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## Effective group decision making

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**H**ERBERT Simon, a Nobel laureate in Economics of Decision Making, once described decision making as being synonymous with managing. Not only Simon, but many other prominent personalities also have said that the other name of management is decision making. Some people have gone to that extent by saying that the only task of a manager is to make decisions. These people are not far from truth, which we can easily realise if we have a close look at the day-to-day activities of a typical manager. Few examples of these activities are:

- decide optimum number of employees required to run a department;
- decide who is the best employee of the year; what type of reward or recognition will be given to him/her;
- decide what should be the promotion criteria and what will be their corresponding weights;
- decide what brand of computer to be purchased, from which vendor;
- decide how much money is to be allocated for the next year's advertisement;
- decide where to go to observe the family day program, etc.

Decision making is a process through which we choose the best alternative from a pool of alternatives. Every human being – be he or she a household person, politician, scientist or a manager (HR, finance, marketing or operations) makes decisions. It is beyond any doubt that the majority of the decisions made by a manager of any organisation affect a group of people – some times the whole organisation, especially if it is a strategic one.

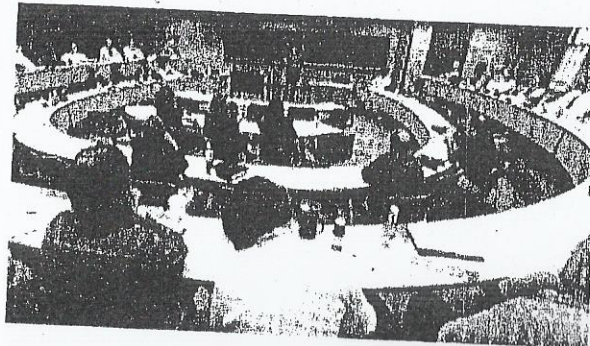
If a decision is going to affect a group of people, then logically, it should be made in a group. One of

the fundamental reasons for involving a group to make an organisational decision is that a group can generate many alternatives compared to a sole individual. To make an effective decision, managers need to have many alternative ideas. For example, what are the problems the department is facing now? What is the most crucial one? What are the possible ways to solve this problem? In these cases, it is essential to involve employees and seek their inputs.

How to generate alternative ideas? The most common way is to take the relevant people in a room and brainstorm. However, in reality, quite often these sessions are more storm than brain. Virtually, every group possesses one or few individuals who dominate the whole session. Due to their verbosity and talkativeness, others keep quiet. As a result, the creativity of these "quiet" people is not used at all. So, how to overcome this problem of hijacking of sessions? A group of researchers comprising Delbecq, Ven de Van and Gustafson have developed a technique called nominal group technique, which ensures balanced participation among group members.

**Nominal group technique.** Nominal group technique (NGT) is a structured brainstorming technique that is used to produce a large number of ideas pertaining to an issue while ensuring egalitarian participation in the development of ideas. NGT is not only used to generate a large number of ideas, but also to prioritise the ideas and consequentially the ideas that receive majority of votes can be selected.

**Requirements.** A group of seven to 10 persons who are expected to be knowledgeable about the issue for which the session will be convened. It will be better if the participants have diverse skills and experiences. The reason for having di-



verse experiences among these people is that they can visualise the issue from different angles and therefore be able to provide different types of ideas.

A room which should preferably have a U-shaped table. A marker board, marker pen and some cards (papers) should also be available. A facilitator should be chosen who is expected to have prior experience in conducting nominal group (NG) sessions.

**Various steps of NG. Step 1:** Opening the session. This is done by enunciating the purpose of convening the session, especially stating the issue (usually in the form of a question). In many instances, the issue is communicated to the participants well before assembling for the NG session.

**Step 2:** Silent generation of ideas in writing. All the participants are given about 10 minutes time to generate as many ideas as possible pertaining to the issue. Participants are encouraged to write down whatever ideas come into their minds. This step has to be completed in total silence.

**Step 3:** Round-robin recording of ideas. The facilitator starts from one end of the room and asks each par-

ticipant to provide the best idea from his or her list. If there are 10 participants, then in one round there will be 10 ideas. All the ideas have to be written down on the marker board, which is in full view of the entire group. After completing the first round, the facilitator should start for the second round and again one idea per person will be collected and in this way, 10 more ideas will be written down on the board. Collecting ideas in this round-robin fashion will be continued until all the ideas are exhausted in the participants' list.

**Step 4:** Serial discussion on the ideas. If the meaning of any idea is not clear, then it has to be made clear. All the ideas are to be well-understood by all the participants.

**Step 5:** Voting to select the most important ideas. Each participant is asked to identify the most important ideas from the master list on the board and rank them using one to five scale according to their importance and write them down on the cards. The most important idea is to be assigned a rating of five, and the least important will receive the rating of one. When all the participants finish the ranking task, cards have

to be collected from all of them. Based on the cards, votes have to be written against the ideas on the board. When all the votes are aggregated, it is easy to pick up the ideas which are most highly rated by the group as a whole. If only one idea is to be selected, then the idea which receives the highest vote is selected.

**Rules for conducting a NG session.** For a successful NG session, the following rules should be observed:

- no criticism on any idea during the session;
- the more unusual and original the idea, the better;
- while generating ideas, quantity, not quality is the primary objective;
- dissecting, modifying and combining of ideas is desirable;
- anonymity of input; and
- defer in-depth evaluation until all the ideas are displayed.

**Advantages of a successful NG session.** If all the rules are observed, then we can have the following advantages in conducting a NG session:

- A large number of ideas are generated and a prioritised list of ideas or solutions is obtained.
- Absolutely balanced participation among group members.
- The technique overcomes the "bond" among a group of participants and it also nullifies somebody's loyalty to another; it overcomes the problem of "groupthink".
- Since the decision is through consensus, there is a very little chance of facing resistance while implementing the decision.

■ By effectively diffusing the tension among a group of people who fail to take an unanimous decision, NGT helps them to make a decision on the basis of group majority. So, NGT works as a vehicle which can bring them on a common platform.

■ The NGT takes advantage of pooled judgments. This means that

the judgments of a variety of people with various talents, knowledge, and skills will be used together. By doing this, the resulting ideas are likely to be better than those that might be obtained by other methods.

**Applications.** NGT has been extensively applied in many areas of management. Few specific areas of applications are change management, consumer research, meeting management, organisational development, and strategic planning. Following is a non-exhaustive list of further possible applications of NGT:

- SWOT analysis – identify strengths, weaknesses, opportunities and threats for certain organisation/department/unit;
- identifying the vision, mission, and goals for an organisation;
- what are the suggestions to improve the working condition of the department;
- how can the surplus budget of a certain financial year be utilised; and
- how can the overall communication be improved.

**Conclusion.** Organisations need to make many decisions. Decisions are required so that an organisation can run, progress, adapt and overcome crisis. As it is said, good managers are those who make good decisions. For many of these decisions, managers need to involve a group of employees. In this context, NGT can be an effective aid to the managers.

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