

## **Making good decisions under pressure: some lessons from psychology.**

Sometimes Emergency Response Teams don't work quite as well in real life as they should on paper.

This analysis, prepared for Stirling Reid clients, uses insights from individual and group psychology to look briefly at how individuals and groups handle information overload and stress. It suggests patterns to look for, and some coping strategies.

Lastly it suggests a concrete way of improving the functioning of an emergency response team by using a 'process facilitator' who is aware of these underlying patterns.

### **Why have an Emergency Response Process at all?**

Companies and organisations need an Emergency Response Process because modern organisations are complex. Managing them requires coordination and advance planning. Modern crises are complex too: responding to them involves balancing the needs of many stakeholders, and this requires preparation and planning. Individuals have a limited capacity to process information and cope with complexity; and both individuals and groups suffer from stress.

The Emergency Response Process includes a plan, and systems for training people and exercising them. All these can be more effective if designed with individual and group psychology in mind.

When people are under stress and have to take critical decisions, there are two interrelated issues:

- (a) how they process information
- (b) how they cope with stress

### **Improving information processing**

Information processing is critical in managing a complex situation. Typically an Emergency Response Team is presented with large amounts of data, coming from many sources. Some of this data is wrong; much of it is irrelevant, or at least of low priority. Some of it is correct, and critical to managing the situation properly. Some important information may be missing – the decision maker needs to assess what (s)he needs to know, but does not.

Studies suggest that, under pressure, our personal ability to handle information falls off. We like to oversimplify. We lose what psychologists call 'complexity'. Complexity is perhaps most easily defined by its opposite. Low complexity thinkers are typically rigid, make over-simplified and coarse distinctions, use stereotypes, and avoid taking in new information. (They just know they are right!) High complexity thinkers are aware that any decision has its rights and wrongs,

and that nothing is as simple as it seems. However, this does not paralyse them; they make rational decisions based on assessing the balance of advantage.

Low complexity thinkers can sometimes be very successful – at first. Hitler is a good example. He rose from tramp to leader of Germany in little more than a decade, and had conquered large parts of Europe by 1940. But the consequences of his stereotyped world view, and his ineptness as a general, were disastrous for Germany and for millions of others.

The Emergency Response Plan must help the team to structure the complex data which faces them. For instance, a good plan:

- suggests that information is recorded in structured formats
- requires occasional ‘phones down’ meetings, with agendas including a review of ‘critical information’.
- breaks the problem into more manageable chunks by assigning roles to team members.

This process helps to ensure that relevant data is brought to the front, and irrelevant data is put on hold. If the Emergency Response Team’s agenda is properly controlled, they are more likely to see a balanced picture of the facts.

The Emergency Response Plan is designed to enhance the complexity of the team’s thinking processes. For instance:

- (a) Each person in his or her specialist role has a ‘roles and responsibilities’ checklist, to make sure that they do not develop ‘tunnel vision’, focusing on one or two questions to the detriment of others. These lists also reassure team members that they are doing their job, as they can tick off the list of responsibilities.
- (b) There is often an ‘adversarial’ quality about the team’s discussions. (For instance, PR may wish to make a press statement; the lawyers may advise them not to.) This ensures that a decision is likely to be more fully examined and that the Team Leader is presented with different points of view.
- (c) Often there are systems to ensure that various issues are considered: checklists to help establish overall objectives, for example.

### **Coping with stress.**

How people cope with stress is largely a matter of their personalities. There is nothing that you can do about their personalities, but there is evidence that some conditions help decision makers and others hinder them.

Some of these conditions are obvious. For instance, a team which cannot find information (because there is too much paper on the decks, inadequate logging, etc.), will feel threatened. A team which does not know what other parts of the business are doing will feel that it has lost control. A team which is not properly fed, can’t find a telephone that works, or is worried about

finding a hotel room for the night, will also feel less in control. It is relatively easy to tidy the room, provide better information, manage basic admin, etc., if you plan beforehand to do so.

Psychologists have identified five ways in which people cope with a critical situation. Four of these are unsuccessful strategies: they are:

- (a) 'unconflicted adherence'. (Complacently continuing a 'safe' traditional response, ignoring any information that conflicts with this.)
- (b) unconflicted change. (Uncritically adopting any new course of action – eg because it is novel or most strongly recommended by a peer group – without considering alternatives or considering the possibilities of setbacks.)
- (c) defensive avoidance. (procrastinating, trying to pass responsibility to someone else, rationalising inadequate decisions, not seeking or listening to the facts.)
- (d) hypervigilance. (Panic; rapidly shifting back and forth between alternative ideas, seizing impulsively on a half baked idea.)

The fifth strategy is more likely to be successful: it is:

- (e) vigilance. (Carefully analysing information, following rationally determined strategies, considering alternatives and being prepared for setbacks.)

Psychologists also identify a quality of 'hardiness' which goes hand in hand with successful decision making and good coping strategies. In this context, a 'hardy' person:

- (a) sees a problem as a challenge rather than a threat, and does not resist change.
- (b) has a clear belief system and set of goals
- (c) believes that (s)he is able to influence events, rather than being helplessly swept along by them.

By contrast, a non-hardy person treats all new situations as threatening, drifts through problems without any real idea of what (s)he wants to achieve, feels that any efforts (s)he makes will make little difference to the results, and blames others, or 'bad luck' for whatever happens to him. Not surprisingly, non-hardy people have been shown to experience more stress, and to make poorer decisions.

The Emergency Response Plan is particularly designed to help reinforce the last two aspects of 'hardiness'.

It encourages the team to set out clear goals (eg in its 'phones down' discussions, and when it sets up sub-teams to work on particular tasks.).

These goals must however be sensible and achievable. For instance, suppose there has been a major disaster. The Emergency Response Team might be tempted to list a goal like "Save life" – but this is not realistic unless the team can itself achieve the goal "from where they are sitting". A more realistic version would be "Provide full company cooperation and resources to the emergency services to help them to save life." This is something concrete that the team can actually work on. It can look back and "tick off" concrete steps it has taken, and measure its

success: this builds the feeling that you are influencing events, rather than passively watching them develop.

Similarly, the Emergency Response Team might list a goal like 'Restore company's image in the media'. After a major disaster, this may not be achievable, at least in the short term! It is also completely open-ended. (How would you measure when you had achieved it?) A better goal might be 'Ensure that company's position is carefully set out and communicated to all stakeholders and the media.' You can define concrete steps to achieve this, and you can achieve them. It is within your power to write and send out a press release, or to give an interview. Although the results may not be directly under your control – journalists will write what they want to, however well you brief them – the fact is that if you brief them well and promptly, it will influence them to some degree. Also, you can “tick off” what you have done more easily. So defining a realistic objective is more effective, and causes less stress, than defining an unrealistic one.

Drawing up no goals at all leaves the team groping in the dark. How can you know when you are achieving results, if you do not know what you are trying to do?

### **How individuals cope with groups**

Groups are our natural environment, but they are also stressful, and we have learned coping strategies to deal with them. An emergency response team, composed of peers and rivals, all facing a serious challenge, can be one of the most stressful environments some people will ever face. Many group members resort to coping strategies which may temporarily relieve their own stress levels, but do not contribute to the group's decision making.

Most people have seen these emergency response team members:

- (a) the 'hands on' person, who is happiest with details. Typically, (s)he has worked up from an operational position, and finds it difficult to delegate operational decisions to people on the ground. This leads to micromanagement. Since this senior manager is not at the incident site, and his/her operational skills may well be out of date, his/her decisions are less likely to be right than those of the person on the ground. Meanwhile (s)he is avoiding the more complex and abstract issues (s)he should be facing up to.
- (b) The person who always sticks to something (s)he understands – eg rather than asking questions, (s)he reformulates the questions to fit existing answers. (It is easier to look up 'what we did last time' than to think up new priorities - but last time may have been a very difficult situation. But you don't get blamed for going with a solution that worked last time. Or so (s)he thinks.)
- (c) The person who cannot get their own level of authority right. Either they do too much without higher authorisation, or more often, they want the Team Leader's agreement before taking even the smallest step. This can often be helped by defining a clear

achievable strategy, making sure that this type of person has a clear list of interim goals to work through and broad guidelines – the strategy - as to how to do them. (The Team Leader should then be able to answer requests for authorisation by simply saying “does it fit the strategy? If so, yes.”)

- (d) The team member who takes everything personally. If their assessment or recommendation is not accepted, they see this as an affront to their status. They mix personal feelings with analytical discussion. This can sometimes be helped by depersonalising the debate, avoiding names etc. This team member usually feels threatened for some external reason: it may be low business status, or it may be that they have not lived up to the group’s expectations. If possible, identify the threat they feels and try to reduce it, eg by making sure they get credit for any successful contributions they have made.

### **Groupthink: problems with group dynamics.**

Just as we influence the group, so it influences us. Groups have their own dynamics, almost taking on a life of their own. Only very self-confident individuals can avoid being swayed by the pressures of a group. This can lead to a dangerous phenomenon known as ‘groupthink’.

Symptoms of ‘groupthink’ include:

- (a) believing that the group is more likely to be right than outsiders. (“Only we really understand this situation/ industry; only we have the public’s best interests at heart”).
- (b) collective rationalisation of risky decisions: a sort of “whistling in the dark”. Refusal to consider alternatives or fallbacks. (“it’s bound to work”.)
- (c) group polarisation. A tendency to exaggerate either caution or risk-taking: the members of the group egg each other on, in one direction or the other.
- (d) stereotypes of outsiders (eg “all journalists are out to get you, the politicians can’t be trusted”, etc.)
- (e) noticeable pressures on ‘dissenters’ - individual members who disagree with group conclusions (or a tendency to exclude them and work through “inner groups”).
- (f) self-censorship - a tacit agreement not to say certain ‘unthinkable’ things. For instance, avoiding discussion of a senior management decision which everyone feels to be wrong.

All of these contribute to ‘low complexity’ thinking and generate social pressures, inducing even ‘high complexity’ individuals to lower their standards.

Psychologists have listed several conditions which may encourage ‘groupthink’. Some of these are:

- (a) insulation of the group from outside opinion and information. (This may be deliberate, or accidental. Corporations with a reputation for arrogance are particularly prone to it: there are at least two obvious examples in the last few years of ‘groupthink’ turning incidents into corporate disasters.)

- (b) no expectation of methodical procedures for responding to the emergency (ie the Emergency Response Plan is not used properly, and no-one expects it to be.)
- (c) high stress from an external threat, possibly one which can't be easily resolved. (This can also happen if the group has defined its expectations unrealistically: it is taking on more responsibility than it can handle.)
- (d) low self-esteem (eg if the group has 'failed' – say people have been killed in a major accident. Everyone will feel bad about this.)
- (e) unresolvable moral dilemmas (for instance, are we being forced to take an action to save some lives, which may risk others ?)

### **Overcoming individual and group problems and encouraging strategic thinking.**

Most Emergency Response Plans emphasise the importance of thinking 'strategically'. This is a difficult concept to define! Strategy involves

- (a) seeing the 'big picture' –what, in this situation, really matters to the company?
- (b) setting your priorities.
- (c) thinking ahead, in other words trying to anticipate events and be ready for them, rather than being continually surprised. This can involve thinking about the worst that might happen, frightening though that may be.
- (d) developing and positioning resources.

Strategic thinking is an assertion of 'hardiness'. It involves a belief that you can exert some degree of control over the situation, are not entirely at the mercy of external events, and have a set of objectives which you think you can attain. These beliefs must be realistic, founded on rational examination of the evidence, and sufficiently 'complex' information processing. They must also be based on a reasonable assessment of what you can and can't achieve "from where you are sitting".

Typically, strategic thinking involves consideration of

- (a) timing (what will happen three hours/ two days/ six weeks from now? How can we fit in with or influence future events?)
- (b) resources (do we have the right resources in the right places? What can we prepare now, to meet future resource demands?)
- (c) a mental map of the situation. (This may be as simple as a short checklist of priorities, or a list of stakeholders. It may be a corporate diagram or planning tool, to help identify and prioritise all aspects of the incident. However the map is not an end in itself: it is a bad sign when people spend too much time on it!)

Poor decision-making, on the other hand, often involves:

- (a) incomplete or biased attention to the facts, and in particular a refusal to consider the 'worst case' possibilities.

- (b) failure to define objectives (or defining unreasonable, vague or open-ended objectives, or ones that can't be achieved 'from where you are sitting'.)
- (c) failure to consider alternatives, or to review decisions already taken
- (d) too much consideration of the facts, alternatives, etc., instead of necessary decision and action.
- (e) being constantly surprised by events and struggling to keep up with them.

In our experience there are three ways to build effective response teams.

Firstly, a corporate culture which encourages honesty and readiness to learn – including regular and honest exercising of the Emergency Response Plan.

Secondly, Emergency Response Processes which take individual and group psychology into account.

Thirdly, to build the role of 'Group Facilitator' into the Emergency Response Team. The facilitator is usually defined as someone who 'owns' the process, but not the emergency. In other words, (s)he is there to make sure that the emergency response process is followed through conscientiously, and that it is not distorted or truncated without very good reason.

To keep this analysis short, we have written a separate note about the role of the Facilitator: this can be downloaded from our website at [www.stirlingreid.com/psych](http://www.stirlingreid.com/psych)

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