



Integrating Philosophical Perspectives in Management: A Framework for Improving Organisational Decision Making

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Abstract. The incorporation of philosophical viewpoints in management is crucial given the intricacies of organisational decision-making frequently confronted with ethical difficulties. This study seeks to establish a framework that incorporates philosophical principles into managerial practices to enhance decision-making efficacy in Micro, Small, and Medium Enterprises (MSMEs) in Indonesia. The employed methodology was quantitative analysis utilising Structural Equation Modelling (SEM) to assess the correlation between the implementation of philosophical concepts and decision quality. The findings indicate a substantial disparity in the incorporation of philosophical viewpoints in management and decision-making, with businesses that embrace ethical principles generally yielding judgements that are more sustainable and attuned to stakeholder requirements. The findings underscore the necessity of implementing philosophy-based frameworks in management practices, while also offering direction for organisational leaders to foster a more ethical and innovative workplace culture. This research also creates prospects for more studies on the use of philosophy within a wider corporate setting.

Keywords: integration of philosophy, ethics, business.

1. BACKGROUND

In management, competent decision-making is essential for organisational success. In actuality, numerous managers encounter considerable difficulties in making decisions amid increasing complexity and ambiguity. Conventional decision-making methodologies frequently emphasise quantitative analysis and mathematical models, sometimes neglecting the qualitative elements and social context that impact the decision. Consequently, the decisions made may not align with the overarching reality or ethical principles significant to the company and its stakeholders. These constraints indicate the necessity for innovative methodologies that can integrate diverse viewpoints in the decision-making process. A viable strategy is the incorporation of philosophical viewpoints into management. Philosophy provides a structure

for comprehending and assessing the values, assumptions, and ramifications of choices. Through the use of philosophical thinking, managers can expand their perspective, evaluate the ethical ramifications of their activities, and formulate more sustainable and inclusive plans. This research seeks to elucidate this issue by examining the integration of philosophical viewpoints into organisational decision-making processes. This research enhances management literature and offers practical insights for executives confronting the complexities of the contemporary day.

The primary aim of this research is to provide a framework that incorporates philosophical viewpoints into organisational decision-making processes. In a management environment, decision-making encompasses data analysis and statistical modelling, while also necessitating a profound comprehension of the values, ethics, and social context that affect the decisions made. This research aims to reconcile theory and practice by providing a comprehensive approach to decision-making. The proposed framework aims to assist managers in contemplating many pertinent philosophical dimensions when confronted with intricate situations. This research will examine how the incorporation of philosophical ideas can improve decision-making efficacy in companies. Utilising philosophical ideas, like utilitarianism, deontology, and virtue ethics, enables managers to comprehend the ramifications of their decisions and evaluate their effects on diverse stakeholders. This research seeks to assess how this strategy can aid organisations in formulating strategies that are more sustainable and adaptable to fluctuations in the business environment. This strategy is anticipated to enable managers to make improved judgements while fostering a more ethical and responsible business culture. The findings of this study are anticipated to substantially enhance the management literature by presenting a novel perspective that integrates philosophy with managerial practice. This research will enhance scholarly discourse on decision-making and provide practical insights for organisational leaders addressing modern difficulties. This framework aims to enable organisations to attain a superior degree of decision-making that is both effective and congruent with significant ethical and social ideals in contemporary society.

In management studies, the significance of philosophy as a basis for decision-making is frequently disregarded, despite its considerable impact on managerial practice. A substantial amount of literature examines the relationship between management and philosophy; nonetheless, a significant gap persists in comprehending how philosophical viewpoints might be effectively incorporated into the decision-making process. Prior research has predominantly concentrated on certain facets of ethics or values in management, although it has inadequately examined the interplay among several philosophical dimensions—such as ontology,

epistemology, and axiology—to establish a more holistic framework. This necessitates the urgent identification and analysis of gaps in the current literature, as well as the exploration of how the incorporation of philosophical ideas might enhance managerial practice. The deficiencies in the literature indicate that, although the significance of values and ethics in decision-making is acknowledged, the actual application of this approach remains considerably restricted. Numerous businesses use a pragmatic and materialistic approach, frequently overlooking the philosophical components that could yield profound insights into the consequences of their decisions. The integration of moral and ethical ideals into business strategy is frequently insufficiently addressed. This research seeks to answer these problems by creating a framework that integrates philosophical ideas into organisational decision-making processes. This research identifies and analyses this gap, contributing to management theory and providing practical counsel for organisational leaders. The incorporation of philosophical viewpoints can aid managers in making more ethical and responsible decisions, while also enhancing awareness of the social implications of their choices. This research aims to significantly enhance our comprehension of the interplay between philosophy and managerial practice, while also facilitating future enquiries in this domain.

2. THEORETICAL REVIEW

In the age of globalisation and rising organisational complexity, effective decision-making has emerged as a primary problem for managers. The decisions made affect the organization's performance and also embody its foundational ethical and philosophical ideals. The incorporation of philosophical viewpoints in management provides a profound method for comprehending and assessing the decision-making process. Philosophy, as a science that examines fundamental enquiries regarding existence, knowledge, and ethics, offers a robust foundation for understanding the intricate and ambiguous scenarios frequently encountered by organisational leaders (Griseri, 2020; Rendtorff, 2017). By employing philosophical ideas, managers can cultivate a comprehensive awareness of the ramifications of their decisions and improve their capacity to examine many views pertinent to social and ethical circumstances (Drašček et al., 2023). This study seeks to investigate how the incorporation of philosophical viewpoints might enhance managerial practices and foster more deliberate and sustainable decision-making.

In recent years, the interplay between philosophy and management has garnered heightened interest; nonetheless, substantial gaps persist in comprehending how philosophical viewpoints might be effectively incorporated into management practices. Numerous

practitioners lack a robust framework to contextualise their decision-making within a philosophical paradigm, resulting in a dependence on traditional managerial tactics that prioritise short-term results above profound ethical considerations. The absence of knowledge can lead to short-term decisions that may enhance immediate performance but can adversely affect long-term organisational integrity and stakeholder relations (Griseri, 2020; Drašček et al., 2023). Organisations today have numerous hurdles when required to make ethical and sustainable decisions. A prevalent issue is the insufficient incorporation of philosophical principles inside organisational systems, which can hide the ethical ramifications of decisions. Decision-makers frequently function inside a framework governed by quantitative measures and immediate profits, often neglecting the wider implications of their choices. This neglect may result in judgements that undermine ethical norms and jeopardise an organization's reputation and stakeholder trust (Kutschera & Ryan, 2009; Lewis & Smith, 2014). The significance of examining the incorporation of philosophical viewpoints into management practices is undeniable. As businesses increasingly strive to manage complexity and ambiguity, the capacity to ground decision-making in a robust theoretical framework becomes essential. By incorporating philosophical concepts, managers can cultivate a comprehensive knowledge of their judgements, fostering an environment that promotes ethical practices in alignment with corporate objectives and social expectations. This study seeks to elucidate how philosophical integration can improve decision-making processes, prompting executives to embrace a more contemplative and ethical managing style (Rendtorff, 2017; Hategan, 2020). This integration is expected to enhance organisational effectiveness and contribute to the broader discussion on ethical and sustainable business practices.

This research seeks to establish a paradigm that incorporates philosophical viewpoints into management practice, emphasising organisational decision-making. In a complicated and changing corporate environment, leaders must analyse not only the economic implications of their actions but also the ethical and social consequences of their choices. This research employs philosophical principles to offer practical help for managers with the ambiguous and ethically complex issues of decision-making (Griseri, 2020; Rendtorff, 2017). The primary purpose of this research is to raise awareness of the significance of philosophy in managerial decision-making. Numerous businesses continue to function with a predominantly quantitative, outcome-oriented methodology, neglecting the ethical principles that underpin their actions. This research aims to promote reflective decision-making among leaders by articulating a compelling case for the significance of philosophy in management (Drašček et al., 2023). This will enhance decision-making quality and aid organisations in cultivating a superior reputation

among stakeholders. This research seeks to uncover and examine diverse philosophical ideas applicable in a managerial environment. This research will examine many philosophical schools of thought, including deontological ethics, utilitarianism, and existentialism, to elucidate how each approach might enhance decision-making. This analysis aims to yield specific recommendations for managers to use these concepts in their daily practices (Kutschera & Ryan, 2009; Lewis & Smith, 2014). This project aims to create a pragmatic paradigm for businesses to incorporate philosophical ideas into their decision-making processes. This research seeks to connect theory and practice by offering explicit tools and strategies. The concept aims to aid managers in making decisions that are both operationally efficient and ethically sustainable (Hategan, 2020; Rendtorff, 2017). This research aims to significantly contribute to management literature by presenting a novel strategy that integrates philosophy with managerial practice. This research emphasises the significance of incorporating philosophical ideas in organisational decision-making, so enhancing academic debate and offering practical direction for corporate executives in addressing modern difficulties. This initiative aims for organisations to attain their long-term objectives while adhering to essential ethical and social principles (Swanson & Holton III, 2001; Joullié & Spillane, 2021).

In management studies, a notable deficiency exists in the literature connecting philosophy to decision-making practices. Although numerous management theories are available, the intellectual foundations supporting these theories are sometimes not examined thoroughly. This results in a constrained comprehension of the application of philosophical ideals in management, leading to decisions that are often mechanical and overlook broader ethical considerations (Joullié & Spillane, 2021). Prior study has frequently concentrated on the technical dimensions of decision-making, overlooking the moral and philosophical facets, hence creating a gap in comprehending how ethical concepts might be incorporated into administrative processes. Moreover, a significant portion of the current research has failed to deliver a critical examination of the philosophical premises that underpin management methods. The absence of clarity frequently leads to intellectual discord and misunderstanding in the implementation of established management theories, as practitioners and academics may not completely comprehend the philosophical foundations of the methodologies they employ (Drašček et al., 2023). Therefore, it is essential to discover and examine many philosophical ideas that can enhance decision-making methods within businesses. This research seeks to establish a coherent framework for the integration of philosophical viewpoints into management. This project aims to provide a practical model that integrates philosophical

theories with routine managerial activities. This research offers explicit guidelines for managers, aiming to enhance decision-making efficacy while fostering a more ethical and sustainable workplace (Kutschera & Ryan, 2009; Swanson & Holton III, 2001). This research may offer novel insights for scholars and practitioners regarding the application of philosophical perspectives to contemporary difficulties in organisational decision-making. This project aims to significantly contribute to future academic discourse and management practice by critical evaluations of existing literature and the formulation of new frameworks.

3. RESEARCH METHODS

This study employs a quantitative research methodology with a survey method to investigate the incorporation of philosophical ideas in organisational decision-making. This design was used to facilitate systematic and analytical data gathering from pertinent respondents, thereby offering a clear understanding of the application of philosophical ideas within the managerial setting in Indonesia, namely in Malang City. The study population comprises Indonesian society, specifically targeting residents of Malang City as the research sample. The designation of Malang City as the research site is predicated on its demographic heterogeneity and social dynamics, anticipated to yield significant insights into the application of philosophy in decision-making. The sample will be selected using purposive sampling, based on specific criteria that encompass persons with experience in management or decision-making across multiple businesses.

This research integrates philosophical viewpoints by finding pertinent philosophical ideals and principles and applying them to organisational decision-making. Respondents will complete a specifically created questionnaire to evaluate their application of philosophical values in daily decision-making. The collected data will be examined to discern patterns and correlations between the application of philosophical perspectives and the efficacy of decision-making.

This study employed a questionnaire as the data collection method, which was administered to respondents. The questionnaire aims to assess multiple facets concerning the incorporation of philosophical viewpoints, encompassing respondents' comprehension of ethical values and the impact of those values on decision-making processes. The questionnaire will be disseminated both online and offline to guarantee extensive participation from inhabitants of Malang City.

Data analysis will be conducted using Structural Equation Modeling (SEM), a statistical technique that allows researchers to analyse the complex relationships between variables in a

research model. SEM was chosen because of its ability to test theoretical models and measure relationships between variables simultaneously. Using SEM, this study aims to evaluate how much influence the integration of philosophical perspectives has on the quality of decision-making in organisations, as well as to identify other factors that may contribute to the results.

Data analysis will employ Structural Equation Modelling (SEM), a statistical method that enables researchers to examine the intricate interactions among variables within a research framework. Structural Equation Modelling (SEM) was selected due to its capacity to evaluate theoretical models and concurrently assess correlations among variables. This study employs SEM to assess the extent to which the incorporation of philosophical ideas impacts decision-making quality in organisations, while also identifying other elements that may influence the outcomes.

The study results utilising Structural Equation Modelling (SEM) indicate significant disparities in the impact of integrating philosophical perspectives on the quality of decision-making inside businesses. This analysis demonstrated that the variable of philosophical perspective integration possesses a positive and substantial path coefficient, signifying that an increased integration of philosophical values in the decision-making process correlates with enhanced choice quality. The acquired statistical significance value corroborates the hypothesis that the integration of philosophical viewpoints enhances ethical awareness and social judgement in managerial decision-making. This discovery not only validates the significance of philosophy in management but also offers actual proof that a comprehensive and value-oriented strategy can result in more successful and sustainable decisions. The findings of this investigation underscore the possibility of incorporating philosophical ideas as a strategic instrument to enhance decision-making quality inside companies.

4. RESULTS AND DISCUSSION

This study significantly advances management theory, especially on the incorporation of philosophical principles into decision-making processes. This study enhances the current literature by demonstrating that the use of philosophical ideas can elevate decision quality, so establishing a connection between ethical theory and managerial practice. The ramifications of these findings are especially pertinent for organisational leaders and managers of MSMEs, who frequently encounter ethical challenges in their daily decision-making processes. This research indicates that utilising a philosophy-based framework enables managers to more effectively assess their options and contemplate the long-term consequences of their decisions. Moreover, the application of philosophical principles within organisations can foster a more ethical and

collaborative work culture, subsequently enhancing employee satisfaction and consumer loyalty. This research provides both a theoretical framework and practical direction for responsible and sustainable managing practices in the contemporary business environment.

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The analysis of this study's results indicates that incorporating philosophical ideas into organisational decision-making is not only pertinent but also essential for enhancing decision quality. The SEM analysis results demonstrate a substantial positive correlation between the implementation of philosophical values and the efficacy of decision-making. This study aligns with rational decision-making theory, which underscores the significance of knowledge and analysis in the decision-making process, while also introducing a new dimension by highlighting the necessity of considering ethical concerns and social values. In this context, the philosophical perspective provides a framework that enables managers to concentrate not solely on financial results, but also on the enduring effects of their decisions on stakeholders and society as a whole. This research reinforces the assertion that a managerial style incorporating philosophy can facilitate more holistic and responsible decision-making, prompting organisations to function in a more sustainable and ethical fashion.

The findings of this study hold substantial significance for the advancement of management theory and practice in the discipline. This study theoretically contributes to the literature by highlighting the significance of incorporating philosophical principles in decision-making. This creates opportunities for additional research to investigate other philosophical dimensions that may impact managerial decisions, including epistemology and axiology. This research demonstrates that a method fostering ethical ideals enhances decision quality and bolsters the legitimacy and credibility of organisations in the public's perception. This study

offers explicit recommendations for organisational leaders to implement a framework that incorporates philosophical ideas into the decision-making process. By doing so, managers may more effectively evaluate the social and environmental ramifications of their decisions, fostering a more ethical corporate culture that addresses stakeholder needs. The conclusions indicate that incorporating philosophical ideas is both a strategic imperative and essential for attaining sustainability and social responsibility in contemporary management practices.

This research offers significant insights into the incorporation of philosophical ideas in decision-making, however certain limits warrant acknowledgement. The employed methodology, a questionnaire-based survey, may restrict the depth of information gathered, as respondents may only offer replies based on their constrained understanding and experience. The sample size obtained from residents of Malang City may not accurately represent the entire Indonesian population, thereby limiting the generalisability of this study's findings. These constraints may influence the interpretation of the findings, particularly regarding the acceptance and application of philosophical ideas across various organisational forms. Consequently, it is advisable for future study to employ a broader array of methodologies, like case studies or comprehensive interviews, to explore the intricacies of philosophy integration in decision-making more thoroughly. By overcoming these limitations, future study can yield a more thorough and nuanced comprehension of the interplay between philosophy and managerial practice in various organisational situations.

5. CONCLUSIONS AND SUGGESTIONS

This study concludes that incorporating philosophical viewpoints in management significantly influences organisational decision-making. Analysis utilising Structural Equation Modelling (SEM) indicates that organisations implementing philosophical ideas, such as deontological ethics and utilitarianism, are inclined to generate more sustainable and ethical judgements. These findings enhance management literature by integrating ethical theory with managerial practice and offer practical suggestions for leaders to enhance decision quality in complex corporate environments. Consequently, employing a philosophy-based framework can aid organisations in cultivating a work culture that is more ethical and attuned to stakeholder requirements. This study's findings yield various recommendations for managerial practice and future research. Organisations, particularly MSMEs, are encouraged to incorporate philosophical beliefs into their decision-making procedures. Training and workshops on the implementation of philosophical principles in a commercial context can enhance managers' comprehension and application of this methodology. Secondly, additional

study is required to investigate the implementation of philosophical perspectives across various industry sectors and cultural contexts to obtain a more thorough understanding of their influence on decision-making. Ultimately, a broader range of research tools, encompassing qualitative and longitudinal approaches, must be employed to thoroughly investigate the dynamics of philosophy integration in managerial practice. These steps aim to establish a more ethical and sustainable corporate environment in the future.

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