Jimma University Faculty of Business Department of Management

Corporate Culture: Its Role in Groupthink as Exhibited in the Decision-Making Process

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ABSTRACT

In the past, much has been written on the dynamics of groups during, especially, the decision making process. In connection with this, other various researchers have attempted to explore one particular characteristic of detrimental group dynamics, viz., groupthink.

Nonetheless, there has hardly been any research attempt aimed at exploring the role of culture in groupthink as exhibited in the decision making process. Consequently, this work presents a preliminary study of this aspect of the organisational decision making process.

The Office of Planning and Economic Development (Jimma), the Coffee Plantation Development Enterprise (Jimma), Jimma University, and the Ministry of Information and Culture (Addis Ababa) provided cases for the research endeavour.

Data was collected through questionnaires, observation, interviewing, and archives analysis. Data thus gathered was analysed using such appropriate case study data analysis methods as ANOVA, pattern matching, and grounded theory.

It was found out that organisational culture is positively linked with groupthink tendencies in all of the four organisations.



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INTRODUCTION

1.1 Background of the Study

One of the most profound challenges faced by today's organisation is the increasing uncertainty of the world in which they operate. This state of affairs makes it increasingly difficult for a single manager to make complex decisions independently. Consequently, groups make many of the decisions in large organisations.

In ideal circumstances, a productive decision should fulfil both the objectives of efficiency as well as effectiveness. These two variables generally determine the quality of decisions made by the organisation.

Unfortunately, one of the potential threats to decision quality in group decision making is the tendency for the group to develop groupthink behaviour.

Groupthink is a "mode of thinking that people engage in when they are deeply involved in a cohesive in-group, and when the members' strivings for unanimity override their motivation to realistically appraise alternative courses of action" (Janis, 1982).

In other words, groupthink is a phenomenon in which group members are so committed to the group that they are reluctant to express contrary opinions. Consequently, this behaviour makes the group lose the diversity of opinions essential to effective decision making.

Even a good manager can be tempted to go beyond their best intellects and pass a decision which could cost the organisation dearly just because of a pressure exerted by a groupthink behaviour (Stern, 1992) as the following case illustrates.

Some recent analyses show that the Challenger disaster is attributable to the prevalence of groupthink among those that made the final launch decision. A Morton-Thiokol engineer objected to the launch because he feared the cold weather would lessen the resiliency of the rubber seals in the joints between the solid fuel segments. His warnings were ignored. The then head of NASA, William Graham, remarks: "As an activity becomes more successful from an engineering and management point of view, it certainly becomes more difficult to challenge and raise questions." Furthermore, Lawrence Mulloy, who was in charge of NASA's booster rocket programme, testified before a Congressional Committee that he does believe that NASA went into a groupthink situation ... and convinced itself that it was an acceptable risk.

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Groupthink behaviour is a product of two variables, viz., group cohesion and group norm.

Group cohesion refers to the extent to which group members are attracted to the group and motivated to remain in it (Shaw, 1981).

Cohesive or socially intense groups are able to exercise a great deal of power over the actions of members. Such groups are able to generate stronger pressures towards conformity. Because members like one another and tend to agree with one another, deviance stands out more, and members who differ from the group are more likely to be subjected to ridicule, harassment, ostracism, and other punishments. In addition, members of cohesive groups care about the group and are more responsive to give in to pressures. In cohesive groups, interpersonal and social rewards are important to members, and members want the group to like and respect them. They are more likely to bring their behaviours in line with what the group wants and expects (Nadler et al., 1979).

Another variable that leads to the development of groupthink is **group norm**. Group norms are the "informal rules that groups adopt to regulate and regularise group members' behaviour" (Feldman, 1984).

Group norms are rarely formalised, but most people are aware of the group's proper and correct ways of behaving as members. These norms have a very powerful and very consistent effect on people's behaviour (Hackman, 1976).

A group develops norms in the following ways:

- 1. **Critical events** in the group's history establish an important precedent (Arnold and Feldman, 1986). If a group member does not follow the norm, the other members try to force compliance. The common ways groups enforce norms include ridicule, ostracism, sabotage, and physical abuse.
- 2. **Primacy**: First behaviours that occur in a group often set a precedent for later group expectations (Labich, 1989).
- 3. Carryover behaviours: These behaviours bring norms into the group from outside (Freedman, 1987)
- 4. **Explicit statements**: Explicit statements symbolise what counts and thus have considerable impact (Boyle, 1984). Such statements can originate from leader, members, or both.

According to Feldman (1984), norms are most likely to be enforced if they:

- (1) facilitate group survival,
- (2) simplify or make predictable what behaviours are expected of group members,
- (3) help the group avoid embarrassing interpersonal problems, and
- (4) express the central values of the group and clarify what is distinctive about the group's identity.

Groups try to enforce these norms by rewarding conformity and punishment follows any deviant behaviour. The concept of discretionary stimuli is important in this context (Hackman, 1976). What makes a discretionary stimulus critical is that workers depending on what they say or do give it to a group member.

Most people seek the approval and respect of their peers. Discretionary stimuli communicate when people are getting this approval and respect, and when they are not. They allow group members to act in ways that are consistent with group norms (Hackman, 1976).

Having looked at the dynamics underlying groupthink behaviour, let us now look at the rationale behind using a group approach to decision making.

When a group has something to contribute, five potential advantages accrue:

- (1) better-quality decisions: using groups to make decisions is appropriate for significant non-programmed decisions made under conditions of risk and uncertainty;
- (2) more information, alternatives, creativity, and innovation,
- (3) better understanding of the decision: when people participate in decision making, they usually understand the alternatives presented and why the one selected was the best alternative, allowing easier implementation of the decision;
- (4) greater commitment to the decision;
- (5) *improved morale and motivation*: participation in decision making is rewarding and personally satisfying to the people involved; and
- (6) good training: with the trend toward using groups, allowing participation in decision making trains people to work in groups by developing group process skills (Lussier, 1997).

In spite of the aforementioned merits of a group-based approach to decision making, an organisation's culture has some potential merits and demerits in respect of this key managerial process. Specifically, in a high-context culture, people become sensitive to circumstances surrounding social exchanges. People use communication primarily to build personal social relationships, meaning is derived from context -- setting, status, non-verbal behaviour -- more

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than from explicit words, relationships and trust are more important than business, and welfare and harmony of the group are valued (Kennedy and Everest, 1991).

1.2. Objectives of the Study

The study looked at the role of culture in groupthink behaviour as displayed during, especially, the decision -making process for the work groups and/or committees in the Ministry of Information and Culture, the Jimma University, the Bureau of Planning and Economic Development for Jimma Zone, and the Coffee Plantation Development Enterprise, using the phenomenological designs, viz., grounded theory and case study. Specifically, the researcher aimed at answering the following questions:

- ➤ How do the organisations carry out their decision-making process?
- What is the level of group cohesion during the decision-making process?
- ➤ What is the level of organisational creativity as evidenced by the decision-making groups?
- ➤ How far developed is corporate culture?
- What are the manifestations of corporate culture in the organisations under study?

For this research context, corporate culture is defined generally as the set of key values, beliefs, understandings, and norms shared by members of an organisation (Kilmann, Saxton, and Serpa, winter 1986, pp.87-94). And culture and groupthink behaviour are understood as independent variables and the decision-making process as dependent variable.

2. METHODOLOGY

As the nature of the investigation was more of a qualitative nature, the phenomenological research paradigm had been adopted to carry out the research effort.

The study sites were the head quarters or the main branches of the respective organisations in Jimma, except for the Ministry of Information and Culture, which is demarcated in the Capital.

To address the issue at stake from documents, a database made up of 8 decisions was examined. The use of multiple cases allows inferences about success to be generalised (Yin, 1989, 1993). Decisions made by organisational work groups and committees provided cases for the study.

The types of decisions brought under investigation were the ones that focused on the areas of service, internal operations, personnel policy, technology, reorganisation, control systems, or markets. The diversity of decision types suggests that the cases can capture decision-making practices.

The informants included both primary and secondary ones such as executives, middle managers, subordinates, staff, and task force members from the work groups and/or committees brought under investigation.

The cases described the steps taken by decision-makers from the recognition that action seemed needed to the rejection or implementation of a decision. Each decision was carefully examined to unravel the approach used to generate, the type of the organisation, the role of culture in the specific groupthink behaviour, and the decision's success (where applicable). Data was collected using archives, interviews, observations, and questionnaires. The questionnaires were used to determine group cohesion, measure organisational creativity, assess the strength of corporate culture, and look for the symptoms of groupthink.

2.1 Case Data Collection

To begin the research effort, the decision-makers in the respective organisations were asked to participate in a study that would reveal their decision-making practices. The purpose of the study was presented as a short-range project to understand and appreciate the practices employed by the decision - making groups at key points in the decision-making process.

A decision case is defined as an episode, beginning when the organisation first becomes aware of a motivating concern or difficulty and ending with a successful or unsuccessful implementation attempt.

To ensure interest and first-hand knowledge, a contact person was asked to select a decision for the study. An important decision is defined as a choice that has considerable importance to the organisation due to the magnitude of its resource demands and the scope of its expected consequences (Hickson et al., 1986; Mintzberg et al., 1976). The contact person was asked to identify three people involved in the decision who could be interviewed, including the person who has primary responsibility for the decision. At the end of the first interview, the contact person was asked to solicit co-operation from other informants.

The Interview Procedure

The use of retrospective data in which people reconstruct events is the best way to get close to the phenomenon of interest - decision making. However, retrospective data can be tied with problems of self-justification, memory lapses and logical inconsistencies (Bartlett, 1954). To cope with these problems, four informants were interviewed for each decision-making event following a carefully designed interview procedure. This interview procedure is devised to deal with the dual problems of what people remember and choose to tell in an interview. Drawing on the qualitative research principles of Denzin (1989), the interviewer first determined the nature of the decision that was made and then looked for what shaped the decision.

To initiate the interview, the primary informant was asked to describe the decision. Then, this informant was asked to recall what first captured their attention. Questioning proceeded from this point by asking "What happened next?" For example, after informants had described

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what captured their attention, they were asked why this seemed important and merited action. Questioning proceeded by taking cues from the content of a response to fashion the next query. Information gleaned from the second informant was used to corroborate information obtained from the primary informant (Yin, 1989, 1993), and to triangulate (Patton, 1990).

2.2 Case Data Analysis

Analysis of Variance

When the means of more than two or more populations are to be compared, one way analysis of variance (ANOVA) is the appropriate statistical tool (Zikmund, 1997). This bivariate statistical technique is referred to as "one-way" because there is only one independent variable (even though there may be several levels of that variable). The independent variable in this case is organisational culture, with its three groups (levels), namely group cohesiveness, level of corporate culture, and organisational creativity.

For these three groups (levels) of independent variable, the null hypothesis is stated as follows:

$$\mu_{1}=\mu_{2}=\mu_{3}$$

The null hypothesis is that all the means are equal. As the name *analysis of variance* suggests, the problem requires comparing variances to make inferences about the means. The logic of this technique is as follows. The variance of the means of the three groups will be large if these organisations differ from each other in terms of their decision-making practices. If we calculate this variance within the groups and compare it to the variance of the group means about the grand mean, we can determine if the means are significantly different.

F-Test

The F-test determines whether there is more variability in the scores of one sample than in the scores of another sample. The key question is whether the sample variances are different from each other or are from the same population.

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To obtain the F-statistic (or F-ratio), the larger sample variance is divided by the smaller variance. To test the null hypothesis of no difference between the sample variances, a table of the F-distribution is used. The F-distribution table portrays a probability distribution of the ratios of sample variances.

Identifying and Partitioning the Total Variation

In the analysis-of-variance situation, the basic consideration for the F-test is to identify the total variance. There will be two forms of variation:

- (1) Variation of scores due to random error or within-group variation due to individual differences, and
- (2) Systematic variation of scores between the groups due to the manipulation of an independent variable or due to characteristics of the independent variable. Thus we can partition total variance within-group variance and between-group variance.

The F-distribution is the ratio of these two sources of variances. That is, F is defined as:

F= Variance between groups/ Variance within groups

The larger the ratio of variance between groups to variance within group, the greater the value of F. If the F-value is large, it is likely that the results are statistically significant.

Calculation of the F-Ratio

The calculation of the F-ratio requires that we partition the total variation into two parts:

Total sum of squares = within group sum of squares + between group sum of squares

Or

$$SS_{total} = SS_{within} + SS_{between}$$

The total sum of squares or SS is computed by squaring the deviation of each score from the total grand mean and summarising these squares:

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$$\int SS_{total} = \sum_{i=1}^{n} \sum_{j=1}^{c} \left(X_{ij} - \bar{X} \right)^{2}$$

where

X

ij = individual score, i.e., the *i*th observation or test unit in the *j*th group

X = grand mean

n = number of all observations or test units in a group

c = number of *j*th groups (or columns)

SS the variability that we observe within each group, is calculated by squaring the within, deviation of each score from its group mean and summing these scores:

SS within =
$$\sum_{i=1}^{n} \sum_{j=1}^{c} (x_{ij} - x) 2$$

where

 $X_{ij} = individual score$

 x_i = group mean for the j th group

n = number of observations in a group

c = number of jth groups

The sum of squares, between which is the variability of the group means about the grand mean, is calculated by squaring the deviation of each group mean from the grand mean:

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SS between
$$= \sum_{j=1}^{c} n_j (x_j - X)^2$$

where

 $x_i = group mean$

X = grand mean

 n_i = number of items in the j th group

The next calculation procedures require dividing the various sums of squares by their appropriate degrees of freedom. The result of these divisions produces the variances, or mean squares.

To obtain the mean square between groups, SS $_{\rm between}$ is divided by c-1 degree of freedom:

$$MS_{between} = \frac{SS_{between}}{c-1}$$

To obtain the mean square within groups, SS_{within} is divided by cn-c degrees of freedom:

$$\begin{array}{cc} MS_{within} & = \underline{SS_{within}} \\ & cn\text{-}c \end{array}$$

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Finally, the F-ratio is calculated by taking the ratio of the mean square between groups to the mean square within groups. The between-groups mean square is used as the numerator and the within groups mean square is used as the denominator.

$$F = \underbrace{MS_{between}}_{MS_{within}}$$

There will be (c-1) degrees of freedom in the numerator and (cn-c) degrees of freedom in the denominator:

<u>c-1</u>

cn-c



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3. RESULTS AND DISCUSSION

Cross-Case Pattern Searching

3.1.1 ANOVA Table: Organizational Creativity

Source of	Sum of	Degree of	Mean	F-Ratio
Variation	Squares	Freedom	Square	
Between groups	12	3	4	-
Detween groups	12	,	7	
Within groups	26	20	1.30	3.08
Total	38	23		

3.1.2 ANOVA Table: Corporate Culture

Source of Variation	Sum of Squares	Degree of Freedom	Mean Square	F-Ratio
Between groups	16.50	3	5.50	-
Within groups	26	20	1.30	4.23
Total	42.50	23		

3.1.3 ANOVA Table: Group Cohesiveness

Source of Variation	Sum of Squares	Degree of Freedom	Mean Square	F-Ratio
Between groups	10.44	3	3.48	-
Detween groups	22 49	20	1.12	3.11
Within groups				
Total	32.93	23		

From a statistical table showing the critical values of $Fv_{1, \, v2}$ for $\alpha = 0.01$, the value for the degrees of freedom 3 and 20 is indicates an F of 4.94 would be required to reject the null hypothesis

This would lead us to conclude that we cannot reject the null hypothesis. It appears that all the above three components of organizational culture impact on the four organizations, namely, the Office of Planning and Economic Development (OPED), the Ministry of Information and Culture (MIC), Jimma University, and the Coffee Plantation Development Enterprise (CPDE) approximately at the same degree (level).

Following the analytical strategy proposed for the analysis of case study evidence by Yin (1994) whereby one is to rely on theoretical propositions of the study, and then to analyse based on those propositions, this paper attempts to identify some causal links between culture and groupthink behaviour.

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Organizational Creativity

A corporate culture that fosters organizational creativity increases the range of an organization's knowledge, causes people to see old problems in new ways, and helps the organization break from the past, and hence forestall the pitfalls of groupthink.

The four organizations that were brought under this study exhibited a markedly deficient level of organisational creativity (Table 3.2:1). As per the data analysis and evaluation standards set out for organizational creativity in Appendix, all of the four organizations have a moderately ineffective atmosphere of organizational creativity. This partly accounts for the high levels of groupthink behaviour exhibited in the organizations (see Tables 3.2:1 through 3.2:4)

Corporate Culture

Corporate culture as manifested in group norm is another variable that could lead to the development of groupthink. As mentioned elsewhere, group norms are the "informal rules that groups adopt to regulate and regularize group members' behaviour" (Feldman, 1984).

Even though a strong level of corporate culture is not dysfunctional in itself, an unwholesome group norm that condones rewarding conformity and punishing any deviance ultimately leads to groupthinking tendencies.

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As shown in Table 3.2:1, all the four organizations have a strong corporate culture. Unfortunately, this seems to have led the groups to develop destructive, high-context norms that lead people to become sensitive to circumstances surrounding social exchanges, and consequently, fall into the snare of groupthink (see Tables 3.2:1 through 3.2:4).

Group Cohesiveness

Group cohesion is yet another factor that can be a hotbed for groupthink behaviour. As mentioned elsewhere, cohesive or socially intense groups are able to exercise a great deal of power over the actions of members. Such groups can generate stronger pressures towards conformity (Nadler et al. 1979).

Table 3.2:3 shows that all the groups have a very high level of cohesion. This partly seems to account for the groupthinking tendencies developed by the groups (see Tables 3:2:1 through 3.2:3).

3.2 Table of Scores for the Three Components of Organizational Culture

3.2.1 Organizational Creativity

Res	onses by	Organiz	ation
OPED	MIC	JU	CPDE
8	9	9	9
9	8	7	8
10	7	8	7
8	8	10	5
10	9	7	6
9	7	7	7
54	48	48	42

3.2.2 Corporate Culture

Respo	onses by	Organ	ization
OPED	MIC	JU	CPDE
52	51	53	53
53	50	51	52
54	52	52	49
52	50	54	50
53	52	51	51
54	51	51	51
318	306	312	306

3.2.3 Group Cohesiveness

Resp	onses by	Organiz	ation
OPED	MIC	JU	CPDE
53	53	54	54
54	53	52	53
55	52	53	52
53	53	55	50
54	52	52	51
54	54	53	52
323	317	319	312

3.3 Frequency Table for Groupthink Symptoms Questionnaire

3.3.1 Frequency by Response Category; OPED					
Question	Disagree	Disagree	Neither disagree	Agree	Agree
#	Strongly		nor agree		Strongly
1	- 1	1	1	2	4
П	1	1	1	2	4
Ш	1	1	1	1	5
IV	1	1	0	5	2
V	2	1	1	1	4
VI	0	1	1	3	4
VII	- 1	1	1	3	3
VIII	2	2	0 .	3	2
Total	9	9	6	20	28

Aggregate

Percentage = $\frac{48/66.67\% *}{}$

Agreement

*Read as 48 respondents agreed with the statements, which in this case corresponds to 66.67% of the group.

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	3.3.2 Frequency by Response Category : JU					
Question #	Disagree Strongly	Disagree	Neither disagree nor agree	Agree	Agree Strongly	
1	1	1	1	- 1	5	
П	2	2	0	3	2	
Ш	1	2	1	2	3	
IV	0	2	1	5	1	
V	2	0	0	- 1	- 6	
VI	0	1	2	4	2	
VII	1	2	1	4	1	
VIII	1	0	1	1	6	
Total	8	10	7	21	26	

Aggregate

Percentage = $\frac{47/65.28\%}{}$

Agreement

3.3.3 Frequency by Response Category: MIC						
Question	Disagree	Disagree	Neither disagree	Agree	Agree	
#	Strongly		nor agree		Strongly	
1	1	()	1	5	1	
II	1	1	0	2	4	
Ш	1	2	1	2	4	
IV	1	0	0	6	2	
V	2	1	1	1	6	
VI	0	1	2	4	1	
VII	1	2	0	3	3	
VIII	1	0	1	1	6	
Total	8	7	6	24	27	

Aggregate

Percentage = 51/70.83%

Agreement

3.3.4 Frequency by Response Category: CPDE					
Question #	Disagree Strongly	Disagree	Neither disagree nor agree	Agree	Agree Strongly
1	0	1	1	4	4
П	1	2	0	4	3
Ш	0	1	1	3	5
IV	1	0	2	3	3
V	2	0	1	3	3
VI	1	0	0	2	5
VII	0	0	1	3	4
VIII	0	1	0	4	3
Total	5	5	6	26	30

Aggregate

Percentage = 56/77.78%

Agreement

Note: OPED= the Office of Planning and Economic Development

MIC = the Ministry of Information and Culture

JU = Jimma University

CPDE= the Coffee Plantation Development Enterprise

4. SCOPE AND LIMITATIONS

The scope of this research is limited to finding cross-case patterns for groupthink tendencies in the four organisations that provided decision-making group cases. Moreover, only the cultural/behavioural aspect of decision -making was studied. Six people from each of the four groups filled the questionnaires, which are the primary source of data for this study.

Some limitations the researcher faced include:

- * Respondent bias (dealt with triangulation and interviewing),
- Low comprehension capabilities of the English language by some respondents,
- Insufficient funds,
- Lesser-than-expected number of decision-making group members,
- Occasional lack of cooperation from respondent, and
- ❖ Data unavailability: The researcher has failed to gather data concerning the success of the decision-making groups. This was primarily because the organizations do not keep record of the rate of decision success, would not divulge this information, or do not have a basis by which they compare the success of the decision-making groups and the decisions they have passed.

5. CONCLUSION AND RECOMMENDATIONS

5.1 CONCLUSION

The Impact of Sector on the Generation of Alternatives

The most usually accepted classification scheme used to identify factors that distinguish public and private organizations, developed by Rainey et al. (1976) and updated by Rainey (1984) and Nutt and Backoff (1993), uses environmental, transactional, and process distinctions to highlight public/private differences. Publicness often increases as the proportion of operating funds that are dependent on public funding increases (Coursey and Bozeman, 1990), and decreases as revenues become more dependent upon fees paid by customers /clients. All the organisations that were brought under this investigation fall under the public sector.

These organizations do not have a market that provides revenues. They are dependent on government oversight bodies for resources or reimbursement for services based on pre-set formulae for operating funds. Appropriations are often divorced from market mechanisms, allowing such public organizations to avoid efficiency and effectiveness considerations (Drucker, 1973).

Data describing new developments are often missing or hard to obtain in these public organisations. As result, strategic decisions are often made with comparatively little data support, which will limit knowledge about useful alternatives. This situation is markedly different from that of private sector organisations that have considerable data about technology and other developments

that may offer useful alternatives. As a result, the decision-making groups in these public organizations have less clarity about viable options when making a strategic decision (Nutt, 2000).

The environment of these organizations is littered with political considerations. The views of opinion leaders, outright manipulation by zonal administrative bodies, and formal opposition to the organisations' right to act, bail out economic issues that are crucial for such public organizations (Levine et al., 1975).

These organizations have developed numerous, complex relationships with key entities in their environment to deal with environmental factors. These relationships are found to be mediated by scrutiny and ownership factors.

The prospect of scrutiny increases as decision making moves from private to public organizations (Millet, 1966; Stahl, 1971). An increase in publicness usually brought with it the disclosure of alternatives as they are uncovered, which made creativity difficult, limiting the prospect of innovation and the range of ideas that are considered (e.g., Nisbett and Ross, 1989).

Ubiquitous ownership also distinguished these organisations from private ones (Wamsley and Zald, 1973). In these organizations, the strategic decision makers have had to appreciate public desires and expectations in the delivery of service.

Key internal operations that distinguish these organisations from the private sector organizations are goals, authority limits, and leadership stability.

The organizations have multiple goals that are often vague and conflicting (Baker, 1969; Bozeman, 1984). Such vague goals and equity criteria cause a decline in the clarity about the desirability of an alternative, making the generation of alternatives inefficient and political, especially in the case of the OPED and the MIC.

The decision-making groups have weaker power bases and less authority to make investments in reshaping the systems they must manage, compared to their private sector counterparts (Bozeman, 1987; Gawthorp, 1971). Autonomy and flexibility were generally found to be lower in these

organizations. As a result, an increase in publicness seems linked to a declining in the level of investment made to uncover alternatives.

Periodic elections /reshuffles usually prompted new political appointments that installed new leaders in these organizations. These new leaders interrupted the organizations' plans and projects and created inertia. These "scheduled interruptions" led to cautiousness, inflexibility and low rates of innovation in the organizations (Rainey, 1989).

The foregoing discussion suggests that public organizations prefer to use an "existing solution" approach to uncover alternatives whereby the decision makers draw on a store of fully developed, ready-made "solutions" (Nutt, 2000).

With the foregoing discussion in mind, it is possible to see the correlation between the components of the independent variable, i.e., organizational creativity, corporate culture, and group cohesiveness, and the degree of groupthink behaviour in the decision-making groups of the four public organizations that were brought under this investigation.

5.2 RECOMMENDATIONS

Improve Creativity

Ideas and Practices that Foster Creativity

HIRING: Research in personality psychology suggests that people with certain traits are best able to avoid, ignore, or reject "the heat of the herd." These include people who have high self-esteem and those who are called "low self-monitors"-people who are especially insensitive to subtle, and even not so subtle, hints from others about how to act. Low self-monitors are relatively unfettered by social norms, but they increase the range of what is thought, noticed, said, and done in an organisation. Low self-monitors cannot stop themselves from saying and doing what they think is right because they do not notice- or do not care about pressures to follow the herd. People with high self-esteem think and act independently as well; confident people continue to believe in their ideas despite rejection and criticism (Stutton, 2001).

Moreover, these organisations need to import fresh knowledge by hiring some people who had never tried to solve problems like the ones they are addressing. People who do not know how things are 'supposed to be' are not blinded by preoccupations. Such fresh knowledge can be imported through people who are experts in some other area, which allows them to see--and perhaps solve --problems from a new perspective.

MANAGING FOR CREATIVE SPARKS: Once the organisations are staffed with creative-minded people, the next move should be to do something about it. People ought to be encouraged to ignore and defy superiors and peers, and be allowed to fight among themselves. People who have settled into productive grooves in their jobs need to be reassigned. And the organisations should start rewarding failure, not just success; and punishment should be reserved for inaction.

People who do what they think is right-- rather than what they are told or what they anticipate their superiors want-- can force organisations to try new ideas that some boss or powerful group may have rejected as a waste of time and money.

Any creative work performed by the organisations must be sheltered from the cold of the day, especially when ideas are incomplete and untested as people are especially hesitant to try new things in front of 'evaluative others' like critics and bosses. Doing so may help the groups avoid groupthink tendencies.

However, this does not mean that the organisations should let the groups get too crazy. The fight should not be construed in the sense that one needs to provoke personality issues; battles among people who despise one another stifle innovation. Instead, the fights that need to be caused are all about ideas.

Enhancing innovation must also be attached with how performance is rewarded. Rather than rewarding success and punishing failure, the organisations have to reward both wherever feasible.

Again, there has to be made a distinction between what is right for routine work and what is right for creative work. When known procedures are used by well-trained people, failure does signal improper training, weak motivation, or poor leadership. But applying this standard to innovative work stifles intelligent risks.

If one wants a creative organization, inaction is the worst kind of failure- and the only kind that deserves to be punished. Creativity is a function of the quantity of work produced. Measuring whether people are doing something - or nothing - is one of the ways to assess the performance of people who do the creative work. The organizations should demote, transfer, and even fire those who spend day after day talking about and planning what they are going to do but never do anything.

Risk and Randomness

One of the main reasons for rewarding both success and failure is that most managers, analysts, and other so-called experts (like every one else) do a poor job of judging new ideas and predicting which ones will succeed.

There is, yet, one simple, proven, and powerful thing these organizations can do to increase the likelihood that a risky project will succeed: commit to it wholeheartedly.

If these organisations find that predictions about which new ideas will succeed are so hard to make, and commitment to an idea, any idea, is one of the only sure-fire ways to increase the odds of success, random selection is one of the best ways to ensure that new ideas will not be biased by knowledge of past successes.

To avoid getting stuck in a rut, these organisations should be especially wary of opinion from customers /clients who use their current products/ service, and from the marketing and sales people who represent their views.

Constancy and Constructiveness

Doing routine with proven methods is the right thing to do most of the time. In fact, it is wise to manage most organizations as if the future will be a prefect imitation of the past, because tried and true wins out over new and improved most of the time (Stutton, 2001).

However, as in the case of these organisations where part of the organizations' mission is to explore new possibilities or improve the quality of its decision making practices, then their goal must be to build a culture that supports constant mindfulness and experimentation. It is not sufficient to generate new ideas now and then. The organizations - or more likely a part of them - need to be a

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place that generates and tests many disparate ideas. It should be an arena, a constant and constructive

forum, where the best ideas win.

Improve Decision Making

Most people treat decision making as an event - a discrete choice that takes place at a single point in

time. However, the fact is, decision making is not an event. It is a process that unfolds over weeks,

months, or even years: one that is fraught with power plays and politics and is replete with personal

nuances and institutional history; one that is rife with discussion making; and one that requires

support at all levels of the organization when it comes for execution. Research shows that the

difference between people who make good decisions and those who make bad ones is: the former

recognize that all decisions are processes, and they explicitly design and manage them as such,

whereas the latter persevere in the fantasy that decisions are events they alone control.

Decisions as Process: Inquiry versus Advocacy

Not all decision - making processes are equally effective, particularly in the degree to which

they allow a group to identify and consider a wide range of ideas. There are two broad approaches to

decisions making: inquiry and advocacy. Inquiry is a very open process designed to generate multiple

alternatives, foster the exchange of ideas, and produce a well - tested solution. Unfortunately, this

approach does not come easily or naturally to most people. Instead, groups charged with making a

decision tend to default to the second mode, advocacy.

When a group takes an advocacy perspective, participants approach decision making as a

contest, although they don't necessarily compete openly or even consciously. Well-defined groups

with special interests advocate for particular positions. Participants are passionate about their

preferred solutions and therefore stand firm in the face of disagreement. That level of passion makes

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it impossible to remain objective, limiting people's ability to pay attention to opposing arguments. Such atmosphere inevitably fosters groupthink behaviour.

To avoid such, these groups need to carefully consider a variety of options and work together to discover the best solutions. While people naturally may continue to have their own personal interests, the goal should not be to persuade the group to adopt a given point of view but instead to come to agreement on the best course of action. People will share information to allow participants to reach their own conclusions. Rather than suppressing dissension, raising alternative solutions and asking hard questions about the possibilities already on the table have to be encouraged.

Proposals and the assumptions they rest on need to be rigorously questioned. As disagreements revolve around ideas and interpretations rather than entrenched positions, conflict becomes generally healthy, and team members resolve their differences by applying rules of reason (Garvin and Roberto, 2001).

A process characterized by inquiry rather than advocacy tends to produce decisions of higher quality - decisions that not only advance the organization's objectives but also are reached in a timely manner and can be implemented effectively. Therefore, it is imperative that leaders in these organisations need to move as quickly as practical from a process of advocacy to one of inquiry.

Another technique that can be adopted by these organisations to improve decision -making breadth and creativity is the devil's advocate in which an individual from the group is assigned the role of challenging the assumptions and assertions made by the group to prevent premature consensus (Schweger and Sandberg, 1987; 1989). Alternatively, a multiple advocacy technique, a variant of the devil's advocate, can be used. In this latter technique, the organisations need to involve several advocates and multiple points of view. Minority opinions and unpopular viewpoints should be assigned to forceful representatives, who then debate before the decision makers (Duffy, 1989).

Yet another technique that is worth applying is brainstorming. In this case, group members have to be allowed to present spontaneous suggestions for problem solutions, regardless of their likelihood of implementation, in order to promote freer, more creative thinking within the group. No critical comments of any kind should be allowed until all suggestions have been listed. Members

must be encouraged to brainstorm possible solutions out loud, and freewheeling should be welcomed. A typical session should begin with a warm up wherein definitional issues are settled, proceed through the free-wheeling idea generation stage, and conclude with an evaluation of feasible ideas (Osborn, 1957).

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6. APPENDIX

- **6.1 Data Collection Questionnaires**
- 6.2 Detailed Calculations: ANOVA
- 6.3 General Tables
- 6.4 Graphs
- 6.5 References
- 6.6 Symptoms of Groupthink
- 6.7 Epitaph

6.1 Data Collection Questionnaires

This is a survey of the ideas and opinions of your organisation's salaried employees. WHAT YOU SAY IN THIS SERIES OF QUESTIONNAIRES IS COPLETELY CONFIDENTIAL. We do not want to know who you are. We do want to know, however, how group members with different interests and experience and doing different kinds of work feel about their jobs, their colleagues, and the organisation at large.

This is not a test. There are no right or wrong answers. Whether the results of this survey give a true picture of your organisation depends on whether each of you answers each of the questions in the way you really feel or have felt. The usefulness of this survey in making your organisation a better place to work depends on the honesty and care with which you answer these questions. Your time and effort is gratefully acknowledged.

Determining Group Cohesion

The following questionnaire has been administered to evaluate the group's level of cohesiveness. This method has been chosen because the study aims at finding out a quality that is not open to direct evaluation through observation.

<u>DIRECTION</u>: Think about the group with which you are currently working. Answer the questions below as pertain to the functioning of the group.

1(Disagree strongly) 2 3 4 5 (Agree strongly)

- 1. Group meetings are held regularly and everyone attends.
- 2. We talk about and share the same goal for group work and grade.
- 3. We spend most of our meeting time talking business, but discussions are open- ended and active.
- 4. We talk through any conflicts and disagreements until they are resolved.
- 5. Group members listen carefully to each other.
- 6. We really trust each other speaking personally about what we really feel.
- 7. Leadership roles are rotated and shared, with people taking initiative at appropriate times for the good of the group.
- 8. Each member finds a way to contribute to the final product.
- 9. I am really satisfied being a member of the group.
- 10. We freely give each other credit for jobs well done.
- 11. Group members gave and received feedback to help the group do even better.
- 12. We held each other accountable; each member was accountable to the group.
- 13. Group members really liked and respected each other.

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<u>Data Analysis and Evaluation</u>: The answers given will be totalled and the group shall be evaluated as follows.

- 1. If the score is 52 or greater, the group experiences authentic teamwork.
- 2. If the scores are between 39 and 51, there is a positive group identity.
- 3. If the scores are between 26 and 38, group identity is weak and probably not very satisfying.
- 4. If the scores are below 26, it is hardly a group at all, resembling a loose collection of individuals.

Measuring Organisational Creativity

creative cultural climate.

The following questionnaire (Daft, 1997) has been administered to assess the creative climate of the organisations under study. Each answer to the questions shall be based on the person's work experience in the organisation (Glassman, 1980).

INSTRUCTIONS: Answer each of the following questions using the five-point scale. *(NOTE THERE IS NO RATING OF 4: 0, we never do this; 1, we rarely do this; 2, we some times do this; 3,*

we frequently do this; and 5, we always do this.)

We are encouraged to seek help anywhere inside or outside the organisation with new ideas for our work unit.

Assistance is provided to develop ideas into proposals for management review.

Our performance reviews encourage risky, creative efforts, ideas, and actions.

We are encouraged to fill our minds with new information by attending professional meetings and trade fairs, visiting customers/clients, and so on.

Our meetings are designed to allow people to free wheel, brainstorm, and generate ideas.

All members contribute ideas during meetings.

During meetings, there is much spontaneity and humour.

We discuss how company structure and our actions help or spoil creativity within our work unit.

During meetings, the chair is rotated among members.

Everyone in the work unit receives training in creativity techniques and maintaining a

Corporate Culture: Its Role in Groupthink as Exhibited in the Decision-M	Making I	Process
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<u>Data Analysis and Evaluation</u>: To measure how effectively the organisation fosters creativity, answers will be totalled and will be rated as per the following scale:

Highly effective: 15-20 Moderately effective: 10-14 Moderately ineffective: 5-9

Assessing the Strength of Corporate Culture

The following questionnaire has been used in evaluating the level of corporate culture (Pascal, 1985; Kolb, Osland, and Rubin, 1995) in the organisation under investigation.

<u>**DIRECTIONS:**</u> Answer the questions below based on whether you agree that they describe the organisation that you are working in.

1(Disagree strongly) 2 3 4 5(Agree strongly)

- 1. Virtually all managers and most employees can describe the company's values, purpose, and customer/client importance.
- 2. There is clarity among organisation members about how their jobs contribute to organisational goals.
- 3. It is very seldom that a manager will act in a way contrary to the company's espoused values.
- 4. Warmth and support of other employees is a valued norm, even across departments.
- 5. The company and its managers value what is best for the company over the long-term more than over the short-term results.
- 6. Leaders make it a point to develop and mentor others.
- 7. Recruiting is taken very seriously, with multiple interviews in an effort to find traits that fit the culture.
- 8. Recruits are given negative as well as positive information about the company so they can freely choose whether to join.
- 9. Employees are expected to acquire real knowledge and mastery- not political alliances- before they can be promoted.
- 10. Company values emphasise what the company must do well to succeed in a changing environment.
- 11. Conformity to company mission and values is more important than conformity to procedures and dress.
- 12. You have heard stories about the company's leaders or "heroes" who helped make the company great.

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<u>Data Analysis and Evaluation:</u> The total scores will be computed as follows.

52⁺ :- Company has strong culture

26-51:-Company has a culture of medium strength

25- :-Company has a weak culture

Diagnosing for Symptoms of Groupthink

The following questionnaire was used to diagnose the groups for symptoms of groupthink.

1(Disagree strongly) 2 3 4 5(Agree strongly)

- 1. Members stress their strengths, gloss over their weaknesses, and think they cannot go wrong.
- 2. Members distort and misperceive the positions and characteristics of opposing groups, viewing them as weak, selfish, and unprincipled.
- 3. Members accept unquestioningly the moral "rightness" of their positions, and proceed as though their ends justify their means.
- 4. Members explain away and devalue any opposing viewpoints or any problems with their own course of action.
- 5. Members of the group suppress their own doubts and concerns about the course of action in the interests of maintaining unanimity and accord within the group.
- 6. Because of self-censorship and rationalisation, each member of the group erroneously thinks all other members agree with and fully support the chosen course of action.
- 7. Like bodyguards, some members of the group actively protect the group from hearing opposing viewpoints from experts and other knowledgeable sources.
- 8. In rare instances when a member ventures an opposing viewpoint, direct pressure is applied to bring this deviant member into line to maintain the illusion of unanimity.

6.2 Detailed Calculations: ANOVA

TESTS OF DIFFERENCES

Below, analysis of variance will be carried out for the three components of the independent variable, culture, namely, organizational creativity, corporate culture, and group cohesiveness for the four groups in the organizations.

(1) Organizational Creativity

Calculation of the F-Ratio

Or

$$SS_{total} = SS_{within} + SSbetween$$

Squaring the deviation of each score from the grand mean and summing these squares yields the total sum of squares or SS_{total} :

SS total =
$$\sum_{i=1}^{n} \sum_{j=1}^{c} (x_{ij} - X)^2$$

$$= (8-8)^{2} + (9-8)^{2} + (10-8)^{2} + (8-8)^{2} + (10-8)^{2} + (9-8)^{2}$$

$$+ (9-8)^{2} + (8-8)^{2} + (7-8)^{2} + (8-8)^{2} + (9-8)^{2} + (7-8)^{2}$$

$$+ (9-8)^{2} + (7-8)^{2} + (8-8)^{2} + (10-8)^{2} + (7-8)^{2} + (7-8)^{2}$$

$$+ (9-8)^{2} + (8-8)^{2} + (7-8)^{2} + (5-8)^{2} + (6-8)^{2} + (7-8)^{2}$$

$$= 38$$

Calculating the variability we observe within each group yields:

$$\begin{split} & \text{SS }_{\text{within}} = \sum \sum \left(X_{ij} - X_{j} \right)^{2} \\ & \text{i=1 } \text{j=1} \\ \\ & = (8 - 9)^{2} + (9 - 9)^{2} + (10 - 9)^{2} + (8 - 9)^{2} + (9 - 9)^{2} + (10 - 9)^{2} \\ & + (9 - 8)^{2} + (8 - 8)^{2} + (7 - 8)^{2} + (8 - 8)^{2} + (9 - 8)^{2} + (7 - 8)^{2} \\ & + (9 - 8)^{2} + (7 - 8)^{2} + (8 - 8)^{2} + (10 - 8)^{2} + (7 - 8)^{2} + (7 - 8)^{2} \\ & + (9 - 7)^{2} + (8 - 7)^{2} + (7 - 7)^{2} + (5 - 7)^{2} + (6 - 7)^{2} + (7 - 7)^{2} \\ & = 26 \end{split}$$

Calculating the sum of squares, between which is the variability of the group means about the grand mean, yields:

c
SS between
$$= \sum n_j (x - X)^2$$

 $j=1$
 $= 6(9-8)^2 + 6(8-8)^2 + 6(8-8)^2 + 6(7-8)^2$
 $= 12$

To obtain the mean square between groups, SS between is divided by c-1 degree of freedom:

$$MS_{between} = \frac{SS_{between}}{c-1}$$

$$= \underline{12} = \underline{12}$$

$$4-1 = \underline{3}$$

$$= \underline{4}$$

To obtain the mean squares within groups, SSwithin is divided by cn-c degrees of freedom:

$$MS_{within} = \frac{SS_{within}}{cn-c}$$

$$= \frac{26}{4(6)-4} = \frac{26}{24-4}$$

$$= \frac{26}{20}$$

$$= 1.30$$

Finally, calculating the F-ratio yields:

$$=$$
 4 1.30 $=3.08$

There will be (c-1) degrees of freedom in the numerator and (cn-c) degrees of freedom in the denominator:

$$c-1$$
 or $4-1$ = 3 cn-c $4(6)-4$ 20

From a statistical table for critical values, the critical value of F at the 0.01 level for 3 and 20 degrees of freedom indicates an F of 4.94 would be required to reject the null hypothesis.

In other words, we would conclude that we cannot reject the null hypothesis. It appears that the level (degree) of organizational creativity is approximately similar among the four organizations.

(2) Corporate Culture

Following the same procedures followed in (1) above:

SS total =
$$(52-51.75)^2 + (53-51.75)^2 + (54-51.75)^2 + (52-51.75)^2 + (53-51.75)^2 + (54-51.75)^2$$

+ $(51-51.75)^2 + (50-51.75)^2 + (52-51.75)^2 + (50-51.75)^2 + (52-51.75)^2 + (51-51.75)^2$
+ $(53-51.75)^2 + (51-51.75)^2 + (52-51.75)^2 + (54-51.75)^2 + (51-51.75)^2 + (51-51.75)^2$
+ $(53-51.75)^2 + (52-51.75)^2 + (49-51.75)^2 + (50-51.75)^2 + (51-51.75)^2 + (51-51.75)^2$
= 42.50

SS within =
$$(52-53)^2 + (53-53)^2 + (54-53)^2 + (52-53)^2 + (53-53)^2 + (54-53)^2$$

+ $(51-51)^2 + (50-51)^2 + (52-51)^2 + (50-51)^2 + (52-51)^2 + (51-51)^2$
+ $(53-52)^2 + (51-52)^2 + (52-52)^2 + (54-52)^2 + (51-52)^2 + (53-51)^2 + (52-51)^2 + (51-51)^2 + (53-51)^2 + (52-51)^2 + (51-51)^2 + (51-51)^2 + (52-51)^2 + (53-51)^2 +$

SS _{between} =
$$6 (53-51.75)^2 + 6(51-51.75)^2 + 6(52-51.75)^2 + 6(51-51.75)^2$$

= 16.50

$$MS_{between} = 16.50/3$$
$$= 5.50$$

$$MS_{within} = \underline{26} = \underline{26} = \underline{26}$$

 $4(6)-4 = 24-4 = 20$
 $= 1.30$

$$F=5.50$$
1.30

$$=4.23$$

Again, we cannot reject the null hypothesis because, as shown above, the critical value of F at the 0.01 level for 3 and 20 degrees of freedom indicates an F of 4.94 would be required to reject the null hypothesis.

(3) Group Cohesiveness

SS total =
$$(53-52.96)^2 + (54-52.96)^2 + (55-52.96)^2 + (53-52.96)^2 + (54-52.96)^2 + (54-52.96)^2$$

= $(53-52.96)^2 + (53-52.96)^2 + (52-52.96)^2 + (53-52.96)^2 + (52-52.96)^2 + (54-52.96)^2$
= $(54-52.96)^2 + (52-52.96)^2 + (53-52.96)^2 + (55-52.96)^2 + (52-52.96)^2 + (53-52.96)^2$
= $(54-52.96)^2 + (53-52.96)^2 + (52-52.96)^2 + (50-52.96)^2 + (51-52.96)^2 + (52-52.96)^2$
= 32.94

SS within =
$$(53-53.83)^2 + (54-53.83)^2 + (55-53.83)^2 + (53-53.83)^2 + (54-53.83)^2 + (54-53.83)^2 + (54-53.83)^2 + (53-52.83)^2 + (53-52.83)^2 + (53-52.83)^2 + (53-52.83)^2 + (52-52.83)^2 + (52-52.83)^2 + (52-52.83)^2 + (52-52.83)^2 + (52-53.17)^2 + (52-53.17)^2 + (52-53.17)^2 + (52-53.17)^2 + (52-53.17)^2 + (52-52)^2 + (52-$$

SS between =
$$6 (53.83-52.96)^2 + 6(52.83-52.96)^2 + 6(53.17-52.96)^2 + 6(52-52.96)^2$$

= 10.44

$$MS_{between} = \underline{10.44}$$

$$3$$

$$= 3.48$$

$$MS_{within} = \underline{22.48}$$

$$20$$

$$= 1.12$$

$$F = 3.48$$
1.12

$$= 3.11$$

Once again, the null hypothesis cannot be rejected because, as shown above, the critical value of F at the 0.01 level for 3 and 20 degrees of freedom indicates an F of 4.94 would be required to reject the null hypothesis.

6.3 Tables

(1). Organisational Creativity

	Respon	ses by (Organizai	tion
	OPED	MIC	JU	CPDE
	8	9	9	9
	9	8	7	8
	10	7	8	7
	8	8	10	5
	10	9	7	6
	9	7	7	7
Mean	x ₁₌ 9	x ₂ =8	x ₃ =8	x ₄ =7
Grand mean	X=8			

(2). Corporate Culture

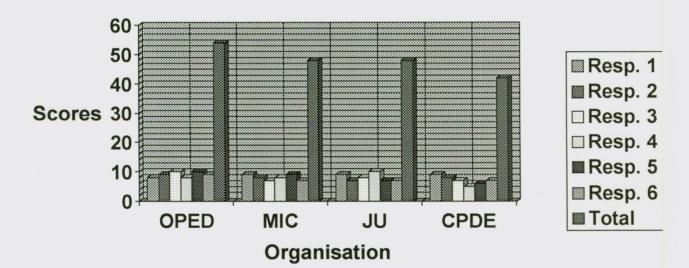
	Responses by Organization			
	OPED	MIC	JU	CPDE
	52	51	53	53
	53	50	51	52
	54	52	52	49
	52	50	54	50
	53	52	51	51
	54	51	51	51
Mean	$x_1=53$	x ₂ =51	x ₃ =52	x ₄ =51
Grand mean	X=51.75			

(3). Group Cohesiveness

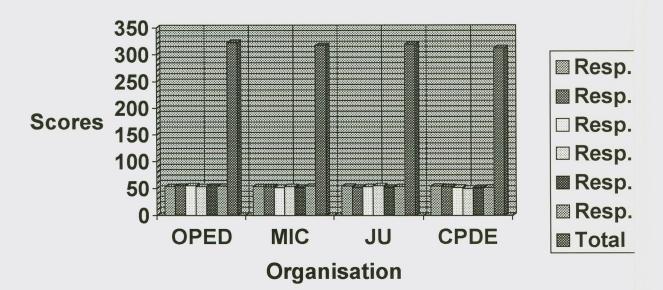
	Responses by Organization			
	OPED	MIC	JU	CPDE
	53	53	54	54
	54	53	52	53
	55	52	53	52
	53	53	55	50
	54	52	52	51
	54	54	53	52
Mean	$x_{1}=51.83$	$x_2 = 52.83$	x ₃ =53.17	x ₄ =52
Grand mean	X=52.96			

6.4 Graphs

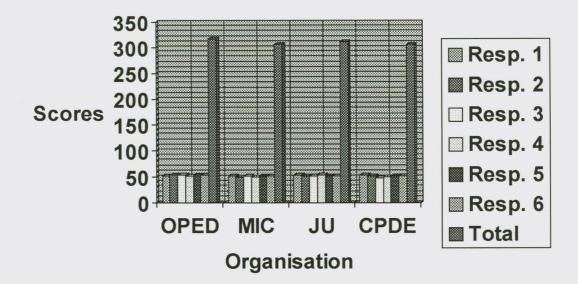
Organisational Creativity



Group Cohesiveness



Corporate Culture



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6.6 Symptoms of Groupthink

The following are the major symptoms of groupthink behaviour (Janis, 1984).

Illusion of Invulnerability: Members stress their strengths, gloss over their weaknesses, and think they cannot go wrong.

Stereotyping: Members distort and misperceive the positions and characteristics of opposing groups, viewing them as weak, selfish, and unprincipled.

Illusion of Morality: Members accept unquestioningly the moral "rightness" of their positions, and proceed as though their ends justify their means.

Rationalisation: Members explain away and devalue any opposing viewpoints or any problems with their own course of action.

Self-Censorship: Members of the group suppress their own doubts and concerns about the course of action in the interests of maintaining unanimity and accord within the group.

Illusion of Unanimity: Because of self-censorship and rationalisation, each member of the group erroneously thinks all other members agree with and fully support the chosen course of action.

Mind Guarding: Like bodyguards, some members of the group actively protect the group from hearing opposing viewpoints from experts and other knowledgeable sources.

Direct Pressure: In rare instances when a member ventures an opposing viewpoint, direct pressure is applied to bring this deviant member into line to maintain the illusion of unanimity.

Corporate Culture: Its Role in	Groupthink as Exhibited in	the Decision-Making Process
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6.7 Epitaph

"If we wrote a book about our profession, there would be 20 pages of introduction, one page of results, and 180 pages of excuses."

---- A certain fish management scientist at an FAO Conference held in 1972



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