contrasts with these two is a significant step which can appropriately modify the leadership development programs and perhaps make organizational life more human in its approach to grooming good leadership. It is also possible to bring out all-encompassing theories



that can solve a number of dilemmas that exist within today's organizational context by integrating theories of leadership.

5.6 Conclusions

In conclusion, the current study has highlighted the core concepts of emotional intelligence, emotional leadership, decision making process and behavioral traps. Moreover it has focused on how the actions of an emotional leader may affect the intensity of behavioral traps (such as overconfidence, anchoring, confirmation bias, sunk cost fallacy, and groupthink) and gradually eliminate them. Main strategies in order to mitigate behavioral traps are the creation of a culture of openness and the emotional regulation. More specifically the emotional leadership techniques that help eliminating the behavioral traps are active listening and mindfulness as long as reflective decision making and the creation of a supportive environment and a sincere learning from mistakes culture. The synthesis of the above mentioned perspectives has provided a comprehensive understanding of examined topic and offers valuable insights for both theory development and practical applications.

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