



Is Groupthink Putting Your Project At Risk?

Identifying the 8 symptoms of a phenomenon which could be affecting your current project planning

'Groupthink' refers to a strange phenomenon that happens when people come together to make important decisions. It is what happens whenever a group of well-intentioned, experienced and intelligent people, from students in a classroom to business people and even government figures, come together and collectively make bad decisions.

In the world of risk management, it is important to understand groupthink because conforming groups end up taking more risks or implementing more risky behaviours than they would do individually.

"It is important to understand groupthink because conforming groups end up taking more risks than they would do individually"

IS GROUPTHINK PSYCHOLOGY AFFECTING YOUR, AND YOUR CLIENT'S, PROJECT OUTCOME?

When people come together and discuss things in groups, such as decision-making and critical thinking, they are immediately subject to social pressures. Often, we don't even realise it is happening. For example, the social pressure to conform, to fit in and go along with everyone else. The result is that, in a lot of cases, groups tend to not discuss ideas and issues as thoroughly as they should do, for fear of upsetting those around them.

This phenomenon is cited as the reason behind some poor decisions in key US foreign policy. Irving Janis, a social psychologist who first came up with the theory of groupthink, argued in his 1972 study that the escalation of the Vietnam War, Pearl Harbour, and the Bay of Pigs invasion (a failed attack on the country of Cuba) were all subject to the theory of groupthink.

SPOTTING THE SIGNS:

In groups, people are more likely to go along (and not upset) the people around them. Often, we don't even notice these group-p pressures and their subconscious influence us. Groupthink is bad because it seriously inhibits creative, challenging and independent thought. This can lead the group to make unanimous bad decisions.

There are 8 'symptoms' that define groupthink and to look out for:

- **Interpersonal pressure** — In groups, we feel enormous pressure to reach an agreement with the other members of the group. Even if we don't fully agree, we are more likely to just "fit in with the crowd". Another type of pressure is direct pressure. In these cases, group members keep quiet so that they aren't branded 'disloyal'.
- **Self-censorship** — The desire for group cohesiveness is so strong that

people will often keep their personal opinions to themselves. In such situations, people ignore warnings that might challenge the group's assumptions by self-censorship of ideas that deviate from the apparent group consensus.

- **Mind Guards** — similar to the self-censorship symptom. A mind guard is someone who omits information. They leave it out if they think it will jeopardize what is a strong social desire to keep a cohesive group.
- **The illusion of unanimity** — if everyone is too afraid to voice their opinions, then it creates the illusion of a group consensus. If it seems that everyone is in agreement, this makes it even harder to disagree with the group.
- **The illusion of invulnerability** — If no one is objecting, complaining, or criticising the group leader or decision-makers, then it can seem like everything is going well. This in turn can breed over-confidence, creating excessive optimism that encourages risk-taking.
- **The illusion of the morality of the group** — The desire to see the group succeed can be so strong that it even overrides an individual's sense of right and wrong. An unquestioned belief in the morality of the group can cause members to ignore the consequences of moral dilemmas and their actions.
- **Biased perceptions of the outgroup** — A tightly cohesive group can, in time, come to stereotype and discriminate against the 'others' that are not involved in the group. The result is that 'outsiders' are devalued and considered not as proper or as important as the ingroup. This is sometimes referred to as negative cohesion.
- **A defective decision-making process** — More often than not, groupthink situations result in the deciding on and execution of wrong, improper, or poor decisions. All of the above symptoms compound together to shut out or omit alternatives — and what could be — better decisions.

Groupthink adds social pressures on groups to seek unanimous agreement even in the face of contrary facts pointing to another conclusion. And in business, groupthink is even more likely to occur because a high degree of homogeneity in social background and ideology in the group, combined with extreme pressure or stress, makes the group strive for consensus.

HOW CAN SDA PREVENT GROUPTHINK?

Our strategic delivery assurance methodology brings a process and rigour to risk planning that can systematically reduce the risk of groupthink.

By being aware of groupthink behaviour and why it happens, we help to keep projects on track. We openly encourage challenging behaviour and dissenting

CASE-STUDY: The potential for groupthink is prevented by SDA methodology which rigorously challenges assumptions and ensures more robust project planning.

Nuclear power plant Hinckley C faced a two-year delay until our SDA methodology identified ways to bring it back on track. Read more here: <https://www.de-risk.com/case-studies/using-opportunities-to-cancel-out-risks/>

In recent memory, victims of groupthink include

- **Enron scandal**
- **Collapse of Northern Rock and Lehman Bros**
- **The failings of Royal Bank of Scotland and the Halifax Bank of Scotland (the company's risk manager later went on to say he was "censored" for raising concerns regarding the company's strategy).**
- **UK Post Office scandal**
- **Iraq war/Weapons of Mass Destruction**

voices. More importantly, we discuss the group's ideas with each person one-on-one, and invite as a group outsider, we can push for an impartial opinion.

Our SDA process brings the checks and balances needed to ensure a rigorous route-map to programme success i.e.

- **Interviews** — Interviews are a better way of dealing with issues and capturing risks than workshops. Group discussions allow certain individuals to dominate a discussion, while the others remain quiet. Interviews on the other hand, make sure all voices are heard equally, they are more efficient for risk identification and help describe how to support an individual to question or challenge decisions concerning them.
- **Assumptions** — By focusing on positive assumptions rather than negative risks, all aspects of the enterprise are considered in a positive and systematic way, and openness is naturally encouraged. People are led to think about what needs to happen for success (i.e. the assumptions) rather than being forced to look for risks, which is psychologically unnatural for many people.
- **Assumption ratings** — SDA operates on a "worst case wins" basis. Meaning the person who is most concerned controls the ratings even if they have isolated views. This forces people to communicate so that the minimum "Risk Plan" forces "optimists" to talk to "pessimists". This will either resolve concerns or identify risks that the majority have missed.
- **Top-to-bottom integrity** — With SDA, the senior management can set the overall risk ratings (i.e. Criticality and Controllability) but they are not allowed to change assumption ratings or close risks/assumptions. Risks can only be closed when the assumption originator agrees to downgrade the ratings.

This structure challenges the group in a positive way to ensure that "hidden" risks are exposed and appropriately evaluated.

For more on the SDA methodology and examples of project success, see www.de-risk.com