

Get Smart Or Die ©2004

By

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Introduction:

The most underutilized resource in business today is the combined brainpower available to the enterprise. It is estimated that the average person uses less than five percent of their brain's potential. When we combine those people into a business enterprise the percentage drops rather than grows. Yet, how we think determines what we do and how effectively we do it. In a world where competitors can copy our technologies, clone our trade secrets, and outspend us in the marketplace, our ability to think well together is our one true competitive advantage. Companies have to get smarter or risk eventual death.

The word berserk first came into use in the middle ages. It originally referred to someone who, whether through lack of funds, lack of readiness or an excess of enthusiasm went into battle without armor...or as they would say, "bare of sark." Passion overrode reason. Going into today's competitive arena, relying more on strength of effort than brainpower is the modern equivalent. It's going into battle unprotected, not girded by robust thinking, imagination or intellectual flexibility. It's acting berserk in both the ancient and the modern sense.

The simple truth is that many business organizations are vulnerable when they take on their competition. They limit themselves by competing with weak or sloppy thinking skills. They use only a small portion of the available brainpower available to them. Thinking is compartmentalized, factions and functions compete against each other and too many people are marginalized from the thinking processes of the enterprise. Ultimately, too much time is spent mired in the mechanics of the business (the what) and far too little time attending to its artistry (the how and the whys). When information and knowledge add critical value to your products and services, you have to capture and employ the best thinking you can generate. You can't afford to be sub-optimized.

Success is always fragile:

Look at the life span of businesses. Fifty percent of entrepreneurial start-ups go out of business in the first two years. The number rises to seventy-five percent after five years. This doesn't count the innumerable small business ventures started without incorporation. Or, you can look at the turn over in the Fortune 500 list over the years. Many of yesterday's giants are gone. Recently AT&T, Eastman Kodak, and International Paper were dropped from the Dow listings, their numbers no longer seen as vital indices.

It doesn't matter if your company isn't AT&T---your business is at risk regardless of its size. Too much time is spent doing but not thinking; not really thinking; not deeply thinking. The press of daily demands distracts us, fractures our focus. We spend too much time on autopilot, working the winning formulas of the past. They're hard to

relinquish. However, it is no longer enough for an organization to routinely go about its business. In today's highly competitive world you constantly have to improve as a competitor. You're either moving ahead or you are falling behind. The wolves, in the form of relentless competitors, market forces and economic conditions are following the herd eager to cull the weak.

Familiar habits and patterns limit our effectiveness:

Human beings are creatures of habits and patterns. So, too, are our organizations. We love our routines. We settle into comfortable "mindsets." We like a certain amount of stability and predictability because it allows us to develop efficiencies, to go on automatic pilot.

The world of perceptions and events is simply too chaotic for our brains to process every input as novel. Therefore, we develop our sense of reality...of how things work...of what things mean and we tend to hold quite fiercely to this sense of reality. But what happens when the world changes faster than we adjust our views of the world? Then, we make mistakes, miscalculations, and act on inadequate or outdated assumptions.

The trouble is, working obsolete processes more efficiently doesn't produce success, it only extends the agony. Why is Jet Blue making money while USAir and Delta, bigger and more established, are in deep trouble? It goes back to their assumptions about themselves. USAir and Delta are saddled with a recipe for success that has become outdated. Their business model is out of step with current realities. They cling to their old beliefs and try to work obsolete processes and outdated assumptions more efficiently. Jet Blue has learned from what those companies were doing and created a business model that is more current. The people at Jet Blue, freed from the constraints of this old "knowledge," developed new processes better aligned with the current business environment.

What we know actually can work against us:

Knowledge is exploding and changing how things work in the process. Joachim de Posada, a writer and motivational speaker, offers an interesting illustration of this fact. In his talks, he shows a picture of a circus elephant held in place by a chain attached to a tiny stake in the ground. It was really too small to do its job given the mass of the adult elephant and the size of the stake. Adult elephants can uproot trees. How do they stay constrained by a small stake in the ground?

The stake works because of the elephant's mindset. It had been chained to that stake since it was a baby. Back then it pulled and tugged against the stake but couldn't dislodge it. Eventually the elephant "learned" that it was no use. "I can't get away. No use in trying," he thinks. Now when the elephant could pull it free, it doesn't try. It *knows* better. In how many ways are you like the elephant? How often are you held fast by what you "know?"

People are creatures of habits and patterns so are our organizations. Indeed, we organize our enterprise the way we do based on our assumptions about how the world works. The more complex the organization the more difficult it is to modify; the stronger the mindset, the more difficult it is to change. When we do evaluate our thinking we tend to evaluate the products of our thinking – our ideas or our decisions – but we seldom evaluate out thought processes themselves. We take our thinking itself for granted. So, in turn, we don't learn as much as we could.

Turning co-workers into co-thinkers realizes potential:

In order to ensure success going forward, we have to turn co-workers into co-thinkers. When people within an organization compete against each other, when the goal is to optimize the work of each functional unit without regard for the impact created or the synergies lost across the enterprise...someone else is going to come along and beat them. We have to work smart or die.

How many of you have worked in a place where sales people are urged to sell like crazy while production people rail against the production inefficiencies caused by the undisciplined behavior of the sales force? How often do sales reps promise things you can't deliver in order to maximize their numbers while production people resist in order to maintain their efficiencies? How often have customer service reps been embarrassed by the behavior of drivers and how many drivers have been put on the spot by shoddy picking or loading of the products on the trucks? The list could go on, but the point is, these companies aren't operating from a shared, mutual definition of success. Each part acts in its own self-interest.

These are not inevitable tensions. They exist because we seek to optimize each function at the expense of the enterprise. People worry about *their* numbers; not *our* purpose; not *our* numbers. As a result the enterprise is sub-optimized.

When things go wrong, the organization's response is typically to focus on individuals and to assign blame rather than to change fundamental perspectives. It's workers become more skilled at developing excuses than solutions. Co-workers are too often competitors and too seldom co-thinkers.

Thought partnerships lead to better thinking:

Thought partnerships are relationships formed by people who are working with a common purpose, a shared definition of success. When people are thinking synergistically, working to create a bigger impact that they could create on their own, they have reason to collaborate. And thought partnerships require a familiarity with each other's goals and circumstances. Thought partners are able to think from each other's shoes, if you will. The simple fact is that nobody is as smart as everybody.

Calling a group "a team" doesn't make them one. Declaring that we are now thought partners will not create collaborative thinking either. The elements of successful thought

partnerships have to be in place. It is the job of the leaders to ensure that the organization is doing its best thinking...as a whole...as an entity.

Savvy leadership can produce smarter companies:

In order to do your best thinking there are several things that a leader can do. There are steps that can be taken, diagnostic signs of weak thinking that can be read, and countermeasures that will make a difference.

First: There has to be the intention to get smarter. You have to establish it as a goal. There has to be a shared vision of what thought partnerships can do. Then you have to promote the practice.

Signs and symptoms: What follows are some examples of common occurrences that signal a lack of the shared intention to think collaboratively across the company. Have you (or your people) ever:

1. Stopped talking in a debate, not because you were convinced that you were wrong but because the other person simply wasn't open to hearing you.
2. Sat in a meeting where the most aggressive talker carried the discussion because of their aggressiveness not on the merit of their ideas.
3. Sat in a meeting that failed to make a decision or where a decision was made and everyone left the room only to criticize it among small groups of trusted friends.
4. Worked in a place where pocket vetoes are tolerated.

Countermeasures: The frustration of these experiences creates the energy for building thought partnerships. Here are some steps that you can take:

1. Leaders must ensure that conversations are complete before a decision.
2. Leaders must ensure that decisions account for all points of view.
3. Leaders must host conversations dedicated to building ideas.

Second: You have to ensure a common definition of success. The parts of the organization must do their work as contributors to a greater good...success for the enterprise. This happens through shared goals. Leaders need to ensure that collaborative thinking occurs across organizational boundaries. All of the company's strategic imperatives need to be supported by operational game plans that bridge boundaries.

Signs and symptoms: There are predictable signals that people lack a shared frame of reference. Have you witnessed instances where:

1. Teams are charged with solving a problem and yet there is little or no discussion of the parameters of a workable solution for the company.
2. Actions taken to solve one problem create unexpected complications or difficulties for others.

3. Functional thinking, issues of turf or politics strongly color the perspectives of the people involved in the conversation.
4. Staff meetings were a series of individual reports on the activities of each department, not the thinking behind those activities. Others are not asked to input ideas, only to listen until it is their turn.

Countermeasures: When a leader sees these signals he or she should know that the organization's focus is fractured. Tightening the focus leads to more powerful results.

1. Assign the role of devil's advocate in all important deliberations. This person should assume the role of thinking from a broad strategic perspective. It could be that they speak for the customer, or speak for the strategic plan, etc.
2. When practical, the group can be divided into red and blue teams assigned to test the strength of ideas and to identify their weaknesses through role-play or simulation.
3. Assign multi-level, cross-functional teams to address problems and opportunities. Too often the same handful of leaders do all of the planning while the rest of the company's brains are marginalized. Then, when a decision is made there is only limited buy in. Without a shared context good decisions tend to be tactical and specific rather than strategic.

Third: There has to be the expectation that people will create thought partnerships. "What you tolerate, you validate," so if you allow individual thinking and competitive perspectives between teammates, you implicitly give them your blessing. I don't mean expect in the passive, waiting...hoping for it sense. I mean expect in the sense that you set the criteria for how we do things here. Set the bar high.

Signs and symptoms: Have you ever participated in meetings where:

1. No one was prepared for the work of the meeting or the meeting had no agenda?
2. Sat through a meeting where people argued from their assumptions or intuitions without having collected the information required to make a data based decision?
3. Heard people decide what was best for the company based on thinking that was ad-libbed and founded on intuition and old assumptions?
4. There were questions that their research is appropriately thorough before you decide on a course of action?
5. People were ambushed or surprised by the positions taken by others?

Countermeasures: Thought partnerships and collaborative thinking will never happen unless they are expected as a part of a culture of rigorous thinking.

1. Routinely surface, consider, and question underlying assumptions.
2. Drive data-based decision-making.
3. Model and expect rigorous preparation.
4. Use the Japanese concept of "Nemawashi" to test and share ideas with other stakeholders as ideas and proposals are developed prior to decision making.

Fourth: Create a culture where it is safe to think aloud, safe to think together. Our brains are wired to look for danger. Our default mode is to look for what's wrong with an idea. This is why we prize creative thinking...thinking that generates something new rather than thinking that simply looks for faults.

Leaders must look to teammates to build on each others thinking, to borrow ideas from others and to find what's right with an idea. "No one is as good as everyone," and "Everyone can learn from anyone," are mantras built into the thinking of adaptive organizations.

Signs and symptoms: Have you ever been part of a process where you have:

1. Heard someone offer an idea only to hear others quickly begin to pick it apart?
2. Sat through a meeting where people talked over each other's ideas? Where people were interrupting before the speaker even finished his or her thought?
3. Listened to someone being ridiculed for his or her thinking?
4. Heard ideas discounted simply because of who raised them?
5. Seen the "not invented here syndrome" at work?

Countermeasures: Leaders need to model and expect robust thinking throughout the organization. This has to be an active posture. It has to be lived rather than preached.

1. Create a culture where ideas are built, stretched and developed.
2. Expect that speakers will articulate the assumptions behind their thinking.
3. Establish a practice of meaningful after action reviews.
4. Develop talent through an active process of shadowing and mentoring.
5. Respect and reward good thinking as well as good performance.

Conclusions:

Weak and sloppy thinking is a threat to any organization. It is easy to slip into a rut and difficult to shake out of one. If you are to be a highly effective competitor you must nurture your one true competitive advantage; how well your people think together. You can't afford to marginalize a large percentage of your available brainpower. Rather, leaders must remain vigilant for the signs of weak thinking and take effective steps to build the thinking capacity of the organization as a whole. The choice is your and it is simple, get smart or die.

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