

**Imagine the future world:
How do we want to work tomorrow?
Abstract proceedings of the
16th EAWOP Congress 2013**

Editors: Guido Hertel - Carmen Binnewies - Stefan Krumm - Heinz Holling - Martin Kleinmann

Managers' implicit and explicit risk-attitudes in managerial decision making

Jenny V. Bittner (Univ. of Twente, NL) j.v.bittner@utwente.nl, Julia Landwehr (Univ. of Kassel, DE)

Purpose

We examined the contribution of implicit and explicit risk-attitudes to the prediction of risky management decisions. Indirect methods allow for the measurement of implicit attitudes, while self-report is typically used to measure explicit, reflective attitudes. Indirect methods make it difficult to fake test results or use impression management, because they are based on reaction times and assess the strengths of associations in memory.

Design/Methodology

In a field experiment, managers were tested for their implicit and explicit risk-attitudes and were asked to make risky management decisions. An Implicit Association Test (IAT) was constructed to measure implicit risk-taking and compared to an explicit risk questionnaire in its influence on several management decisions.

Results

Results showed that the chance that managers take the risk is significantly higher when the IAT classified them as risk-seeking. This, however, was only found if the decision was framed as a loss situation. Under a gain framing, the IAT was not a significant predictor, but the explicit measure significantly differentiated between managers choosing the risk versus not.

Research/Practical Implications

These results can be explained by theories on impulsive decision making. Implicit attitudes may assess impulsive risk-decisions in loss situations better than explicit attitudes. It would be worthwhile to further develop indirect measures to assess managerial decision making.

Originality/Value

In loss situations, managers may make decisions more impulsively. Thus, implicit attitudes may predict risky decision making in loss situations better than explicit attitudes.