ST. MARY'S UNIVERSITY
SCHOOL OF GRADUATE STUDIES

THE EFFECT OF EMPLOYEE'S PERCEPTION ON INDIVIDUAL DECISION MAKING: THE CASE OF KOLFE KERANIO SUB-CITY ADMINISTRATION

BY
AMANUEL MATEWOS

JUNE, 2023
ADDIS ABABA, ETHIOPIA

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I Amanuel Matewos, registration number/I.D. number SGS/0124/2014A, do hereby declare that this thesis is my original work and that it has not been submitted partially; or in full, by any other person for an award of degree in any other university/institution.

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St. Mary's University, Addis Ababa **JUNE, 2023**

ENDORSEMENT

This thesis has been submitted to St. Mary's University, School of Graduate studies for examination with my approval as a university advisor.

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St. Mary's University, Addis Ababa JUNE, 2023

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CONTENTS

DECLARATIONS i

ENDORSEMENT ii

ACKNOWLEDGMENT iii

LIST OF ACRONYMS/ABBREVIATIONS ix

LIST OF TABLES x

LIST OF FIGURES xii

ABSTRACT xiii

CHAPTER ONE 1

INTRODUCTION 1

1.1 BACKGROUND OF THE STUDY 1

1.2 STATEMENT OF THE PROBLEM 2

1.3 RESEARCH QUESTION 4

1.4 OBJECTIVES OF THE STUDY 4

1.4.1 GENERAL OBJECTIVES 4

1.4.2 SPECIFIC OBJECTIVES 4

1.5 SIGNIFICANCE OF THE STUDY 5

1.6 SCOPE OF THE STUDY 5

1.7 LIMITATIONS OF THE STUDY 5

1.8 DEFINITION OF TERMS 6

1.9 ORGANIZATION OF THE STUDY 6

CHAPTER TWO 7

REVIEW OF RELATED LITERATURE 7

2.1 THEORETICAL LITERATURE 7

2.1.1 INDIVIDUAL DECISION MAKING 7

2.1.2 PERCEPTION 11

2.2 THE LINK BETWEEN DECISION MAKING AND PERCEPTION 16

2.2.1 PERCEIVED RISK 16
2.2.2 THE SHORTCUT JUDGING OF OTHERS 17
2.2.3 THE PERSONAL BIAS 18
2.2.4 THE INDIVIDUAL DIFFERENCE 19
2.3 THEORETICAL FRAMEWORK 19
2.3.1 THE RATIONAL DECISION MODEL 19
2.3.2 THE BOUNDED RATIONALITY THEORY 21
2.3.3 THE INTUITION THEORY 21
2.4 EMPIRICAL REVIEW 23
2.5 CONCEPTUAL FRAMEWORK 25
2.6 RESEARCH HYPOTHESIS 26
2.7 THE KNOWLEDGE GAP 27
CHAPTER THREE 28
RESEARCH METHODOLOGY 28
3.1 RESEARCH APPROACHES 28
3.2 RESEARCH DESIGN 28
3.3 STUDY AREA 29
3.4 TARGETED POPULATION 30
3.5 SAMPLING PROCEDURE AND SIZE 30
3.5.1 SAMPLING PROCEDURE 30
3.5.2 SAMPLE SIZE DETERMINATION 31
3.6 DATA COLLECTION 33
3.7 DATA ANALYSIS METHODS AND MODELS 33
3.7.1 DATA ANALYSIS AND INTERPRETATION 33
3.7.2 SPECIFICATION OF ECONOMETRICS MODEL 33
3.8 VALIDITY AND RELIABILITY 34
3.8.1 RELIABILITY TEST 35

3.9 INSTRUMENT DEVELOPMENT 36
3.9.1 VALIDITY TEST 35
3.10 PILOT TESTING 37
3.11 DATA ANALYSIS TECHNIQUE 37
3.12 ETHICAL CONSIDERATION 38
CHAPTER FOUR 39
DATA PRESENTATION, ANALYSIS AND INTERPRETATION 39
4.1 DEMOGRAPHIC CHARACTERISTICS OF THE RESPONDENT 39
4.1.1 GENDER COMPOSITION RATE 39
4.1.2 RESPONDENT AGE CATEGORY 40
4.1.3 EDUCATIONAL LEVEL OF RESPONDENT 41
4.1.4 WORK EXPERIENCE OF RESPONDENT 41
4.1.5 MARITAL STATUS OF THE RESPONDENT 42
4.1.6 CURRENT POSITION OF THE RESPONDENT 43
4.1.7 WORK DOMAIN OF THE RESPONDENT 43
4.2 DESCRIPTIVE STATISTIC OF THE VARIABLES 44
4.2.1 DESCRIPTIVE STATISTIC OF THE INDEPENDENT VARIABLES 44
4.2.2 DESCRIPTIVE STATISTICS OF PERCEIVED RISK 45
4.2.3 DESCRIPTIVE STATISTICS OF PERCEIVED SHORTCUT IN JUDGING OF OTHERS 48
4.2.4 DESCRIPTIVE STATISTICS OF THE PERSONAL BIAS OF AN INDIVIDUAL 50
4.2.5 DESCRIPTIVE STATISTICS OF THE INDIVIDUAL DIFFERENCES INFLUENCES 52
4.2.6 DESCRIPTIVE STATISTICS OF DEMOGRAPHIC CHARACTERISTICS 53
4.3 DESCRIPTIVE STATISTICS OF DEMOGRAPHIC CHARACTERISTICS 54
4.3.1 THE INFLUENCE OF GENDER 54
4.3.2 THE INFLUENCE OF AGE 56
4.3.3 THE INFLUENCE OF EDUCATION 58
4.3.4 THE INFLUENCE OF CURRENT POSITION 61

4.3.5 THE INFLUENCE OF WORK DOMAIN (POOL) 63
4.4 DESCRIPTIVE STATISTICS OF INDIVIDUAL DECISION MAKING 66
4.4.1 SUMMARY OF DESCRIPTIVE ANALYSIS OF THE VARIABLES 67
4.5 ANALYSIS OF INFERENTIAL STATISTICS 68
4.5.1 PEARSON CORRELATION ANALYSIS 68
4.6 REGRESSION ANALYSIS 71
4.6.1 TEST FOR NORMALITY 71
4.6.2 TEST FOR LINEARITY 72
4.6.3 TEST FOR HOMOSCEDASTICITY 74
4.6.4 TEST FOR MULTI-COLLINEARITY 75
4.6.5 TEST FOR AUTO-CORRELATION 75
4.6.5 REGRESSION ANALYSIS OF INDEPENDENT VARIABLES AND DEPENDENT VARIABLE 76
4.6.7 INTERPRETATION OF MODEL SUMMARY 77
4.6.8 INTERPRETATION OF VARIABLE COEFFICIENT 78
4.7 THE HYPOTHESIS TESTING 79
4.7.1 SUMMARY OF HYPOTHESIS TEST 80
CHAPTER FIVE 83
SUMMARY, CONCLUSION AND RECOMMENDATION 83
5.1 SUMMARY OF MAJOR FINDINGS 83
5.2 CONCLUSION 84
5.2.1 CONCLUSION ON DEMOGRAPHIC PROFILE 84
5.2.2 CONCLUSIONS ON INDEPENDENT VARIABLES OF THE STUDY 85
5.2.3 CONCLUSIONS FOR DEPENDENT VARIABLE OF THE STUDY 86
5.3 RECOMMENDATION 86
5.4 SUGGESTION FOR FUTURE STUDY 86
REFERENCES 88

APPENDIX A: QUESTIONNAIRE 95
APPENDIX B: INTERVIEW QUESTIONS 103

LIST OF ACRONYMS/ABBREVIATIONS

PBV	Perception-Based View
SPSS	Statistical Package for the Social Sciences
CEO	Chief Executive Officer
DM	Decision Making
ETB	Ethiopian Birr
SMU	Saint Mary's University
SA	Strongly Agree
A	Agree
NS	Not Sure
D	Disagree
SD	Strongly Disagree
OP	Organizational politics
POP	Perception of organizational politics
HR	Human Resource

LIST OF TABLES

TABLE 3.1 FORMULAS FOR SAMPLE SIZE 31
TABLE 3.2 SAMPLE SIZE FOR ALL THE STRATA SAMPLE SIZE FOR ALL THE STRATA 33
TABLE 3.3 KMO AND BARTLETT'S TEST 36
TABLE 3.4 CRONBACH'S ALPHA OF THE VARIABLES (SPSS) 37

TABLE 4.1 GENDER COMPOSITION RATE 40
TABLE 4.2 RESPONDENT AGE CATEGORY 40
TABLE 4.3 EDUCATIONAL LEVEL OF RESPONDENT 41
TABLE 4.4 WORK EXPERIENCE OF RESPONDENT 42
TABLE 4.5 MARITAL STATUS OF THE RESPONDENT 42
TABLE 4.6 CURRENT POSITION OF THE RESPONDENT 43
TABLE 4.7 WORK DOMAIN OF THE RESPONDENT 44
TABLE 4.8 MEAN RANGE (AL-SAYAAD, RABEA, & SAMRAH, 2006) 45
TABLE 4.9 DESCRIPTIVE STATISTICS OF PERCEIVED RISK 46
TABLE 4.10 DESCRIPTIVE STATISTICS OF PERCEIVED SHORTCUT IN JUDGING OF OTHERS 49
TABLE 4.11 DESCRIPTIVE STATISTICS OF THE PERSONAL BIAS OF AN INDIVIDUAL 51
TABLE 4.12 DESCRIPTIVE STATISTICS OF THE INDIVIDUAL DIFFERENCES INFLUENCES 53
TABLE 4.13 DESCRIPTIVE STATISTICS OF DEMOGRAPHIC CHARACTERISTICS (GENDER INFLUENCE) 55
TABLE 4. 14 DESCRIPTIVE STATISTICS OF DEMOGRAPHIC CHARACTERISTICS (AGE INFLUENCE) 57
TABLE 4.15 DESCRIPTIVE STATISTICS OF DEMOGRAPHIC CHARACTERISTICS (EDUCATION INFLUENCE) 60
TABLE 4.16 DESCRIPTIVE STATISTICS OF DEMOGRAPHIC CHARACTERISTICS (CURRENT POSITION INFLUENCE) 63
TABLE 4.17 DESCRIPTIVE STATISTICS OF DEMOGRAPHIC CHARACTERISTICS (WORK DOMAIN) 65
TABLE 4.18 DESCRIPTIVE STATISTICS OF INDIVIDUAL DECISION MAKING 67
TABLE 4.19 SUMMARY OF DESCRIPTIVE ANALYSIS OF THE VARIABLES 68
TABLE 4.20 PEARSON CORRELATION ANALYSIS 69
TABLE 4.21 CORRELATION BETWEEN VARIABLES 70

TABLE 4.22 TEST FOR NORMALITY (SKEWNESS AND KURTOSIS)..... 72
TABLE 4.23 TEST FOR MULTI-COLLINEARITY 75
TABLE 4.24 TEST FOR AUTO-CORRELATION..... 76
TABLE 4.25 REGRESSION ANALYSIS 77
TABLE 4.26 MODELS OF THE DEPENDENT VARIABLE..... 78
TABLE 4.27 SUMMARY OF HYPOTHESIS TEST 81

LIST OF FIGURES

FIGURE 2.1 THE CONCEPTUAL FRAME WORK (ROBBINS & JUDGE, 2013) 26

FIGURE 3.1 THE MAP OF KOLFE KERANIO SUB CITY (AACA, 2022)..... 30

FIGURE 4.1 TEST FOR LINEARITY (NORMAL Q-Q PLOT) 73

FIGURE 4.2 TEST FOR HOMOSCEDASTICITY 75

ABSTRACT

This study's primary goal was to investigate the effect of employee's perception on individual decision making in the case of kolfe keranio sub city. Understanding how employees feel about the change is essential to making wise decisions because they are the primary stakeholders. In order to identify and measure variables, the student researcher used the perception-based view model (PBV). Data's were gathered from a sample of 198, which the study used stratified random sampling technique from a population of 406, employees of the Addis Ababa city municipal kolfe keranio sub city administration using a standardized, closed-ended questionnaire. All of the data in this study was analyzed using SPSS version 23. The data were analyzed using both descriptive and inferential analysis. The results of the regression analysis showed that the suggested variables, such as the perceived risk and the individual differences have a positive significant effect on the decision-making process while the perceived shortcut judging of others and personal biasness had no significant effect on individual decision making. On the other hand, the study showed employees' demographic traits have an effect on how they perceive things and their decision making. For instance, regardless of other factors, all employees with distinctive features like having a master's or bachelor's degree, being male or female, and being of a certain age had different ways of making decisions based on how they perceive things. The results of this study provided academics and other researchers with knowledge and information for their future work. this study provided avoiding using a uniform methods of decision making, removing those policies which promote stereotyping and bias against individuals and extending the scope of the study for future researcher as a recommendation.

Key words: perception, attitude, perceived risk, personal bias, beliefs, individual decision making

CHAPTER ONE

INTRODUCTION

1.1 BACKGROUND OF THE STUDY

Louis Allen (1958) stated that "organization is the process of identifying and categorizing work to be done, defining and allocating responsibility and authority, and forming connections for the aim of enabling people to work most effectively together in attaining objectives". And one of the most crucial tasks performed by a group of individuals, ranging from a chance employee to top management, is making decisions.

Another definition of decision-making is the process by which a person, a group, or even an organization comes to a decision and determines the resources that are accessible. This procedure may also be iterative and involve framing the issue, acquiring information, drawing conclusions, and learning from experience (Russo & Schoemaker, 2014). Making decisions is also a neurological process that is largely dependent on the decision maker's state of mind, which is, incidentally, greatly influenced by human individual behavior, including individual political behavior and rationality (Moghaddam, 2017).

Making decisions is a response to a problem or phenomenon that arises when there is a discrepancy between the current situation and the desired state of any given organization, necessitating the exploration of all possible courses of action (Sirkin & Sanders, 2019). Unfortunately, most problems do not have that designation. A person's issue could be another person's ideal situation. Therefore, the perception of a problem and whether or not a decision is required is a perceptual issue (Robbins & Judge, 2013).

The decisions we make are influenced by various circumstances. These include past experience, cognitive biases, age and personality differences, and a sense of personal importance (Juliusson, Karlsson, & Gärling, 2005). Acevedo & Krueger (2004) also stated that a rise in commitment affects the decisions people choose. It's crucial to comprehend the factors that affect the decision-making process to comprehend the decisions that are made. In other words, the outcomes may be impacted by the elements that affect the process.

Fantino (2008) as asserts that because decision-making is a central phenomenon that is governed by cognitive psychology, behavior analysis could be a huge help in this area. The experimental analysis of behavior has led to advancements in instructional control, sensory equivalence, choice, rule-governed behavior, matching to sample, and linguistic behavior, among other areas. This development might also be useful in comprehending "perception," one of the most fascinating topics known to man.

In this study, perception is an independent variable whose effect on the dependent variable, in this example, the administration of Kolfe Keranio Sub-City, must be measured by the student researcher. The fact that various academics describe perception differently makes it challenging to comprehend and quantify. One could consider some of the scholar's work to be a revision. Therefore, association, identifiable proof, and translation of tangible data are what Schacter (2011) define as perception. This is done to communicate with and understand the introduced data or environment. Additionally, according to Goldstein (2009), all perceptions involve sensory system signals, which come forth as a result of natural or artificial stimulation of the tactile system. Another definition of perception is a detached reception of all signs, which is created by the recipient's learning, memory, desire, and attention (Keltner & Haidt, 2014).

Howard Boorman (2023) asserts that there are seven separate perceptional pillars, each of which begins with the letter P. These include viewpoints, guiding principles, prior experiences, prejudice, preconceived notions, and preferences. He added that communication must first go through one's pillars before passing through the pillars of others to understand perception. Both at one end and the other, serve as filters. Additionally, they help us maintain our perspective on the world.

According to Tsegaye (2007), perception influences social interaction, politics, and decision-making positively and substantially. Similar findings were made by Getachew (2020), who discovered that the principles of perception will affect how Ethiopia's government implemented its policies in Kolfe Keranio Sub City.

1.2 STATEMENT OF THE PROBLEM

Decision-making has a favorable, considerable impact on managerial performance, claim Köse and Encan (2016). Making decisions is one of the most crucial tasks a manager must carry out, and it essentially defines the manager's value to the organization.

Elanga (2012) asserts that perception has a significant impact on all work-related activities in any particular business. This covers the organization's social, political, and economical facets. Organizational politics, in which all employees, from low-level workers to top management, participate, is another example of perception (Tsegaye, 2007). Although perceptions are one of the many factors which plays a major role in making decision, there is not enough academic literature in the area of perception as well as its impact on individual decision making.

As to the employees under the kolfe keranio sub city administration, the employees make decision in a daily basis. The decision they make could be impacted either by internal environment or the external environment. When they make decision it is almost logical to think that perceptions are inevitable. Below there is average decision made by employees, low level manager, middle level managers as well as the top level managers for the last year quarterly.

The study's primary goals are to determine whether there is any correlation between perception and individual decision-making in the context of the Kolfe Keranio Sub City Administration. It could be a little difficult to study each person's conduct individually. However, it is difficult to ignore their contribution given that individual behaviors and growth could undoubtedly affect any activity across any given organization. Though the government implemented BPR, whereby all operations within a sub-city are fully impacted and measured in accordance with standards, the influence of perceptions is fairly evident and is simple to comprehend.

The government appears to pay only a little attention to decision-making, despite the fact that it is inevitable for any individual in any given organization and is influenced by that particular individual behavior and its environmental surrounds. Tewolde (2021) asserts that making decisions is one of the most crucial activities that can be impacted by a particular person's conduct as well as their environment.

The majority of studies on perception and its effects on any given dependent variable conducted in Ethiopia or even by the entire academic community of the world were descriptive in nature (Elnaga, 2012; Getachew, 2020; Godstein, 2009; Gregory, 1987; Rossi & Burglund, 2011). Both descriptive and explanatory study could offer a numerical and more objective conclusion, which the student researcher planned to employ for this specific research.

1.3 RESEARCH QUESTION

The statement stated above guides the student researcher to develop the research question on the effects of employee's perception on individual decision making in the case kolfe keranio sub city administration which the research intended to answer. The question developed here are based on the statement above and was answered by the research.

1. What is the effect of the employee's perceived risk on individual decision making in kolfe keranio sub city administration?
2. What are the effect of employee's perceived shortcut in judging of others on individual decision making in kolfe keranio sub city administration?
3. To what extent that the employee's personal bias of an individual impacts on individual decision making in kolfe keranio sub city administration?
4. To what extent that the employee's individual differences influence on individual decision making in kolfe keranio sub city administration?

1.4 OBJECTIVES OF THE STUDY

1.4.1 GENERAL OBJECTIVES

The general objectives of the study were to examine the effect of perception on individual decision making in the case of kolfe keranio sub city administration.

1.4.2 SPECIFIC OBJECTIVES

The research had the following specific objectives:

1. To examine the effect of the employee's perceived risk on their decision making in kolfe keranio sub city administration.
2. To determine the effect of employee's perceived shortcut in judging of other on their decision making in kolfe keranio sub city administration.
3. To test the effect of employee's personal bias of an individual on their decision making in kolfe keranio sub city administration.
4. To investigate the effect of employee's individual differences on their decision making in kolfe keranio sub city administration.

1.5 SIGNIFICANCE OF THE STUDY

The results of this study provides valuable insight into the art of decision-making in any given business and show how perception affected the choices made by everyone who had to make significant judgments on a regular basis. Since there aren't many studies on that particular title and its impact on a person's decision-making in the context of kolfe keranio sub city administration, the study's findings was also acted as a springboard for other researchers who are interested in conducting additional research on perception and individual attitude.

1.6 SCOPE OF THE STUDY

This study looked at how employee's perception affects individual decision-making in the context of the Kolfe Keranio Sub City Administration. In Addis Ababa, there are 11 sub cities, and Kolfe Keranio is one of them. Any individual of the sub-city administration who regularly makes decisions were served as the unit analysis. Conceptually speaking, this research was only considered the four major independent variables namely the perceived risk, the shortcut judging of others, the personal bias and the individual differences to measure the dependent variable. Questionnaire served as the primary data source for this study, however the student researcher also used interviews for the triangulation process. Methodologically, this study used both the descriptive and explanatory research design, mixed approach, the cross-sectional design as well as the stratified random sampling in order to meet the objectives of the study. Geographically, this study was concentrated on the Kolfe Keranio sub city administration, but since the new BPR established a standard form of government for each sub city, it may also be able to speak for the other sub cities in Addis Ababa city.

1.7 LIMITATIONS OF THE STUDY

The first drawback is the geographic scope of the study. Due to the amount of time required, the student researcher chose to limit the geography to the Kolfe Keranio Sub City Administration. If a greater geographic area had been explored, the research would have been far more thorough and representative. The second restriction was that sub-city employees were reluctant to answer the questions, and those who did so were personnel with limited knowledge who were unable to do so. The student researcher employed various languages for the non-English-speaking personnel as a solution to the issue.

1.8 DEFINITION OF TERMS

Perception - An intricate process that occurs within the confines of the mind and shapes one's attitude in which individuals choose, arrange, and interpret sensory stimulation to create a meaningful and coherent picture of a situation or the environment around them (Boorman, 2023).

Selective perception - is the propensity to ignore and more quickly forget stimuli that are upsetting emotionally and go against our preconceived notions (Boorman, 2023).

Attitude - a cultivated propensity to react consistently favorably or unfavorably to a certain thing, circumstance, or person (Eisenberger, Fasolo, & Davis-LaMastro, 1990).

Negative Perception - An individual's unfavorable attitude toward a situation or condition is informed by their negative mental image of the event, condition, or process (Boorman, 2023).

Positive Perception - A favorable mental image of a scenario, condition, or process that influences a person's attitude toward the circumstance or condition (Boorman, 2023).

Employees - Workers employed by and working for Kolfe keranio sub city administration.

1.9 ORGANIZATION OF THE STUDY

This research is divided into five main chapters. The first chapter covers the introduction, which includes the study's background, problem statement, research question, hypothesis, research purpose, significance of the study, and study scope. A theoretical survey of relevant literature, including empirical research and conceptual framework, is presented in the second chapter. The research approach used to carry out this study and meet the study's goals is described in Chapter three. The results were then discussed and analyzed in chapter four. The summary of the study's key findings, conclusions, and suggestions was presented in chapter five.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

This chapter presents the review of journals, books, articles, book sections, publication and a past literature and studies on the independent variable which is perception and the dependent variables which is the individual decision making. This study presented the missing link between previous researches about perception and decision making and supports future researchers use it as a benchmark or references. Furthermore, this particular research used most of the previous researches on the subject matter as a base and build a new theory which is appropriate for the scope of the research. Based on the points made on the prior literatures, the research discussed the empirical and theoretical literature reviews of both the dependent and independent variables. A set of assumptions that address relationships between variables in interest of the current research are set forth.

2.1 THEORETICAL LITERATURE

2.1.1 INDIVIDUAL DECISION MAKING

As role differentiations can be realistic in organizations, a lot of new researchers are focusing on the individual decision-making whose members' roles are undifferentiated and still are. Set members started to decide members' roles that control the timing, nature, and level of their involvement in the decision process. One or more individuals participate in decision-making, and as a result, they construct and suggest alternatives to the decision-maker (Janet & Timothy, 2008). As a result, there are numerous elements that influence how each person makes decisions. These elements include an individual's personal beliefs, values, and personality qualities, which influence their decisions.

It's crucial to comprehend the types of factors that affect the decision-making process in order to comprehend the selections that are made. Therefore, the elements that affect each person's decision-making process may have a substantial impact on the success of the company (Acevedo & Krueger, 2004). This covers all the elements that are unique, only occur, and connected to the particular decision maker. Because of this, we refer to these aspects as a combination of the socialization process and human development (e.g. personality, belief, values etc.). As a result,

different decision-making elements are categorized into groups that correspond to each person's values, beliefs, and personality (Hegarty & Sims, 1978) as sited (McNichols & Zimmerer, 1989).

Whether a person has freedom of action is a choice, but the uniqueness of each person has the biggest impact on how well an organization performs (Goud & Katke, 2019). According to Hambrick and Mason (1984), individual decision-makers play a significant role as a bridge between organizations and their environments, therefore their choice and subsequent action will undoubtedly have an effect on the entire organization. An individual is defined by his or her personal convictions, values, and personality. When a company and an employee have a positive working relationship, productivity, turnover, and retention rates all improve (AACA, 2022).

2.1.1.1 FACTOR AFFECTING INDIVIDUAL DECISION MAKING

Because these decisions frequently have a significant impact on the firm and its people, managers' decisions have a very high value. The manager's knowledge, experience, and assessment of the circumstance all influence the decision-quality (ALEMU, 2017). Due to the intense competition between businesses in the twenty-first century, organizations must make a lot of risky judgments quickly, which increases the value of the research on the decision-making process as well as factors and individual traits that affect how decisions are made in an organization. At higher management levels, some aspects are more crucial than at lower ones, and vice versa (Acevedo & Krueger, 2004).

Factors that affect individual decision making includes:

- **PROGRAMMED VERSUS NON-PROGRAMMED DECISIONS**

Programmed judgments are made in predictable situations, and managers have specific parameters and criteria, as was previously described in the categories of problems that managers confront. The choices are clearly described, and the problems are organized properly. Through established policy directions, regulations, and processes, problems are solved and decisions are put into action.

Non-programmed decisions are made under certain conditions, and the outcome is frequently unpredictable (Al-Sayaad, Rabea, & Samrah, 2006). Managers deal with poorly organized issues. These issues call for a tailored solution, which is often handled by top management. Non-programmed decisions include those to open a new firm, merge with another company, or shut down a facility.

- **INFORMATION INPUTS**

For making decisions, it is crucial to have complete and precise information about the situation; else, the decision's quality would decline. But it's important to understand that each person has mental limitations that affect how much knowledge he can effectively process. Even though certain risk-takers and highly authoritative people do base their conclusions on relatively less information than more conservative decision-makers, less information is just as risky as too much (Bruine, Parker, & Fischhoff, 2007).

- **PREJUDICE**

Our perceptual processes add prejudice and bias into people's decision-making, which could lead to poor choices. First off, since people only accept information that they wish to receive, only that kind of information reaches their senses because perception is highly selective.

Second, because perception is largely subjective, information is often twisted to conform to people's pre-existing views, attitudes, and values (Bruine, Parker, & Fischhoff, 2007). For instance, a preconceived notion that a particular person or organization is trustworthy or dishonest, a reliable or unreliable source of information, fast or late with a delivery, etc., can significantly affect the decision-maker's ability to be impartial and the caliber of the conclusion.

- **COGNITIVE CONSTRAINTS**

The capacity of the human brain, which is the seat of reasoning, imagination, and consequently, decision-making, is constrained in a number of ways. For instance, save in exceptional instances, our memory is short-term and can hold only a limited number of concepts, words, and symbols. Second, people are only capable of making a finite amount of computations in our heads, which is insufficient to assess all available options and make a decision (Bruine, Parker, & Fischhoff, 2007).

Finally, people always feel uneasy about making choices mentally. The impact of the decision's implications must be felt before one can truly know if the alternative people chose was the best option. People are really uneasy as a result.

- **ATTITUDES ABOUT RISK AND UNCERTAINTY**

These attitudes are formed in a person as a result of both organizational factors and certain human traits. The decision maker would likely to avoid such options that have some odds of failing if the organizational policy penalizes losses more than it rewards gains (Faisal, 2019).

Therefore, if there is a small probability of losing, a manager may decide to pass on a potentially good opportunity. The success of a decision is influenced by the personal traits of the decision-maker and his attitudes about taking risks (Elnaga, 2012). The following factors have an impact on the risk-taking mindset.

- ✓ **INTELLIGENCE OF THE DECISION MAKER**

Higher intellect typically results in more conservative views and less risk-taking decision-makers. Others are more prepared to take calculated risks if the benefits may be significant and there was a likelihood of success (Boorman, 2023).

- ✓ **EXPECTATION OF THE DECISION MAKER**

People who have high aspirations tend to be very upbeat and prepared to make judgments despite having less information (Boorman, 2023). The decision-makers who have low expectations for success will increasingly need more data before making a choice.

- ✓ **TIME CONSTRAINTS**

The time needed to reach a sound judgment increases with the complexity of the decision maker's personal habits and the complexity of the decision variables. Even though some people perform better under time pressure and may outperform others under extreme time limits, the majority of people need time to gather all the relevant data before making an evaluation (Goud & Katke, 2019).

However, when under time pressure, the majority of people use a "heuristic approach," which limits the search for additional information, takes into account a small number of alternatives and their few characteristics, and focuses on the justifications for rejecting a small number of alternatives. When the cost of acquiring information and assessing it all is prohibitive, this strategy may also be used (Moghaddam, 2017).

- ✓ **PERSONAL HABITS**

To predict the decision-maker's decision-making style, one needs examine his personal habits, which are shaped by social influences, environmental influences, and personal perceptual

processes. Even when their choices are not the best ones, some people remain with them. Hitler, for instance, came to be constrained by his own choices (Moghaddam, 2017).Even when it became clear that his war on Russia was the wrong course to take, there was no turning back. Some people are unable to accept that they were mistaken, and they stick with their choices despite any evidence to the contrary. Some decision-makers place more blame on external circumstances than on their own errors when something goes wrong. These personal habits have great impact on organizational operations and effectiveness (Moghaddam, 2017).

- ✓ **SOCIAL AND CULTURAL INFLUENCES**

The social and group norms have a big impact on the decision-maker's decision-making style. A social norm is described as "an evaluating scale designating acceptable latitude and an objectionable latitude for behavior activity, events, beliefs, or any object of concern to members of a social unit" (Ebert and Mitchell, 2020).

In other words, the accepted and typical method of making judgments is the social norm. Similar to this, a person's decision-making style is significantly influenced by their cultural upbringing and other cultural factors. For instance, in the organizational structure of Japan, a decision is made in agreement with others (Ebert and Mitchell, 2020).

Due to everyone's involvement in the decision-making process, this culturally centered style makes implementation considerably simpler. In contrast, decision-making in America tends to be more individualized and relies on quantitative methods and decision models.

2.1.2 PERCEPTION

People receive unprocessed input from the outside world through our senses. The brain receives raw information from the sense organs that is devoid of both form and significance. Peoples ability to perceive, giving meaning to the data and enables the brain to process it. Without perception, all people would have in the brains would be neurons firing, and people wouldn't know what they were seeing, hearing, tasting, or feeling. With the use of their senses, they will perceive a seemingly random structure in front of them, and it is their perception that informs them that this structure is what it appears to be. For instance, a chair is called a chair, it is made of wood, its color is brown, and it may be sat upon. they can then proceed to perform actions like sitting (Abeje, 2021).

Thus, perception is a crucial function that enables them to interpret sensory data and then apply that relevant data to their needs. they are able to carry out their jobs and live normally thanks to this entire process. They shall become dysfunctional and life would practically come to a complete stop if their perception is compromised (Association, 1994). According to science, perception is a collection of mental processes that compile sensory data and give it context. The foundation for thinking, learning, and action is perception. Perceptions play a crucial role in people's lives, and as they are essentially cognitive abilities, they have piqued psychologists' interest. Since perception is considered to be a subjective phenomenon, the influences on perception have garnered some of the most attention.

The issues around internal vs. external impacts on perception are brought up. Research has shown over time that both internal and external factors can alter how we perceive things, with our beliefs, Motivation, emotions, culture and intuition being the main factors.

2.1.2.1 BELIEFS

Peoples innate brain structures and processes include beliefs, which greatly influence how they perceive the world (Ekman P. , 2009). Schemas, another name for beliefs, refer to the knowledge people have retained as a result of their own experiences or those of others who have shared their stories with them. Their abilities and expectations regarding what they experience and how they interpret it are influenced by the ideas they consider true.

For instance, if individuals believe in an all-powerful deity, they are more inclined to assume that things happen because of a higher authority or in accordance with a predetermined plan. Such a person is inclined to believe that life is a gift from God and that everything that occurs is a reflection of God's intention. On the other side, a person is more likely to assume that events have some sort of scientific basis if they have a stronger belief in science and evolution. He or she will likely view life as the product of countless centuries of evolution, and nothing will likely appear to have a supernatural or divine cause. This demonstrates how two people can see the same phenomenon and occurrences in quite different ways. Thus, there is evidence that people's perception is influenced by their ideas. There are certain categories of beliefs that are very important in terms of affecting how people perceive things. Heuristics fall into the group of general rules of thumb that people use to swiftly and easily make sense of the facts at hand. Heuristics are

employed when the effort of organizing and digesting incoming information is challenging, requiring people to rely on mental shortcuts.

According to Keltner & Haidt (2014), using heuristics enables individuals to expand their cognitive capabilities and function even when our cognitive resources are exhausted. Heuristics have their uses, but they don't always serve people in the best interests. People's biases are a significant subcategory of beliefs. Biases are specific illogical thought patterns and beliefs that are established in individual's thoughts on a subconscious level. Biases are perceptual slants that make them more receptive to particular stimuli or pieces of information. Biases make some facts more influential on their perception, which can cause them to depart from the path of complete reason. Biases can be both conscious and unconscious, and they can take many different shapes (Keltner & Haidt, 2014). Psychologists have made significant progress in advancing humans understanding of biases and perceptual propensities. Biases are deeply ingrained and frequently held unconscious, making them challenging to remove. Therefore, people's perception is greatly influenced by their views in general, and the interpretation they give to the information they get is substantially shaped by their preconceived conceptions.

2.1.2.2 MOTIVATION

Human motivations have an important influence on their actions, their capabilities and also on their perception. Motivation is the driving force that compels them towards a goal. Motivation provides them with a potential to do something (Phillips, Senior, Fahy, & David, 1998). Different theorists have arrived at different understandings of motivation and have devised different models to explain this phenomenon but the basic classification can be done of fairly simple grounds. Firstly, motivations can arise out of their basic physiological needs for example hunger motivating them to seek food and tiredness motivating them to sleep. They can also be motivated by abstract goals that are still intrinsic, for example the motivation to be respected or loved can drive them towards certain altruistic actions.

Ekmand (2009) added that motivation can also develop for materialistic outside advantages like wealth and status within an organization. people's perception may be impacted by their motivations for thinking or acting. A person who is motivated to perform something may consider the activity to be simple or may have a certain view of their own talents. When a person is not motivated to complete a work, he or she is likely to view the task and his or her own skills

differently. Motivation can have a deeper impact on their perception, as seen in the experiment when hungry volunteers were more sensitive to stimuli associated to food. Thus, their individual motivations and their strength have an impact.

2.1.2.3 EMOTION

Another significant aspect of people's lives is that, closely related to their cognition is their emotions. Both their thoughts and their emotions have an impact on one another. Emotions are essentially the value they assign to outside influences. When they perceive something, their bodies automatically produce a response informing them of the significance of the input. This aids in their decision-making process on whether they should approach or avoid the stimuli. This demonstrates a very fundamental purpose of emotions, despite the fact that in reality they are a very complicated phenomenon that they utilize to interact with the outside world and to communicate with others. Essentially, there are two types of emotions: positive and negative, which correspond to the approach and avoidance dichotomy. However, other classifications have substantially enlarged the number of emotions identified (Ekman, 2009).

Because of the fact that, emotions are a global occurrence and because they are instinctively expressed, studying how emotions are expressed is also a very interesting field of study. Paul Ekman, a psychologist, recognized seven of these fundamental, universal emotions. Happiness, disgust, surprise, sadness, fear, disdain, and rage are some of these feelings. human perception is significantly influenced by these feelings. For instance, when someone is angry, they are more likely to perceive more stimuli and gestures as threatening and to react with greater fury. Happiness makes things seem less dangerous to a person, therefore various emotions at the moment they are felt cause a noticeable shift in perception. There are various differences in feelings and expressions outside of the basic universal emotions that are influenced by the particular cultural situation. Emotions are therefore a complex subjective reality since perceptions change along with cultural and geographic limits.

2.1.2.4 CULTURE

The general impact of culture on researcher's views comes last. Culture is a broad concept that comprises the customs, values, norms, and behaviors that are common place in all the environment (Willie, 2022). One external factor that has an impact on many of our internal components is culture. people's beliefs are significantly influenced by culture. Whether they live in a conservative

or liberal society, an individualistic or collectivistic society, or any other distinction, can affect their beliefs. And because of the distinct cultural effects, their beliefs are probably going to have a special impact on how they perceive things. For instance, modesty was valued highly in a conservative society, which will have an impact on how they act and dress.

A woman dressed scantily from another culture may be seen by someone from that community as being morally errant or deceived. The same woman will probably perceive a woman from a conservative community as being repressed and narrow-minded if she is wearing skimpy clothing. An individual's opinion and accomplishments are seen as having more importance in an individualistic society, whereas in a collectivistic culture, the group is given priority over the individual, and an individual's opinion or success is seen as having less importance.

People are also likely to be driven differently since different cultures place varying priorities on various things. Additionally, since goals clearly affect perceptions, culture also affects perceptions via motivations. People in collectivist societies are more likely to strive for the success of their group because they value the success of the collective more than the success of the individual. In an individualistic culture where people are motivated to work toward their own goals because they are thought to be more deserving, the situation is likely to be reversed. Interactions between culture and the experience and expression of emotions in relation to emotions are fascinating.

2.1.2.5 INTUITION

People tend to be more emotionally expressive and intuitive in various cultures, and it's common for people to express their emotions openly. Other cultures may view controlling one's emotions and remaining calm as more appropriate. Therefore, culture has an impact on the intensity and manner of emotional expression. A person's or a society's emotional experiences will unavoidably influence perceptions. Open dialogue about emotions will impact how stimuli are seen and how this impression is shared among people. Alternative ways of sharing perceptions will exist in cultures that conceal emotion. This demonstrates how culture influences human’s perspective both directly and indirectly. From a very young age, when child rearing techniques, their values, education, personalities, and customs are formed, culture gets ingrained in their lives and has a significant impact. Their identity and how they view the world are shaped by their culture.

How an individual’s view other people in particular is greatly influenced by culture (Buell, 1999), The attribution theory and the social comparison theory are two significant theories in this regard.

The first, known as the attribution theory, explains how they attribute blame for events to specific individuals. According to this notion, whenever they encounter someone who is struggling, they tend to blame them for their misfortune. they regard the issue as a justifiable or at the very least understandable result of the person's behavior or approach. But when they find ourselves in a challenging circumstance, they place the blame outside of ourselves.

Buell (2008) also asserted that people will often place the blame for their problems on other people, external factors such as the weather or fate, or even on themselves. Although not consistent, this propensity is significantly influenced by culture in terms of age, gender, race, and social status. The social comparison hypothesis, the other theory, contends that they determine their value by evaluating how they stack up against others. It is possible to compare themselves to those they see as superior to them as well as those they see as inferior. When they wish to advance and develop, they admire those who they believe to be superior to them, aim to meet their standards, and get inspiration from this social comparison. On the other hand, when they struggle or are disadvantageous, they look to those who are better than them to boost and sustain our self-worth. This theory also ties in with cultural factors, offers practical benefits to people, and aids in comprehending human nature and conventions.

2.2 THE LINK BETWEEN DECISION MAKING AND PERCEPTION

In companies, people choose between two or more options while making decisions. The objectives of a firm, the goods or services to offer, the best way to finance operations, or the location of a new production facility are all decided by top managers. Middle-level and lower-level managers choose new hires, establish production plans, and decide how to distribute pay raises. Non-management personnel make decisions about how much effort to put out at work and whether to comply with a boss's request. Organizations are starting to give non-managerial staff members the decision-making power that was previously only available to managers. Thus, making individual decisions is crucial to organizational behavior. However, perceptions have a significant impact on how people make decisions and the quality of their choices.

2.2.1 PERCEIVED RISK

Making decisions happens in response to an issue (Willie, 2022). That is, there is a difference between the existing situation and a desired one, necessitating the consideration of alternate strategies. You have a problem and need to make a choice if your automobile breaks down and

you depend on it to get to work. Unfortunately, not all difficulties are clearly marked as such. A person's issue may be another person's content situation. One manager might consider the division's quarterly sales loss of 2% to be a severe issue demanding immediate attention on her part. Her counterpart in another division, who likewise experienced a 2 percent decline in sales, would, nevertheless, find that to be very acceptable. So awareness that a problem exists and that a decision might or might not be needed is a perceptual issue.

According to Williams and Noyes (2007), that the risk perceptions are a fundamental component of the decision-making process in any particular firm. In addition, risk perception can be thought of as a person's evaluation of risk, and the accuracy of any risk assessment depends on how accurate the information available about risk is. Therefore, understanding how risk information is presented and absorbed by an individual can help you better understand the impact of risk perception on decision-making as well as the approach used in this literature review. The message (color, signal word, surround shape, and framing effect), the message's source (credibility and trust), and the communication's intended audience are among the variables that have been discovered to affect how people perceive risk (risk target). It is concluded that these elements must be taken into account in a context-dependent manner in order to create effective risk messaging, to support decision-making, and to promote safe behavior.

2.2.2 THE SHORTCUT JUDGING OF OTHERS

People typically benefit from the short cuts they employ when forming judgments about others since they may quickly form correct impressions and supply reliable information for making predictions (McNatt, 2000). They are not, however, error-free. When they produce large distortions, they can and often do lead individuals into trouble. Selective Perception, Halo Effect, Contrast Effects, and Stereotyping are the most frequently used shortcut judgment techniques in decision-making (Willie, 2022).

Selective Perception: Any quality that makes a person, thing, or event stand out will raise the likelihood that we will notice it. Why? Because it is impossible for us to assimilate everything we see; we can take in only certain stimuli. This explains why people notice cars that are similar to their own more frequently or why a boss may chastise some employees for doing something wrong but not others. Because they can’t observe everything going on about themselves, they engage in selective perception (Robbins & Judge, 2013).

Halo Effect: A halo effect occurs when people form an overall opinion of a person based on just one trait, such as intelligence, sociability, or looks (Robbins & Judge, 2013).

Contrast Effects: The saying "Never follow an act that has kids or animals in it" is a proverb among performers. Why? Children and animals are so beloved by audiences that you'll pale in contrast (Robbins & Judge, 2013).

Stereotyping: people use the shorthand known as stereotyping when they judge someone based on how they see them fitting into the group to which they belong (Robbins & Judge, 2013).

2.2.3 THE PERSONAL BIAS

Bounded rationality is used by decision makers, yet they also permit systematic biases and mistakes to influence their conclusions. 40 People frequently depend too much on experience, impulses, gut feelings, and handy rules of thumb in an effort to reduce work and avoid uncomfortable trade-offs (Wong & Kwong, 2007). These abbreviations can be useful. They can, however, also skew rationality. Overconfidence bias, anchoring bias, confirmation bias, availability bias, and hindsight bias are among the most prevalent biases in decision-making.

Overconfidence bias: It has been argued that "no problem in judgment and decision making is more prevalent and more potentially catastrophic than overconfidence." When given factual questions and asked to estimate the likelihood that an individual's responses are accurate, that specific individual frequently overestimate his/her propensity for accuracy. That is called overconfidence bias (Robbins & Judge, 2013).

Anchoring bias: The anchoring bias is a propensity to become fixated on first-hand knowledge and fail to properly account for second-hand information. It happens because peoples mind seems to place an excessive amount of attention on the initial piece of information that it receives (Robbins & Judge, 2013).

Confirmation bias: People must obtain knowledge objectively if they are to make sensible decisions. people don't, though. They gather it with care. The confirmation bias is a particular instance of selective perception in which people look for information to support their decisions and dismiss information to the contrary (Robbins & Judge, 2013).

Availability bias: More individuals are afraid of flying than they are of driving. But if commercial airplane travel actually were as risky as driving, every week the equivalent of two 747s would

crash, killing everyone on board. People frequently overestimate the risk of flying while underestimating the risk of driving because aviation tragedies receive far more attention from the media (Robbins & Judge, 2013).

hindsight bias: The tendency to wrongly believe that people might have correctly foreseen an occurrence after it has already happened is known as the hindsight bias (Robbins & Judge, 2013).

2.2.4 THE INDIVIDUAL DIFFERENCE

The attributional preferences of an individual can affect their conduct. Entity theorists are more prone to struggle while switching to new tasks because they doubt their ability to adjust to the difficulties (Lewis, Goto, & Kong, 2018). On the other hand, incremental theorists are more upbeat and perform better in such demanding circumstances because they think their personalities can adjust to the new circumstance. People may see that these variations in how individuals assign blame might aid in understanding how individuals think about themselves and others as well as how they react to their own social circumstances (Maddux & Yuki, 2016).

The degree to which each person carefully considers information about others varies as well. Some people have a tremendous desire to consider and comprehend other people (Levy & Dweck, 2019). You probably know people like this who are curious about why things went well or poorly or who simply want to learn more about everyone they come into contact with.

2.3 THEORETICAL FRAMEWORK

This particular section is concerned with the theoretical knowledge and the rational theories which was helpful in understanding the over research about perception and its effect on individual decision making. The research discuses three theories namely

1. The rational decision model
2. The bounded rationality theory
3. The intuition theory (perception-based)

2.3.1 THE RATIONAL DECISION MODEL

The rational model of decision making is an approach where people use data and information, analysis, and a step-by-step process to reach a choice. It is the antithesis of intuitive decision

making. A more sophisticated sort of decision-making model is the rational model of decision-making (Uzonwanne, 2016).

According to Russ et al. (1996), a rational decision maker evaluates the long-term repercussions of their decisions and has a strong fact-based task orientation to decision making. Rational decision makers are deliberate, analytical, and logical. According to Rotter (2009), the rational style appears to be connected to the establishment of a structure and an internal control orientation. According to Kholi (1989), initiating a structure and having a greater internal control orientation may both be related to better performance.

The intuitive decision-making paradigm was one of the most direct competitors. On the other hand, using the intuitive style of decision-making involves feeling orientation and is based on an internal ordering of the information that results in hunches (Russell, 1996). These irrational decisions are frequently modified if the intuition was wrong and are made swiftly with little information (Russell, 1996). According to Russ et al., "Intuitive decision makers are likely to be more inconsistent and prone to errors, which may cause ambiguity and cause superiors and subordinates to lose faith in the management."

This kind of decision-making can be highly perilous in situations where there are huge stakes. In a situation where there are significant financial stakes, for example, if the choice proves to be prone to error, the results could be rather expensive. Therefore, rational decision-making predominates in situations with high investor stakes and/or high stakes in general. When there is a lack of facts and information, when a quick fix is required for a problem, and when the choices that must be taken are difficult, intuitive decisions are also made (Rotter, 2006).

On the other hand, rational decision-making is frequently characterized by a precision-based method. In order to complete this procedure, it is necessary to obtain information that is adequate in terms of its availability, worth, accuracy, and dependability. Usually, it is necessary to guarantee that the chosen solution cannot fail. This is so that a carefully considered, fact-based decision can usually lead to a fruitful, workable solution. However, there are obstacles to this process, which manifest as a person's incapacity to obtain sufficient informational resources. The decision-maker frequently caves in or accepts the facts that they have available to them.

2.3.2 THE BOUNDED RATIONALITY THEORY

Simon A. Herbert developed the Theory of Bounded Rationality in 1972. Decision-makers may be constrained by their values, unconscious reflexes, aptitudes, habits, incomplete information, and knowledge, according to the concept of bounded rationality (BR) (Griffin & Patton, 2005). According to this idea, the information that people have access to, the cognitive constraints on their brains, and the limited amount of time they have to make a decision all have an impact on how rationally people make decisions.

Bounded rationality, then, is the idea that decision-makers only utilize their reason after they have critically distilled the available options since they lack the knowledge and resources to arrive at the ideal solution. Although humans attempt to make reasonable decisions, the theory contends that rationality has its boundaries. Thus, the theory allows for decision-making in situations of uncertainty where the decision-maker is unsure of all the options, the risks involved with each option, or the anticipated outcomes of each option (Griffin & Patton, 2005).

When making decisions in unclear situations, experience, judgment, and intuition are crucial (Griffin & Patton, 2005). Additionally, a number of scholars have emphasized the existence of illogical and intuitive decision-making (Isenberg, 1986). That is, decision-making processes can include experience-based mental routines that result in snap conclusions made without careful consideration.

In the same vein, the environment in which researchers are looking at how perceptions and attitudes affect how individuals make decisions in the Kolfe Keranio sub-city is one of great uncertainty, with workers unaware of all the advantages and risks of the decision-making process as well as the effects of their actions, whether they be pro or con. The predicted range of employee perceptions and attitudes on individual decision-making in the Kolfe Keranio sub-city, as well as the ramifications of these perceptions on the implementation process, will thus be explained.

2.3.3 THE INTUITION THEORY

'A perception-based view' in decision making, which Chaipom Vithessonthi proposed in 2005, is an alternative to the rational decision-making approach typically used in the mainstream research in management science. It focuses on the use of perception, attitude, or emotion for the purpose of choosing a reasonable alternative in pursuit of one's goals. The primary goal of the perception-

based view (PBV) of the employee in this study is to provide an explanation for why different employees behave or make different decisions in the same situation.

This means that it aims to provide answers to two key questions: (1) Why do people make different choices when confronted with the same situation and object? and (2) Why do people sometimes make choices that appear illogical and go counter to what rational choice theories would predict? Human decision-making is impacted by the behavioral implications of perceptions, which are multidimensional. What effects do perceptions have on choices and actions, then? The main contention is that each individual may perceive a stimulus differently than others do, and that each responds to this input in accordance with his or her interpretation process, which in turn motivates each individual to reach a choice that is distinct from that of the other.

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The PBV perspective focuses on how people use their perceptions, attitudes, and emotions to address issues or make decisions. A number of perception variables have been discovered through a review of the literature on how employees respond to different organizational decisions (such as layoffs, turnaround strategies, and employee compensation plans), which are anticipated to have an impact on either their resistance to change or support for it. According to empirical study, certain perceptions, such as the feeling of uncertainty, are linked to people's behaviors in organizational contexts. For instance, an empirical study by Ashford and et al (1989) found evidence for a link between perceived work uncertainty and quitting intention.

Another empirical study by Fasolo and Davis-LeMastro (1990) revealed that different attitudes and behaviors are related to how employees perceive their organizations' support or lack thereof (Eisenberger, Fasolo, & Davis-LaMastro, 1990). In light of the fact that perceptions and responses to change have more direct linkages, one might investigate perception or attitude as a predictor of

employees' reaction to change (in this case, privatization) using the employee as the unit of study (Vithessonthi & Schwaninger, 2008).

2.4 EMPIRICAL REVIEW

This component of the study was focused on earlier investigations into how perception affects people's decision-making. Here is a summary of the research on how personal attributes like perception can affect decision-making.

Faisal (2019) asserts that a variety of things might have an impact on the decision-making process. The decision-making processes are influenced by a number of elements, such as prior experience, cognitive biases, age and personality variations, belief in personal relevance, and an increase in commitment.

It is challenging to ascertain the specifics of the relationship between risk perception and decision-making based on the results of prior studies. To clarify the situation, Sitkin and Pablo (1992) suggested a mediated model of the drivers of decision-making under risk. The moderator-mediator variable was separated (Baron & Kenny, 1986). In summary, the model proposes that two causal mechanisms, namely risk perception and risk propensity, moderate the effect of a number of exogenous variables, which were previously believed to have a direct impact on risk behavior (for example, framing). It is thought that these pathways control cognitive functions like information collection and sense-making (Niebuhr & Gaydos, 2007).

Empirical evidence suggests that risk propensity and risk perception play a moderating function (Sitkin & Weingart, 1995). However, risk perception was "shown to strongly moderate the association between problem framing and decision-making" in Sitkin and Weingart's second investigation (emphasis added, p. 2386). In fact, notwithstanding any individual differences that may exist in terms of risk inclination, Keil et al. (2000) came to the conclusion that decision-making can be adjusted through the manipulation of risk perception. Therefore, when examining the effects of exogenous variables on decision-making, risk perception should be taken into account since it may have a greater impact as a mediator and determinant than risk propensity (Sitkin & Weingart, 1995). Simon et al. 1999 also found out that risk perceptions mediate the relationship between cognitive biases and decision-making in a study of venture formation).

It would seem that risk perception and decision-making have a consistent relationship. Furthermore, the significance of risk perception needs to be taken into account in order to completely comprehend the decision-making process. Understanding how risk information is sent and received by a person is one way to evaluate the function of risk perception and to better comprehend it (Yim & Vaganov, 2003). This methodology was applied in the current review, which was also enabled the formulation of recommendations for the display of risk data. The discussion that follows, however, was focused on the idea of "risk," which by itself raises some doubts about the topic at hand because how risk is defined can have a significant impact on how it is managed and, as a result, how risk information is presented (Uzonwanne, 2016) .

Moberg and overa (2016), also stated that perceptions like, the target, the situation and the perceiver, and business environment affects business model innovation and that the innovation of business model changes an entire economic downturn.

According to a study conducted in Amsterdam by Sharpanskykh, individual decision-making within a human organization is a complex process that involves thinking critically about one's own needs, abilities, and experiences as well as the formal organization and (informal) social structures and processes that are present in the environment. Due to organizational learning and change, the context in which individual decisions are made is continuously changing. Organizations learn through their employees, but organizational learning also affects individual behavior and decision-making (Sharpanskykh, 2007).

In the framework of a learning organization, this paper presents a formal methodology that may be utilized to examine and forecast individual decision making. The strategy is founded on several recognized sociological and psychological theories. A simulation case from the field of air traffic control is used in the paper to demonstrate the methodology. The work also discusses the problem of model validation.

Muhammad (2014) defines perception as the association, recognizable proof, and translation of tangible data in order to communicate with and understand the introduced data or environment and can influence decision-making through signals that experience the sensory system and are thus the result of physical or artificial incitation of the tactile system.

Alemu (2017) conducted research on the evaluation of employers' perceptions of and satisfaction with private higher education institutions in Ethiopia. According to the study, a successful private higher education might be produced by a positive perception and the pleasure of companies through finances and student accomplishments.

According to Abeje (2021), employees' support for the upcoming privatization of government-owned firms, specifically in the instance of ethio-telecome, south Addis Abeba zone, is influenced by perception through its three pillars, the goal, the context, and the perceiver. This study's conclusion was that perception, as reflected in its pillars, has a favorable, considerable influence on the privatization of state-owned enterprises.

2.5 CONCEPTUAL FRAMEWORK

A conceptual framework is a model that has been proposed that identifies the concepts being studied and their connections (Mugenda & Mugenda, 2003). It demonstrates the importance of the suggested relationship between the variables under study. A conceptual framework can be built based on the literature research to demonstrate the fundamental relationships between the variables. In this instance, the aim, the scenario, and the perceiver in the case of the Kolfe Keranio Sub City Administration would be the dependent and independent variables, respectively. as one recall, the study’s objectives was to test the effect of all the independent variables the perceived risk, the perceived shortcut judging of others, the personal bias of an individual and the individual differences on individual decision making. The independent variables were discussed theoretically and empirically as to the dependent variable.

The entire framework can be seen in the following figure.

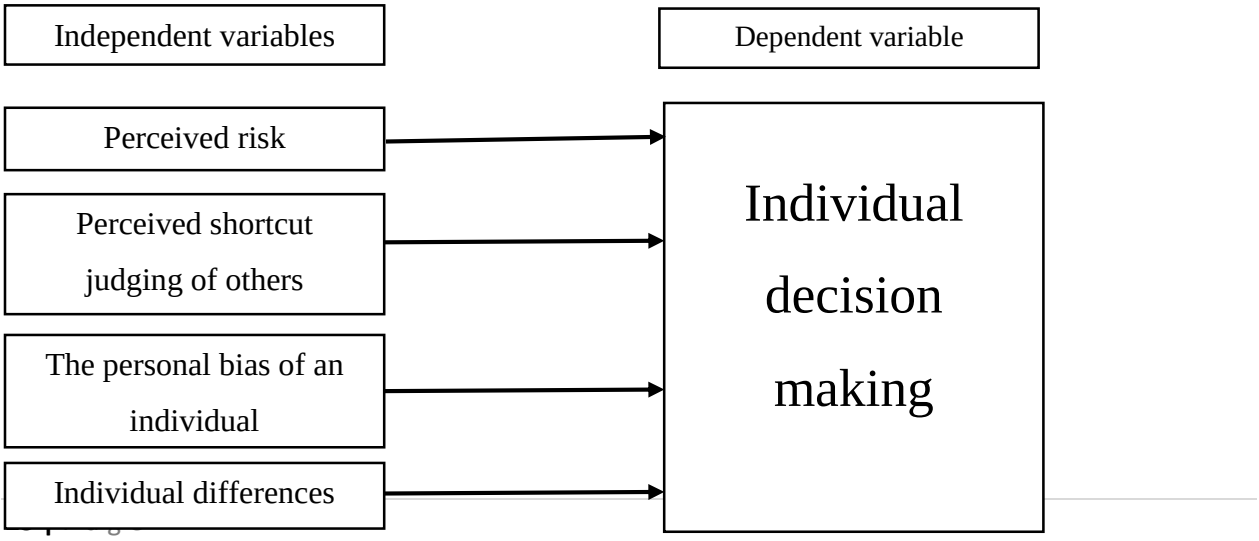

FIGURE 2.1 THE CONCEPTUAL FRAME WORK (Robbins & Judge, 2013)

2.6 RESEARCH HYPOTHESIS

According to Williams and Noyes (2007), that the risk perceptions are a fundamental component of the decision-making process in any particular firm. In addition, risk perception can be thought of as a person's evaluation of risk, and the accuracy of any risk assessment depends on how accurate the information available about risk is. Risk perception would ultimately have had a significant effect on individual decision making and findings from moberg and overa (2016) which stated as there is a positive significant effect on individual decision making considering positive means employee's highly asses the risk before making any decision.

As for the other three independent variables, the perceived shortcut judging of others, the personal bias of an individual and individual differences have a significant effect on individual decision making (Robbins & Judge, 2013). According to Abeje (2021), the personal bias of an individual and shortcut judging has a negative effect on the decision making on a study conducted in ethio-telecome, south Addis Abeba zone. Meaning the employees working in the telecom does not consider any shortcut judging or biasness toward others when they make decision.

Alemu (2017) conducted research on the evaluation of employers' perceptions of and satisfaction with private higher education institutions in Ethiopia. The research tested as if there is a positive/negative significant effect of individual differences on individual decision making. The findings showed that there is a negative significant effect of individual differences on individual decision making. Negative in this context means the employees differences in cultural background, mental state had affected individual decision making negatively.

The researches hypothesis (alternative) is demonstrated as the following:

H1. There is a positive/negative significant effect of the perceived risk on individual decision making in kolfe keranio sub city administration

H2. There is a positive/negative significant effect of the perceived shortcut judging of others on individual decision making in kolfe keranio sub city administration

H3. There is a positive/negative significant effect of the personal bias of an individual on individual decision making in kolfe keranio sub city administration

H4. There is a positive/negative significant effect of individual differences on individual decision making in kolfe keranio sub city administration

2.7 THE KNOWLEDGE GAP

Prior literature, (Abeje, 2021) (ALEMU, 2017) (Ashford, Lee, & Bobko, 1989) (Bruine, Parker, & Fischhoff, 2007) (Faisal, 2019), on the relationship between perception and the individual decision making was mainly concerned with more of a theoretical aspect and used either an exploratory research design or a descriptive research design with a more qualitative research approach. This particular research presented a causal relationship between the dependent and independent variable using a certain indicator to measure the independent variable. Which in another word this particular study used an explanatory research design with quantitative research approaches. This research used qualitative data for the sole purpose of triangulation.

CHAPTER THREE

RESEARCH METHODOLOGY

This chapter presented the research methodology that was used to carry out the study, which is broken down into the following main sections: research approaches, research designs, population and sampling.

3.1 RESEARCH APPROACHES

Relacion (2017) states that a qualitative research approach uses qualitative data, such as interviews, records, and observation, to examine and describe asocial phenomenal. On the other hand, a quantitative research methodology is the process of collecting numerical data using predetermined ways and then employing statistical techniques to draw conclusions from it (Apuke, 2021). This study's main focus was on the causal relationship between the variables, which made the use of regression analysis and the questioner data collection method necessary. These factors ultimately have convinced the student researcher to adopt the quantitative research approach. Quantitative research is helpful because it enables the researcher to collect factual data that can be examined using statistical techniques and determine correlations and causes between variables. In this approach, which makes use of deductive reasoning, researchers started with hypotheses before gathering data that might be used to determine whether or not those assumptions are supported by empirical evidence. This study also used the qualitative research strategy since the student researcher wanted to corroborate the results from the quantitative research approach, for the triangulation purposes.

3.2 RESEARCH DESIGN

The conceptual framework for research is known as the research design, and it served as the manual for data collection, measurement, and analysis. It also symbolized the strategies and plans used for data collection, analysis, and interpretation (Ebrary.net, 2014).

Three broad categories can be used to classify research designs. These three types of research design include exploratory, explanatory, and descriptive (Asenahabi, 2019). The student researcher used an explanatory research design and descriptive research design because the study's

stated goal was to determine how the aim, context, and perceiver influenced individual decision-making.

Additionally, the researcher extrapolated the results to a larger group because the study attempted to gather data from a representative sample of the community. To put it simply, the study used the cross-sectional (one-time) survey method that is carried out using written questionnaires. This approach is also preferred due to its quick data collecting and low cost.

3.3 STUDY AREA

As is clear, this specific study aimed to investigate the effect of perception on individual decision-making in the context of Kolfe Keranio Sub City Administration and offered recommendations to the company in line with the findings of the study. The findings will undoubtedly help the kolfe keranio sub-city administration workers starting from low-level employees to the top managers understand the role of perception in individual decision-making.

Ethiopia's capital, Addis Ababa, has an executive branch of government known as the Addis Ababa City Administration. The Mayor is in charge, and the woreda, which is the smallest administrative division, has a woreda administrator. The woreda administration is a federal entity with an elected council. 11 sub-cities make up the Addis Ababa City Administration, and each sub-city has multiple woredas (sub-sub cities) within it. Kolfe Keranio Sub City Administration is one of them. The neighborhood is situated close to the Gefersa Reservoir in the city's western suburb (Burayu). Gullele, Addis Ketema, Lideta, and Nifas Silk-Lafto are bordering sub-cities to the north, east, east, and south, respectively.

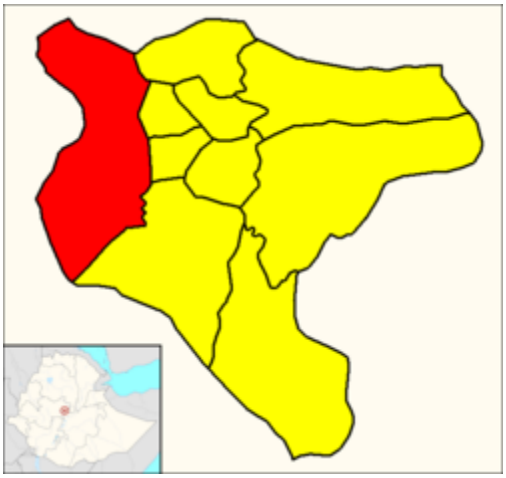

FIGURE 3.1 THE MAP OF KOLFE KERANIO SUB CITY (AACA, 2022)

The administration has 17 offices that help execute the government's rules, regulations, policies, and guidelines in the sub-city. Some of the offices are health, education, construction, job enterprise, industry development, etc…

Based on the government's legislative body ratified laws, kolfe keranio sub city administration gives services to the people of Addis Ababa. These laws are primarily designed to provide the service for free and fairly so that the people could have trust to their government.

3.4 TARGETED POPULATION

The group of elements known as the target population are those who have the data that the researcher is looking for to support the study (Oso & Onen, 2005). However, the population aspect refers to each individual participant or thing that is being measured, and it is the subject of the study (Willie, 2022). This provided a lot of information about the target market.

According to Cooper and Schindler (2011), researchers can save a significant amount of time and money by using samples, and they can also obtain more specific information that would not be available otherwise (Cooper & Schindler, 2011). The Kolfe Keranio Sub City Administration personnel who work at the four office pools make up the target population of this study, together with a total of 406 non-managers and managers at all levels from the four office pools. These pools are the public service pool (69), the land pool (124), the CEO pools (58), and the construction pools (155).

3.5 SAMPLING PROCEDURE AND SIZE

3.5.1 SAMPLING PROCEDURE

The stratified random sampling approach was used in this study as a sampling strategy. This method is frequently chosen because it makes it possible to divide the population into distinct groups based on factors such as employment status, managerial level, industry, educational background, and gender (Iliyasu & Etikan, 2021). In addition to all of this, the sampling technique was a time and money saver for data gathering, making it a crucial instrument for minimizing bias. involving the populace. With such a strategy, no group left unrepresented.

By using this method, the sampling frame can be arranged into roughly homogeneous groups (strata) before choosing sample components (Iliyasu & Etikan, 2021). This process, according to Janet (2006), increases the likelihood that the final sample was representative of the stratified groups. The four office pools in the administration of the sub-cities serve as the strata for the study.

3.5.2 SAMPLE SIZE DETERMINATION

An intricate strategy for getting a sample from any given population is known as a sample design (Dell, Holleran, & Ramakrishnan, 2002). Who is included or excluded from participation in the study was depended on the sample size. A simplified formula was used by the student researcher to determine the sample size from the population, which comprises every employee under the kolfe keranio sub city administration (Thomas, 2020).

According to Andreas (2017), using the difference between the population and the sample, the sample size formula enables us to determine the precise sample size. Remember that the sample size is the quantity of observations inside a specified sample population. Since a survey of the entire population is impractical, a sample of the population is selected before a survey or research is carried out. The letters "n" or "N" stand for the sample size (Andreis, 2017).

Here are the most popular formulas for determining sample size for finite and infinite populations using the Cochran equation (Cochran, 1963);

Formulas for Sample Size (SS)	
For Infinite Sample Size	$n_1 = \frac{[Z^2 p\,(1 - p)]}{C^2}$
For Finite Sample Size	$n_2 = \frac{n_1}{\left[1 + \left\{\frac{n_1 - 1}{Pop}\right\}\right]}$

TABLE 3.1 FORMULAS FOR SAMPLE SIZE

Whereas;

- ✓ n is the sample size,
- ✓ Z^2 is the abscissa of the normal curve that cuts off an area α at the tails?

- ✓ The value for Z is found in statistical tables which contain the area under the normal curve. Z = 1.96 for 95 % level of confidence, 2.58 for 99% level of significance, 1.64 for 90% level of confidence
- ✓ C is the desired level of precision or margin of error, i.e., e =5% or +0.05
- ✓ p is the estimated proportion (the degree of variability) of an attribute that is present in the population, i.e., 50% or p= 0.5

The givens are:

$Z = 1.96$ since it is advisable for a business research to execute the research with 95% level of confidence, p= 50% since it is advisable to use 50% degree of variability for 95% level of confidence,

Therefore, this particular research, the student researcher used this formula;

$$n_1 = \frac{[Z^2 p\,(1 - p)]}{C^2} = [\frac{(1.96^2) * 0.5(1 - 0.5)}{0.05^2}]$$

$$n_1 = 385$$

And to find the sample size for the finite population;

$$n_2 = \frac{n_1}{\left[1 + \left\{\frac{n_1 - 1}{Pop}\right\}\right]} = \frac{385}{\left[1 + \left(\frac{385 - 1}{406}\right)\right]}$$

n_2 =198

The sample size for the study = 198

Now for the stratified random sampling technique, the study needed the sample size for all the strata available.

No	Offices pools	No of employee	Proportional sample size	Expected sample size from each stratum
1	The CEO pool	58	58/406=0.143	0.143*198=28
2	Construction pool	155	155/406=0.382	0.382*198=75

3	The land pool	124	124/406=0.305	0.305*198=62
4	Public service pool	69	69/406=0.17	0.17*198=33

TABLE 3.2 SAMPLE SIZE FOR ALL THE STRATA SAMPLE SIZE FOR ALL THE STRATA

3.6 DATA COLLECTION

This study utilized both the primary and the secondary data source to collect the data. Secondary sources are a step removed from primary sources. Essentially, they're sources about primary source. It includes an available data, the researcher referred the data which are already been collected and analyzed by someone else (Kothari, 2004). Secondary data for the study was utilized in the form of textbook, reports from the administrations, articles and other critical works by academics. This study also used primary data by using structured questionnaire used to collect the data for obtaining information from respondents.

3.7 DATA ANALYSIS METHODS AND MODELS

3.7.1 DATA ANALYSIS AND INTERPRETATION

After the collection of data through the primary and secondary data source, the student researcher proceeded to the data analysis and interpretation. The collected data were encoded and processed with SPSS software after the raw data was well organized with a proper format. The descriptive and inferential statistics analysis and interpretation was also used to review the collected data since the nature of the data collected is quantitative and qualitative. To investigate the objective of this research, Multiple linear regression was used since the data collected was quantitative and the causal and effect nature of the study was only allowed this particular analysis to be used. Using a table, the data were analyzed based on descriptive and inferential statistics using SPSS version 23 software.

3.7.2 SPECIFICATION OF ECONOMETRICS MODEL

This study was conducted to examine the effect of perception on an individual decision making in the case of kolfe keranio sub city administration. The survey data collected was randomly from each stratum (the offices in the sub city administration). The research used multiple linear

regression model specification to identify those perceptions and their level of influential using continuous variables which was calculated from 5-Point Likert scale data.

The econometric model such as multiple linear regression techniques was appropriate to apply since there are four independent variables and one dependent variable making it a multi-variate statistical analysis. The primary data for the model was collected by using five-point Likert scale questionnaires for each variable and analyze using quantitative techniques such as descriptive statistics (mean, standard deviation, min max). The model specification is given as follows:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + e$$

Whereas:

Y is the dependent variable (the individual decision making)

β_0 is a constant or y intercept when the estimated value of independent variables is zero

β_1 is the estimated effect of the percived risk

β_2 is the estimated effect of the percived shortcut judging of others

β_3 is the estimated effect of the personal bais of an individual

β_3 is the estimated effect of the individual diffecrnce

X_1 is the variable of the percived risk

X_2 is the variable of the percived shortcut judging of others

X_3 is the variable of the personal bais of an individual

X_4 is the variable of the individual difference

e is the error

3.8 VALIDITY AND RELIABILITY

Validity of research can be explained as an extent at which requirements of scientific research method have been followed during the process of generating research findings. Oliver (2010) considers validity to be a compulsory requirement for all types of studies. Reliability is a measure

of the degree to which a research instrument yields consistent results or data after repeated trials (Mugenda & Mugenda, 2003).

3.8.1 RELIABILITY TEST

According to Zikmund, Babin and Griffin (2010) scales with coefficient alpha, which determines the internal consistence reliability, is between 0.8 and 0.95 are considered to have very good quality, whereas, scales with coefficient alpha between 0.7 and 0.8 are considered to have good reliability, and finally, coefficient alpha between 0.6 and 0.7 indicates fair reliability.

The Cronbach alpha calculated for all the independent variable is summarized with the table below. Based on the rules stated above, it can be shown whether the measurement has an internal consistency or not.

3.8.2 VALIDITY TEST

There are different forms of research validity and main ones are specified by Cohen et al (2007) as content validity, criterion-related validity, construct validity, internal validity, external validity, concurrent validity and face validity.

The issue of validity was addressed through the review of literature and adapting instruments used in previous research works (Vithessonthi & Schwaninger, 2008). In this research, Criterion-related validity was undertaken using statistical analysis such as correlation. This study used the Kaiser-Meyer-Olkin (KMO) Test to measure the validity of the measurements.

The Kaiser-Meyer-Olkin (KMO) Test is a measure of how suited your data is for Factor Analysis. The test measures sampling adequacy for each variable in the model and for the complete model. The statistic is a measure of the proportion of variance among variables that might be common variance. The lower the proportion, the more suited your data is to Factor Analysis.

For reference, Kaiser put the following values on the results:

- 0.00 to 0.49 unacceptable.
- 0.50 to 0.59 miserable.
- 0.60 to 0.69 mediocre.
- 0.70 to 0.79 middling.
- 0.80 to 0.89 meritorious.

- 0.90 to 1.00 marvelous

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.861
Bartlett's Test of Sphericity	Approx. Chi-Square	2655.300
	df	300
	Sig.	**.000**

TABLE 3.3 KMO AND BARTLETT'S TEST

SOURCE: SURVEY OF QUESTIONNAIRE, 2023

Based the Kaiser rule of thumb, this collected data, which the Kaiser-Meyer-Olkin Measure of Sampling Adequacy reads 0.861, is meritorious which means a valid data.

3.8.3 INSTRUMENT DEVELOPMENT

The following table summarizes the entire instruments used to measure the variables. This includes the number of items, the Cronbach alpha, the status as well as where that measurement is adopted from.

No	Categories	No of item	Cronbach's Alpha	Status	Adopted from
1	The perceived risk	6	0.721	Good quality(Reliable)	(WILLIAMS & NOYES, 2007)
2	The shortcut judging of others	4	0.751	Good quality(Reliable)	(Goud & Katke, 2019)
3	Personal bias of an individual	7	0.834	Very good quality(Reliable)	(Goud & Katke, 2019)

4	The individual differences	3	0.801	Very good quality(Reliable)	(Goud & Katke, 2019)
5	The decision making	5	0.863	Very good quality(Reliable)	(WILLIAMS & NOYES, 2007) &(Goud & Katke, 2019)

TABLE 3.4 CRONBACH'S ALPHA OF THE VARIABLES (SPSS)

SOURCE: SURVEY OF QUESTIONNAIRE, 2023

3.10 PILOT TESTING

Thirty people were randomly chosen from among the various work domains in the sub cities for the pilot study, which was designed to ensure item clarity and dependability. The questionnaire was fully filled out. Participants were told that if a question is unclear to them, they can put a question mark in front of it.

Each item on the questionnaire was reviewed for appropriateness after it was collected. Utilizing the statistical tool for the social sciences (SPSS version 23), the pilot test data were examined. Thus, Cronbach's alpha and inter-item total correlation were computed to see the internal consistency of items of each instrument. hence, the Cronbach's alpha values for the perceived risk, the shortcut judging of others, the personal bias of an individual, the individual differences and the decision making were 0.710, 0.751, 0.834, 0.801 and 0.863 respectively.

3.11 DATA ANALYSIS TECHNIQUE

Both quantitative and qualitative analysis methods were used to examine the data collected for this study. Which also led the study to utilize both descriptive and inferential statistics. Mean, standard deviation, and frequencies were utilized to examine the data collected through questionnaires in order to determine the study's demographics as well as the contents of the independent and dependent variables that were used to quantify both perception and decision-making percentages.

Furthermore, the association between all the independent variable and the dependent variable was examined using the bivariate correlation data analysis approach. Multiple regression analysis was

also employed in this study to demonstrate the causal relationship and the degree to which the independent variable describes the dependent variable.

3.12 ETHICAL CONSIDERATION

Designated participants have been informed of the study's objectives, whether or not it is appropriate for them to participate, any potential advantages of doing so, and any privacy and confidentiality concerns. They were also told that taking part in the study was entirely optional. Regarding the respondents' right to privacy, all of the data were treated with the utmost secrecy under research ethics.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND INTERPRETATION

The presentation, analysis, and interpretation of the information received from Kolfe Keranio sub-city administration employees are the topics of this chapter. Since the primary goal of the study was to investigate how perception affected how employees made decisions, the Kolfe Keranio sub-city administration case study was used. To accomplish this goal, 198 sample responders from the sub-city employees were chosen using the sample size calculation formula from (Cochran, 1963). After entering them into SPSS version 23, 198 of the total questionnaires were collected back and used for the presentation, analysis, and interpretations. To achieve the appropriate result for the analysis and interpretations, several statistical processes were used. Both descriptive and inferential statistics were used in the analyses.

4.1 DEMOGRAPHIC CHARACTERISTICS OF THE RESPONDENT

To illustrate the makeup of the workforce in the Kolfe Keranio sub-city administration, the demographic profiles of the respondents are shown. This includes a description of the percentage distributions for the research participants' gender, age, education level, experience, marital status, position, and work domain (pool).

4.1.1 GENDER COMPOSITION RATE

Gender distributions were shown in the table below. 55.1% of the 198 respondents who work for the Kolfe Keranio sub-city administration are men, and 44.9% are women. This chart demonstrates that while there are more male employees in the sample than female employees, the difference is not as great as could be expected, which could help the research consider both gender categories other literatures like (ALEMU, 2017), (Abeje, 2021), (Getachew, 2020), (Iliyasu & Etikan, 2021) (Tewolde, 2021), (Tsegaye, 2007) and (Uzonwanne, 2016) were predominantly concentrated on a male population while this particular research has a significant number of females and have higher representative model than the others.

Gender					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	109	55.1	55.1	55.1
	Female	89	44.9	44.9	100.0
	Total	198	100.0	100.0	

TABLE 4.1 GENDER COMPOSITION RATE

SOURCE: SURVEY OF QUESTIONNAIRE, 2023

4.1.2 RESPONDENT AGE CATEGORY

The age range of the responders is displayed in the table below. The age of each participant in this study was divided into groups based on their chronological age: under 30, between 31 and 40, between 41 and 50, and over 51. According to the graph, the second age group, defined as those between the ages of 31 and 40, accounted for 33.3% of all respondents. Employees under the age of 30 make up the second-highest percentage with 28.8%, followed by those between the ages of 41 and 50 with 21.7%, and those above the age of 51 with 16.2% of the total respondents. Just like this research other researches like (ALEMU, 2017), (Abeje, 2021), (Getachew, 2020), (Iliyasu & Etikan, 2021) (Tewolde, 2021) and (Tsegaye, 2007) were also dominated by people below 40 years old. This demonstrates that the company's workforce is mostly made up of young, motivated people and most of the decisions were made by young people. Therefore, it would be better for future researchers to be more inclusive and select a population with a better representation for the rest of age group.

Age					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Below 30	57	28.8	28.8	28.8
	31-40	66	33.3	33.3	62.1
	41-50	43	21.7	21.7	83.8
	51 and above	32	16.2	16.2	100.0
	Total	198	100.0	100.0	

TABLE 4.2 RESPONDENT AGE CATEGORY

SOURCE: SURVEY OF QUESTIONNAIRE, 2023

4.1.3 EDUCATIONAL LEVEL OF RESPONDENT

Additionally, the respondents' degree of education is shown in the graph below. The employees' educational backgrounds were divided into three groups for the purposes of this study: diploma and below, first degree, and master's degree and above. Only 4.5% of the overall research participants are diploma or lower holders, whereas 73.2% of the respondents have a bachelor's degree or above, 22.2% have a master's, and so on. Just like this research other researches like (ALEMU, 2017), (Abeje, 2021), (Getachew, 2020), (Iliyasu & Etikan, 2021) (Tewolde, 2021) and (Tsegaye, 2007) were also dominated by people holding of first degree. This demonstrates that degree holders make up the majority of the research respondents. There this research could be considered as a population with degree holders and future researchers needs to be inclusive and select a sample with a better representation of all levels of educational background of respondents.

Education					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Diploma or below	9	4.5	4.5	4.5
	Degree	145	73.2	73.2	77.8
	Masters and above	44	22.2	22.2	100.0
	Total	198	100.0	100.0	

TABLE 4.3 EDUCATIONAL LEVEL OF RESPONDENT

SOURCE: SURVEY OF QUESTIONNAIRE, 2023

4.1.4 WORK EXPERIENCE OF RESPONDENT

The experience of the research participants as reported by the employee is depicted in the figure below. In accordance with the year of employment with the company, the experience was divided into four categories. Employees with 0–5 years of experience make up 38.4% of responses, followed by those with 6–10 years of experience (29.8%), those with 11–15 years of experience (16.2%), and those with 15 years of experience or more (15.7%). Just like this research other researches like (ALEMU, 2017), (Abeje, 2021), (Getachew, 2020), (Iliyasu & Etikan, 2021) (Tewolde, 2021) and (Tsegaye, 2007) were also dominated by people with work experience of ten years or below. This shows that this particular data mostly represents people with less than 10 years of experience and it would be better for future researcher to be more inclusive and select a

population with a better representation for people with more than 10 years of experience since most of the executive decisions were made by this particular group.

Experience					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0-5 years	76	38.4	38.4	38.4
	6-10 years	59	29.8	29.8	68.2
	11-15	32	16.2	16.2	84.3
	15 and above	31	15.7	15.7	100.0
	Total	198	100.0	100.0	

TABLE 4.4 WORK EXPERIENCE OF RESPONDENT

SOURCE: SURVEY OF QUESTIONNAIRE, 2023

4.1.5 MARITAL STATUS OF THE RESPONDENT

The respondents' marital status is shown in the figure below, as can be seen. 52% of all respondents are married, compared to 35.9% who are single, 9.1% who are divorced, and 3% who are widowed. Just like this research other researches like (ALEMU, 2017), (Abeje, 2021), (Getachew, 2020), (Iliyasu & Etikan, 2021) (Tewolde, 2021) and (Tsegaye, 2007) were also dominated by people whom are married. Which means this research could be considered as a population with "married" marital status and future researchers needs to be inclusive and select a sample with a better representation of all levels of marital status.

Marital					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Single	71	35.9	35.9	35.9
	Married	103	52.0	52.0	87.9
	Divorced	18	9.1	9.1	97.0
	widowed	6	3.0	3.0	100.0
	Total	198	100.0	100.0	

TABLE 4.5 MARITAL STATUS OF THE RESPONDENT

SOURCE: SURVEY OF QUESTIONNAIRE, 2023

4.1.6 CURRENT POSITION OF THE RESPONDENT

The aforementioned graph illustrates the respondents' present standing within the business. Their role was labeled as non-managerial and all degrees of management. Out of all respondents, 71.7% are not managers, 18.2% are low-level managers, 8.1% are middle-level managers, and the remaining respondents are top-level managers at the organization. Which means this research could be considered as a population with low level management and non-managerial employees which was expected because more than the 90% of the population were filled by those two management level employees.

Position					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Top level management	4	2.0	2.0	2.0
	Middle level management	16	8.1	8.1	10.1
	Low level management	36	18.2	18.2	28.3
	Non-managerial	142	71.7	71.7	100.0
	Total	198	100.0	100.0	

TABLE 4.6 CURRENT POSITION OF THE RESPONDENT

SOURCE: SURVEY OF QUESTIONNAIRE, 2023

4.1.7 WORK DOMAIN OF THE RESPONDENT

The employees' work domain (pool) is depicted in the figure below. The CEO, public service, construction, and the land pool are the four primary work domains (pools) within the organization. From the total number of respondents, 14.1% of the respondents are from the CEO pool, 16.7% are from the public service pool, 31.3 are from the land pool and 37.9% are from the construction pool. As expected because of the new BPR adopted by the Addis Ababa city administration, which defines the organizational structure, the sample of the construction and land pool were higher.

Pool					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	CEO	28	14.1	14.1	14.1
	Public service	33	16.7	16.7	30.8
	Construction	75	37.9	37.9	68.7

	Land	62	31.3	31.3	100.0
	Total	198	100.0	100.0	

TABLE 4.7 WORK DOMAIN OF THE RESPONDENT

SOURCE: SURVEY OF QUESTIONNAIRE, 2023

The demographics of the respondents generally include slightly more men than women, younger employees for age, first-degree holders for educational level, employees with 0 to 10 years of experience for year of experience, married employees for marital status, and non-managerial positions for position. The dominant qualities of these demographic parameters can have an impact on the outcomes that follow.

4.2 DESCRIPTIVE STATISTIC OF THE VARIABLES

4.2.1 DESCRIPTIVE STATISTIC OF THE INDEPENDENT VARIABLES

This section of the study is based on questionnaire responses from 198 Kolfe Keranio sub-city administration personnel, who were asked to respond on a five-point Likert scale. Four independent variables and one dependent variable make up this study. The significance of using this statistical description is to assess the significance of the respondents' average responses to each variable's statement.

The researcher takes into account an underlying presumption when using any Likert scale for his measurement, which specifies that although though the scale is actually ordinal in nature, it is presumed to be on an interval scale with which statistical features like the mean can legitimately be utilized. In empirical investigations, this assumption is made relatively frequently (Edmondson, 2005). The study uses mean and standard deviation as the optimal measurements for analysis, in light of the mean range created by (Al-Sayaad, J., Rabea, A., Samrah, 2006) of the following table.

No	**Mean range option**	**Response option**
1	1.00-1.80	Strongly disagree
2	1.80-2.60	Disagree
3	2.60-3.40	Neutral

4	3.40-4.20	Agree
5	4.20-5.00	Strongly agree

TABLE 4.8 MEAN RANGE (AL-SAYAAD, RABEA, & SAMRAH, 2006)

In statistics and probability theory, the standard deviation is a commonly used indicator of variety or diversity. The difference or "dispersion" from the mean (or expected value) is demonstrated. it could be demonstrated using the formula for coefficient of variation which reads as the ratio of the standard deviation to its mean value.

$CV = S/x$

Whereas:

CV is the coefficient of variation

S is the standard deviation

X is the mean value

According to the rule of thumb, a $CV >= 1$ indicates a relatively high variation, while a $CV < 1$ can be considered low (Al-Sayaad, Rabea, & Samrah, 2006). A low standard deviation and less than 1 coefficient of variation means the data collected were clustered around the mean while a high standard deviation and higher or equal to 1 coefficient of variation means the data collected were more spread out (responses are polarized).

The minimum and maximum values are also taken into consideration to demonstrate the precise responses provided by survey respondents. The sample mean demonstrates that the majority of responders are the most accurate population predictions.

4.2.2 DESCRIPTIVE STATISTICS OF PERCEIVED RISK

The table can be demonstrated as:

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation

I am absolutely certain that the colors of the information's provided affects my perception of risk and my decision making process	198	1	5	3.91	.897
I am absolutely certain that the signal words of the information's provided affects my perception of risk and my decision making process.	198	1	5	4.18	.779
I am absolutely certain that the surrounding shape of the information's provided affects my perception of risk and my decision making process.	198	1	5	4.35	.745
I am absolutely certain that the framing effect of the information's provided affects my perception of risk and my decision making process.	198	1	5	3.98	.660
I am absolutely certain that the credibility of the source of the information's provided affects my perception of risk and my decision making process.	198	2	5	4.40	.682
I am absolutely certain that the trust on the source of information's provided affects my perception of risk and my decision making process.	198	1	5	4.44	.694
Average				4.210	0.783
Valid N (list wise)	198				

TABLE 4.9 DESCRIPTIVE STATISTICS OF PERCEIVED RISK

SOURCE: SURVEY OF QUESTIONNAIRE, 2023

The respondents were questioned about how perceived risk affected their decision-making while working for the Kolfe Keranio Sub City Administration, as seen in the above table. As a result, item 1 and 2 of the survey's results, which are “I am absolutely certain that the colors of the information’s provided affects my perception of risk and my decision making process” and “I am absolutely certain that the signal words of the information’s provided affects my perception of risk and my decision making process” According to the table, their respective means are 3.91 and 4.18. These results indicate that the majority of respondents believe the criteria listed in items 1 and 2 have an impact on their decision-making.

The same table also shows the result of item 3 and 4 which reads “I am absolutely certain that the surrounding shape of the information’s provided affects my perception of risk and my decision making process” and “I am absolutely certain that the framing effect of the information’s provided affects my perception of risk and my decision making process”. The table displays the corresponding elements' mean values as 4.35 and 3.98. This result also demonstrates that the majority of respondents concur that both of the item's conditions had an impact on respondents' choices.

This table also describes the mean value of item 5 and 6 which reads as “I am absolutely certain that the credibility of the source of the information’s provided affects my perception of risk and my decision making process” and “I am absolutely certain that the trust on the source of information’s provided affects my perception of risk and my decision making process” This demonstrates that the means of the items are exactly 4.40 and 4.44, respectively, indicating that the majority of respondents for items 5 and 6 concur with the statements used to address how perceived risk affects their decision-making.

Employees from all job domains (pool) in Kolfe Keranio sub-city responded to a question on how perceived risk affects their decision-making, and the cumulative mean result was 4.210. This outcome suggests that the respondents concur with the expressions used to represent the degree to which they felt danger when making decisions for the Kolfe Keranio Sub City Administration. They rated the perceived risk when making decisions, which was a favorable perception for their decision-making. Additionally, this variable has a cumulative standard deviation of 0.783, which shows that values are grouped close to the mean and that there is variety in how employees

perceive the impact of the things they are using on their decision-making. Therefore, there was a great likelihood that a large percentage of employees will concur that perceived risk has a significant impact on their decision-making.

These results show that, across all employee pools in the Kolfe Keranio sub-city administration, employees' perceptions of risk had a significant impact on their decision-making. This discovery may aid in our knowledge of the various factors that influence decision-making, including prior experience, cognitive biases, age and personality differences, a sense of personal importance, and a rise in commitment (Faisal, 2019). It might also be used to corroborate Sitkin and Pablo's (1992) findings, which proposed a mediated model of the factors that influence risk-averse decision-making.

Since there is a low standard deviation and less than 1 coefficient of variation for all the items, the data collected could be considered as clustered around the mean.

As a result, the Positive employees' perception established in this study would be associated with possible support by employees of Kolfe Keranio sub city administration when they make decisions because perceptions regarding organizational change processes are significantly predictive of employees' reactions to change (Vithessonthi, 2005). Since they are aware of every risk associated with every choice they make, employees are likely to be impacted by their perception of risk while making decisions.

4.2.3 DESCRIPTIVE STATISTICS OF PERCEIVED SHORTCUT IN JUDGING OF OTHERS

The table can be demonstrated as:

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
I apply selective perception on my decision making.	198	1	5	2.42	.844

I draw a general impression about an individual on the basis of a single characteristic, such as intelligence, sociability, or appearance when I make decision (halo effect)	198	1	5	2.51	1.183
My reaction is influenced by other persons I recently encountered. (contrast effect)	198	1	5	2.39	1.074
I judge someone on the basis of our perception of the group to which he or she belongs. (stereotyping)	198	1	5	1.30	.666
Average				2.15	0.942
Valid N (list wise)	198				

TABLE 4.10 DESCRIPTIVE STATISTICS OF PERCEIVED SHORTCUT IN JUDGING OF OTHERS

SOURCE: SURVEY OF QUESTIONNAIRE, 2023

The table above demonstrates the descriptive statistics of how employees of the Kolfe Keranio sub city administration are impacted when they make decisions as a result of perceived shortcuts in assessing others. The table below displays the survey results for the four items. For all of the following statements: 1, 2, 3, and 4 are “I apply selective perception on my decision making”, “I draw a general impression about an individual on the basis of a single characteristic, such as intelligence, sociability, or appearance when I make decision (halo effect)”, “My reaction is influenced by other persons I recently encountered. (contrast effect)” and “I judge someone on the basis of our perception of the group to which he or she belongs. (stereotyping)” with mean value of 2.42, 2.51, 2.39 and 1.30 respectively.

The **cumulative mean** of the results from the survey of sub city administration personnel for the variable of perceived shortcut in assessing others in decision-making is 2.15 in general. This outcome demonstrates that the sub-city administration's staff disagrees with the statement used to

gauge how quickly people are regarded to judge others when making decisions. The variable's **cumulative standard deviation** of 0.942 demonstrates the variability of the research participants' responses. Also for the item number 1 and 4, there is a low standard deviation and less than 1 coefficient of variation for all the items, the data collected could be considered as clustered around the mean while for the item number 2 and 3, there is a slightly higher standard deviation and less than 1 coefficient of variation for all the items, the data collected could be considered as slightly spread out.

The statistics above, which show that there is little to no effect of perceived short cut judging of others on their decision making, support these findings (Robbins & Judge, 2013), which imply that the majority of the sub cities administration employees are opposed to perceived shortcut judging of others when they make decisions. This

4.2.4 DESCRIPTIVE STATISTICS OF THE PERSONAL BIAS OF AN INDIVIDUAL

The table can be demonstrated as:

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
I tend to be far too optimistic when asked to judge the probability that my decisions were correct. (Overconfidence Bias)	198	1	5	2.57	.942
I tend to fixate on initial information and fail to adequately adjust for subsequent information in my decision making. (Anchoring Bias)	198	1	5	1.81	.776
I seek out information that reaffirms my past choices, and I discount information that contradicts them when I make decision. (Confirmation Bias)	198	1	4	1.70	.745

I tend to base my judgments on information readily available. Events that evoke emotions, are particularly vivid, or are more recent tend to be more available in my memory, leading us to overestimate the chances of unlikely events when I make decision. (A	198	1	5	1.83	.861
I tend to stay with my decision even when there is clear evidence it's wrong. (Escalation of Commitment)	198	1	5	1.69	.727
I tend to prefer a sure thing over a risky outcome when I make decision. (Risk Aversion)	198	1	5	2.14	.996
I tend to believe falsely, after the outcome is known, that I'd have accurately predicted it when I make decision. (Hindsight Bias)	198	1	4	1.63	.806
Average				1.91	0.837
Valid N (list wise)	198				

TABLE 4.11 DESCRIPTIVE STATISTICS OF THE PERSONAL BIAS OF AN INDIVIDUAL

SOURCE: SURVEY OF QUESTIONNAIRE, 2023

The respondents were questioned about how personal bias affected their decision-making in the Kolfe Keranio Sub City Administration, as illustrated in the aforementioned Table 4.3. As a result, the survey's findings for items 1, 2, 3, and 4 are "I tend to be far too optimistic when asked to judge the probability that my decisions were correct", "I tend to fixate on initial information and fail to adequately adjust for subsequent information in my decision making", "I seek out information that reaffirms my past choices, and I discount information that contradicts them when I make decision" and "I tend to base my judgments on information readily available. Events that evoke emotions, are particularly vivid, or are more recent tend to be more available in my memory, leading us to overestimate the chances of unlikely events when I make decision". According to the table, the corresponding variables' respective means are 2.57, 1.81, 1.70, and 1.83. These results indicate that the majority of respondents do not concur with the proposition made to them and that this disagreement is less likely to influence their decision-making.

The same table also shows the result of item 5, 6 and 7 which reads “I tend to stay with my decision even when there is clear evidence it’s wrong”, “I tend to prefer a sure thing over a risky outcome when I make decision” and “I tend to believe falsely, after the outcome is known, that I’d have accurately predicted it when I make decision”. The table gives the individual elements' means as 1.69, 2.14, and 1.63. The majority of respondents, as evidenced by this result, did not agree with the assertion that the item's two conditions had an impact on respondents' choices.

The **cumulative mean** response from Kolfe Keranio sub-city employees across all job domains (pool) regarding the impact of a person's personal bias on their decision-making has a mean score of 1.91. This finding suggests that the respondents disagree with the assertions made above on the degree to which personal bias influences their decision-making in the Kolfe Keranio Sub City Administration. These findings also that the Decision makers engage in bounded rationality, but they also allow systematic biases and errors to creep into their judgments (Robbins & Judge, 2013). The **cumulative standard deviation** for this measure, which is 0.837, also shows that values are grouped near to the mean and that there is heterogeneity in how employees perceive the impact of the items they are using on their decision-making.

Since there is a low standard deviation and less than 1 coefficient of variation for all the items, the data collected could be considered as clustered around the mean.

4.2.5 DESCRIPTIVE STATISTICS OF THE INDIVIDUAL DIFFERENCES INFLUENCES

The table can be demonstrated as:

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
The culture I came from affect my decision making. (cultural difference)	198	1	5	4.36	.798
My mental ability and state certainly affect my decision making.	198	1	5	4.25	.708
My gender (F/M) certainly plays a major role in my decision making.	198	1	5	2.85	.763

Average				3.82	0.786
Valid N (list wise)	198				

TABLE 4.12 DESCRIPTIVE STATISTICS OF THE INDIVIDUAL DIFFERENCES INFLUENCES

SOURCE: SURVEY OF QUESTIONNAIRE, 2023

The table above illustrates the descriptive statistics of how personnel of the Kolfe Keranio sub city administration make decisions based on individual differences. The table below displays the survey results for the four items. For the all statement 1, 2, 3 and 4 which are “The culture I came from affect my decision making”, “My mental ability and state certainly affect my decision making” and “My gender (F/M) certainly plays a major role in my decision making” with mean value of 4.36, 4.25 and 2.85 respectively.

In general, the **cumulative mean** of the results from the survey of sub city administration employees for the variable of individual variations in decision making is 3.82. This outcome demonstrates that the sub-city administration's staff agrees with the statement used to account for individual differences when making decisions. Additionally, the variable's **cumulative standard deviation** of 0.786 demonstrates the heterogeneity in the research participants' responses.

Since there is a low standard deviation and less than 1 coefficient of variation for all the items, the data collected could be considered as clustered around the mean.

These results suggest as it could be seen on Robbins & Judge, 2013, that the majority of the sub city administration staff agree that individual differences have an impact on the decisions they make.

4.2.6 DESCRIPTIVE STATISTICS OF DEMOGRAPHIC CHARACTERISTICS

According to studies, a person's traits may influence the judgments they make when faced with particular scenarios or under particular conditions. The purpose of this study was to investigate the degree to which employees' demographic characteristics affected their perceptions and whether or not this would ultimately affect their decision-making based on the responses provided by each respondent and guided by a variety of indicators across the investigated variables.

4.3 DESCRIPTIVE STATISTICS OF DEMOGRAPHIC CHARACTERISTICS

The researcher analyzed the data by considering the respondents who have given their answer as "agree" or "strongly agree" as a respondent who have reacted to the items put under them positively while the respondents who have given their answer as "disagree" or "strongly disagree" as a respondent who have reacted to the items put under them negatively and the "neutrals" as a respondent who have reacted neither in agreement nor in dis agreement.

It could be seen from the below demonstration;

4.3.1 THE INFLUENCE OF GENDER

The table can be demonstrated as:

I am absolutely certain that perceived risk plays a major role when I make decision. * Gender Cross tabulation

Statement	Likert scale	Gender		Total
		Male	Female	
I am absolutely certain that perceived risk affects plays a major role when I make decision.	Disagree	4	1	5
	Neutral	6	2	8
	Agree	71	61	132
	Strongly agree	28	25	53
Total		109	89	198

Gender * I apply shortcut judging of others through perception when I make decision Cross tabulation

		I apply shortcut judging of others through perception when I make decision					
		Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Total
Gender	Male	34	49	16	9	1	109
	Female	19	46	23	1	0	89
Total		53	95	39	10	1	198

Gender * I am absolutely certain that I apply personal bias on individuals when I make decision Cross tabulation						
		I am absolutely certain that I apply personal bias on individuals when I make decision				
		Strongly disagree	Disagree	Neutral	Agree	Total
Gender	Male	39	56	6	8	109
	Female	31	56	1	1	89
Total		70	112	7	9	198

Gender * I am absolutely certain that individual differences play a major role when I make decision Cross tabulation							
		I am absolutely certain that individual differences play a major role when I make decision					Total
		Strongly disagree	Disagree	Neutral	Agree	Strongly agree	
Gender	Male	1	2	29	70	3	109
	Female	0	1	14	72	2	89
Total		1	3	47	142	5	198

TABLE 4.13 DESCRIPTIVE STATISTICS OF DEMOGRAPHIC CHARACTERISTICS (GENDER INFLUENCE)

SOURCE: SURVEY OF QUESTIONNAIRE, 2023

The impact of gender on decision-making as a result of all the independent variables is displayed in the table above. The majority of the females respond in accordance with the table have given an answer Positively for the independent variable 1 and 4 with (86 (96.6%) and 74 (83.15%) people answered positively respectively, 2 (2.25%) and 14 (15.73%) were neutral respectively and 1(1.22%) and 1 (1.12%) answered negatively respectively) while the majorities of male respondents are positive as well with (99 (90.8%) and 73 (66.97%) people answered positively respectively, 6 (5.5%) and 29 (26.6%) were neutral and 4 (3.67%) and 3 (2.75%) was in disagreement respectively) to the effect of perceived risk and individual differences on their decision making. As for the independent variable 2 and 3 the female respondent gave there thought on the matter. And the results were (65 (73.04%) and 89 (97.75%) people answered negatively,

23 (25.8%) and 1 (1.13%) were neutral and 1(1.22%) and 1 (1.12%) answered positively respectively) while the majorities of male respondents are negative as well with (83 (76.15%) and 95 (87.15%) people answered negatively, 16 (14.67%) and 6 (5.5%) were neutral and 10 (9.17%) and 8 (7.34%) was in agreement with the statements respectively) to the effect of shortcut judging of others and personal bias on their decision making.

According to the results, the majority of the male and female employees at the kolfe keranio sub city administration agreed that individual differences and perceived risk play a role in decision-making. This result could support the findings of William and noyes (2007) which reads that perceived risk in any form of gender, robbines and judges (2013) has also reads that both the personal bias and shortcut judging of others has a negative impact while the individual differences in any form of gender has a positive perceived effect on their individual decision making. The results also indicate that the majority of the male and female employees at the Kolfe Keranio Sub City Administration expressed a negative reaction to the idea that their decisions are often influenced by personal bias and hasty judgments of others.

4.3.2 THE INFLUENCE OF AGE

The table can be demonstrated as:

1. I am absolutely certain that perceived risk affects plays a major role when I make decision.

*** Age Cross tabulation**

Statement	Likert scale	Age				Total
		Below 30	31-40	41-50	51 and above	
I am absolutely certain that perceived risk affects plays a major role when I make decision.	Disagree	1	4	0	0	5
	Neutral	3	4	0	1	8
	Agree	43	41	25	23	132
	Strongly agree	10	17	18	8	53
Total		57	66	43	32	198

2. I apply shortcut judging of others through perception when I make decision Cross * Age tabulation

Statement		I apply shortcut judging of others through perception when I make decision					Total
		Strongly disagree	Disagree	Neutral	Agree	Strongly agree	
Age	Below 30	8	21	18	10	0	57
	31-40	11	33	13	8	1	66
	41-50	4	29	6	4	0	43
	51 and above	4	18	8	2	0	32
Total		27	101	45	24	1	198

3. I am absolutely certain that I apply personal bias on individuals when I make decision

*** Age Cross tabulation**

Statement		I am absolutely certain that I apply personal bias on individuals when I make decision				Total
		Strongly disagree	Disagree	Neutral	Agree	
Age	Below 30	19	31	2	5	57
	31-40	19	38	5	4	66
	41-50	19	24	0	0	43
	51 and above	13	19	0	0	32
Total		70	112	7	9	198

4. I am absolutely certain that individual differences play a major role when I make decision

*** Age Cross tabulation**

Statement		I am absolutely certain that individual differences play a major role when I make decision				Total
		Disagree	Neutral	Agree	Strongly agree	
Age	Below 30	2	19	35	1	57
	31-40	1	12	50	3	66
	41-50	0	9	33	1	43
	51 and above	1	7	24	0	32
Total		4	47	142	5	198

TABLE 4. 14 DESCRIPTIVE STATISTICS OF DEMOGRAPHIC CHARACTERISTICS (AGE INFLUENCE)

SOURCE: SURVEY OF QUESTIONNAIRE, 2023

The table above illustrates the impact of age groups in the sub city on choices made as a result of all the independent variables. The majority of respondents who are under 30 years old provide an answer based on the table. 53 (92.9%) and 36 (63.15%) respondents gave positive responses to the independent variables 1 and 4, compared to 3 (5.26%) and 19 (33.33%) neutral responses and 1 (1.76%) and 2 (3.51%) negative responses, respectively. Regarding the respondents between the ages of 31 and 40, the majority of them agreed that perceived risk and individual differences had an impact on their decision-making (58 (87.87%) and 53 (80.3%) people responded positively, respectively, while 4 (6.06%), 12 (18.18%), and 4 (6.06%) disagreed. The respondents under 30 offered their opinions regarding the independent variables 2 and 3. The results showed that the majority of respondents aged between 31 and 40 agreed with the statements negatively, with 44 (66.66%) and 57 (86.36%) respondents answering negatively, 13 (19.7%) and 5 (7.58%) agreeing with the statements, and 9 (13.64%) and 4 (6.06%) disagreeing with the statements, respectively. The majority of respondents aged between 21 and 30 also agreed with the statements negatively.

The findings demonstrate that a majority of the employees at the Kolfe Keranio Sub City Administration across a range of age groups responded favorably to the idea that individual differences and perceived risk have an impact on how decisions are made. This result could support the findings of William and noyes, 2007 which reads that perceived risk in any form of age, robbines and judges, 2013 has also reads that both the personal bias and shortcut judging of others has a negative impact while the individual differences in any form of age has a positive perceived effect on their individual decision making. The results indicate that the majority of employees at the Kolfe Keranio Sub City Administration answered negatively to the idea that shortcut judgment of others and personal prejudice influence their decision-making.

4.3.3 THE INFLUENCE OF EDUCATION

The table can be demonstrated as:

Education * I am absolutely certain that perceived risk affects plays a major role when I make decision. **Cross tabulation**		
	I am absolutely certain that perceived risk affects plays a major role when I make decision.	Total

		Disagree	Neutral	Agree	Strongly agree	
Education	Diploma or below	0	1	6	2	9
	Degree	4	6	98	37	145
	Masters and above	1	1	28	14	44
Total		5	8	132	53	198

Education * I apply shortcut judging of others through perception when I make decision Cross tabulation

		I apply shortcut judging of others through perception when I make decision					
		Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Total
Education	Diploma or below	0	5	2	2	0	9
	Degree	21	71	35	18	0	145
	Masters and above	6	25	8	4	1	44
Total		27	101	45	24	1	198

Education * I am absolutely certain that I apply personal bias on individuals when I make decision Cross tabulation

		I am absolutely certain that I apply personal bias on individuals when I make decision				Total
		Strongly disagree	Disagree	Neutral	Agree	
Education	Diploma or below	3	6	0	0	9
	Degree	49	81	6	9	145
	Masters and above	18	25	1	0	44
Total		70	112	7	9	198

Education * I am absolutely certain that individual differences play a major role when I make decision Cross tabulation

		I am absolutely certain that individual differences play a major role when I make decision				Total
		Disagree	Neutral	Agree	Strongly agree	
Education	Diploma or below	0	4	5	0	9
	Degree	3	32	107	3	145
	Masters and above	1	11	30	2	44
Total		4	47	142	5	198

TABLE 4.15 DESCRIPTIVE STATISTICS OF DEMOGRAPHIC CHARACTERISTICS (EDUCATION INFLUENCE)

SOURCE: SURVEY OF QUESTIONNAIRE, 2023

The table above displays how all of the independent variables, including employee education status, have an impact on decisions made by sub-city employees. According to the data, the majority of respondents with a diploma or lower have provided a response. Positively, as 8 (88.88%) and 5 (55.55%) respondents responded positively to the independent variables 1 and 4, respectively, while 1 (11.11%) and 4 (44.44%) respondents gave neutral responses. Regarding respondents with degrees, there were majorities of positive responses (135 (93.1%) and 110 (75.8%), indifferent responses from 6 (4.14%) and 32 (22.07%), and disagreement responses from 4 (2.76%) and 3 (2.07%).

The statistics also show that the impact of perceived risk and individual differences on respondents with master's degrees and higher is as follows: 42 (95.45%) and 32 (72.72%) respondents gave positive responses, 1 (2.3%) and 11 (25%) respondents gave neutral responses, and 1 (2.27%) and 1 (2.27%) respondents gave disagreeing responses, respectively. Regarding the independent variables 2 and 3, the majority of respondents with a diploma or less provided negative responses for each, with 5 (55.55%) and 9 (100%) people responding negatively, 2 (22.22%) and 0 (0%) responding neutrally, and 1 (11.11%) and 0 (0%) responding in agreement, respectively. Regarding respondents with degrees, 92 (63.44%) and 130 (89.65%) of them gave negative responses, 35 (24.14%) and 6 (4.13%) gave indifferent responses, and 18 (12.41%) and 9 (6.2%) gave agreeable responses, respectively.

Also, the statistics show that the impact of perceived risk and individual differences on respondents with master's degrees and higher is as follows: 31 (70.45%) and 43 (92.72%) respondents gave negative responses, 8 (18.18%) and 1 (2.27%) respondents gave neutral responses, and 5 (11.36%) respondents gave positive responses.

This study's findings demonstrate that a majority of the employees at the Kolfe Keranio Sub City Administration from various educational backgrounds agreed that perceived risk and individual differences have an impact on how decisions are made. This result could support the findings of William and noyes, 2007 which reads that perceived risk in any form of education, robbines and judges, 2013 has also reads that both the personal bias and shortcut judging of others has a negative impact while the individual differences in any form of education has a positive perceived effect on their individual decision making. However, the results indicate that the majority of employees at the Kolfe Keranio Sub City Administration answered negatively (in disagreement) to the idea that shortcut judgment of others and personal prejudice influence their decision-making.

4.3.4 THE INFLUENCE OF CURRENT POSITION

The table can be demonstrated as:

Position * I am absolutely certain that perceived risk affects plays a major role when I make decision. Cross tabulation

		I am absolutely certain that perceived risk affects plays a major role when I make decision.				
		Disagree	Neutral	Agree	Strongly agree	Total
Position	Top level management	0	0	2	2	4
	Middle level management	0	2	9	5	16
	Low level management	0	0	22	14	36
	Non-managerial	5	6	99	32	142
Total		5	8	132	53	198

Position * I apply shortcut judging of others through perception when I make decision Cross tabulation

	I apply shortcut judging of others through perception when I make decision	Total

		Strongly disagree	Disagree	Neutral	Agree	Strongly agree	
Position	Top level management	0	3	1	0	0	4
	Middle level management	2	5	5	3	1	16
	Low level management	5	19	9	3	0	36
	Non-managerial	20	74	30	18	0	142
Total		27	101	45	24	1	198

Position * I am absolutely certain that I apply personal bias on individuals when I make decision Cross tabulation

		I am absolutely certain that I apply personal bias on individuals when I make decision				
		Strongly disagree	Disagree	Neutral	Agree	Total
Position	Top level management	1	3	0	0	4
	Middle level management	4	11	1	0	16
	Low level management	14	21	1	0	36
	Non-managerial	51	77	5	9	142
Total		70	112	7	9	198

Position * I am absolutely certain that individual differences play a major role when I make decision Cross tabulation

Count

		I am absolutely certain that individual differences play a major role when I make decision				
		Disagree	Neutral	Agree	Strongly agree	Total
Position	Top level management	0	0	3	1	4
	Middle level management	0	4	11	1	16
	Low level management	2	4	29	1	36
	Non-managerial	2	39	99	2	142
Total		4	47	142	5	198

TABLE 4.16 DESCRIPTIVE STATISTICS OF DEMOGRAPHIC CHARACTERISTICS (CURRENT POSITION INFLUENCE)

SOURCE: SURVEY OF QUESTIONNAIRE, 2023

The table above shows the influence of employee's current position on their decision making caused by all the independent variables. Based on the table, majorities of the low level management are given an answer Positively for the independent variable 1 and 4 are (36 (100%) and 30 (83.33%) people answered positively respectively, 0 (0%) and 4 (11.11%) were neutral respectively and 0(0%) and 2 (5.55%) answered negatively respectively) while the majorities of non-managerial respondents are positive as well with (131 (92.25%) and 101 (71.12%) people answered positively respectively, 6 (4.22%) and 39 (27.46%) were neutral and 5 (3.52%) and 2 (1.4%) was in disagreement respectively) to the effect of perceived risk and individual differences on their decision making.

As for the independent variable 2 and 3 the low level management gave there thought on the matter. And the results were (24 (66.66%) and 35 (97.22%) people answered negatively, 9 (25%) and 1 (2.77%) were neutral and 3 (8.33%) and 0 (0%) answered positively respectively) while the majorities of non-managerial respondents are negative as well with (94 (66.19%) and 128 (90.14%) people answered negatively, 30 (21.12%) and 5 (3.52%) were neutral and 18 (12.67%) and 9 (6.33%) was in agreement with the statements respectively) to the effect of shortcut judging of others and personal bias on their decision making.

This results shows both non-managerial and managerial employees at the kolfe keranio sub city administration responded positively (in agreement), in majority, to believing there is an effect of perceived risk and the individual differences when they make decision. This result could support the findings of William and noyes, 2007 which reads that perceived risk in any form of current position, robbines and judges, 2013 has also reads that both the personal bias and shortcut judging of others has a negative impact while the individual differences in any form of current position has a positive perceived effect on their individual decision making. Whereas the result shows both non-managerial and managerial employees at the kolfe keranio sub city administration responded negatively (in disagreement), in majority, to believing there is an effect of short cut judging of others and personal bias when they make decision.

4.3.5 THE INFLUENCE OF WORK DOMAIN (POOL)

The table can be demonstrated as:

Pool * I am absolutely certain that perceived risk affects plays a major role when I make decision. Cross tabulation

		I am absolutely certain that perceived risk affects plays a major role when I make decision.				
		Disagree	Neutral	Agree	Strongly agree	Total
Pool	CEO	1	2	20	5	28
	Public service	2	2	15	14	33
	Construction	2	2	58	13	75
	Land	0	2	39	21	62
Total		5	8	132	53	198

Pool * I apply shortcut judging of others through perception when I make decision Cross tabulation

		I apply shortcut judging of others through perception when I make decision					
		Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Total
Pool	CEO	3	12	10	3	0	28
	Public service	3	17	5	8	0	33
	Construction	9	33	33	9	1	75
	Land	12	39	7	4	0	62
Total		27	101	45	24	1	198

Pool * I am absolutely certain that I apply personal bias on individuals when I make decision Cross tabulation

		I am absolutely certain that I apply personal bias on individuals when I make decision				
		Strongly disagree	Disagree	Neutral	Agree	Total
Pool	CEO	7	18	2	1	28
	Public service	11	18	1	3	33
	Construction	30	37	3	5	75

	Land	22	39	1	0	62
Total		70	112	7	9	198

Pool * I am absolutely certain that individual differences play a major role when I make decision Cross tabulation

		I am absolutely certain that individual differences play a major role when I make decision				
		Disagree	Neutral	Agree	Strongly agree	Total
Pool	CEO	0	8	20	0	28
	Public service	0	7	25	1	33
	Construction	2	26	46	1	75
	Land	2	6	51	3	62
Total		4	47	142	5	198

TABLE 4.17 DESCRIPTIVE STATISTICS OF DEMOGRAPHIC CHARACTERISTICS (WORK DOMAIN)

SOURCE: SURVEY OF QUESTIONNAIRE, 2023

The table above shows the influence of work domain (pool) categories at the sub city on decision making caused by all the independent variables. Based on the table, majorities of the respondent whom their work domain is at the CEO are given an answer Positively for the independent variable 1 and 4 are (25 (89.28%) and 20 (71.42%) people answered positively (in agreement) respectively, 2 (7.14%) and 8 (28.57%) were neutral respectively and 1(3.57%) and 0 (0%) answered in disagreement respectively). As for the respondents the public service pool, the majorities of respondents are positive as well with (29 (87.87%) and 26 (78.78%) people answered positively respectively, 2 (6.06%) and 7 (21.21%) were neutral and 2(6.06%) and 0 (0%) was in disagreement respectively). For the construction pool the stats reads (71 (94.66%) and 47 (62.66%) people answered positively respectively, 2 (2.66%) and 26 (34.66%) were neutral and 2(2.66%) and 2 (2.66%) was in disagreement respectively). As for the respondents the land pool, the majorities of respondents are positive as well with (60 (96.77%) and 54 (87.09%) people answered positively respectively, 2 (3.22%) and 6 (9.67%) were neutral and 0 (0%) and 2 (3.22%) was in disagreement respectively) to the effect of perceived risk and individual differences on their decision making. As for the independent variable 2 and 3, the majorities of the respondent whom their work domain

is at the CEO are given an answer negatively (in disagreement) for the independent variable 2 and 3 as the stat shows (15 (53.57%) and 25 (89.28%) people answered negatively (in disagreement) respectively, 10 (35.71%) and 2 (7.14%) were neutral respectively and 3 (10.7%) and 1 (3.57%) answered in agreement respectively). As for the respondents the public service pool, the majorities of respondents are negative as well with (20 (60.60%) and 29 (87.87%) people answered negatively (in disagreement) respectively, 5 (15.15%) and 1 (3.03%) were neutral and 8 (24.24%) and 3 (9.09%) was in agreement respectively). For the construction pool the stats reads (42 (56%) and 67 (89.33%) people answered negatively respectively, 33 (44%) and 3 (4%) were neutral and 10 (13.33%) and 5 (6.66%) was in agreement respectively). As for the respondents the land pool, the majorities of respondents are negative as well with (51 (82.25%) and 61 (98.38%) people answered negatively respectively, 7 (11.29%) and 1 (1.67%) were neutral and 4 (6.48%) and 0 (0%) was in agreement with the statements respectively) to the effect of shortcut judging of others and personal bias on their decision making.

This results shows that the employees in every work domain at the kolfe keranio sub city administration responded positively (in agreement), in majority, to believing there is an effect of perceived risk and the individual differences when they make decision. This result could support the findings of William and noyes, 2007 which reads that perceived risk in any form of work domain, robbines and judges, 2013 has also reads that both the personal bias and shortcut judging of others has a negative impact while the individual differences in any form of work domain has a positive perceived effect on their individual decision making. Whereas the result shows all employees in every work domain (pool) at the kolfe keranio sub city administration responded negatively (in disagreement), in majority, to believing there is an effect of short cut judging of others and personal bias when they make decision.

4.4 DESCRIPTIVE STATISTICS OF INDIVIDUAL DECISION MAKING

The table can be demonstrated as:

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
I am absolutely certain that I am as transparent as I can be when I make decision.	198	1	5	4.53	.642

I am absolutely certain that I am as accountable as I can be for my decisions.	198	2	5	4.52	.559
I am absolutely certain that I am as fair as I can be when I make decisions.	198	3.0	5.0	4.465	.5484
I am absolutely certain that I am as consistent as I can be with my decisions.	198	2	5	4.52	.540
I am absolutely certain that my decisions are predictable.	198	1	5	4.18	.841
Valid N (list wise)	198				

TABLE 4.18 DESCRIPTIVE STATISTICS OF INDIVIDUAL DECISION MAKING

SOURCE: SURVEY OF QUESTIONNAIRE, 2023

The above table shows the descriptive statistics of the dependent variable result, which is the sub cities administration employee's decision making. So from the table we can see the results of all the items which are "I am absolutely certain that I am as transparent as I can be when I make decision", "I am absolutely certain that I am as accountable as I can be for my decisions", "I am absolutely certain that I am as fair as I can be when I make decisions", "I am absolutely certain that I am as consistent as I can be with my decisions", "I am absolutely certain that my decisions are predictable" used to measure the employees decision making at the sub city. The results to the mentioned items have a mean value of 4.53, 4.52, 4.465, 4.52, 4.18 respectively.

Generally, the result of the survey from all the pools in the sub city for the variable of the employee decision making has 4.424 cumulative mean which means the majorities of the respondents are agreed to the statements used to measure the effectiveness of employee's decision making at the sub city. Therefore, there is a possibility of the employee's decision making will come successful.

4.4.1 SUMMARY OF DESCRIPTIVE ANALYSIS OF THE VARIABLES

Under this section the summary of the variables was presented. The variables are described here according to their cumulative mean value and percent's.

No	Variables	Std. mean	Scale level
1	The perceived risk	4.17	Agree

2	The shortcut judging	2.19	Disagree
3	The personal bias	1.77	Disagree
4	The individual differences	3.51	Agree
5	The decision making	4.49	Agree

TABLE 4.19 SUMMARY OF DESCRIPTIVE ANALYSIS OF THE VARIABLES

SOURCE: SURVEY OF QUESTIONNAIRE, 2023

To summarize the above table, some of the independent variables (the perceived risk, the individual differences) are response on the positive side while other independent variables like (the shortcut judging, the personal bias) responded negatively in the measurements. These variables got the scale level of "agree", a couple of "disagree" and "agree" once again respectively. For the dependent variable the scale result was "agree". To generalize the exact relationships of the variables and the research model the inferential analysis was undertaken in the next portion.

4.5 ANALYSIS OF INFERENTIAL STATISTICS

In this section, the results of inferential statistics are presented. The dependent variable, which is the individual decision making is used for inferential analysis against the independent variables. For the purpose of achieving of the objective of the study, both Karl Pearson's Correlation Coefficient and regression analyses were performed.

4.5.1 PEARSON CORRELATION ANALYSIS

The researcher uses Karl Pearson's coefficient of correlation (or simple correlation), because it is the most widely used method of measuring the degree of relationship between two variables (C.R. Kothari, 1985).

The strength of relationship between variables could be seen in the following table.

Correlation coefficient	Interpretation
0.00-0.19	Very weak relationship
0.2-0.39	Weak relationship
0.4-0.59	Moderate relationship
0.6-0.79	Strong relationship

0.8-1.0	Very strong relationship

TABLE 4.20 PEARSON CORRELATION ANALYSIS

SOURCE: (Evans, 1996)

The correlation between the independent variables with the dependent variable as well as each other could be seen in the following table:

Correlations						
		The perceived risk	The shortcut judging	Personal bias	Individual difference	individual decision making
The perceived risk	Pearson Correlation	1	-.267**	-.461**	.510**	.607**
	Sig. (2-tailed)		.000	.000	.000	.000
	N	198	198	198	198	198
The shortcut judging	Pearson Correlation	-.267**	1	.629**	-.236**	-.194**
	Sig. (2-tailed)	.000		.000	.001	.006
	N	198	198	198	198	198
Personal bias	Pearson Correlation	-.461**	.629**	1	-.363**	-.386**
	Sig. (2-tailed)	.000	.000		.000	.000
	N	198	198	198	198	198
Individual difference	Pearson Correlation	.510**	-.236**	-.363**	1	.467**
	Sig. (2-tailed)	.000	.001	.000		.000
	N	198	198	198	198	198
Individual of decision making	Pearson Correlation	.607**	-.194**	-.386**	.467**	1
	Sig. (2-tailed)	.000	.006	.000	.000	

	N	198	198	198	198	198
**. Correlation is significant at the 0.01 level (2-tailed).						

TABLE 4.21 CORRELATION BETWEEN VARIABLES

SOURCE: SURVEY OF QUESTIONNAIRE, 2023

The table above shows the perfect positive correlation between employees perceived risk and their decision making with a significant level of 0.00. Therefore, the relationship between the employees perceived risk and their decision making has a strong positive correlation since the r (Pearson correlation) value lies between 0.6 and 0.79 (Evans, 1996). This result is also the findings of literatures which reads that perceived risk has a positive (As the perceived risk increases there is a higher effect on employee's decision making) relationship with an individual decision making (WILLIAMS & NOYES, 2007) & (Abeje, 2021). As shown in the table, the perceived risk has negative correlation with both the shortcut judging of others and personal bias and has a positive correlation with the individual differences. Which can be interpreted as when the value of the shortcut judging of others and personal bias increases, the value of the perceived risk tends to decrease. Negative relationships produce a downward slope. As well as when the value of the individual difference increases, the value of the perceived risk also tends to increase. Positive relationships produce an upward slope.

The above table also shows the perfect negative correlation between shortcut judging of other and decision making with a significant level of 0.006. Therefore, the relationship between the shortcut judging of other and decision making has a very weak negative correlation since the r (Pearson correlation) value lies between -0.199 and 0.00 (Evans,1996). This result could also seconds the findings of literatures which reads that shortcut judging of others has a negative (As the shortcut judging of other has a low effect on employee's decision making) relationship with an individual decision making (Robbins & Judge, 2013) & (Getachew, 2020). As shown in the table, the shortcut judging of others have negative correlation with the individual difference and has a positive correlation with the personal bias. Which can be interpreted as when the value of the individual difference increases, the value of the shortcut judging of others tends to decrease. As well as when the value of the personal bias increases, the value of shortcut judging of others also tends to increase.

The table above also shows the perfect negative correlation between personal bias and decision making with a significant level of 0.000. Therefore, the relationship between the personal bias and

decision making has a weak negative correlation since the r (Pearson correlation) value lies between -0.39 and -0.2 (Evans,1996). This result opposes the findings of literatures which reads that personal bias has a negative (The personal bias has a negative effect on employee's decision making) relationship with an individual decision making (Robbins & Judge, 2013) & (Getachew, 2020). As shown in the table, the personal biasness has negative correlation with the individual difference. Which can be interpreted as when the value of the individual difference increases, the value of personal biasness tends to decrease.

Finally, the table above shows the perfect positive correlation between employee's individual differences and their decision making with a significant level of 0.000. Therefore, the relationship between employee's individual differences and their decision making on has a moderate positive correlation since the r (Pearson correlation) value lies between 0.4 and 0.59 (Evans,1996). This result is also the findings of literatures which reads that the individual differences has a positive (As the higher the individual differences the higher the variety of employee's decision making) relationship with an individual decision making (WILLIAMS & NOYES, 2007) & (Abeje, 2021).

4.6 REGRESSION ANALYSIS

The study used multiple regression analysis to look at the explanatory power of the variables. In research where there are two or more independent variables that are believed to influence one or more dependent variables, multiple regressions are typically used (Paul Baker, 2006). The amount of variance in the dependent variable that can be explained by the independent variables can be found using regression analysis. In this study, a preliminary analysis was conducted to check the key assumptions of regressions, such as normality, linearity, homoscedasticity, multi-collinearity, and autocorrelation, before using regression analysis and assessing the research hypothesis. The data must fully support all of the assumptions in order to do a parametric analysis; otherwise, a non-parametric analysis must be used.

4.6.1 TEST FOR NORMALITY

Test the data for normality to see if it fits the normal distribution model or not. The graphical technique of testing, the Shapiro-Wiks and Kolmogrov-Smirnov test, or measuring the standard skewness and standard kurtosis might all be used to verify the results of this test of normal distribution. When a study is working with a small sample size, data less than 100 observations, the normalcy assumption assumes a crucial role. The researcher checked the normality assumption by measuring the standard skewness and standard kurtosis, despite the fact that the study's

observation or sample size is sufficiently big (more than 100 observations). According to Hair et al. (2014), for data with a significance level of 0.05, the Z statistics should not go over the crucial value between -1.96 and +1.96 in order for the data to be normally distributed (Hair, 2014).

Descriptive			
		Statistic	Std. Error
The perceived risk	Skewness	-.848	.173
	Kurtosis	1.329	.344
Personal bias	Skewness	1.166	.173
	Kurtosis	1.461	.344
The shortcut judging	Skewness	.824	.173
	Kurtosis	.628	.344
Individual difference	Skewness	-.835	.173
	Kurtosis	1.244	.344
Individual decision making	Skewness	-.408	.173
	Kurtosis	-.795	.344

TABLE 4.22 TEST FOR NORMALITY (SKEWNESS AND KURTOSIS)

SOURCE: SURVEY OF QUESTIONNAIRE, 2023

It is more customary to evaluate the standard skewness and kurtosis of the data (histograms can also be used) to test the normalcy of the data with a significant level of 0.05 and for a high sample size (>100). The variables' standard skewness and kurosis are all between -1.96 and +1.96, hence the data can be regarded as regularly distributed.

4.6.2 TEST FOR LINEARITY

Using a normal P-P plot, the assumption that the connection between the independent and dependent variables is linear is verified. Scatter plots of the regression residuals for each model using SPSS software were used to assess if the connection between the dependent variables and the independent variables is linear. The best way to test the linearity assumption is with scatter plots, and you can also see if it's true by looking at a histogram or a P-P-Plot. The residuals scatter plot (see the figures below) revealed that the points are roughly aligned from bottom left to top right. As a result, the assumption of linearity was not broken in this investigation.

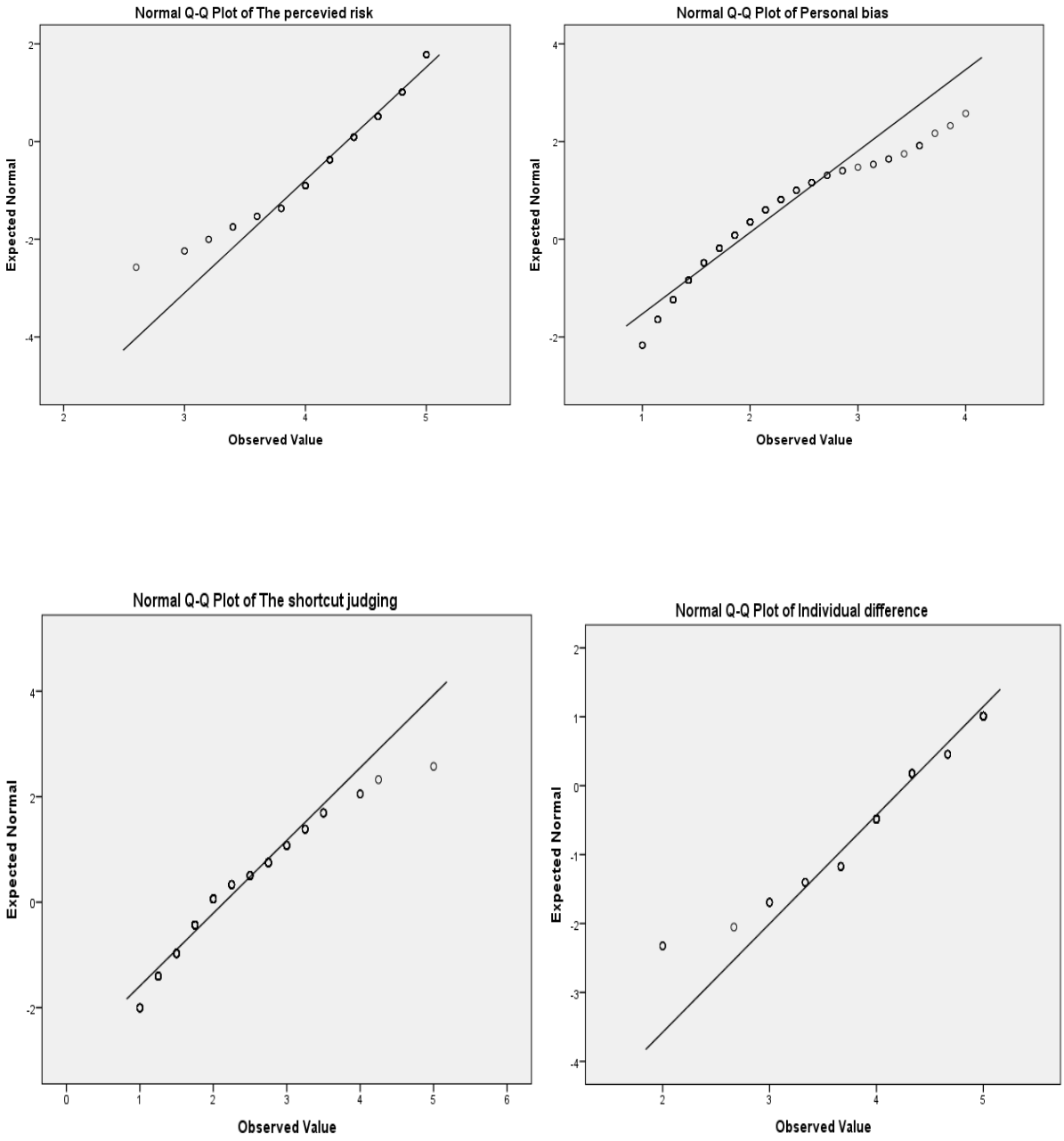

FIGURE 4. 1 TEST FOR LINEARITY (NORMAL Q-Q PLOT)

SOURCE: SURVEY OF QUESTIONNAIRE, 2023

The linearity of the data, as can be seen in the figures above, can be considered as linearly related to one another.

4.6.3 TEST FOR HOMOSCEDASTICITY

According to Keith (2006), homoscedasticity describes how mistakes are consistently distributed throughout the variables. The approach for testing this premise uses scatter plots of residuals with independent variables in statistical software (Keith, 2006). As a result, it can be seen from the graph below that errors are distributed uniformly throughout the independent variables, which indicates that the homoscedasticity assumption was upheld.

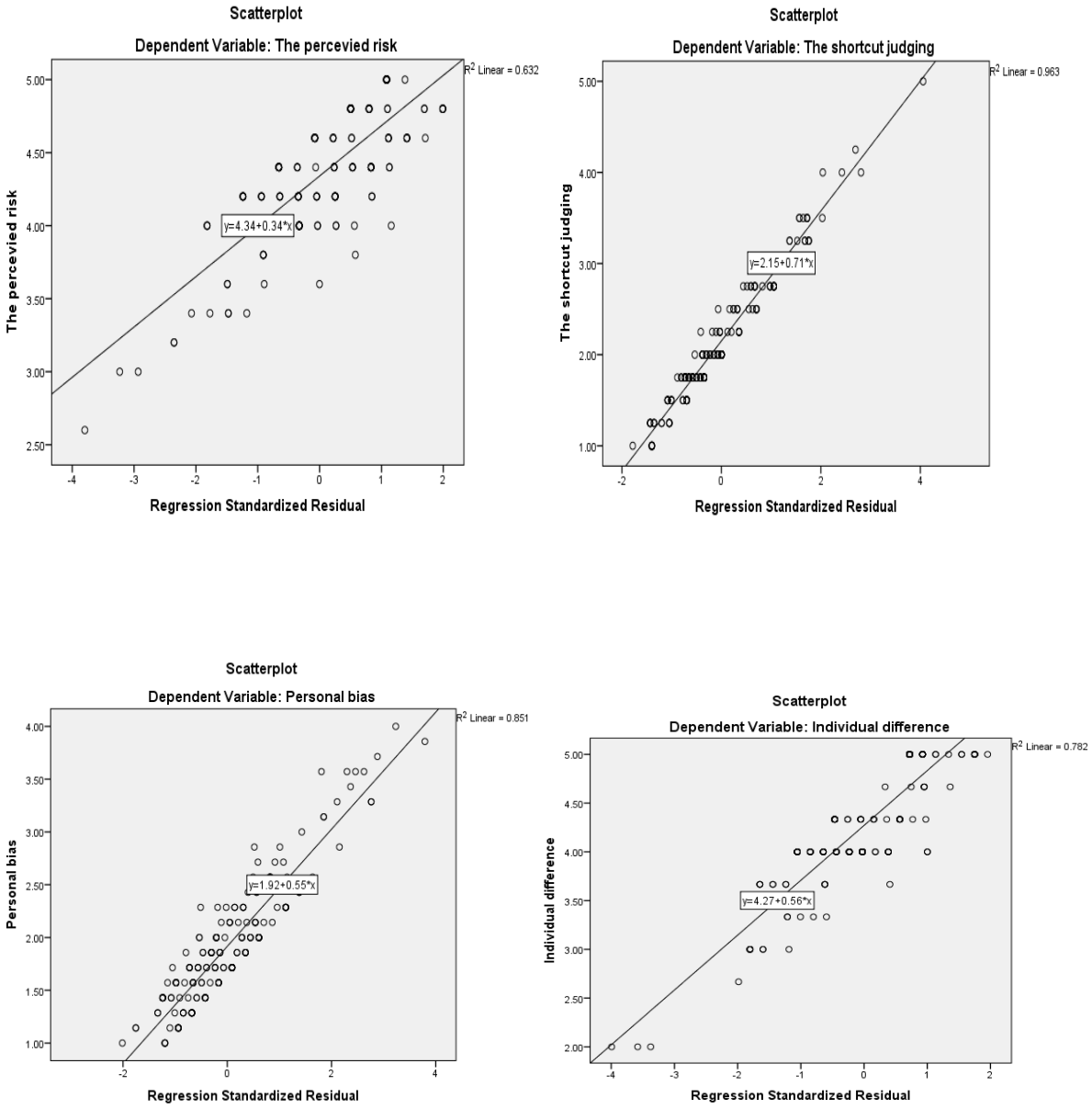

FIGURE 4.2 TEST FOR HOMOSCEDASTICITY

SOURCE: SURVEY OF QUESTIONNAIRE, 2023

4.6.4 TEST FOR MULTI-COLLINEARITY

An indicator of multiple collinearity among the independent variables is the variance inflation factor (VIF). The tolerance values should be larger than 0.1 and the VIF values shouldn't be higher than 10.0 for the multi-collinearity to be good or less (Pallant, 2011).

Coefficients[a]								
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	1.557	.391		3.983	.000		
	The perceived risk	.541	.081	.457	6.684	.000	.651	1.537
	The shortcut judging	.047	.050	.067	.937	.350	.604	1.656
	Personal bias	-.124	.066	-.146	-1.877	.062	.505	1.981
	Individual difference	.158	.052	.196	3.012	.003	.718	1.392
a. Dependent Variable: Measurement of decision making								

TABLE 4.23 TEST FOR MULTI-COLLINEARITY

SOURCE: SURVEY OF QUESTIONNAIRE, 2023

As the table shows the multi collinearity of among independent variables. As the table depicts the result of the variance inflation factor (VIF), for all the independent variables, is greater than 0.1 and less than 10 respectively, the variables are free from collinearity problem.

4.6.5 TEST FOR AUTO-CORRELATION

The most common method of test autocorrelation is the Durbin-Watson test. Without getting too technical, the Durbin-Watson is a statistic that detects autocorrelation from a regression analysis. The Durbin-Watson always produces a test number range from 0 to 4. Values closer to 0 indicate a greater degree of positive correlation, values closer to 4 indicate a greater degree of negative autocorrelation, while values closer to the middle suggest less autocorrelation.

Model Summary[b]					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.642[a]	.412	.400	.39612	2.012
a. Predictors: (Constant), Individual difference, The shortcut judging , The perceived risk, Personal bias					
b. Dependent Variable: Individual decision making					

TABLE 4.24 TEST FOR AUTO-CORRELATION

SOURCE: SURVEY OF QUESTIONNAIRE, 2023

As the value of durbin Watson very close to the 2, it is difficult to conclude there is either a positive autocorrelation or negative autocorrelation. Therefore, this data had no autocorrelation which makes it perfect for the researcher to proceed to the regression analysis since it full fills all the assumption for the parametric analysis.

4.6.5 REGRESSION ANALYSIS OF INDEPENDENT VARIABLES AND DEPENDENT VARIABLE

This section displays the results of a multiple linear regression analysis performed on the data received from a questionnaire. In order to ascertain whether a relationship between the independent and dependent variables existed and the strength of that association, multiple regression analysis was carried out.

Variables Entered/Removed[a]			
Model	Variables Entered	Variables Removed	Method
1	Individual difference, The shortcut judging , The perceived risk, Personal bias[b]	.	Enter
a. Dependent Variable: Measurement of decision making			
b. All requested variables entered.			

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.642[a]	.412	.400	.39612

a. Predictors: (Constant), Individual difference, The shortcut judging , The perceived risk, Personal bias

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	21.256	4	5.314	33.867	.000[b]
	Residual	30.284	193	.157		
	Total	51.540	197			

a. Dependent Variable: Measurement of decision making

b. Predictors: (Constant), Individual difference, The shortcut judging , The perceived risk, Personal bias

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.557	.391		3.983	.000
	The perceived risk	.541	.081	.457	6.684	.000
	The shortcut judging	.047	.050	.067	.937	.350
	Personal bias	-.124	.066	-.146	-1.877	.062
	Individual difference	.158	.052	.196	3.012	.003

a. Dependent Variable: Measurement of decision making

TABLE 4.25 REGRESSION ANALYSIS

SOURCE: SURVEY OF QUESTIONNAIRE, 2023

4.6.7 INTERPRETATION OF MODEL SUMMARY

From the table above, "R" has a score of .642. It is a multiple correlation coefficient between dependent and independent variables of the study. "R" represents the value of the multiple correlation coefficients between the predictors and the outcome (Field, 2005). From this table, also we can see the value of R^2 which is $R^2 = 0.412$. This implies that 41.2 percent of the total variation in the dependent variable is explained or caused by the influence of these independent variables.

4.6.8 INTERPRETATION OF VARIABLE COEFFICIENT

As the table 31 shows that at 5% significance level, the employees perceived risk has positive and significant influence on their decision making ($\beta = 0.457, P < 0.05\ i.e. 0.00 < 0.05$), the shortcut judging of others has insignificant influence on employees' decision making ($\beta = 0.064, P > 0.05\ i.e. 0.350 > 0.05$), the personal bias has also insignificant influence on employees' decision making ($\beta = -0.146, P > 0.05\ i.e. 0.062 > 0.05$), the individual differences have positive and significant influence on their decision making ($\beta = 0.196, P < 0.05\ i.e. 0.003 < 0.05$).

The β-values tell us about the relationship between the Employee decision making and each predictor, that is, it tells us what degree of each predictors affects the outcome. If there is an additional value of 1 on the perceived risk variable will influences the decision making by 45.7%, an additional unit of 1 on the shortcut judging of others variable will increase the decision making by 6.7%, an additional unit of 1 on the personal bias variable will decrease the decision making by 14.6% and an additional unit of 1 on the individual differences variable will influence the decision making by 19.6%.

The anova test is significant (p<0.05), i.e. the regression model is significant. Also by removing the less significant variable for the t test, the researcher could have perfectly significant and can be seen on the table below.

Coefficients[a]						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.580	.390		4.053	.000
	The perceived risk	.544	.081	.460	6.731	.000
	Personal bias	-.088	.054	-.103	-1.639	.103
	Individual difference	.157	.052	.194	2.989	.003
a. Dependent Variable: Measurement of decision making						

TABLE 4.26 MODELS OF THE DEPENDENT VARIABLE

SOURCE: SURVEY OF QUESTIONNAIRE, 2023

By removing the less significant variable (the shortcut judging of others), the t test could be significant.

4.7 THE HYPOTHESIS TESTING

The goal of hypothesis testing is to determine the likelihood that a population parameter is likely to be true. The researcher tests whether the value stated in the null hypothesis is likely to be true. An alternative hypothesis (Ha) is a statement that directly contradicts the null hypothesis. The significance (sig.) value expresses a value to accept or reject the (null) hypotheses. The p-value is the probability that the correlation is one just by chance. Therefore, the smaller the p- value, the better was. The general rule is: reject H0 if $p < .05$ and accept H0 if $p \geq .05$ (Pallant J., 2011). Based on the tables before (Pearson's correlation), the researcher can conclude the following way:

Hypothesis 1

Ho1: There is no significant effect of the perceived risk on individual decision making in kolfe keranio sub city administration.

Ha1: There is a positive/negative significant effect of the perceived risk on individual decision making in kolfe keranio sub city administration.

Table 4.6.6 shows that the employees perceived risk has a positive/negative significant effect as the p-value of the variable is less than 0.05. So, the researcher can reject the null hypothesis (Ho1) and accept the alternative one (Ha1). It could also help other literatures to be more conclusive as it has the same findings (WILLIAMS & NOYES, 2007) and (Abeje, 2021).

Hypothesis 2

Ho2: There is no significant effect of the perceived shortcut judging of others on individual decision making in kolfe keranio sub city administration.

Ha2: There is a positive/negative significant effect of the perceived shortcut judging of others on individual decision making in kolfe keranio sub city administration.

Table 4.6.6 shows that the perceived shortcut judging of others has no significant effect as the p-value of the variable is greater than 0.05. So, we can accept the null hypothesis (Ho1) and reject the alternative one (Ha1). It could also help other literatures to be more conclusive as it has the same findings (Robbins & Judge, 2013) and (Getachew, 2020).

Hypothesis 3

Ho3: There is no significant effect of the personal bias on individual decision making in kolfe keranio sub city administration.

Ha3: There is a positive/negative significant effect of the personal bias on individual decision making in kolfe keranio sub city administration.

Table 4.6.6 shows that the personal bias has no significant effect as the p-value of the variable is greater than 0.05. So, we can accept the null hypothesis (Ho1) and reject the alternative one (Ha1). It could also help other literatures to be more conclusive as it has the same findings (Robbins & Judge, 2013) and (Getachew, 2020).

Hypothesis 4

Ho4: There is no significant effect of the individual differences on individual decision making in kolfe keranio sub city administration.

Ha4: There is a positive/negative significant effect of the individual differences on individual decision making in kolfe keranio sub city administration.

Table 4.6.6 shows that the individual differences have a positive significant effect as the p-value of the variable is less than 0.05. So, we can reject the null hypothesis (Ho1) and accept the alternative one (Ha1). It could also help other literatures to be more conclusive as it has the same findings (WILLIAMS & NOYES, 2007) and (Abeje, 2021).

4.7.1 SUMMARY OF HYPOTHESIS TEST

The table can be demonstrated as:

No	Hypothesis	Tool	Result
1	Ha1: There is a positive/negative significant effect of the perceived risk on individual decision making in kolfe keranio sub city administration.	Inferential Regression	Accepted
2	Ha2: There is a positive/negative significant effect of the perceived shortcut judging of others	Inferential Regression	Rejected

	on individual decision making in kolfe keranio sub city administration.		
3	Ha3: There is a positive/negative significant effect of the personal bias on individual decision making in kolfe keranio sub city administration.	Inferential Regression	Rejected
4	Ha4: There is a positive/negative significant effect of the individual differences on individual decision making in kolfe keranio sub city administration.	Inferential Regression	Accepted

TABLE 4.27 SUMMARY OF HYPOTHESIS TEST

SOURCE: SURVEY OF QUESTIONNAIRE, 2023

In addition to this, by using the results of the above table which is the multi collinearity test coefficients, the following regression equation was formulated for this study and tries to show the effects of independent variables and the dependent variable.

Depending on the equation formula proposed by researcher, in chapter three:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + e$$

And, by taking a result from table 4.16;

$$Y = 1.557 + 0.457 X_1 + 0.067 X_2 - 0.146 X_3 + 0.196 X_4 + e$$

Whereas,

Y is the dependent variable (the individual decision making)

β_0 is a constant or y intercept when the estimated value of independent variables is zero

β_1 is the estimated effect of the percived risk

β_2 is the estimated effect of the percived shortcut judging of others

β_3 is the estimated effect of the personal bais of an individual

β_3 is the estimated effect of the individual diffecrnce

X_1 is the variable of the percived risk

X_2 is the variable of the percived shortcut judging of others

X_3 is the variable of the personal bais of an individual

X_4 is the variable of the individual difference

e is the error

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATION

5.1 SUMMARY OF MAJOR FINDINGS

The study's major goal was to investigate how employees' views affected their decision-making in the Kolfe Keranio sub-city administration example. For the study, 198 questionnaires were gathered from respondents in total. The SPSS version 23 software were used to analyze the collected data for both descriptive and inferential statistics.

The following summaries are created based on the analysis, discussion, and relevant research topics; hence,

- ✓ The majority of respondents are male, young, first-degree holders, inexperienced, married, non-managerial, and in the construction pool (work domains), according to all the criteria included in the demographic study.
- ✓ For the descriptive analysis of independent variables of the study, as it is clearly observed from the mean value and its analyses, the independent variables possess average mean values of 4.210 for employees perceived risk which shows positive effect, 2.150 for perceived shortcut judging of others, which shows disagreement of the employees toward the four items, 1.91 for the personal bias effect toward the decision making, which shows disagreement of the employees toward the seven items, 3.82 for individual differences which shows positive effect toward their decision.
- ✓ The descriptive analysis of the dependent variable also indicates that most of the employees agreed with the item given to them to measure the decision making with a cumulative mean of 4.424.
- ✓ The study's inferential analysis confirms that variables like perceived risk and individual differences have positive associations, whereas others like quick judgment of others and personal bias have negative relationships.

- ✓ According to regression model summary, the coefficient of determination is R^2 $(R\ squared) = 41.2\%$. This shows about 41.2% of the total variance in the in the dependent variable is caused by these explanatory variables used under this research.
- ✓ The following independent variables have varying degrees of effect over the dependent variable: employee perception of risk, individual differences, personal bias, and quick judgment of others.

5.2 CONCLUSION

To investigate the effect of employees' perceptions on individual decision-making in the sub city, which is assessed by the data obtained from the company's employees, this research was done on compounds of Kolfe Keranio sub city administration. The goals and the hypothesis of the study was to find out whether there is a relationship between the independent variables and the dependent variable. As per the findings, both the perceived risk and the individual difference had a positive /negative relationship with individual decision making while the shortcut judging of others and the personal bias had no significant effect on the individual decision making. This helped in order to second the findings of prior literatures like (Willie, 2022), (Faisal, 2019) that both the perceived risk and the individual differences has a positive significant effect on individual decision making while prior literatures like (Goud & Katke, 2019), (ALEMU, 2017) findings as the personal bias and the shortcut judging of others has no significant effect on the individual decision making. As per the methodologies, the student researcher utilized the stratified random sampling, the descriptive and explanatory research design as well as mixed approach which full filled the already set objectives. Here are some of the conclusions on the demographic profile, independent variables and the dependent variables.

5.2.1 CONCLUSION ON DEMOGRAPHIC PROFILE

- ✓ Majority of the respondents are male constituting 55.05% of the total participants of the research while females are 44.95%. From this finding, both genders responded positively to the perceived risk and the individual differences and responded negatively to the shortcut judging of others and the personal bias.
- ✓ Majority of the respondents are young (age between 31 and 40), and they responded positively to the perceived risk and the individual differences and responded negatively to the shortcut judging of others and the personal bias.

- ✓ Majorities of the respondents are first degree holder's non-managerial employees responded positively to the perceived risk and the individual differences and responded negatively to the shortcut judging of others and the personal bias.
- ✓ Majorities of the respondents are having experience between 0 to 5 years, and they responded positively to the perceived risk and the individual differences and responded negatively to the shortcut judging of others and the personal bias.
- ✓ Majorities of the respondents are married employees, and they responded positively to the perceived risk and the individual differences and responded negatively to the shortcut judging of others and the personal bias.
- ✓ Majorities of the respondents are non-managerial, and responded positively to the perceived risk and the individual differences and responded negatively to the shortcut judging of others and the personal bias.
- ✓ Majorities of the respondents are employees from construction pool (work domain) and responded positively to the perceived risk and the individual differences and responded negatively to the shortcut judging of others and the personal bias.

5.2.2 CONCLUSIONS ON INDEPENDENT VARIABLES OF THE STUDY

- ✓ Majority of the respondents are positively agreed on the item provided to address the perception of employees on perceived risk and their individual differences to their nature. Therefore, the twos variables have a significantly measureable effect when an employee makes decision.
- ✓ Also, majority of the respondents are in disagreement with the items provided to measure the effect of the shortcut judging of others and the personal bias on their decisions. Therefore, the twos variables have an insignificant effect when an employee makes decision.
- ✓ Generally, the proposed variables such as perceived risk and the individual differences, and measure that will shape the perception of employees got positive response while variables like the shortcut judging of others and the personal bias has insignificant effect on the decision making.

5.2.3 CONCLUSIONS FOR DEPENDENT VARIABLE OF THE STUDY

The majority of respondents strongly concur with the statement made in the item addressing how employees see the measuring of decision-making. As a result, decisions will always be made in an accountable, transparent, fair, and consistent manner.

5.3 RECOMMENDATION

The following recommendations are made in light of the study's results and conclusions as proposals for corrective and supplementary actions to employees' perceptions of and decisions regarding Kolfe Keranio sub-city are needed.

- ✓ The sub city administration should give a great consideration in participating all the employees in decision making in a regular basis.
- ✓ The sub city administration should give an attention how can to include those who are diploma and below diploma holders and old aged employees to have a say in any decision made by the sub city.
- ✓ The sub city administration should avoid using a uniform methods of decision making, since problems rise in different forms.
- ✓ The sub city administration should have raise concerns to a higher body to remove those policies which promote stereotyping and bias against individuals.
- ✓ The sub city administration should follow merit based staff recruitment, promotion and remuneration; signing no lay off agreement for a given period of time; making significant shares for employees for enhanced employee decision making.
- ✓ Finally, sub city administration should have to follow-up with possible perception that can hinder excellent decision making.

5.4 SUGGESTION FOR FUTURE STUDY

The purpose of this study is to investigate the relationship between employees' perceptions and their decisions using measuring factors such as perceived danger, quick judgment of others, personal bias, and individual variations. However, given the numerous psychological practices used in the Kolfe Keranio sub-city administration, it is clear that additional time is needed to carry out such studies on perception and individual decision-making. The following areas are recommended for future research:

- ✓ This paper has focused only on Addis Ababa city administration Kolfe Keranio sub city administration. So, it is possible to extend the scope of this research at country level for the whole government owned companies.
- ✓ As this paper explores the effect of employee's perception to their decision making, it was better to consider including other controlled variables, like political pressure and economic policies of the country and other possibilities to do so.
- ✓ Finally, employees' perception is not the only thing that can have an effect on individual decision making in the sub city administration, so it needs further studies on the organizational change factors and skills of the change leaders too.

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APPENDIX A: QUESTIONNAIRE

ST. MARY'S UNIVERSITY

SCHOOL OF GRADUATE STUDIES

DEPARTMENT OF MBA

RESEARCH QUESTIONNAIRES

RESEARCH TOPIC: THE EFFECT OF EMPLOYEE'S-PERCEPTION ON THEIR DECISION MAKING: THE CASE OF KOLFE KERANIO SUB-CITY.

RESEARCHER NAME: AMANUEL MATEWOS

FOR ANY INCONVINENCE: please call 0978474300

Dear sir/madam

At St. Mary's University, I am a postgraduate business administration student. I'm working on a study right now called "The Effect of Employee's Perception on Their Decision Making: The Case of Kolfe Keranio Sub City Administration." One of the respondents chosen to take part in this study is you. To present a representative finding, could you kindly help me by providing accurate and comprehensive information? The survey is fully anonymous, and your participation is completely voluntary.

Last but not least, I assure you that whatever information you share with me was kept private and utilized solely for scholarly purposes. We appreciate your assistance and time commitment in advance.

Sincerely, Amanuel Matewos

INSTRUCTIONS

- No need of writing your name (**ስም መፃፍ አያስፈልግም**)
- Indicate your answers with a check mark (√) in the appropriate box. (**መልሶን የቼክ ማርክ** (√) **በ ተቀመጠው ሳጥን ውስጥ በማስቀመጥ ያሳውቁ::**)

SECTION A: GENERAL INFORMATION (DEMOGRAPHIC DATA)

1. Gender(**ፆታ**): Male(**ወንድ**) ☐ Female(**ሴት**) ☐

2. Age (Years)(**ዕድሜ**)

A. Below 30(**ከ30 በታች**) ☐ B. 31- 40 ☐

C. 41- 50 ☐ D. 51 & Above (**51 እና ከዛ በላይ**) ☐

3. Please indicate your level of education (**የትምህርት ደረጃ**)

A. Diploma or below (**ዲፕሎማና ከዛ በታች**) ☐ B. Degree (**ድግሪ**) ☐

C. Master and above (**ማስተርስና ከዛ በላይ**) ☐

4. How many years have you been worked in the sub city? (**በክፍለ ከተማው የሰራችሁት አመት**)

A. 0 – 5 years (**ከ0—5 አመት**) ☐ B. 6 – 10 years (**ከ6—10 አመት**) ☐

C. 11 – 15 years (**ከ11—15 አመት**) ☐ D. Above 15 years (**ከ15 አመት በላይ**) ☐

5. What is your marital status? (**የጋብቻ ሁኔታ**)

A. Single (**ያላገባ**) ☐ B. Married (**ያገባ**) ☐ C. Divorced (**የተፋታ**) ☐ D. widowed ☐

6. Your current position in the sub city? (**የስራ ኃላፊነት**)

A. Top level management (**ዋና/ምክትል ስራ አስኪያጅ**) ☐

B. Middle level management (**አስተባባሪ**) ☐

C. low level management (**የስራ ሂደት**) ☐

D. Non-managerial (**ባለሙያ**) ☐

7. Your Current work domain 'pool'? (**የሚሰሩበት ፑል**)

A. CEO (**ስራ አስኪያጅ**) ☐ B. Public service (**ፐብሊክ ሰርቪስ**) ☐

C. Construction(**ኮንስትራክሽን**) ☐ C. Land (**የመሬት**) ☐

SECTION B: OPINION INVESTIGATION ON EMPLOYEES' PERCEPTION ON THEIR DECISION MAKING.

General Instruction

For each of the questions in the following sections, please tick a number that represents your choice as to the level of agreement or disagreement with a check mark (√).

Strongly disagree (**አጥብቄ አልስማማም**) =1 Disagree (**አልስማማም**) =2 Neutral (**ገለልተኛ**)=3 Agree (**እስማማለው**) =4 strongly agree (**አጥብቄ እስማማለው**) =5

What are the effect of the perceived risk on decision making in kolfe keranio sub city administration?						
	1. Perceived risk	Rating scale				
NO	Statement	1	2	3	4	5
1	I am absolutely certain that the colors of the information's provided affects my perception of risk and my decision making process. (**በምወስናቸው ውሳኔዎች የቀለም(ቀይ፣አረንጓዴ፣ጥቁር) ድርሻ ከፍተኛ ነው።**)					
2	I am absolutely certain that the signal words of the information's provided affects my perception of risk and my decision making process. (**በምወስናቸው ውሳኔዎች ጥንቃቄን የሚጠቁሙ ቃላቶች (ማሳሰቢያ፣ አጽኖት) ድርሻ ከፍተኛ ነው።**)					

3	I am absolutely certain that the surrounding shape of the information's provided affects my perception of risk and my decision making process. (**በምወስናቸው ውሳኔዎች የመረጃው ደረጃ (ከፍተኛ ሚስጥር፣ ሚስጥር፣መካከለኛ፣ለሁሉም የሚሆን) ድርሻ ከፍተኛ ነው።**)					
4	I am absolutely certain that the framing effect of the information's provided affects my perception of risk and my decision making process. (**በምወስናቸው ውሳኔዎች መረጃዎች የሚመጡበት አውድ ድርሻ ከፍተኛ ነው።** **<u>ለምሳሌ</u>** • **መድሐኒቱ ከ60 ሰው 40 ሰው ያድናል።** • **መድሐኒቱ ከ60 ሰው 20 ሰው አያድንም** **ከላይ እንደሚታየው ሁለቱም ተመሳሳይ ትርጉም ሲኖራቸው የቃላቶቹ አቀማመጥ እርሶ በሚወስዱት ውሳኔ ላይ ተጽህኖ አላቸው ወይ? **)					
5	I am absolutely certain that the credibility of the source of the information's provided affects my perception of risk and my decision making process. (**በምወስናቸው ውሳኔዎች መረጃዎቹ የተገኙበት ቦታ፣ሰው፣ድርጅት የሚጫወቱት ሚና ከፍተኛ ነው።**)					
6	I am absolutely certain that the trust on the source of information's provided affects my perception of risk and my decision making process. (**በምወስናቸው ውሳኔዎች መረጃዎቹ የተገኙበት ቦታ፣ሰው፣ድርጅት ላይ ያለኝ ግላዊ እምተት የሚጫወተው ሚና ከፍተኛ ነው።**)					

What are the effect of the perceived shortcut in judging of others on decision making in kolfe keranio sub city administration?						
	2. Perceived shortcut in judging of others	Rating scale				
No	Statement	1	2	3	4	5
1	I tend to believe that my team and my self's contribution is far greater compared to other teams and individuals (selective perception). (**የእኔና የቡድኔ የስራ ድርሻ ከሌሎች ግለሰቦች እና ቡድኖች የላቀ ነው።።**)					
2	I draw a general impression about an individual on the basis of a single characteristic, such as intelligence, sociability, or appearance when I make decision (halo effect). (**በግለሰኖች እና በቡድኖች ስዕብና ላይ ያለኝ አመለካከት ለምወስናቸው ውሳኔዎች ልይ ከፍተኛ ሚና ይጫወታሉ።።**)					
3	My reaction is influenced by other persons I recently encountered (contrast effect). (**በግለሰቦች ላይ የማሳየው ባህሪ ከነሱ በፊት በመጡ ግለሰቦች ጋር በነበርኝ ንግግር(ጥሩ፣መጥፎ) ላይ የተመሰረተ ነው።።**)					
4	I judge someone on the basis of our perception of the group to which he or she belongs (stereotyping). (**ግለሰቦችንም ሆነ ቡድኖችን በሚመደቡበት ቡድን (ጾታ፣ብሄር፣ሐይማኖት) መሰረት ውሳኔዎችን እሰጣለው።።**)					
What are the effect of the personal bias of an individual on decision making in kolfe keranio sub city administration?						
	3. The personal bias of an individual	Rating scale				
No	Statement	1	2	3	4	5

1	I tend to be far too optimistic when asked to judge the probability that my decisions were correct (Overconfidence Bias). (**ስለምወስናቸው ውሳኔዎች ትክክለኛ መሆኑን ምንም ጥርጥር የለኝም።**)					
2	I tend to fixate on initial information and fail to adequately adjust for subsequent information in my decision making (Anchoring Bias). (**አብዛኛውን ውሳኔዎቼ ቀድመው በመጡ መረጃዎች መሰረት እንጂ ቀጥለው በመጡ መረጃዎች ብዙ ትኩረት አላደርግም።**)					
3	I seek out information that reaffirms my past choices, and I discount information that contradicts them when I make decision (Confirmation Bias). (**አሁን ላይ የምወስናቸው ውሳኔዎች ከዚህ በፊት የወሰንኩትን ውሳኔ በማጣቀስ እንዲሁም አሁን ላይ ውሳኔውን የሚጻረር አዲስ መረጃን ትኩረት በመንፈግ ነው።**)					
4	I tend to base my judgments on information readily available. Events that evoke emotions, are particularly vivid, or are more recent tend to be more available in my memory, leading us to overestimate the chances of unlikely events when I make decision (Availability Bias). (**ለራሴ፣ለሌሎች ባለሙያዎችም ሆነ ለስራ ሂደቶች በቅርቡ ባሳዩት ባህሪ የስራ አፈጻጸም ልኬት እሰራለው እንጂ በአመት ውስጥ ያሳዩትን ባህሪ መሰረት አይደለም።**)					
5	I tend to stay with my decision even when there is clear evidence it's wrong (Escalation of Commitment). (**እኔ የወሰንኩት ውሳኔዎችን ስህተት የሚያደርጉ ማስረጃዎች ቢገኙ እንኳን በውሳኔዎቼ ዕፀናለው።**)					

6	I tend to prefer a sure thing over a risky outcome when I make decision (Risk Aversion). (**አደጋ ካለባቸው ውጤቶች በላይ ውጤቶቹን በርግጠኝነት የሚታወቁትን አስበልጬ ውሳኔ እወስናለው።**)					
7	I tend to believe falsely, after the outcome is known, that I'd have accurately predicted it when I make decision (Hindsight Bias). (**ውጤቱ ምን እንደሆነ ከታወቀ ብኋላ የኔም ውሳኔ የዜ ነበር እላለው።**)					

What are the effect of the individual differences influences decision making in kolfe keranio sub city administration?

	4. The individual differences influences	Rating scale				
No	Statement	1	2	3	4	5
1	The culture I came from affect my decision making (cultural difference). (**እኔ ያደግኩበት ባህል የምወስናቸው ውሳኔዎቼ ላይ ተጸዕኖ አላቸው።**)					
2	My mental ability and state certainly affect my decision making. (**እኔ ያለኝ የአእምሮ ብቃት እና ደረጃ የምወስናቸው ውሳኔዎቼ ላይ ተጸዕኖ አላቸው።**)					
3	My gender (F/M) certainly plays a major role in my decision making. (**ፆታዬ የምወስናቸው ውሳኔዎቼ ላይ ከፍተኛ ሚና አላቸው።**)					

What are the measurements of decision making?

	5. The measurements of decision making	Rating scale				
No	Statement	1	2	3	4	5
1	I am absolutely certain that I am as transparent as I can be when I make decision. (**እኔ ለምወስናቸው ውሳኔዎች በእርግጠኝነት ግልፅነት ባለው መልኩ ነው።**)					

2	I am absolutely certain that I am as accountable as I can be for my decisions. (**እኔ ለምወስናቸው ውሳኔዎች በእርግጠኝነት ግልፅነት ባለው መልኩ ነው።**)					
3	I am absolutely certain that I am as fair as I can be when I make decisions. (**እኔ ለምወስናቸው ውሳኔዎች በእርግጠኝነት ተጠያቂነት በሰፈነበት መልኩ ነው።**)					
4	I am absolutely certain that I am as consistent as I can be with my decisions. (**እኔ ለምወስናቸው ውሳኔዎች በእርግጠኝነት ወጥነት ባለው መልኩ ነው።**)					
5	I am absolutely certain that my decisions are predictable. (**እኔ የምወስናቸው ውሳኔዎች በርግጠኝነት ተገማች ናቸው።**)					

APPENDIX B: INTERVIEW QUESTIONS

Questions

1. Do the overall circumstances, or the words on a letter, or the credibility and the trust in the source of the information's play a major role when you make decisions?
2. Do you put shortcut judge of others like selective perception, a single characteristic, or stereotyping into consideration's?
3. Is there a personal bias in any form when you make a decision?
4. Do individual differences like the culture you came from, you state of mind or even your gender influences your decision making?
5. Is your decision transparent? Is your decision accounted for? Is your decision fair? Is your decision consistent? Is your decision predictable?