

# Developments in Business Simulation and Experiential Learning, Volume 28, 2001

## Decision-Making Exercises (A), (B), and (C): Examining The Role of Conflict in Group Decision-Making

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### ABSTRACT

*This article describes a simulation that explores the role of conflict in group decision-making processes. In the exercise, students experience different approaches to group decision-making, and then provide their assessment of each procedure. An Internet-based software application provides students with real-time feedback regarding their assessments, and enables students to compare and contrast each decision-making method during the class discussion. This discussion tends to focus on the level of cognitive and affective conflict that emerges in each method, and the impact that these process characteristics have on decision-making outcomes.*

### SYNOPSIS

In these exercises, students experience and evaluate three quite different approaches to group decision-making: the Consensus Method, the Dialectical Inquiry (DI) Method, and the Devil's Advocacy (DA) Method. The Consensus Method requires members of a group to engage in a free exchange of ideas, seeking common ground when disagreements emerge and crafting solutions that all members find acceptable. By contrast, the DI and DA Methods systematically induce conflict and debate into the decision-making process. Both also use subgroups. In the DI Method, the subgroups develop opposing alternatives and then come together to debate their assumptions and recommendations. In the DA Method, one subgroup offers a proposal, while the other plays the devil's advocate, carefully probing all elements of the initial recommendations (Schweiger, Sandberg, & Ragan, 1986).

A set of Harvard Business School case studies entitled *Decision-Making Exercises (A), (B), and (C)* provides a complete set of instructions for this simulation (Roberto, 1996). The (A), (B), and (C) cases each contain instructions describing one of these decision-making methods. In addition, students must prepare two *Harvard Business Review* case studies, *Growing Pains* and *The Case of the Unhealthy Hospital*. When carrying out the exercise, students utilize the relevant decision-making method to develop recommendations for the protagonist in the associated *Harvard Business Review* article.

Class proceeds in three steps. First, each student actually experiences two different decision-making approaches. All students begin with the Consensus

Method, as described in the (A) case. Then, one-half of the class reads Decision-Making Exercise (B) and experiences the DI Method, while the other half of the class reads Decision-Making Exercise (C) and experiences the DA Method. Second, students evaluate the processes they used by responding electronically to a survey via the Internet. All surveys are identical and include questions about the quality of the final decision, the level of conflict and critical evaluation during the decision process, and students' satisfaction with the decision and the process. Third, the instructor leads a classroom discussion in which students reflect on their experiences and evaluate the strengths and weaknesses of each approach, using summaries of the survey results as evidence. These survey results are instantly generated after students enter their survey responses, and are provided to the class through an Internet-based software application.

### PURPOSE

These exercises have three primary purposes. First, they give students the opportunity to experience a diverse set of decision-making approaches. Typically, students will already have experienced processes that resemble the Consensus Method, but will have had little exposure to other approaches. The exercises thus broaden their understanding of the range of techniques managers may use when designing or choosing decision-making processes.

Second, the exercises provide students with an opportunity to evaluate the strengths and weaknesses of each approach to decision making. Students generally find that the Consensus Method leads to higher levels of commitment, individual satisfaction, and group harmony, while the DI and DA Methods normally generate more comprehensive and critical analysis of assumptions and alternatives (Schweiger, Sandberg, & Ragan, 1986). These strengths and weaknesses suggest that it is difficult to identify a single "best" method. Instead, students discover that the selection of a particular decision-making approach is often contingent upon the situation or task at hand.

Third, the exercises provide students with an opportunity to explore the role of conflict in decision making. They learn that the concept is complex and multidimensional. On the one hand, cognitive conflict, or debate over issues and ideas, normally increases decision-making effectiveness by raising the level of critical evaluation, the quality of assumptions, and the quality of the final decision. On the other hand, attempts to increase

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discussion, disagreement, and debate over issues often lead to interpersonal friction and personality clashes, which scholars call affective conflict. Affective conflict normally decreases decision-making effectiveness by reducing the level of individual commitment, as well as individuals' desire to continue working with the group (Amason, 1996). This, in a nutshell, is the dilemma for managers leading decision-making processes: to keep cognitive conflict high and affective conflict low.

### LESSONS

The instructor can conclude the class by summarizing around four broad themes: making process choices, the types of conflict, the effects of conflict, and strategies for managing conflict.

First, managers have a range of decision-making approaches from which to choose. To make effective choices, they must perform two evaluations. First, they must evaluate the strengths and weaknesses of alternative decision-making processes. Second, they must assess the circumstances, and select the method that appears most appropriate for the situation. In general, the DI and DA Methods tend to generate more alternatives and perspectives as well as more careful evaluation of assumptions and ideas, while the Consensus Method tends to generate higher levels of commitment, satisfaction, and group harmony (Schweiger, Sandberg, & Ragan, 1986). Given these strengths and weaknesses, managers must consider the type of decision faced by their teams. If a decision is ill-structured, the team will benefit from utilizing the DI or DA Methods because these approaches will help them generate multiple perspectives on their relatively ambiguous problem. If a decision is routine and structured, managers will benefit from the Consensus Method because this approach takes less time, builds commitment, and facilitates speedy and successful implementation.

Second, these decision-making approaches generate different types and levels of conflict. Cognitive conflict consists of differences of opinion concerning issues and ideas; it is generally task-oriented. Affective conflict consists of interpersonal tension and friction; it is generally personality-oriented. The two forms of conflict are usually positively correlated. Managers find it difficult to encourage cognitive conflict without also creating interpersonal friction (Jehn, 1995; Amason, 1996; Eisenhardt, Kahwajy, & Bourgeois, 1997a).

Third, conflict impacts three key dimensions of decision-making effectiveness: decision quality, individual commitment and acceptance, and satisfaction with the group experience. Cognitive conflict tends to increase decision quality, while affective conflict diminishes individual commitment and satisfaction. The former increases the quality or content of decisions, while the latter makes it more difficult to achieve successful implementation (Amason, 1996).

Finally, in order to devise and implement good decisions, managers must find a way to encourage constructive debate over issues and ideas, while minimizing interpersonal disputes. Researchers have begun to identify techniques that managers can utilize to achieve these results; they include maintaining a focus on factual information, seeking more than two perspectives on each issue, using humor to relieve tension, identifying common goals, maintaining a balanced power structure, and acting decisively to "call the question" if consensus does not emerge among team members (Eisenhardt, Kahwajy, & Bourgeois, 1997b).

### COMPLEMENTARY CASE STUDIES

To complement these exercises, the instructor may teach students a pair of very famous case studies in the next class session. One case describes the Bay of Pigs decision, and the other provides an overview of the Cuban Missile Crisis decision (Janis, 1982). The case studies illustrate the actual use of the three decision-making methods that the students experienced during the exercises. The Bay of Pigs approximates a Consensus method, and illustrates the pressures for conformity that may arise when groups strive for consensus (Janis, 1982). The Cuban Missile Crisis provides an example of a team that employed a combination of the DI and DA methods, and demonstrates how structured techniques for creating constructive debate helped the group arrive at a better decision (Janis, 1982). The combination of the exercises and these two case studies provides a very powerful tool for teaching students about the role of conflict in group decision-making processes.

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