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Full Length Research Paper

Role of extra sensory perception (ESP) in managerial decision making

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The success of any business organization, by large, depends upon its managers, who make effective decisions to meet company's objectives, on time, and at minimum cost. However, by placing primary emphasis on rational techniques (relating consequences systematically to objectives), managers implicitly work with two other procedures for making choices; the processes of intuition, by means of which they (managers) may do things without fully understanding, and the processes of tradition and faith, through which they do things because that is the way they are done. This paper attempts to examine the effectiveness of decision-making of executives under non-programmed and ill defined situations in Ethiopian context, by associating the Extra Sensory Perception (ESP) with various decision-making factors, such as creativity, correctness, and clarity. Tests for measuring ESP (Envelop Test) and Potential for Creativity (Creativity Test) scores with executives were carried out. The executives with higher Decision Making (total) were reported with high ESP scores. Moreover, 'Creativity' of over one-fourth (28%) of the respondents was found to be in the lowest category, and somewhat associated with ESP. However, efforts could be made to replicate the study by using different approaches to measure the effectiveness of decision making of executives.

Key words: Managerial decision-making, intuition, Extra Sensory Perception (ESP), Ethiopia.

INTRODUCTION

Managers constantly make decisions, and in a sense all decisions are important. Since there are many kinds of decisions that are made under varying circumstances by executives with different patterns (of decision making), certain tend to produce better results than others. It is again well known that a decision is the selection of a course of action from two or more alternatives; the decision making process is a sequence of steps leading to that selection, and collectively (decisions) determine direction, effectiveness and efficiency of an organization.

According to Haynes and Massie (1971), a decision is a course of action consciously chosen from available options in order to attain a desired result. The selection of the best alternative requires consideration of various merits and demerits of each option (available) and degree of risk along with sacrifices. This leads to decision making, where the effective decision is the best solution of the problem to be solved, and managers sometimes see decision making as their central job and must make choices on the basis of limited or bounded rationality. Also, while decisions about the future involve unknowns, correctness of the decision is obviously an important aspect along with clarity and acceptability within the organization.

Further, reliance on past experience probably plays a larger part than it deserves in decision making. The very fact that managers have reached their position appears to justify their past decisions, and decision-making effectiveness has been associated with the extent to which managers adapt their cognitive style to task requirements. As a result, a considerable number of researches have been made on rationality and bounded rationality over the past few decades (Horide, 2003). On the other hand, literature related to decision making shows an association between the decision making process and some unique individual characteristics such as intuition, ESP and personality. Also, Nobel Laureate Douglas Dean (1974) in his book, 'Executive ESP' has mentioned striking findings relating ESP with executive (management) success. Moreover, the process of thinking

problems through making decisions, and seeing programs succeed or fail does make for a degree of good judgment (at times bordering on intuition). Keeping this in mind, the study is designed to test the effectiveness of executive decision-making under non- programmed or ill-defined situations and its association with Intuition and the ESP.

Intuitive decision making

Many research and anecdotal reports point to the concept of intuition as a means by which psychic functioning merges with normal information processing to produce effective decision making and assessment under conditions of insufficient sensory information. DeGroot (1965) noticed that most decisional skills depend largely on intuitive experience and providing confidence for a decision when knowledge is incomplete. Moreover, sometimes in business, decisions are classified on the basis of their urgency. This crisis situation is characterized by stress, surprise, limited time for response, and threat to high priority goals. Such (crisis) decisions are often intuitive i.e. they are based on experience, instantaneous analysis, and an emotional element that collectively give the manager a feeling that the chosen course of action is the right (Hashim et al., 2010).

Fields (2000) states that intuition is one of the most mysterious concepts associated with the study of human capital. It is usually defined as knowing and sensing something by following an irrational approach and involves additional sensors to perceive information from the outside (Klien, 2004). McCarty et al. (2004, as cited in Raymond 2006) view intuition as a process by which information, normally outside the range of cognitive process, is sensed and perceived in the body and mind as certainty of knowledge or feeling (positive or negative) about the totality of a thing distant or yet to happen. While Leavitt (1975) sees intuition as a weapon to be used against heavily analytical practices, Agor (1997) argues that it is a built-in capacity that some of us have and others do not. Thus, intuition is increasingly valued as a way to deal with a world of greater choices, massive information overload, and less time to screen alternatives.

Weihrich and Koontz (1988) have discussed in their book on management, about the role of guesswork, alternatively called ‘intuition’ or the executive ‘hunch’ in decision making and concluded that the most successful executive may be the one who makes the best guesses. The intuitive knows things based upon an intellectual capacity, utilizes logic, personal experience, and learned knowledge to arrive at certain conclusions about the facts. It is a perception of realities that are not well known to consciousness, a perception therefore, which comes by way of unconscious.

Additionally, the discipline of parapsychology does explain the concept of precognition where one is able to see in future period of time, and is covered under the broad rubric called ESP. Also, during decision making process, the abilities of decision maker help him/her to arrive at some conclusion. Of course, intuition is one of them, and used to solve the problem by making a decision as a last resource.

Mihalsaky (1969) reported that some executives have more cognitive ability than others, which allows them to anticipate the future intuitively rather logically, and even when they do not have adequate data, they can make good decisions. He also found in his studies that the higher the level in the organizational hierarchy, the more complex the executive decisions and more intuition was used in making decisions.

Kurt et al. (2007) draw on examples from the worlds of chess, neuroscience and business, especially Austria’s KTM Sport motorcycle, to show that intuitive decision making should not be prematurely buried. They point out that although the study of intuition has not been extensively explored as a part of management science, studies reveal that several ingredients are critical to intuition’s development: years of domain-specific experience; cultivation of personal and professional networks; development of emotional intelligence; tolerance for mistakes; healthy sense of curiosity; and a sense of intuition’s limits.

Therefore, Intuition was no longer universally seen as simply an inferior and more primitive form of cognition, but has actually been endowed with the potential of improving on, and supplementing, rational cognition, under circumstances that impede rational cognition and explicit reasoning, such as they occur for instance in strategic decision-making (Burke and Miller, 1999; Eisenhardt and Tabrizi, 1995; Khatri and Ng, 2000). Evidence for the usefulness of intuitive cognition has, however, been largely anecdotal and there is a need for theoretical foundations for this potential.

ESP and decision making

In the studies of parapsychology, precognition (where one is able to obtain information relating to future period of time) is covered under the spectrum called ESP, and in the early 1940s numerous attempts have been made to correlate experimental ESP performance with individual differences in subjects' personality and attitudinal characteristics.

The extra means ‘outside’ of the sensory channels; perception can refer to anything from vividly “seeing” or even obtaining information that never reaches one’s consciousness, but in some manner, affects his/her behavior (Saklani et al., 2003) . Hence, most commonly called the ‘sixth sense’, ESP is the term used to describe a means of getting information from other than the five senses (seeing, feeling, smelling, tasting, and hearing) considered to be normal (senses) that everyone uses as their primary means. One can also understand it as an

ability to acquire information about events, objects or thoughts without using known sensors (of the body).

ESP is generally divided into telepathy, that is, extrasensory communication between two minds; clairvoyance, that is, extrasensory perception at a distance, without the mediation of another mind; and precognition, which is ESP across time into the future (Broughton, 1991) . There is still some controversy as to whether telepathy actually exists, or is simply another form of clairvoyance. However, precognition, a most unusual ability in terms of conventional notions of time and free will, is a rather well-established ESP phenomenon.

Mihalasky (1969) stated that ESP is an awareness of, response to, an external event or influence, not apprehended by presently known sensory means. Parapsychologists prefer to give it the neutral name "psi" (the 23rd letter of the Greek alphabet), a 30-item test that assesses 6 information-processing modes and leads to a classification of rational or intuitive. Further he stated "Even when you know all the facts, its tough to find a fresh solution (creative idea)." Many managers are finding that ESP provides a creative route to novel and profitable answers (Alam, 2009a).

Therefore, in function, ESP is dissimilar to the ordinary senses that is, independent of the other five senses, and such factors as geography, time, intelligence, age, or education. Also, psychical research does support the theory that everyone is born with ESP capability, though some may possess more than others. As found in a survey published in 1987 by the University of Chicago's National Opinion Research Council, most of the respondents have experienced ESP at least once in their lives (67% as adult Americans) . However, eleven years earlier the figure was found to be 58% (Guiley, 1991), which indicates an increased acceptance of the possibility of ESP among the general public.

The existence of ESP and other paranormal powers such as 'psychokinesis' (PK) are disputed, though systematic experimental research on these subjects, known collectively as 'psi', has been ongoing for over a century in a field known as parapsychology. Considering these and the fact that higher ESP has been reported among more successful executives (Morris, 1977; Dean et al., 1974) and how would it all relate to the business executive's job- decision making, the study was carried out among executives working in small and medium scale enterprises (SMEs) from manufacturing sector, to know how would decision making relate to ESP and other variables like creativity, personality etc.

METHODOLOGY

Preliminary interviews with senior management during 2007 - 2008 in some private sector organizations of Ethiopia revealed that when faced with a problem they would call over their executives to ponder over the situation at hand, as increasing numbers of managers have learned to use the resources of subordinates, regardless of their organizational level, in decision making. Following a discussion at great length, executives gather again and report their findings as also clues and other possible course of action, and finally the decision may be taken at the end.

Further, it was necessary for the purpose of the study to identify those who were better than others in decision making and to see if their ESP and other variables were any different. Also, the decision making at the problem levels (unstructured) often involves non-programmed decision, there is a scope for guesswork. Hence, it was decided to study the effectiveness of decision making of these (Alam and Hoque, 2010).

Data were collected from managers (from December 2007 to July 2008) on various dimensions of business decision- making, and about ten factors such as promptness, independence, correctness, originality, acceptability, confidence, participation, economy, understanding, and clarity were identified. Further, managers were asked to rate their executives on these dimensions over a 7- point scale, ranging from Very Good to Very Poor. This constituted the measure of effectiveness in decision making. Additionally, tests were carried out for measuring ESP (Envelop Test) and Potential for Creativity (Creativity Test).

ESP test (standard test in parapsychology used worldwide to measure ESP ability) involves setting up of ESP symbols (targets) by the experimenter and giving a response (call) by subjects. If the latter (call) matches with the target, it is counted towards the ESP score of the subject. In the test of potential for creative activities, three factors i.e. Fluency, Flexibility and Originality have been taken into consideration.

In this way, ninety executives were contacted and interviewed during the final survey, mostly from middle management level, male and many with a mechanical (engineering)/technical background. After the completion of the survey, items were scored and executives classified as more/less effective decision makers (more than mean score and less than mean score respectively) and high/low ESP. Creativity was categorized as specified in the literature and high/low effective decision makers were compared against each other in terms of ESP.

RESULTS

It was observed that less than half of the respondents scored above 25 (mean) on ESP Envelop Test (Table 1). Also, when the data were categorized in three groups (low, medium and high) it was found that a little less than half (47%) of the executives scored between normal range of ESP 23 and 27 i.e. around mean chance (Table 2).

Table 3 presents creativity of the respondents, whereby over one-fourth (28%) fell in the lowest category (up to 50) followed by a less than half (46%) in medium, and about another one-fourth (26%) in the highest category (more than 100).

Further, cross-tabulation (analysis) was carried out and the results showed that those with higher Decision Making (Total) had higher ESP as compared to the rest of the executives (Table 4), though the difference was found to be statistically insignificant (^{2}=0.196, p<0.66).

Also, it was found that executives with high ESP generally have higher participation in the process of decision making. While no association was found between ESP and Correctness of the decisions made (^{2}=0.123, p<0.95), somewhat greater number of executives with high ESP had Clarity in decision making

Table 1. ESP among respondents.

ESP (Below/Above chance)	Number of respondents (%)
Below 25	54
Above 25	46
Total	100

Table 2. ESP Category of respondents.

ESP (Category)	Number of respondents (%)
Low (Less than 23)	43
Medium (23-27)	47
High (above 27)	10
Total	100

Table 3. Creativity (total) of respondents.

Creativity (Total)	Number of respondents (%)
Up to 50	28
51-75	25
76-100	21
Above 100	26
Total	100

Table 4. Relationship between ESP and decision making (total).

ESP Scores	Decision Making (Total)		Number of respondents (%)
	Low	High	
Low	25 (51)	24 (49)	49 (100)
High	19 (46)	22 (54)	41 (100)
Total	44	46	90

(^{2}=4.02, p<0.14) (Tables 5 and 6).

Lastly, creativity (Table 7) was found to be somewhat correlated with ESP (^{2}=3.33, p<0.19).

DISCUSSION AND CONCLUSION

The absence of relationship between ESP and various decision making factors is surprising as it is contrary to what has been indicated by other researches such as Dean et al. (1974), Morris (1977), Weihrich and Koontz (1988) and Fields (2001) . However, the results of the study can be attributed to small sample size and limited experience of the respondents in profession. No doubt, the psychological characteristics seem to be more salient for 'psi' research subjects than the physical. Also, the nature of the test situation and the target material itself is likely to affect ESP scores. While some people prefer material which involves other human beings on a feeling level, others who do well with ESP cards, show little psychic skill outside the laboratory. Though there exist experimental researches documenting the phenomenon of intuitive perception, mainstream science still regards the findings of such studies as anomalous (Radin, 1997; Walach and Schmidt, 2005, as cited in Raymond, 2006).

In some cases, an evolution will take place from extreme ambiguity and uncertainty at the outset to a level that can be managed with rational analysis towards the end. Based upon this can be argued that under the circumstances of relative problem ill-structured, complexity, lack of data, inarticulateness and time pressure that occur at the outset, decision-makers could gain increased control by using active sense-making. The further decision-makers proceed in working, the more information will become available, and problems will become more and more structured, implying that there will be a shift towards using more analysis (Alam, 2009b). At the end of the process, it can be expected that most decisions

Table 5. Relationship between ESP and correctness.

ESP scores	Correctness			Number of respondents (%)
	Low	Medium	High	
Low	16 (32)	26 (54)	7 (14)	49 (100)
High	12 (30)	23 (48)	6 (12)	41 (100)
Total	28	49	13	90

Table 6. Relationship between ESP and clarity (decision making).

ESP scores	Clarity			Number of respondents (%)
	Low	Medium	High	
Low	16 (33)	27 (55)	6 (12)	49 (100)
High	7 (17)	24 (59)	10 (24)	41 (100)
Total	23	51	16	90

Table 7. Relationship between ESP and creativity.

ESP scores	Creativity			Number of respondents (%)
	Low	Medium	High	
Low	17 (35)	13 (26)	19 (39)	49 (100)
High	8 (16)	10 (33)	23 (51)	41 (100)
Total	25	23	42	90

will be made on a mainly rational basis.

Additionally, parapsychology literature reports the relationship between paranormal abilities (ESP and Psychogenesis) and meditation (Schmidt and Pantas, 1972). Moreover, Schmiedler (1970) observed that her meditating subjects scored above chance in the post-meditation tests, and the meditating subjects were able to get significantly higher scores as against non-meditating ones (Schmiedler, 1973). Patanjali mentions that those pursuing the path of 'yoga' are quite likely to experience paranormal powers (siddhis), which are merely by-products of meditation (Taimni, 1961).

While success may be associated with ESP, as observed in some other researches (e.g. Pratt, 1973; Dean et al., 1974; Morris, 1977), the cause of the success can not be attributed to decision making ability alone, although, efforts could be made to replicate the study by using different approaches/tools to measure the effectiveness of decision making of executives (Kurt et al., 2007). Moreover, in the age when many people tend to reject ESP because it seems to contradict the classical laws of science, precognition is even harder to swallow for exactly the opposite reason- it seems to imply a completely mechanical, predetermined universe. Ironically, it is this determinism which violates the sensibilities of the science in the present century.

Furthermore, on the existence of 'psi' contradicts established scientific laws and principles, Carter (2007) concludes with "no", while stating that underlying much of the skeptical angst is a failure to appreciate ontological advances in modern science, especially in physics, and the so- called extraordinary claims of parapsychology may not be so extraordinary when alternative worldviews are considered. The intuitive style will lead to effective decision-making under not too quickly or radically changing conditions where the decision-maker has much experience and 'psi' effects are not disappearing.

But, is it morally justified to use spiritual paths to attain material goals? While this is a debatable issue, and perhaps, cannot be answered easily. However, in modern (business management) settings, means are said to be justified by the ends. If the end is good, means may be said to be acceptable, and going by this way, if spiritual knowledge helps the business executives to perform more effectively and efficiently, perhaps, it would be fair to apply the old knowledge in the present situations. Therefore, companies should, no doubt, continue to explore their abilities to mine data as a means of obtaining competitive advantage in respective industry, however, it should not overlook the continuing value of experienced executives who can draw on their ESP profitable decisions, when the numbers pose a query.

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