# Benefiting from diversity:

what can we learn from agent-based models?





# Hello!

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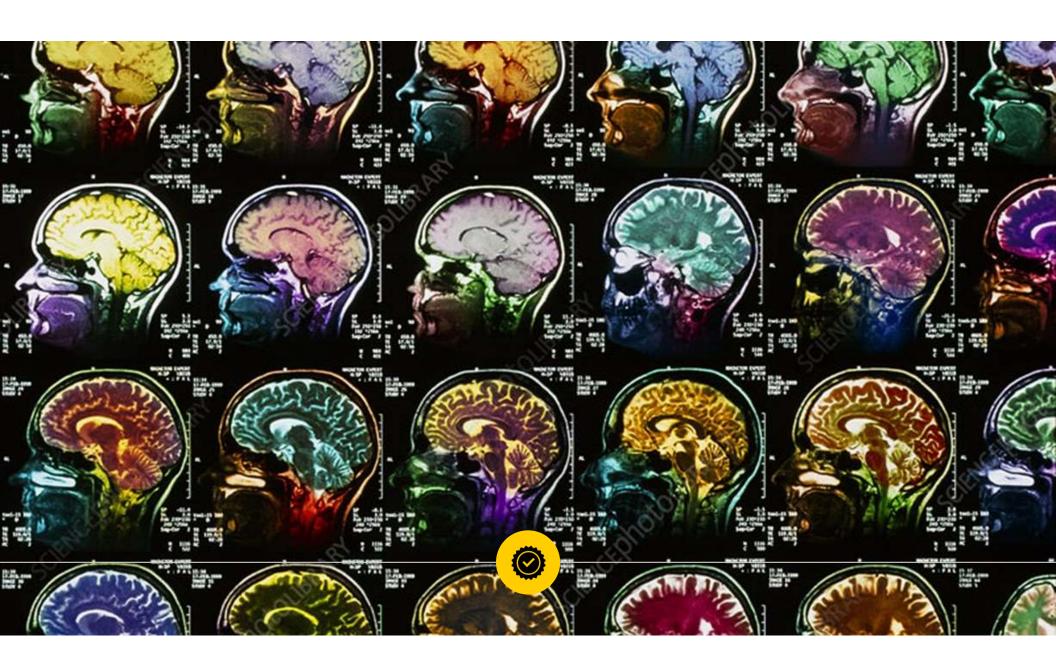
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# Benefiting from diversity?

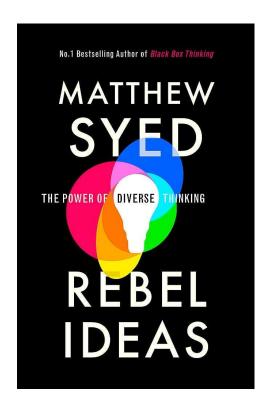


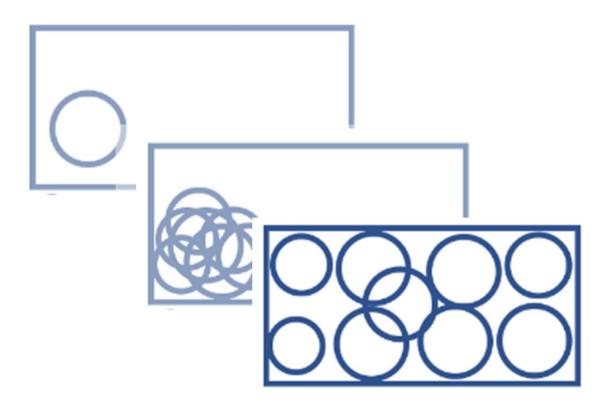






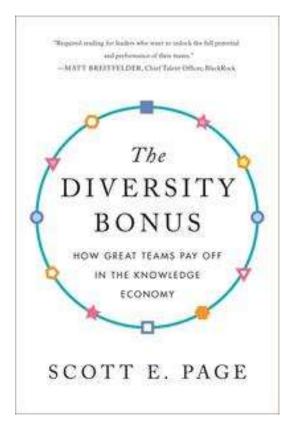
# A team of rebels







# A diverse toolbox







Organizational Behavior and Human Decision Processes (2012)

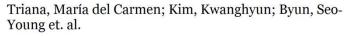
Defying conventional wisdom: A meta-analytical examination of the differences between demographic and job-related diversity relationships with performance



van Dijk, Hans; van Engen, Marloes L.; van Knippenberg, Daan

Journal of Management Studies (2020)

The Relationship Between Team Deep-Level Diversity and Team Performance: A Meta-Analysis of the Main Effect, Moderators, and Mediating Mechanisms







On the diversity benefits exist?

• How do they come about?

• What are barriers?



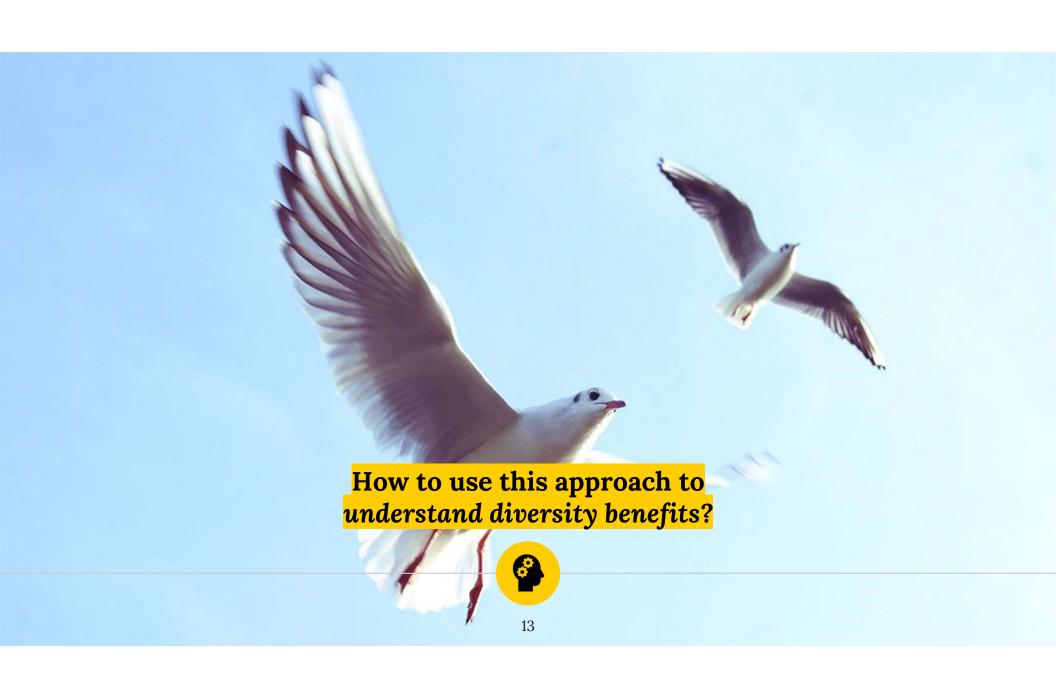
# Agent-based modeling

All models are wrong, but some are useful - George Box



# Schelling (1971) ... or the parable of polygons





# Problem-solving as hill-climbing







## Hong & Page (2004)

- Agents search for peak in random landscape
- Agents can have different heuristics (step sizes)

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# Groups of diverse problem solvers can outperform groups of high-ability problem solvers

Lu Hong and Scott E. Page Authors Info & Affiliations

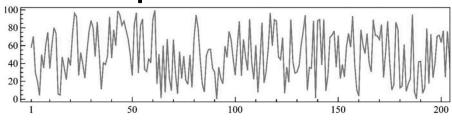
November 8, 2004 101 (46) 16385-16389 https://doi.org/10.1073/pnas.0403723101



# **Special features**

# **Random** landscapes

# →no expertise



Relay approach

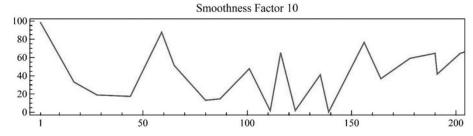


# Diversity, Ability, and Expertise in Epistemic Communities



## Grim et al. (2019)

Smoothed landscapes



Tournament strategy



RESCIENCEC

UNDER REVIEW

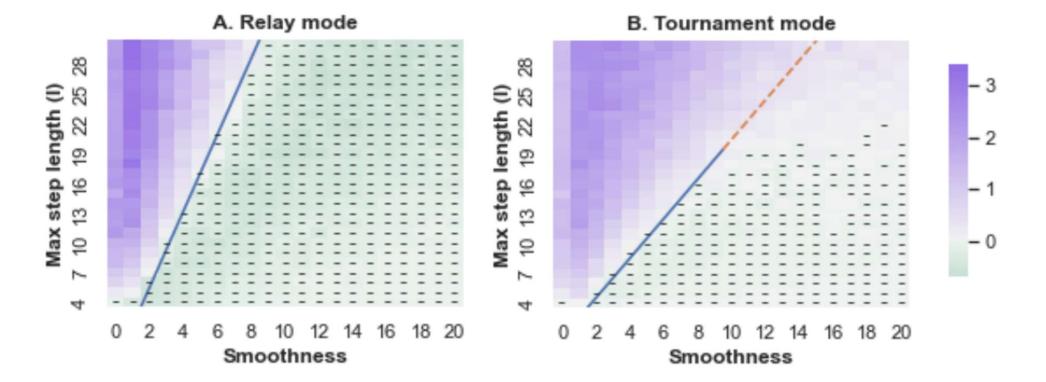
### Replication / Social Psychology

# [Re] Groups of diverse problem-solvers outperform groups of highest-ability problem-solvers - most of the time

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# The upside of diversity

			Winning margins			
Strategy	Random team performance		Random team		high-ability team	
	Win rate (%)	Mean margin	Mean	Max	Mean	Max
Relay	25.9	0.14	1.50	3.32	0.34	0.69
Tournament	60.0	0.54	0.93	2.58	0.06	0.21

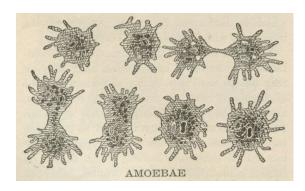


### So what?

- (Any) diversity is powerful when there is no expertise
- When there is expertise: need a lot of diversity
- Diversity needs to be maintained in the process relay leads to convergence
- Diversity has greater upside than downside and comes with random (free) selection

# Problem-solving as procreation



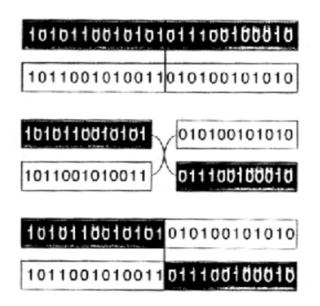








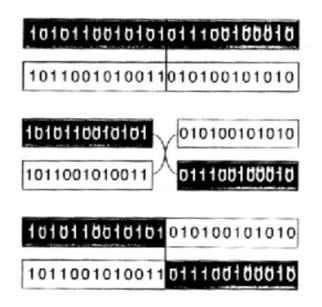
## A more complicated problem







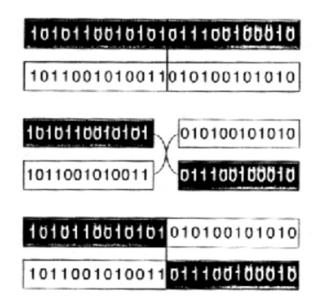


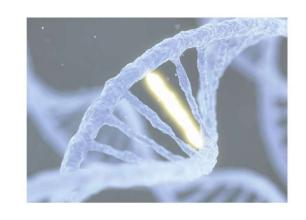














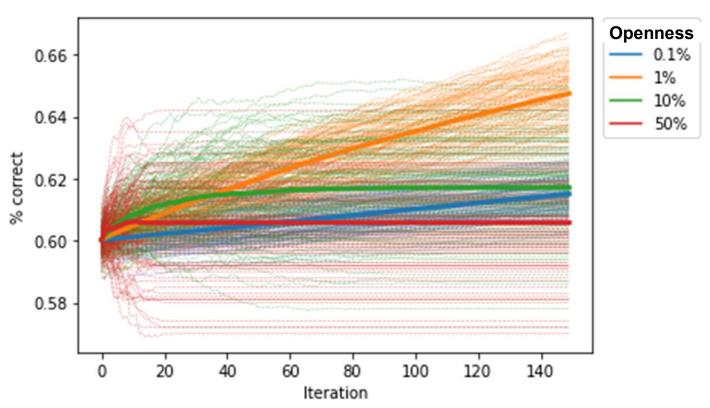


## My basic model

- Agents take a guess at the start (60% accurate)
- Each round:
  - Meet one other agent in their team of 12
  - Randomly combine their guess with the other's (by taking a random chunk of specified length)
  - Take a vote in their team whether new guess is better than old guess – if so, update their guess



# Initial results - mean accuracy of agents



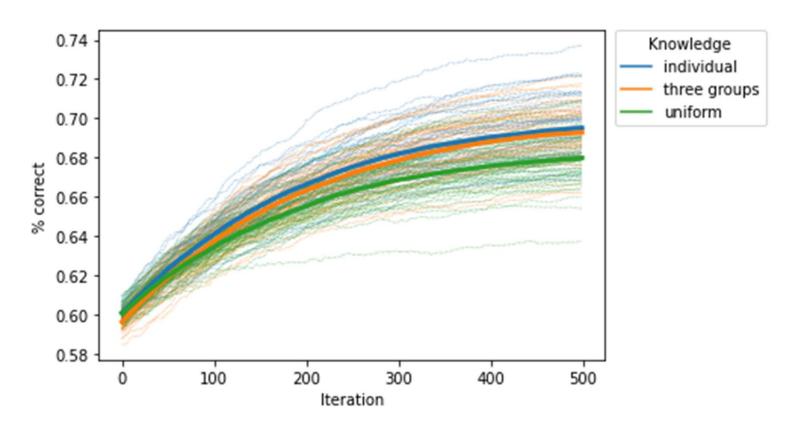


## Adding cognitive diversity

- Agents now tend to know about different parts of the solution
- Still 60% accurate on average –
  but now based on different distributions
  - Either group-based (e.g., from different functions)
  - Or individual (e.g., own experiences)

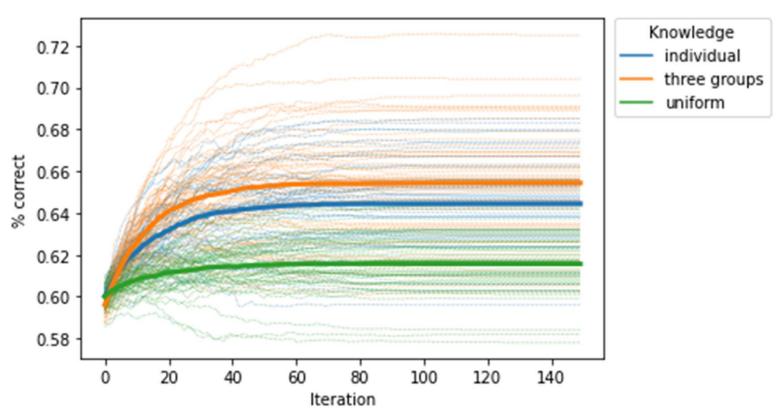


# With 1% openness it takes a while





# With 10% openness the pattern is clear





### So what?

- Teams outperform any individual by pooling their knowledge
- Diverse teams do better over time
- Need to maintain diversity again, too much convergence is wasteful
- (Omniscient leaders are very helpful)



## Why does the voting work?

## Wisdom of crowds (Galton)

# **Diversity prediction theorem** (Page)

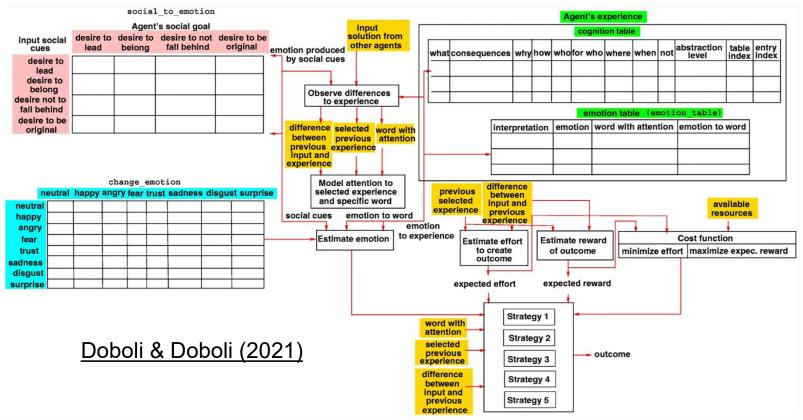


Diversity in predictions reduces collective error

NB: any awareness of knowledge areas would further boost performance



# What's next? NOT THAT!





### But ...

- Further explore impact of communication barriers and biases
- Consider whether maximum diversity is best
- Consider how external information (e.g., experiments) and meta-cognition can support evaluation of ideas



# Thanks!

# Any questions?

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## **Credits**

Special thanks to all the people who made and released these awesome resources for free:

- Presentation template by <u>SlidesCarnival</u>
- Photographs by <u>Unsplash</u> and <u>Pixabay</u>