L01: Group Activity 1: Virtual Information Treasure Hunt

Information overload (IO) can be defined as “when the amount of information exceeds the processing capabilities of an individual in the available time.” (Shrivastav, Kongar, 2021, p.7). There is a distinct connection between information overload and the accuracy of decision making. One specific aspect that information overload impacts on an individual’s decision making is the amount of time used. Many factors including individual factors, technological factors, and psychological factors lead to an increased time used to locate information required for a task. Individual factors are related towards different formats that are being used, multiple sources used, and their personal experience on the subject. When multiple sources and different formats are being used, there is more information to process, leading to more time used. If one is not experienced in a certain area, they typically will use more time to understand, which again leads to an increase in processing time/time used. Technological factors include various means of communication. Based on what type of communication is being used, a person could possibly receive information in a slower manner. Also, if one is using meetings it could take up more time used on a task. Psychological factors include trust, due-dates, pressure, or the scope of the task. Psychological factors lead to stress and not fully retaining the information at hand. All together, these factors lead to information overload, which then leads to a decrease in decision making.

Another important definition is globalization, which “is a nonlinear process, which can lead not only to homogeneity and the standardization of culture, but also to an increase in complexity, as tools and ideas tend to outpace cultural progress.” (Strunz, 2021, p. 1) This is very important when it comes to not only developing ourselves, but the world. But due to technology, face to face problem solving will soon be replaced with digital services. Some of those include Microsoft Teams, Google Meets, and Zoom. Also, the invention of AI has been a growing success, but it concerns the United Nations Economic and Social Council that people will get replaced with AI in decision making. It is also stated that, “Human decision makers are led not only by rational decision-making, but insights derived from behavioral economics show that people are guided by intrinsic motives, bias, and myopic interpretations of feedback—casting doubt on whether humanity is capable of effectively solving complex problems of global proportions.” (Strunz, 2021, p. 1) With this, it is very important to have human interaction when it comes to problem solving. Even though AI may seem new and improved, it may not have all current up to date events or data. AI may also lead up to having biased opinions on just only one side, not all perspectives.

There are key aspects for real economic problem solving. Two major ones are well-defined problems and Ill-defined problems. Well-defined problems are problems where people have info about getting to the solution to the problem(s) as well as being able to take steps into it. Ill-defined problems are problems where people do not have expertise or experience into that problem. There are also definitions of complexity. One definition is domain task-difficulty where “…difficult problems are solved by incentivizing diverse problem-solving alternatives,…”

(Strunz, 2021, p. 13) and the other being task-complexity, where "…is coped by institutions via selection criteria adjustment, different rates of variation and adjusting connectedness…" (Strunz, 2021, p. 13) There is also ignoring information, where it means to ignore some outputs that may not contribute to a problem for the best solution for the problem. Lastly, there is uncertainty, where "Living beings, such as cognitive systems or decision-making agents, can be considered as complex systems, where predicting their behavior might be of extreme challenge…" (Strunz, 2021, p. 19) Overall, if there was a decline in face-to-face group activity and problems would get solved by AI, it could end up ruining our economy and not further developing it!

While the internet has provided us with virtually limitless amounts of information over the years, information overload can lead to real problems. For example, when a potential customer is shopping online, retailers try to provide as much information about their products as necessary to make the customers decision making process as easy as possible. While more information can sometimes be good, information overload can lead to poor decision making. "During the process of decision making, people systematically analyze attributes of product but due to 'information overload' a consumer will most likely give focus on unimportant information, which can lead to unreasonable expectations" (Goswami, 2015, para. 11). When a customer has unreasonable expectations, this can lead to unsatisfied customers which is the one thing that companies don't want. Sometimes less information can be better due to our limited ability to process large amounts of information at once.

Another side effect of information overload is the lack of quality in the information received. "Information quality is defined as the usefulness of the available information about an attribute of a product helping a decision maker" (Goswami, 2015, para. 9). With the advancements in technology, it is far too easy for anyone out there to provide their own information on any given product. This can be in the form of reviews or in a number of other ways. Many times, the information provided by other consumers through online reviews is not of the best quality. Some of these consumers are angry with the company who sold them the product in question and their number one objective is to make any other potential consumer not buy. Others are paid to say good things about the product, which can affect the quality of the information since the consumer wants to only say good things about the product. Not only does all of this have the potential to affect the quality of the information being received, but it also leads to even more information overload.

Cites:

Goswami, S. (2015). Analysing effects of information overload on decision quality in an online environment. *Journal of Management Research, 15*(4), 231-245. Retrieved from https://ezaccess.libraries.psu.edu/login?url=https://www.proquest.com/scholarly-journals/analysing-effects-information-overload-on/docview/2473444670/se-2

Shrivastav, H., & Kongar, E. (2021, July 26). *Information Overload in Organization: Impact on Decision Making and Influencing Strategies*. IEEE Xplore. https://ieeexplore-ieee-org.ezaccess.libraries.psu.edu/document/9488649/figures#figures

Strunz, U. G. (2021). The impact of individual expertise and public information on group decision-making. *FOM-Edition Research*. doi:10.1007/978-3-658-33139-9