

The Impact of Emotions in Decision-Making Processes in Global Business

Dr. Anna Rostomyan^{1*}, Dr. Armen Rostomyan², Dr. Anabel Ternès³

¹Professor, Media University of Applied Sciences

²Leading Researcher, Yerevan State University (YSU), Armenia

³Professor, SRH Berlin University of Applied Sciences, Germany

***Corresponding Author:** Dr. Anna Rostomyan, Professor, Media University of Applied Sciences

Abstract: In today's challenging times of the several waves of the global pandemic there is an urgent need for various soft skills that are a good addition to the technical skills to ensure the success of your business. Emotions are instincts that evolution has instilled in us for handling life. Those very emotions provide us with guidance in different lifetime situations, where we are constantly faced up with the challenge of taking decisions and responding to various issues through our whole lives. Our past emotional experiences have the ultimate chance of protecting us from getting into threatening situations, which may eventually have its impact on and cause harm to our organism and emotions are constantly participating in our higher cognitive processes. The business field is not an exception, where we also have to deal with different people having diverse backgrounds endowed with very different emotions, which we also have to take into consideration when taking decisions both in our personal and professional lives in business. The present paper discusses the role of emotions in decision making processes in business, as well as their positive impact on effective business results.

Keywords: emotions, decision making, emotion management, business management, emotional intelligence.

1. INTRODUCTION

Although there has been increasing interest in the role of affect in work settings, the impact of moods and emotions in strategic decision making remains largely unexplored. Since emotions and manifestations therein are an indispensable part of our lives, we strongly believe that they too should be paid a closer attention to.

In the "Little Prince", Antoine de Saint-Exupéry truly stated, "It is only with the heart that one can see rightly, what is essential is invisible to the eye". This very quote by itself shows the high vitality of emotions in our perceptions and their great value in our lives. Truly, our human nature incorporates both rational and emotional behaviour, since the homo sapiens is not only a rational being, but also an emotional one. Being an indispensable part of our everyday life, emotions constitute a large part in our lives, which stimulate our taking of certain actions and vetoing some others instead.

But what are exactly emotions? There are a few theories of emotion that help us understand what emotions really are. The most well-known of these theories is the discrete theory of emotion. This theory suggests that emotions are separate, discrete things that we developed from having to deal with fundamental life tasks like staying away from fire or a huge bear (Ekman, 1999).

Besides interplaying with our consciousness, emotions find their outward expressions through verbal and non-verbal tokens. Since emotion also includes the incorporation of rational elements, their verbalization can have an impact on the listeners as well (Rostomyan, 2013b). In fact, the linguo-cognitive analysis of verbal and non-verbal expressions of emotions brings us to the assumptions that by means of managing them appropriately we may influence the opinion of the audience and have a resultant impact on it (Rostomyan, 2012, 2022a).

In the past, *emotions* and *intelligence* were often viewed as being in opposition to one another. In the recent decades, however, researchers exploring the *psychology of emotions* have become increasingly interested in cognition and affect and the interrelation of rationality and emotionality, viewing it in a new light of thought (see more in Rostomyan, 2013, 2020, 2022).

The main hypothesis of Dr. Anna Rostomyan in her dissertation “*A Linguo-cognitive Analysis of Verbal and Non-verbal Expressions of Emotions*” was that our cognition does comprise emotive elements, namely suggesting that we have two minds, i.e. emotive and rational, which by means of continuously interacting with one another, together make up our higher cognitive processes, which will turn to in more detail in our further discussions. Thus, the main hypothesis of the present paper is that emotions too partake in decision making processes, greatly influencing our external verbal and non-verbal behaviour, both in our personal and professional lives.

Daniel Goleman was the first to speak about the importance of Emotional Intelligence, which according to him is sometimes even much more important than your IQ skills, enabling the people both in the private lives and in business to secure harmonious and peaceful relations with their surroundings (Goleman, 1995). D. Goleman also affirms in his research and investigations that emotions do play a very vital role in the business sphere as well and if managers become aware of it, they will succeed (Cherniss & Goleman, 2003).

Cherniss and Goleman (2003) in their book “*The Emotionally Intelligent Workplace*” state that the level of the emotional intelligence of both employers and employees is of utmost and irreplaceable importance which has the ultimate chance of heightening the performance level and increasing the labour output. Moreover, at many times during his speeches Daniel Goleman has firmly articulated the highest importance of the emotional intelligence of not only the ordinary employees, but also of the upper management for the success of diverse business operations.

Though it should also by all means be mentioned here as well that oftentimes people neglect or overlook the potential of emotions in the business field, since they are mistakenly taken as mere sensations that have nothing to do with dry fact-and-data-driven business analysis. Nonetheless, our research and analysis have proven that being a part of our behaviour they should not be overseen in the business sphere either. Moreover, we come to think that they can also provide us with supportive information beneficial for the overall success of the company that the mere facts may sometimes lack.

To conclude the discussion above, in case we take into consideration the power and greatest potential of emotions and the proper outward management of therein, we will eventually stand a better chance of having our desired better business results.

2. MATERIALS AND METHODS

For finding answers to our questions connected with the research topic at hand, we have used both quantitative methods for primary research analysis data, as well as qualitative methodology data retrieved from secondary data analysis based on research interrelated with our research questions. The results of the analyses of the data come to suggest that our main hypothesis that emotions do have an impact on decision-making processes is actually correct.

3. EMOTIONS IN DECISION-MAKING IN BUSINESS

There are very many different theories on the classification of emotions. Especially taking into account the bewilderingly wide range of emotions, it is sometimes difficult to classify them into groups. Moreover, we usually tend to express and manage emotions differently within various contexts, which makes the study therein even more complicated.

According to Smith (2020) the *basic emotion theory* (BET) represents an affective development over an automaticity in the spectrum of cognition and consciousness. It is claimed to give specific shapes to the relations of organisms to their environments in order to promote survival. At the same time, BET is highly contested. There is no consensus on how many emotions there are, or how basic. Anthropologists and historians of the emotions take an entirely different perspective, sometimes flatly denying that such a thing as ‘basic’ emotions exist.

Dr. Paul Ekman (1999) identified though six basic emotions as anger, surprise, disgust, enjoyment, fear, and sadness based on his research. His research also shows the strongest evidence to date of a seventh emotion, which is contempt, which are expressed mostly in the same way across cultures and situations.

Taking into account the nature of emotions, they are basically divided into two opposite groups though some of them might be more intense than the others (Rostomyan, 2020):

- **Positive emotions:** happiness, joy, delight, amusement, glee, bliss, contentment, etc.
- **Negative emotions:** annoyance, anger, rage, irritation, frustration, sadness, etc.

Plutchik's (1958) model further has four ecological dimensions that reflect survival needs: identity, temporality, hierarchy, and territoriality. The wordings are a little awkward but are clearly indicated by each dimension's positive and negative valences.

- **Identity** or perhaps the maintenance of identity – survival – is characterized by emotions of acceptance or rejection. This might refer to the seeking of food, the maintenance of a territory, or the need to conserve one's identity in the sociological sense.
- **Temporality** refers to the need for every organism to maintain its organizational integration, to avoid extinction and to reproduce. Reproduction is the positive desire; the forced need to re-integrate is the negative. This lies at the centre of the social structures of nurture, the family, birth and death.
- **Hierarchy** is more straightforward and sociologically commonplace. Its emotional valences are perhaps less familiar. Anger is the positive and fear the negative, correlated with dominant, attacking behaviour and submissive withdrawal.
- **Territoriality** is close to identity. For Plutchik it is separated and associated emotions are at first counter-intuitive. They are, positively, anticipation and its negative, surprise.

It follows, all the aforementioned are very vital in our day-to-day decision-making processes, which are also apparent in our professional lives and especially in business, where we are continually faced up with taking numerous decisions throughout the business week. Furthermore, the bewildering field of emotions is so vast and fascinating that we can sometimes mix emotions or not fully be aware of them by means of distinguishing our very own emotions and the emotions in the others.

Psychologist Robert Plutchik (1980) also created the Plutchik Model shown below. It shows that there are 8 basic emotions: *joy, trust, fear, surprise, sadness, anticipation, anger, and disgust*, which have their subclasses of emotions. Plutchik's wheel of emotions organizes these 8 basic emotions based on the physiological purpose of each. The model is actually the little "ice cream cone" which unfolds to the emotions wheel. Some of these emotions belong to the same class and can be interconnected with some related emotions that can co-exist in ourselves simultaneously. Thus, self-awareness can here be very effective in terms of helping us make sense of our very own emotions, as well as the emotions in the others, which will help us better make sense of the outward world and our surroundings alongside the people in it.

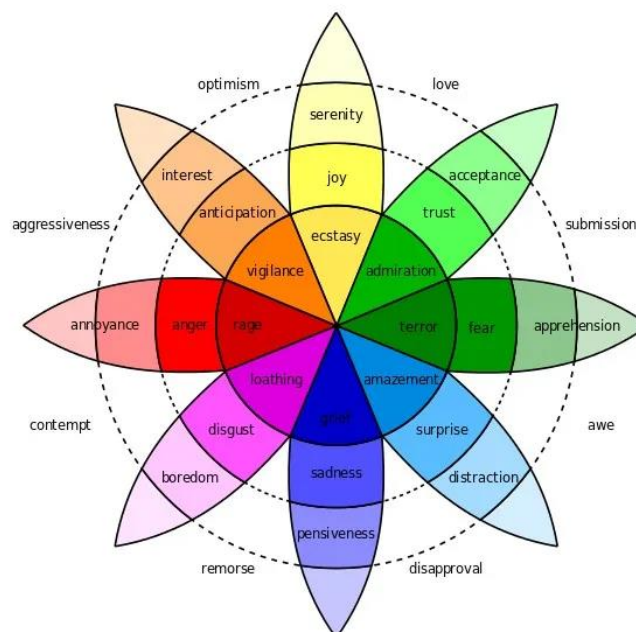


Chart 1 source: Plutchik's wheel of emotion (1980)

So it follows from the above-adduced wheel of emotion that in case we become more self-conscious, we will be able to deal with our emotions much better. And with the help of Plutchik's wheel we can easily identify them on our own.

Zerbe et al (2008) mention that the impact of incidental emotions on an individual's reactions to and evaluations of unrelated events is well documented. According to the authors although emotions function to help the individual respond to the emotion-eliciting event, action tendencies associated with specific emotions persist beyond the target situation and affect behaviours in subsequent situations. It is important, therefore, to understand how specific emotions elicited within or outside the organization may affect behaviour, cognition, and decision-making processes within the organizational context.

When talking about the workplace in the business field of activity, we have to note that here emotions also constitute a large part in our vocation repertoire, namely motivations, aspirations, as well as the business sphere also involves the experience and expression of some very tense negative emotions, such as anger, irritation, frustration, stress, etc. Nonetheless, the management of emotions is a part of one's profession. Moreover, here one should be equipped with strong EQ skills to endure stress and this concerns not only the employees, but also the management.

Many professions include instances of emotion management as a part-and-parcel of their vocation, e.g. stewardesses, teachers, lawyers, professors, customer service department assistants, etc. It was Arlie Hochschild who first coined the term "*emotional labour*", which should be applied at the workplace to avoid subsequent tense interpersonal relations with your colleagues, co-workers, managers, bosses, business partners, etc. (Hochschild, 1983; Rostomyan, 2024a,b).

Indeed, within the management of any organization, big or small, human resources are not merely working machines, but people are endowed with certain emotions and feelings, and if the managers want them to succeed and manifest a high performance, they have to take into consideration their emotions and feelings, motivations and aspirations as well, where the successful and efficient management of the human capital alongside with the emotional capital can be of great value (Rostomyan & Rostomyan, 2023).

In this connection, it is noteworthy that while engaging in business exchange with our counterparts and business partners, we are almost always faced up with different choices to make up decisions on, which presuppose effective decision-making skills. Actually, decision-making can effectively be described as the process of making important decisions both in your private everyday life and in business. Decision-making refers to the process of selecting an option from among a set of alternatives according to its probability of leading to best outcomes in terms of the survival chances of the organism (Rostomyan, 2022c).

According to the Oxford Advanced Learner's Dictionary (1997) the term decision making means - the process of deciding about something important, especially in a group of people or with an organization or a company. It follows that in their everyday duties and everyday activities, bosses, managers and leaders continually take decisions on various topics and issues, every time having to deal with their emotions and also making decisions on expressing or suppressing them. Moreover, we have to state that not only the businessmen who are faced up with the challenge of taking decisions in a timely manner, but also engineers, doctors, educators, lawyers, etc.

Here, it is also important to note that decisions do not always come that easy though for some people they might be easy-peasy, though they may regret later for this or that very decision made and met spontaneously in an ad-hoc manner, yet it is noteworthy that decisions are almost always influenced by a number of accompanying factors, i.e. emotional background memory, former interpersonal relations, positive/negative emotional predisposition towards your interactant, as well as former positive and/or negative emotions connected with a certain person intertwined with a certain decision, etc. (Rostomyan, 2012).

All of the aforementioned can sometimes be considered as "noise" that have a huge impact on the final decision besides mere facts and pure data analysis, yet they have very important information to tell the decision maker as well, which the pure data sometimes may lack. Furthermore, one of the factors, influencing decisions are *emotions* and *intuition*, which are often neglected in business (Rostomyan, 2022c); nonetheless, these are tiny little instincts guiding us in handling life that evolution has instilled in us according to Edward Murray (1964) and the business field is not an exception.

In this connection, we can speak about the Ted Talk speech of Tracia Wang back in September 2016 entitled "*The human insights missing from big data*". During her interesting speech, Mrs. Wang spoke about the differences between "*big data*" and "*thick data*", namely big data are the pure data retrieved

through analytics, while the “thick data” include such subtle things as intuition and emotions, likes and dislikes, motivations and intentions, feelings and desires, which can be gathered through qualitative research (Rostomyan, 2022c).

In her speech, Mrs. Wang also brought the example of the back then big telecommunication company “Nokia”, where she had formerly worked for, which did not consider her research on the preferences of people in connection with mobile phones having found out through qualitative research that the consumers have begun to prefer more sensory touch-screen phones. The company neglected this information and some years later they faced collapse with the introduction of sensory phones to the market. Therefore, conducting only a purely “data-driven” analysis based merely on “big data” is not enough for coming up with an effective decision that all the parties will eventually benefit from (see more in Rostomyan, 2022c).

As it can be seen, the *intuition* and *emotions* of people also have a great impact on the decisions people make, including what phones to possess which car to drive and which dress to wear, and, moreover, whom to marry and with which business partner to sign a contract with. Though it is primarily believed that emotions may have a negative impact on decision making processes as well as our overall mental state and verbal and non-verbal behaviour, in some cases they have intrinsic meaning and attach extra value to the overall decision made, e.g. based on our former experiences, including emotional ones (Rostomyan, 2012).

We have conducted an online survey at well-established and renowned corporations on whether men or women tend to rely more on their intuition and emotions while taking decisions and the results were obvious since as women are more often inclined towards taking decisions based on their intuition and, as they say, when a woman asks you a question, they most probably already intuitively know the answer.

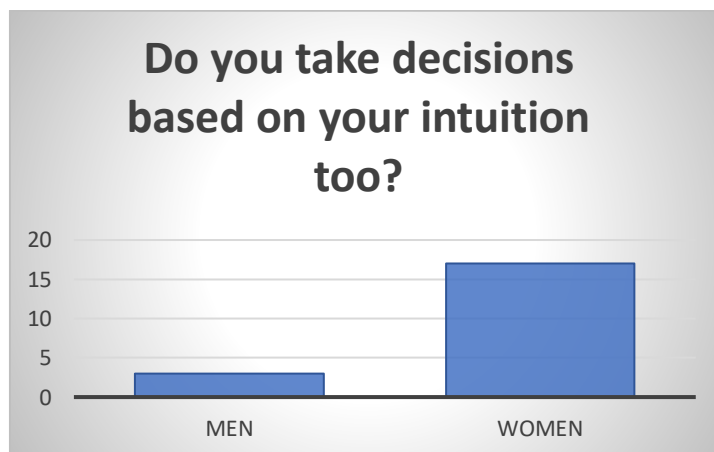


Diagram 1 source: A. A. Rostomyan & A. M. Rostomyan survey (2021)

The results of the above diagram can be explained by the fact that women tend to take decisions more based on our intuition and gut instincts (though there may be exceptions, slight variations and differences since we also differ in our personality nature) for our right side of the brain called the *right hemisphere*, which is responsible for creativity, emotions, intuition and feelings is more developed than that of men, who are more rational beings in essence and mostly take decisions based on pure facts and rational reasoning, since their left side of the brain called the *left hemisphere*, which is responsible for rationality, logic, reason, de-factoring, etc., is more developed than others according to Psychology.

Nonetheless, we should by all means also give stated that in her works on emotions Dr. Anna Rostomyan argues that emotionality and rationality go hand-in-hand and should not be viewed in contrast, but rather in comparison, which continually cooperating with one another complement each other and provide essential supplementary information to one another forming the basis of the harmonious interflow of our higher cognitive processes (Rostomyan, 2013b, 2022a,b). Usually the rationality governs our actions, yet at some other stances, especially at the heat of an emotional moement, the emotions grab the steering wheel of the brain and immensely influence our dayily decisions. Our research has shown that albeit the requirement of professional settings, in the business sector too emotion can also become apparent through verbal and non-verbal markers (Rostomyan, 2020).

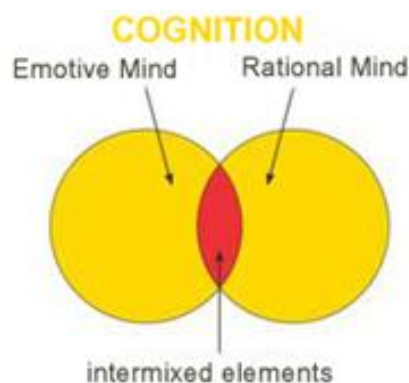


Chart 2 source: Rostomyan (2013b)

Dr. Anna Rostomyan clarifies in her PhD dissertation that the rational mind and the emotional mind together make up the basis of our higher cognitive processes and cannot be viewed separately. Of course, it should by all means be given stated that the emotional and rational minds sometimes overlap and the emotional mind can come to the forefront and overrule over the rational part of our brain under the heated emotional moment. In this case, the strong positive and/or negative emotions find their outward expression (Rostomyan, 2022a).

Nonetheless, the cooperation of these two minds gives us the ultimate chance of gaining insights into the present situation at hand benefiting from the information retrieved from both of them. Besides, it is also noteworthy here that in the heat of an emotional moment we can lose control over our rational part of our brain and the emotions may very explicitly be displayed on the outward through verbal and non-verbal expressions, which are thoroughly discussed in the book by Dr. Anna Rostomyan entitled “*The Ultimate Force of Emotions in Communication*” published in 2022 in Germany (Rostomyan, 2022a).

So, in the decision-making processes too we also intuitively (especially women) and sometimes unconsciously pay attention to the emotions expressed by our communicative partner, where both positive and negative emotions interplay. Moreover, in case we become more self-aware and socially aware of the apparent role that emotions play on the background of our brain, we will much better comprehend the external worlds, as well as the actions of not only ourselves, but also of the others in our circle. Furthermore, the more we realize the eminent role emotions play in our higher cognitive processes, the better we will be apt in dealing with the latter not letting them overrule the rational part of our brains. This holds true both for positive and negative emotions, which both have an influence on our rationality, the first having a positive impact, while the latter - negative impact on our actual decisions.

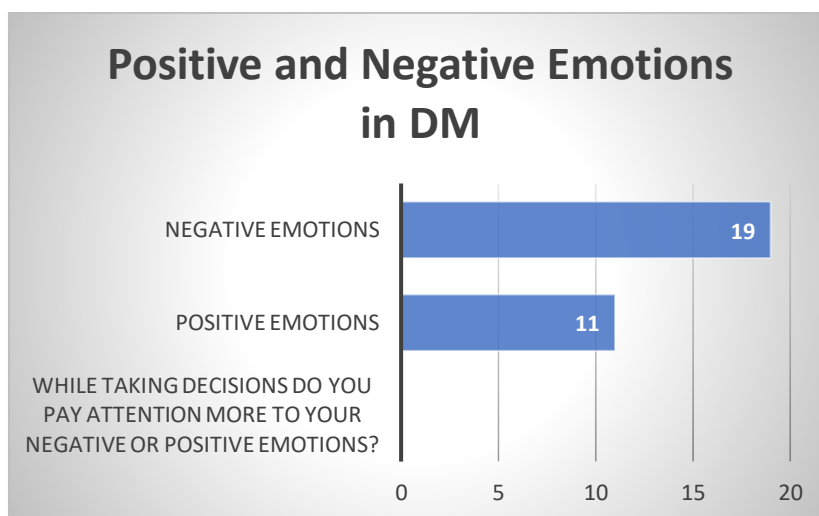


Diagram 2 source: Rostomyan and Rostomyan research (2022)

Based on a randomly sampled survey, we have found that in everyday life people more often take decisions while being under negative emotions rather than positive ones. This might be explained by

the fact that negative emotions more often guide us towards taking an actions which we also maybe later on regret, whereas as for positive emotions, we very often take them for granted. Therefore, it is highly advisable to pay a closer attention on the essence and impact of the emotions not to find ourselves in difficult situations; hence, we have to identify the experienced emotion first, recognize the emotional side of the emotions and their impact on our decisions and actions and only after that take a certain decision to take a definite action.

In terms of the business world, while meeting a particular decision, we can speak about the importance of conducting a “*diagnostic*” analysis while striving towards finding a solution when trying to come up with a certain decision beneficial for ourselves.

According to the authors D. Swanson and J. Dearborn (2017), there are four stages of analytics:

These include the following interrelated stages shortly explained below:

- **Stage 1:** *Descriptive analytics*: here you have to find what has happened to be able to come up with a certain decision.
- **Stage 2:** *Diagnostic analytics*: you identify why a certain thing has happened to be able to derive solutions.
- **Stage 3:** *Predictive analytics*: you investigate what might have happened besides what has already happened.
- **Stage 4:** *Prescriptive analytics*: you come up with solutions on what should be done and what decisions should be made to solve the present problem at hand.

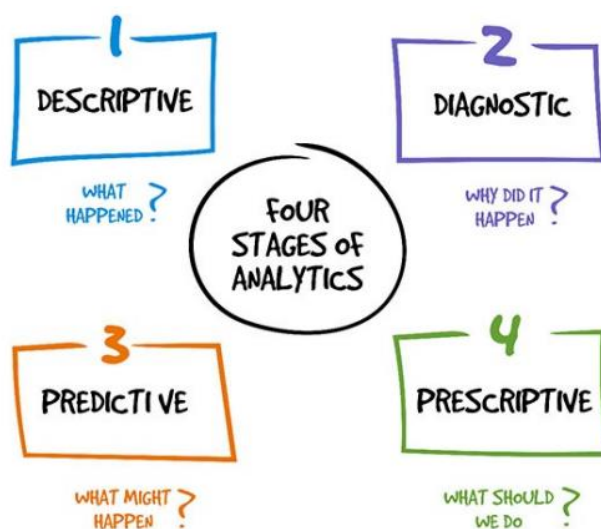


Table 1 source: Swanson and Dearborn (2017)

It follows from the above that in case of Nokia conducting such an analysis it would most probably might have helped the managers and the engineers to deduct why people have begun to prefer sensory phones on the diagnostic level of analysis and to take actions after the prescriptive stage of analysis towards finding the best option for the company to proceed matching the demands of the market, which would have resultantly saved the company (Rostomyan, 2022c).

While speaking about effective decision making and stating that emotions do play a very vital role here, it is also very essential to state that “*emotion management*” comes to the forefront, since even in case you come up with the best decision but are unable to conduct an emotion management at the workplace with your employees using different emotion management techniques (Rostomyan, 2013a), you will most probably not succeed in implementing your decision at hand. Therefore, both self-awareness and self-management first before applying emotion management at the workplace are of utmost importance.

With saying *Emotion Management*, we mean managing our emotions as well as the emotions of our interactants in a psychologically safe and healthy manner both on the verbal and non-verbal levels

(Rostomyan, 2022a,b), since while communicating with one another we not only exchange ideas and thoughts on the verbal levels through linguistic markers, but also on the non-verbal level through gestures, facial expressions, gross bodily movements, postures, etc. (Rostomyan, 2013a,b), since far too much of what happens in the process of communication occurs on the emotional level, where the emotions of the parties involved dance in the background of our decisions and actions. And here **EQ skills** can be of great help to you both in your private life and in business, which are a) *self-awareness*, b) *self-management*, c) *social awareness*, d) *relationship management*, e) *empathy* (see more in Goleman, 1995).

The term “*Emotional Intelligence*” (EQ) is very often used nowadays as one of the prerequisites for success. It has been defined, by Peter Salovey and John Mayer (1990, 1993), as the ability to monitor one’s own emotions, as well as the other people’s emotions, to differentiate between different emotions and label them appropriately, and to use emotional information to guide thinking and behaviour. And since decision making is interrelated with our thinking abilities and emotions are also “thoughtful” feelings, here too we cannot do without considering them.

Emotional Intelligence is, in fact, our ability to *perceive, understand, use* and *manage* our very own emotions, as well as the emotions of the others (Goleman, 1995). In fact, managing emotions is tightly linked with our higher cognitive processes and the harmonious flow and interaction of the emotional and rational parts of the brain, which provide one another life-essential information for the successful survival of the organism and guide us throughout our lives and dictate us how to behave in a certain situation (Rostomyan, 2013b; Rostomyan, 2020).

Dr. Armen Rostomyan with Dr. Anna Rostomyan have carried out a quantitative analysis on the awareness of emotions in the business sphere at “Porsche Center Yerevan” and “Porsche Central and Eastern Europe (PCEE)” and the results come to prove our hypothesis that emotions do play a great role in business and may have an immense impact on our interpersonal relations in the professional business field as well, also impacting our business-relevant decisions and actions.

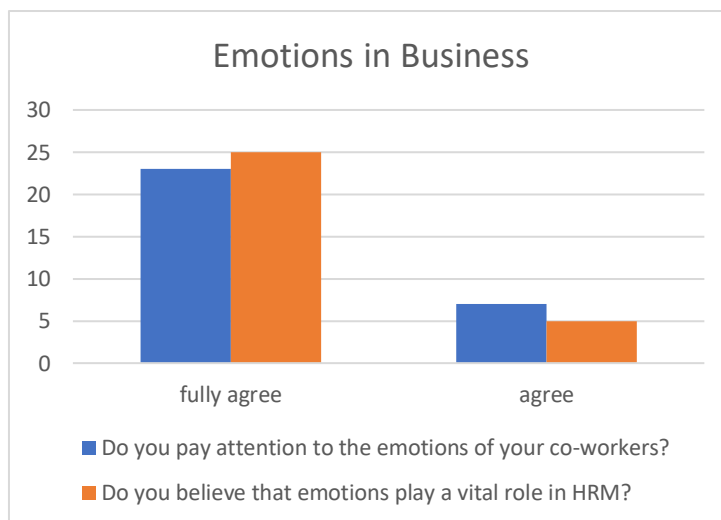


Diagram 3 source: A. A. Rostomyan & A. M. Rostomyan survey (2021)

It follows from Diagram 3 above that managers are fully aware of the role of emotions in business management. To the question “Do you pay attention to the emotions of your co-workers?” – 23 people have answered with a “fully agree” and 7 with an “agree” option. It is here noteworthy that none of them has given a negative answer to the addressed question. As for the second question “Do you believe that emotions play a vital role in HRM?” – 25 of the interviewed have answered with a “fully agree” and 5 with an “agree” option and here as well none of the replying with a negative response. This comes to prove that managers too are, in fact, aware of the eminence of emotions in business and they also realize that in case they pay more attention to the emotions of their co-workers, they will see their business succeed, since as already mentioned by us, human resources represent people endowed with certain emotions and feelings, aspirations and motivations, preferences and desires, which also partake in the decision-making processes. Besides, our qualitative surveys at Porsche have also shown that the people within the company feel like a family and serve for a common goal that is interrelated with the absolute passion and dream of the Porsche brand.

Therefore, when it comes to making decisions, **EQ skills** can help you see how your emotions affect your decisions and manage them accordingly, as well as to recognize the emotions in the others and to detect how your emotions, also the emotions of your co-workers, affect your and their factual decisions and actions in particular, which have the greatest potential of transforming your business in a very vitally positive way, creating a positive work atmosphere, making work enjoyable, and thus stimulating augmented business results and seeing your business flourish.

I. Case Study: Coca-Cola's Emotional Branding Strategy

Coca-Cola, one of the world's most iconic beverage companies, has long recognized the power of emotions in shaping consumer decision-making and behaviour. In the recent years, they have implemented a sophisticated *emotional branding strategy* aimed at forging, enhancing and maintaining stronger emotional connections with their customers.

Using neuroscientific research and behavioural studies, Coca-Cola's marketing team gained insights into the emotions that drive consumers' beverage choices. They found that feelings of happiness, nostalgia, and belonging were crucial in influencing the purchasing decisions therein. As a result, Coca-Cola strategically incorporated these emotional triggers into their advertising campaigns and product packaging, which as a result positively impacted the business turnover.

For instance, Coca-Cola's "Share a Coke" campaign encouraged customers to find bottles with their names on them or the names of loved ones, fostering a sense of personal connection and joy, as well as notes on them like "Sister", "Friend", "Brother", "Family" and other relations in different language showing kinship, which in case of being shared with the latter had the ultimate chance of strengthening their emotional bonds as well. They also tapped into feelings of nostalgia by reintroducing vintage packaging and running ads that evoked memories of classic Coca-Cola commercials (Coca-Cola, o.J.).

Thus, by leveraging emotions effectively in their marketing and branding efforts, Coca-Cola was able to deepen the emotional bond between consumers and their brand. This emotional connection positively impacted consumer loyalty and buying decisions, making Coca-Cola a prime example of how emotions play a significant role in decision-making processes in business.

4. DISCUSSION

It follows from the discussion above that in case we are attentive towards the emotions of our co-workers and employees, our customers and consumers, our business partners and colleagues in the business field of our activities and pay a closer attention to creating a healthy, positive, and supportive working atmosphere, where everybody feels involved and secure, cherished and acknowledged, also taking into account the various emotions, expectations, aspirations and awaiting of the employees and all parties involved, we will stand a better chance of having better performance and better resultant outcomes, since empowered employees make better decisions and resolve problems more effectively by means of recognizing the emotional sides of the decisions and also sometimes paying closer attention to their gut instincts and intuition too, which also have something relevant to add to the table of effective decisions. All this has the utmost potential of positively influencing our brands and reputation in global business, because if we feel secure and safe at our "home" corporation or company, we perform at our best, which helps us meet more effective decisions and take decisive actions more effectively with a clearer and focused mind, which in fact is the basis for successful business operations.

5. LIMITATIONS AND FURTHER IMPLICATIONS

Taking into account the wide range of emotions and no absolute definition therein, it may sometimes be difficult to identify which emotion one is undergoing at a certain moment and to realize its impact on this or that certain decision, both in our personal lives and professional settings. Nonetheless, if further models as Plutchik's model are developed, we will be more able to better recognize and name our very own emotions by our very own selves and to take an action accordingly detaching mere dry facts from emotional triggers. Besides, it is also noteworthy that in case more and more people become aware of the participation of emotions in our higher cognitive processes and factually in decision-making activities too, people will be more apt in dealing with them accordingly. Moreover, in case the business people recognize the huge role and impact of emotions in their decisions, they will also operate more strategically in line with the recognition therein.

6. FINDINGS

After a thorough study, we have come to the conclusion that based on neuroscientific research, emotions do take a part in decision making processes, which are prevalent in global business. Moreover, if the

business people recognize the utter potential of emotions in creating emotional bonds with their consumers, they will stand a better chance of establishing much stronger brands and creating emotional bonds with their target audience, which will enhance the factual success of their business operations ensuring better output by no means impacting the quality and value of the proposed products and services.

7. CONCLUSION

To sum up with, emotions represent a very wide range therefore it is hard to define them yet they can be classified into groups that guide us throughout our lives, mostly classifying them under positive and negative emotions, which does by no means mean that experiencing negative emotions is wrong and should by all means be avoided. Instead we have to understand that both emotions have important information to tell us and guide us throughout our entire lives. Moreover, the analysis of the factual material has enabled us to claim that both negative and positive emotions do often participate in decision-making processes, since they are linked to our higher cognitive processes, where both emotional and rational elements interact by means of providing each other with various pieces of highly important pieces of information essential for our survival. In life, in fact, we are almost always experiencing some sort of emotion or feeling. Moreover, our emotional state may vary throughout the whole day. Therefore, we need some soft skills to be able to handle them to handle life and to succeed in it accordingly, especially in taking decisions that are vital for us both privately and in our business operations. Besides, it is imperative to bear in mind that our research has shown that while making decisions, it is highly advisable for everyone not only to rely on the pure facts, but also take into account the intuition and gut instincts, which have the potential of providing us with additional information, guiding us and securing us from a consequent failure or a resultant misconduct or miscommunication. Hence, in case we approach decisions as multifold actions including very different interrelated and intertwined processes, we will surely succeed and have effective positive results at our company and in our private lives helping us create better strategies guiding us privately and professionally.

ACKNOWLEDGMENTS

We hereby thank deeply all the Porsche teams for participating in our online survey.

REFERENCES

- Cherniss, C. and Goleman, D. (2003). *The Emotionally Intelligent Workplace*. San Francisco: Jossey Bass. A Wiley Company.
- Ekman, P. (1999). Basic emotions. *Handbook of cognition and emotion*, 98(45-60), 16.
- Goleman, Daniel (1995). *Emotional Intelligence: Why it matters more than IQ*. New York: Bantam Books.
- Hochschild, A.R. (1983). *The Managed Heart: Commercialization of Human Feeling*. Berkeley: University of California Press.
- Murray, E.J. (1964). *Motivation and Emotion*. New Jersey: Prentice-Hall Inc.
- Oxford Learner's Dictionary (1997). Oxford: Oxford University Press.
- Plamper, J. (2015). *The History of the Emotions*. Croydon: CBI Group (UK).
- Plutchik, R. (1958). 'Outline of a New Theory of Emotion', *Transactions of the New York Academy of Science*, 20, pp. 394–403.
- Plutchik, R. (1980). *Emotion: A Psychoevolutionary Synthesis*. New York: Harper Row.
- Plutchik, R. (1980). A General Psychoevolutionary Theory of Emotion. In R. Plutchik & H. Kellerman (eds.), *Emotion: Theory, Research and Experience, Theories of Emotion* (Vol. 1, pp. 3–33). New York: Academic Press.
- Rostomyan, Anna (2012). *The Impact of Emotional Background Memory at Court*. Berlin: DeGruyter.
- Rostomyan, Anna (2013a). *Management Techniques of Emotions for Communicative Conflict Reduction*. In *Communication: Breakdowns and Breakthrough*. Eds. Anabel Ternès. Oxford: Oxford Publications, pp. 141-151.
- Rostomyan, Anna (2013b). *A Linguo-cognitive Analysis on Verbal and Non-verbal Expressions of Emotions (on the material of English)*. Dissertation. Yerevan State University, Yerevan, Armenia.
- Rostomyan, Anna (2020). *Business Communication Management: The Key to Emotional Intelligence*. Hamburg: Tredition.
- Rostomyan, Anna (2022a). *The Ultimate Force of Emotions in Communication: A Linguo-cognitive Analysis on Verbal and Non-verbal Expressions of Emotions (on the materials of English)*. Dueren: Shaker Verlag.

- Rostomyan, Anna (2022b). *Emotional Intelligence as a Keystone towards Success*. Moldova, Generis Publishing.
- Rostomyan, Anna (2022c). Efficient Decision Making through EQ Skills in Business. *European Business Review*. London, 16.09.2022, available at: <https://www.europeanbusinessreview.com/efficient-decision-making-with-eq-skills-in-business/>
- Rostomyan, Anna & Armen Rostomyan (2023). The Importance of Emotional Capital in Companies. *Int J Res Hum Resour Manage*, 5(2), pp. 53-57. DOI: 10.33545/26633213.2023.v5.i2a.150.
- Rostomyan, Anna (2024a). The Importance of Emotional Labour at Workplace, Berlin School of Business and Innovation (BSBI), Journal of Business and Innovation, Volume 3(2), Berlin, Germany.
- Rostomyan, Anna (2024b). Fostering Human Capital through Emotional Labour for Sustainable Human–Human–Machine Cooperation in Achieving Net-Zero Policies. In: Singh, R., Crowther, D. (eds) *Transition Towards a Sustainable Future. Approaches to Global Sustainability, Markets, and Governance*. Springer, Singapore. https://doi.org/10.1007/978-981-97-5756-5_7
- Salovey, P. & Mayer, J. (1990). Emotional Intelligence. *Imagination, Cognition and Personality*, 9(3), pp. 185–211.
- Salovey, P. & Mayer, J. (1993). The Intelligence of Emotional Intelligence. *Intelligence*. 17 (4), pp. 433–442.
- Smith, John A. (2020). Emotions, Embodied Cognition and the Adaptive Unconscious: A Complex Topography of the Social Making of Things. London: Routledge.
- Swanson, David & Dearborn, Jenny (2017). *The Data Driven Leader: A Powerful Approach to Delivering Measurable Business Impact Through People Analytics*. New York: Wiley.
- Ted Talk by Tracia Wang on “*The Human Insights Missing from Big Data*” (September 2016, online: accessed on December 2021).
- What was the ‘Share a Coke’ campaign?* (n.d.). Coca-colacompany.com. Retrieved July 31, 2023, available at: <https://www.coca-colacompany.com/au/faqs/what-was-the-share-a-coke-campaign>
- Zerbe, Wilfred J., Charmine E. J. Härtel, Neal M. Ashkanasy, Wilfred J. Zerbe, Charmine E. J. Hartel, and Neal M. Ashkanasy (2008). *Emotions, Ethics and Decision-Making*. Bradford: Emerald Publishing Group.

AUTHOR’S BIOGRAPHY



Dr. Anna Rostomyan is an Assistant Professor, an international author of 7 books and over 50 publications worldwide with a readership of around 100 nationalities, as well as an established researcher, reviewer, speaker, translator, editor and EQ coach. She defended her PhD on the intersections of cognitive linguistics and emotions with the highest distinction in collaboration with the University of Fribourg (Switzerland) and Yerevan State University (Armenia - her Alma Mater) in 2013 within the frames of an international research grant of excellence. Her main research interests lie in the field of emotions, emotion management, human resources and business intelligence, as well as emotional intelligence in communication. Having worked both in the academia and in the business sector, she conducts interdisciplinary research focusing on the cognitive aspect of emotions and their role and impact in discourse and management in different spheres of human activity. Her works have been featured at such outstanding publishing houses as Springer and DeGruyter. She is also a contributing author at such business magazines as the *European Business Review*, *Personal Führungsmagazin*, *Wirtschaftspsychologie aktuell*, *neues lernen*, and others.



Dr. Armen Rostomyan is a distinguished scientist in the field of X-Ray Optics. He has more than 50 publications worldwide and 5 patents read across cultures and nationalities. Apart from the academic he has a wide expertise in the automotive business industry having been the Spare Parts Manager at Mercedes-Benz Armenia and the After Sales Director at Porsche Center Yerevan successfully managing team towards common goals and success. He is an exceptionally empathetic leader with strong analytical and communication as well as language skills always striving towards excellence in different fields of human activity. His main research interests mostly lie in the field of X-Ray Physics, X-Ray Optics, Neurophysics, Business Intelligence and Human Resources Management.



Prof. Dr. Anabel Ternès von Hattburg is a leading figure in sustainability, innovation, and leadership. Hypovereinsbank calls her “one of Germany’s outstanding managers and entrepreneurs.” She is a futurist, speaker, author, founder - CEO of Sustain Plus, of SRH Institute for Sustainability Management and Innovation, and having the Dieter Kronzucker professorship of communication management as the head of faculty. She is in the advisory board among other at Plant for the Planet, president Germany at the Club of Budapest and Embassy for International Affairs, in the board of Yunus Friends of Social Business and member Club of Rome. She has received many awards such as Google Impact Challenge Award, Ambassador Women Lead at the Federal Ministry of Economic Cooperation and Development and LinkedIn Top Voice.

Citation: Dr. Anna Rostomyan, et.al., “ *The Impact of Emotions in Decision-Making Processes in Global Business*” *International Journal of Managerial Studies and Research (IJMSR)*, vol 12, no. 10, 2024, pp. 20-31. DOI: <https://doi.org/10.20431/2349-0349.1210003>.

Copyright: © 2024 Authors. This is an open-access article distributed under the terms of the Creative Commons Attribution License, which permits unrestricted use, distribution, and reproduction in any medium, provided the original author and source are credited.