Pearson New International Edition

Organizational Behavior for the Hospitality Industry

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Social loafing is a negative effect of group decision making, may occur in a group, as individuals allow the group to "carry them;" however, when decisions are made individually, the person making the decision is the responsible entity. Social loafing is especially prevalent if the individuals of a group believe their decisions cannot be identified.

Studies have found some reasons for the relative slowness of groups. Therefore, it may be beneficial to use a group when there is a simple task requiring a quick response (Shaw, 1981). In addition, if learning constitutes a critical goal of the activity, group participation may yield faster learning results than individual efforts. There is also evidence of group superiority in making simple decisions.

Information Exchange

Group members have dual or competing motives because they act both as individuals and as group members. Silver's (1995) two-stage model illustrates this dualistic information exchange well.

> *Stage 1:* Individual members can lose status if they give information that they know will receive negative evaluation, especially if this negative evaluation comes from high status group members. An individual will often only give information that allows him or her to maintain his or her status. This type of information exchange helps the individual, but it may hurt the group.
>
> *Stage 2:* The group member will take a chance and go beyond this minimum level of information exchange in order to contribute to group decision quality. "The increment the member accepts is proportional to his or her status, and is the basis for the initiation of ideas and negative evaluations" (Silver, 1995).

Information exchange happens under the following requisite conditions:

1. Members occupying positions in a group have some basis to judge their own relative status position.
2. Members are motivated to avoid status loss—the motive to avoid status loss is greater than the motive to gain status.
3. Members are motivated to contribute to the group objective.
4. Members expect that the amount and type of information they send will influence the amount and type of information that they will receive. Thus, they at least implicitly recognize the causal relationship between information initiation and evaluation by others (Silver, 1995).

Ideas and negative evaluations contribute the most to the quality of group decisions; however, sending both of these information types has higher expected status costs than sending data, questions, or positive evaluations. Most information exchanges will be messages of low risk (i.e., data), whether or not the information contributes to the task. In an effort to maintain their status, members will not initiate negative evaluations. High status members will receive more positive evaluations because of their position.

In groups with large status differences between members and low commitment to group objectives by medium and low status members, there are a:

1. very low proportion of ideas or negative evaluations;
2. high proportion of positive evaluations sent to high status members; and
3. high proportion of blanks (low participation).

Groups will produce the highest quality decisions when the ideas and negative evaluations occur in an ideal proportion. The exact proportion will depend on the status distribution in the group, the type of decision, and the group's interaction history. Negative evaluations are less harmful if they are distributed to members in proportion to the number of ideas these members have initiated.

Do you believe that your participation is affected by higher-status members of your team? If so, what behaviors of group members influence your interaction?

METHODS FOR GROUP DECISION MAKING

The first objective of group problem solving is to make maximum use of resources brought by each individual member, including any added group potential. The second objective is the generation of a high level of motivation for carrying out the group's decision in each and every member (Hoffman et al., 1995). Group size will determine the amount of resources and group diversity will determine the range of resources. Diverse memberships bring a variety of perspectives on a problem, leading to higher quality solutions. Groups with different personalities, leadership abilities, and points of view, have been shown to be more creative and innovative than groups with more similar member characteristics. Diversity will also increase the tension in the groups. Groups often become more homogeneous as they age.

Unstructured Techniques

Consensus technique is an informal approach which "encourages the expression of cognitive conflict among group members without providing an explicit structure for group interaction" (Priem et al., 1995). The group is instructed to "be suspicious of early agreement, to encourage each member to fully express his or her opinions, and to treat disagreement as a positive part of the decision-making process" (Priem et al., 1995). The goal is to strive for consensus among all members, not opting for a "majority rule, coin flips" or other techniques to reach recommendations (Priem et al., 1995).

Structured Techniques

When a group uses **methodical decision-making methods,** it adheres to a highly structured and systematic decision-making process (Neck and Moorshead, 1995). Groups that use structured techniques are less likely to fall into the groupthink trap, since structured techniques promote constructive criticism, nonconformity, and open-mindedness within the decision-making group (Neck and Moorshead, 1995). Without adequate decision-making procedures, highly cohesive groups will make poor decisions (Neck and Moorshead, 1995). Examples of structured techniques include parliamentary procedure, alternative examination procedure, and information search procedure.

Expert-based technique is an alternative to structured technique. Experts make the decisions. When a group works on well-structured tasks, structured techniques lead to more effective decisions than expert-based techniques (Priem et al., 1995).

The appropriate techniques for group decision making depend upon decision quality factors, situational factors related to the problem, the decision context, and the group itself (Priem et al., 1995). In certain circumstances, strong consensus among decision makers

and/or strong commitment to a course of action may not be appropriate. The influence and expertise of some decision makers may outweigh the dissent of other group members, overriding relatively less informed reasons for disagreement (Bonner et al., 2002). In the next several paragraphs, we will discuss examples of structured decision-making techniques.

DIALECTICAL INQUIRY The first step in the **dialectical inquiry** process involves the division of the major group into two subgroups. The first subgroup independently develops recommendations for the problem, lists the assumptions on which these recommendations are based, and then presents these recommendations and assumptions to the second subgroup. Next, the second subgroup develops new assumptions that are counter to those presented by the first subgroup, then develops new recommendations from these new assumptions, finally presenting these counter-assumptions and new recommendations to the first subgroup. The last step comprises both groups debating until they can agree upon a set of assumptions; the entire group works on these assumptions to come up with the group's final recommendation.

Dialectical inquiry helps improve decision making structurally; the division into two different groups increases the level of cognitive conflict expressed *during* group discussion. Furthermore, this cognitive conflict is focused on substantive, task-related matters rather than socioemotional issues, so its expression is helpful (Priem et al., 1995).

THE STEPLADDER TECHNIQUE The **stepladder technique** improves group communication and decision making by ensuring that every member contributes to the decision-making process. The process is delineated as follows:

Stage 1: Two group members (the initial core group) work together on a problem.

Stage 2: A third group member joins the core group and presents his or her preliminary solutions for the same problem.

Stage 3: The fourth group member joins the core group and presents his or her preliminary solutions.

Stage 4: The four members discuss until they come to a final group decision.

The number of stages increases or decreases, depending on the number of members. The structure can change to accommodate larger groups. For example, two members, instead of one, can enter a stage.

Several prerequisites need to be implemented to ensure the success of the stepladder technique. First, before each group member enters the group, they must be given the group's task and sufficient time to think about the problem. Second, the entering member must present his or her preliminary solutions before hearing the core group's preliminary solution. This constant verbalization and reiteration of group members' ideas will increase comprehension, understanding, and retention of information. Third, after each additional member joins the core group, the group needs sufficient time to discuss the problem. Fourth, the group should not come to a final decision until the entire group has formed.

The stepladder technique prevents group deficiencies in five ways:

- The technique facilitates communication by all members.
- Because members can no longer hide behind others' contributions, the technique cuts down on social loafing. A study found that stepladder group members work significantly harder on their task than their counterparts in conventional groups (Rogelberg et al., 1992).

- The constant addition of a new person generates new ideas and possibly some helpful controversy. Disagreement that arises in a structured setting fosters critical thinking. Groups that freely evaluate ideas and confront controversy come to better decisions.
- The structure's communication mandate gives members the opportunity to reveal their knowledge. "If expertise is made known, the group may allocate more time for the best member to express ideas and concerns. Recent research suggests that when best members are allocated more time for communication, group decision quality is likely to be enhanced" (Rogelberg et al., 1992).
- By continuously remaking decisions, the group will come to a higher quality decision.

The stepladder technique is most useful when the decision to be made is easily definable and it has not been subdivided. In addition, the technique is most practical when information is required from each member, and no one member contains exclusive information that results in the group waiting for that member's entry. Finally, when simultaneous participation is not a prerequisite and the process is not being conducted under urgent time pressure, the stepladder technique allows for group development through multiple steps.

There are, however, some limitations to the stepladder technique. First, members need equal status, or all members must be assigned randomly to entry positions. Second, the technique needs to be modified to the number of group members.

The stepladder technique has proven successful when implemented into the group decision-making process. For example, groups that have used this approach "were highly satisfied with the structure, felt that everyone agreed with the group solution, felt their solution was high in quality, and felt comfortable with the climate produced by the technique" (Rogelberg et al., 1992). Rogelberg's study found that "stepladder groups produced significantly higher quality decisions than did conventional groups (in which all members entered and worked on a problem at the same time). Stepladder groups' decisions surpassed the quality of their best individual members' decisions 56 percent of the time. In contrast, conventional groups' decisions surpassed the quality of their best members' decisions only 13 percent of the time" (Rogelberg et al., 1992).

Would you enjoy participating in a group that is using the stepladder technique? Explain.

THE VOTE MODEL The **vote model** is a goal-based decision-making framework based on an interpersonal model. The agent's goals include both personal goals and adopted goals for interpersonal relationships; however, the agent must resolve conflict by making trade-offs. The relative priorities of the goals drive the decision process. The vote model is a descriptive qualitative and quantitative approach.

The vote model process of decision making initially begins with members basing voting decisions on their set goals. The goals in this domain are issues that may be specific proposals, such as funding for childcare, or abstract values such as fairness. The stances on issues have a *side,* and a level of *importance*. The consequences of a stance on a given issue are represented as stances on other issues. Finally, the consequences of voting for or against a given bill are also represented as stances. Member stances are derived from three sources: explicit personal credo, implicit voting record, and adopted constituency agendas.

There are nine principles to the vote model of decision making:

1. *Decision trade-offs*. Because a member has many goals and limited resources, he or she cannot realistically achieve all goals. In the effort to achieve some goals, members will have to make trade-offs, compromises, and sacrifices.
2. *Goal decomposition*. Members can choose which goals to pursue first by breaking goals down into their original elements.
3. *Principle of importance*. The importance of a goal is proportional to the resources that the agent is willing to expend in pursuit of that goal.
4. *Resource decomposition*. Resources are also decomposed into primitive elements to use to compare and reason.
5. *Cognitive resources*. Members can allocate cognitive resources, such as attention and memory, in the pursuit of goals.
6. *Cooperating agents*. Members interact with other members through interpersonal relationships.
7. *Principle of interpersonal goals*. Adopted goals are processed uniformly as individual goals, with a priority determined by the importance of the relationship.
8. *Organizational relationships*. The principle of interpersonal goals may be extended to include goals adopted from institutions and organizations.
9. *Goal-based decision making*. An alternative to quantitative decision analysis is a model of decision making based on an agent's goals.

CONSENSUS MAPPING

Madeleine, head of human resources, was concerned about the motivation level of the middle managers and their supporting staff. Their motivation was average, but she wanted it to be exemplary. She called a meeting of the middle managers. Madeleine decided to use the nominal group technique (NGT) method for the meeting. She asked each middle manager to survey themselves and their employees, asking what factor had been the most motivating for them in the last year, and to ensure that the replies would be anonymous. After the managers compiled these replies, they were to email them to Madeleine. She had her secretary print each idea out separately on Post-it notes. While many were repeated more than once, the ideas were as follows:

- *Salary increase*
- *When Molly covered for me to pick my sick child up from school*
- *Ted in the kitchen keeps everybody's spirits up*
- *Bonuses for positive guest feedback*
- *When a guest praised me in front of everybody at the front desk*
- *The four-day work week*
- *Customer service seminar*
- *Time spent going over my job with the boss*
- *Switching to Tony's department*
- *Getting away for a while*
- *My supervisor always has good things to say about my work*
- *World Service Business Conference*
- *Switching to day shift*

- *My friend got laid off with no notice and I know that would not happen here, so, I guess, job security*
- *Flex time*
- *When I was allowed to oversee the stockbroker's convention*
- *Now that I've been working for three years, I get three weeks' vacation*
- *The on-site day care*
- *Generous maternity leave policy*
- *When my supervisor showed me how Manny's work looked better than mine*
- *The employee picnic—it helps to have fun time outside of work*
- *Being put on the strategic development team*
- *My promotion*
- *Overtime pay for extended days*
- *Being allowed to use the gym in the hotel during nonpeak hours*
- *Working the same shift as my husband*

After reading them aloud, Madeline divided the managers into three groups of five. Each individual was given a set of the motivating factors and they arranged them into clusters according to their own classification system. Then the individuals rejoined their group and discussed the similarities and differences in their clusters. As a group they must agree upon a system of classification for the ideas. Most people found it easy to cluster issues related to time, money, or professional gain. The other category, related to collegial relationships or praise, was more difficult to define. There were disagreements when one factor could fit in several different categories. Madeleine gave them pieces of yarn that they could use to connect related ideas in separate categories. While there were still disagreements, eventually two of the managers relented and joined the others in order to avoid a stalemate. Next each smaller group presented its results to the entire group. Two representatives were chosen from each group to blend the results of the three groups into a final consensus map (Figure 1). This group was also asked to prioritize and sequence the motivational strategies that would be actionable within the next year. All members would meet again in a week to review the results of the representatives' work and to discuss implementation of their ideas.

Consensus mapping is an exciting approach to decision making that helps groups structure and organize their ideas. It builds on techniques like NGT which generate ideas, but do not go the next step to organizing them. When in the idea-structuring phase of consensus mapping, processes like the round-robin listing of individual ideas (characteristic of NGT) is discontinued since it tends to result in team members' internalizing specific group norms. Those who facilitate consensus mapping should assume a low profile, stepping in only to keep members engaged and on task. This relationship allows participants to interact freely. Consensus mapping depends upon an extensive list of ideas relevant to the topic of concern. It unfolds as small task groups of 5–9 participants oversee and guide the process. Consensus mapping works particularly well on complex problems, as it directs the team's attention to interrelationships and the sequencing of ideas. Consensus mapping also encourages individuals with different perspectives to arrive at a shared understanding of the problem and achieve a mutually agreeable solution (Boroush et al., 1985). Consensus mapping assumes that a task group has already generated a list of ideas, clarified the meaning of those ideas, and conducted a preliminary evaluation (i.e., ratings or prioritization). There are two key steps to consensus mapping.