

INDIVIDUAL DECISION MAKING WITHIN THE WORK PLACE: AN INTRODUCTION OF THE IMAGE DECISION THEORY PRACTICE IN FOODSERVICE INDUSTRY

Mazalan Mifli¹⁾, Raman Noordin²⁾

¹⁾ School of Business and Economics, Universiti Malaysia Sabah (mmifli@ums.edu.my)

²⁾ School of Business and Economics, Universiti Malaysia Sabah (raman@ums.edu.my)

Abstract

Research findings suggest that most foodservice managers practice decision-making based on intuitive judgement [1]. Although advanced technological methods are available to help reduce the difficulty of decision making in the foodservice industry, intuitive judgement is still widely practiced among foodservice managers. Behind the scene, the authors elaborates the rational of this practice. An interesting point emerges is that consumer decision behaviour arguably resembles image decision theory. This paper argues that the practice of decision-making amongst foodservice managers is a replication of consumer decision behaviour. As such, the evidence suggests that the decision-making practice within the foodservice industry is based on the image-decision theory.

1. Introduction

There are many elements that need to be thoroughly examined in the perspective of consumer behaviour. Consumer behaviour is a crucial element to understand before offering services and products to customers [2]. The authors claim that common decision-making in foodservice industry is arguably a replication of consumer decision behaviour. The aim of this paper is to provide evidence for the authors' claims and to introduce the image decision theory practice in foodservice industry. This paper introduces the theory, how useful it is in the individual decision-making process and finally put forward recommendations based on the authors analysis.

2. Image Theory for Individual

"The goal of the theory is to describe decision making as it occurs rather than to prescribe how it ought to be done" [3]. Notably all decision-makers have a set of knowledge that is stored in their memory that falls into three dimensions: 1) value image that consists of values, morals, and ethics; 2) trajectory image which is the goal; and 3) strategic image which is the plan. Beach adds that "in a nutshell, decision-makers use their store of knowledge (images) to set standards that guide decisions about what to do (goals) and about how to do it (plans)" [3]. These three images are inside the boundary of the decision-maker's framing. Current knowledge and past experiences boost the decision process in less complicating when minor alterations in goals or plans are minimal (adoption decision). As these images join together a progress decision proceeds where a scenario decision model emerges in guiding the decision process [3]. The model works in four stages. Firstly, the decision-maker's goals within the boundary (frame) are the source of decision aspirations to infer the probability of the situation to "what if". Secondly the "what if" is generated in cognitive thinking before a plausible interpretations is generated in the third stages. Finally in the fourth stage the plausible interpretation are conducted in a series of "what if" in the future [3] [4].

3. Application to the Foodservice Industry

To a large extent most foodservice managers use consumer behaviour as their source of decision aspirations in decision-making process [2]. For instance, Teare claims that the irony of decision making in the foodservice industry is illustrated upon consumer decision behaviour. He states,

“a degree of consistency of approach and integration between the three stages is provided by the consumer’s prior product category experience. As the consumer acquires product knowledge, evaluations are coded in memory for future use. The store of information acts as a personal rating mechanism or system for comparing, assessing and evaluating future product category purchase decisions” [5].

His argument is that this consumer decision behaviour provides useful guidelines for foodservice managers in their decision making process. In a recent survey,¹ Bazerman, Morrison and Berger conclude that in the decision process, managers in the foodservice industry hardly rely on hard data but focus more on intuitive judgement [6] [7] [8]. Jones idea that menu decision making is not purely based on the “process of analysing costs and sales data in order to manipulate...products on the menu [but to understand] in depth customers’ needs and perceptions” [9]. A generalisation can be made that this may well be due to the nature of consumer behaviour in that it causes the decision-making process rely on intuitive judgement. Therefore, the logical explanation as to why foodservice managers rarely use hard data is answered through consumer behaviour. Needless to say, the image decision theory shows how useful it’s utilisation is in decision-making practice. “Image theory views decision making as a social act. That is, decisions seldom are made in isolation-the decision maker always must be mindful of the preferences and opinions of other people” [3]

4. Analysis and Recommendations

The underlining of the image decision theory is in fact the study of social human behaviour seeking satisfaction of needs and wants. The theory implies that individual decision-making is made based on collections or recollections of various inputs from human behaviour. Indeed it is a highly complex process where individuals acquire different product knowledge every time and by then he or she would have coded numerous new memories that may or may not be kept for future use. This information is stored within the frame of the individual mind and it acts in various reactions depending on the preferences and biases of the individual.

Thus, in the case of the foodservice industry, it is put forward that the process of consumer decision making is based on the image decision theory. This is well illustrated in a study by Hemmington and Teare research that consumer decision-making starts from recognising his or her needs based upon product knowledge through past or current experiences which are coded in memory for future reference [2] [5]. They argue that the consumer is most likely to use this knowledge as a selection tool mechanism for differentiating valuing and reviewing the product before finalising the decision. As a result, ironically it turned out that foodservice managers’ decision making is arguably a replication of consumer decision behaviour. Thus the practice of image decision theory by individual foodservice manager is conceivable.

On the other hand, an interesting phenomenon emerges in that image theory originates from the individual decision-making process. It is a complex process but it explains exactly what happens in real-world human decision behaviour. Each individual has his or her own set of decision behaviour and because of the diverse complexity of different individual experiences, it generates countless numbers of different individual’s decision behaviours. To some

¹ Bazerman’s survey was in general managerial decision-making but it could be applied to the hospitality industry.

extent some individuals fall into similar decision behaviour due to their homogeneous category such as income, social experience, age and others. However as these categories change, the individual decision behaviour is likely to switch into different individual decision behaviour. However, the individual will still practise the old decision behaviour depending on previous experiences. This is another reason to explain why the individual decision making process in foodservice industry relies more on intuitive judgement rather than hard data.

Therefore the authors recommend that in order to improve individual decision-making in the foodservice industry one has to understand consumer behaviour. Consumers are the hearts of the business success, hence to ignore their decision behaviour would mean you are most likely uncertain in making decisions. Although an argument might arise that the history of sales record plays just as important a role by pointing out a profitable product or otherwise, it does not tell the attribution of the cause.

There are many reasons behind the scene that could be the real cause of why a product is profitable or not. As mentioned earlier, consumer decision behaviour is not solely reliant on the product itself but is affected by external factors as well. To date most of these external factors are identified yet there is no absolute answer to explain such consumer behaviour. It is worth bearing in mind that consumers' decision behaviour goes hand in hand with the degree of their perception of needs and wants. Therefore, it is impossible to attain the exact answer but it is possible to understand these perceptions in theory.

In addition, an individual has to be alert enough not to fall on his/her own decision traps. This is because replications of the consumer decision behaviour may falls to conformity [10]. It should be remembered that consumer decision behaviour provide neither a positive nor negative answer; it is merely the 'shadows' of the consumer behaviour seeking satisfaction of needs and wants. On the other, hands the aim of an individual decision-making is to learn and understand these unpredictable 'shadows' as a guideline to make wise decisions.

5. Conclusion

In conclusion, the image theory in practice, provides a guideline for individual decision making because of its suitability in dealing with ongoing occurrences. An individual utilising this theory must have a vision of what to accomplish and plan it in order to achieve goals. Yet, in the process of reaching the goal inevitably he or she acquires new information that will determine whether the plan need to be modified in pursuing the goal. Arguably, this theory is widely practiced by foodservice managers through the study of their consumer decision behaviour. It is believed that with good sound knowledge of consumer decision behaviour foodservice managers will generate wise decision making in fulfilling consumer satisfaction. Needless to say, because of its intangibility, consumer decision behaviour becomes unpredictable. Therefore, careful evaluation of 'what if' in the future is essential in individual decision-making. Understanding consumer decision behaviour is a vital source in decision-making and it can be the 'puppet master' for individual decision making if it is judged correctly. Consumer decision behaviour is a never-ending story therefore foodservice decision-makers never stop searching for plausible answers.

References

- [1] Jones, P. and Mifflin, M. (2001). *Menu Development and Analysis in UK Restaurant Chains*. Journal of Tourism and Hospitality Research, Vol. 3, No. 1, pp.61-71
- [2] Hemmington, N. (1994). *Market Research and Concept Development: Models of Consumer Behaviour*. In Jones, P. and Merricks, P. (Eds.). *The Management Of Foodservice Operations*. London: Cassell, pp. 18-44
- [3] Beach, L. R. (1997). *The Psychology of Decision Making: People in Organisations*. London: Sage.
- [4] Sheel, A. (1995). *Monte Carlo Simulations and Scenario Analysis-Decision Making Tool for Hoteliers*. Cornell Hotel and Restaurant Administration Quarterly. Vol. 37 No. 1, pp. 33-41
- [5] Teare, R. (1991). *Consumer Strategies for Assessing and Evaluating Hotels*. In Teare, R. and Boer, A. (Eds.). *Strategic Hospitality Management: Theory and Practice for the 1990s*. London: Cassell, pp.120-143
- [6] Bazerman, M. (1998). *Judgement in Managerial Decision Making*. Fourth Edition. New York: Wiley.
- [7] Morrison, P. (1996). *Menu Engineering in Upscale Restaurants*. International Journal of Contemporary Hospitality Management Vol. 8 No. 4, pp. 17-24
- [8] Berger, F. (1987). *How Restaurateurs Make Decisions*. Cornell Hotel and Restaurant Administration Quarterly. Vol. 27 No. 4, pp. 48-57
- [9] Jones, P. (1994). *Menu Analysis*. In Jones, P. and Merricks, P. (Eds.). *The Management of Foodservice Operations*. London: Cassell, pp. 204-215
- [10] Gore, J. (1997). *Exploring Hospitality Managers' Decision Making Process*. PhD Thesis: Oxford Brooks University