Strategic Decision-Making and Emotions: Understanding how Top Managers' Characteristics Affect Regret

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Abstract: - Although research on regret is extensive and growing, and there is broad agreement on its impact on decision-making and organizational performance, the factors that influence this emotion remain unclear. Based on the upper echelons perspective, this study investigates the role of age, gender, tenure, and career horizons on the experience of regret, focusing on C-level executives. We argue that strategic decisions possess characteristics that make them particularly prone to generating regret. Adopting a quantitative approach and applying different statistical techniques according to the nature of the variables, we investigate how CEOs, COOs, and CFOs perceive and experience regret. In total, 327 questionnaires were distributed within the financial sector, of which 254 were completed and returned. The findings show that there are no differences among top managers in the level of regret due to demographic characteristics. Despite these results, this study sheds light on important aspects and issues of regret and represents a starting point for further in-depth investigations regarding the experience of this emotion. This would help narrow the existing gap in the literature by enriching knowledge on regret, the experience of emotions, and their role in strategic management. Referring to practice, the findings indicate that decision-making support and emotion management programs should be developed according to the needs of top managers and not based on their demographic characteristics. Furthermore, this study emphasizes the importance of neutrality within organizations to counteract stereotypes. Finally, we contribute by highlighting the need for comprehensive theoretical models that investigate regret in a broader psychological and organizational context.

Key-Words: - emotions, regret, strategic decision-making, top managers, demographic characteristics, organizational performance.

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1 Introduction

Strategic decision-making is characterized by a high degree of complexity and requires many cognitive skills. Within the contemporary business environment, marked by continuous change, new polices for strategic talent management are needed, as identifying competent top managers is challenging, [1]. Nowadays, top managers must make decisions under uncertainty and ambiguity conditions as the external environment is dynamic, characterized by rapid technological advancements, products/services with short life cycles, intense competitive pressures, aggressive strategic initiatives aimed at market consolidation, and rapidly evolving customer needs and expectations. Uncertainty implies that decision makers' knowledge and information are limited because problems or situations are novel and unpredictable. Considering also bounded rationality, opportunities for top managers to conduct analyses purely based on logic and reasoning remain constrained, and strategic decisions are often made by intuition. According to the intuitive model, decisions are mechanical, fast, not tiring, but highly influenced by emotions, [2]. The important role of emotions in strategic management has been widely evidenced by previous studies. According to [3], emotions have a critical impact on decision effectiveness, and therefore, emotional intelligence is a key skill for making good strategic decisions. Despite the acknowledged importance of emotions in strategic management, previous studies have not adequately investigated this topic, [4].

Compared to other emotions, regret has been more investigated because of its significant impact on decision-making. This emotion can be experienced after a decision has been made, but its consequences extend over the long term, influencing decisions in the future. Thus, regret can arise as an immediate or an anticipated emotion. Based on the concept of [5], regret is a negative emotion that managers experience when they realize or suspect that another option would have generated better results. Managers who have previously experienced this emotion are more likely to delay decision-making, gather more information, and make suboptimal decisions, [6]. Although a substantial and growing literature focuses on regret, its consequences for decision-making and organizational performance remain unclear and insufficiently understood. The findings of past investigations do not allow the formulation of definitive conclusions about the consequences of regret in decision-making. Also, there is not much data on the factors that influence regret, making it even more difficult to predict the occurrence of this emotion. This study examines the experience of regret by top managers, as it is a typical emotion in complex decisions made under conditions of uncertainty. Moreover, the literature lacks sufficient investigation into how top managers experience this emotion.

This study pursues multiple objectives that extend beyond simply examining the relationship between regret and top managers. It also aims to provide interpretations of the observed findings. First, the research investigates the extent to which top managers experience regret within the specific context of Albania. Second, guided by the upper echelons perspective proposed in [7] and [8], which emphasizes that decision effectiveness is determined by top managers' characteristics, the study investigates how age, gender, and professional experience affect regret. Third, by identifying relevant factors and examining potential interrelations, the study seeks to offer broader reflections on the nature of regret, providing valuable insights into strategic decision-making processes, sources of competitive advantage, and organizational performance.

2 Literature Review

Past research widely agrees that emotions significantly affect the decision-making process and help to understand managers' behaviors. Although regret is one of the most studied emotions, its consequences and determinants are not well known. It can arise just at the moment a manager recognizes the need to make a decision, or at various stages of the decision-making process. Its consequences may differ, with notable effects on both current and future decision outcomes and organizational performance.

Age is a demographic characteristic that differs choices of young and adult managers. Based on the conclusions of previous studies that highlight differences on decision-making due to age, we try to shed light on how emotion of regret is affected by age. According to [9], regret decreases with age. More recently, [10] reported that adults are more prone to avoid decisions in an effort to mitigate post-decisional regret. In [11], adults were found to exhibit lower sensitivity to regret than younger decision-makers, while demonstrating a comparable capacity to employ anticipated regret in guiding their choices. Focusing on managers' characteristics, [12] found that age and education determine managers' approach to innovation and internationalization, which can lead to less regret from inaction.

The lower regret of adults can be a consequence of the positivity bias that influences them during the evaluation of their choices, [13]. Consequently, adults report greater satisfaction with their choices compared to younger individuals. Managers who perform effectively in their roles often display higher job satisfaction and foster a positive organizational climate, [14]. The research of [15] concluded that advanced age is positively correlated to knowledge due to experience and negatively to bad emotions. This inclination of adults towards positivity constitutes a basis for hypothesizing that they are less affected by regret compared to younger decision-makers. Furthermore, [16] found that self-confidence leads to more regret, while [17] concluded that self-esteem decreases with age.

Another factor influencing the formulation of the study's hypothesis regarding age and regret is the attitude toward risk. Although conclusions about how age affects risk attitude are mixed, past investigations found that adult decision-makers are more risk-averse in order to avoid regret [18], [19].

Based on these prior studies, which directly or indirectly assess the impact of age on regret, we formulated the hypothesis as follows:

H_1: Adult top managers experience less regret than younger top managers.

Gender is another important variable influencing decision-making behavior. Some studies indicate that women are less affected by positive framing than men and tend to adopt a more pessimistic perspective on situations, [20], [21]. Referring to regret, previous evidence shows that women experience regret more frequently and more intensely than men [22], [23]. Consequently, women rely more frequently on regret aversion and loss aversion biases [21], [24]. Due to the higher regret aversion, we hypothesize that females experience lower levels of regret compared to males.

Additional support for this hypothesis comes from gender differences in risk attitude and overconfidence. Numerous investigations found that women are less prone to risk, [21], [25], [26]. According to [27], experienced regret reduces risk-taking. Thus, women's lower propensity for risk may be a consequence of regret aversion. Further research has shown that women exhibit lower levels of overconfidence than men [28], [29]. According to [30], women attribute their past successes to luck and contextual factors, instead of attributing them to their abilities and skills. As [16] suggests, self-confidence and regret are positively correlated. All these findings indicate that women may experience less regret than men. Based on them, we elaborated the hypothesis as follows:

H_2: Female top managers experience less regret compared to male top managers.

In addition to age and gender, this study examines the influence of work experience on regret, dividing it into tenure (years in the current position) and career horizon (overall career experience). The upper echelons perspective of [7] emphasizes that career experiences can shape the choices of top managers. Experience is also considered crucial for emotional intelligence. According to [31], the correlation between emotional intelligence and work experience is positive. However, despite extensive research on the way emotional intelligence influences emotion management, decision-making effectiveness, and organizational performance, no prior study has directly examined its impact on regret or the effect of work experience on regret. Evidence regarding work experience, overconfidence, positivity, and risk-taking informs the formulation of our hypotheses. Referring to [32] and [33], work experience affects negatively overconfidence. According to [16], lower overconfidence is associated with lower regret. Work experience also influences risk-taking. Although the literature on this topic is extensive, the results are mixed. However, taking into investigation CEOs, several studies found that a firm's risk-taking depends on tenure and career horizons. For instance, studies conducted by [34] and [35] indicate that CEO's tenure influences negatively risk-taking. On the other side, career horizon affects positively risk-taking, [36], [37], [38]. Based on this evidence, and considering findings that reduced risk-taking leads to less regret, the elaborated hypotheses are as follows:

H_3: Top managers' tenure is negatively associated with regret.
H_4: Top managers' career horizon is positively associated with regret.

3 Research Design

3.1 Sample Selection and Data Gathering

This study examined how age, gender, tenure, and career horizon shaped the experience of regret, taking into analysis C-level executives in the Albanian financial sector. The study focused on this particular group for both theoretical and practical reasons. Decisions that C-level executives face are characterized by complexity, require many organizational resources, analytical and diagnostic skills, and also good intuition. Since strategic decisions are those that determine whether the organization will continue to exist, whether it will have a good and consolidated competitive position or not, whether it will create sustainable competitive advantages or not, regret and its possible effects on organizational performance appear to be of particular importance in the context of these types of decisions. The reason for focusing on the financial sector lies in its importance to the economic stability of a country. Top managers of financial institutions such as banks, insurance companies, investment companies, etc., face high levels of uncertainty and ambiguity, and their decision-making is very challenging. Since we anticipated difficulties in contacting CEOs and their low availability to participate in this study, we decided to include in the analysis other C-level executives who are also involved in strategic decision-making, such as CFOs and COOs. This made the sample large enough to provide meaningful results. Furthermore, previous studies have included in the sample only CEOs, underestimating the role of other senior executives. In this way, the inclusion of different C-level executives offers a more comprehensive approach.

This study investigated financial organizations located in Tirana and Durrës, as these are the two most important cities of Albania in the economic context. To identify organizations to include in the research, various sources of data and information were used, such as the Chamber of Commerce, industry reports or other official materials, while to collect data on top managers, company websites, and others sources were also used. This enabled a sample with a high degree of diversity in the demographic characteristics of the participants.

Convenience sampling was used for this study. The key criteria for selecting participants were: being a top manager and being involved in strategic decision-making. The snowball technique was also used to select participants, where some of the participants made it easier to contact other participants. A total of 327 questionnaires were distributed, and 254 were returned. However, the response rate of 77.7% satisfactory. These two sampling techniques ensured a sufficiently large sample to apply a reliable statistical analysis.

Table 1. Characteristics of the sample by gender

Gender	Frequency	Percent	Valid Percent	Cumulative Percent
Men	80	31.5	31.5	31.5
Women	174	68.5	68.5	100.0
Total	254	100.0	100.0	

Source: created by the authors from SPSS

Table 1 presents characteristics of the sample by gender. The sample is composed of 174 women and 80 men as C-level executives.

Table 2. Descriptive statistics for age, career horizon, and tenure

	Min	Max	M	SD	Skewness		Kurtosis	
					Statistic	SE	Statistic	SE
Age	20	61	32.83	8.900	1.031	0.153	0.423	0.304
Career horizon	1	38	9.98	8.356	1.232	0.153	0.884	0.304
Tenure	0	19	4.87	3.784	1.231	0.153	1.341	0.304

Source: created by the authors from SPSS

As shown in Table 2, participants have an average age of 32.83 years (SD = 8.9), while most of the top managers are young (Skewness = 1.031) and the distribution is slightly more concentrated around the mean (Kurtosis = 0.423). Career horizon has M = 9.98 years (SD = 8.356). Skewness = 1.232 indicates that most of the top managers have less years of total experience than the mean, while Kurtosis = 0.884 suggests that the distribution is slightly more concentrated around the mean. For tenure, M = 4.87 years (SD = 3.784), and Skewness = 1.231 indicates that most participants are new to their current position. Kurtosis = 1.341 shows a greater concentration of values around the mean.

2.2 Statistical Techniques

The assessment of experienced regret was conducted through a questionnaire with predefined statements that should be evaluated on a 5-point Likert scale, adapted from the Regret Scale developed in [39]. This instrument was designed to capture how decision-makers reflect on and respond to situations after decisions have been made, thereby allowing us to understand the extent to which they experience regret and to construct the dependent variables for the study. After a careful review of the theory on regret and how it shapes decision-making, four potential determinants of regret (independent variables) were identified and subjected to detailed statistical analysis. Within the strategic management and decision-making literature, various data collection methods have been employed, including questionnaires, interviews, and experimental designs. For this investigation, a questionnaire was selected as the most suitable method, given the study's focus on top managers' personal experiences of regret. The use of the questionnaire made it easier to collect data from a large sample, favoring the generalization of the findings. Also, through the questionnaire, data were collected in less time, adding more value to this study. The reliability of the questionnaire was tested through the Cronbach's alpha coefficient, which after calculations resulted in 0.715.

A quantitative methodology was adopted, and data analyses were done through SPSS. Different statistical techniques were combined, including:

- Descriptive statistics, to offer a general view of the characteristics of participants and their responses;
- Spearman correlation analysis, to examine relationships among age, tenure, and career horizon with each dependent variable;
- Mann-Whitney U test and t-Test, to compare the experience of regret of male and female top managers;

- Chi-squared test, to investigate relationships between variables that are categorical;
- One-way ANOVA test, to compare means across three groups of age, career horizon, and tenure.

This methodology is well-suited to analyze regret among C-level executives, considering the mix of continuous, categorical, and Likert-scale variables.

4 Research Findings

Through its results, this study attempts to provide a new understanding of the role of age, gender, tenure, and career horizon on the regret that top managers experience. The participants are 254 CEOs, CFOs, and COOs across 112 companies. The analysis brings to light aspects, challenges, and opportunities that underscore the complex relationship between the emotion of regret and strategic decision-making. The Regret Scale includes five variables and focuses on the experience of retrospective regret. Variables 1, 2, and 3 measure the cognitive aspect of regret and refer to the tendency to avoid reflection, curiosity about other choices, and information-seeking regarding alternative decisions. Variable 4 assesses how top managers feel after they have made a good decision but realize that another option would have been better, measuring the emotional aspect of regret. Variable 5 is a combination of cognitive and emotional aspects and refers to the assessment of missed opportunities in the long run.

Table 3. Descriptive statistics for the Regret Scale

Variables	N	Min	Max	M	SD
V1	254	1.00	5.00	3.38	1.257
V2	254	1.00	5.00	3.96	0.999
V3	254	1.00	5.00	2.69	1.326
V4	254	1.00	5.00	3.25	1.246
V5	254	1.00	5.00	2.20	1.121

Source: created by the authors from SPSS

Table 3 presents the descriptive statistics, helping to know the central tendencies and variability of responses. Referring to Variable 1, participants have a moderate inclination to look back after decisions are made (M = 3.38, SD = 1.257). They show a positive attitude toward variable 2 (M = 3.96, SD = 0.999), confirming their curiosity about alternative options. For variable 3 (M = 2.69, SD = 1.326), participants express disagreement with information-seeking about the other alternatives. The M = 3.25 and SD = 1.246 indicate a moderate support for variable 4, which is compatible with the results for variable 1. Statistics of variable 5 (M = 2.2, SD = 1.121) suggest that participants do not accept their inclination to assess opportunities they have passed up. Overall, descriptive analysis reflects consistency in the experience of regret by top managers.

Table 4. Spearman correlation coefficients for age, tenure and career horizon

Spearman coefficients	Age		Tenure		Career horizon	
	r_s	Sig. (2-tailed)	r_s	Sig. (2-tailed)	r_s	Sig. (2-tailed)
V1	0.007	0.916	0.039	0.539	0.024	0.706
V2	0.013	0.841	-0.079	0.212	0.032	0.609
V3	0.160	0.011	0.140	0.025	0.146	0.020
V4	0.059	0.346	-0.041	0.517	0.047	0.453
V5	-0.039	0.540	0.051	0.419	0.001	0.984

Source: created by the authors from SPSS

Table 4 presents Spearman correlation coefficients. There is no statistically significant relationship between age, tenure, career horizon, and Variables 1 and 2 in the Regret Scale ($p > 0.05$). These demographic characteristics of top managers are significantly correlated with Variable 3: for age, p = 0.011; for tenure, p = 0.025, and for career horizon, p = 0.02. However, it should be noted that the correlation is weak (r_s = 0.140-0.160), although statistically significant. Variables 4 and 5 are also not significantly correlated with age, tenure, and career horizon ($p > 0.05$).

The Mann-Whitney U test was employed to assess the relationship between gender and regret.

Table 5. Nonparametric tests for gender

	V1	V2	V3	V4	V5
Mann-Whitney U	6419.0	6674.5	6602.0	6395.0	6644.5
Wilcoxon W	21644.0	21899.5	21827.0	21620.0	9884.5
Z	-1.047	-0.578	-0.675	-1.087	-0.609
Asymp. Sig. (2-tailed)	0.295	0.563	0.500	0.277	0.543

Source: created by the authors from SPSS

Table 5 shows that there are no significant differences between women and men for all the items of the Regret Scale ($p > 0.05$), while Table 6 below reports Chi-Square analysis.

Table 6. Chi-Square test

Variable	Item	Pearson Chi-Square	df	p-value	Cramér's V
Age	1	2.075	4	0.722	0.064
	2	3.407	4	0.492	0.082
	3	7.727	4	0.102	0.123
	4	4.861	4	0.302	0.098
	5	5.390	4	0.250	0.103
Tenure	1	3.393	4	0.415	0.088
	2	5.926	4	0.205	0.108
	3	11.769	4	0.019	0.152
	4	2.474	4	0.649	0.070

	5	3.862	4	0.425	0.087
Career horizon	1	1.649	4	0.800	0.057
	2	3.161	4	0.531	0.079
	3	12.322	4	0.015	0.156
	4	2.183	4	0.702	0.066
	5	6.469	4	0.167	0.113
Gender	1	2.714	2	0.257	0.103
	2	0.280	2	0.869	0.033
	3	2.816	2	0.245	0.105
	4	1.702	2	0.427	0.082
	5	7.584	2	0.023	0.173

Source: created by the authors from SPSS

Results in Table 6 indicate that regret is largely independent of age, tenure, career horizon, and gender. For almost all items were no statistically significant correlations ($p > 0.05$). An exception is Item 3, which is, however, weakly correlated to tenure ($p = 0.019$) and career horizon ($p = 0.015$). Also, a statistically significant relationship was found for Item 5 and gender, but this is a weak correlation ($p = 0.023$).

Table 7. Group descriptive for gender

	Gender	**N**	**M**	**SD**	**SEM**
Regret Scale (sum)	Male	80	17.36	3.369	0.377
	Female	174	17.12	3.358	0.255

Source: created by the authors from SPSS

To investigate if there are gender differences for the variables included in the regret scale, was employed the independent samples t-Test. Table 7 presents the findings and shows that men and women top managers have almost identical regret scores, and there are no meaningful differences between them.

Table 8. Independent samples t-Test

Test		**Regret Scale (sum)**	
		Equal variances assumed	Equal variances not assumed
Levene's Test for Equality of Variances: F		0.141	
Levene's Test Sig. (p)		0.707	
t		0.533	0.532
df		252	153.072
Sig. (2-tailed)		0.595	0.596
Mean Difference		0.242	0.242
Std. Error Difference		0.454	0.455
95% Confidence Interval of the Difference	Lower	-0.652	1.136
	Upper	-0.656	1.140

Source: created by the authors from SPSS

As Table 8 presents, the assumption of equal variances is met ($F = 0.141$, $p = 0.707$). The independent samples t-test shows that there is no significant difference between men and women C-level executives on the Regret Scale ($t = 0.533$, $p = 0.595$). The mean difference is 0.242 for both groups.

One-way ANOVA test was employed to assess whether regret scores are different between age categories, career horizon categories, and tenure categories.

Table 9. One-way ANOVA tests

Test	**Age groups**	**Career horizon groups**	**Tenure groups**
Levene's Sig.	0.737	0.419	0.204
ANOVA F (df)	2.794 (2, 251)	1.989 (2, 251)	2.305 (2, 251)
ANOVA Sig.	0.063	0.139	0.102
Welch F (df)	2.444 (2, 56.620)	1.567 (2, 33.092)	2.594 (2, 23.732)
Welch Sig.	0.096	0.224	0.096

Source: created by the authors from SPSS

As can be noted in Table 9, one-way ANOVA tests show that there are no significant differences in experiencing regret between age ($p = 0.063$), career horizon ($p = 0.139$), and tenure categories ($p = 0.102$). These results are also supported by Levene's tests and Welch ANOVAs.

5 Conclusion

Research on managers' emotional experiences, particularly at the top management level, remains limited. Most existing studies focus on non-managerial samples or exclusively on CEOs, overlooking other C-level executives. Moreover, prior research primarily identifies whether specific emotions are experienced, with few attempts to explain their underlying mechanisms. Most of these studies focus only on the experience of regret.

Regret is a negative emotion that significantly affects decision-making, especially strategic ones. Its impact is important not only after a choice has been made, but also for future decisions. Anticipated regret can cause top managers to avoid or postpone decision-making. In a dynamic and highly competitive environment, inaction or delays in decision-making negatively affect organizational performance. Furthermore, to reduce regret, top managers may avoid or superficially carry out the control phase, which can make it difficult to understand problems and take corrective measures before their negative consequences escalate. Although the implications of regret are well documented, its determinants remain insufficiently understood. Based on the upper echelons theory developed by [7] and [8], and past empirical research, this study elaborated a theoretical design to investigate how top managers' characteristics shape the experience of regret. Adopting a quantitative approach, it examined the role of age, gender, tenure, and career horizon, elaborating also some explanations for the findings in order to enhance the knowledge about the determinants of this emotion.

The results of this study did not support its hypotheses, which means that there are no significant correlations between regret and demographic variables. So, there are no differences between top managers in the cognitive and emotional aspects of retrospective regret due to their demographic characteristics. Specifically, there are no differences in the tendency to reflect on past decisions, about curiosity on the results of alternative options, or in seeking information about options that were not considered. Also, demographic variables do not affect the feeling of failure when top managers realize that another decision would have been better, even though the initial decision turns out to be good. Although previous studies provide inconsistent conclusions on the impact of demographic characteristics on regret, the conclusions of the present study were unexpected. However, they are compatible with some previous studies regarding age, [40], [41], and gender, [39], [42]. These results reinforce the idea that past findings on differences in regret due to age and gender reflect more generalizations and stereotypes than meaningful variations. In contrast, past research on the influence of tenure and career horizon on regret is scarce, making our findings regarding these variables a groundbreaking contribution to the strategic decision-making literature.

The lack of differences in the experience of regret between top managers due to age, gender, tenure, and career horizon can be interpreted through several theoretical perspectives. One possible explanation is provided by the theory of cognitive dissonance of [43], which suggests that decision-makers rationalize their choices by emphasizing the advantages of selected options and minimizing the value of rejected ones, thereby reducing the likelihood of regret. Furthermore, decisions of C-level executives are usually made in group and require deep analysis and large consultation [44]. Strategic choices are also affected by the forces of external and internal environment, such as the influence of shareholders, the firm’s culture, industry characteristics, and predetermined decision-making procedures [45]. This complex nature of strategic decision-making may have moderated the way demographic characteristics shape regret.

Another explanation lies in emotion regulation and cognitive abilities. Prior research demonstrates that regret can be managed through preventive and corrective strategies [46], [47]. Evidence further suggests no age-related differences in emotional regulation [48] or cognitive abilities [49]. In addition, men and women appear to have comparable cognitive abilities [50], and tenure has not been shown to significantly influence emotional regulation skills [51]. Based on this prior evidence, it is plausible that top managers in this study had developed similar regulatory skills for managing regret, which may account for the absence of differences across demographic variables.

Beyond these mechanisms, personality traits may also play a role. A positive error orientation, for instance, enables failures to be reframed as learning opportunities, thereby mitigating regret [52]. Similarly, proactivity tends to reduce regret by allowing managers to anticipate challenges [53], while an external locus of control facilitates justification and the mitigation of regret [54]. All these findings support the idea that the lack of differences in the experience of regret among C-level executives may be more a result of similarities in psychological and personality characteristics than demographic variations.

This study offers several important implications. For scholars, the findings shed light on the limitations of upper echelons theory, suggesting that demographic characteristics are not always good predictors of emotions experienced by top managers. Future research should investigate the role of psychological, organizational, and contextual factors on strategic decision-making and how they affect regret. For managers, this study reinforces the idea that emotion regulation, reasoned decision-making, and more structured processes have a greater impact on regret than demographic characteristics. The design of programs aimed at developing C-level executives’ skills should base more on such skills than on their adaptation to age, gender, tenure, and career horizon. For policymakers, the findings suggest that organizational policies and decision-making support systems should promote learning from decisions, accountability, and emotion regulation. Focusing only on demographic characteristics does not enable interventions that aim to improve strategic choices.

Although the contribution of this study is important, there are some limitations. First, it includes only the top managers of the Albanian financial sector. This may limit the generalizability of the findings and their consideration for other industries and cultures. Second, the role of demographic characteristics on the experiencing of regret is examined at a specific point in time and thus the findings may be due to chance. Third, the study adopts a quantitative approach based on selfreporting, which may induce social desirability bias or retrospective distortions. Finally, as the participants are only top managers the sample may be homogeneous and the differences in cognitive and emotional responses may be reduced. This may have nullified the effect of demographic factors.

Future research could take these limitations into account. The dynamics of regret could be investigated over a longer period of time by collecting data from the same participants at different points in time. Also, the sample can be diversified by including participants from other industries and cultures, different managerial levels, or by combining different measurement methods that are more objective. Furthermore, future studies could examine the relationships between demographic traits and psychological, organizational, and contextual factors to gain a clearer understanding of the determinants and implications of regret. All these efforts would contribute to the enrichment of theoretical knowledge, including upper echelons theory, and practical knowledge for strategic decision-making support.

Declaration of Generative AI and AI-assisted Technologies in the Writing Process

The authors wrote, reviewed and edited the content as needed and verifies that none utilized artificial intelligence (AI) tools were used. The authors take full responsibility for the content of the publication.

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