

Information Sharing Always Helps Team Decisions? The Hidden Profile Condition

Yazhen Xiao, Haisu Zhang, and Timothy Basadur

Abstract Firms generally take the pool of information shared by team members as an advantage of teamwork in the decision-making process. Yet information sharing has not been as impactful under certain circumstances. Adopting the “hidden profile” paradigm, we examine the relationships between information sharing and team decisional outcomes. Specifically, we argue that information sharing benefits team decisional outcomes only when information is equally distributed among all decision makers in a team. When information is unequally distributed, it is not information sharing, but information use, that facilitates team decision making. Furthermore, our results show that the hidden profile problem aggravates in functionally diverse teams. Through this study, we suggest that information use is the ultimate gateway that leads decision makers to optimal decision outcomes.

Keywords Information Sharing • Decision-making Process • Hidden-profile • Teams

References

References Available Upon Request

Y. Xiao (✉)
University of Illinois at Chicago, Chicago, IL, USA
e-mail: yxiao21@uic.edu

H. Zhang
Purdue University Calumet, Hammond, IN, USA
e-mail: haisu.zhang@purduecal.edu

T. Basadur
Concordia University Chicago, River Forest, IL, USA
e-mail: timothy.basadur@cuchicago.edu