

# Group Decision Making: Opportunities and challenges to policy making



L. Alberto Franco Professor of Management Sciences

l.a.franco@lboro.ac.uk







### **Policy problems**

• Interconnectedness.

Uncertainty.



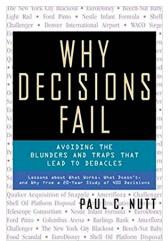




### Tackling policy problems

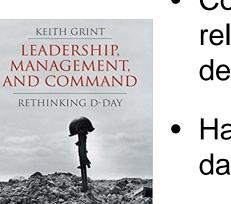
- Paul Nutt's 30-year research programme:
  - persuasion and direction are most frequently used decision making tactics....
  - ...NOT very successful though!







#### *Tame* problems



- Complicated but relatively welldefined.
- Have an expiry date.
- Likely to have occurred before.
- Leader's role is to provide the appropriate solution.

#### *Policy* problems

- Complex, illdefined, and contested.
- No 'stopping' point
- No 'right' or 'wrong' answer.
- Leader's role is to facilitate a problem-solving collaboration.

versus



### Collaborative problem solving: An example

- Teenage Pregnancy Strategy
  Group made up of
  representatives from the
  Borough, NHS, Education,
  Voluntary.
- Area has a disproportionally young population, with a much higher TPR than in other London boroughs.
- How to allocate limited resources to projects intended to alleviate issues associated with teenage pregnancy within the borough?





# Challenges in group problem solving and decision making

- Orientation.
- Cognitive traps.
- Dysfunctional dynamics.





# Challenges in group problem solving and decision making

- Orientation.
- Cognitive traps.
- Dysfunctional dynamics.





#### How do you evaluate decision quality?

- In terms of *process*?
- In terms of **outcome**?



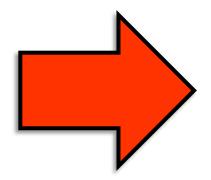


**Process** 

versus

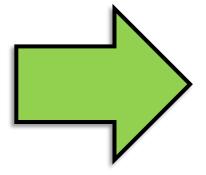
**Outcomes** 

Bad Process



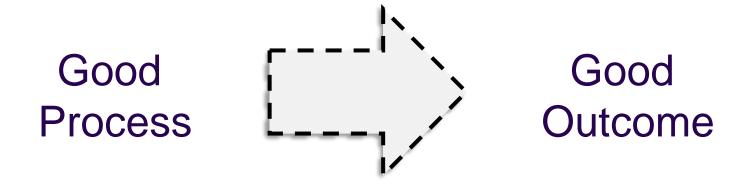
Bad Outcome

Good Process



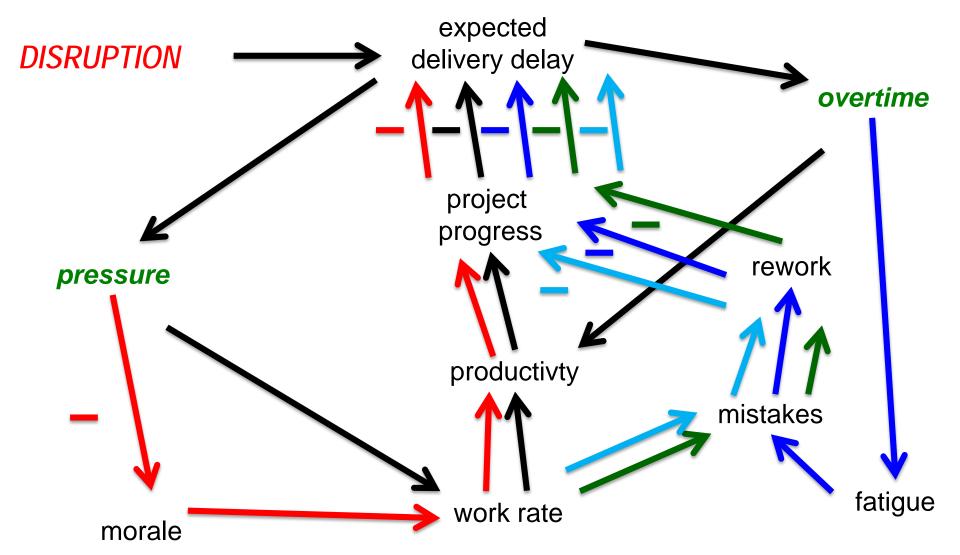
Good Outcome





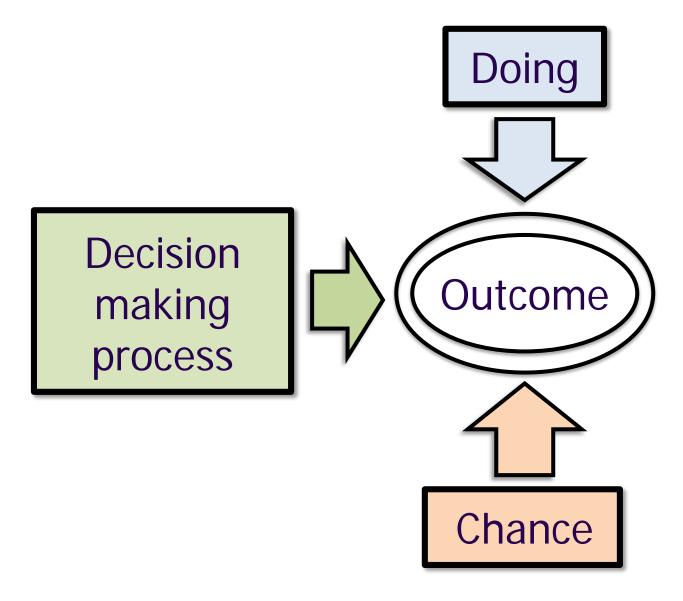
You can't control the outcome...





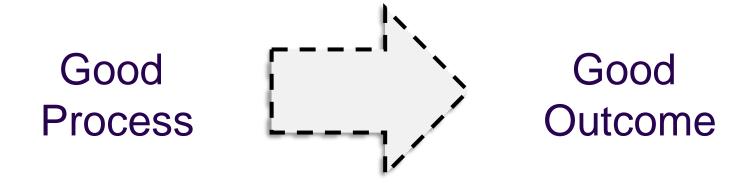
Slide by Susan Howick





Adapted from source: Russo, J. E., & Schoemaker, P. J. H. (2002). Winning Decisions: Getting it right the first time. New York: Crown Business.





You can't control the outcome...

...but you *can* control the *process*.

The closest we can guarantee decision outcomes is good decision processes.

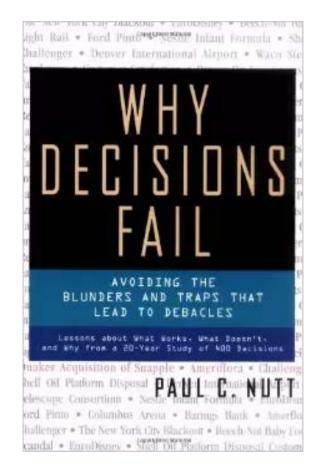
© L. Alberto Franco



### **Effective decision process**

- Paul Nutt's 30-year research programme:
  - An effective

     (decision) process
     increases the
     chances of
     implementation
     success by 50%.





# Challenges in group problem solving and decision making

- Orientation.
- Cognitive traps.
- Dysfunctional dynamics.





#### What's the point?

- Our 'claims' about what problems to solve, and how solve them, are all underpinned by our perceptions of what we see (or not see).
- What we see (or not see)
  depends on the *frames* we
  use.



Adapted from slide by Larry Phillips



#### **Problem framing**

- Frames are mental structures that simplify and guide our understanding of reality.
- Frames force us to view the world (or a problem) in a particular, and limited, perspective.



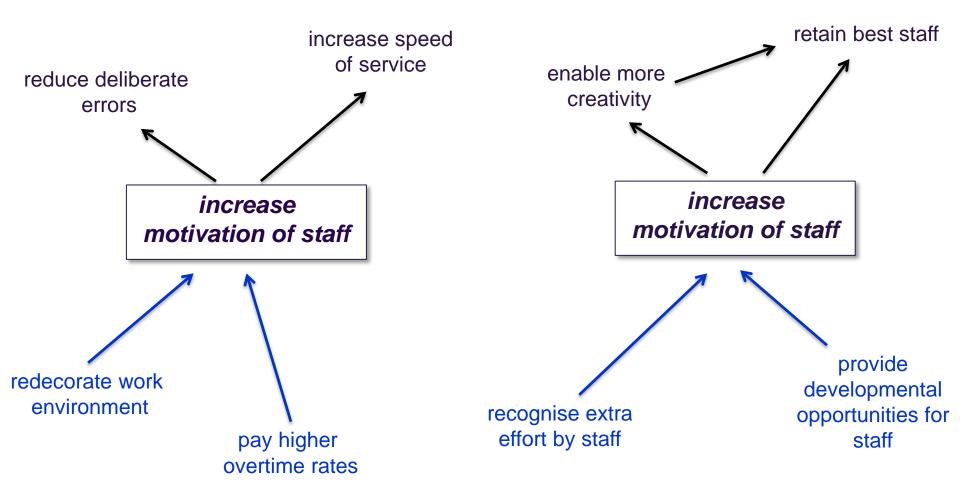
 Frames chosen influence what we see or expect to see, and thus guide future action.

Source: Russo, J. E., & Schoemaker, P. J. H. 2002. Winning Decisions: Getting it right the first time. New York: Crown Business.



#### **Person A**

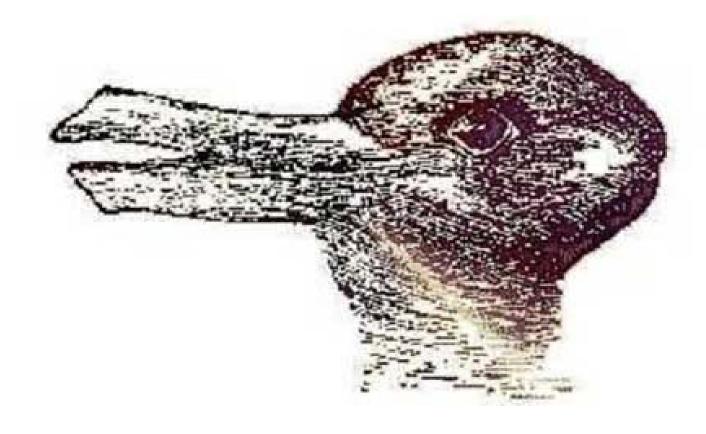
#### **Person B**



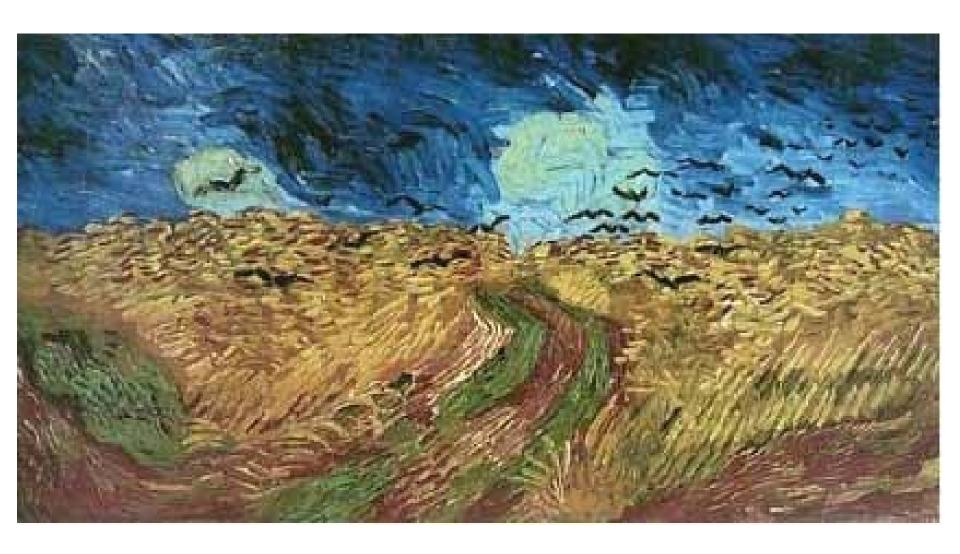
Source: Eden, C., & Ackermann, F. 1998. Making strategy: The journey of strategic management. London: Sage.



#### Kuhn's Duck-Rabbit







Slide by Colin Eden

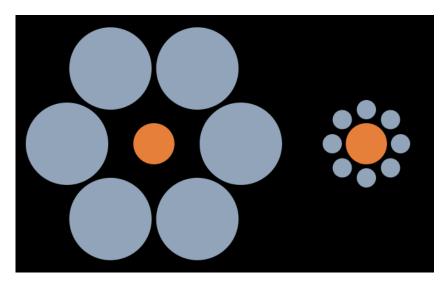


#### Framing both a cognitive and a social process

- Giving meaning to what we see.
- Context matters!



 Give meaning to what others see.





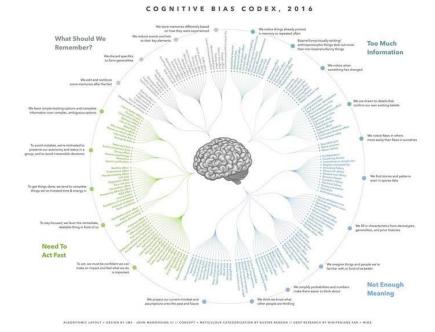
### Framing in the Challenger Launch Decision





### **Cognitive traps**

- Affects experts as well as novices, in a wide variety of professions.
- Common categories of biases:
  - Automatic associations.
  - Protection of the mind.
  - Cognitive style.
  - Faulty reasoning.
  - Social influences.



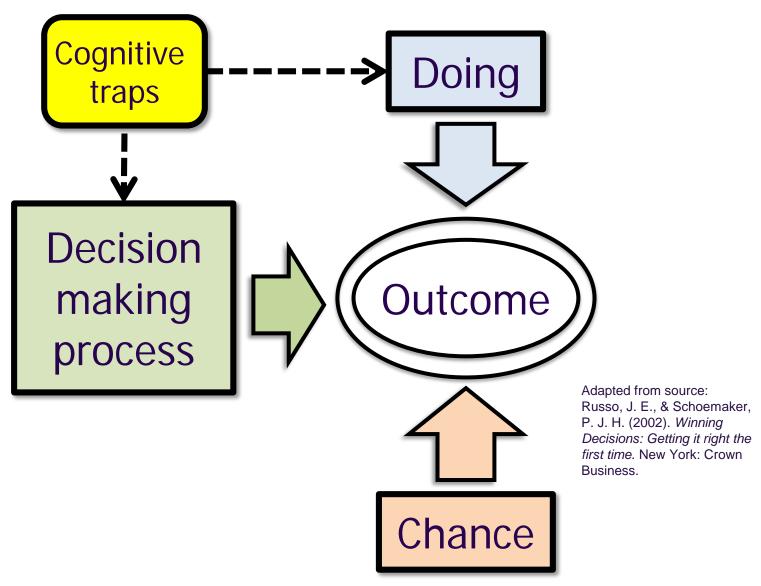
#### Sources:

Brockner, J. (1992). The escalation of commitment to a failing course of action – toward theoretical progress. *Academy of Management Review*, 17(1): 39-61.

Kahneman, D., Slovic, P., & Taversky, A. (Eds.). (1982). *Judgement under Uncertainty: heuristics and biases*. Cambridge, MA: Cambridge University Press.

Murnighan, J. K., & Mowen, J. (2002). The art of high stakes decision making: Tough calls in a speed-driven world. New York: John Wiley & Sons.







# Challenges in group problem solving and decision making

- Orientation.
- Cognitive traps.
- Dysfunctional dynamics.





#### Dysfunctional team dynamics

- Cognitive conflict:
  - disagreements are about ideas/issues;
  - create tensions that are helpful.
- Cognitive conflict can evoke creativity, sharpen ideas, and refine analyses.



#### Source:

Eisenhardt, K., Kahwajy, J. L., & Bourgeois, L. J. I. (1997). Conflict and strategic choice: How top management teams disagree. *California Management Review*, 39(2): 42-62.



#### Dysfunctional team dynamics

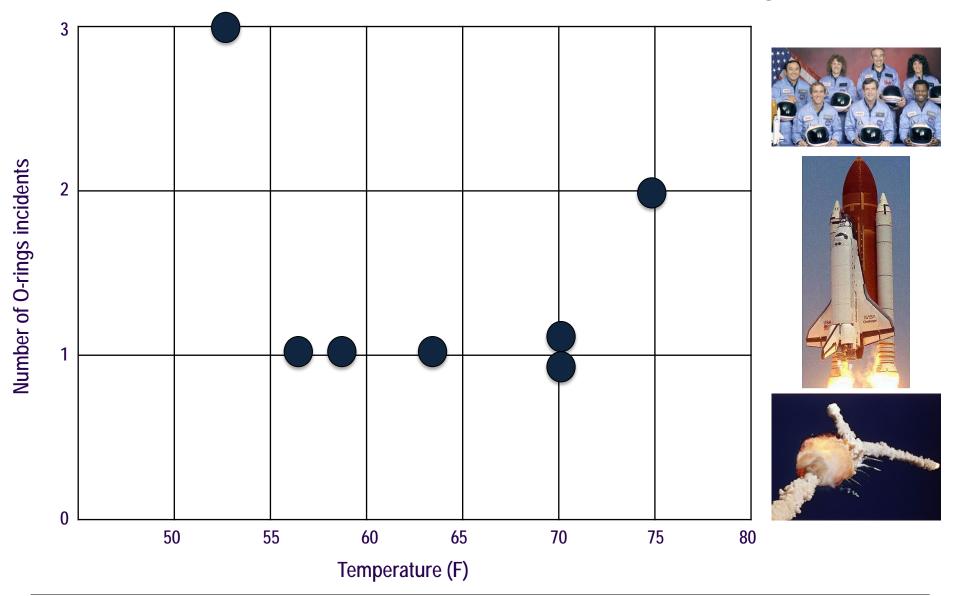
#### Affective conflict:

- disagreements descend into personal attacks;
- people become defensive, closed to share more ideas, and likely counter attacks.
- Affective conflict can arise when:
  - limited, controversial and/or ambiguous data;
  - high stakes and uncertainty;
  - different values or beliefs;
  - different interests and incentives.



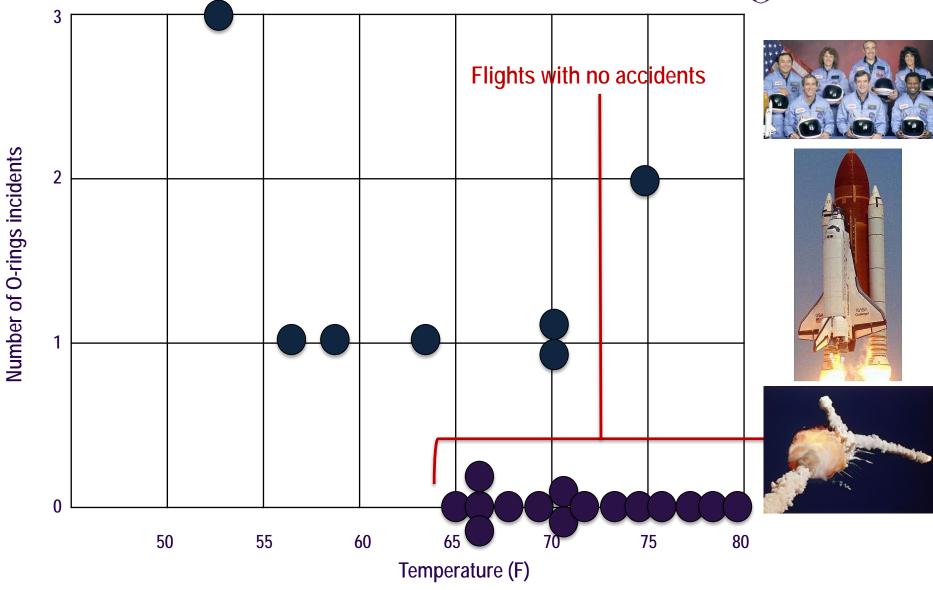
#### Source:

Amason, A. C. (1996). Distinguishing the effects of functional and dysfunctional conflict on strategic decision making... *Academy of Management Journal*, Vol. 39: 123: Academy of Management.



#### **ORS Webinar**





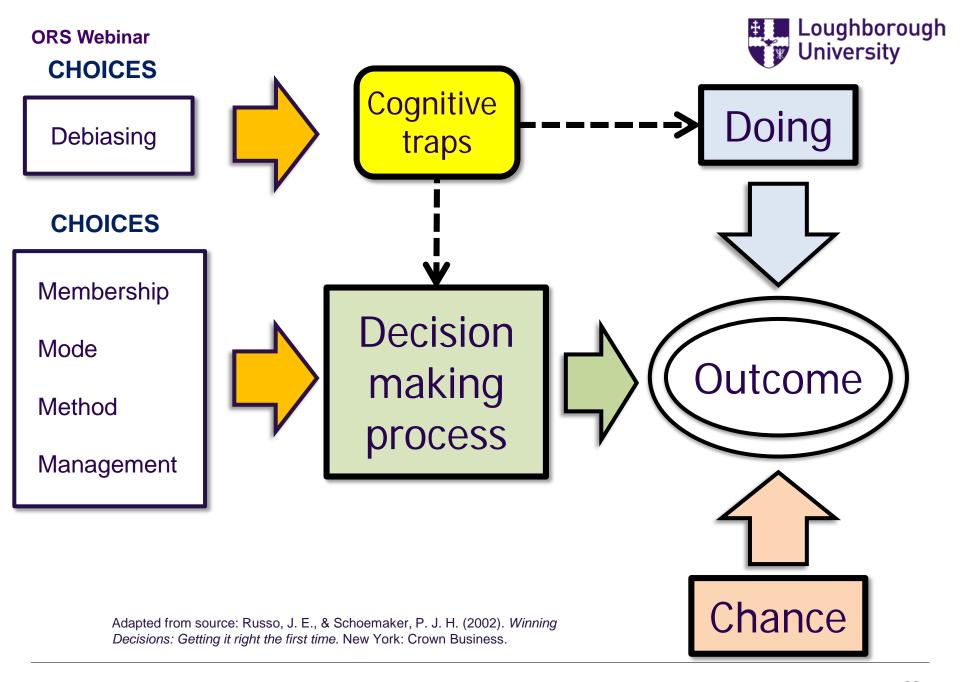


#### Opportunities for policy analysts

- Five important choices for supporting group decision making and/or group problem solving in a policy context:
  - **Debiasing** tools.
  - Team *membership*.
  - Mode of interaction.
  - Decision making method.
  - Degree of *management* control.

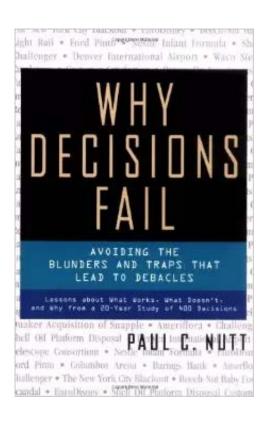


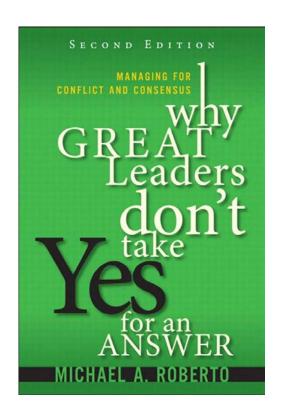
Adapted from spurce: Roberto, M. A. 2013. Why great leaders don't take yes for an answer: Managing for conflict and consensus (2nd ed.). Upper Saddle River, New Jersey: Pearson Education.

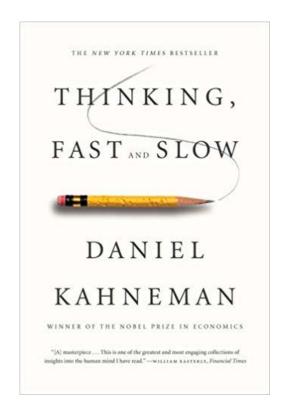




#### **Further reading**









### Thank you!



L. Alberto Franco Professor of Management Sciences

<u>l.a.franco@lboro.ac.uk</u>