

## **Factors Affecting the Decision-Making Styles of Branch Managers in Private Sector Banks**

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Banks are facing the challenge of a global recession. The objective of the study was to identify the decision-making styles of branch managers in private sector banks and to determine the effect of perceived stress, self-efficacy, and heuristics on the decision-making styles. Branch managers of private sector banks in the central province were selected as the study population. Banks were stratified into categories based on the financial assets owned by respective banks. Five banks were selected using stratified purposive sampling and 72 branch managers were selected accordingly. A self-administered survey was conducted together with key informant interviews. Results of the study were analyzed using the Multinomial logistic regression, spearman correlation, and Kruskal Wallis test. Majority of the respondents (51.39%) practice rational decision-making style as the dominant decision-making style. Self-efficacy of branch managers has a significant correlation ( $p < 0.01$ ) with dependent and intuitive decision-making styles. Perceived stress of branch managers significantly correlated with the avoidant and spontaneous decision-making styles ( $p < 0.01$ ). Self-efficacy of branch managers has a significant effect on all of decision making styles ( $p < 0.05$ ). However, perceived stress did not indicate a significant effect on intuitive decision-making style. It has effected all of other decision-making styles ( $p < 0.05$ ). Availability heuristic indicated a significant effect on rational and intuitive decision-making styles ( $p < 0.05$ ). Identifying the decision-making styles and individual differences assist the management to develop effective training programmes for employees. It serves to avoid biases in making routine and strategic decisions in organizations.

**Keywords:** Banking sector, Decision making style, Heuristics, Perceived stress, Self-efficacy

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