

HOW GOOD LEADERS MAKE BAD DECISIONS

*Noorein Inamdar, San Jose State University, Organization & Management, One Washington Square,
San Jose C, 95192-0070, (408) 924-3447, inamdar_n@cob.sjsu.edu*
*Asbjorn Osland, San Jose State University, Organization & Management, One Washington Square, San
Jose C, 95192-0070, (408) 924-3574, osland_a@cob.sjsu.edu*

ABSTRACT

San José State University (SJSU) decided in early 2008 to suspend blood drives based on the opinion that the ban on donations from men who have had sex with men (MSM) was discriminatory. The aim of this article is to examine decision making on the part of leadership and to suggest how to improve this core skill. We designed and conducted an experiential study measuring decision-making effectiveness before and after an intervention with students to teach effective decision making. The application of our framework to the experiential study demonstrated that with an intervention highlighting the different components of the framework in a systematic way, decision making can be significantly improved. In future research it would be interesting to apply the framework to leadership decision making errors across different types of business industries to test the robustness of the various components.

Key words: decision making, cognitive biases, prior hypothesis bias, escalating commitment, reasoning by analogy, representativeness, illusion of control, availability error, campus blood drive suspension, advocacy, and critical thinking