

BUSINESS > BUSINESS JARGON

What Is Groupthink? Definition, Characteristics, and Causes

By WILL KENTON Updated December 05, 2022

Reviewed by AKHILESH GANTI

What Is Groupthink?

Groupthink is a phenomenon that occurs when a group of individuals reaches a consensus without critical reasoning or evaluation of the consequences or alternatives. Groupthink is based on a common desire not to upset the balance of a group of people.

This desire creates a dynamic within a group whereby creativity and individuality tend to be stifled in order to avoid conflict.

KEY TAKEAWAYS

- Groupthink is a phenomenon in which individuals overlook potential problems in the pursuit of consensus thinking.
- Any dissenters in the group who may attempt to introduce a rational argument are pressured to come around to the consensus and may even be censored.
- Groupthink is particularly dangerous in political situations where no single actor has all of the relevant information.
- Groupthink can be reduced by inviting criticism or appointing one person to act as a "devil's advocate" against the group.
- The *Challenger* shuttle disaster, the Bay of Pigs, Watergate, and the escalation of the Vietnam War are all considered possible consequences of groupthink.

overlook potential problems in the pursuit of consensus thinking. Because individual critical thinking is de-emphasized or frowned upon, employees may self-censor and not suggest alternatives for fear of upsetting the status quo.

Yale University social psychologist Irving Janis coined the term groupthink in 1972. Janis theorized that groups of intelligent people sometimes make the worst possible decisions based on several factors. For example, the members of a group might all have similar backgrounds that could insulate them from the opinions of outside groups.

Some [organizations](#) have no clear rules upon which to make decisions. Groupthink occurs when a party ignores logical alternatives and makes irrational decisions.

FAST FACT

Groupthink is not always problematic. In the best cases, it allows a group to make decisions, complete tasks, and finish projects quickly and efficiently. In the worst cases, it leads to poor decision-making and inefficient problem-solving.

Groupthink Characteristics

Janis identified eight signs, symptoms, or traits of groupthink, all of which lead to flawed conclusions. In summary, the group may have an illusion of invincibility and consider that nothing the group decides to do can go wrong.

The eight traits of groupthink, according to Janis, are: ^[1]

- ***Illusions of unanimity*** among key decision-makers that cause them to doubt their own misgivings.
- **Unquestioned beliefs** that lead group members to ignore potential consequences of the group's actions.
- **Rationalization** of potential warning signs that should cause group members to question their beliefs.
- **Stereotyping** of contrary viewpoints leading members of the group to reject perspectives that question or challenge the group's ideas.
- **"Mindguards"** or members of the group who prevent troubling or contrarian viewpoints from circulating among group members. Rather than sharing important information, they may keep quiet or prevent other members from sharing.
- **Illusions of invulnerability** lead group members to engage in unjustified risky behaviors with an overly optimistic hope of success.
- **Direct Pressure** may silence group members who tend to pose inconvenient questions or raise objections that may be seen as evidence of disloyalty.

Collectively, these behaviors may make members of a group be excessively optimistic about their success, ignoring any possible [negative outcomes](#). Members are convinced their cause is right and just, so they ignore any moral quandaries of the group's decisions. The group body tends to ignore the suggestions of anyone outside the group.

Any dissenters are pressured to come around to the consensus. After the pressure is exerted, members censor themselves to prevent further shunning. Once decisions are made, the group assumes them to be unanimous.

Some members of a group may act as a "mindguard;" these sentinels prevent any contrary advice from reaching the leaders of the organization. Time

Important: Groupthink is a dynamic that can lead to bad decisions and even disasters; it is a phenomenon in which a group of individuals may consider themselves infallible.

What Causes Groupthink

Janis also identified certain factors that may contribute to or exacerbate problems related to groupthink. One of the key factors is group identity: when there is a strong sense of shared identity, group members may place a higher value on in-group perspectives and disregard those perspectives from outside the group. Leadership influences may also be a factor: members may be more likely to ignore their own misgivings if the group has a powerful or charismatic leader.

Information levels and stress may also contribute to groupthink, by causing group members to act irrationally. If members of the group lack information or feel that other members are better-informed, they may be more likely to defer to others in group decision-making. High-stress situations can also contribute to poor decisions, by reducing the opportunities for careful discussion. ^[1]

These issues may be exacerbated by extrinsic factors, such as the perception of an external threat to the group or isolation from outside sources of information. Group members might not be able to make rational decisions when they believe that they are under urgent pressure for immediate action.

FAST FACT

Groupthink can be exacerbated by a strong leader, or a strong sense of pressure to make an immediate decision.

Why Is Groupthink Dangerous?

sometimes result in disaster or unethical behavior because the key decision-makers are unaware of potential risks and contrarian viewpoints have been silenced. ^[1]

Groupthink is particularly dangerous in political situations where decisions are made through collective deliberation, and no single member of the group has enough knowledge to make an informed decision. Members of the group may feel pressure to conform to the consensus or pressure other members to conform. This may result in the false perception that the group is unanimous, creating even more pressure for group members to hide their misgivings.

How to Avoid Groupthink

Even in highly cohesive groups, there are steps that can be taken to lessen the impact of groupthink on collective decision-making. Groupthink arises out of a natural pressure for conformity, so the problem can be alleviated by assigning one member to act as a "devil's advocate," intentionally raising every possible objection. Since this is an assigned role, the devil's advocate need not worry about the perception of being opposed to the group. ^[2]

Group members may avoid speaking out to avoid contracting the group's leadership. To avoid that problem, leaders should step back from early discussions to allow lower-ranked members to air their views first. After discussion, leaders should consider holding a "second-chance" discussion for any objections that were not raised before. ^[1]

Example of Groupthink

After the space shuttle *Challenger* exploded 73 seconds after liftoff on the morning of Jan. 28, 1986, investigators discovered that a series of poor decisions led to the deaths of seven astronauts. The day before the launch, engineers from Morton Thiokol, the company that built the solid rocket boosters, had warned flight managers at NASA that the O-ring seals on the booster rockets would fail in the freezing temperatures forecast for that

NASA personnel overrode the scientific facts presented by the engineers who were experts in their fields and fell victim to groupthink. When flight readiness reviewers received the go-ahead for launch from lower-level NASA managers, no mention was made of Morton Thiokol's objections. The shuttle launched as scheduled, but the result was disastrous. ^[3]

Other events that may be possible groupthink-involved failures include the Bay of Pigs invasion, Watergate, and the escalation of the Vietnam War.

Why Is Groupthink Often Bad?

Groupthink causes people to ignore or silence opposing viewpoints, creating the illusion that members of the group are in agreement. This may cause them to ignore potential dangers or take excessive risks. In military or political situations, groupthink can sometimes result in disasters or unethical actions because there is high pressure to agree with the group's consensus.

What Are the Symptoms of Groupthink?

Irving Janis identified eight signs that are closely associated with groupthink: illusions of unanimity, unquestioned beliefs, rationalization, stereotyping, "mindguards," illusions of invulnerability, and direct pressure on opposing views. Each of these signs leads members of the group to ignore dissenting viewpoints and to hide their own doubts. This enforces the illusion that the group's decisions are superior to individual judgment, and that any opposing views are contrary to the group's interests.

Under What Conditions Is Groupthink Most Likely to Occur?

Groupthink is most likely to occur in highly cohesive groups with a strong sense of shared identity, where there is a strong pressure to arrive at the correct decision. This pressure may lead some members of the group to withhold key information, in order to avoid undermining the sense of group agreement. A strong or charismatic leader is also a major contributor to groupthink since members will be under pressure to agree with the leader's decisions. ^[1]

thinking or opposition within the ranks. While groupthink can signal solidarity and may show respect or deference to more senior leaders, it also shuts down dissenting voices and alternative opinions. This means that wrong ideas or bad strategies can become amplified and ultimately implemented. Groupthink, therefore, can lead to suboptimal or even disastrous outcomes.

Tired of paying tax on your trading profits?

SPONSORED

[Try spread betting with City Index.](#) With exclusive tools, award-winning platforms, competitive spreads, and expert market analysis, see why [we are a leading choice for traders globally for forty years.](#)

71% of retail CFD accounts lose money.

ARTICLE SOURCES ▼

Related Terms

What Is Overconfidence Bias? Can It Harm Your Investment Returns?

Overconfidence bias is a cognitive bias that can hurt investment returns by leading people to overestimate their knowledge and ignore relevant market information and feedback. [more](#)

Self-Serving Bias: Definition and Examples

Learn about the self-serving bias and how it influences decision making in finance and investing. [more](#)

Attribution Bias: What It Is and Why It Is Important in Finance

Attribution bias occurs when individuals incorrectly perceive the causes of events and behaviors, often attributing successes to their own abilities and failures to others. [more](#)

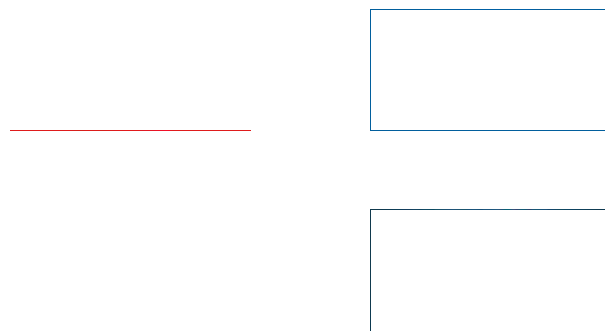
Illusory Truth Effect: What It Is, Why It Happens, How to Avoid It

What's Poverty? Meaning, Causes, and How to Measure

Poverty is a state or condition in which a person or community lacks the financial resources and essentials for a minimum standard of living. [more](#)

What Is the Bandwagon Effect? Why People Follow the Crowd

The bandwagon effect is a phenomenon in which people do something primarily because other people are doing it. [more](#)



Partner Links

[Open a live account in minutes and trade over](#)

Related Articles



TRADING SKILLS

Trading Psychology: What it is and Importance



A woman with shopping bags walks on a city street.

BEHAVIORAL ECONOMICS

Somatic Marker Hypothesis and Economic Decision Making



Man reviewing containers

GOVERNMENT & POLICY

Capitalism vs. Socialism: What's the Difference?

Looks at Laptop
Screen

How Information Bias Can Lead to Poor Investing
Decisions

 Transgender flag

STRATEGIES

Qualifying for Life Insurance When You're
Transgender

BEHAVIORAL ECONOMICS

Information Overload: How It Hurts Investors



[About Us](#)

[Terms of Service](#)

[Dictionary](#)

[Editorial Policy](#)

[Advertise](#)

[News](#)

[Privacy Policy](#)

[Contact Us](#)

[Careers](#)

[EU Privacy](#)



Investopedia is part of the [Dotdash Meredith](#) publishing family.

Please review our updated [Terms of Service](#).