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The effect of business students' maladaptive decision-making strategies on entrepreneurial intention

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Abstract

An individual's decision-making strategies are influenced by socially learned patterns. An individual's entrepreneurial behavior can be studied by evaluating learned decision-making patterns. The purpose of this study is to investigate the impact of business students' decision-making strategies on entrepreneurial intentions and to assess the relationship of maladaptive decision-making patterns to business students' intention. Significantly, the results indicate that usiness students who tend to engage in buck passing may be more likely to have entrepreneurial intentions. Buck passing behavior, where responsibility is shifted to others, might be linked to a more independent and proactive entrepreneurial mindset. Individuals who procrastinate are less likely to have entrepreneurial intentions. Procrastination is associated with a lower perceived behavioral control. Individuals who are hypervigilant may experience a sense of reduced control over their actions. Vigilance is linked to greater entrepreneurial intentions, indicating a proactive mindset in monitoring opportunities and risks.

Keywords: *Entrepreneurial intention; decision making; decision making strategies; business education; business students.*

1. Introduction and theoretical background

To obtain a comprehensive understanding of entrepreneurial development, it is insufficient to solely assess those who have achieved their goals. The analysis should extend to the pre-decision stage, encompassing factors such as interest, intentions, entrepreneurship as a career choice, and the characteristics of potential entrepreneurs and employees (Bird, 1988, Gaile et al., 2020). The maturity of an individual's professional choice is characterized by planning skills and "within the individual", rather than being determined by the amount of specific information or content acquired (Sprinthall & Tiedeman, 1966). In today's environment, individuals frequently encounter uncertainty, yet the ability to make a decision is considered a competency that can be

improved over a lifetime (Saksonova & Papiashvili, 2021). Park has defined decision-making agility based on the interpretation of events, immediately identify opportunities and threats, as well as the development of action plans that lead reconfiguring resources and developing new procedures (Park, 2011). Decision-making, as a multifaceted process, engages various cognitive and emotional faculties (Alsharif et al., 2021). The complexity of these functions correlates with the potential consequences of the decision at hand (Sanfey & Rilling, 2011), sometimes resulting in conflicts during the decision-making process (Certel et al., 2013). Particularly for young individuals, the decision to identify a professional path is often postponed or halted altogether in the face of challenges. Enhancing one's decision-making capabilities involves understanding the necessary steps to select the most suitable option, evaluating the decision-making context, and effectively translating one's thoughts and emotions into actionable outcomes (Appelt et al., 2011). Contemporary research suggests that people often base their decisions not solely on the absolute value of potential outcomes, but rather on the relative magnitude of gains and losses, with losses being perceived more acutely than gains (Seta et al., 2001). Consequently, failure to meet expectations and subsequent feelings of regret can lead to decision conflicts and impact future decision-making processes. Entrepreneurship is highly emotional work, it is often depicted as an "emotional roller coaster" with multiple ups and downs affecting the emotional experience of entrepreneurs (Shepherd & Patzelt, 2018).

According to the scientist Simon, “to develop a comprehensive theory of human rationality, it's imperative to understand the role emotions play within it (Simon, 1972).” Decision-making demands a profound level of awareness, not solely in terms of information, but also emotionally. Emotions wield significant influence, often distorting or even determining the outcomes of many decisions individuals face. Brooks (2011) believes that much of the decision-making is just “emotional business” rather than rational analysis, and that individuals may engage in “talk” that does not reflect their true intentions.

2. Behavioral approaches to overcoming decisional conflict

Scientists Janis and Mann (1977) have outlined behavioral approaches to coping with decisional conflict, distinguishing between adaptive and maladaptive strategies. The adaptive approach aligns with rational decision-making theory, positing that individuals act rationally to maximize expected utility. In contrast, maladaptive strategies are closely linked to emotional factors (Janis & Mann, 1977). However, it is proven that people can use their cognitive resources to influence emotional experience (e.g., Folkman & Moskowitz 2004). Entrepreneurship is inherently characterized by uncertainty, unpredictability and countless variables that are often beyond an individual's control. In such circumstances, decision making is modeled as an iterative process. It involves testing hypotheses, learning from failures and adjusting strategies based on feedback and means that each individual can change his decision by learning the opinions of other individuals.

While individuals strive to act rationally, aiming to achieve their goals through the most effective means, the inherent limitations of human information processing impose constraints on their actions. Despite this, scientists Phillips et al. (2001) have concluded that the pursuit of rational and autonomous decision-making may not always be adaptive or desirable. Human cognitive capacities are limited, suggesting that decisions are not always made with systematic, comprehensive, and rational precision, moreover, emotion or intuition, often considered maladaptive in some decision models, can serve as a valuable source of information in evaluating alternatives (Phillips et al., 2001).

3. Cognitive strategies and entrepreneurial intentions

An individual's decision-making process involves consciously selecting a desired option or course of action from a set of alternatives, impacting numerous aspects of daily life (Avilés-Reyes et al., 2023). This process necessitates the involvement of various cognitive functions to ensure positive outcomes. While this fundamental process appears straightforward, theorists acknowledge significant individual differences in reaching entrepreneurial intentions. Entrepreneurial behavior frequently hinges on an individual's cognitive abilities to adjust strategies and make decisions amidst uncertainty. Coping models of decisional conflict elucidate how individuals navigate uncertainty. The process of viewing and selecting alternatives in a situation can become so intricate that it occasionally "paralyzes" decision-making, as individuals may lack the time and patience to overcome these challenges (Simon, 1972). Uncertainty exerts a significant influence on decision-makers. According to the concept proposed by scientists Janis and Mann (1977), decision-making models may vary depending on the situation, with individuals often gravitating towards certain models of decision conflict management over others. According to theoretical insights from scientists, vigilance emerges as the sole adaptive coping model for decisional conflict. Vigilance is distinguished by systematic information search, thorough consideration of viable alternatives, and deliberate, thoughtful deliberation on the final outcome and decision (Ding et al., 2020). Conversely, individuals employing maladaptive decision conflict coping strategies may exhibit hypervigilance, buck passing, or procrastination (Janis & Mann, 1977). Scientists suggest that maladaptive decision-making strategies stem from emotional pressures that hinder the individual's ability to grasp the full scope of the problem. Awareness of the decision-making pattern can expand an individual's responsiveness, individual resilience, and increase positive experiences in the long term. Therefore, this study will conduct a factor analysis to find out the decision-making strategies of business students and their impact on entrepreneurial intention. Understanding and managing decision-making patterns can help an individual to give structure to the cognitive process in promoting intentions. By integrating these models into their “cognitive repertoire”, young people can improve the efficiency of their decision-making processes.

4. Methods. Research design

The present study aims to explore the influence of decision-making strategies on the entrepreneurial intention of business students and to evaluate the relationship of non-adaptive decision-making models with the intention of business students. The study employed a questionnaire to collect individuals' views. The Entrepreneurial Intention Questionnaire (EIQ) Version 3.1, developed by Liñán, Bradley, Basuki, & Redford (2006), was used for the research. The surveys were translated into Latvian and approved. A total of 158 participants business students took part in the research. 157 questionnaires were considered valid for collecting the research results. Descriptive statistics of constructs are shown in Table 1.

Table 1. Descriptive statistics. Source: Authors' research

	Mean	*Std. Deviation*	N
Entrepreneurial intentions	5,6831	1,05659	157
Attitude toward the behavior	4,3272	,58062	157
Subjective norm	4,1605	,56731	157
Perceived behavioral control	4,1926	,49542	157
Vigilance	1,6889	,25884	157
Hypervigilance	,8099	,37802	157
Buck passing	,6481	,41750	157
Procrastination	1,0790	,32967	157

5. Data collection

Correlations between all main variables were calculated, as shown in Table 2.

Table 2. Descriptive statistics and correlations between variables. Source: Authors' research

		EI	ATB	SN	PBC
Vigilance	Pearson Correlation	,209	,037	-,036	,146
	Sig. (2-tailed)	,063	,743	,750	,195
	N	157	157	157	157
Hypervigilance	Pearson Correlation	-0,17	-,201	,039	-,181
	Sig. (2-tailed)	,880	,072	,729	,106
	N	157	157	157	157
Buck passing	Pearson Correlation	,130	,044	-,251*	,118
	Sig. (2-tailed)	,248	,697	,024	,293
	N	157	157	157	157
Procrastination	Pearson Correlation	-,267*	-,215	,110	-,229*
	Sig. (2-tailed)	,016	,054	,330	,040
	N	157	157	157	157

* Correlation is significant at the 0.05 level (2-tailed).
EI - Entrepreneurial Intention; ATB - Attitude toward the behavior; SN - Subjective norm; PBC - Perceived behavioral control

A small but significant correlation (r=0.209; p<0.05) suggests that higher vigilance is linked to greater entrepreneurial intentions, indicating a proactive mindset in monitoring opportunities and risks. The weak positive correlation (r=0.146; p<0.05) suggests that individuals with higher levels of vigilance tend to perceive greater control over their behavior. This implies that vigilance may contribute to a sense of self-efficacy and confidence in managing one's actions. The results indicate that hypervigilance may not be a significant factor influencing entrepreneurial aspirations. The weak negative correlation (r= -0.201; p<0.05) suggests that individuals with higher levels of hypervigilance may have a less favorable attitude toward a specific behavior. Hypervigilance might be associated with a more cautious or skeptical approach to certain actions. Hypervigilance may be associated with sensitivity to social expectations regarding a behavior. The moderate negative correlation (r=-0.181; p<0.05) suggests that higher levels of hypervigilance are associated with a perceived decrease in behavioral control. Individuals who are hypervigilant may experience a sense of reduced control over their actions. Significantly, the results indicatet that individuals who tend to engage in buck passing may be more likely to have entrepreneurial intentions (r=0130; p<0.05). Buck passing behavior, where responsibility is shifted to others, might be linked to a more independent and proactive entrepreneurial mindset. The substantial negative correlation (r=-0.251; p<0.05) implies a strong inverse relationship between buck passing and subjective norm. Individuals who engage in buck passing may be less influenced by social expectations and norms related to a specific behavior. The positive very weak correlation (r=0.118; p<0.05) suggests that individuals who engage in buck passing may still perceive a reasonable level of control over their behavior. This implies that despite the tendency to shift responsibility, these individuals may feel competent in managing their actions. The moderate to strong negative correlation (r=-0.267; p<0.05) suggests that individuals who procrastinate are less likely to have entrepreneurial intentions. Procrastination, characterized by delaying tasks, might hinder the proactive mindset needed for entrepreneurship. The moderate negative correlation (r=-0.215; p<0.05) implies that procrastination is associated with a less positive attitude toward a specific behavior. Individuals who procrastinate may harbor negative sentiments or doubts about engaging in certain activities. The results suggest a slight tendency for individuals who procrastinate to be more influenced by social interactions. Procrastinators may be somewhat sensitive to social expectations related to a particular behavior. The moderate negative correlation (r=-0.229; p<0.05) indicates that procrastination is associated with a lower perceived behavioral control. Individuals who procrastinate may feel less in control of their actions, potentially hindering their ability to initiate and complete tasks.

6. Conclusion and discussion

Understanding decision-making patterns can enhance an individual's responsiveness, resilience, and long-term positive experiences. To explain the potential of realizing entrepreneurial

intentions, the relationship between students' entrepreneurial intentions and decision-making models was clarified. As a result of the study, the behavioral approaches of business students to overcome the decision conflict were evaluated. Information overload, limited time, physical fatigue limit the decision-making process. Changes in personal life, the desire for social comparison, dissatisfaction with the results of the decisions made are the main factors that make young people evaluate or revise their decision-making process (Maheshwari & Rai, 2021). Business students are characterized by both adaptive and maladaptive approaches in solving a decision conflict (Figure 1), however, vigilance and procrastination are dominant. Other studies also show that procrastination as a decision-making pattern for young people is also closely related to students' propensity to postpone academic tasks (Ferrari et al., 1995). This could mean that decision-makers may sometimes struggle with timeliness or face problems in coming to conclusions quickly. Vigilance is considered a key characteristic of rational decision makers. The results of this study and other studies conducted, show that positive professional development results can be related to a rational and intuitive decision-making style (e.g., Li S., Li Y. & Lin, 2023). Vigilant decision makers do not shy away from responsibility and believe there is enough time to find better alternatives.

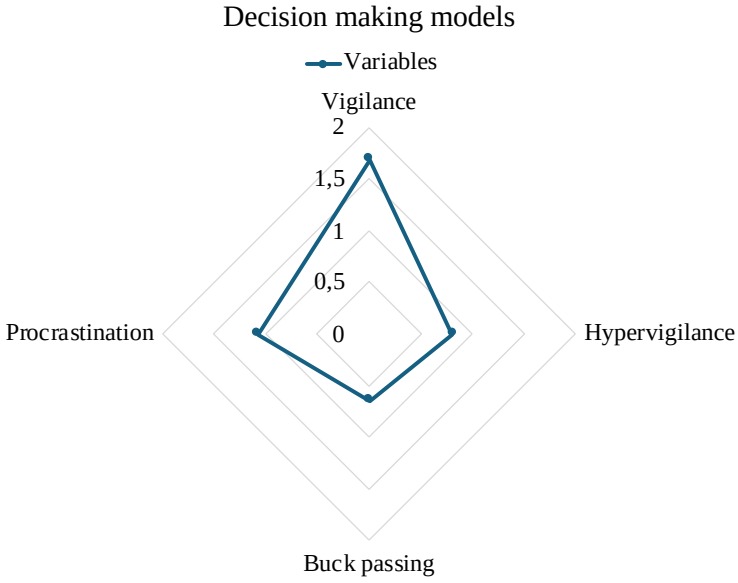

Figure 1. Comparative frequency of decision-making models. Source: Authors' research

The conducted research proved that buck passing can be positively affected by rational decisions, although individuals who make decisions based on other people's opinions may be more often exposed to professional development choices that are not optimal for their goals (Pečjak & Košir, 2007). Avoiding conflict might seem tempting, but decision-making requires

integrity, resilience and facing challenges head-on. Making even the tougher decisions is critical to personal growth, leadership, and fostering accountability and integrity.

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