

# THE EFFECT OF HABITS ON THE MANAGEMENT PROCESS

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**Abstract:** The management process is directed towards achieving certain goals. Its realisation is affected by a multitude of factors, including the habits of managers and their subordinates. Consciously or unconsciously, habits determine the behaviours of individuals in their personal and working lives. When the personal and work habits affect positively the manner of making decisions, the completion of particular tasks, the achievement of goals, etc., this can result in either an effective or ineffective management process. The combination of positive and negative habits places individuals in different situations at their work place, which in turn requires from managers to interfere adequately. They should look for opportunities for managing both their and their subordinates' habits. This demands from them to be able to use their leadership skills as well as to have thorough knowledge of the habit formation process.

**Key words:** personal habits, work habits, management process, organisational behavior.

**JEL:** M12.

## Introduction

The management process is directed towards the achievement of specific goals. Both managers and their subordinates are led by their professional experience, knowledge, skills and abilities as well as by their different habits. The habits of individuals are diverse and therefore have a varied effect on the management process. Therefore, in order to achieve specific goals, sometimes managers have to manage the habits of their subordinates.

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With reference to this, the habits of managers and their subordinates in the business organisations are the **topic** of the study.

The **subject matter** to be investigated is the personal and work habits of individuals with reference to the management process.

**The purpose** of the present article is to identify some basic aspects of management concerning the positive and negative effects of habits on the management process.

The main **tasks**, set by the research are as follows:

- defining the nature of habits;
- describing the different types of habits;
- discussing the impact of habits on the management process;
- identifying possibilities for managing habits during the realisation of the management process.

### **1. The nature of habits**

The implementation of the management process is always directed towards achieving particular goals and this ultimately defines it as either effective or ineffective. It is a matter of management policy how to solve the different problems that might impede its realization (Kamenov, 2009, p.7). One of the problems that managers might face is particularly their own habits and the ones of their subordinates. Therefore, we will first explain the notion of habit.

According to the Dictionary of the Words in the Bulgarian language<sup>1</sup>, habit is a skill developed through exercises and repetition.

The Dictionary of Psychology defines habit as “an automated, enduring, simple or complex form of action or activity. Habits play the role of an incentive to action and is characterized, like need, by the tendency to put pressure on individuals towards realization, i.e. the basis of habits lies in the need of performing certain actions” (Rechnik po psihologiya [Dictionary of Psychology], 1989, p. 299).

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<sup>1</sup><http://rechnik.info/%D0%BD%D0%B0%D0%B2%D0%B8%D0%BA>  
(last accessed on 19. 07. 2017)

John Pearce views habit as “a learned behavior which is often repeated; the word originates from the Latin “habitus” and means “custom”. The notion covers a wide range of behaviours, including rituals, tics and compulsive actions” (Pearce, 1997, p. 9-10).

According to Dan Robey, “a habit is an acquired model of behaviour which is regularly followed until it becomes almost unintentional (automatic)” (Robey, 2003, p. 14).

Vera Peiffer describes habits as “accurately settled actions referring to a specific situation“ (Peiffer, 2005, p. 12).

Novikov views the structure of personality as consisting of three basic levels. The identity of the personality is formed on the first level. The knowledge, skills and habits are formed on the second level. The psychological processes, will and emotions of individuals are developed on the third level. The three levels are closely related to the behaviour of individuals (Novikov, 2010, p. 3).

According to A. Chernyak, the normal, rational individual usually obtains possibilities and time to analyse their activities and decisions, based on their experience and beliefs. However, people usually make their decisions without thinking about this in order to save time. In this case, they use their habits, which have been acquired earlier and correspond to their decision – making style (Chernyak, 2012, p. 88).

Habits, as well as skills, result from repeated actions. They can be a method for achieving certain goals and satisfying various needs. Therefore, habits have a significant importance for the formation of the social and ethical behaviour of individuals (Yakovleva, 2012, p. 116).

Other researchers share the opinion that habits “emerge because our brain is constantly looking for ways to save efforts. Left to its own devices, the brain will try to make almost any routine into a habit because habits allow our minds to ramp down more often” (Duhigg, 2013, p. 39). Many experiments have been conducted over the years to study how habits work and affect the behaviour of the individuals. With reference to this, the research done Larry Squire<sup>2</sup> is among the most significant achievements in this field. „Squire’s experiments revolutionized the scientific community’s understanding of how the brain works by proving that it’s possible to learn and make unconscious choices without remembering anything about the lesson or decision making” (Duhigg, 2013, p. 48).

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<sup>2</sup> Larry Squire is a specialist in memory

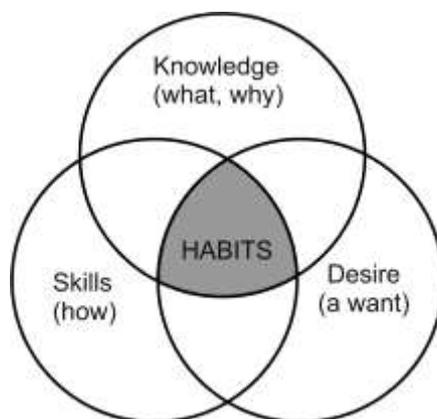
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“Almost every new experiment proves Squire’s discoveries: habits are powerful but delicate constructs. They can emerge outside our consciousness or can be deliberately designed. They often occur without our permission, but can be reshaped by fiddling with their parts. They shape our lives far more than we realise – they are so strong, in fact, that they can cause our brains to cling to them at the exclusion of all else, including common sense” (Duhigg, 2013, p.49).

V. A. Ivannikov links habits to motivation. According to him, as a specific activity with reference to consciousness, motivation reflects the individual’s intentions that are provoked by internal or external motives involved in the process of performing a specific activity. Like any other action, it can be automated and thus become a motivational habit. This habit, in turn, creates an illusion in the individual’s mind due to which the motive can immediately cause a particular type of behavior (Ivannikov, 2014, p. 52).

In addition, we can define habit as “the crossing point between knowledge, skills and desire. Knowledge is the theoretical paradigm, namely what has to be done and why. Skills refer to the abilities or how to act while desire is the motivation, the want to take action. In order to transform a behavior into a habit, we need all of these three constituent elements” (Covey, 2015, p. 71).



Source: Covey, Ch. The 7 Habits of Highly Effective People. [Translated into Bulgarian and published by] Izdatelska kashta “Kibel”, 2015, p. 72

*Figure 1. Effective habits*

The common idea, which unites the above mentioned authors, refers to the fact that habits affect the behavior of individuals. We can make the main conclusion that habits are conscious or unconscious repeated actions, which influence the professional and personal lives of individuals. Therefore, we believe that habits also have an impact on the manner of making decisions, completing specific tasks, achieving goals and implementing the management process in general.

## 2. Types of habits

There are various types of habits. Some of the basic groups are outlined in Figure 2.

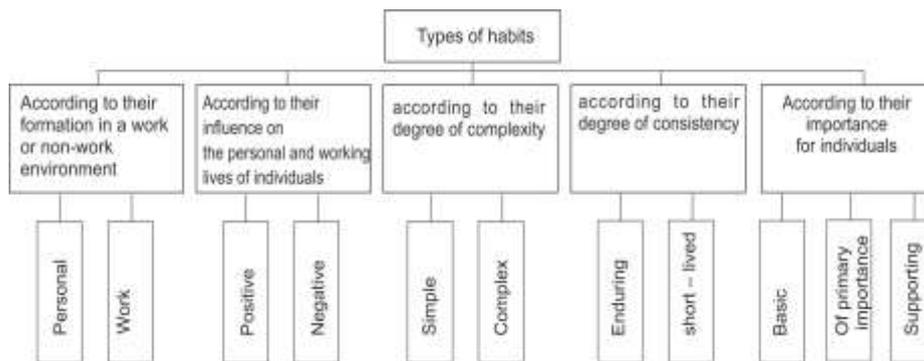


Figure 2. Types of habits

Depending on the place where habits are formed, i.e. in a work or non – work environment, there are:

- personal habits – they are formed outside the work environment. This process begins when individuals are born and continues at the kindergarten and school, in the family and during the meetings with friends. Examples of this type of habits include getting up in the morning, drinking coffee, arriving at work on time or constantly being late, the way of communicating with people or developing eating habits.

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- work habits – we believe that they are formed in the work environment. According to the Ministry of Education of Ontario, Canada<sup>3</sup>, the work habits include working safety, team work, reliability, organization, working independently, initiative, self – advocacy, customer service, and entrepreneurship. We think, that we can also add the following habits: the way in which individuals concentrate, make decisions, negotiate business deals, complete assigned tasks, deal with coworkers, prioritise work tasks, and take initiatives. In addition, work habits involve creativity and persistence.

According to their influence on the personal and work lives of individuals, we can distinguish between:

- positive habits . With respect to personal life, they result in a better lifestyle, better health, higher self – esteem, etc. When professional life is concerned, the positive habits reduce the stress at the work place, create a work routine, save time and energy, create a feeling of comfort and facilitate the optimisation of the work process to mention just a few of their benefits;

- negative habits. With reference to personal life, they lead to a worse lifestyle, low self –esteem and alcohol, cigarettes, and drug dependence. Every individual expresses themselves through their deeds and actions. Negative habits can seriously damage this process of self – expression. (Melnikova, 2015, p. 16). With respect to work live, negative habits can provoke individuals to make mistakes. They can also lead to wasting time, increasing stress at the work place, creating conflicts. Negative habits can cause failure to complete assigned tasks.

According to the degree of their consistency, habits are:

- enduring – these habits which can be difficult to change;

- short – lived – they can be much more easily replaced by other habits.

According to Yakovleva, habits can be (Yakovleva, 2012, p. 116):

- simple – they are a means for forming stereotypical behaviours under the functioning of social relationships;

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<sup>3</sup> <http://www.skills.edu.gov.on.ca/OSP2Web/EDU/DisplayWorkHabit.xhtml>  
(last accessed on: 19.07. 2017)

- complex – they are an active form of the reflection of the individual's needs and affect their behavior and freedom of choice of a specific action.

According to Robey habits are (Robey, 2003, p. 17):

- basic habits – they support all the other habits;
- habits of primary importance – they are of key importance for achieving the main goals in life;
- supporting habits – they provide support for the ones of primary importance.

We can make the conclusion that the above mentioned groups of habits affect to a varied degree the personal life of individuals, their work life and the management process in general. In their lives, people can combine different habits. Thus, it is possible for someone to have a personal or work habit which is positive, enduring, complex and supporting the other habits. In the next part of the article we will describe in more details the impact of the various types of habits on the management process.

### **3. The effect of habits on the management process**

We believe that regardless of their type, the most important aspect of habits with reference to the management process is whether they affect it in a positive or negative manner. Habits are a subjective category and for some individuals they can be positive while for others they can be negative. With respect to the management process, the manager is the one who determines which habits have a positive and negative impact. For this reason we will outline some important aspects of their influence.

The managers and their subordinates can have both positive and negative habits. This affects the realization of the management process and leads to the occurrence of different management situations. They in turn require from the managers to interfere appropriately. The best option is when managers and subordinates have already developed positive personal and work habits. Respectively, the worst option is when both managers and subordinates have acquired negative personal and work

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habits. These two options show the extremes, according to us. Therefore, we think that in the business organisations the managers as well as their subordinates have a combination of personal (positive or negative) and work (positive and negative) habits. However, other situations of partial coincidences or discrepancies are also possible in the management process but they require a different type of reaction on behalf of the managers. What is more, other variables can also be included in the description of the work habits and the various management situations. This can further improve the analysis of the individuals' behaviour with reference to the management process.

To our understanding, not only the personal but also the work habits affect the behavioural patterns of individuals. On one hand, the habits that are formed outside the work environment can influence the management process. On the other hand, the habits that are developed at the work place can have an impact on the personal life of the employees. In addition, the two groups together can affect people's behaviours outside their work environment. When the two groups influence the achievement of the goals set by the management process, this in turn has an impact on the organizational behaviour. It in turn "is directed towards studying the human behaviour and human groups within their work environment" (Sirashki, Emilova, 2012, p. 8).

For us it is important to understand how personal and work habits can affect positively the management process.

How can the personal habits affect positively the management process?

When employees arrive at work on time and are not late and this has already become a habit, this has a positive effect with reference to work time.

Adopting a healthy lifestyle can greatly improve someone's health. This can significantly reduce absence from work due to illness.

When someone goes to bed early and manages to sleep well and this has become a habit, they can be more efficient, productive and concentrated on the next day, which can be beneficial for the performance of work tasks.

How can personal habits affect negatively the management process?

If staff arrive late for work and this has become a habit, there is waste of working time. What is more, if one of the employees is late while the others are on time, this can lead to conflicts with the management of the organisation or the other coworkers.

Smoking cigarettes is also viewed as a negative habit with reference to someone's health. In addition, the constant smoking at the work place affects productivity by causing waste of working time.

If someone has turned their eating routine into a habit which does not coincide with the lunch breaks or rest periods at the work place, this can also lead to wasting working time if this employee decides to follow strictly their eating habit.

The alcohol and drug dependences also affect the health. They can seriously damage the health condition of employees, their ability to concentrate, perform work tasks, reach set goals, etc.

How can work habits affect positively the management process?

When observing the safety work regulations has become a habit, this can influence the management process. Using safety equipment and following the safety instructions at the work place can save a lot of trouble and prevent employees from getting injured and absent from work.

The habit of organizing one's working time can have a positive effect. This can reduce the time needed for meeting the deadlines for completing assigned tasks and reaching set goals.

If during business negotiations the use of the appropriate business communications etiquette has become a habit, it can have a positive impact and the managers can arrange many deals.

How can work habits affect negatively the management process?

If the bad organisation of the working time has become a habit, this affects negatively the management process because it can result in time wasting and failure to achieve the set goals.

If the assigned tasks are not systematically prioritized, and this has become habitual, the situation can lead to failure to achieve set goals.

The systematic failure to observe the rules of work discipline, if turned into a habit, can lead to absence from work due to accidents at the

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workplace. This can prevent companies from respecting deadlines, achieving goals and effectively implementing the management process.

In the current article, it is difficult to outline the effects of all personal and work habits (either positive or negative) on the management process.

When describing the influence of habits on the management process, we can also add other types of habits (see part one of the study), which can further improve the analysis and make it more comprehensive. However, we assume that habits, which are simple or complex, basic, of primary importance or supporting, enduring or short – lived, do not refer to the fact that they are positive or negative. Rather, they matter to the individual in terms of their importance. In addition, these types of habits will have a meaning for the managers when they decide to manage the habitual behaviours of their subordinates.

Sometimes it is difficult to determine whether the personal or work habits have a stronger positive or negative impact on the management process. In most cases, it seems natural to conclude that the work habits are more important but the opposite is also possible.

Based on what has just been stated, we can conclude that personal and work habits have an impact on the individual's behaviour. This, in turn, influences the managers' decision-making process, on one hand, and the fulfillment of tasks and the achievement of goals by their subordinates, on the other hand. The positive and negative impact of habits can lead to an efficient or ineffective management process. Nevertheless, regardless of the difficulties, managers have to manage both their and their subordinates' habits.

### **4. Possibilities for managing habits**

The concept of habit management involves actions that are directed towards their formation or change. The habits of individuals cannot be extinguished. They "never really disappear. They are encoded into the structures of our brains and this is a huge advantage for us because it would be awful if we had to relearn how to drive before every vacation. The

problem is that your brain can't tell the difference between bad and good habits, and so if you have a bad one, it is always lurking there, waiting for the right cues and rewards" (Duhigg, 2013, p. 42-43). Managers turn out to be the "arbiter" who determines which habits are negative and which are positive with respect to the management process. Any change in habits can lead to resistance, as this provokes individuals to step out of their comfort zone. In most cases, people will try to preserve the familiar state, including their habits. This creates possibilities for conflicts. "In such cases it is very difficult to avoid the conflict situation without managers interfering. These conflict situations can be related to existing old habits, particularly the ones related to work" (Mihailova, 1972, p. 63). For this reason, the transformation of habits requires from managers to interfere adequately.

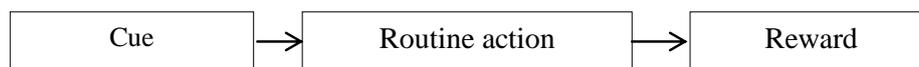
In order to correct the behavior of individuals, it is possible to create positive habits and change their negative ones. This applies both to the personal and work habits since they affect the management process as stated in part two of the article. We believe that managers have fewer possibilities to influence the personal habits than the work ones. Therefore, their main efforts should be directed towards managing the work habits. In addition, the possibility of changing them depends on whether they are enduring or not, basic, primary or supporting, simple or complex, etc. It is important to emphasise that "habits are not so stereotypical and strictly fixed with reference to their components and mechanism of functioning compared to instincts. Habits are changed more easily depending on the circumstances (some actions are dropped, others are added, their complexity rises, etc.), i.e. in the process of evolutionary development their freedom (lability) or, in other words, the possibilities for changing them increases" (Georgiev, 2003, p. 153).

In order to manage the habits of individuals, it is necessary to understand how they function first. Habits "can be ignored, changed or replaced. But the reason why the discovery of the habit loop is so important is that it reveals a basic truth: when a habit emerges, the brain stops fully participating in the decision – making. It stops working so hard or diverts focus to other tasks. Unless you deliberately fight a habit – unless you find new routines – the pattern will unfold automatically. However, simply understanding how habits work – learning the structure of the habit loop –

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makes them easier to control. Once you break a habit into its components, you can fiddle with the gears” (Duhigg, 2013, p. 42). With reference to this, we will define habit as a process, a loop that consists of three basic steps (Figure 3) <sup>4</sup>:



*Figure 3. The loop of habit forming*

„The process within our brains is a tree – step loop. First, there is a *cue*, a trigger that tells your brain to into automatic mode and which habit to use. Then there is the *routine*, which can be physical or mental or emotional. Finally, there is a *reward*, which helps your brain figure out if this particular loop is worth remembering for the future” (Duhigg, 2013, p. 41). Therefore, in order to change their behaviour and that of their subordinates, managers should be aware of the three steps of the habit loop. Only in this way they can be able to develop positive habits and change the negative ones.

The process of creating habits should also be in line with the corporate culture of the business organization. It, in turn, prevails every aspect of the organization’s management and operations, namely its activities, manners, design, strategy and tactics“ (Asenov, Emilova, 2009, p. 81). It would not be right to develop habits, which will contradict the already established corporate culture. The actions of the leader should be directed towards creating positive corporate culture and habits that will have a positive effect on the management process.

The most appropriate approach to developing a particular habit is to know how it works. From the process outlined earlier (see Figure3), it becomes clear that each habit begins with a cue, then the individual performs certain routine actions and finally receives a reward. When habits are established we should pay attention to one more element - the appearance of cravings. “This explains why habits are so powerful: they create neuro –

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<sup>4</sup> The figure is adapted after Charles Duhigg’s “The Power of Habits”, [Translated into Bulgarian and published by] Hermes, 2013, p. 46.

physiological cravings. Most of the time these cravings emerge so gradually that we are not really aware they exist, so we are often blind to their influence. But as we associate cues with certain rewards, a subconscious craving emerges in our brains that starts the habit loop spinning” (Duhigg, 2013, p. 75).

As mentioned earlier, the management of habits involves actions directed towards creating new habits or changing the existing ones.

When positive habits are **formed**, we can use the habit loop (see Figure 3).

*Firstly*, in order to stimulate their subordinates to develop positive habits, managers should provide clear cues. In most of the cases this is done consciously (through meetings, discussions or urging employees to participate in the completion of a particular task, etc.). However, it is possible that sometimes this happens unconsciously (gestures, face expressions, the manager’s behavior, etc.).

*Secondly*, the systematic provision of cues to the subordinates would persuade them to change their behaviour. In practice, someone may not accept the cues given by the manager. It is then possible to use more commanding approaches to creating habits such as giving oral and written orders, warnings for dismissing staff, etc. In this way, repeated over time, any action can become a habit.

*Thirdly*, there has to be a particular reward, too. It can be a bonus, any type of social benefits or support, a praise, etc. As a result, individuals start craving for receiving the reward and undertake appropriate action to do so.

The development of positive habits does not require efforts only from the managers. “Whether you succeed in creating a new positive habit or not depends entirely on you. The right approach really makes wonders!” (Peiffer, 2005, p. 33). Therefore, what really matters is not only the right approach of the managers but also the efforts of their subordinates.

Some of the most important advantages (Peiffer, 2005, p. 13-14) of the process of creating positive (personal and work) habits with reference to the management process are as follows: a higher self – confidence, a lower probability of falling into states of fear, better relations with coworkers, better career opportunities. Reducing the number of

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conflicts, better performance of the assigned tasks, shortening of the deadlines for achievement of goals can also be added to the list of possible advantages.

What is more, “the power of the positive habits will create opportunities for acquiring new knowledge that, after being activated as useful habits, can change profoundly your life” (Robey, 2003, p. 16). We can also say that the process of developing positive habits can be transformed into certain principles of behaviour that can build up trust and moral authority in a particular organisation, family, community or society (Covey, 2011, p. 190).

Having created the necessary positive habits, managers can redirect their efforts because the particular actions of their subordinates have already become habitual and do not require significant efforts to be made.

When habits are **being changed**, it should be taken into account that “bad habits can easily make you feel helpless, stupid or powerless. From being slightly unpleasant at best, the consequences of their manifestation may become extremely severe, for example, ruining one’s career and seriously threatening the relationships with relatives” (Peiffer, 2005, p. 56). Thus, negative habits can affect people’s personal and professional lives.

“When a particular habit creates problems, the objective is usually to break it, delete it, and completely remove it from one’s behaviour. In this case, relying solely on the strength of the willpower takes a lot of energy and darkens the joy of life for a certain time” (Peiffer, 2005, p. 45). For this reason we believe that the process of changing a habit depends on the mutual efforts of the manager and the subordinates whose habits have to be changed.

There are different methods for transforming habits but with reference to the management process it is important to find the best one. „To change an old habit we must keep the old cue and offer the same reward but replace the routine. In theory, it seems easy, but actually it is not. Habits are a tough opponent. So, in order to insert a new routine into the habit loop, it must be triggered by the old cue and lead to the old

reward. That's the rule: if you use the same cue, and provide the same reward, we can replace the routine in the loop. Almost any behavior can be transformed if we follow this rule" (Duhigg, 2013, p. 93).

*Firstly*, in order to change the habits of their subordinates, managers have to give them the same cues. This can also be done consciously (through meetings, discussions or by urging staff to complete a task) or unconsciously (through gestures, face expressions or certain behaviours).

*Secondly*, the systematic provision of cues will persuade subordinates to change their behaviour. It is possible that some employees cannot accept the cues provided by their managers. In this case it is possible to use more commanding approaches such as oral or written orders, warnings for dismissing staff, etc. However, the most important issue here is to replace the routine action. Particularly here managers have to transform the negative routine actions into positive ones with reference to the management process, namely:

- reducing the time for achieving a particular goal;
- optimising the work time in general;
- increasing the effectiveness at the work place;
- increasing the feeling of satisfaction from a well done job;
- eliminating conflicts;
- improving concentration and the ability to listen, etc.

*Thirdly*, the old reward (such as a salary, social benefits, support, appraisal) has to be preserved. In addition, the possibility of increasing the reward or replacing it is not excluded but this should be done only in extreme cases. This will lead to the appearance of a craving, which will make individuals act in a certain way to receive the reward.

Managers should be aware of the fact that "sometimes even the destructive habits can be transformed by leaders who are able to see a favourable opportunities and take advantage of them" (Duhigg, 2013, p. 210). This requires from managers to use their leadership skills in order to achieved the desired result.

The main conclusion that can be made is that although the management of habits is a difficult task, it is not an impossible one. Managers should form positive personal and work habits or change the

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negative ones in order to achieve an effective management process. Knowing the way in which habits work can become a successful strategy for their management.

### **Conclusion**

Habits affect the behavior of individuals. With reference to the management process in the business organisations it is important to understand how they affect the way of making decisions, performance of specific tasks and the achievement of set goals in the business organisations. The positive or negative personal and work habits can result in an effective or ineffective management process. This necessitates an appropriate management intervention. Managers should manage not only their habits but also the habits of their subordinates. Their efforts should be directed towards creating or developing positive habits and changing the negative ones. This might turn out to be a difficult task because any change in the habits requires efforts both from the managers and their subordinates. Despite the difficulties the management of habits is not impossible but to do so it is necessary to be aware of the way in which they function. From the management point of view this can become a successful strategy for a positive change in the behaviour of subordinates. This, in turn, may lead to a more efficient completion of assigned tasks, faster achievement of set objectives and a more effective management process.

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# **BUSINESS** management

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