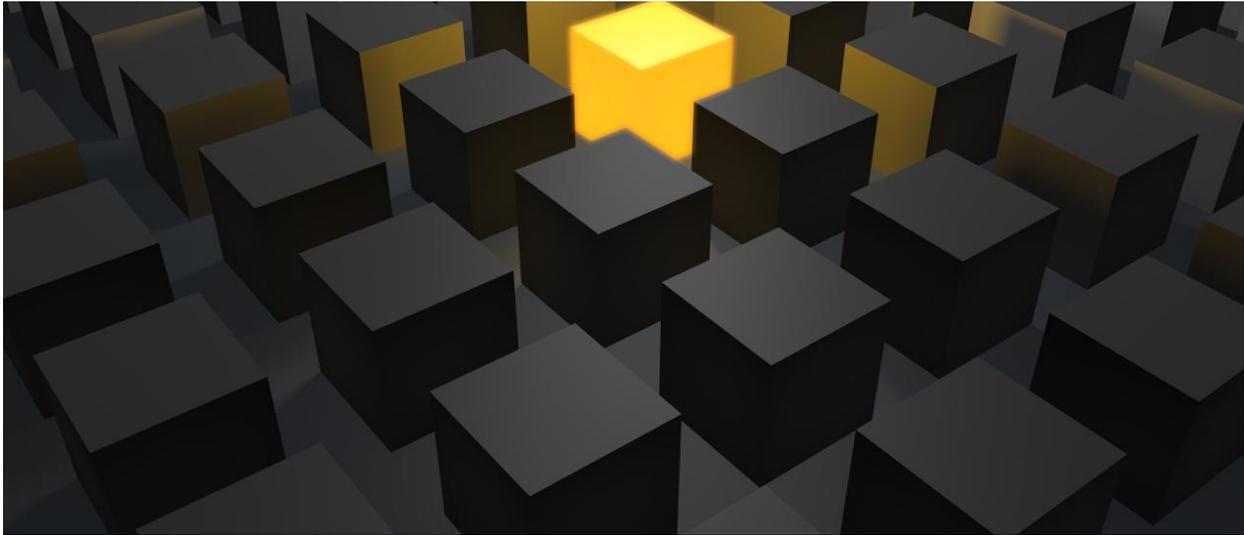




## What to Do With Contrarians?



By Henning Piezunka , INSEAD; Vikas A. Aggarwal , INSEAD, and Hart Posen, Wisconsin School of Business

**Even when they are wrong, those who think differently add value to an organisation.**

Does this situation sound familiar? You're sitting in a meeting, and you and your colleagues are energetically discussing how to handle an important issue or challenge. Ideas and suggestions are bouncing around so fast that the designated note-taker can barely keep up. Then a new voice chimes in, belonging to an employee who never talks in such meetings. It's as if one of the chairs in the conference room suddenly started speaking. The group falls silent and pays close attention, clearly expecting something special.

But it's soon evident why this person usually stays silent. Their idea seems flown in from another discussion entirely. It seems to have no connection to what anyone else has been saying, let alone to the issue at hand. After a polite, awkward and brief silence, general conversation resumes where it left off as if the quiet one had never spoken.

Generally, organisations don't know what to do with contrarians – employees whose ideas or mindset don't fit the mold. On the one hand, giving contrarians too much credence or authority strikes most leaders as a risky move. When in doubt, it's seemingly much safer to follow the wisdom of the crowd. At the same time, smart leaders are aware that genius often looks like weirdness to ordinary souls. Being out of step could be a sign of a superstar. But without a simple, reliable way to distinguish the savant from the crackpot, most leaders let their innate conservatism lead. Contrarians are sidelined.

## **Decision-making structures**

In a recent research study, which gave rise to a [paper forthcoming in \*Organization Science\*](#), we used computational models to tease out how different decision-making structures shape the performance of an organisation, as well as the learning of its individual members. One of the side benefits of collaborative decision making, we reasoned, was that members can learn about options they personally would never have chosen. This process, which we call “learning-by-participating”, translates into long-term advantage for teams and organisations that employ decision-making methods that give contrarians a voice, so that they can learn and their colleagues can learn from them. An example of such a method is rotating dictatorship, in which decisions are randomly delegated to individual participants who can make an autonomous choice on the group's behalf.

More “democratic” methods that rely on aggregating the wisdom of the crowd – such as majority-rules or two-stage voting – work well in the short-term. However, they do nothing to correct individuals' misplaced faith in options that seem promising but fail to deliver. These “false positives” then stick around to hamper the effectiveness of the group as a whole.

## **The inherent value of contrarians**

Linking long-term team performance to the purging of false positives led us to the counterintuitive finding that listening to contrarians can add value *even when they're wrong*. We separated hypothetical contrarians into two groups: geniuses and anti-geniuses. The former category correctly identified the most valuable alternative from a menu of five; the latter believed the worst of the five to be the best.

As you might expect, the simulated organisations in our model performed better when they afforded contrarian geniuses the chance to make decisions, which happened only under rotating dictatorship.

But anti-genius contrarians may also have useful knowledge buried beneath their (incorrect) beliefs. In our model, the big error of anti-geniuses – believing the worst of the five options was the best – was counterbalanced by subtler but still rare intuitions, such as that the best option was indeed superior to most others. As the simulation played out over hundreds of rounds of decision making, we saw that under rotating dictatorship, anti-geniuses were able to shed their most flagrant false positives and contribute to general team knowledge by helping identify highest-performing alternatives quicker.

It goes without saying that the more geniuses you have on your team, the better it is for performance. But experience tells us that full-fledged geniuses, with a head full of great ideas unclouded by false positives, are few and far between. If rotating dictatorship is too radical a structure for your organisation to consider, you might want to think about recruiting one or two more anti-geniuses. This may seem counterintuitive, but it is only by strength of numbers that anti-geniuses will be able to make their mark despite their marginalised status, given the homogeneity of conventional organisational decision making.

So the next time a contrarian brings the meeting to a momentary halt with a seemingly irrelevant suggestion, it might be worth taking a pause to ask them some clarifying questions. Try to excavate the exotic insight that might be bubbling underneath the crust of their confusion. And if it turns out that they might in fact be onto something, perhaps suspend your doubts and try putting their idea, offbeat as it may be, into action. Even if it turns out to be a dud, the contrarian will learn something while feeling less marginalised – and your team will learn that listening to contrarians is something worth doing.

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<https://knowledge.insead.edu/entrepreneurship/what-do-contrarians>

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## About the research

["The Aggregation-Learning Tradeoff"](#) is published in *Organization Science*.

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