Module 10: Group decision making and the Common Information Effect

In all the modules discussed so far, our focus has been on decision-making by individuals. In this module, we will shift focus to decision-making by teams or groups. Why study group decision-making separately? Because when people are in groups, they may act and behave very differently than when they are alone. One class of arguments suggests that groups are better than individuals at making complex decisions, because they brign a diversity of perspectives to bear on the problem at hand, act as error correcting mechanisms and provide social support or proof that might be critical for new ideas. However, some of the processes that can work to promote efficacious thinking or decision-making in groups can also backfire and lead to worse outcomes. In this closing module, I want to talk to you about two group behaviors or characteristics that can reduce creativity and impede effective decision-making. Specifically, we will talk about the common information effect and groupthink. We will talk about why these problems occur in groups and strategies to mitigate them and improve quality of decision-making.

The first problem in groups that I want to talk about that impedes effective decisions is the common information effect. Let's say a team comprises three members – A, B and C. Each of them comes to the team with some information. The information that each of them and only each of them possesses is unique information. And the information that's shared by all of them is common information. Do you know which of these two information sets gets discussed the most in teams? Common or unique? Well, as it turns out, we overwhelmingly discuss common information. And this proclivity of ours to discuss common information is called the common information effect.

Common information, probabilistically, is more likely to come up. And when it does come up, common information is instantly reinforced, because other people have it too. Common information is more likely to be repeated in meetings too. For example, one group of researchers found that a medical symptom is twice as likely to be repeated in a team discussion if it is common information compared to if it represents unique information. Common information is more likely to be recalled after meetings and as a result, is often perceived as being more credible than unique information.

The common information effect is deleterious because it defeats the entire purpose of teams. We use teams to a large extent to build on unique insights and information possessed by our team mates and the common information effect reflects the obviation of this. So how do we counter the common information effect? Let me first rule out some intuitive strategies that do not work - more discussion, increasing the size of the team, more information keeping the distribution of information constant, pre-discussion polling and increasing team or individual accountability.

What helps? What can you do to surface unique information?

(a) Build trust and create an environment where the group norm is to speak up. Encouraging norms of debate and critical thinking versus just consensus and getting along. Research shows that compared to teams that focus on attaining consensus and getting along, teams, where there is consistent, deliberate effort to encourage norms of debate and critical thinking are three times as likely to surface and leverage unique information. In the same light, framing a discussion as a problem to be solved rather than a decision to be made helps surface unique information as well.

(b) Rank order alternatives instead of choosing the best option. This is because when we rank all our alternatives, we're much more likely to produce unique information that's relevant to one of these alternatives. When we choose the best option, we tend to stay locked in and focused on one or two options we like the most.

(c) Highlight the unique expertise or experience of team members. It turns out that we're much more likely to be attentive to unique information, if we believe that our teammates come from different domains of expertise.

(d) Minimize status information. Research shows that people of lower status, lower formal rank in organizations, lower formal authority are especially at risk of not producing unique information, not surfacing it in group discussions. So minimize status differences. If you're a team leader in a group meeting, you might want to leave the discussion for a period of time. Let the teammates discuss a particular issue without your being present. And then walk in and asked to be briefed on the results of that discussion.

(e) Emphasize the importance of unique information in your team meetings. Alert your teammates to unique information. Very often we don't capitalize on unique information because we don't hear it in the first place. So if you feel like a unique piece of information came up that could be relevant for the discussion, it's perfectly fine to pause and encourage the relevant ream member to speak up and elaborate her view.

(f) And finally, the most trivial reason for why unique information does not come up into discussions, is because your teammates don't get a chance to speak. Research suggests that the distribution of airtime in a team is far from uniform - in an average 6 person group, 3 people do over 86% of the talking. How can unique information surface if group members never get a chance to speak in meetings? Work out strategies to give members equal airtime and engage spectators in meetings.

(g) Think about procedural rules that would enable you to solicit input from all the teammates such as sequentially going around the table or soliciting inputs anonymously.

I hope these strategies will help you create inclusive teams and leverage differences within diverse teams to make effective decisions in the group.