

„'Most choose the perso safer alternative”

Interview: Prof. Dr phil. Florian Artinger, Professor of Management at the Berlin International University of Applied Sciences, co-founder and Managing Director of Simply Rational GmbH.

'The combination of low psychological safety and low authentic leadership reinforces defensive decisions.' Prof. Dr phil. Florian Artinger, Professor of Management at the Berlin International University of Applied Sciences, names the biggest stumbling blocks in the translation process from the perspective of a decision researcher in an interview with 'Monitor Versorgungsforschung'. In addition to different agendas of science and politics, these are often purely psychological reasons, such as those described in the concept of psychological safety by Harvard psychologist Amy Edmonson, which lead to defensive decisions even when there is sufficient evidence.

>> Prof Artinger, the path from a promising innovation or new form of care to becoming established in standard care in Germany is long and rocky. From the perspective of a decision researcher, where do you see the biggest obstacles in this transfer process?

Science and practice are based on two very fundamentally different approaches. Science wants to proceed analytically and ideally not only wants to understand what is happening, but also to be able to demonstrate and prove causal relationships. Science therefore usually acts very slowly or deliberately, while practice and politics favour projects that can be implemented more quickly and where successes can be seen just as quickly. This fundamental difference in speed alone is one of the major problems that stand in the way of transfer or at least hinder it. In addition, the questions can sometimes be very different: Science is designed for reliability and would like to show again and again through repetition that a certain use case works, whereas in practice and politics it is actually usually enough if a certain use case has worked well once.

„Employees usually don't decide in the best interests of the company or society, but in favour of a personally safer alternative decision."

Here we already have two fundamentally different approaches that stand in the way of transfer.

That would still be quite simple and is also frequently discussed. The situation is different when you look at the ' pertive' decision-making level. The main question here is how and why decisions are made or not made at the highest decision-making level - i.e. at the level of managing directors, CEOs or presidents of large authorities - even though there is actually nothing or relatively little to prevent a positive decision.

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As the players in our healthcare system have no real desire to change because they are quite comfortable with the current system, the will to change is limited. This may be understandable on a human level, but it does not help us as a society if, for example, projects are subsidised with many millions of euros as part of the Innovation Fund, which, despite positive scientific findings and despite positive decisions by the Innovation Committee, almost never make it into standard care. This may be because the decision-makers do not want to expect their target groups to change anything, or because they prioritise particular interests over the common good, whatever the case may be. This act of non-decision-making is surely not only observable in the healthcare sector, is it?

We have already carried out projects on similar issues with industry, but also with the public sector. For example, the administration of a large German city (1) explicitly commissioned us to research structures of defensive decision-making among its employees at various decision-making levels.

Prof. Dr Gerd Gigerenzer, Director of the Harding Centre for Risk Literacy at the Max Planck Institute for Human Development and, like you, a co-founder of the Max Planck spin-off Simply Rational, coined the term 'defensive decision-making'. Why are decision-makers reluctant to try something new, even if it is potentially or even demonstrably better?

It's simple: because employees usually decide in favour of a personally safer decision alternative rather than in the best interests of the company or society. Our experimental scenario study with over 1,000 managers in this city administration has provided us with causal evidence that the combination of low psychological safety and low authentic leadership reinforces defensive decisions. While a leader's authenticity compensated for a lack of psychological safety, it did not further reduce defensive decisions when psychological uncertainty was present.

Can this behaviour be monetised?

Of course. As part of another study, we developed a tool that provides an initial assessment of the consequences of defensive decisions in the form of lost opportunities: after all, they correspond to 10.8 per cent of the annual turnover of the company studied, which makes dealing effectively with uncertainty extremely important.

What exactly does defensive decision-making mean?

In this alternative, decision-makers - whether they are individuals, management groups or committees - clearly choose the option that is not in the interests of a company, an institution, a society or even a collective of patients, but is the one with which the decision-maker can better protect themselves in case something goes wrong. There is always some kind of pressure to justify oneself - whether internal or external, for example from official and legal authorities or the media. The mere risk that something could go wrong often means that decision-makers prefer to do what is safe and doesn't involve any risk because it has always been done that way.

Regardless of whether the offensive decision would be better?

It doesn't matter at all. Incidentally, this applies to all hierarchical levels. As part of the aforementioned study, for example, we asked people online andanonymised in order to get more honest answers, how often they opted for the safe defensive alternative and thus against the common good in the last ten important decisions of the last twelve months.

What was the result?

We were able to find out that 30 to 40 per cent of decisions were not made in the best interests of the organisation or in the public interest. However, this is certainly only a lower limit because people are quite reluctant to admit, even anonymously, that something is really taking place here that may not be in the best interests of

everyone. Nevertheless, this is a decision-making pattern that is very widespread in the dynamic society in which we live.

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But why do people so often make defensive decisions?

If you analyse the answers given, you quickly realise that it is not fear per se as a character trait that leads to negative decisions, but that the type of decisions is primarily reflected in the structures. These would be organisational structures on the one hand and incentive structures on the other. However, these are also potential legal grey areas into which a decision-maker can enter if they make an offensive decision. The latter can be seen above all in the US, where legal action against anything and everything is almost the order of the day. But this is certainly also the case here in Germany.

The great fear of legal action as the number one reason for preventing transfers?

No, that's certainly not the case here. Legal problems may also potentially stand in the way of a transfer in this country because decision-makers simply don't want to take the risk. It is much more important that, on the one hand, certain structural incentive structures prevent positive decisions and, on the other, that every individual lives and acts in a context in which they are observed and evaluated. This happens in particular whenever a project fails and the decision-maker is held accountable by his or her superiors, the board of directors, official or legal supervisors, politicians, society and/or the media. Instead of learning together from failure in the sense of a culture of error - or better: in the sense of a risk culture - the individual is placed centre stage and held responsible.

This immediately brings to mind the issue of mask procurement and the former Federal Minister of Health Jens Spahn, who had to make quick decisions at the beginning of the coronavirus pandemic based on limited scientific knowledge and chose the offensive alternative.

Offensive decisions can lead to the decision-maker being found guilty and, in case of doubt, their further career path being hindered or made more difficult. This makes it easy to understand why some - or even most - individuals prefer not to take risks for themselves or the organisation they work for, even if they are sensible or even scientifically proven to be beneficial.

This is the sad result of a mostly non-existent error or risk culture in this country.

And not only that. It is also the result of the concept of psychological safety, which was developed in 1999 in a fundamental study by Harvard psychologist Amy Edmonson. She observed that decision-making teams in organisations in which mistakes have negative consequences avoid risks and also exchange less information. Incidentally, the concept applies across all organisations and hierarchies and is particularly valid where there is a lot of regulation. This could be banks, but also health insurance companies or self-governing institutions.

Does this also have something to do with the decisiveness of the top boss?

Of course it does. If a subordinate sees that his superior is making decisions defensively and not in the interests of the organisation or the common good, he will naturally do the same. However, this is obviously what organisations want and what they actually do. Defensive decision-making is particularly at home in those sectors that are subject to some form of official supervision. A wide range of truly defensive decisions can be observed here, up to nine out of ten cases.

There is therefore a whole range of elements that stand in the way of offensive decisions as a basis for transfer processes. Where is it better?

Start-ups, for example, but also family businesses. It is particularly noticeable in family-run companies that their decision-makers make far fewer defensive decisions because this is exemplified from the top. This is due to the fact that the top level of a family-run company acts in the best interests of all those involved and makes decisions with a long-term focus instead of trying to protect itself in the short term. This behaviour really does extend down to the lowest level of the hierarchy and is therefore practised everywhere.

Let's take health insurance companies, for example, which are monitored internally by their respective boards of directors and externally by the Federal Social Security Office or the relevant state supervisory authorities.

I can well imagine that not one in ten decisions will be non-defensive. However, there may also be exceptions if the respective board members set a different decision-making pattern and have also established a risk culture. However, this is always a long-term process that must be initiated at some point if you really want to make a positive change.

How could such a process be initiated?

For example, there is an administrative innovation contest that takes place once a year. As part of this, so-called Fuck-up Nights are organised, which originally come from the start-up scene. Here, top decision-makers present the failures they have produced in their careers and what they have learnt from them in a small and confidential setting - consisting of a maximum of 30 to 40 participants. This approach is practised by Deutsche Telekom, for example, and is carried out with alternating managers in different contexts. And it has really made a difference. Talking about it alone can be very liberating, especially if you are not the only participant talking about failed projects and the lessons learnt. If you approach something like this in a structured and moderated way, a risk culture gradually emerges in order to avoid the term 'failure culture', which has negative connotations.

Can institutions or companies do this on their own?

They could. However, it is better to coach the top decision-makers, especially before the first time. Talking about mistakes, even if the whole thing is called a risk culture, is simply not common and has not been learnt. Many managers find the process anything but trivial,

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especially when they have to come forward with negative examples and talk about them.

Do you know of any scientific studies that deal explicitly with the healthcare sector?

We tried this once with a large hospital in Berlin, but it was rejected. This approach is particularly difficult in the healthcare sector because it goes to the heart of our own self-image of - at least self-assumed - infallibility. But there are comparative studies from the USA. Here, for example, the medical profession was asked why they prescribe too many drugs, diagnostics or therapies to their patients - far beyond the guideline recommendations - and thus almost always engage in overuse or even overtreatment.

The decisive reason was, let us guess: personal security.

Exactly. But there are also misguided incentive systems. In this context, nine out of ten - i.e. the vast majority - of doctors said that they deliberately go into overprovision because they either want to prevent possible lawsuits against underprovision or want to earn more by providing additional services. This is just another form of defensive decision-making that cannot be in the best interests of patients or society. Unfortunately, as far as I know, there are no studies on this from Germany.

There are certainly healthcare research studies on overprovision, which arises due to incorrect incentive systems, not or less for psychological or behavioural-sociological reasons. This raises the final question: how can we make more proactive decisions that benefit patients and/or the community if the scientific findings are positive?

Imagine an organisational culture in which there is a kind of 'free prison' card, loosely based on the game 'Monopoly'. If you give such - often proverbial - free cards to decision-makers and surround them with a well-thought-out free space that enables courageous decisions based on scientific evidence, you get the chance to make more proactive decisions. Such free passes are an important part of a shared learning culture that leads to employees being encouraged more than before to carry out projects with the greatest overall added value. You could also introduce a kind of reward system or a kind of key performance indicator system: The employee who actually uses their free tickets and does not let them expire in some drawer, thereby achieving certain strategic goals, gets a bonus. Of course, it is always important that there is sufficient scientific evidence on which to base such decisions - this in turn would require a scientific advisory board to assess them.



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Would other models also be conceivable?

There are projects in the hospital sector, again from the USA. In a Boston hospital, the interaction between doctors and nurses was to be improved. Here, experience was utilised that had already been gained in the 1950s and 1960s with airlines from Asia: Back then, these airlines had far more accidents with technical problems than other airlines, sometimes with serious consequences. One hypothesis, which was also confirmed, was that co-pilots, who in the Asian culture are hierarchically far below the pilots, simply did not dare to ask critical questions or point out their own observations. As a result, these airlines introduced something quite banal, which has long been common practice throughout aviation: checklists that the pilot and co-pilot have to go through, complete and sign together. These checklists are ultimately nothing more than a neutral platform on which different hierarchies - in hospitals, doctors and nurses - meet in a moderated manner and have to interact in the interests of patient safety. Something similar has now been tried in Boston in the context of operations and a modus operandi has been found with the help of which nurses and other staff have been given better critical feedback together with the operating doctors. This is another way of taking action against defensive decisions, which can also be simply doing nothing or saying nothing.

Prof Artinger, thank you for the interview. <<

The interview was conducted by MVF publisher Prof Dr Reinhold Roski and MVF editor-in-chief Peter Stegmaier

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