A Study on the Characteristics of Group Decision Making Behavior:* Cultural Difference Perspective of Korea vs. U.S.

In K. Chung
Hankuk University of Foreign Studies

Carl R. Adams
University of Minnesota

Recently, considerable research on group decision support systems has been conducted in countries that have extensive information technology infrastructure. The development of group decision support software might have different implications depending on cultural differences in group behavior. This research is conducted in two phases. The first phase is exploratory in nature to understand the group decision-making behavior in Korean firms and the second one is a comparative study of group decision making between U.S. and Korean business firms. An adapted group decision-making model was used for this study, which defines the group decision-making characteristics or culture in terms of the organizational characteristics, size of the group, cohesiveness of the group, nature of the problem, function of the leader, group decision-making process, and dysfunctions. Validity of the model is also presented.

As the organizational environments have become more turbulent, complex and uncertain, a lot of literature has focused on improving the efficiency and effectiveness of decision making at all levels and in all functional areas of organizations (Galuppo et al., 1988; Zigurs et al., 1988). This literature can generally be classified as relating to individual or group decision making. While the former focuses on the individual human data processing in the area of cognitive psychology, the latter pursues communications, leadership and group dynamics in the context of organizational behavior (Nunamaker, 1989; Nunamaker et al., 1989).

Individual decision making has drawbacks such as the bounded rationality, the limitation on the number and quality of accessible information, and human’s intellectual constraints in using the information systematically. Group decision making is becoming an important research topic as an alternative to overcome the problems of individual decision making. The ever more complex and turbulent organizational environments lead people to prefer group decision making as a way to share information and diverse professional knowledge. It is generally accepted that managers spend up to 75% of their time to attend meetings (Mintzberg, 1983; Ives & Olson, 1981). Therefore, group decision making is a very important part of communication in any organization, and efficient and effective group decision making could influence the competitiveness of organizations.

While group decision making has some positive effects like exchanging valuable information, reaching consensus from diverse opinions and creating new ideas, it has also negative effects, such as, air time fragmentation, attention blocking, concentration blocking and dominance by a few (Nunamaker et al., 1991). It is necessary to find a way to simultaneously improve group performance and minimize dysfunctions. Research on the composition of the group, the decision-making process, characteristics of the group, and so on have been performed. Recently Group Decision Support Systems (GDSS) research has been conducted extensively in

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the United States to improve the group process (Steeb & Johnson, 1981; Turoff & Hiltz, 1982; Lewis, 1982; Huber, 1984; Beauchair, 1987; Zigurs et al., 1988; Jarvenpaa et al., 1988; Sambamurthy, 1989; Connolly et al., 1990; Jessup et al., 1990; Nagasundaram & Bostrom, 1995; Eom, 1996; Ocker et al., 1996). Furthermore, the research has been mostly conducted in the context of Western decision-making culture, especially in the United States. It is very doubtful whether we could have similar results in Korea (in any foreign culture for that matter). It would be a mistake to develop GDSS assuming there are no cultural differences in group decision making. Watson et al. (1994) suggested that culture should be an additional dimension of group support system research. They argued that because the designs of current group support systems are based on North American concepts of desirable group behavior, a group support system may have unintended consequences in an oriental setting. It was suggested that management theories and techniques developed in one culture may not be adequate in other cultures (Triandis, 1983; Hofstede, 1984; Boyacigiller and Adler, 1991).

Increasingly Korean firms also are exploiting information technology such as E-mail, videoconferencing, and so on for their communication needs within and outside of their organizations. It is also expected that information technologies will be used more frequently in the future rather than the conventional face-to-face communications in group decision making. However, as there has been no research on the current status of group decision making in Korean business firms, it is necessary to conduct a comprehensive and descriptive study first to understand group decision-making behavior in Korea. And then a comparative study of group decision making in U.S. and Korean business firms has been conducted to empirically explore the peculiar characteristics and dysfunctional behavior of group decision making in the two cultures and possibly to suggest some implications for the development of group decision support. Additional objective of this paper is to confirm the validity of the suggested model of group decision making.

**Group Decision Making**

**Decision-Making Process and Group**

Decision making has become one of the most important topics in modern organization and management theory after Barnard (1938) seriously began to discuss about it. Decision making is a process of choosing an alternative rationally among available alternatives (Barnard, 1938; Luthans, 1977), and a process to integrate and connect one management function with others. At the same time, decision making is not performed independently by each manager or group, but performed in relation to the organizational system as a whole.

Groups can achieve goals more effectively by integrating individuals’ talents than each individual could. What is the intrinsic nature of a group? A group is defined as a meeting of two or more interdependent and interacting individuals who come together to achieve common objectives. A group, more than anything, needs a consciously developed group cohesiveness (Hicks, 1972). There should be shared sentiments, common attitudes, and common goals in group consciousness (Deese, 1964). Groups can be either formal or informal depending on the existence of official authority or the characteristics of group members. This paper addresses only formal groups.

**Process Gains and Losses of Group Decision Making**

Groups decision-making exhibits positive effects such as precision, sound judgment, creativity, and risk taking but it also has negative effects depending on many contingent factors (Maier, 1980; Nemeth, 1986). Some of the process gains that group decision-making offers are synergy effect, less possibility of committing errors, enhanced capability of solving problems and catching errors, more objective evaluation, and higher motivation and stimulation (Shaw, 1971; Manners, 1975; Robbins, 1989; Gallupe et al., 1991; Nunamaker et al., 1991). Group decisions are not without drawbacks (Stoner, 1961; Manners, 1975; Robbins, 1989; Gallupe et al., 1991; Nunamaker et al., 1991). Some of these are air time fragmentation, longer decision making time, concentration blocking, attention blocking, free riding, domination by a few, conformity pressure, lower sense of responsibility for the decision outcomes and possibilities of making more risky decisions than an individual.

**Group Decision-Making Techniques**

Various group techniques have been suggested for effective group decision making. The basic process in group decision making is the traditional interactive technique in which members discuss issues face to face and make decisions as a group. A few alternatives have been developed in order to minimize the disadvantages of and increase the efficiency of the traditional technique. Techniques include: brainstorming, the nominal group technique (NGT), and the delphi method (Delbecq et al., 1975). Because each technique has advantages and disadvantages, choosing a proper technique would be dependent upon some contingencies. For instance, face-to-face interaction technique heightens group’s cohesiveness, brainstorming minimizes social pressure, and the delphi minimizes conflicts among individuals. The best group decision-making technique suitable to a group depends on the criteria by which group members evaluate their own groups (Murnighan, 1981; Robbins, 1989). The characteristics of these group techniques are summarized in Table 1.
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