

DYNAMICS OF DECISION MAKING: A PHENOMENOLOGICAL STUDY OF THE CHOICE OF FINANCIAL MANAGEMENT CONCENTRATION

Muh Sabir Mustafa¹, Nurhayati Oliy², Robin³

^{1,2,3} Department of Management, Faculty of Economics, Ichsan University Gorontalo, Gorontalo,
Indonesia

E-mail: sabir.unisan12@gmail.com

Abstract

Many students decide to choose concentration because of pressure from other parties, such as parents, siblings, or the surrounding environment. Therefore, the purpose of this study is to explore and understand in depth the dynamics of decision-making in financial management concentration. The research was conducted with a phenomenological approach that reveals deep aspects that have not been revealed in the scientific literature so that it becomes a novelty about the dynamics of student decision-making in choosing a concentration. This research uses qualitative methodology with an interpretive paradigm and transcendental phenomenology approach. The key informants of this study were 8th students of financial management concentration. Data collection is done through participant observation, in-depth interviews, and documentation. The dynamics of decision-making regarding the choice of financial management concentration are caused by academic preferences, the impact of social interaction, and job opportunities. There are factors of friends or close people who give academic preferences, group factors that concern the impact of social interaction on the decision-making process, and personal factors related to future employment opportunities.

Keywords: *Decision-making; Academic preferences; Impact of Social Interaction; job opportunities, Management Concentration.*

1. INTRODUCTION

Decision-making is a complex cognitive process that involves critical thinking, the evaluation of information, and consideration of the risks and benefits of each available option (Pasaribu, 2020). In addition, every decision-making process always results in one final choice (Kurniawan et al., 2019; Saimo, 2022). The decision-making process also differs depending on the context, for example, in large organizations, SMEs, or education (Aulia, 2020; Gonadi, 2021).

The importance of information in decision-making is also emphasized in the literature, where the right and correct decision depends on the quality and quantity of information available (Floştoiu, 2019). However, it is important to remember that decision-making can be affected by irrationality that can be reflected in brain activity (Sacré et al., 2016). Research

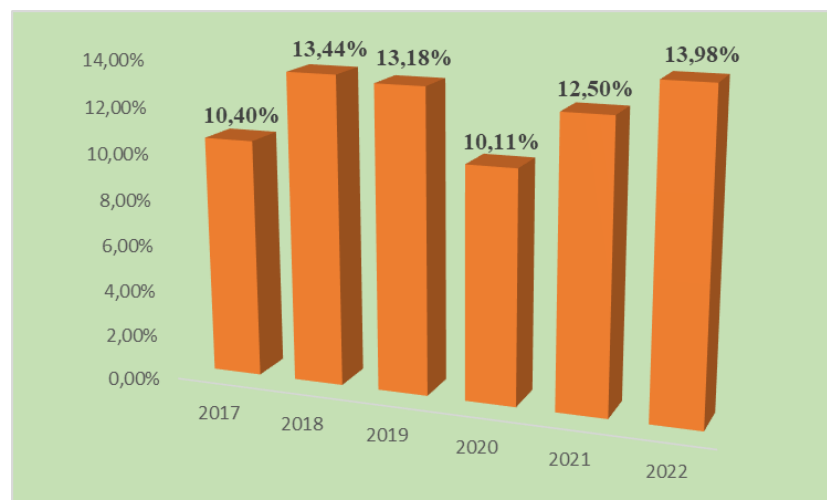
conducted by Dennett & DeDonno, (2021) shows that critical thinking dispositions can differ between individuals from different cultures thus demonstrating the complexity of cultural influences on critical thinking skills in decision-making contexts.

One of the most decisive decisions is to concentrate on the area of expertise. The reliability analysis of the decision-making ranking system provides a solid view in selecting the appropriate concentration of courses (Zhao et al., 2020). It is also important to consider psychological aspects of decision-making, such as verbal ability, as this can affect the accuracy of decision-making (Bruyneel et al., 2020). In addition, involvement in academic conferences is very important because it can have an impact on the selection of course concentrations by expanding the scope of knowledge and expanding academic networks (Pavluković & Cimbalević, 2020).

Many students decide to choose a major or concentration of study because of pressure from other parties, such as parents, siblings, or the surrounding environment. This reflects the influence of social factors in the decision-making process (Bruyneel et al., 2020; Gajanova et al., 2020). Students are also influenced by their peers, even if the chosen major or concentration does not align with personal interests or skills (Moraes et al., 2019). It is important to note that the choice of concentration should be based on factors such as the personality, talents, interests, and potential of the individual in order to avoid potential problems that may arise during the educational process.

The results of observations that have been made at the Department of Management, Faculty of Economics, Ichsan University Gorontalo, show the dynamics of decision-making in the selection of financial management concentrations during the period 2017 to 2022, Where the percentage of students who decide to choose the Financial Management concentration tends to fluctuate and does not reach 15% of the total management students each year as shown below:

Figure 1. Dynamics of decision-making financial management concentration



Source: Academic Bureau of Ichsan University Gorontalo, Year 2023

This is caused by several things, as expressed by one of the lecturers of the following financial management concentration:

"Students' choice of concentration is based more on the influence of friends or information from seniors. The financial management concentration tends to be of little interest because most students consider financial management to be very full of numbers, so they don't really like courses that have a lot of calculations. They also think that lecturers in the financial concentration make it difficult for students a lot..." (Eka Zahra Solikahan, 2023: 11.00 wita)

In addition, according to the Head of the Management Department, there are several things that students consider before choosing a concentration, especially in choosing a financial management concentration as revealed that:

"...Students choose the Financial Management concentration to consider a lot. There are several things that influence students to determine their concentration, such as friends, lecturers, interests, and abilities." (Syamsul, 2023: 10.00 wita)

Based on this phenomenon, the purpose of this study is to explore and understand in depth the dynamics of decision-making in financial management concentration. This research is important because, through a phenomenological approach, it can reveal deep aspects that have not been revealed in the scientific literature, so it becomes a novelty in terms of the dynamics of student decision-making in choosing a financial management concentration. In addition, the results of this research can provide insight for study programs and financial management lecturers to design learning units such as *Semester Learning Plans* (RPS) that are more effective and relevant in accordance with student needs in making concentration decisions.

2. IMPLEMENTATION METHOD

This researcher uses qualitative research methodology with an interpretive paradigm and transcendental phenomenology approach to focus on exploring experience and perceived meaning in decision-making of financial management concentration selection. Transcendental phenomenology is a descriptive effort focused on experience with the aim of providing clarification based on *eidetic* inquiry and understanding phenomena as answers to epistemological and ontological questions of research (Dreyfus & Wrathall, 2007; Gros, 2023; Taylor, 2013). The key informants of this research are eight students with a concentration in financial management at the Department of Management, Faculty of Economics, Ichsan University Gorontalo. Data collection is done through participant observation, in-depth interviews, and documentation.

The data that has been collected is then tested for validity through four evaluation standards, namely (a) Credibility Standards, (b) Transferability Standards, (c) Dependability Standards, and (d) Confirmability Standards. Analytical techniques in the methodology of

transcendental phenomenology use a systematic approach to explore and understand the underlying meanings of human experience. According to Kamayanti, (2016), Transcendental phenomenology analysis techniques are: (1) Identifying *neomas* (textural analysis); (2) Performing *epoche* or *bracketing* (structural analysis); (3) Setting *neosis*; (4) Forming an understanding of *intentional analysis*; (5) Getting research findings (*eidetic reduction*)

3. RESULTS AND DISCUSSION

Based on the analysis of interview data that has been conducted by exploring the experience and subjective knowledge of informants to explore and understand the dynamics of decision-making in the choice of financial management concentration, three things were found that made students choose the financial management concentration, namely:

3.1 Academic Preference

Based on the results of in-depth interview data analysis and research observations, it was found that students decided to choose the financial management concentration because it was based on (1) Likes of calculation aspects, (2) Appropriateness to interests and abilities, and (3) Favoring knowledge with a definite result, as the following expression:

"...I chose the financial management concentration because I liked calculation first, then the second I was in school to enter science, so automatically I already have a basis in calculations and am interested in knowing more and deepening knowledge in the field of calculation...."

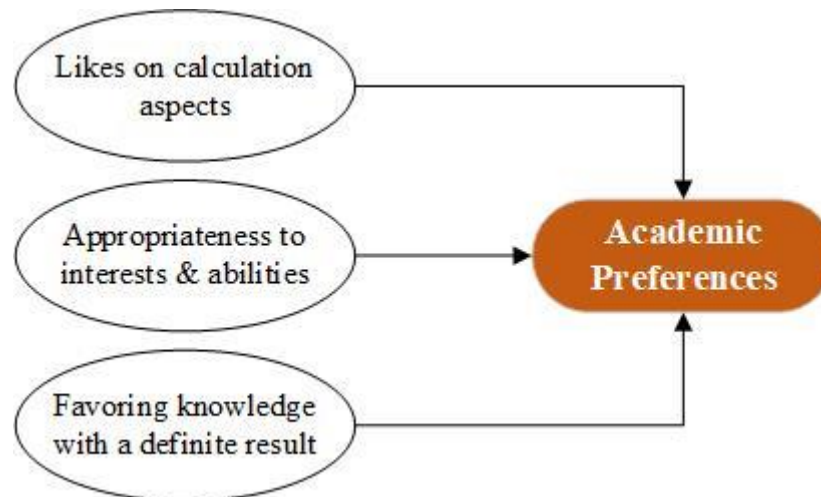
"...yes, so at first I thought that basically, I am indeed from SMK majoring in Accounting, so I think it is very relevant if I take a concentration in Financial Management in college..."

"...I think some of the courses from the financial management concentration are realities in everyday life that I can apply..."

"...I took finance because of my own choice because, from the beginning of entering management, I was already interested in the concentration of financial management, without any coercion or joining friends..."

From these findings, deepening analysis and in-depth reflection were carried out, which resulted in the conclusion that "**Academic Preferences**" is the most appropriate concept to encompass the categories that have been identified. Therefore, the results of this finding can be described as follows:

Figure 2. Research Findings 1



Academic preferences are closely related to decision-making, selection, concentration, and financial management. Psychological and environmental factors can influence financial management concentration (Wijaya & Widjaja, 2022). Furthermore, Wiswall & Zafar (2021) discussed human capital investments and expectations about career and family. This could be relevant to understanding how students perceive the potential outcomes of choosing a particular academic major, especially in fields such as finance, where career prospects may play a significant role in decision-making.

3.2 The Impact of Social Interaction

The pressure of social groups has a great influence on the way we think, behave, argue, and respond to social stimuli. Students sometimes choose concentration not by their own choice but by the choice of others. Based on the results of data analysis that has been done, it was found that students decided to choose the financial management concentration because it was based on (1) The existence of close friends, (2) Many friends took the concentration, and (3) Following the word of a close person, as some of the following phrases:

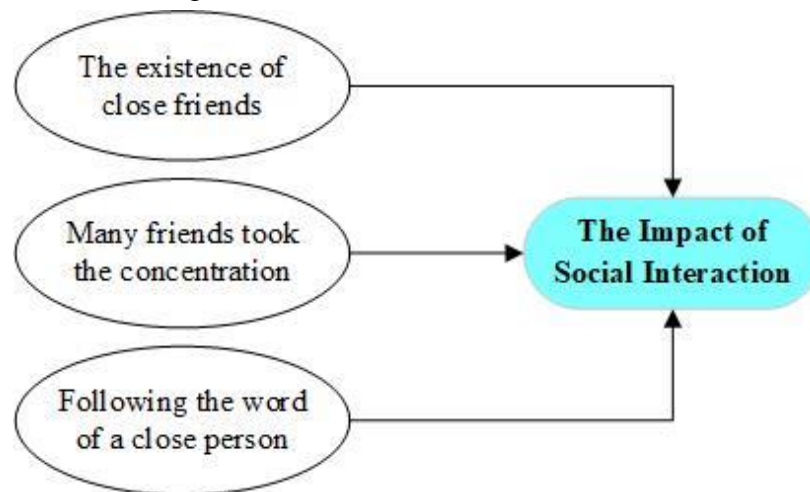
“...I actually didn't think I wanted to enter finance because I got information from some seniors and friends that financial concentration is a difficult concentration, so there are few enthusiasts, but at the time of taking concentration, I was convinced by someone who should not be named, one of the lecturers at Ichsan, he convinced me that I could enter finance because I saw potential, And then my close friend also at that time took a concentration on finance, this is what made me choose finance....”

“...I chose concentration instead of personal choice instead of joining friend "D" who chose financial management concentration because from semester one

until now I have always been together in terms of doing assignments, as well as outside campus. Therefore, I take finance even though it only feels now the consequences of following which is not my own choice (with a smile)...

From these findings, deepening analysis and in-depth reflection were carried out, which resulted in the conclusion that “**The Impact of Social Interaction**” is the most appropriate concept to encompass the categories that have been identified. Therefore, the results of this finding can be described as follows:

Figure 3. Research Findings 2



Social interaction is closely related to decision-making when choosing a major or concentration at the university level. The friend factor in every decision has an influence, either directly or indirectly, illustrating that friends influence every decision of a person (Suriyani, 2016). In addition, knowledge exchange increases competitiveness, which shows the impact of social dynamics on decision-making (Almeida & Campos, 2021). Parents play an important role in the decision-making process regarding their child's education and career choices (Austin et al., 2017; Sjöberg et al., 2020).

3.3 Job Opportunities

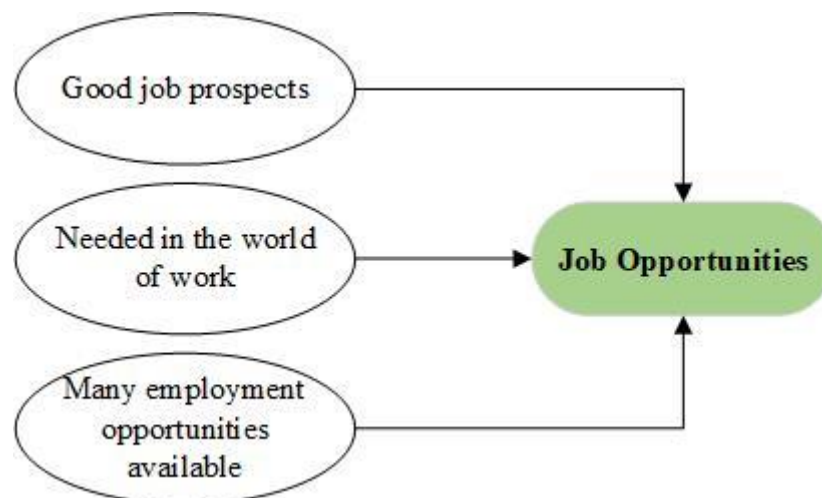
A student, as an individual who already has a critical frame of mind and is more mature, will certainly think about his life in the future, so it is necessary to prepare without direction from others. Based on the results of data analysis that has been done, it was found that students decided to choose the financial management concentration because it was based on (1) Good job prospects, (2) Needed in the World of Work, and (3) Many employment opportunities available, based on the following expression:

“...I chose the finance concentration because I was interested in a promising job, needed many companies (with a smile), and wanted to also manage expenses, so I was interested in studying finance, especially since my family background also had finance graduates and worked at one of the banks....”

“...The reason I took finance was because of his job. What I knew was that his job opportunities in the company for finance were very large, so I chose finance because it was more about job prospects for the future...”

From these findings, deepening analysis and in-depth reflection were carried out, which resulted in the conclusion that “**Job Opportunities**” is the most appropriate concept to encompass the categories that have been identified. Therefore, the results of this finding can be described as follows:

Figure 4. Research Findings 3



The decision to choose a field of study or education is influenced by a variety of factors, including the potential for job opportunities related to that field (Komatsu & Watanabe, 2021). Decision-making in the context of career choices can also be influenced by perceptions of the impact of future technological advances, such as artificial intelligence (AI), on certain professions (Rainey et al., 2022).

After carrying out the classification and categorization process, the researcher presents the data that packs what is found in the form of text, charts, or images that aim to create a visual picture of the information, which further builds the proposition of the meanings built by the research informant. The propositions found in this study are:

Proposition: The dynamics of decision-making choices in financial management concentration are caused by academic preferences, the impact of social interaction, and job opportunities.

4. CONCLUSION

The dynamics of concentration selection decision-making based on in-depth aspects of informants show that Academic Preferences, the Impact of Social Interaction, and Job Opportunities are the causes of financial management concentration decision-making. This is certainly based on factors of friends or close people who give academic preferences, group factors that concern the impact of social interaction on the decision-making process, and personal factors related to future job opportunities. It is recommended that policymakers pay attention to the factors that cause students to choose concentration so as not to be wrong in making concentration decisions. In addition, it is also recommended that future researchers explore further the process and dynamics of decision-making in other aspects.

REFERENCES

- Akter, S., Bandara, R., Hani, U., Fosso Wamba, S., Foropon, C., & Papadopoulos, T. (2019). Analytics-based decision-making for service systems: A qualitative study and agenda for future research. *International Journal of Information Management*, 48, 85–95. <https://doi.org/10.1016/j.ijinfomgt.2019.01.020>
- Almeida, S., & Campos, A. C. (2021). New Avenues for Business Competitiveness: The Case of a Community of Practice in the Hotel Sector. *International Journal of Culture Tourism and Hospitality Research*. <https://doi.org/10.1108/ijcthr-12-2020-0285>
- Appulembang, Y. A., & Agustina, A. (2020). Fungsi Keluarga Terhadap Pengambilan Keputusan Remaja dalam Pemilihan Jurusan. *JURKAM: Jurnal Konseling Andi Matappa*, 4(1), 24. <https://doi.org/10.31100/jurkam.v4i1.481>
- Aulia, R. (2020). Analisis Proses Pengambilan Keputusan Di UKM Menggunakan Model Pengambilan Keputusan Strategis. *Jurnal Syntax Transformation*. <https://doi.org/10.46799/jst.v1i6.80>
- Austin, A., Lin, J.-P., Selway, R., Ashkan, K., & Owen, T. (2017). What Parents Think and Feel About Deep Brain Stimulation in Paediatric Secondary Dystonia Including Cerebral Palsy: A Qualitative Study of Parental Decision-Making. *European Journal of Paediatric Neurology*. <https://doi.org/10.1016/j.ejpn.2016.08.011>
- Bruyneel, S., Cherchye, L., Cosaert, S., Rock, B. De, & Dewitte, S. (2020). Verbal Aptitude Hurts Children's Economic Decision-making Accuracy. *Journal of Behavioral Decision Making*. <https://doi.org/10.1002/bdm.2204>
- Dahani, & Abdullah, S. M. (2020). Pengambilan Keputusan Jurusan Ditinjau Dari Dukungan Sosial Orangtua Pada Mahasiswa. *Prosiding Seminar Nasional LPPM UMP*, Vol 2, 386–391. <http://semnaslppm.ump.ac.id/index.php/semnaslppm/article/view/178/173>
- Dennett, S. K., & DeDonno, M. A. (2021). A Comparison Between Chinese and American Male and Female College Students' Critical Thinking Dispositions. *International Journal of Chinese Education*. <https://doi.org/10.1177/22125868211046966>
- Dreyfus, H. L., & Wrathall, M. A. (2007). A Companion to Phenomenology and Existentialism. In *A Companion to Phenomenology and Existentialism*. <https://doi.org/10.1002/9780470996508>
- Floştoiu, S. (2019). The Role and Place of Accounting Information in the Decision-Making System. *International Conference Knowledge-Based Organization*. <https://doi.org/10.2478/kbo-2019-0055>
- Gajanova, L., Majerová, J., & Nadányiová, M. (2020). The Impact of Influencers on the Decision-Making Process Regarding the Purchase of the Brand Product. *Business Management and Education*. <https://doi.org/10.3846/bme.2020.12608>

- Gonadi, L. (2021). Pengembangan Sistem Informasi E-Lesson Plan Pada Pendidikan Anak Usia Dini. *Jurnal Inovasi Dan Teknologi Pembelajaran*. <https://doi.org/10.17977/um031v8i22021p146>
- Gros, A. (2023). What is phenomenology? A brief and up-to-date introduction for sociologists. *Revista Colombiana de Sociologia*, 46(1), 293–324. <https://doi.org/10.15446/rcs.v46n1/94966>
- Guo, S., & Vetschera, R. (2022). Preference Reversals in Dynamic Decision-making Under Uncertainty Based on Regret Theory. *Managerial and Decision Economics*. <https://doi.org/10.1002/mde.3778>
- Hernita, N. (2019). Pengaruh Teman Sebaya Dan Lingkungan Keluarga Terhadap Pengambilan Keputusan Dalam Memilih Jurusan: (Studi kasus pada Mahasiswa Jurusan manajemen Fakultas Ekonomi Universitas Majalengka). *Eco-Iqtishodi : Jurnal Ilmiah Ekonomi Dan Keuangan Syariah*, 1(1), 35–44. <https://doi.org/10.32670/ecoiqtishodi.v1i1.36>
- Hodgkinson, I. R., Hughes, P., & Leite, H. (2022). The Cognitive Micro-foundations, and Socio-psychological Mechanisms, of Organizational Decision-Making in Public Management. *British Journal of Management*. <https://doi.org/10.1111/1467-8551.12629>
- Iram, T., Bilal, A. R., & Ahmad, Z. (2023). Investigating the Mediating Role of Financial Literacy on the Relationship Between Women Entrepreneurs' Behavioral Biases and Investment Decision Making. *Gadjah Mada International Journal of Business*. <https://doi.org/10.22146/gamaijb.65457>
- Irwansyah, Subhan, M., & Alawiyah, R. (2023). Analisis Faktor-Faktor Yang Mempengaruhi Pengambilan Keputusan Mahasiswa Dalam Memilih Jurusan Perbankan Syariah Pada Fakultas Ekonomi Dan Bisnis Islam. *Jurnal Kajian Dan Penalaran Ilmu Manajemen*, 1(4), 172–186. <https://doi.org/10.59031/jkpim.v1i4.240>
- Kamayanti, A. (2016). *Metodologi Penelitian Kualitatif Akuntansi: Pengantar Religiositas Keilmuan*. Yayasan Rumah Peneleh.
- Komatsu, H., & Watanabe, E. (2021). Psychiatric Neural Networks and Precision Therapeutics by Machine Learning. *Biomedicines*. <https://doi.org/10.3390/biomedicines9040403>
- Kurniawan, L. Y., Rusdinal, & Afriansyah, H. (2019). Konsep Pengambilan Keputusan. <https://doi.org/10.31227/osf.io/y2nk9>
- Manesh, M. F., Flamini, G., Petrolo, D., & Palumbo, R. (2021). A Round of Dancing and Then One More: Embedding Intuition in the Ballet of Entrepreneurial Decision Making. *International Entrepreneurship and Management Journal*. <https://doi.org/10.1007/s11365-021-00752-8>

- Moraes, M. B. de, Gountas, J., Gountas, S., & Sharma, P. (2019). Celebrity Influences on Consumer Decision Making: New Insights and Research Directions. *Journal of Marketing Management*. <https://doi.org/10.1080/0267257x.2019.1632373>
- Nisa, N. K., & Ulfatun, T. (2023). Analisis Pengambilan Keputusan dalam Memilih Jurusan Akuntansi pada Era Disrupsi Teknologi di SMK Kesuma Margoyoso Pati. *Jiip - Jurnal Ilmiah Ilmu Pendidikan*, 6(9), 7059–7066. <https://doi.org/10.54371/jiip.v6i9.2473>
- Nurwijayanti, K., & Alfian, M. R. (2021). Efektivitas Problem Solving Ditinjau Dari Prestasi Belajar, Kemampuan Berpikir Kritis Dan Kepercayaan Diri. *Jurnal Pendidikan Matematika*. <https://doi.org/10.36709/jpm.v12i1.14915>
- Pasaribu, Y. (2020). Faktor- Faktor Pengambilan Keputusan Klinis Perawat Di Ruang IGD. <https://doi.org/10.31219/osf.io/xts39>
- Pavluković, V., & Cimbalević, M. (2020). Factors Affecting Conference Participation Decision-Making. *Journal of the Geographical Institute Jovan Cvijic Sasa*. <https://doi.org/10.2298/ijgi2001031p>
- Prabowo, W., Yusuf, M., & Setyowati, R. (2019). Pengambilan Keputusan Menentukan Jurusan Kuliah Ditinjau Dari Student Self Efficacy Dan Persepsi Terhadap Harapan Orang Tua. *Jurnal Psikologi Pendidikan Dan Konseling: Jurnal Kajian Psikologi Pendidikan Dan Bimbingan Konseling*, 5(1), 42–48. <https://doi.org/10.26858/jppk.v5i1.7460>
- Rainey, C., O'Regan, T., Matthew, J., Skelton, E., Woznitza, N., Chu, K.-Y., Goodman, S., McConnell, J., Hughes, C., Bond, R., Malamateniou, C., & McFadden, S. (2022). An Insight Into the Current Perceptions of UK Radiographers on the Future Impact of AI on the Profession: A Cross-Sectional Survey. *Journal of Medical Imaging and Radiation Sciences*. <https://doi.org/10.1016/j.jmir.2022.05.010>
- Sacré, P., Kerr, M. S. D., Subramanian, S., Kahn, K., González-Martínez, J., Johnson, M. A., Sarma, S. V, & Gale, J. T. (2016). The Precuneus May Encode Irrationality in Human Gambling. <https://doi.org/10.1109/embc.2016.7591459>
- Saimo. (2022). Manajemen Pengambilan Keputusan Dalam Organisasi. *Jurnal Mitra Manajemen*. <https://doi.org/10.52160/ejmm.v6i4.609>
- Salgado, R. M. S. (2021). Emotions in the European Union's Decision-Making: The Reform of the Dublin System in the Context of the Refugee Crisis. *Innovation the European Journal of Social Science Research*. <https://doi.org/10.1080/13511610.2021.1968355>
- Sari, A. N. (2020). Penyeleksian Penerimaan Beras Raskin Menggunakan Metode Analytical Hierarchy Process Pada Nagari Talu. *Syntax Journal of Software Engineering Computer Science and Information Technology*. <https://doi.org/10.46576/syntax.v1i1.647>

- Sholihah, D. A., & Shanti, W. N. (2018). Pembelajaran Konflik Kognitif Untuk Meningkatkan Kemampuan Berpikir Kritis Matematis Siswa. *Union Jurnal Ilmiah Pendidikan Matematika*. <https://doi.org/10.30738/v6i1.1999>
- Sjöberg, L., Hermansson, L., Lindner, H. Y., & Fredriksson, C. (2020). Swedish Parents' Experiences of Their Role in Treatment for Children With Congenital Limb Reduction Deficiency: Decision-making and Treatment Support. *Child Care Health and Development*. <https://doi.org/10.1111/cch.12802>
- Suriyani, K. W. (2016). Faktor-Faktor yang Mempengaruhi Keputusan Mahasiswa dalam Memilih Jurusan Akuntansi Program S1 di Universitas Pendidikan Ganesha. *Ekuitas: Jurnal Pendidikan Ekonomi*, 4(2). <https://doi.org/10.23887/ekuitas.v4i2.12792>
- Tabesh, P., & Vera, D. (2020). Top Managers' Improvisational Decision-Making in Crisis: A Paradox Perspective. *Management Decision*. <https://doi.org/10.1108/md-08-2020-1060>
- Taylor, B. (2013). Phenomenology. In *Qualitative Research in the Health Sciences: Methodologies, Methods and Processes* (pp. 77–98). <https://doi.org/10.4324/9780203777176>
- Wijaya, O. S., & Widjaja, I. (2022). Pengaruh Financial Literacy dan Financial Self-Efficacy Terhadap Financial Satisfaction Dengan Financial Management Behavior Sebagai Variabel Mediasi. *Jurnal Manajemen Bisnis Dan Kewirausahaan*. <https://doi.org/10.24912/jmbk.v6i6.20695>
- Wiswall, M., & Zafar, B. (2021). Human Capital Investments and Expectations About Career and Family. *Journal of Political Economy*. <https://doi.org/10.1086/713100>
- Zhao, S. D., Dong, Y., & He, Y. (2020). The Reliability Analysis of Rating Systems in Decision Making: When Scale Meets Multi-Attribute Additive Value Model. *Decision Support Systems*. <https://doi.org/10.1016/j.dss.2020.113384>