

MOOD INFLUENCES THE DECISION-MAKING PROCESS

You have just been offered a new job. The work is interesting, and there's more money, but there are downsides too. You'll probably have to travel more and work longer hours. Should you take the new job or stay where you are? Your gut tells you to go for it, but when you sit down and make a list of pros and cons, the cons outweigh the pros, and the logical method tells you to stay put. Which will you follow: your gut or your logic?

Marieke de Vries and her team (2008) conducted research to find out. They were interested in the intersection between mood and decision-making strategies.

Participants were shown a video clip from either a Muppets movie (happy mood) or the movie *Schindler's List* (sad mood). Next they were shown some Thermos products. Some participants were told to choose which Thermos they'd like to win in a lottery based on their first feeling (intuitive condition). Other participants were instructed to evaluate the different products in terms of the pros and cons of their features and attributes (deliberative condition).

After the participants chose the Thermos they preferred, they estimated the monetary value of their Thermos. Next they filled out a questionnaire that measured their current mood, and lastly they filled out a questionnaire that rated their usual style of decision-making: intuitive or deliberative.

Here is a summary of their results:

- ★ The video clips worked in terms of getting people into a happy or sad mood.
- ★ Participants who usually make intuitive decisions estimated the value of the Thermos higher when given intuitive instructions.
- ★ Participants who usually make deliberate decisions estimated the value of the Thermos higher when given deliberate instructions.
- ★ Participants in a happy mood estimated the value of the Thermos higher when making an intuitive decision, regardless of their usual decision-making style.
- ★ Participants in a sad mood estimated the value of the Thermos higher when making a deliberative decision, regardless of their usual decision-making style.
- ★ There were no gender differences.

EVALUATE HOW YOU MIGHT BE AFFECTING MOOD

You may not have a lot of control over factors that might affect your audience's mood, such as the presenter before you, the room you are in, or the overall culture in the organization. But if at all possible, think about what you might be able to do during your presentation that would affect the mood, including video clips, music, and your own facial gestures and mood (see the chapter "How People React to You").

Takeaways

- * Some people tend to make decisions intuitively, and others tend to make them in a deliberate way.
- * People will estimate a product to be of higher value if they can make the decision in their "natural" style.
- * If you can find out someone's style you can suggest to them how to make a decision, and that will result in a higher estimation of the value of a product.
- * You can influence someone's mood easily—for example, with a short video clip.
- * People in a good mood will rate a product as being more valuable if they are asked to make the decision quickly based on their first feelings.
- * People in a sad mood will rate a product as being more valuable if they are asked to make the decision in a more deliberate way.
- * If you influence people's mood, then you can suggest to them how to think about their decision-making process. This will result in a higher estimation of the value of a product or service.

Walk into any office building in the world and you'll find the conference rooms filled with groups of people meeting and making decisions. Every day, thousands of decisions in businesses and organizations are made by groups large and small. Unfortunately, research shows that group decision-making has some serious flaws.

THE DANGER OF GROUP-THINK

Andreas Mojzisch and Stefan Schulz-Hardt (2010) presented people with information on prospective job candidates. Everyone received and reviewed the information on their own, not together in a face-to-face group. One set of participants received information on the preferences of the other people in the group before they began the review of the material, and another set of participants did not receive information on the preferences of the group before their review. Everyone then received the same information on the candidates. To make the best decision, a participant would have had to review all the information given to him or her.

The researchers found that people who received information on the group's preferences before reviewing the candidate information did not review the candidate information fully and therefore did not make the best decisions. In a memory test they did not remember the most relevant information. The researchers concluded that when a group of people starts a discussion by sharing their initial preferences, they spend less time and less attention on the information available outside the group's preferences. And they therefore make a less than optimal decision.

Mojzisch and Schulz-Hardt did a follow-up study where they changed the situation so that the group was together face-to-face. In this study, each group member had different information about the potential job candidates. They could only reach the best decision if all the group members shared their unique information. Again, if the group started by talking about their initial preferences, they paid less attention to the relevant information during the discussion and made the wrong decision.



90 percent of group discussions start off on the wrong foot

90 percent of group discussions start with group members talking about their initial impressions. The research is clear that this is a poor idea.

BUT TWO PEOPLE CAN BE BETTER THAN ONE

The wide receiver catches the football right at the corner of the end zone. Is it a touch-down or not? Two referees saw the play from two different angles. Are they more likely to make a correct decision if they talk about it or if they decide individually? Research by Bahador Bahrami shows that "two heads are better than one" if they talk together and if they are both competent in their knowledge and skills.

Bahrami (2010) found that pairs do better than individuals at making decisions as long as they freely discuss their disagreements not only about what they saw, but also about how confident they are about what they saw. If they aren't allowed to freely discuss and they just give their decision, then the pair does not make better decisions than an individual.

HOW TO FACILITATE GOOD DECISION-MAKING DURING YOUR PRESENTATION

Given what we know about the problems with group decision-making, here are some things you might consider if your presentation involves people making a decision:

- ★ Consider giving your audience information ahead of the presentation so that they have time to review it in depth. Summarize all the relevant points and background detail in writing, and email it ahead. It's important that you include what it is you want them to do with the information—for example, "Please read the attached handout. We will be discussing it at the XYZ presentation, and it's important that you have thought through the information before we meet."
- ★ If you are going to ask your audience to make decisions during the presentation, let them know that ahead of time. For example, include that fact when you send out the advance handout: "We will be asking that you make a decision on this question during the meeting."
- ★ Build into your presentation a place for people to state their decision, as well as their confidence in the decision. Rather than just having a show of hands, have people fill out a short form where they note their decision and choose from a rating scale how confident they are about the decision.
- ★ If making a decision is part of your presentation, make sure that you have built in enough time for people to discuss and decide. You should leave at least one-third of the overall presentation time for discussion and decision-making.

Takeaways

- * If your presentation involves decision-making, send out a handout ahead of time that has the relevant information you are going to discuss.
- * Ask people to rate how confident they are in their decision before they show that decision to others. Do this by including an activity in your presentation where they indicate their decision and how confident they are in it.
- * Once opinion-sharing starts, make sure people have enough time to discuss their disagreements. Save one-third of your overall presentation time for discussion and deciding.

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PEOPLE ARE SWAYED BY A DOMINANT PERSONALITY

Anyone who has made a decision in a group or facilitated a focus group has had the experience of seeing and hearing a dominant member of the group monopolize the conversation and the decision. Just because decisions are made in a group setting doesn't mean that the entire group really made the decision. Many people give up in the presence of one or more dominant group members and may not speak up at all.

WHY DOES THE LEADER BECOME THE LEADER?

Cameron Anderson and Gavin Kilduff (2009) researched group decision-making. They formed groups of four students each and had them solve math problems from the GMAT (a standardized test for admission to graduate business school programs). Using standardized math problems allowed the researchers to evaluate how well the group solved the problems they were given. It also allowed them to compare each member's competence by looking at their previous SAT math scores from their undergraduate admission to college.

During the problem-solving session the researchers videotaped the group conversations and reviewed them later to decide who was the leader of each group. They had multiple sets of observers view the videos to see if there was consensus about who the leaders were. They also asked the people in the groups to identify the leader of their group. Everyone agreed on who the leader was in each group.

Anderson and Kilduff were interested in why the leaders became the leaders. Before the groups started, everyone filled out a questionnaire to measure their level of dominance. As you might imagine, the leaders all scored high on the dominance measure. But that still doesn't suggest how they became leaders. Did they have the best math SAT scores? (No.) Did they bully everyone else into letting them be the leader? (No.)

The answer surprised the researchers: The leaders spoke first. For 94 percent of the problems, the group's final answer was the first answer that was proposed, and the people with the dominant personalities always spoke first.

WHAT IF YOU AREN'T THE DOMINANT PERSONALITY?

I learned the hard way what happens when you are the presenter but there is someone even more dominant than you in the room.

I was supposed to lead a 2-hour presentation for a small team of consultants. I arrived early, with my presentation all prepared. One of the first activities I had planned was for each person there to briefly share recent projects they had completed. I had asked them to come prepared with a short presentation.