



Decision-Making Exercise (B)

Please read these instructions carefully. They describe a group decision making process called the **dialectical inquiry** method. You must utilize this process to develop recommendations for Bruce Reid, CEO of Blake Memorial Hospital (See Assigned Reading: The Case of the Unhealthy Hospital). *Please remember that this entire exercise must be completed in one hour.*

In this process, your group divides into two equal-sized subgroups. The subgroups develop alternative sets of assumptions and recommendations. Then the two subgroups meet and debate these alternatives. The debate initially focuses on the assumptions that underlie each subgroup's argument. After reaching agreement on a set of assumptions, the groups discuss their recommendations and agree on a final set of recommendations.

Please follow the key steps¹ outlined below:

Key Steps:

1. Read "The Case of the Unhealthy Hospital" carefully. Please do not discuss this reading with any other class member.
2. Assign one subgroup (Subgroup #1) to develop their assumptions and recommendations. Assign the other subgroup (Subgroup #2) to await this initial decision and to then build an opposing alternative. At this point, both subgroups should find separate physical locations in which to work.
3. Subgroup #1 should discuss the case and develop a set of recommendations for the Blake Memorial Hospital CEO. You should carefully construct a supporting argument with an explicit list of assumptions, facts, and data. When complete, record your results on the Subgroup #1 Recommendations Form (**Exhibit 1**). Please take no longer than 15 minutes to complete Step #3.
4. While waiting for Subgroup #1, the others should discuss the case amongst themselves, but not with any others in the class.

¹ Adapted from Sandberg, Schweiger, and Ragan, "Group Approaches for Improving Strategic Decision Making," *Academy of Management Journal*, 1986, Volume 29, No. 1, pp. 51-71.

Doctoral candidate Michael A. Roberto prepared this case under the supervision of Professor David A. Garvin as the basis for class discussion rather than to illustrate either effective or ineffective handling of an administrative situation.

Copyright © 1996 by the President and Fellows of Harvard College. To order copies or request permission to reproduce materials, call 1-800-545-7685 or write Harvard Business School Publishing, Boston, MA 02163. No part of this publication may be reproduced, stored in a retrieval system, used in a spreadsheet, or transmitted in any form or by any means—electronic, mechanical, photocopying, recording, or otherwise—without the permission of Harvard Business School.

5. The two subgroups come together. Subgroup #1 provides a brief oral presentation of their decision to the other subgroup along with a copy of their Recommendations Form. This presentation should describe the key recommendations and the major elements of the supporting argument.
6. The subgroups separate again. Subgroup #2 develops a reasonable set of opposing recommendations. You should buttress this decision with a logical supporting argument. Explicitly identify the key assumptions, facts, and data that underlie your argument. Record the results on the Subgroup #2 Recommendations Form (**Exhibit 2**). Please take no longer than 15 minutes to complete Step #6.
7. Subgroup #2 now presents their decision and provides the others a copy of their Recommendations Form.
8. The subgroups then debate the two alternatives. During this debate, you should carefully analyze both subgroup's assumptions. Through the discussion and group interaction, seek agreement on a final list of assumptions. This final list may comprise some original assumptions, some revisions, and perhaps a few altogether new assumptions that surface during the debate.
9. From this final list of assumptions, the entire group should develop a set of recommendations. Again, this process may involve considerable debate. When you finalize your decision, record your results on the Final Recommendations Form (**Exhibit 3**).
10. Please individually complete the Student Survey (**Exhibit 4**).

Exhibit 1 Subgroup #1 Recommendations Form

Recommendations:

- 1.
- 2.
- 3.
- 4.

Assumptions:

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.
- 7.
- 8.
- 9.
- 10.

Key Facts/Data:

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.
- 7.
- 8.
- 9.
- 10.

Exhibit 2 Subgroup #2 Recommendations Form

Recommendations:

- 1.
- 2.
- 3.
- 4.

Assumptions:

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.
- 7.
- 8.
- 9.
- 10.

Key Facts/Data:

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.
- 7.
- 8.
- 9.
- 10.

Exhibit 3 Final Recommendations Form

Recommendations:

- 1.
- 2.
- 3.
- 4.

Assumptions:

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.
- 7.
- 8.
- 9.
- 10.

Key Facts/Data:

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.
- 7.
- 8.
- 9.
- 10.