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### **State influences on the biases in business under economic decisions making**

#### **Annotation**

The study deals with one of the main important direction of behavioral economics, namely: the biases in business. The biases significantly affect economic decisions and make them less effective. This is reflected not only on the results of individual enterprises, but also on the results of the entire national economy. Therefore, it is important that central and local authorities try to limit the level of bias in business.

The conclusions of this study about the possibility directions of the government influence on biases in business are made on the basis of the results of sociological studies of the behavioral reactions of entrepreneurs. These conclusions are useful for both business and government.

**Keywords:** behavioral economics, biases in business, economic uncertainty

This study is based on the assumption that the phenomenon of "biases" is defined as the refusal of a rational decisions. Moreover, "rationality" should be explained in the same way as the founders of the theory of rational expectations did. The works of prominent representatives of the behavioral economics were used, namely: Thaler, R. H. (2015), Kahneman, D. (2011, 2021), Akerlof G. (2002), Henriksen M. (2020), Ishfaq, M., Nazir, M., Qamar, M. A. J., & Usman, M. (2020), Das, T. K., & Teng, B. (1999), Simon, M., Houghton, S. M., & Aquino, K. (2000).

In order to identify the areas of possible influence of the authorities on the level of biases in business, it is necessary to classify the biases in business.

The classification of biases in business offered here and the conclusions are based on the results of sociological surveys of Ukrainian entrepreneurs in 2023 and 2024.

We consider the following criteria for the classification of biases in business:

- 1) causes of occurrence;
- 2) the environment in which biases are formed.

According to the first criterion, we distinguished the following biases in business:

- those caused by permanent technological changes, including changes in the information environment,

- those caused by socio-psychological influences.

According to second criteria, the following biases in business can be distinguished:

- formed in a normal competitive environment,
- formed in an environment of extraordinary uncertainty.

Taking into account the groups of biases in business that we singled out, the directions of government influence to limited biases could be as follows:

- creation of a favorable macroeconomic environment to increase business propensity to implement technological changes,

- real protection of confidential information against the background of greater accessibility to important public information, to large databases of economic data;
- protection of the competitive business environment and prevention of risks of loss of property and income due to unfair competition;
- the level of uncertainty reduction in situations of military actions, pandemics, disasters, etc. by ensuring the necessary level of trust for government and the transparency of authorities, etc.

### **Conclusions**

The content and directions of the influence of state authorities on limiting the entrepreneurs biases should be based on a reasonable classification of these biases.

Identification of the several types of biases in business involves constant study of the behavioral reactions of entrepreneurs.

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