

Serious decisions have serious consequences

Supporting teams to make decisions in high pressured environments: Helping to mitigate biases

Louise Wheeler, Leadership and OD consultant

Whilst you are settling in please log onto <u>Slido.com</u> with code <u>#DoOD24</u> and answer

what affects our confidence and capability in senior decision-making?

14/05/2024

Session Focus

- What affects our confidence and capability when making serious decisions in teams?
- How can we as OD practitioners
 increase awareness of bias in decision
 making (and understand our own!)
- To learn from the experience of us as
 OD specialists and peers in the room



"the role of leadership and teams in our space to navigate multifaceted issues, where in decision-making there can be a multitude of plausible outcomes"

> Louise Wheeler Organisational psychologist specialism in leadership development for system-level transformation and resilience



Please log onto **Slido.com**

Use code **#DoOD24**







Serious decisions 1: What affects our confidence and capability in senior decision-making? (What?)

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Serious decisions 2: Why is important to be aware of these confidence and capability factors when we are making decisions? (So what?)

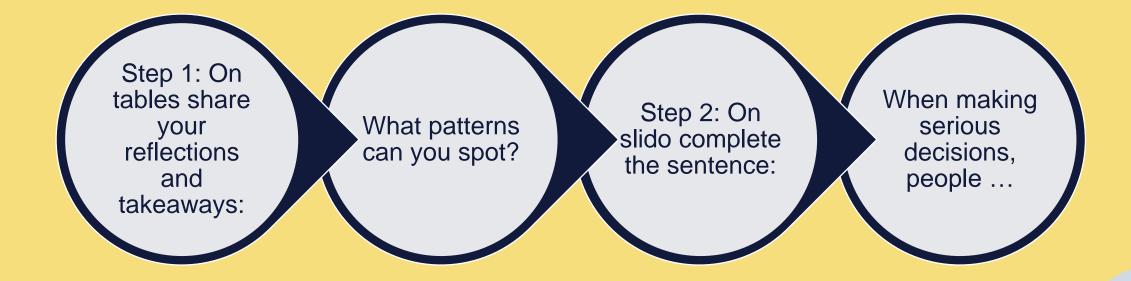
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Noticing patterns in team / group level decision-making





Noticing patterns in team / group level decision-making









Serious decisions 3:

When making serious decisions, people ...

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Making serious decisions ... our top observed patterns



What affects how we make serious decisions in teams?

Context	Resources available	Power dynamics	Group dynamics or social pressures (boards)	Need to balance short-term and long-term outcomes
	Capability (can use different processes for decision-making)	Personal values and views	Confidence and self-efficacy	Past experiences

Context



Context

So what? How biases show up

Resources available	Power dynamics • Individuals vigilantly scan their work environment for cues and signals, checking to see who is present and watching how others are treated.	Group dynamics or social pressures (boards)	Need to balance short- term and long-term
 Scarcity bias - bias impulse frequently kicks in when we are told that something is in 			outcomes
short supply and we might miss a great deal unless we book/pay now! Same applies with tied-funding.		 Groupthink - people to desire harmony or conformity within a group. In many cases, people will set aside their own personal beliefs to adopt the opinion of the rest of the group 	• Present bias can lead people to make irrational decisions that favor short-term gains, often at the expense of long- term gains. Tendency to settl for a smaller present reward rather than wait for a larger future reward, in a trade-off situation.
Capability ad expert labelling	Personal values and views	Confidence and self- efficacy	 Past experiences Past bias - we view the past through numerous filters that distort our perceptions. As a result, our interpretations of experience are biased, and the judgments and decisions we base on those interpretations can be misguided (HBR)
 Expert bias - the entrenched beliefs that someone knows what works and doesn't work in their own industry, has a tendency to stall innovation 	• Experience bias occurs when we fail to remember that fact. We assume our view of a given problem or situation constitutes the whole truth.	• Overconfidence bias - the tendency for a person to overestimate their abilities. It may lead a person to think they're a better-than-average driver or an expert investor or policy maker.	

Context

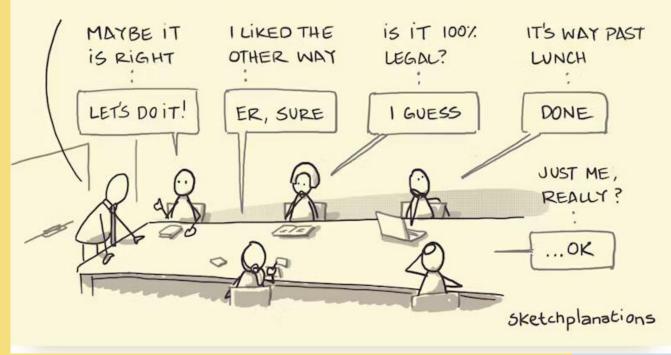
Groupthink happens

when a group of wellintentioned people makes irrational or flawed decisions because they want to conform or believe challenge is impossible

GROUPTHINK

THE TENDENCY FOR GROUPS TO THINK IN HARMONY

SO, WE ALL AGREE



NHS Employers

https://sketchplanations.com/groupthink

Where do we see groupthink? ... everywhere

The former Chief Medical Officer for England, Professor Dame Sally Davies, linked the presence of groupthink and exceptionalism in her evidence within the Covid-19 inquiry:

"Quite simply, we were in groupthink. Our infectious disease experts really did not believe that SARS, or another SARS, would get from Asia to us. It is a form of British exceptionalism."



Groupthink signs

- Groups who promote their group's identity over others may be more likely to fall victim to groupthink. (Look out for "us versus them" mentality)
- **Groups where challenge** is discouraged are likely to engage in groupthink when making decisions. (Lookout for charismatic leaders / quiet teams)

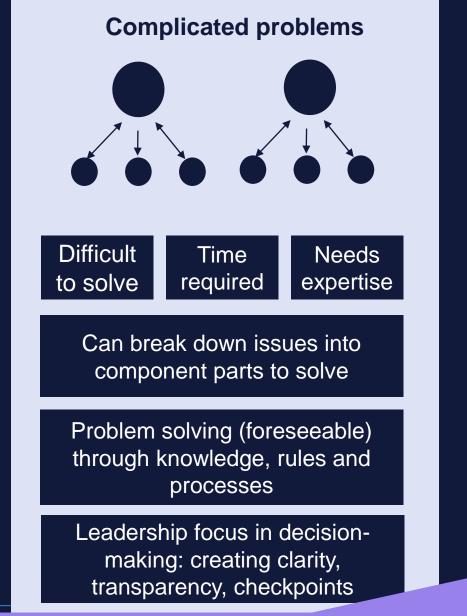
Groupthink situations

- Time pressure that demands a fast decision (Look out for wanting a quick consensus)
- High stress situations (Look out for no-one asking risk or 'what-if' questions)

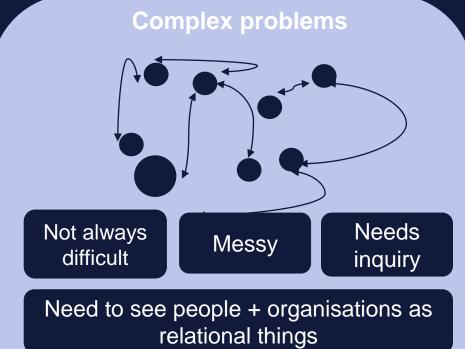


Different types of problems require different approaches to leadership and decision-making









We understand issues / implications retrospectively, problem solving is pattern based + perspective dependent

Leadership focus in decision-making: prioritise inquiry / promote challenge (why?), surface and hold feeling of anxiety (due **to uncertainty**)

A few points about context and uncertainty

- 1. Certainty is an emotional state, not an intellectual one. To feel certain, the brain must filter out more information than it processes.
- 2. Confirmation bias, mental focus, and external influences (ie social media) can fuel certainty and preclude people from considering complexity.
- 3. Understanding our assumptions and considering evidence against our opinions can illuminate blind spots and help us escape the trap of certainty thinking



NHS Employers

Modern leadership decision-making capability is to:

Acknowledge normal responses to uncertainty / ambiguity and lack of control

Recognise that uncertainty also depends on personal perspective (which includes our values)

Be aware of that can show up in culture – *i.e.* looking to close down decision making without really surfacing assumptions

Understand your most prominent biases + don't slip into heroic leadership

Hold the space for the quieter voices / service users and protect against overconfident decision making (for example group think)

Keep learning and keep channels of inquiry open (don't be afraid to revisit)



OD leader group conversations

- How have yours (and other people's) values and approach to uncertainty affected decision-making processes? (what?)
- What have you learnt about yourselves and taken away? (so what?)
- What practices or approaches can you share that may support others to mitigate biases within team level decisions? (now what?)
- What's a great takeaway question you can ask yourself when making a challenging decision in the future?



Key OD and leadership takeaways:



Different structures and problems require different leadership approaches and decision-making processes



Recognise that uncertainty also depends on personal perspective (which includes our values)



Be aware of how responses to uncertainty can show up in culture – *i.e. looking to close down decision making without really surfacing assumptions*



Support decision-making by normalising the use of decision-making processes such as 'redteaming' – learning techniques such as retrospectives - facilitative processes such as liberating structures



Make the time to focus on the quality of your thinking as an OD leader, as your starting assumptions can radically change your client's leadership actions and decision-making



"The lesson is to **learn as much as you can** about the uncertainties our complex world. Reflect **honestly on the unpredictability** of the future. Make the best **probability estimates** you can, and use them to inform the most accurate expected value calculations.

You **will never know for certain that they are right**, and you will always wish you had more information so as to reduce your uncertainty.

But if you keep track and keep score, you can improve your calibration and get better with time"



Don A. Moore and Max H. Bazerman, Harvard Business Review, 2022



Serious decisions 4: Given today's session, your conversations and self-reflection...

What's a key question you will ask of yourself as an OD practitioner when supporting teams to make challenging decisions?

(Now what?) (Self as instrument)

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Thank you

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