
Examining The Decision-Making Style of Managers and Its Effectiveness in The Country's Insurance Industry

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ABSTRACT

Undoubtedly, the main essence of any organization is the managers of that organization, and their decision-making has a significant impact on the movement and progress of organizations and forms the main foundation of the organization. The decision-making style of managers in the insurance industry is not only part of the vital pulses of this industry and insurance companies, but with these decisions facing a new cycle of the economic situation and the growing attitude of digitalization and developments, the importance and attention to this the issue has been noticed before and the future of insurance companies is influenced by the decision-making process of managers and determines its growth or decline.

Therefore, in this regard, our hypothesis originates from the fact that the effectiveness of these decisions is so effective that it determines the achievement or non-achievement of the organization's mission, and we believe that in this article while taking a general look at the views of elders and let's examine the decision-making styles of managers and the effectiveness of general decision-making styles in the country's insurance industry. For this purpose, a sample consisting of 74 managers of the country's insurance industry was formed in 2022-2023 at different levels. And the sampling method is the general decision-making styles questionnaire of GDMS Scott and Bruce, 1995, according to the test reliability and validity of sample data and related analyzes based on the approach and effective performance of the decision-making style, which is considered a valid tool in this field. The results obtained in the insurance industry are the result of the insurance industry managers using Intuitive and rational decision-making styles are more confident in their decisions than dependence and avoidance styles, although with the rise of organizational levels, due to the type of facing the issues, these decisions become preferable with an immediate approach.

Introduction

We understand that one of the main concerns of the insurance industry is to provide the services needed by society, as well as to increase the number of sales and build trust and loyalty of customers in all insurance companies, although the main and fundamental components affecting the number of sales are always There has been researching and investigation, but the impact of the decisions made by managers and consultants in the insurance industry, including central insurance c. AA and insurance companies are very effective in this matter. In this article, we are going to investigate the relationship between the decision-making style of managers and its effectiveness in the insurance industry while examining public decision-making styles.

Definition of decision making

Undoubtedly, the most fateful moments of our lives are affected by our decisions. And on a daily basis, we are faced with many micro and macro decisions. Choosing the topic of reading a book, choosing the route of a trip, choosing your employees, managers, future, work path, immigration, etc., all are done in the same process. All of these were affected by the conditions and factors that had the most impact on our decision at that moment.

From the point of view of experts, decision-making has several definitions close to mine.

Decision-making is a process whose purpose is to know and choose among various ways. These ways of working should have the necessary proportion with the specific needs of each situation. The act of choosing a way of working means that first of all, various ways of working should be weighed. And then the most suitable ones are chosen. The basis of decision-making is judgment and compliance (Keritner, 1986). It is economical and wise in choosing the way of work

In this regard, another expert named Kuntz believes that the existence of a plan, program, policy and policy depends on the existence of decision-making. Koontz's opinion is designed in such a way that the manager usually considers his task to be a decision-maker because he always thinks about what path to choose, what to do, and how to divide tasks among people (Koontez, 1998). and what to do, who, when, where and how?

In fact, decision-making is an art, the art from which we reach a clear understanding, and a clear understanding will not be better than the same choice.

Decision-making is considered of the organisation's most central processes and is considered the main task of managers (Loizos, 1996) at all levels.

Loira Arenado says about decision-making: "Decisions are our responses to environmental phenomena and consist of three aspects:

1- There should be more than one solution in order to respond to the desired phenomenon. In other words, if there is only one way to solve a problem or to take advantage of an opportunity, making a decision will have no meaning.

2- Decision makers make their predictions of future events based on a series of possibilities and with a certain degree of confidence.

3- The consequences of each strategy should be evaluated in the form of the fulfillment of personal values and goals (Arnaldo, 2007).

Another scientist named Joseph E. Champo defines decision making as follows:

"Making a decision is a process. This process consists of 3 stages:

1-Defining the issue and problem

2-Knowledge of various solutions

(E. Champoux, 1996) 3- Choosing the most appropriate way of working among them in order to reach a goal

As can be seen, scientists more or less agree on the definition of decision-making and they are all aware of this.

Undoubtedly, the decision-making of managers in any institution or organization determines the framework of that organization.

Decision-making by managers in the organizational complex is one of the most complex and sensitive components of their leadership. Decision-making is choosing a solution from among different options. According to this definition, decision-making forms the core of planning. The basis of how managers deal with and react when faced with decision-making conditions is their decision-making style. (Hadizadeh Moghadam and Tehrani, 2017)

General decision-making styles

It is English, and in every culture and context, the word means distinctive and distinctive behaviour and the way of action and implementation, the word "sabk" is a style word. (Agha Yousefi and Sharif, 2009)

People's decision-making style is the pattern of habits they use when making decisions.

In other words, each person's decision-making style is his personalized approach in understanding and reacting to his decision-making task (Thunholm, 2004).

Therefore, the personality characteristics of each person will be effective in the decision-making process of that person.

In this regard, Scott and Bruce proposed the following five decision-making styles in 1995, which we will define conceptually:

Rational decision-making style: in this decision-making style, a person is aware of all solutions and knows what result each decision leads to, and can arrange and organize the results of decision-making according to priority (the greatest benefit). (2005, Eberlin) to maximize the achievement of goals by using an optimization strategy (2008, Hoy & Miskel). Therefore, people in this style determine and evaluate all possible solutions and choose the best solution by determining the consequences of each of these solutions. Therefore, in this type of decision-making, comprehensive analysis of both internal and external resources It will be the external resources of the organization.

Intuitive decision-making style: Robbins (2009) believes that this style is an unconscious decision-making process that is obtained in the shadow of inferred experiences. It is based on people's feelings and implicit learning and does not necessarily work except for rational analysis. slow, but these two complement each other. So, in this way, the decision-maker does not use a systematic procedure and takes advantage of his analysis and implicit knowledge when making a decision.

And for that, three sources are mentioned:

- 1-Intrinsic responses
- 2-General experiences
- 3- Focused training

The characteristics of intuitive thinking are:

- 1- High speed
- 2-Dependence on the experiences of the past inputs of the mind
- 3- Non-transparency of thinking mechanism and logic for the individual

The important sources of intuition and inner insight in this decision-making style are:

- 1- Intrinsic/innate responses: this source of authority in the response of each person, whose origin is the human unconscious and is educational.
- 2- General experiences: In 1923, Carl Gustav Jung described intuition as a psychological function that processes information found in humans in an unconscious way.
- 3- Focused pieces of training: Training that every person spends in order to benefit from his intuitive abilities in unknown conditions.

Therefore, in line with past research, it seems that intuitive decision-making in turbulent and unknown environments has more comprehensiveness and flexibility.

Dependent decision-making style: Parker et al., (2007) believe that this style expresses the lack of intellectual and practical independence of the decision-maker and relying on the support and guidance of others when making a decision (Moghadam & Tehrani, 2008) and the awareness of others when These types of decisions play a fundamental role (1995, Scot & Brouce). Therefore, in this way, the decision-maker relies on the opinions of others and has a passive role.

Immediate decision-making style: It refers to emergency situations in which a person, without prior intellectual support, immediately makes their main decision in the shortest possible time (Scot & Brouce, 1995). Of course, this decision-making method may be due to the conditions created for the manager. Of course, using this style does not mean making raw and immature decisions, because in this way, the manager makes decisions based on the experience and information he has.

Avoidance decision-making style: According to Parker and his colleagues (2007), this style means postponing decision-making when faced with problems and avoiding the reaction to the problem that has occurred. In this way, the decision-maker tends to avoid making any decision and avoid the decision-making situation as much as possible (2008, Moghadam & Tehrani), so that it can be said that people are afraid of making a decision and are worried about the consequences of their decision. Are.

They believe that these 5 styles are influenced by the inner and personality characteristics of people.

Bounded Rationality

In the middle of the 20th century, Herbert Simon, the winner of the Nobel Prize, added a new era to decision-making by raising the issue of limited rationality. He considers decision-making to be the main essence of management. Decision making from the inseparable components of management

It is counted and it is so evident in every management task that it will be affected in all actions and positions of the organization from zero to hundred. Herbert Simon divides decisions into two ways:

Planned Decisions

There are decisions that are taken according to existing habits, laws or procedures and are good for solving problems with a good structure. are planned, problems with the pre-determined and regular structure, this structure is more suitable, but it can reduce the freedom of action in the choice and it is more practical for the lower level managers of the organization.

Unplanned Decisions:

The high-level managers of any organization who have a higher position and status are more familiar with this type of decision-making and should be able to make the best decision without planning to solve unusual and special issues that arise on a case-by-case basis.

Hersey and Blanchard's decision-making style

Hersey and Blanchard have presented the two dimensions of task orientation and relationship orientation that are effective in management style. This model is not subject to the best way and method for selection, but it introduces four methods that are used according to the level of preparation under the hands. as follows

The person lacks the desire, knowledge and skills to do the work	Prescriptive style
A person has the desire but lacks the necessary skills to do the job	Persuasive-argumentative style
The person has an average skill willingness to do the work	Collaborative-supportive style

The person has a high desire and skill to do the work	Delegative style
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Table number 1

Commanding style (authoritarian):

In this style, the manager makes decisions in an autocratic way, the manager makes his own decisions and orders how, when and where to do something. In this style, it increases the benefit of employees to their inability and unwillingness.

Consultative style: In this style, the manager extracts some information from his employees before making a decision, and ultimately, he is the decision maker. In this style, it increases the benefits of the employees willingly and unwillingly.

Collaborative style:

In this style, the manager involves his employees and subordinates in decision-making. This behaviour makes effective decisions by creating a two-way relationship and supporting the interests of powerful employees.

Delegation style:

In this style, the manager delegates a part of his authority to his subordinates and supervises their performance in general. In this style, the managers' guiding behaviours benefit the employees, but according to previous studies, it will be associated with job burnout.

Therefore, in line with the previous research, while knowing the types of decision-making styles of managers and choosing the decision-making style of Scott and Bruce, we intend to investigate:

1-Is the level of effectiveness of decision-making by managers of the insurance industry enough to directly relate to the growth and decline of the organization's sales?

2- What kind of decision-making style do managers in the insurance industry prefer? And what will be the preference of senior managers in this regard?

Research method and research findings:

In this section, we will review the research method and research findings:

The current research is a descriptive study of the correlation type and the statistical population of this research is a simple random sampling of insurance industry managers of all insurance companies working at all organizational levels in the year 1402-1401.

Sample size: 74 people

Research tools: Scott and Bruce's GDMS questionnaire (general decision-making styles)

Scott and Bruce's general decision-making style questionnaire in Iran is mostly used in management articles, but during the studies and investigations conducted by Hadizadeh Moghadam in Western societies, the purpose of measuring the effectiveness of the questionnaire in the field of personal, situational and Psychological is also taken into consideration. Therefore, according to the statistical community research method and in line with previous research, to analyze the most effective factor in the decision-making style of the managers of the insurance industry, it was found appropriate to examine the current questionnaire. It goes without saying that the normalization of the Scott and Bruce questionnaire in the psychological section in the four logical, intuitive, dependent and avoidant styles by Habilimitoglu in Turkey with the calculation of Cronbach's alpha in order to check validity and reliability is reported as follows in table number one:

71/0	Logical decision-making style
56/0	Intuitive decision-making style
69/0	Dependent decision-making style
68/0	Avoidant decision-making style

Table number 2

Scott and Bruce decision-making style Questionnaire
1995

Scott and Bruce 1995 proposed five decision-making styles of managers, which include 1) rational, 2) intuitive, 3) dependence, 4) immediate, 5) avoidance, and they believe that these five styles are influenced by the internal and personality characteristics of people, which The title of the template is reviewed.

GDMS questionnaire table number 3

Always	More times	sometimes	rarely	Never	questions
					1. I pay attention to my personal insight (inner intuition) when making decisions.
					2. I am able to make decisions without asking others' opinions.
					3. .3When making a decision, it is more important for me to feel that the decision is right than to have a logical reason for it being right.
					4. I am able to double-check all my sources of information to make sure I have the right facts before making a decision.
					5. In making important decisions, I act based on what others say.
					6. I avoid making decisions because thinking about them makes me anxious.

					7. All decisions can be made with a completely logical and systematic approach.
					8. When making a decision, I do what I think is right at the moment.
					9. I make spontaneous decisions.
					10. When faced with important decisions, I like to have someone to guide me in the right direction.
					11. My emergency decisions require careful thinking.
					12. I trust my inner feelings and reactions when making decisions.
					13. When making a decision, I can identify and check all the different options on my own.
					14. I refrain from making important decisions unless there is a compulsion in this field.
					15. I make decisions without prior background.
					16. I rely on my inner perception when making decisions.
					17. I make decisions that I feel are right.
					18. I need help from others when making decisions.
					19. I postpone making a decision as long as possible.
					20. I make decisions without prior background and at the same moment of encountering problems.
					21. I avoid making important decisions.
					22. I feel that I cannot make decisions without the support of others.
					23. I make important decisions at the last minute.
					24. When making a decision, I make my decision quickly.
					25. In critical and ambiguous situations, I make decisions completely based on logic (rationally).

Questionnaire components and questions related to each component:

questions	Components
25 ,13 ,11 ,7 ,4	rational
25 ,13 ,11 ,7 ,4	intuitive
22 ,18 ,10 ,5 ,2	dependency
24 ,20 ,15 ,9 ,8	Instant
and 23 ,21 ,19 ,14 ,6	Avoidance

Table number 4

Questionnaire scale

In this questionnaire, the scoring of the expressions is in the form of Likert and is done as follows:

Always	most of the time	sometimes	rarely	Never	option
5	4	3	2	1	Score

Table number 5

But in reverse questions: 2 scoring will be the opposite.

Always	most of the time	sometimes	rarely	Never	option
1	2	3	4	5	Score

Table number 6

Validity and reliability of the questionnaire

This questionnaire consists of 25 questions with a Likert scale. In order to measure each of the decision-making styles, 5 questions have been assigned in this questionnaire. The range of scores in this questionnaire is from 25 to 125.

The validity of the questionnaire on general decision-making styles of managers abroad was calculated by Scott and Bruce 1995 and they reported its validity to be very high its reliability coefficient was calculated for each of the subscales using Cronbach's alpha, which is shown in the table below. Is visible.

The reliability coefficient of the general decision-making styles questionnaire calculated by Scott and Bruce

Avoidant style	Instant style	Dependency style	Intuitive style	Rational style	Scale
0/87	0/94	0/86	0/84	0/85	alpha coefficient

Table number 7

In this research, with a statistical population of 74 people, of which 64 people answered the questionnaire, and the non-response of 10 managers should be identified as a problem and fundamentally investigated. Also, the validity of this tool was calculated using analysis, and the results indicated a very good validity. This was a questionnaire. The reliability of this tool was also calculated using Cronbach's alpha for each of the subscales of this questionnaire, which can be seen:

Table No. 8: Reliability coefficient of the general decision-making styles questionnaire

Avoidant style	Instant style	Intuitive style	Intuitive style	Rational style	Scale
0/82	0/65	0/81	0/81	.75	alpha coefficient

The research findings are supposed to lead us to answer these hypotheses:

- 1-Is the level of effectiveness of decision-making by managers of the insurance industry enough to directly relate to the growth and decline of the organization's sales?
- 2- What kind of decision-making style do managers in the insurance industry prefer? And what will be the preference of senior managers in this regard?

Based on this, 74 questionnaires were sent to the phones of managers at different levels of the organization after receiving a link, and by calculating the response time of 6 minutes, only 64 people were willing to participate in this survey, which is considered a problem and should be solved. should be fundamentally investigated and in this research there will be no scope to investigate it and the result obtained indicates that in line with the previous findings there is a significant and negative relationship between rational and intuitive decision making styles and also between decision making styles Rational, avoidant, intuitive and immediate shows a positive relationship and movement in the same direction. However, in relation to decision-making in the avoidance style, it shows a significant negative relationship between dependence and future styles.

- 1-Is the level of effectiveness of decision-making by managers of the insurance industry enough to directly relate to the growth and decline of the organization's sales?

Considering that decision-making is the foundation and essence of the managers of each group and they face this principle in all stages, different styles will definitely vary according to individual,

organizational and environmental conditions, so this principle is excluded in the insurance industry. Is not.

-2What kind of decision-making style do managers in the insurance industry prefer? And what will be the preference of senior managers in this regard?

The managers of the insurance industry use intuitive and rational decision-making style in their decisions with more confidence than dependence and avoidance styles, although as the organizational levels rise, due to the type of facing the issues, these decisions are preferred with an immediate approach. .

Discussion

Considering that today the growth and development of organizations depends on progress in various organizational dimensions and the solution of these issues cannot be managed except by the decisions of managers with successful thinking and decisions. In this research, we found that most of the managers have a better sense of decision-making based on their personal insight and by relying on their inner reactions, as well as relying on their perception and feeling. make decisions with a logical and systematic method and with accurate thinking and with correct logic and facts, but it must be accepted that despite the existence of a fiercely competitive and developing market, the conditions for making decisions in a rational way will not always be available. Especially in the insurance industry, due to economic growth and development, it is more important to overtake competitors. Therefore, sometimes high-level managers are forced to make instant decisions without prior background to face problems. Most of the managers have been positive about having a consultant and companion in this regard.

Therefore, it is quite clear that the decisions of managers have a high impact on the sales process and moving forward and the progress of organizations in the insurance industry. For further research, it is suggested that the following items be investigated and researched:

1. The reason for managers' reluctance to complete and participate in psychological research
2. Investigating the decision-making error of managers and its impact in the insurance industry

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