

# Executive Conflict Management

## Keys to Excellent Decisions and Smooth Implementation

**Expressing differences openly leads to high-quality strategic decisions, and resolving those differences through collaboration is a key to implementation.**

*by Tony Simons*

**B**oardroom discussions and decisions have an important effect on hospitality companies' performance. Sometimes executive groups make poor decisions, and sometimes they make good decisions that are not carried out as they were originally envisioned. It has been said that over

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half the decisions reached by teams never get carried out, and of the rest, only half should have been.<sup>1</sup>

Because decision making is critical and decision implementation so often goes awry, I undertook an investigation of executive decision making in U.S. hospitality companies. The "strategic decision process study," which is the foundation of this report, is a large-scale survey that I developed to examine the process and outcomes of 151 strategic decisions reported by senior executives at 78 multisite U.S.-based hotel companies. In this article I report on my analysis.

### The Sample

I invited the participation of over 750 multisite hotel operators, drawn from the 1993 membership directory of the American Hotel and Motel Association and from *Lodging* magazine's 1993 list of top hotel-management companies. Each company received a packet containing three identical questionnaires, to be completed by different members of top management, and a request for information about financial performance. As an incentive to participate, I offered to provide responding companies with detailed feedback that compared that company's decision processes with sample norms and with the averaged profiles of the top-performing companies in the sample.

For the analysis reported here, which examines specific decisions, I received usable responses from 183 executives at 78 companies. Since more than one executive from a given company sometimes described the same strategic decision, my final sample consisted of 151 decisions from 78 top-management groups. Twenty-one of the decisions

were described by two or three top managers from the company. For those decisions I took an average of the respondents' descriptions of the decision process.

Using multi-question scales from the questionnaires, I measured top-management-group behavior and outcomes (see Exhibit 1, on the next page). Executives were asked to describe a recent important strategic decision in which they were involved. By responding to a combination of open-ended and multiple-choice questions, the executives briefly described the content of the decision, the process by which it was made, and its outcomes. To assess a group's level of debate, for instance, I asked a series of questions related to debate dynamics and added the scores (responses) together, thereby achieving a more accurate measurement than would have been possible by asking a single question about the group's inclination to debate.

### Measuring Outcomes

The outcomes I consider in this article relate to the immediate consequences of the management group's behavior, namely, decision quality, implementation, and speed.

**Decision quality.** Although it is an intuitively straightforward concept, decision quality becomes thorny when you try to measure it objectively in a way that allows comparison among decisions and across contexts. Each management team faces decisions that involve a unique set of factors and resources. The quality of decisions cannot be inferred directly from ensuing company performance, because performance is a result of decisions, implementation, competitor behavior, the business environment, and luck.

I drew on the economic literature on rational decision making and on ideas such as "selective com-

prehensiveness"<sup>2</sup> to develop a reasonable substitute for decision quality that is measurable and comparable across circumstances. For the purposes of this study, then, I defined *decision quality* as the extent to which the group weighed multiple alternatives against each other, assessed pros and cons of alternatives, and examined each alternative from several perspectives. I measured decision quality with four questions on the executive survey. Responses to those questions converged to a reliability score of  $\alpha = .80$ , which suggests high scale reliability.<sup>3</sup>

**Implementation.** Implementation refers to timely and consistent follow-through on a decision. That is, to what extent did people perform tasks according to plan? Contrarily, how many unexpected delays came up?

Many executives argue that smooth implementation is the key to successful management. Others note that good implementation cannot correct for a poor decision. Having decided to market buggy whips, for example, a company making even the most effective implementation of that decision would still find itself in a severely limited marketplace. However, it is likely that a well-thought-out decision, complete with contingency plans, will occasion more effective implementation than a poorly thought-out decision. Although decision quality and implementation

<sup>2</sup> Kathleen Eisenhardt, "Making Fast Strategic Decisions in High-Velocity Environments," *Academy of Management Journal*, Vol. 32, No. 3 (1989), pp. 543-576.

<sup>3</sup> Scales based on those developed as part of the Organizational Conflict and Communication Inventory (OCCI); see: Linda Putnam and Charles Wilson, "Communicative Strategies in Organizational Conflict: Reliability and Validity of a Measurement Scale," *Communication Yearbook*, Vol. 6, ed. M. Burgoon (Newbury Park, CA: Sage Press, 1982), pp. 629-652. Alpha scores range from a theoretical low of 0 for totally unrelated questions to a high of 1 for identical questions. A good, reliable scale should have an alpha statistic between .70 and .90.

<sup>1</sup> Paul Mulvey, John Veiga, and Priscilla Elsass, "When Teammates Raise a White Flag," *Academy of Management Executive*, Vol. 10, No. 1 (1996), p. 40.

## Exhibit 1

### Basis of multi-question scales

#### Debate (1 = never, 5 = always). alpha = .82

5. In discussions of this issue, executives stated clear disagreement with each other.
6. Discussions of the issue became heated.
7. Executives openly challenged each other's opinions.
8. We argued about what the company should do.
9. Different executives proposed different approaches to the issue.

#### Trust (1 = never, 7 = always). alpha = .90

5. We absolutely respect each other's competence.
12. Every executive present shows absolute integrity.
14. We expect the complete truth from each other.
18. We are all certain that I can fully trust each other.
23. We count on each other to fully live up to our word.

#### Outside-meeting conflict (1 = never, 7 = always). alpha = .74

8. Most productive discussion of strategic issues happens outside of meetings.
13. In this company, we handle differences of opinion outside of formal meetings.
20. Conflicts of opinion get aired more outside of meetings than inside meetings.

#### Collaboration\* (1 = never, 7 = always). alpha = .83

3. We try to use each other's ideas to generate solutions to problems.
7. We integrate the arguments raised into a new solution.
11. We seek solutions that simultaneously address multiple concerns or goals.
24. We work together to create solutions to disagreements.

#### Compromise\* (1 = never, 7 = always). alpha = .82

10. The disputants will go 50-50 to reach a settlement.
16. An executive will give in if the other party will meet him or her halfway.
19. The executives involved will meet each other at the midpoint of their differences.

#### Nonconfrontation\* (1 = never, 7 = always). alpha = .88

2. We shy away from topics which are sources of disputes among us.
7. We steer clear of disagreeable situations.
15. Executives keep quiet about their views in order to avoid disagreements.
25. We side-step disagreements when they arise.

#### Implementation (1 = none, 5 = a very great deal). alpha = .80

13. How many unexpected delays have there been in implementation?
14. To what extent have the managers involved delivered on their word?
15. To what extent has everyone performed their tasks according to plan?
18. Overall, how would you rate the implementation of this decision to date?  
(1 = poor, 2 = fair, 3 = good, 4 = very good, 5 = flawless)

#### Decision quality (1 = none, 5 = a very great deal). alpha = .79

To what extent did your group...

- a. ...weigh multiple possible approaches against each other?
- b. ...examine the pros and cons of several possible courses of action?
- c. ...develop detailed plans for two or more alternative courses of action?
- d. ...use multiple criteria for eliminating possible courses of action?

are two distinct group outcomes, they are likely to be related.

I measured decision implementation with four questions on the executive survey. Responses to the questions converged to a reliability score of  $\alpha = .80$ , which suggests high scale reliability. I recognized, however, the dramatic difference in difficulty of implementation between decisions of varying complexities, say, a decision to purchase a single property versus a decision to implement a company-wide quality-assurance program. I statistically adjusted implementation scores for the described complexity of the decision.

**Decision speed.** I asked executives to report the date when the need for a decision first became

an issue for the company's top-management group and the date when a related decision to act or not to act was finalized. I computed the decision duration in months.

To correct for the distribution of this kind of temporal data, where many decisions are made quickly and a few take a long time, I computed the natural logarithm of the decision duration.

Note that the variable I used in

my statistics is decision duration, or slowness. Thus a high score indicates a slow speed. There is no evidence of a link between decision speed and either decision quality or decision implementation.<sup>4</sup>

### Reliability check

Researchers use the statistic "alpha" to check the reliability of multiple-question scales. Alpha describes how similar are people's responses to the different questions that make up the scale; it is similar to a correlation coefficient. That is, if a respondent reports "high" for one question, how likely are they to also report a score of "high" on the others? Alpha scores range from a theoretical low of 0 for totally unrelated questions to a high of 1 for identical questions. A good, reliable scale should have an alpha statistic above .70. An alpha score much above .90, however, might indicate that the questions asked are so similar to each other that they do not improve the quality of measurement.

\* Scales based on those developed as part of the Organizational Conflict and Communication Inventory (OCCI); see: Linda Putnam and Charles Wilson, "Communicative Strategies in Organizational Conflict: Reliability and Validity of a Measurement Scale," *Communication Yearbook*, Vol. 6, ed. M. Burgoon (Newbury Park, CA: Sage Press, 1982), pp. 629-652.

<sup>4</sup>Eisenhardt, *op. cit.*

## Measuring Behavior

One of the questions I looked at was, what group-discussion behavior influenced the immediate top-management-group outcomes, and so influenced company performance? Research and folk wisdom offered a few insights for testing.

**Debate.** Debate is task-centered conflict behavior that includes questioning or challenging of assumptions, reasoning, criteria, and sources of information; disagreement about recommendations and appraisals; and direct, open presentation of rival hypotheses and recommendations. Sometimes debate is a measure of the extent to which executives stand firm in their beliefs and do not back down before they are convinced that their position may not be the best one.<sup>5</sup>

Debate is the forthright discussion of perceived differences. The emotional tone of debate is sometimes negative, but it is not necessarily so.

I used five questions to measure debate. Responses converged to a reliability score of  $\alpha = .82$ , which suggests high scale reliability.

Some research has shown that formally structured debate processes in a management group can improve the quality of the group's decisions, even though the participants sometimes end up less confident about their decisions and less satisfied with their co-workers.<sup>6</sup> Disagreement within most management groups, though, is spontaneous rather than formalized or structured. As compared to formal debate, spontaneous arguments create a greater risk that the conflict will be taken personally by the executives

<sup>5</sup> Mulvey, Veiga, and Elsass, pp. 40–50.

<sup>6</sup> See, for example: David Schweiger, William Sandberg, and James Ragin, "Group Approaches for Improving Strategic Decision Making: A Comparative Analysis of Dialectical Inquiry, Devil's Advocacy, and Consensus," *Academy of Management Journal*, Vol. 32, No. 4 (1986), pp. 745–772.

involved.<sup>7</sup> Senior managers who are skeptical about a decision and who harbor seeds of animosity planted by conflicts during the process might not consistently follow through on plans.

Thus it seems possible that debate might improve decision quality but make it harder for top-management groups to implement their decisions. Some might also propose that debate or conflict among executive-group members slows the decision process.

**Trust.** Not simply a sum of individual relationships, trust is part of the group-level climate. Bromiley and Cummings offer a useful definition of personal trust as

a common belief among a group of individuals...that another... (i) makes good faith efforts to behave in accordance with any commitments both explicit or implicit, (ii) is honest in whatever negotiations preceded such commitments, and (iii) does not take excessive advantage of another even when the opportunity is available.<sup>8</sup>

At the group level, trust refers to group members' beliefs about the other group members as a whole. Trust at a group level is unlikely to be a simple average of individual relationships; one or two mistrusted members can dramatically reduce the level of group trust, as the perceived "safety" level of the room drops approximately to the lowest common denominator. Trust is, in effect, a component of group-level "culture." It is the extent to which

group members count on each other to live up to their word, respect each other's competence, and expect the full truth from each other.

A subtle but powerful aspect of group trust is that it is influenced by past behaviors, and it, in turn, influences future behaviors. Because group members develop expectations of each other based on past behaviors, trust and trustworthy behavior are likely to converge.<sup>9</sup> Zand describes a "spiral reinforcement" model whereby group members' expectations of each other and their resulting behavior toward each other reinforce and homogenize high or low levels of trust within groups.<sup>10</sup> Executives who trust each other tend to be straightforward in their communications and their agendas.

I measured trust with five questions on the executive survey. The responses converged to a reliability score of  $\alpha = .90$ , which suggests high scale reliability.

Trust represents executive group members' faith in each other's integrity. It may also represent the level of integrity that group members demonstrate toward each other. I would expect that trust facilitates implementation, as follow-through typically calls for coordination and reliance on different members of the top-management group for role fulfillment. The expected link between trust and decision quality is less obvious: strategic discussions in the absence of trust are likely to devolve into—or be perceived as—political maneuvering.

### Outside-meeting conflict.

Decision-focused conflict may be channeled into private conferences. In some companies important strategic debates occur mostly in small

<sup>9</sup> *Ibid.*

<sup>10</sup> D. Zand, "Trust and Managerial Problem Solving," *Administrative Science Quarterly*, Vol. 17 (1972), pp. 229–239.

<sup>7</sup> Richard Cosier and Charles Schwenk, "Agreement and Thinking Alike: Ingredients for Poor Decisions," *Academy of Management Executive*, Vol. 4, No. 1 (1990), pp. 69–74; and Allen Amason, "Distinguishing the Effects of Functional and Dysfunctional Conflict on Strategic Decision Making: Resolving a Paradox for Top Management Teams," *Academy of Management Journal*, Vol. 39, No. 1 (1996), pp. 123–148.

<sup>8</sup> Phillip Bromiley and Larry Cummings, "Transaction Costs in Organizations with Trust" (working paper, University of Minnesota, 1992), p. 4.

groups and informal one-on-one discussions, rather than in full-group meetings. The smaller meetings might be arranged for convenience or to provide tactical flexibility.

Executives may discuss an issue outside a meeting to save face, to preserve others' dignity, and to obtain promises of future favors in return for their concessions. Conversely, they may choose to meet in private so that the person with whom they are disagreeing can back down without losing face. Side discussions may serve the purpose of allowing participants to conceal some of their objectives from other executives or to speak frankly without fear of repercussions from parties who might be offended by the discussion. Outside-meeting conflict is a behavior that executives often employ for expediency, to allow for face saving, and to manage difficult political climates.

I measured the level of outside-meeting conflict with three questions. The responses converged to a reliability score of  $\alpha = .74$ , which suggests good scale reliability.

Conflict is often channeled into side conferences as a way of "smoothing" difficult situations and preserving relationships. It is possible, therefore, that executives are operating on the assumption that addressing issues outside formal meetings facilitates implementation. Executives may also suggest that such behavior is expedient, as it is often difficult to assemble the whole top-management group in one place at one time. Thus it is possible that addressing conflictual issues outside group meetings accelerates decision speed.

### Measuring Conflict-Management Styles

I also drew on three conflict-management styles, as described and

measured by Putnam and Wilson's inventory for organizational-conflict communication.<sup>11</sup>

**Nonconfrontation.** Group members may sidestep potential disagreements, often by refraining from voicing dissent. Anyone who has participated extensively in group decisions knows that effective group members often have to choose their battles carefully; knowing when to argue and when to be still is a survival skill. Executives often avoid direct confrontations to preserve harmony and to keep the company operating smoothly.

I measured nonconfrontation with four questions. The responses converged to a reliability score of  $\alpha = .88$ , which suggests high scale reliability.

Executives might choose nonconfrontation to minimize nonproductive delays in decision making. They may also opt for nonconfrontation for the same reasons they opt for outside-meeting conflict, to smooth relationships and thereby facilitate implementation. The enhanced implementation, however, might come at the expense of an inadequate addressing of concerns. Thus, in some cases, nonconfrontation might impede decision quality.

**Compromise.** Group members may "split the difference" or "meet halfway" when a difference arises. Compromise is an effort to reconcile differences by finding a solution that gives each party some of what they want. Compromise solutions often reflect an obvious "halfway point" and may make use of openly discussed standards of "fairness." Although compromises emerge from an effort to placate all parties, compromise solutions are often less satisfying than collaborative solutions because everyone gets less than what they wanted.

<sup>11</sup> Linda Putnam and Charles Wilson, *op. cit.*

I measured the extent of compromise with five questions. The responses converged to a reliability score of  $\alpha = .82$ , which suggests high scale reliability.

Compromise is generally seen as a good thing, but when it stops people from seeking better solutions, it can result in mediocre strategic decisions. Thus compromise might impede decision quality. However, some managers suggest that compromise smoothes implementation.

**Collaboration.** Group members may integrate their different perspectives in a search for new solutions to problems. Collaboration involves putting heads together to find creative, "win-win" solutions. While compromise seeks to partially satisfy all constituencies, collaboration is a struggle to address fully the diverse needs and concerns of the decision makers. Collaboration is more difficult than compromise and typically requires excellent communication, resistance to group pressure, and a clear awareness of personal viewpoints. Collaborative behavior tends to be associated with group-level trust.

I measured collaboration with four questions. The responses converged to a reliability score of  $\alpha = .83$ , which suggests high scale reliability.

Collaboration should facilitate decision quality, as collaborative solutions are often creative and have, through the discussion process, been subjected to scrutiny and high standards. Collaboration should also facilitate implementation; because it involves substantial executive-group-member participation and seeks to integrate input from all concerned parties, it should enhance executive "buy-in" to the final decision. I expect that in the most effective companies people work together to address concerns and problems raised by a particular deci-

**Exhibit 2**  
**Correlation matrix of all variables studied**

	Average scores	Standard deviation	Decision quality	Implementation	Decision speed	Debate	Trust	Outside-meeting conflict	Nonconfrontation	Compromise
1. Decision quality	13.08	3.75	—							
2. Implementation (N = 140) <sup>1</sup>	-.07	2.90	.24**							
3. Decision speed (N = 149) (a high score = slow speed)	1.14	1.05	.04	-.06						
4. Debate	14.98	4.07	.32**	.01	.04					
5. Trust	30.22	4.73	.25**	.32**	-.06	-.02				
6. Outside-meeting conflict	12.06	3.12	-.14	-.12	.20*	-.16*	-.19*			
7. Nonconfrontation	10.33	4.16	-.31**	-.33**	.03	-.15	-.59**	.40**		
8. Compromise	19.89	4.35	.09	-.09	-.01	-.10	.07	.09	.09	
9. Collaboration	21.23	3.49	.34**	.46**	.02	.16	.68**	-.34**	-.63**	.07

<sup>1</sup> Statistically adjusted for decision complexity \*  $p < .05$  \*\*  $p < .01$  N = 151 except as noted

sion, and they pool their unique areas of expertise to solve problems.

**What I Found**

The results suggest ways in which top-management groups can improve the quality of their decisions and the smoothness with which those decisions are implemented.

I analyzed the associations between the behavior and outcomes in the 151 strategic decisions at 78 hotel companies (Exhibit 2). Where the correlation is close to zero, there is no relationship; where it is close to 1, every increase in one variable is associated with an increase in the other; and where it is close to -1, an increase in one variable is associated with a decrease in the other.

I applied a significance test to the associations at the  $p < .05$  level. In the following discussion an assertion that two factors are linked to each other means that they are correlated with at least a 5-percent significance ( $p < .05$ ).

**Implementation.** *Decision quality was associated with better implementation.* Given the fact that decisions have to be made before they can be implemented, I propose that superior decisions are easier to implement.

**Speed.** *High-quality decisions did not necessarily take longer.* In fact, there was almost no correlation between decision speed and either implementation or decision quality. Taking more time to make a decision does not necessarily enhance consideration of the decision, which would enhance decision quality, or even improve executive familiarity and acceptance, which would facilitate implementation. Slow decisions appear to be simply that; they are neither better nor more smoothly implemented.

**Debate.** *Debate enhanced decision quality and did not affect implementation or speed.* Decisions based on greater levels of openly expressed conflict ended up being more thoughtfully made. Further, the conflict did not reduce executive commitment or willingness to follow through on plans, nor did it slow decision making. Handled correctly, open expression and discussion of conflicting perspectives yields a net gain for the company.

**Trust.** *Trust enhanced both decision quality and implementation.* A high level of trust facilitates exchange of information among executives and allows them to accept each other's expressed concerns at face value—

both of those consequences improve a group's decision quality. Furthermore, trust makes it easier for executives to coordinate their activities and, if necessary, to compensate for each other's shortcomings. Trust did not affect decision speed.

**External conflict.** *Outside-meeting conflict slowed decision making and did not facilitate implementation.* Though executives may redirect disagreements into private channels for expediency and to smooth relationships, the tactic does not appear to yield benefits. In fact, it slows decision making. It is possible, however, that a third factor influenced both outside-meeting debate and decision speed in my sample: top-management groups that meet only occasionally might have to channel disagreements outside of meetings and might also make decisions more slowly. Even in light of that possible reason, however, outside-meeting debate may inappropriately extend the time required to make decisions.

**Sidestepping.** *Nonconfrontation impeded both decision quality and implementation and did not affect decision speed.* Sidestepping disagreements does not yield the anticipated benefits of hastening decisions or smoothing implementation. In fact,

**Debating differences of opinion is a key to making high-quality strategic decisions, and collaborating by fully addressing all concerns is a key to implementing those decisions.**

the nonexpression of concerns makes it more likely that decisions will overlook pitfalls and contingencies and that unanticipated delays will plague the decision's follow-through.

**Compromise.** *Compromise had no effect on decision quality, implementation, or decision speed.* Few would consider compromise a way to improve decision quality, but many pursue this tactic to facilitate implementation or save time. Neither consequence follows reliably from compromise.

**Collaboration.** *Collaboration improved decision quality and strongly improved implementation.* The distinction between compromise and collaboration seems to be far from trivial. While compromise, the seeking of a simple halfway point between divergent recommendations, had no positive effect, collaboration, a struggle to address all concerns, had powerful positive impact on both the quality and the implementation of decisions.

**Are the Effects Cumulative?**

In this study I found several patterns of group behavior that enhanced decision quality and implementation. Much of that behavior, though, is interrelated, as can be seen in Exhibit 2. Are the effects of the different actions cumulative? Will an executive group that engages in all the actions fare far better than a group that engages in only a few of them? How much can a management group influence outcomes through the behavior I describe?

To test those questions I entered all significant predictors of each outcome into a single linear regression. That procedure allows one to examine the total impact of all the actions combined. It also assesses the effect of each component of executive-group behavior while holding the other components constant. Thus one can see which fac-

tors exert influence above and beyond the influence exerted by the other factors.

Exhibit 3 shows the results of the combined regression equation for predicting decision quality. The described predictive factors account for 21 percent of the variation in decision quality across groups. One can see that debate exerts influence on decision quality above and beyond that exerted by trust, nonconfrontation, and collaboration. However, that should not be interpreted to mean that the latter factors are unimportant. Trust, collaboration, and nonconfrontation are closely related to each other. The overlap between those patterns—perhaps as some form of consistent truth telling—adds to the positive impact of debate on decision quality.

Exhibit 4 shows the results of the combined regression equation for predicting implementation. Again, I see that when all the described predictive factors are considered simultaneously, I account for 21 percent of the variation in implementation across groups. Also, I can see that collaboration exerts influence on decision quality above and beyond that exerted by trust and nonconfrontation. Trust and nonconfrontation remain important, but collaboration brings unique power to the task. The extent to which the group members struggle to reconcile and integrate the different concerns raised by the different executives apparently has an important and substantial effect on the smoothness of decision implementation.

The positive effects of the different approaches are only partially cumulative. Debate emerges as a unique driver of decision quality, and collaboration emerges as a unique driver of implementation. However, the positive effects of trust, or of minimizing nonconfrontation, might come from the same sources as the positive effects of debate or

collaboration. Thus the effects of these different factors, while all positive, do not add up such that the group that trusts *and* collaborates is twice as effective as the group that only does one or the other.

**Assessing the Possibility of Bias**

Any study that uses a single questionnaire to assess both predictors and outcomes faces a risk of mono-method bias, also called common-method variance. That bias reflects the possibility that, for example, respondents' moods at the time of completing the questionnaire might influence their reports of both debate and decision quality.

To check for such bias, I developed a second set of data from the first. The second set examined only the 21 decisions for which I had two or more executive descriptions. I then examined the relationships between the CEOs' reports of decision outcomes and the other respondents' reports of group-discussion process, and vice versa. Since the second data set drew on different people to describe the predictors and the outcomes, mono-method bias was reduced.

When subjected to those tests, debate remained highly predictive of decision quality, but the impact of collaboration on implementation was only partially supported. Of the other causal links found in this study, the impacts of trust and nonconfrontation on implementation received partial support; none of the other associations was supported in this more stringent test. Though mono-method bias played a role in this study, it seems unlikely that the key findings presented here were driven primarily by mono-method bias.

**Caveats**

This study draws on information that was all gathered at the same time, or so-called "cross-sectional"

data. Studies of this sort, as opposed to those that follow companies over time, are limited in the confidence with which they can infer or test causal relationships. It is possible, for example, that smooth implementation of decisions promotes trust among top management—rather than the argument made here, which is that trust facilitates implementation. Or, it is possible that the dynamics of trust and smooth implementation influence each other in a cyclic pattern. It is likewise possible that companies that struggle with slow decision processes are forced to discuss issues outside of meetings in their efforts to move the process along. What I know for sure is that the phenomena I describe tend to go together.

As for the question of causality, I have put performance at the "consequence" end of the equation in an effort to offer suggestions about how executives can improve their companies' bottom lines. Regarding the particular assertions made in this article, some readers no doubt will find a reverse causal connection more compelling.

**What It Means**

Effective management at the senior level requires high-quality strategic decisions and reliable implementation of those decisions. In this study I examined factors that influenced decision quality and implementation in 151 strategic decisions reported by executives at 78 multisite hotel-operating companies. I found that

several behaviors influence both those outcomes.

Debate, trust, and collaboration in the top-management group all enhance decision quality, while nonconfrontation impedes it. Although all four of those behaviors are important, and any one of them might be a key leverage point for a single company, debate emerges as the most important factor for high-quality strategic decisions.

Trust and collaboration both enhance implementation, while nonconfrontation impedes it. Of those factors, collaboration emerges as the most important factor for facilitating implementation.

The open expression of difference in an executive group, then, is a key to making high-quality strategic decisions, and the resolution of that difference in a way that fully addresses all concerns is a key to implementation. **CQ**

**Exhibit 3**  
*Combined multiple regression:  
predictors of decision quality*

	<i>B (s.e.*)</i>	<i>Beta</i>
Debate	.29 (.07)	.32**
Trust	.12 (.09)	.15
Nonconfrontation	-.02 (.10)	-.02
Collaboration	.18 (.12)	.17
(Constant)	1.52 (3.73)	

$R^2 = 21\%$     Adjusted  $R^2 = 18\%$      $F = 9.40^{**}$      $N = 149$

\*s.e. = standard error    \*\*  $p < .01$

**Exhibit 4**  
*Combined multiple regression:  
predictors of implementation*

	<i>B (s.e.*)</i>	<i>Beta</i>
Trust	.00 (.07)	.00
Nonconfrontation	-.04 (.08)	-.06
Collaboration	.35 (.09)	.42**
(Constant)	-6.98 (2.70)	

$R^2 = 21\%$     Adjusted  $R^2 = 19\%$      $F = 11.99^{**}$      $N = 140$

\*s.e. = standard error    \*\*  $p < .01$ .