

A Review and Analysis on the Social Aspects of Group Decision-Making

Addison Middaugh

Lincoln Memorial University

Abstract

Decision-making is a critical aspect of business and occurs in all organizations. At a basic level, there are two sets of decisions that can be made. Decisions can be made by individuals or by groups. However, it is not always clear as to whether or not a decision would yield better results if carried out by an individual or by a group. This paper examines the aspects of group decision-making and explores research regarding other facets of decision-making in a social setting. The research provides managers with information about the potential advantages, but mainly the disadvantages associated with decision-making in groups such as groupthink and group polarization. Additionally, ethics, strategy, and other facets are explored. This paper intends to inform management about group decision-making in hopes that research will continue on this subject for managers seeking continuous improvement by making the best decisions possible to produce the best outcomes.

Keywords: decision-making, disadvantages, groupthink, group polarization, strategy, outcomes, ethics

Table of Contents

Abstract.....	3
Introduction.....	5
Defining Decision-Making	5
Optimizing Outcomes of Decision-Making.....	6
Individual vs. Group	6
Disadvantages of Group Decision-Making.....	7
Groupthink	8
Group Polarization	8
Physiological Concerns of Decision-Making	9
Cognitive Concerns of Decision-Making	9
Relevance to Group Decision-Making.....	11
Human Behavior	12
Social Aspects	13
Ethical Considerations	14
Improving Groups.....	15
Analysis and Conclusion.....	15
References.....	18
Appendix.....	20

A Review and Analysis on the Social Aspects of Group Decision-Making

As the second decade of the new millennium continues, it is important for managers to make decisions that have an optimal impact on their respective organizations. The weight of the decisions made is great, but more emphasis may need to be focused on how the decisions are made. At a basic level, decision-making consists of two possibilities: decisions made by an individual or decisions made by a group. After this realization has been made, the option that produces the most optimal outcome for an organization is the unknown factor. As a result, uncertainty in the organizational environment is heightened and risk becomes a larger threat. Therefore, it is critical for an organization's management to analyze and research the many aspects of group decision-making to avoid undesirable outcomes and improve methods for making optimal decisions.

An organization can only be as successful as the decisions made by management allow it to be. Though it may sound simple, decision-making is one of the most complex tasks managers face. As technology continues to improve, it can be assumed that the amount of shared information increases exponentially. For this reason, it seems natural that executives try to communicate the importance of gathering a wealth of information for decision-making purposes. Accordingly, managers can choose to utilize groups when making decisions. While groups have the ability to share large amounts of information, other variables are introduced into the decision-making process that could have a positive or negative effect on an outcome.

Defining Decision-Making

By definition, decision-making is "the process of identifying problems and opportunities and then resolving them" (Daft & Marcic, 2011, p. 184). From this definition, it is clear that decision-making is present at every level of an organization. However, strategic and managerial

decision-making assists the lower levels in functioning. In other words, the lower levels are dependent upon decisions made by upper levels of management, which provide the organization with a sense of direction. Therefore, it is critical that the techniques used to make managerial decisions produce optimal outcomes for the organization.

Optimizing Outcomes of Decision-Making

As an analogy, the field of operations management can be used to explain why further research should be conducted to improve decision-making in social contexts. If decision-making assumes the role of operation process, then optimal outcomes would assume the role of high quality. In this case, management could apply statistical process control. When utilizing statistical process control, an assignable cause can be found after investigation if the process has produced negative results (Schroeder, Goldstein, & Rungtusanatham, 2011, p. 186). Through the application of this process, managers can analyze each aspect of social and group decision-making, which will help them to understand that the best outcomes may not be directly related to the number of people involved in making a managerial decision.

Individual vs. Group

Once management reaches a decision-making point, an individual or group such as a team, committee, or task force will make the decision. Logically, it can be inferred that individual decision-making is synonymous with the provided definition for decision-making. Nelson and Quick (2013) have found that the individual influences involved with decision-making are “comfort with risk, cognitive style, personality, intuition, and creativity” (p. 163). Individual decision-making involves one person, but the decision-maker can choose to act on information from his or her own perspective, the perspective of others, or a combination of the

two. However, the individual makes the final decision. On the other hand, group decision-making can be summarized differently in the following:

It's a rare organization that doesn't use committees, task forces, review panels, study teams, or other similar groups to make decisions. Studies show that managers may spend up to 30 hours per week in group meetings. Undoubtedly, a large portion of that time is spent formulating problems, developing solutions, and determining how to implement the solutions. (Robbins & Coulter, 2009, p. 240)

This explanation of the frequency of use for group decision-making shows that many organizations rely on the sharing of information between individuals to find solutions to problems. However, frequency of use does not prove that the process is infallible or perfect. Additionally, the influences on individual decision-making already mentioned would be present in each member of the group, which could lead to tension and conflict. Therefore, areas that may have a negative effect on the outcome of a decision may need to be addressed. The areas that will be addressed include disadvantages, common issues, physical states, mental states, and other issues related to social contexts.

Disadvantages of Group Decision-Making

In groups, members have unique perspectives and diverse thoughts. While diversity of ideas can help in situations where a manager may be a poor decision-maker on their own, there are instances where groups do not create an advantage when making decisions. For example, members of a group could feel pressured to conform, one member or subgroup may try to dominate the process, or the process may cause delay because of the amount of time it can take for groups to reach consensus (Nelson & Quick, 2013, p. 168). These disadvantages could be potentially dangerous for an organization that relies on optimal outcomes.

Groupthink

One of the major issues associated with group decision-making is groupthink. Simply defined, groupthink is “a deterioration of mental efficiency, reality testing, and moral judgment resulting from pressures within the group” (Nelson & Quick, 2013, p. 168). If organizational managers choose to use groups for decision-making purposes, then it is important for the group to circumvent groupthink. In situations where groupthink is prevalent, members suppress their own thoughts and opinions for the sake of harmony. As a result, thoughtful discussion and careful deliberation is at a minimum, which is not conducive to an environment that fosters good decision-making. Often times, groupthink results from the pressures of time constraints and decisions of high-consequence (Nelson & Quick, 2013, p. 169). The nature of the group involves shared responsibility, which may influence members to decide quickly without fear because of the safety they feel in collective blame.

Group Polarization

A second concern associated with group decision-making is a phenomenon known as group polarization. Similar to groupthink, group polarization can have altering effects on the thoughts of group members. According to Nelson and Quick (2013), group polarization is “the tendency for group discussion to produce shifts to more extreme attitudes among members” (p. 170). The researcher responsible for this term found that members of a group exhibit higher levels of caution or higher levels of risk (Nelson & Quick, 2013, p. 170). Other polarized relationships exist, but the trend shows that members of a group will agree upon some extreme resulting from an unknown cause. It is possible that the pressure of peers and other factors contribute to the tendency to conform. Fittingly, this introduces error into the decision-making process.

Physiological Concerns of Decision-Making

Typically, humans react differently under certain amounts of stress. In the world of business, managerial decisions are considered to be high in stress. Correspondingly, research has been conducted that explores the effects of physical issues present in groups and high-stress environments. Specifically, the research discussed the effects of sleep deprivation on group productivity. Barnes and Hollenbeck (2009) stated that current evidence supports the notion that sleep deprivation is increasing in modern society (p. 56). Moving forward, managers in business will be forced to adapt to the consequences of this trend. The researchers concluded that “executive management teams making decisions under conditions of chronically shortened sleep (such as four hours per night) or while working late at night will likely show important fatigue effects” (p. 64). This indicates that physical behaviors can influence the decision-making process. Additionally, it is suggested that the appropriate amount of sleep could be beneficial to decision-making. In terms of relevance to group decision-making, it is clear that the effects of fatigue would be possible with each member creating instability.

Cognitive Concerns of Decision-Making

As discussed, decisions made by individuals are influenced by personality and other cognitive factors. Emotion, which could be viewed as a function of personality and cognitive processes, play a role in decision-making. In fact, Kooij-de Bode, van Knippenberg, and van Ginkel (2010) claimed that “there is a consistent body of evidence...suggesting that negative affect is associated with more careful and extensive information processing” (p. 375). This claim seems to suggest that feelings of anxiety, sadness, and similar negative emotions will promote cautious behavior and better analysis of information in decision-making settings. Moreover, this line of thought suggests that the presence of negative affectivity has a direct correlation with

decisions of a higher quality. However, the study indicates that this is not true. Kooij-de Bode et al. (2010) explained that the moderate presence of negative affect is more likely to produce careful information processing instead of dysfunctional levels that are found in clinical examples (p. 377). Therefore, a quadratic relationship would exist between the levels of negative affect and the care given to information processing. In other words, low levels of negative affect and high levels of negative affect would not show a relationship, which would be displayed on a graph as a standard parabolic curve. As the level of negative affect increases, the careful nature of information processing would as well. However, after reaching a maximum point, the negative affect would conflict with a group member's ability to carry out cognitive processes resulting in dysfunction.

While it could be argued that the presence of any negative moods would inhibit collaborative decision-making, the authors of the study provide sound reasoning to suggest the opposite. Kooij-de Bode et al. (2010) insisted that "negative affect signals that the state of things is problematic and therefore requires attention and potential action" (p. 377). This claim, built upon a rational basis, may not always hold true. If the negative affect is not produced from the task, then it is reasonable to suggest that the group member will focus their attention on the cause of their negative emotions rather than focusing on the task at hand. In order to give their full attention, an individual must be focused on the task that requires a decision.

On the other hand, a different study indicated that negative and positive emotions could inhibit an individual's ability to make quality decisions. The primary concern of this study involved two extremes: naivety and cynicism. Regarding positive information, individuals are likely to display naïve behavior because of their affinity to trust (Tsay, Shu, & Bazerman, 2011,

pp. 499-500). Yet, the authors felt that this has been explored far more than cynicism.

Moreover, Tsay et al. (2011) had this to say about cynical errors:

But we can also fall prey to the opposite error—being inappropriately cynical and distrustful. This can arise from the lay intuition that others must be self-interested, which may be amplified through egocentric reasoning, uncertainty, and differences in our construals of the same information—conditions that are particularly relevant for negotiations and competitive contexts. (p. 501)

These findings contradict the view of negative affect mentioned earlier. If uncertainty and distrust exist, then negative affect would be present in the form of anxiety amplified by cautiousness. Of course, this would cause the individual to display extreme levels of distrust, which would lead to cynicism. As a result, the individual would not exhibit careful information processing caused by negative affect. Instead, the individual would be too critical when processing information. After making a decision based on cynical attitudes, it could result in suboptimal results.

Relevance to Group Decision-Making

The importance of these findings in decision-making settings involving groups is simple, but it cannot be ignored for the sake of optimizing decision-making outcomes. A group is merely a unit comprised of two or more individuals. As such, the existence of multiple personalities and perspectives would increase the amount of variables in the decision-making process, which would increase the amount of uncertainty in an environment that relies on information to reduce risk. Higher levels of uncertainty create scenarios where decision-making becomes more difficult and consequential. Tsay et al. (2011) asserted that individuals in organizations “were more likely to attribute other employees’ negative acts to those individuals

themselves, while attributing others' positive acts to external or situational causes" (p. 503).

This bias shows that individuals allow emotions to change their beliefs about the motives and causal behaviors held by others in a group. Decision-making should occur in an environment where information is shared in a scientific manner with limited bias. Consequently, the biased attribution found in a majority of individuals can impede analysis in decision-making.

Human Behavior

Studies of general human behavior in decision-making contexts can provide valuable insight for managers looking to improve the quality of decisions. A study of consumer behavior showed an interesting connection between time and decisions. In this study, Milkman, Rogers, and Bazerman (2010) discovered "that when the time separating a purchasing decision from the receipt of a purchase is exogenously varied, this delay can significantly alter people's selections" (p. 18). This finding can be applied beyond consumer behavior and creates noteworthy implications for managerial decision-making. In many organizations, time constraints vary but are always present in the process of making decisions. This is why understanding the relationship between time and decision-making is significant. Through empirical studies, the authors found "evidence from...field data...that is consistent with past research showing that people generally behave more impulsively the sooner their decisions will take effect" (Milkman, Rogers, & Bazerman, 2010, p. 29). While this study provided data for the shopping habits of consumers at a grocery store, the findings could be applied to groups. Combined with the effects of group polarization or groupthink, short-term and long-term time constraints could influence the extremes chosen by the group. For example, an individual in a team would make decisions on impulse for a short-term project. If groupthink were to occur, then the members of the group would concede to the impulsive behavior of the other member. This is an example of the

combined effects of two decision-making variables that could have a negative impact on careful deliberation and information processing.

Social Aspects

Although much of the information presented highlights the disadvantages of group decision-making, other research supports the notion that social decision-making is advantageous in business. Gast and Zanini (2012) echoed this sentiment stating that “strategies developed by leaders in isolation can be flawed and sometimes aren't embraced by the people who must implement them” (Why it matters, para. 1). Here, the authors suggest that interaction with others strengthens the decision-making process, particularly when the decision requires execution by others. If those others were not part of the decision-making process, then they may find it hard to adjust to the decision if change is involved. Adaptation is much easier when employees have insight into future changes and decisions, which allow them to prepare. However, it is important to understand that the authors do are not solely suggesting group decision-making. Social decision-making can also include instances where an individual makes the final decision, but they rely on input and information provided by others. In this case, the margin for error is still high because of the biases an individual may have for some unit of the social group. Moreover, Gast and Zanini (2012) suggest that the managerial decision-maker has changed roles:

Taking these principles to their logical conclusion suggests a shift in the strategic-leadership role of the CEO and other members of the C-suite: from "all-knowing decision makers," who are expected to know everything and tell others what to do, to "social architects," who spend a lot of time thinking about how to create the processes and incentives that unearth the best thinking and unleash the full potential of all who work at a company. (The evolution of strategic leadership, para. 2)

Still, this change does not suggest that groups are essential for quality decisions. However, it is clear that the authors believe that all employees and their collective base of information can be helpful to managers in the decision-making process.

Even though isolated individuals have weaknesses in terms of decision-making, a different analysis suggested that managers could err when relying too much on social tools. The author argued that a dichotomous relationship is created when a decision-maker employs social tools because the process encourages both the challenging of ideas and consensus, while the decision-maker should focus on producing only one of the two (Sibony, 2012, 3. Avoiding anchoring and groupthink, para. 3). This provides a caveat for managers looking to utilize social tools in their strategic plans. It would be counterproductive to allow these two extremes to influence decision-making.

Ethical Considerations

As is natural with social groups, questions of equality are present in organizations. Ethnicity, race, religion, gender, age, rank, and other social classifications can be found in any business. As a result, the social groups can experience conflict within the decision-making framework. For an example, the following claim should be examined:

We posit that the social category context is one important contextual factor that can influence the transaction utility of any given tradeoff. What was a good deal in the absence of social category lines appears less attractive across social boundaries. (Garcia, Bazerman, Kopelman, Tor, & Miller, 2010, p. 77)

In the environment of decision-making, this shows that social categories can influence how members of an organization, or group, perceive other social groups and the benefits they receive from decisions that are made. This could sabotage the decision-making process if certain social

categories feel that the decision does not benefit them. Therefore, organizations should strive to create a culture of togetherness and integrate diversity to avoid this error and others like it.

Improving Groups

While most of the research presented provides insight into recognizing issues with groups and social environments, there are studies that provide guidance on preventing the aforementioned problems. In one article, Kruyt, Malan, and Tuffield (2011) suggested that an essential task in developing a stronger team is to choose the correct people for completion of the required tasks, which involves vigilant effort from the CEO and others involved in the development of a team (1. Get the right people on the team...and the wrong ones off, para. 2). Additionally, Kruyt et al. (2011) asserted that “too often, top teams fail to set or enforce priorities and instead try to cover the waterfront” (2. Make sure the top team does just the work only it can do, para. 2). This means that teams should be focused on a specific task, and the task is something that they are capable of completing. To ensure quality of decisions, advice such as this would be beneficial to organizations. Without the right team, it would be difficult for an organization to have success due to poor decision-making.

Analysis and Conclusions

The research provided in this paper proves that managers must find ways to address the issues associated with decision-making in groups and social settings. The weight of decisions can often mean life or death for a business. Hence, a manager’s primary goal as a strategist should be to complete a thorough situational analysis to make the best decisions. In this case, that analysis should include research into the type of decision to be made and the appropriate method of decision-making that should be applied. Of course, this leads the manager to the most basic decision: should an individual or groups make the decision? The research discussed is not

meant to answer this question, but to raise concerns about the lack of solid evidence to support a particular method against another.

As discussed, several errors and biases occur in groups. It is for this reason that top executives in business should lead the charge for research on this topic. It is clear that many managers fail to recognize these problems, but the managers who do have no defense or tools to address the mistakes when they have already occurred. Preventative measures must be taken to ensure that decision-makers are put in the best possible situations to produce optimal outcomes for their organization. The research on building teams is helpful, but it only begins to crack the surface of the potential ways to avoid errors and biases in teams. Further research may not be able to control these errors, but the research may be able to find other methods for improving the quality of the decision-making process, which would yield better results.

With the current research, managers need to acknowledge that groupthink, group polarization, and biases have a greater effect on outcomes than they may realize. Managers must select individuals who will provide a group with focus, attention, discipline, and reason. Without these attributes, the decision could result in failure for an organization. Moving forward, it will be important for managers to integrate diversity, not only to avoid ethical concerns, but also to increase the diversity of ideas in an organization. The people in an organization are most often the most valuable asset, which is a result of the ideas and knowledge they possess.

If managers will recognize the potential threats and areas for improvement, then it is possible that they will see improvement of groups in the decision-making process. Through the limitation of failures and suboptimal outcomes, companies will typically profit and ensure a stable future. Without the ability to make quality decisions, an organization is more likely to fail and cease operations. Therefore, it is critical for managers to be mindful of these issues and

learn how to avoid them. However, this can only happen with further advancement of research on this topic.

References

- Barnes, C. M., & Hollenbeck, J. R. (2009). Sleep deprivation and decision-making teams: Burning the midnight oil or playing with fire? *Academy of Management Review*, *34*(1), 56-66. doi:10.5465/AMR.2009.35713280
- Daft, R. L. & Marcic, D. (2011). *Understanding management* (7th ed.). Mason, OH: South-Western Cengage Learning.
- Garcia, S. M., Bazerman, M. H., Kopelman, S., Tor, A., & Miller, D. T. (2010). The price of equality: Suboptimal resource allocations across social categories. *Business Ethics Quarterly*, *20*(1), 75-88. Retrieved from <https://secure.pdcnet.org>
- Gast, A., & Zanini, M. (2012). The social side of strategy. *McKinsey Quarterly*, (2), 82-93. Retrieved from <http://www.mckinsey.com>
- Kooij-de Bode, H. M., van Knippenberg, D., & van Ginkel, W. P. (2010). Good effects of bad feelings: Negative affectivity and group decision-making. *British Journal of Management*, *21*(2), 375-392. doi:10.1111/j.1467-8551.2009.00675.x
- Kruyt, M., Malan, J., & Tuffield, R. (2011). Three steps to building a better top team. *McKinsey Quarterly*, (1), 113-117. Retrieved from <http://www.mckinsey.com>
- Milkman, K. L., Rogers, T., & Bazerman, M. H. (2010). I'll have the ice cream soon and the vegetables later: A study of online grocery purchases and order lead time. *Marketing Letters*, *21*(1), 17-35. doi:10.1007/s11002-009-9087-0
- Nelson, D. L. & Quick, J. C. (2013). *ORGB* (3rd ed.). Mason, OH: South-Western Cengage Learning.
- Robbins, S. P. & Coulter, M. (2009). *Management* (10th ed.). Upper Saddle River, NJ: Pearson Prentice Hall.

Schroeder, R. G., Goldstein, S. M., & Rungtusanatham, M. J. (2011). *Operations management: Contemporary concepts and cases* (5th ed.). New York, NY: McGraw-Hill Irwin.

Sibony, O. (2012). Collaborative strategic planning: Three observations. *McKinsey Quarterly*, (2), 94-97. Retrieved from <http://www.mckinsey.com>

Tsay, C., Shu, L. L., & Bazerman, M. H. (2011). Naivete and cynicism in negotiations and other competitive contexts. *Academy of Management Annals*, 5, 495-518.

doi:10.1080/19416520.2011.587283

Appendix

Barnes, C. M., & Hollenbeck, J. R. (2009). Sleep deprivation and decision-making teams:

Burning the midnight oil or playing with fire? *Academy of Management Review*, 34(1), 56-66. doi:10.5465/AMR.2009.35713280

The authors, Christopher M. Barnes and John R. Hollenbeck, are members of the faculty at Michigan State University. The article is found in a journal named *Academy of Management Review*, which is a peer-reviewed academic journal that focuses on management theory and research. The authors research the influence of sleep deprivation on group decision-making. Their findings indicate that a negative relationship exists between sleep-deprivation and decision-making for individuals, but they conclude that groups affected by sleep deprivation display a higher affinity for poor decision-making. The authors suggest that the cause is related to the increased number of individuals involved in the group. Put another way, each member of the group is negatively affected by sleep deprivation and the combination of members multiplies the likelihood of poor decision-making. The authors performed the research by forming teams consisting of individuals with levels of rest set between the extremes of well rested and sleep deprived. After forming teams, the authors gave the teams tasks to perform and studied how those with sleep deprivation affected the outcome of the group's task. The authors found that sleep deprived members do not heavily influence some tasks, but they did find that tasks in other contexts yielded catastrophic effects caused by fatigued members. While the authors do not prove that groups will always make poor decisions as a result of sleep deprivation, they effectively communicate the importance of rest when decision-making is a concern. This article is useful for business in the United States where the authors

found that sleep deprivation is common, which could cause negative outcomes.

Managers would benefit from further research on this topic.

Garcia, S. M., Bazerman, M. H., Kopelman, S., Tor, A., & Miller, D. T. (2010). The price of equality: Suboptimal resource allocations across social categories. *Business Ethics Quarterly*, 20(1), 75-88. Retrieved from <https://secure.pdcnet.org>

Each author possesses institutional affiliation. Stephen M. Garcia and Shirli Kopelman are part of the faculty at the University of Michigan. Max H. Bazerman is a member of the Negotiations, Organizations, and Markets unit at the Harvard Business School.

Avishalom Tor is a Senior Lecturer and Co-Director of the Forum for Law and Markets at the University of Haifa. Finally, Dale T. Miller is on staff at Stanford University.

Business Ethics Quarterly is a peer-reviewed academic journal that focuses on the ethical aspects of business. In this article, the authors examine the impact of social categories on decision-making and profit maximization. Additionally, this information is presented in an ethical context. The article provides empirical evidence that suggests a relationship exists between social categories; groups within these categories, and payoffs individuals within the groups are willing to take. Moreover, the article extrapolates on this idea by applying it in an organizational context. Regarding decision-making, the article presents the idea that biases and other distorted perceptions can cause individuals in groups to accept less optimal outcomes for the sake of equality. In order to effectively solve the problem, the authors suggest a process called re-categorization. This method involves making one social category prominent and allowing them to increase unity between groups to avoid the unequal distribution of resources, which conflicts with decision-making. For organizations, the article provides an ethical perspective on the social

aspects of decision-making and decision-making in groups. This article is helpful to managers because it provides insight into the different social categories such as gender, race, ethnicity, etc. and how they impact decision-making and resource utilization.

Gast, A., & Zanini, M. (2012). The social side of strategy. *McKinsey Quarterly*, (2), 82-93.

Retrieved from <http://www.mckinsey.com>

In this article, the authors Arne Gast and Michele Zanini, discuss the social aspect of strategy and decision-making. The *McKinsey Quarterly* is a peer-reviewed academic journal with a focus on the managerial aspects of business. Arne Gast is a principal in the company's Amsterdam office, and Michele Zanini is a consultant located in McKinsey and Company's Boston office. Additionally, Zanini is the co-founder of the Management Innovation exchange (MIX). Gast and Zanini explore the implementation of crowd-sourcing strategies at organizations such as 3M, Wikimedia, and Indian-based HCL Technologies. Their findings conclude that diversity of ideas is a positive outcome associated with employee ideas and information being funneled to organizational leadership. The authors do not suggest that collaborative strategies should replace the role leadership plays in strategic decision making, but they do argue that more information gathered in a peer-reviewed manner can greatly benefit an organization. The authors elaborate on scenarios where organizational leadership started to ignore the impact of their decisions and were not informed about the ongoing activities of the organization's frontline employees. In each of these scenarios, leadership implemented programs that allowed employees at all levels to generate ideas and provide feedback for those that might have the greatest positive effect on the company. The article shows that decision-making should not occur within a group, but that a group of individuals can

provide useful information to those making decisions for the company. Finally, the authors imply that decision-makers should reevaluate their roles and open the channels of discussion to produce the best decisions. This article would be valuable to managers with several degrees of separation from technical operations.

Kooij-de Bode, H. M., van Knippenberg, D., & van Ginkel, W. P. (2010). Good effects of bad feelings: Negative affectivity and group decision-making. *British Journal of Management*, 21(2), 375-392. doi:10.1111/j.1467-8551.2009.00675.x

This article is found in the *British Journal of Management*, which is a peer-reviewed academic journal that focuses on all disciplines of business and management.

Collectively, the authors hold scholarly qualifications from different institutions.

Hanneke J. M. Kooij-de Bode is affiliated with TNO Kwaliteit van Leven. D. Van Knippenberg and W. P. van Ginkel are members of the Rotterdam School of Management at Erasmus University Rotterdam in The Netherlands. The authors study how negative affectivity influences group decision-making. The authors note that organizations call upon groups in many situations to make decisions, but the quality of the decisions may not be optimal. The authors' findings indicate that group decision-making can be effective, but it is more effective when group members have higher levels of negative affectivity, which is the opposite of being calm. The authors reason that group member will process and analyze information much more carefully with high levels of negative affectivity. In other words, group member with high levels of negative affectivity will examine information more carefully as a result of nervousness and panic, which seems to be a valid point. However, the studies do not take into account the idea that negative affectivity could result in cynicism, which could lead to poor decision-

making. This article would be helpful to managers concerned with the effect of attitudes and personality on decision-making.

Kruyt, M., Malan, J., & Tuffield, R. (2011). Three steps to building a better top team. *McKinsey Quarterly*, (1), 113-117. Retrieved from <http://www.mckinsey.com>

Michiel Kruyt is an associate principal in McKinsey's Amsterdam location, Judy Malan is a principal in the Johannesburg location, and Rachel Tuffield is an alumnus of the Sydney office. The *McKinsey Quarterly* is a peer-reviewed academic journal with articles and commentary on the managerial aspects of business. In this article, the authors investigate senior-management teams and how executives create them. Similar to the hiring process, the authors discuss the process of selection and the critical role it holds in establishing successful teams. The authors surveyed senior executives of international organizations to gather information about managing and creating successful teams. The authors found three critical points to keep in mind for the development of top teams. First, the executive should select members who would work well in the team and remove those who would not. Second, the team must focus on the appropriate task instead of wasting their time and resources on tasks they are not suited for. Finally, processes and group dynamics should be assessed and addressed, if necessary. This article would be useful for managers interested in creating managerial groups that will have opportunities to make decisions. The research findings indicate that groups can be developed carefully to reduce the risk of suboptimal outcomes.

Milkman, K. L., Rogers, T., & Bazerman, M. H. (2010). I'll have the ice cream soon and the vegetables later: A study of online grocery purchases and order lead time. *Marketing Letters*, 21(1), 17-35. doi:10.1007/s11002-009-9087-0

Here, each author possesses an academic affiliation. Katherine L. Milkman is affiliated with the Wharton School. Todd Rogers and Max H. Bazerman are affiliated with the Analyst Institute and the Harvard Business School, respectively. This article is found in the academic journal titled *Marketing Letters*, which is a peer-reviewed journal. While this study focuses on the temporal facet of decision-making for consumers, the authors' findings can apply to humans in organizations as well. Because consumer decision-making is involved, managers can exploit the data for marketing purposes as well. The authors of the study analyze the decisions of consumers at a grocery store and how time affects consumer behavior. Crediting older studies, the authors mention a study by Max H. Bazerman that introduces the intrapersonal conflict theory. Essentially, Bazerman finds that human have developed a tension when shopping that concerns what they want to purchase and what they should purchase. The authors' findings indicate that a correlation exists between low amounts of time before buying and more money being spent on things consumers want. The other correlation represents the opposite side of the conflict. This article effectively demonstrates how a factor such as time can influence the decision-making patterns of an individual. This study can be useful to managers who are interested in consumer behavior, but it can be applied to organizations in many contexts.

Sibony, O. (2012). Collaborative strategic planning: Three observations. *McKinsey Quarterly*, (2), 94-97. Retrieved from <http://www.mckinsey.com>

The author, Olivier Sibony, is the director of McKinsey & Company's Parisian office. The *McKinsey Quarterly* is a peer-reviewed academic journal with a focus on the managerial aspects of business. In this article, Sibony discusses three aspects of strategic planning in a social context. The third point of the article involves anchoring and

groupthink. Sibony's observations suggest that collaborative decision-making usually ends with extreme polarization as well as mass agreement, which occur when a group reaches a consensus to avoid conflict. In terms of decision-making and strategy, Sibony makes an interesting point regarding the actual objectives of a business. While Sibony recognizes that social strategies encourage the growth of ideas, he does not contend that this is helpful for businesses managers seeking optimal outcomes. Sibony's discussion introduces the idea that brainstorming can be negative by producing ideas that are irrelevant or prone to wasting organizational resources and time. In Sibony's article, conformity is an overarching theme and a reason for caution when making strategic decisions. In other words, complete agreement could indicate that harmony exists, but it does not guarantee optimal outcomes. This article provides logical conclusions about the results of social interaction in decision-making, which show that it may not be the best choice when an organization's leadership is trying to develop future strategies and achieve goals. For managers, this article provides helpful observations that suggest many businesses are not proficient at implementing group decision-making. Moreover, the article provides examples of detrimental decision-making practices involving groups. Therefore, utilizing different decision-making strategies can save time and other resources.

Tsay, C., Shu, L. L., & Bazerman, M. H. (2011). Naivete and cynicism in negotiations and other competitive contexts. *Academy of Management Annals*, 5495-518.

doi:10.1080/19416520.2011.587283

The authors of this article are all members of the Negotiations, Organizations, and Markets unit at the Harvard Business School. Chia-Jung Tsay, Lisa Shu, and Max H.

Bazerman have used literature and models to analyze the naïve and cynical preconceptions members of groups can have. They begin by providing examples from the experiences of one of the authors. These experiences present scenarios where different levels of naivety and cynicism are apparent. Their findings suggest that these premature attitudes lead to low expectations and suboptimal decisions. Additionally, the authors provide strategies to combat the poor decisions that can be made by groups when cynicism is present. The authors suggest learning through examples, taking different perspectives, and communicating effectively can help an individual avoid situations where naivety and cynicism may cloud the decision-making process. The authors use several examples that are applicable to business and life, thus providing their audience with useful knowledge that can be used to avoid decisions that have suboptimal outcomes. Additionally, their research can be used to support the view that group decision-making may have a higher probability of producing poor results. The presence of more individuals increases the amount of perspectives. As a result, the naïve and cynical variables are increased as well, which could cause polarizing viewpoints to exist. Ultimately, this would result in an environment that is not conducive to effective decision-making. This article is effective in communicating specific variables that can influence decisions made by managers. This article would be helpful for managers or employees with any decision-making capacity in their organizations.