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Research Article

THE FACTORS INFLUENCING DECISION-MAKING ACTIVITY: THE CASE OF EMPLOYEES OF PUBLIC SERVANTS IN MONGOLIA

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ABSTRACT

The purpose of our study is to assess how five important factors—professional knowledge, communication and attitude, skills, work experience, and responsibility—affect managerial decision-making in order to determine how these elements support efficient decision-making procedures. While skills have the highest degree of variability, meaning their influence can vary depending on the scenario or context, communication and attitude have the most consistent and steady impact, making them trustworthy predictors of decision-making outcomes, according to the study. Professional knowledge and skills were the most important factors, and they had statistically significant positive effects on managerial decision-making. This suggests that businesses should give priority to developing these areas in order to increase the effectiveness of their decision-making.

Keywords: Communication and Attitude, Professional Knowledge, Responsibility, Skills, Work Experience, Managerial Decision-Making.

INTRODUCTION

In order to solve a problem or reach a desired result, decision-making is the cognitive process of choosing a course of action from a variety of options. It entails analyzing data, putting various solutions' advantages and disadvantages to the test, and thinking through possible outcomes. In business and management, decision-making is a critical function, as it directly impacts organizational strategy, operations, and overall success. It can range from simple, routine decisions to complex, high-stakes choices that require in-depth analysis and judgment.

Sunstein, C. R., Sibony, O., and Kahneman, D. (2021). Decision-making is the process of choosing a course of action, gathering information, and considering potential solutions. In 2016, O'Connell, A. and Buchanan, L. Making a decision involves weighing the benefits, drawbacks, and potential outcomes when choosing between two or more options (Sunstein, 2021). According to Brockner, J., and Wiggins, R. (2011), Asian and European cultures have different ways of making decisions when faced with uncertainty. Asian decision-makers tend to prioritize long-term results, while Europeans tend to concentrate on short-term risks(O'Connell, 2016). Europeans, according to Nisbett, R. E., and Masuda, T.(Nisbett, 2012) tend to favor logical, analytical approaches, whereas Asians may lean more toward holistic and intuitive approaches(Brockner, 2011).

The decision-making process is an organized method for selecting options. A problem must usually be identified, information must be gathered, options must be considered, a decision must be made, and the result must be reviewed. Making well-informed and logical decisions is made easier with the support of an organized procedure. Cognitive biases known as decision-making biases, such as anchoring (relying too much on the first piece of information encountered) or confirmation bias (favoring information that supports preexisting beliefs), can influence the decision-making process. Making decisions with greater objectivity is facilitated by being aware of these biases.

Communication and attitude and decision making

Effective communication entails exchanging information in a clear and succinct manner. It involves making sure the message is understood as intended, using suitable body language, and actively listening. Strong relationships are cultivated and misconceptions are avoided with effective communication. Communication barriers are impediments that prevent information from being shared. Barriers may be psychological (prejudices, stress), physical (noise, distance), or linguistic (jargon, linguistic disparities). Successful communication requires recognizing and removing these obstacles.

Craig, R. T., Müller, H. L. (2017), Communication is the process through which individuals create, share, and interpret meanings, relying on symbolic interactions within a given context (Craig, 2017). Heath, R. L., Bryant, J. (2019), Communication is the exchange of information between individuals through a common system of symbols, signs, or behavior[1].

Attitude refers to a person's mental state, feelings, or predispositions toward a particular object, person, situation, or idea. It reflects how someone thinks or feels about something, which often influences their behavior and reactions. Attitudes can be positive, negative, or neutral

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[1]Craig, R. T., Müller, H. L. (2017), "Theorizing Communication: Readings Across Traditions" (2017)

and are shaped by experiences, beliefs, and emotions. In a work or organizational context, attitude plays a key role in how individuals approach tasks, interact with others, and contribute to the overall environment. Positive attitudes can foster cooperation and productivity, while negative attitudes may lead to conflict or inefficiency. Ajzen, I., Fishbein, M. (2010), Attitude is a psychological tendency that is expressed by evaluating a particular entity with some degree of favor or disfavor (Ajzen, 2010).

Professional knowledge and decision making

The term "professional knowledge" describes the specific comprehension, proficiency, and abilities that people gain from education, training, and experience in a particular subject or occupation. It includes both the practical know-how (skills, techniques, and processes) and theoretical knowledge (principles, concepts, and frameworks) required to carry out activities and resolve issues in a specific business or discipline. Professional knowledge aids managers in making well-informed choices, adjusting to market developments, and implementing best practices to improve productivity and performance inside the company.

Davis (2016), explored the influence of online knowledge sharing platforms on student satisfaction. The study analyzed various virtual platforms and concluded that students who actively participated in these platforms, sharing knowledge and resources, reported higher satisfaction levels compared to those who did not engage online (Davis, 2016). John Smith (2017), examined the relationship between knowledge sharing practices among students and their overall satisfaction in higher education settings. Then John Smith found a positive correlation between active knowledge sharing among students and higher levels of satisfaction (Smith, 2017).

Eraut, M. (2011), Professional knowledge encompasses the knowledge that is specific to a profession, including both theoretical understanding and practical skills that are applied in professional contexts (Eraut, 2011). Schön, D. A. (2017), Professional knowledge is the expertise and skills acquired through education and experience that enable individuals to perform their professional tasks effectively and adaptively (Schön, 2017).

Responsibility and decision making

Responsibility is the duty or obligation to carry out a function or task, make choices, and be held accountable for the results of those choices. It entails taking responsibility for one's work, keeping one's word, and making sure goals are met.

In the workplace, accountability frequently entails overseeing teams, managing resources, fulfilling deadlines, and abiding by organizational and ethical norms. Being accountable also entails taking responsibility for one's activities, whether they are effective or not, and acting to improve or rectify results as needed. John Martin, (2012), Responsibility is viewed as an ethical obligation that requires individuals or organizations to act in a manner that is morally right and accountable to others(Martin, 2012). Linda Gomez, (2020), Responsibility encompasses accountability and liability, meaning that individuals or entities are held answerable for their actions and are required to bear the consequences of their decisions(Gomez, 2020).

Skills and decision making

Skills are the aptitudes and know-how that a person acquires by training, experience, and practice that allow them to carry out jobs successfully and economically. Two categories can be used to describe skills: Hard skills are specialized, technical aptitudes required for a given profession or sector, such financial modeling, data analysis, or coding. Soft skills include interpersonal and behavioral traits like teamwork, leadership, communication, and problem-solving.In a professional setting, skills are essential for executing tasks, solving problems, and contributing to overall success. Developing relevant skills enhances performance and adaptability in various roles. Boyatzis, R. E. (2018) Skills are the abilities and competencies acquired through learning and practice that enable an individual to perform tasks effectively and efficiently (Boyatzis, 2018).

Work experience and decision making

Work experience is the term used to describe the practical knowledge and abilities acquired over time via hands-on involvement in a job or professional function. It includes all of the duties, obligations, and difficulties a person has faced during their professional life, which adds to their total proficiency and competence in a certain sector.

People can enhance their problem-solving skills, adjust to various work conditions, and use theoretical knowledge in practical settings with the aid of work experience. Because it shows a candidate's capacity to manage particular work requirements based on their prior roles, it is frequently a crucial consideration in recruiting decisions. Gherardi, S. (2019), Work experience refers to the knowledge, skills, and insights gained through participation in professional activities and roles within an organizational setting(Gherardi, 2019). Arthur, M. B., Inkson, K., Pringle, J. K. (2020) Work experience is the cumulative set of encounters and roles that an individual has within various professional environments, contributing to their career development and expertise(Arthur, 2020). We were predicting five hypotheses in our study as below:

Hypothesis 1: Responsibility will have a favorable effect on managerial decision-making.

Hypothesis 2: Work experience will have a positive effect on managerial decision-making activities.

Hypothesis 3: Communication and attitude will have a favorable effect on managerial decision-making.

Hypothesis 3: Skills will have a positive effect on managerial decision-making activities.

Hypothesis 5: Professional knowledge will have a positive effect on managerial decision-making.

Figure 1. The conceptual framework on managerial decision-making activity

Figure 1. The conceptual framework on managerial decision-making

THE RESULTS OF STUDY

We analyzed that Cronbach's Alpha as measures the internal consistency of the factors. Higher values indicate better internal consistency (Tsogtsuren, 2022, vol 5, issue 3). Average Variance Extracted (AVE) indicates the amount of variance captured by the factor relative to the amount of variance due to measurement error (Ts.Bayasgalan, 2018). Values above 0.5 are generally considered acceptable. Composite Reliability (CR) as measures the reliability of the construct. Values above 0.7 are generally considered acceptable(Tsogtsuren *et al.,* 2021).

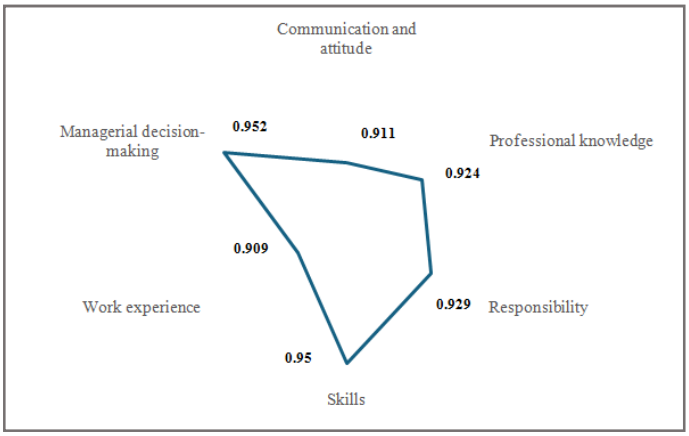
Cronbach (1946) identified that in Cronbach's Alpha reliability analysis, the closer Cronbach's Alpha to 1.0, the higher the internal consistency reliability. Cronbach's measures:

1. Reliability less than 0.6 considered poor.
2. Reliability in the range 0.7 is considered to be acceptable.
3. Reliability more than 0.8 are considered to be good (D.Baigalmaa., 2021)

Multiple Regression Analysis was conducted to examine the three dimensions in independent variables were the most important to explain the relationship. SPSS and SmartPLS were used to test the relationships between variables (Lkhagvasuren Bayarsaikhan, 2018).

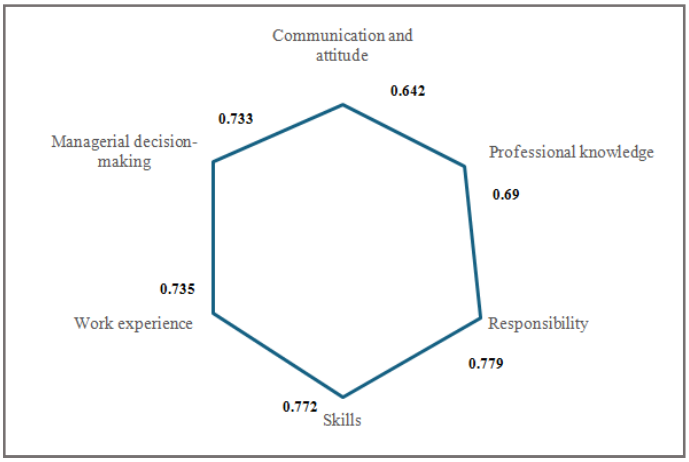
We compared each result of Cronbach alpha, Average Variance Extracted and Composite Reliability by graph as below:

Graph 1. Cronbach alpha



Description: *The results of our study*

Graph 2. Average Variance Extracted



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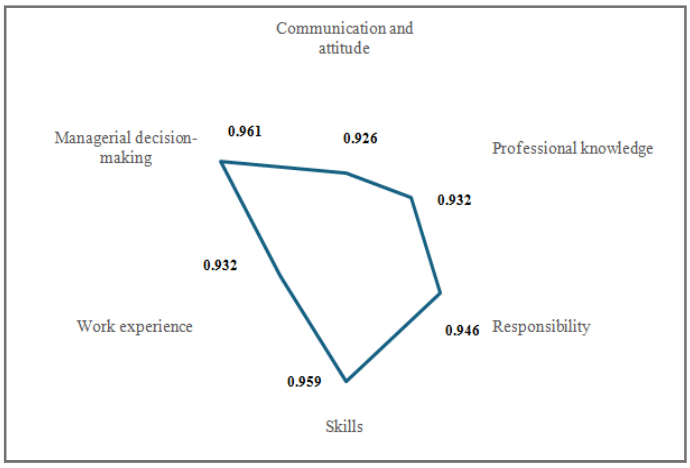
Graph 3. Composite Reliability



Description: *The results of our study*

Table 1. The result of our study as construct reliability

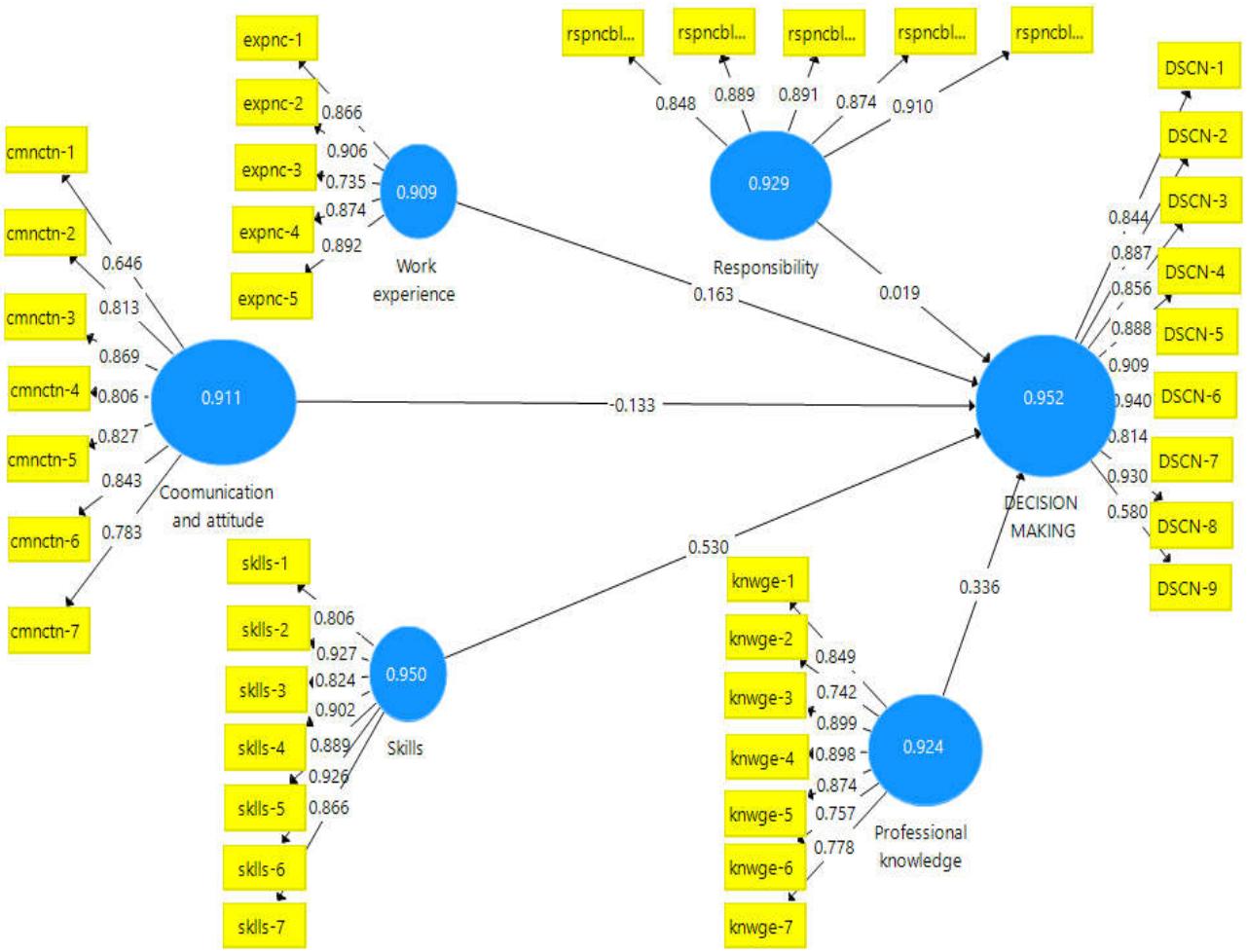
No	Impacts and factors	Cronbach alpha	Average Variance Extracted	Composite Reliability
1	Communication and attitude	0.911	0.642	0.926
2	Professional knowledge	0.924	0.690	0.932
3	Responsibility	0.929	0.779	0.946
4	Skills	0.950	0.772	0.959
5	Work experience	0.909	0.735	0.932
6	Managerial decision-making	0.952	0.733	0.961

Description: *The results of our study*

The result of Cronbach alpha, Communication and Attitude (0.911): This shows high internal consistency, suggesting that the items measuring communication and attitude are reliably assessing the same underlying construct. Professional Knowledge (0.924): This is also high, indicating that the items related to professional knowledge are consistent and measure the same concept well. Responsibility (0.929): This suggests excellent reliability for items assessing responsibility. Skills (0.950): This has the highest value, indicating very high internal consistency for the skills measurement. Work Experience (0.909): This is similarly reliable, showing good consistency in measuring work experience. Decision Making (0.952): This also shows very high reliability, meaning the items related to decision making are consistently measuring the same thing.

The result of Average Variance Extracted, Communication and Attitude (0.642): This value indicates that the construct explains 64.2% of the variance in the observed variables, which is generally considered acceptable but could be improved.

Figure 2. The result of Cronbach alpha on managerial decision-making



Description: *The results of our study*

Professional Knowledge (0.690): This suggests that 69% of the variance in the observed variables is captured by this construct, showing good convergent validity. Responsibility (0.779): This value is high, indicating that this construct explains 77.9% of the variance, reflecting strong convergent validity.

Skills (0.772): Similarly, this indicates that 77.2% of the variance is captured by the skills construct, which is also strong.

Work Experience (0.735): This value shows that 73.5% of the variance is explained by the work experience construct, which is quite good.

Decision Making (0.733): This value indicates that 73.3% of the variance is explained, showing good convergent validity.

The result of Composite Reliability, Communication and Attitude (0.926): This value indicates high reliability, suggesting that the items measuring communication and attitude are consistently capturing this construct. Professional Knowledge (0.932): This is also high, showing strong reliability for the items assessing professional knowledge.

Responsibility (0.946): This indicates very high reliability, suggesting that the items related to responsibility are consistently measuring the construct.

Skills (0.959): This is the highest value, indicating excellent reliability for the skills measurement.

Work Experience (0.932): This value indicates strong reliability, similar to the professional knowledge and communication and attitude constructs.

Decision Making (0.961): This is very high, suggesting that the items related to decision making have excellent reliability.

Overall, all the factors our study have high Cronbach's alpha values, indicating strong internal consistency and reliability in the scales used for these constructs. The AVE values for our constructs are quite strong, with most being above the commonly accepted threshold of 0.50, indicating good convergent validity for the scales used in our study. All the constructs have high Composite Reliability values, indicating that the scales used for measuring these constructs are very reliable (Table 1, Figure 2).

Table 2. The result of discriminant validity

factors	(A)	(B)	(C)	(D)	(E)	(F)
Professional knowledge (A)	0.831					
Work experience (B)	0.576	0.857				
Communication and attitude (C)	0.703	0.436	0.878			
Skills (D)	0.593	0.390	0.507	0.801		
Responsibility (E)	0.660	0.526	0.604	0.348	0.883	
Decision making (F)	0.736	0.546	0.781	0.405	0.601	0.856

Description: *The results of our study*

Discriminant validity assesses whether constructs that are supposed to be unrelated are indeed distinct from one another. It is often evaluated using correlation matrices, where lower correlations between different factors indicate better discriminant validity. These values (e.g., 0.831 for Professional Knowledge) are the square roots of the average variance extracted (AVE) for each construct. Ideally, these values should be high (close to 1) indicating that each factor explains a substantial amount of variance in its our items as below:

Professional Knowledge (0.831): This factor appears to have strong discriminant validity because its correlations with other factors (0.576, 0.703, 0.593, 0.66, and 0.736) are all less than the diagonal value (0.831).

Work Experience (0.857): Good discriminant validity is shown by the correlations with other factors (0.703, 0.436, 0.39, 0.526, and 0.546), which are typically lower than the diagonal value (0.857).

The diagonal value of 0.878 indicates strong discriminant validity, as evidenced by the correlations with other components (0.507, 0.39, 0.604, and 0.781) being lower than the diagonal value.

Skills (0.801): Good discriminant validity is indicated by the correlations with other components (0.348, 0.507, 0.405) being lower than the diagonal value (0.801).

Responsibility (0.883): Good discriminant validity is demonstrated by the correlations with other components (0.526, 0.604, and 0.601) being lower than the diagonal value (0.883).

Decision Making (0.856): The diagonal value (0.856) shows strong discriminant validity, as do the relationships with other components (0.546, 0.781, 0.405, 0.601).

Based on the correlation matrix, all factors appear to have good discriminant validity. Each factor's diagonal value is higher than its correlations with other factors, suggesting that the constructs are distinct from one another and measuring different dimensions of the underlying concept in our study.

Discriminant validity assesses whether distinct constructs are truly unrelated, with effective evaluation through correlation matrices. The factors demonstrate strong discriminant validity, as highlighted by diagonal values, which indicate that each construct explains a significant amount of variance in its items, and the correlations with other factors remain lower. Overall, the results confirm that the constructs are distinct, each measuring different dimensions of the underlying concepts in the study.

Table 3. The Path coefficients

Hypothesis	Impacts and factors	Standard deviation	T statistics	P values	Results
H1	Communication and attitude and Managerial decision-making	**0.101**	**1.314**	**0.189**	negatively
H2	Professional knowledge and Managerial decision-making	**0.137**	**2.449**	**0.015**	***positively***
H3	Responsibility and Managerial decision-making	**0.127**	**0.152**	**0.879**	negatively
H4	Skills and Managerial decision-making	**0.157**	**3.476**	**0.001**	***positively***
H5	Work experience and Managerial decision-making	**0.130**	**1.250**	**0.212**	negatively

Description: *The results of our study*

The result of path analysis of **standard deviation** to all factors such as: Communication and Attitude (0.101), is the lowest standard deviation among the factors, suggesting that the impact of Communication and Attitude on Managerial Decision-Making is relatively stable and consistent across observations.

Professional Knowledge (0.137) is slightly more variable compared to Communication and Attitude, but it's still relatively low. Professional Knowledge's impact on Managerial Decision-Making is somewhat consistent but has more variation than Communication and Attitude.

Responsibility (0.127) has a standard deviation that is intermediate between Communication and Attitude and Skills. This indicates moderate variability in how Responsibility affects Managerial Decision-Making.Skills (0.157), has the highest standard deviation among the factors, suggesting that the effect of Skills on Managerial Decision-Making varies more widely. This could mean that Skills have a less predictable impact on Managerial Decision-Making compared to the other factors.

Work Experience (0.130), standard deviation here is similar to Responsibility, indicating moderate variability in the impact of Work Experience on Managerial Decision-Making.

The T-statistics we've provided help assess the significance of the relationships between each factor and Managerial Decision-Making. Communication and Attitude (T-statistic: 1.314), a T-statistic of 1.314 is relatively low. Typically, T-statistics greater than 1.96 (for a 95% confidence level) are considered statistically significant. This suggests that the impact of Communication and Attitude on Managerial Decision-Making is not statistically significant at the 95% confidence level.Professional Knowledge (T-statistic: 2.449), a T-statistic of 2.449 is above the threshold of 1.96, indicating that the relationship between Professional Knowledge and Managerial Decision-Making is statistically significant. This suggests that Professional Knowledge has a meaningful impact on Managerial Decision-Making.

Responsibility (T-statistic: 0.152), a T-statistic of 0.152 is very low, well below the 1.96 threshold. This indicates that the impact of Responsibility on Managerial Decision-Making is not statistically significant.Skills (T-statistic: 3.476), a T-statistic of 3.476 is quite high,

suggesting that the relationship between Skills and Managerial Decision-Making is statistically significant. Skills have a strong and significant impact on Managerial Decision-Making.Work Experience (T-statistic: 1.250), a T-statistic of 1.250 is below the 1.96 threshold, indicating that the impact of Work Experience on Managerial Decision-Making is not statistically significant at the 95% confidence level.

The P-values we 've provided, along with the results indicating the direction of the impacts, help in understanding the statistical significance and nature of the relationships between each factor and Managerial Decision-Making. Communication and Attitude (P-value: 0.189, Result: Negatively), P-value: 0.189 is above the commonly used significance level of 0.05, which means the relationship between Communication and Attitude and Managerial Decision-Making is not statistically significant. The impact is negative, but since it is not statistically significant, this negative impact should be interpreted with caution.Professional Knowledge (P-value: 0.015, Result: Positively), P-value: 0.015 is below the significance level of 0.05, indicating a statistically significant relationship. The impact is positive, suggesting that higher Professional Knowledge is associated with more effective Managerial Decision-Making.

Responsibility (P-value: 0.879, Result: Negatively), P-value: 0.879 is much higher than 0.05, meaning the relationship between Responsibility and Managerial Decision-Making is not statistically significant. The impact is negative, but it is not statistically significant, so this relationship is not strong enough to be considered meaningful.Skills (P-value: 0.001, Result: Positively), P-value: 0.001 is well below the significance level of 0.05, indicating a highly statistically significant relationship. The impact is positive, suggesting that Skills have a strong and positive influence on Managerial Decision-Making.Work Experience (P-value: 0.212, Result: Negatively), P-value: 0.212 is above 0.05, meaning the relationship between Work Experience and Managerial Decision-Making is not statistically significant. The impact is negative, but since it is not statistically significant, this negative impact should be treated cautiously.

CONCLUSION

Communication and Attitude has the lowest standard deviation (0.101), indicating a stable and consistent impact on Managerial Decision-Making across observations. Professional Knowledge demonstrates a slightly higher standard deviation (0.137), suggesting moderate variability, yet it maintains a relatively consistent influence on decision-making. The factor of Responsibility has a standard deviation of 0.127, indicating a moderate level of variability in its impact on Managerial Decision-Making.

Skills exhibit the highest standard deviation (0.157), suggesting that their effect on Managerial Decision-Making varies widely, indicating less predictability compared to other factors. The T-statistic for Professional Knowledge (2.449) indicates a statistically significant relationship with Managerial Decision-Making, suggesting a meaningful positive impact.

Conversely, Communication and Attitude, Responsibility, and Work Experience show T-statistics below the threshold for statistical significance, indicating that their impacts on Managerial Decision-Making are not substantial in this study.We concluded that the analysis reveals that Communication and Attitude have a stable and consistent effect on Managerial Decision-Making, suggesting these attributes are reliable factors in the decision-making process. Professional Knowledge plays a crucial role with a moderate level of variability, emphasizing its importance in fostering effective decision -making within management.

In contrast, while Skills vary more widely in their impact, Communication and Attitude, along with Responsibility and Work Experience, do not show statistically significant effects, indicating that these factors may require further exploration to understand their contributions fully.

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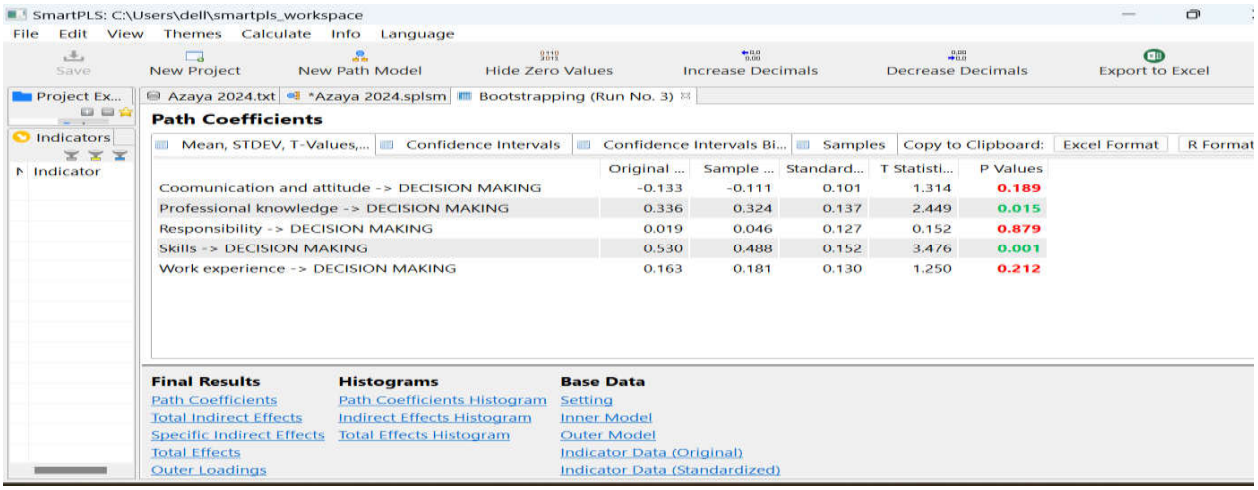
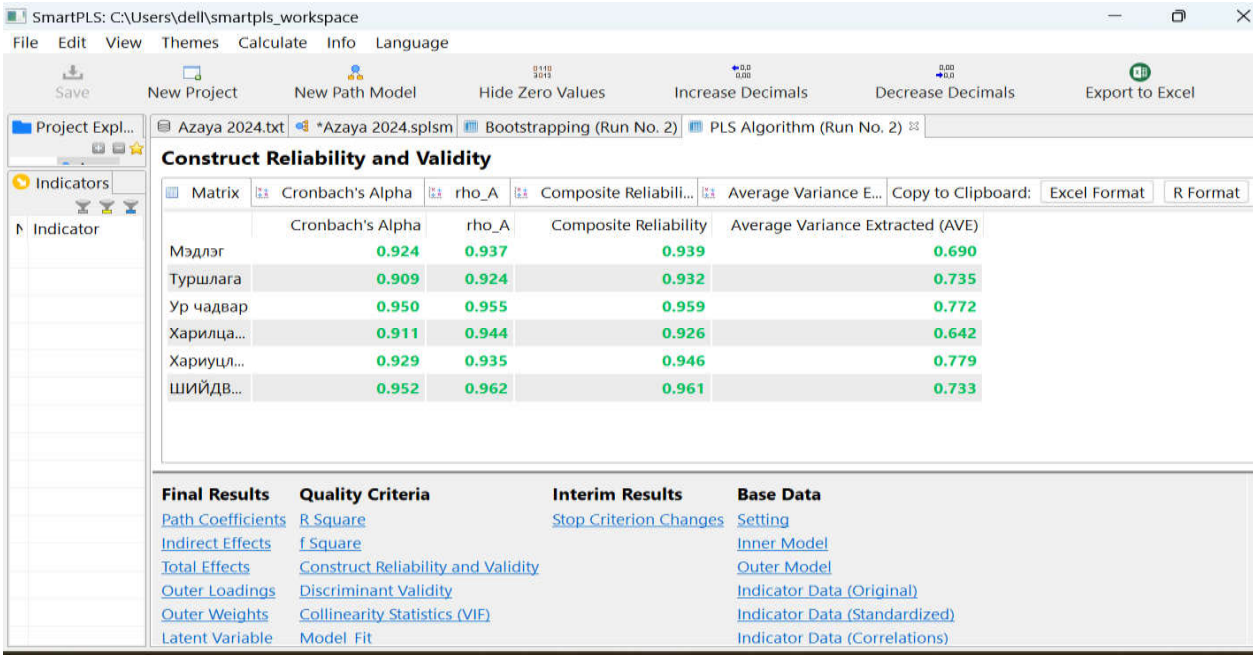
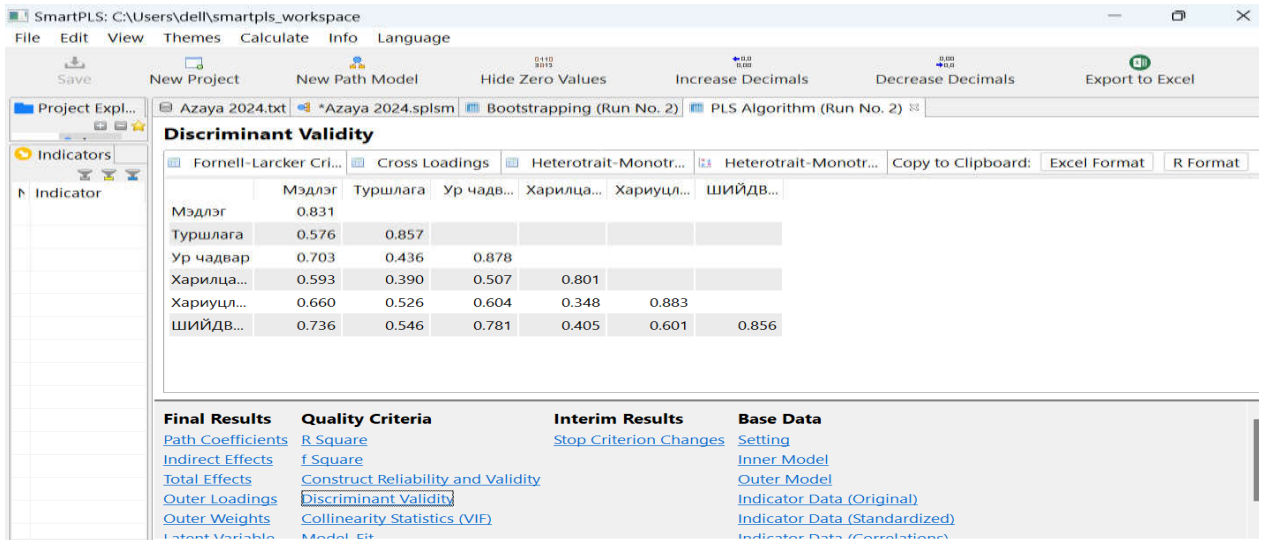
THE EVIDENCE OF STUDY







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