



THE MENACE OF GROUPTHINK ON ORGANIZATIONAL PERFORMANCE

Umana, Etebong Attah

Department of Business Management, Faculty of Management Sciences, Ebonyi State University, Abakaliki, Nigeria

Okafor, L. C PhD

Department of Business Management, Faculty of Management Sciences, Ebonyi State University, Abakaliki, Nigeria

ABSTRACT

This study examines the effect of groupthink on organizational structure. The objectives were to identify the causes of groupthink and how it affects organizational structure. The study used explanatory design which is based solely on insights drawn from the analysis of the existing literature of different studies, periodicals and books related. The findings revealed that groupthink leads to bad decisions in an organization due to lack of opposition. It was also revealed that groupthink leads to lack of creativity and innovation may sometimes be oppressed. It was equally shown that through groupthink, optimal solutions to problems may be overlooked. It was more so shown that groupthink breeds lack of feedback on decisions and hence poor decision-making. It was further shown that groupthink can ruin relationships over a long period of time, especially when one's opinions are always sidetracked because of what the majority favors. With groupthink, problems could be solved in an inefficient manner because not all possibilities are considered. Based on this, it was recommended that managers should assign each member the role of "critical evaluator". This allows each member to freely air their objections and doubts. Also, managers should absent themselves from many of the group meetings to avoid excessively influencing the outcome.

KEYWORDS: *organizational structure, managers, contributions, mutual agreement*

1. INTRODUCTION

Problem solving and decision-making often require the help of other people. Teamwork is effective for complex endeavors that would be extremely difficult for an individual to accomplish. Brennan and Enns (2015) asserted that it is well documented that two or more individuals can outperform one. Their findings on collaborative cognition, in which a group relies on contributions from each group member to reach the best results. Group decision-making requires careful deliberation and is most advantageous when participants generate answers from a list of choices without prejudice. Sometimes, the use of more than one person can be a hindrance when a decision requires minimal discussion or the input of others is not necessary or preferable. Wright and Meadows (2012) characterized this as bounded rationality, whereby individuals make reasonable decisions based on the information they have available. The outcome of the decision may require the individual to revisit the decision or engage others to help with the decision-making process. Most people experience being part of a team at some point in their lives, be it at work, school, church, or in their neighborhood. Katzenbach and Smith (1993) identified three types of teams; a team that

recommends things, a team that is assigned a task or project, and a team that makes or does things. The goal of a team is to work together to achieve a common objective, but sometimes this goal can be hindered because of groupthink.

Groupthink occurs when the pursuit of agreement among team members becomes so dominant that it overrides any realistic appraisal of alternative courses of action (Little, 2011). Groupthink may occur depending on the conditions and influences of group decision-making processes, which may lead to unfavorable outcomes. Symptoms of groupthink can occur in any group trying to reach a compromise on an issue. Groupthink usually occurs in groups with limited time and a considerable amount of pressure to make good and rational decisions. Janis (1982) stated that the pressure for mutual agreement among group members prevents the members from realistically evaluating and considering other alternatives. Due to a desire to maintain consensus, groups eventually engage in hasty and irrational thinking; decisions affected and swayed by groupthink are less likely to foster a positive outcome.

An important aspect of successful group dynamics is how team members communicate with one another. Kramer and Dougherty (2013) found that groupthink, as a

communication process, has some positive effects on project teams, particularly when initially building group cohesion. However, teams should avoid groupthink as an outcome. Groupthink is not always involved when a team makes a bad decision. Teams make bad decisions because of poor leadership, inexperienced team members, or unrealistic expectations of the project sponsors and stakeholders. Teams also make bad decisions when rushed or when there are few consequences tied to the outcome. Organizational teams are vulnerable to groupthink because of their temporary nature. They often have limited time to create controls to minimize stereotyping, apathy, and mindless risk-taking. Groupthink occurs when the stakes are high and the outcome of the decision has a high level of impact. This research work will examine the effect of groupthink on organizational structures.

2. STATEMENT OF THE PROBLEM

Many organizations use project teams to accomplish critical objectives. The general problem is that many teams do not accomplish their intended goals. Groupthink may be the root cause of this problem. Undetected groupthink can wreak havoc on any group in which two or more persons deliberate and then minimize potential problems with their selected decision. Groupthink is seen as a key failure of the project team and reason for loss of vision in the organization. Bénabou (2013) emphasized that failure to accomplish project goals leads to negative consequences, such as high costs for taxpayers and businesses or even loss of life, and groupthink may be the primary reason why the projects team did not accomplish their objectives. It is important to understand the causes of groupthink to avoid these negative outcomes. This study will analyze how groupthink affect organizational structure.

3. THEORETICAL FRAMEWORK

The theory that fit this study is Cognitive dissonance theory. This theory was postulated by Leon Festinger in 1957. This theory suggests that we have an inner drive to hold all our attitudes and behavior in harmony and avoid disharmony (or dissonance). This is known as the principle of cognitive consistency. When there is an inconsistency between attitudes or behaviors (dissonance), something must change to eliminate the dissonance. Cognitive dissonance refers to a situation involving conflicting attitudes, beliefs or behaviors. This produces a feeling of mental discomfort leading to an alteration in one of the attitudes, beliefs or behaviors to reduce the discomfort and restore balance.

According to the theory, there is a tendency for individuals to seek consistency among their cognitions (i.e., beliefs, opinions). When there is an inconsistency between attitudes or behaviors (dissonance), something must change to eliminate the dissonance. In the case of a discrepancy between attitudes and behavior, it is most likely that the attitude will change to accommodate the behavior.

Two factors affect the strength of the dissonance: the number of dissonant beliefs, and the importance attached to each belief. There are three ways to eliminate dissonance: (1) reduce the importance of the dissonant beliefs, (2) add more consonant beliefs that outweigh the dissonant beliefs, or (3) change the dissonant beliefs so that they are no longer inconsistent. Dissonance occurs most often in situations where an individual must choose between two incompatible beliefs or actions. The greatest dissonance is created when the two alternatives are equally attractive. Furthermore, attitude change is more likely in the direction of less incentive

since this results in lower dissonance. In this respect, dissonance theory is contradictory to most behavioral theories which would predict greater attitude change with increased incentive (that is, reinforcement).

The relevance of the theory to the study is that it applies to all situations involving attitude formation and change. It is especially relevant to decision-making and problem-solving. The theory also predicts that individuals who are offered greater reward for the performance of a task which they find intrinsically rewarding tend to attribute their enjoyment to the reward rather than the intrinsic appeal of the task. They are also less likely to engage in the same task in the absence of a reward. In contrast, individuals who are not offered a reward for the performance of a task attribute their performance of the task to genuine enjoyment of the activity.

4. CONCEPTUAL FRAMEWORK

Concept of groupthink

Groupthink can occur in virtually any situation that involves a group. Janis (1982) argued that for groupthink to occur, group members need to feel a strong impulse to avoid disrupting group unity and the positive feelings that unity creates. Group members often suppress objections to minimize conflict. She added that groupthink is a mode of thinking in which the quest for agreement among members becomes so dominant that it overrides any realistic appraisal of alternative courses of action. Janis (1982) suggested eight symptoms of groupthink: an illusion of invulnerability, inherent morality of the group, collective rationalization, stereotyping of out-groups, self-censorship, shared illusion of unanimity, pressure to conform, and mind guards. Hällgren (2010) emphasized that groupthink may occur without all eight symptoms and asserted that the result of these symptoms of groupthink is defective decision-making.

Shore (2008) identified eight cognitive biases (available data, conservatism, escalation of commitment, groupthink, illusion of control, overconfidence, selective perception, and sunk cost) that provide additional context for the systematic biases that result in the failure of many projects. Rose (2011) argued that group cohesiveness is not necessary for groupthink to emerge. Groups with a shared vision or a strong desire to complete a task may succumb to groupthink (Andersen & Krane, 2013). Teams that experience groupthink may not know it is a problem until it is too late to address it. Groupthink refers to the interactions that happen among group members and how these interactions affect the group's results (Bartsch, Ebers, & Maurer, 2013).

Packer (2009) asserted that once groupthink becomes part of the psyche of the group, the results tend to be disastrous. Groups experiencing groupthink are usually not aware of its implications until after the results, such as limiting choices or ignoring possible setbacks, occur.

Riordan (2013) described groupthink as an occurrence when group members do not want to disrupt group unity and the positive feelings that unity creates. Group members often limit their search for possible solutions and restrict discussion of alternatives to maintain this unity. Groupthink is the intent to deceive or ignore signs of duress due to internal or external pressures to acquiesce with the majority even when the majority's actions may have irreparable consequences. Schulze and Newell (2016) surmised that groupthink may occur in any group, particularly those that limit group discussions and ignore divergent views of group members. It infiltrates groups that practice self-censorship and rationalizing to

preclude team members from considering alternatives. The result of the conditions and symptoms of groupthink is defective decision-making, which explains why so many projects are not successful (Hassan, 2013).

5. SYMPTOMS OF GROUPTHINK

Janis (2010) described the eight symptoms of groupthink as follows:

- i) **Invulnerability:** Members of the group share an illusion of invulnerability that creates excessive optimism and encourages taking abnormal risks.
- ii) **Rationality:** Victims of this behavior ignore and discount warnings and negative feedback that may cause the group to reconsider their previous assumptions.
- iii) **Morality:** Victims ignore the ethical or moral consequences of their decisions and believe unquestionably in the morality of their in-group.
- iv) **Stereotypes:** Members of the group possess negative and/or stereotypical views of the 'enemies.'
- v) **Pressure:** Victims apply direct pressure to any individual who momentarily expresses concern or doubt about the group's shared views. Members are not able to express their own individual arguments against the group.
- vi) **Self-censorship:** Victims avoid deviating from what the group consensus is and keep quiet. Doubts and concerns about the group are not expressed and victims of groupthink may undermine the importance or validity of their doubts.
- vii) **Illusion of unanimity:** Victims of groupthink share an illusion of unanimity – the majority view and judgments of the group are unanimous.
- viii) **Mind guards:** Victims of groupthink may appoint themselves to protect the group and the group leader from information that may be problematic or contradictory to the group's view, decisions, or cohesiveness (Bénabou, 2013).

6. CAUSES OF GROUPTHINK IN AN ORGANIZATION

The following are the causes of groupthink in an organization as asserted by Little (2011):

- i) **High group cohesiveness:** Janis emphasized that cohesiveness is the main factor that leads to groupthink. Groups that lack cohesiveness can of course make bad decisions, but they do not experience groupthink. In a cohesive group, members avoid speaking out against decisions, avoid arguing with others, and work towards maintaining friendly relationships in the group. If cohesiveness gets to such a high level where there are no longer disagreements between members, then the group is ripe for groupthink. Cohesiveness becomes more important than individual freedom of expression
- ii) **Structural faults:** Cohesion is necessary for groupthink, but it becomes even more likely when the group is organized in ways that disrupt the communication of information, and when the group engages in carelessness while making decisions.
 - **Insulation of the group:** can promote the development of unique, inaccurate perspectives on issues the group is dealing with, and can then lead to faulty solutions to the problem (Hassan, 2013).

- **Lack of impartial leadership:** leaders can completely control the group discussion, by planning what will be discussed, only allowing certain questions to be asked, and asking for opinions of only certain people in the group. Closed style leadership is when leaders announce their opinions on the issue before the group discusses the issue together. Open style leadership is when leaders withhold their opinion until a later time in the discussion. Groups with a closed style leader have been found to be more biased in their judgments, especially when members had a high degree for certainty. Thus, it is best for leaders to take an open style leadership approach, so that the group can discuss the issue without any pressures from the leader.
- **Lack of norms requiring methodological procedures**
- **Homogeneity of members' social backgrounds and ideology** (Mach & Baruch, 2015).

iii) Situational context:

- **Highly stressful external threats:** High stake decisions can create tension and anxiety, and group members then may cope with the decisional stress in irrational ways. Group members may rationalize their decision by exaggerating the positive consequences and minimizing the possible negative consequences. In attempt to minimize the stressful situation, the group will make a quick decision with little to no discussion or disagreement about the decision. Studies have shown that groups under high stress are more likely to make errors, lose focus of the ultimate goal, and use procedures that members know have not been effective in the past.
- **Recent failures:** can lead to low self-esteem, resulting in agreement with the group in fear of being seen as wrong.
- **Excessive difficulties on the decision-making task**
- **Time pressures:** group members are more concerned with efficiency and quick results, instead of quality and accuracy. Additionally, time pressures can lead to group members overlooking important information regarding the issue of discussion.
- **Moral dilemmas:** Although it is possible for a situation to contain all three of these factors, all three are not always present even when groupthink is occurring. Janis considered a high degree of cohesiveness to be the most important antecedent to producing groupthink and always present when groupthink was occurring; however, he believed high cohesiveness would not always produce groupthink. A very cohesive group abides to all group norms; whether or not groupthink arises is dependent on what the group norms are. If the group encourages individual dissent and alternative strategies to problem solving, it is likely that groupthink will be avoided even in a highly cohesive group. This means that high cohesion will lead to groupthink only if one or both of the other antecedents is present, situational context being slightly more likely than structural faults to produce groupthink.

7. CONCEPT OF ORGANIZATIONAL STRUCTURE

Buchanan (2004) defines organizational structure as a formal system of task and reporting relationships that controls, co-ordinates and motivates employees so that they work together to achieve organizational goals. Thus organizational structure is synonymous to a rope that employees hold and binds all employees towards unified direction and aids the identification of who is who and what is what of organization. It serves as basis for orchestrating organizational activities. Organizations understands the importance of structure in carrying out business operations. Organization can choose from variety of structure like, functional, divisional, project teams, holding companies and matrix structure. Failure to choose an effective structure has it consequences on organization as it will not only affect health of the organization it will also affect employees' loyalty, motivation at work and job satisfaction, thus organization when deciding for designing structure needs to take care of all aspects that relates to people and working of organization.

Mullins (2005) emphasizes that organizational structure affects both productivity and economic efficiency and also morale and job satisfaction. Important notion stemming from Mullins assertion is that good structure will not only have tangible effects, that is, financial but in-tangible effects like motivation thus impacting organizations' operational effectiveness as employees carry out operations/tasks of organization. Organizational structure is also defined as the formal system of authority relationships and tasks that control and coordinate employee actions and behaviour to achieve goals in organizations (Jones, 2013). Organizational structure describes the formal arrangement of jobs and tasks in organizations (Robbins & Coulter, 2007); it describes the allocation of authority and responsibility, and how rules and regulation are executed by workers in firms (Nahm, 2003). Most of extant studies on organizational structure focus on centralization, formalization, and standardization.

8. THE EFFECT OF GROUPTHINK ON ORGANIZATIONAL PERFORMANCE

Groupthink, in essence, values harmony and coherence over accurate analysis and critical thinking of individual members. It creates a group where individual members of the group are unable to express their own thoughts and concern and unquestioningly follow the words of the leader. For example, think of a corporate meeting where the members of the board just nod in agreement instead of challenging the ideas proposed. The effect of groupthink on organizational structure as posited by Rose (2011) include:

- i) Bad decisions due to lack of opposition
- ii) Lack of creativity and innovation may sometimes be oppressed.
- iii) Overconfidence in groupthink negatively impacting the profitability of an organization
- iv) Optimal solutions to problems may be overlooked
- v) Lack of feedback on decisions and hence poor decision-making
- vi) It can ruin relationships over a long period of time, especially when one's opinions are always sidetracked because of what the majority favors.
- vii) Problems could be solved in an inefficient manner because not all possibilities are considered.

Benabou (2013) added that the effect of groupthink includes: **i)Suppression of innovation:** Groupthink suppresses individual thought, and innovation is often a casualty. As a result, organizations often fail to see or respond to developing market trends or adopt emerging technologies. A larger danger of groupthink occurs with companies that are dealing with stressful internal or external conditions or have faced failure in the past, especially as the result of deviating from standard procedure. Organizations with a homogeneous work force are also more subject to groupthink than companies that embrace multiculturalism, a balance between men and women, and a range of age groups.

ii)Incomplete analysis: Because groupthink often pressures dissenters to toe the line in conforming to majority opinion, important aspects of a situation are often left unquestioned, sometimes with disastrous results. Janis describes the ill-fated Bay of Pigs invasion, the Watergate break-in and subsequent cover up, and the overlooking of design flaws in the space shuttle that led to the challenger disaster as examples of the effects of unrestrained groupthink. In both cases, a small, isolated group involved in a critical decision-making process ignored clear signals of the ill-advised nature of the plan in question (Pratkanis & Turner, 2013).

iii)Diffusion of responsibility: One possible disadvantage of group decision making is that it can create a diffusion of responsibility that results in a lack of accountability for outcomes. In a sense, if everyone is responsible for a decision, then no one is. Moreover, group decisions can make it easier for members to deny personal responsibility and blame others for bad decisions.

iv) Lower efficiency: Group decisions can also be less efficient than those made by an individual. Group decisions can take additional time because there is the requirement of participation, discussion, and coordination among group members. Without good facilitation and structure, meetings can get bogged down in trivial details that may matter a lot to one person but not to the others.

On the other hand, groupthink can have positive effect on organizational structure. In situations where extreme levels of disagreement exist, groupthink can impose a level of harmony by seeking and cultivating common ground. Groupthink can also aid in the performance of a new company or organization by placing an emphasis on the familiar and concentrating a coordinated effort toward a single goal. Groupthink can also promote needed "buy in" by promoting a united front once the decision-making process is complete and implementation begins. Leaders often inspire groupthink in the form of confidence in their ability to lead effectively (Rose, 2011).

9. WAYS OF MANAGING GROUPTHINK IN AN ORGANIZATION

There are many ways of managing groupthink in an organization. These ways include as follows:

i)Appoint a devil's advocate: Ask one member of the team to play the role of "devil's advocate" and seek to oppose any consensus with contrary evidence, different logic, fresh interpretations or a new perspective.

ii)Encourage everyone to be a critical evaluator: There is no reason why we should not all adopt the devil's advocate role. Edward de Bono's "Six Thinking Hats" approach to critical and creative thinking suggests that two hats – the White Hat and the Black Hat – encourage us to assess the evidence logically and with all of the available data

(White Hat) and to challenge, criticize and evaluate all that has been proposed (Black Hat). As a manager, encourage your team members to all put on their White Hats and Black Hats from time to time to avoid sliding into group think.

iii) Do not let the leader state a preference up front: There are many types of leader in a discussion: the chair or facilitator, the expert or the boss. All of these individuals can have a disproportionate impact on the group's thinking, arising from the status they possess. To help avoid group members being seduced by the leader's point of view, ask them to hold it back until after the main discussion. This has a large extra advantage: when we state our position, it becomes harder to change it and often this is even more the case when we see ourselves as leaders or experts – we fear losing face. By encouraging the leaders and experts to not state their position, you make it easier for them to evaluate the arguments they hear and therefore re-evaluate their own thinking.

iv) Set up independent groups: If a group is susceptible to group think, it will fight hard to have its point of view adopted. By splitting it into two or more independent sub-groups, you encourage each to think for itself. Bring them back together to share their thinking in plenary. This way you will hear a range of arguments. This is a really easy technique to use and it goes some way to addressing the risk.

v) Invite new people into the group: When you bring new people into a group, you do more than just introduce fresh ideas. With no group allegiance, they will not feel the same pressure to conform. And, as an outsider, they will be unlikely to share the group's acquired biases and prejudices. They will need to ask questions to understand arguments and will not settle for easy and weak answers. Most of all, they bring diversity of ideas, thinking styles and knowledge.

vi) Gather anonymous feedback: When we contribute anonymously to an argument, we are far more comfortable and likely to say what we really think. You can use suggestion boxes, an online forum or an independent intermediary to encourage honest feedback and genuine contributions.

10. FINDINGS

Based on the literature explored, the following findings were made:

- i) Groupthink leads to bad decisions in an organization due to lack of opposition
- ii) Groupthink leads to lack of creativity and innovation may sometimes be oppressed.
- iii) Through groupthink, optimal solutions to problems may be overlooked
- iv) Groupthink breeds lack of feedback on decisions and hence poor decision-making
- v) It can ruin relationships over a long period of time, especially when one's opinions are always sidetracked because of what the majority favors.
- vii) Problems could be solved in an inefficient manner because not all possibilities are considered.

11. CONCLUSION

Based on the findings, it was concluded that; groupthink leads to bad decisions in an organization due to lack of opposition. It was also concluded that groupthink leads to lack of creativity and innovation may sometimes be oppressed. It was equally concluded that through groupthink, optimal solutions to problems may be overlooked. It was moreso

concluded that groupthink breeds lack of feedback on decisions and hence poor decision-making and that it can ruin relationships over a long period of time, especially when one's opinions are always sidetracked because of what the majority favors. Lastly, it was concluded that through groupthink, problems could be solved in an inefficient manner because not all possibilities are considered.

REFERENCES

1. Andersen, K. and Krane, P. (2013). *Groupthink and sports: An application of Whyte's model. International Journal of Contemporary Hospitality Management*, 15(1), 20–28.
2. Bartsch, T., Ebers, V. & Maurer, R. (2005). *So right it's wrong: Groupthink and the ubiquitous nature of polarized group decision making. Advances in Experimental Social Psychology. Advances in Experimental Social Psychology*, 2(1), 25–36.
3. Benabou, D. (2013). *Groupthink, Iraq and the war on terror: Explaining US policy shift toward Iraq. Foreign Policy Analysis*, 6(4), 277–296.
4. Brennan, Y. and Enns, E. (2015). *Creating a team of individuals. Journal of Management Development*, 2(2), 56–89.
5. Buchanan, G. (2004). *Recasting Janis's Groupthink model: The key role of collective efficacy in decision fiascoes. Organization Behavior and Human Decision Processes*. 3(1), 185–209.
6. Hallgren, G. (2010). *The grounding of the flying bank. Management Decision*, 48(7), 10–51.
7. Hassan, A. (2013). *A social identity maintenance model of groupthink. Organizational Behavior and Human Decision Processes*, 73 (3), 210–235.
8. Jain, I. (1982). *Crucial decisions. New York: Free Press.*
9. Janis, R. (2010). *Groupthink: Psychological studies of policy decisions and fiascoes. Boston: Houghton Mifflin.*
10. Katzenbach, M. and Smith, T. (1993). *The tendency toward defective decision making within self-managing teams: The relevance of groupthink for the 21st century. Organizational Behavior and Human Decision Processes*, 3(1), 30–45.
11. Kramer, W. and Dougherty, C. (2013). *Groupthink: An impediment to success. Bloomington: Xlibris Corp.*
12. Little, Y. (2011). *Expanding the groupthink explanation to the study of contemporary cults. Cultic Studies Journal*, 12(1), 49–71.
13. Mach, M. & Barnch, E. (2013). *Twenty-five years of groupthink theory and research: Lessons from the evaluation of a theory. Organizational Behavior and Human Decision Processes*, 73(2), 105–115.
14. Mullins, C. (2005). *Group dynamics in Janis's theory of groupthink: Backward and forward. Organizational Behavior and Human Decision Processes*, 3(3), 40–58.
15. Packer, M. (2009). *Revisiting how well the groupthink hypothesis stood the test of time? Organizational Behavior & Human Decision Processes*, 73(3), 238.
16. Pratkanis, F. and Turner, D. (2013). *How did everyone get it so wrong? Journal of Management Studies*, 5(4), 444–456.
17. Robbins, D. & Coulter, I. (2007). *Exploring the micro foundations of group consciousness. Culture and Psychology*, 13(1), 39–81.
18. Rose, B. (2011). *Groupthink: Bay of Pigs and watergate reconsidered. Organizational Behavior and Human Decision Processes*, 3(2), 352–361.
19. Schulze, E. and Newell, K. (2016). *Alive and well after 25 years: A review of groupthink research. Organizational Behavior and Human Decision Processes*. 49(1), 234–251.
20. Shore, E. (2008). *Management communication: The threat of groupthink. Corporate Communications: An International Journal*, 6(4): 183–192.
21. Wright, I. and Meadows, C. (2012). *Decision making: A psychological analysis of conflict, Choice, and commitment. New York: Free Press.*