CHAPTER 7

Team Decision-Making Pitfalls

• Groupthink
• Escalation of commitment
• Abilene paradox
• Group polarization
• Unethical decision making
## Exhibit 7-1. Team Process and Outcomes

<table>
<thead>
<tr>
<th></th>
<th>Failure Outcome</th>
<th>Successful Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Flawed process</strong></td>
<td>Predictable failure</td>
<td>“Lucky”</td>
</tr>
<tr>
<td></td>
<td></td>
<td>· Nonreplicable success</td>
</tr>
<tr>
<td><strong>Vigilant process</strong></td>
<td>“Unlucky”</td>
<td>Predictable Success</td>
</tr>
<tr>
<td></td>
<td></td>
<td>· Best condition for replicable success</td>
</tr>
</tbody>
</table>
Exhibit 7-2. A Rational Model of Group Decision Making

Orientation
- Define the problem
- Set goal
- Plan the process

Discussion
- Gather information
- Identify alternatives
- Evaluate alternatives

Decision Making
- Choose group solution

Implementation
- Adhere to the decision
- Evaluate the decision
- Seek feedback

CHAPTER 7

Symptoms of Groupthink

• Incomplete survey of alternatives
• Incomplete survey of objectives
• Failure to reexamine alternatives
• Failure to examine preferred choices
• Selection bias
• Poor information search
• Failure to create contingency plans
Avoiding Groupthink

- Monitor team size
- Provide face-saving mechanism for teams
- Risk technique
- Invite different perspectives
- Appoint a devil’s advocate
- Structure discussion principles
- Establish procedures for protecting alternative viewpoints
- Second solution
- Beware of time pressure
CHAPTER 7

Exhibit 7-8. Escalation of Commitment

 CHAPTER 7

Escalation of Commitment

• Project determinants
• Psychological determinants
• Social determinants
• Structural determinants
• Avoiding the escalation of commitment problem
  • Set limits
  • Avoid the bystander effect
  • Avoid tunnel vision
  • Recognize sunk costs
  • Avoid bad mood
  • External review
CHAPTER 7

Key Causes of Self-Limiting Behavior in Teams

- Presence of someone with expertise
- Presentation of a compelling argument
- Lack of confidence in one’s ability to contribute
- Unimportant or meaningless decision
- Pressure from others to conform to team’s decision
- Dysfunctional decision-making climate
Avoiding the Abilene Paradox

- Confront the issue in a team setting
- Conduct a private vote
- Minimize status differences
- Frame task as a decision to be made
- Provide formal forum for controversial views
- Take responsibility for failure
Group Polarization

- Risky shift
- Cautious shift
- Explanations
  - The need to be right
  - The need to be liked
  - Conformity pressure
Imagine that Group 1 includes Person A (who chose 1), Person B (who chose 2), Person C (who chose 3), and Persons D and E (who both chose 5); the average of choices would be \((1+2+3+5+5)/5\), or 3.2. Most likely, a risky shift would occur in Group 1 since its mean is less than 5. If Group 2 contained Persons D, E, F, G, and H, their average would be \((5+5+7+8+9)/5\) or 6.8. Most likely, a conservative shift would occur in Group 2 since its mean is closer to the caution pole.
CHAPTER 7

Unethical Decision Making

Situational triggers

• Rational man model
• Pluralistic ignorance
• Desensitization
How to Remedy or Prevent Unethical Decision Making

- Accountability for behavior
- Reward model
- Appropriate role models
- Eliminate conflicts of interest
- Create cultures of integrity