



# MANAGEMENT CONNECTION

# 5 BEHAVIORAL BIASES THAT CAN HINDER EFFECTIVE MANAGEMENT

BY CHRISSY CARROLL, MPH, RD

### BEHAVIORAL BIASES ARE SUBCONSCIOUS BELIEFS

that affect your decision-making abilities. While often discussed in the context of investments, these biases can also impact management abilities – from hiring to menu decisions to leadership skills (and everything in-between). By understanding and acknowledging these biases, you can actively overcome them, leading to better decisions as a CDM, CFPP.

Here are five of the most common behavioral biases that foodservice managers may experience.

### 1. ANCHORING BIAS

### **Definition**

You tend to base your decisions on the first piece of information you receive about a topic (the "anchor" piece of information), regardless of its level of accuracy or relevancy.

### **Sample Scenario**

When Jane started in her position as a CDM, CFPP, she was given a sample menu rotation from the manager that was departing. Jane has stuck with this menu because the prior manager emphasized residents loved it. Over the last year, Jane has downplayed negative resident feedback ("there haven't been that many complaints").

### **Breaking It Down**

Jane anchored her decision to the historical reported success from the prior manager. This is hindering effective management by causing her to ignore current negative feedback. Jane may end up with stagnant menu options by not considering concepts like variety, changing dietary interests, cultural diversity, or evolving nutrition guidelines.

### **How to Counteract It**

- Do not feel tied to the first piece of information presented about a topic.
- Make it a priority to evaluate several different sources of information.
- Keep yourself open to feedback (from staff, residents, families, colleagues, etc.).
- Periodically assess the different tasks you perform, with a focus on quality improvement.

In the example above, Jane might create a feedback survey for residents about menu satisfaction and dietary preferences, as well as actively review nutrition guidelines and the nutrition status of her population. Using this data, she can identify opportunities for enhancing the menu, both from a culinary and nutritional angle.



### 2. HERD MENTALITY/ BANDWAGON EFFECT

### **Definition**

You align your beliefs or actions in a different way, simply because most other people in your organization think or behave that way.

### **Sample Scenario**

Terrence is hiring staff for his foodservice department and has interviewed several candidates. Terrence believes Candidate A is the best fit for the job, as the candidate has many years of long-term care foodservice experience and an enthusiastic attitude. However. human resources and administration recommend hiring Candidate B, who previously worked for a Michelin star restaurant, believing it'll bring prestige to the facility. While Terrence initially thought Candidate B would not be a great fit, he brushes off his concerns and aligns his beliefs with HR and administration.

### **Breaking It Down**

This bias is impacting Terrence's ability to make an objective hiring decision, as he's swayed into aligning beliefs with others in the facility. Rather than voicing concerns or choosing the best candidate for his department, he may end up compromising the overall effectiveness of the team. This could lead to higher turnover.

## **How to Counteract It**

- Voice your opinions and concerns if you feel like the general consensus is not correct or ideal.
- Ask questions to uncover the reasoning behind beliefs, requests, or actions. Understanding the "why" may help you determine if these are beliefs or tasks worth adopting or considering, or if you should stick with an opposing viewpoint.
- In some cases, you can use research or past data to provide rationale for the need to change an overarching belief or standard process.

In the example above, perhaps
Terrence could approach HR and
administration with his concerns:
while Candidate B does bring a
prestigious name, they have no
experience in bulk food production
(they were simply a host at the
restaurant) and no experience working
in health care. Terrence may prepare
a list of reasons why Candidate A is a
better fit. While organizational politics
may affect the ultimate outcome in
the real world, at least Terrence has
voiced his concerns.

### 3. CONFIRMATION BIAS

### **Definition**

You tend to seek out or interpret sources of information in a way that confirms your initial belief. You may downplay contradictory evidence.

### **Sample Scenario**

Rhonda has a new employee with quirks that irritate her—things like responding to emails without punctuation or using slang during meetings (though neither of these is directly related to actual job duties). Rhonda feels like the new hire isn't taking their job seriously (but has no evidence they aren't fulfilling their duties). She chats with Leann (another member of her staff who shares a similar personality to Rhonda) and confirms that the new hire is driving Leann crazy too.

### **Breaking It Down**

It's probably obvious that gossiping about your employees is inappropriate, but you can also see an example of confirmation bias here. Rhonda has gone to another person that she knows shares a similar outlook, increasing the likelihood that Rhonda will hear the same perspective. This situation could lead to negative morale or conflict among the team, as well as inaccurate performance evaluations of the new hire (focusing on personality traits over actual job performance).

### **How to Counteract It**

- Approach situations objectively, making sure to consider every possible angle and all sources of information.
- Remind yourself that your own initial views or beliefs are not always correct.

- Solicit feedback from appropriate sources.
- Find someone to play "devil's advocate" who can challenge you with an alternative viewpoint.

In the example above, Rhonda could put personality objections aside and monitor the new hire's performance on relevant tasks. Instead of seeking out her own staff member to complain to, she instead calls a colleague she

### **CONFIRMATION BIAS:**

You tend to seek out or interpret sources of information in a way that confirms your initial belief. You may downplay contradictory evidence.

met at an ANFP event and gives nonidentifying information about the scenario. She knows this colleague will play "devil's advocate" and give her new ideas. Rhonda may find that she was wrong to assume the new hire was not serious, but instead just has a different communication style.

### 4. OVERCONFIDENCE BIAS

### **Definition**

You have excessive confidence in your knowledge and abilities (as compared to others in the organization or others in general).

### Sample Scenario

Devon has successfully introduced several innovative menu items over the last year that have been well received.

He has just created another new menu item that he wants to roll out weekly but receives pushback from the head chef that it will be difficult to produce. The dietary aides also tell Devon that they don't think residents will like it. Devon still pushes forward adding it to the menu weekly.

### **Breaking It Down**

While it's great to be confident, this is a situation where overconfidence bias may cloud Devon's judgement. He's heard feedback from two different sides – both staff-facing and client-facing – and both have

expressed concerns. By not taking these into account, Devon risks negative morale among the team (they feel their opinions are not being heard), as well as sunk food costs and increased food waste if the menu item is not well received.

### **ARTICLE REFERENCES**

Flyvbjerg, B. (2021). Top Ten Behavioral Biases in Project Management: An Overview. Project Management Journal, 52(6), 531–546. https://doi.org/10.1177/87569728211049046

Lewis, R. 5 common behavioral biases and how they lead investors to make bad decisions. Insider. 2022. https://www.businessinsider.com/personal-finance/behavioral-biases

Nobre FC, Machado MJ de C, Nobre LHN. Behavioral Biases and the Decision-Making in Entrepreneurs and Managers. Rev adm contemp [Internet]. 2022;26:e200369. https://doi.org/10.1590/1982-7849rac2022200369.en

Parker, T. 4 Behavioral Biases and How to Avoid Them. Investopedia. 2023. https://www.investopedia.com/articles/investing/050813/4-behavioral-biases-and-how-avoid-them.asp

### **How to Counteract It**

- Solicit feedback from your team and truly listen to it. You may not always agree with every member of your team, but if you're hearing the same feedback from many folks – that's important to address.
- Recognize the limitations in your own knowledge and skills, and strive to be a lifelong learner to enhance those shortcomings.
- Look into a variety of diverse perspectives.
- Try small-scale testing and market research when considering changes, rather than rolling out major transformations across the board.

In the example above, Devon might listen to his staff's feedback more carefully. Perhaps he could adjust the recipe to make it easier to prepare and decide to only roll out a small test batch at a special event. If the menu item was well received, he could roll it out more broadly, and if not, it's a small loss.

Keep in mind overconfidence bias and herd mentality bias tend to swing between two ends of the extremes. It's important to strike the right balance between understanding the limitations in your own knowledge and abilities, while also challenging other's beliefs when you have an evidence-based opposing opinion.

### 5. STATUS QUO BIAS

### **Definition**

You prefer the comfort of things staying the same, as opposed to the risk of making a change, potentially leading to negative consequences from inaction.

### **Sample Scenario**

Dorothy has been using the same supplier for a long time, but prices have steadily crept up for a few years. She knows there may be other suppliers that could provide better rates, but she's hesitant to switch. This would require getting new quotes, negotiating contracts, learning the contacts at a new company, and organizing delivery schedules.

### **Breaking It Down**

The status quo bias is clear here; Dorothy does not want to change suppliers because the perceived effort and risk of making the switch feels overwhelming. This could cost the facility a significant amount of money over time by overpaying for products from the current supplier.

### **How to Counteract It**

 Try to take emotion out of the equation and look at the situation objectively. Ask yourself – "If I was a business consultant helping this organization, what would I recommend?"

- Remind yourself that change can be difficult, but it can also be invigorating and helpful.
- Conduct a pro/con analysis on sticking with the status quo versus changing. What provides the greatest ROI for your organization?
- If making a change seems overwhelming, try breaking down the project into several small steps.

In the example above, Dorothy objectively acknowledges that switching suppliers could save money. She decides to break the project down into smaller tasks: this week, she'll reach out to three new suppliers for quotes. Next week, she'll review the quotes and follow up with any questions. The following week, she'll negotiate with the one that seems to best fit her organization's needs and provides cost savings.

### **MOVING FORWARD**

It can be difficult to admit we have these sneaky behavioral biases which affect our judgment. Rest assured that every leader struggles with at least a few of these tendencies! In most cases, actively considering different views and information, objectively looking at a situation, and soliciting appropriate feedback will help to combat these biases and magnify your management abilities.



CHRISSY CARROLL, MPH, RD | ■ chrissy@snackinginsneakers.com

Chrissy Carroll is a Registered Dietitian, freelance writer, and brand consultant based in central Massachusetts.

# CE QUESTIONS | MANAGEMENT CONNECTION



This **Personnel & Communications Level II** article assumes that the reader has a thorough knowledge of the topic. The desired outcome is to facilitate application of knowledge into practice by drawing connections among ideas and using information in new situations.



Reading 5 Behavioral Biases That Can Hinder Effective Management and successfully completing these questions online in the ANFP Marketplace has been approved for 1 hour of continuing education for CDM, CFPPs. To earn 1 CE hour, visit www.ANFPonline.org/market and select Edge CE Articles within the Publications section. Purchase the article and complete the quiz.

- 1. Which behavioral bias is best described as focusing too heavily on the first piece of information you receive about a topic?
  - A. Overconfidence bias
  - B. Status quo bias
  - C. Anchoring bias
- 2. Which behavioral bias is best described as sticking with the same process because the perceived effort of change is overwhelming?
  - A. Status quo bias
  - B. Confirmation bias
  - C. Overconfidence bias
- 3. Which behavioral bias is best described as a falsely elevated belief in your own knowledge and abilities?
  - A. Herd mentality
  - B. Overconfidence bias
  - C. Status quo bias
- 4. Joe strongly believes residents prefer classic dishes over innovative cuisine. He selectively solicits feedback only from customers who he knows will express satisfaction with classic options. This is an example of:
  - A. Herd mentality
  - B. Confirmation bias
  - C. Anchoring bias

- 5. Maria works at a long-term care chain that provides standard menu rotations. Her facility has a large Haitian population, and she feels the menu doesn't honor cultural diversity, but she doesn't voice concerns since the other facilities seem to like the menu. This is an example of:
  - A. Herd mentality
  - B. Overconfidence bias
  - C. Confirmation bias
- 6. Adrian oversees a staff member whose performance has declined over the last year. The idea of hiring a new employee is overwhelming, so Adrian just keeps the employee despite waning team morale. This is an example of:
  - A. Anchoring bias
  - B. Overconfidence bias
  - C. Status quo bias
- 7. Gracie has been a CDM, CFPP for 10 years. She does not feel the need to do continuing education anymore, because she's had ample experience. This is an example of:
  - A. Status quo bias
  - B. Overconfidence bias
  - C. Confirmation bias

