

Realizing Untapped Potential

**By
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An Introduction:

How much of your company's potential lies untapped? Although you've paid for it, are you allowing it to sit and rot? Rot may seem a harsh word, but it's accurate. Over time, untapped potential turns into complacency. The symptoms are numerous. "It's not my job," comes to mind, as does an attitude of passive compliance, where people may do what they're told, but little or nothing else. Enthusiasm wanes, and cynicism, which is enthusiasm that has soured in the face of continued frustration or disappointment, takes root. A "just good enough" attitude often becomes contagious.

Many physicists in the sub-atomic, post-Newtonian world say that, "Nothing exists until it is measured." While that may sound difficult to buy on the surface, perhaps an example from the world of business can make the point. We don't know how to measure untapped potential within our companies. Instead, we look at what we can measure---our sales statistics, production figures, return customers etc. If we do better than we did before, or if we hit specific performance targets, we are happy. We learn to live with the mundane, the routine. If mediocre efforts produce the hoped for results, people have a tendency to label that effort as successful. This is a deceptively self-limiting way to operate.

Unrealized Potential:

In this paper, the focus will turn to the unmeasured – the untapped potential. While we may not be able to directly quantify unused potential, we can identify its signs and symptoms. Have you ever asked yourself any of the following questions?

- Why someone didn't show a sense of urgency about an issue that you felt they should have recognized as crucial to the enterprise?
- Why some people don't "get it," even after you've tried a dozen times to get them to do something differently?
- Why petty personality conflicts between individuals take precedence over collaboration and cooperation on the company's goals?
- Why someone didn't go out of his or her way to pass information on to someone else, while gossip can spread through the organization like wildfire?
- Why the same people wind up fighting the same types of fires, over and over again?

If you've wrestled with these or similar questions, you've recognized symptoms of untapped potential. You and your people can resolve these issues. You can capture unrealized potential, but it will require doing things differently than you've been doing them.

There is a key perspective that you'll find helpful. It was developed by John Boyd and is referred to as the Boyd cycle or the OODA Loop. John Boyd was a pilot and strategist who analyzed the necessary and sufficient conditions for success in aerial combat. The four critical steps of the process were: to observe what was happening (observing), to interpret events and understand their implications (orienting), to consider what to do about what has been learned and make decisions (deciding), and then to act effectively on those decisions (acting). Observe, Orient, Decide and Act – OODA. (See: Elash D., Doing It Right, Realizing Your Company's Potential, 2002.

To Boyd's way of thinking, speed isn't everything. Actually working through the cycle effectively and quickly are among the critical ingredients for success. He also stresses the importance of frame of mind in positioning someone for winning. In analyzing winners, both in combat and in business over the years, he found that, "Winners...consistently went through the OODA loop faster than their opponent and thereby gained a tremendous advantage. By the time their opponent acted, they were doing something different. With each cycle, the slower side's actions were less apt and it fell farther and farther behind." (Thompson, F., "Business Strategy and the Boyd Cycle," *Journal of Contingencies and Crisis Management*, 3/2 June, 1995)

Diagnosing Unrealized Potential with the OODA Loop:

We can use the OODA loop as a template for identifying unrealized potential. Look at the four processes to identify areas where you are not acting as effectively or as efficiently, as a company, as you're capable of doing. When you read the word "you" below it refers to both you as a person and you as an organization, simultaneously.

Observing:

Identify situations where you miss opportunities to question, probe, or be curious.
Identify instances where you assume that your old knowledge is sufficient, or where you don't seek the ideas/input of others.

Identify situations where peoples' focus is too narrow, resulting from the limited perspective that reflects a "nose to the grindstone" posture.

Identify how developments outside the organization have surprised you with events, and seek to understand why you were vulnerable to surprise.

Analyze those places where your business plans have fallen short or proven inadequate.

Orienting:

Recognize areas where there is a lack of shared understanding between people who are supposed to be “on the same page,” or across organizational boundaries with regard to overall goals, purpose or priorities.

Identify places within the company where there is a lack of expected synergy or collaboration.

Identify functions, departments or just individual performers who display a persistent attitude of self-reference as opposed to those who can shift their focus between their immediate responsibilities and the bigger organizational picture.

Deciding:

This section refers to broad thinking skills rather than limiting its focus to decision-making. Is the company creative, imaginative and clever in how it thinks about issues and generates solutions?

Is there a standard of rigorous thinking that permeates your company?

Identify chronically recurring problems or inefficiencies and devotion to obsolete processes.

Identify the absence of dissenting points of view during discussions or debates; failures of bad news to reach the top of the organization before a crisis looms; or when people aren't intellectually prepared to bring their best thinking to the councils of the business.

Acting:

Notice and address instances of “pocket vetoes” –situations where people superficially agree to a decision and then sabotage it by inactivity or a failure to comply with the requirements of the decision.

Identify places where there exists evidence of a lack of resourcefulness; where excuses and justifications trump solutions.

Identify issues that return after they were supposed to be resolved, or those that require your best people to spend their time “fighting fires” rather than working the business plan.

Identify instances where the people delegate work upward – performing in ways that require managers or leaders to step in and execute solutions that should be in the purview of those working for them.

Remedial Work:

The Boyd Cycle can help you prepare remedies for the symptoms of unrealized potential. If you are just diagnosing these symptoms you are NOT ready for action and so there will be no action prescriptions offered here.

Once you've recognized the symptoms of untapped potential in your company, you ARE ready to create the foundation for wasting less and using more. There are three essential elements to consider in building a foundation for organizational effectiveness:

Identity
Relationships
Information Flow

Building the foundation for realizing potentials requires work. This work consists of open, honest conversations between and among all involved. Below, you'll find suggestions for some uncommon steps that you can take.

Creating a Shared Identity:

- Ensure conversations about the identity of the organization; who you are as a company; what you stand for; what are the implications of your identity on how the company's mission unfolds. (Note: A conversation refers to a sharing of ideas and perspectives rather than a unidirectional data dump.)
- Facilitate those conversations between you and your leadership team, between and among your people, your people and your customers, and your company and your suppliers, allies and partners.

Clarifying The Relationships Required:

- As shared purpose and common identity become normal topics of conversation, people need to clarify how they are to interact in their venues if they're to be aligned with the sought after company goals.
- Clarify that these relationship considerations are nested, like Russian dolls. The considerations range from how we work together across the company to what you and I need to do to optimize our collaboration.
- Over time, by clarifying these concerns you are creating the capability for the organization to engage in mature self-reflection and a self-awareness enabling people to recognize gaps between current realities and desired goals, and then allowing them to develop appropriate adjustments to close those gaps.

Optimizing Information Flow:

- Finally, you need to help people to consider and then discuss the information needs of themselves and those with whom they interact. What information is needed, by when, if they are to play their parts well?
- Help your people to alert those who labor with them about those needs and how to work within your capabilities to satisfy them.
- Help people understand the information needs of the people who “supply” them with materials or work and those who “consume” the results of their efforts.

In taking these steps, you **are** building the readiness for realizing the unused potential of your company and turning outstanding performance into the new minimum standard for your company. Once prepared, do it right.

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