

Thought Partnerships Build A Company's Thinking Skills

By

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Why Thinking Skills Are Important:

Leaders can build highly adaptive companies by creating organizations that think well. Companies that think well are capable of adjusting to the implications of how changing customer expectations, competitors' new initiatives, emerging technologies and evolving market conditions affect how they must alter their work. How effectively a company thinks determines how effectively it competes. Fundamental to this ability is the requirement that the people involved think well together, not just individually. It is no longer enough simply to field a team of bright people; the thinking skills of the company, as a whole, are where competitive advantage lies. Yet thinking well together doesn't just happen, it has to be nurtured in the form of thought partnerships.

Thought Partnerships Are A Company's Thinking Infrastructure:

When people join together to engage in collaborative thinking, they have entered into a thought partnership. The term itself is helpful because it clarifies for the participants that they are engaged in a common quest for the good of the company. Formally, a thought partnership is, "A relationship between and among two or more people, in a value creating enterprise, formed for the purpose of generating intellectual value." These value products include such outcomes as:

- Building common understandings
- Sharing information rapidly and effectively
- Collaborative imagining, reasoning, and problem solving
- Exploring new ways of acting together
- Anticipating future events

These tasks are difficult---if not impossible---for people to accomplish when thinking alone. What gives thought partnerships their power is the fact that there is a shared purpose at the heart of the working relationship---a necessity for collaborative thinking. Participating in a true partnership generates a common focus by aligning the thinking of diverse individuals around a common goal. A clear understanding of their common purpose provides a standard reference point around which people can structure their working relationships in any particular instance. That is, what we are trying to accomplish determines how we need to relate to each other in order to generate the best results. It also establishes an intellectual context that clarifies what information is and is not relevant to their task.

Neal Rackham, et al., in their book, Getting Partnering Right (1996), identify three necessary ingredients for effective, on-going partnerships. They are:

Vision – the people involved are working with a common focus

Impact – there is a benefit accrued from working together

Intimacy – they are familiar with the issues, needs and circumstances of each other

In the typical business setting, the natural tendency is for each worker to think about their work from their own perspective. Unless people see themselves as working for mutually beneficial outcomes, they are unlikely to think together, to build ideas or craft mutual solutions. It is the absence of a shared purpose that explains why bright people, in good faith, have so much difficulty creating collaborative thinking. They tend to address issues from their individual perspectives. They tend to maintain their individual identities rather than folding into the team identity imposed by the task. They continue, unconsciously, to see, interpret, and consider information from their individually diverse postures. When their efforts aren't controlled and brought into a shared focus, the strengths of the individuals involved clash rather than blend, conflict rather than coalesce. However, when the workforce is interconnected through a series of effective thought partnerships, the company's focus becomes preeminent and individual agendas are subsumed by it.

3 Myths That Cause Leaders To Settle For Weak Organizational Thinking:

Because thinking well together wasn't seen as crucial in the past, few leaders deliberately worked to build the thinking muscles of their .

Too few leaders pay attention to nurturing their company's thinking skills. In the not too distant past, change occurred slowly, and the presence of a bright leader was often sufficient to successfully navigate a company through the challenges that came upon it in the daily course of business. As a result, thinking together well – as an organic whole – is a capability that few leaders adequately developed in their companies. For most, it wasn't something they had to attend to, and so they didn't. This perspective was supported by three myths that former business conditions seldom forced leaders to confront. These myths are:

- Thinking is natural and you don't have to think about it to do it well – *you do!*
- Thinking skills and intelligence are synonymous – *they aren't!*
- Bright people should just know how to think well together – *they don't!*

Many leaders still believe in these myths, on an intuitive level, and their outmoded beliefs limit the effort they invest in building the thinking infrastructures of their companies.

The Necessary Components of Strategic Thinking In Any Business:

How smart a company is can only be deduced by watching the results that it produces. An organization engages in effective thinking when its members consistently produce timely, effective results. John Boyd, a military strategist whose ideas are being rapidly adopted by today's cutting edge businesses, identified four critical components of strategic thinking that are helpful in this conversation. Those elements are rapidity,

variety, harmony and initiative. If we accept these as the critical capabilities associated with effective thinking in a business entity, we can use them as a framework to understand the organizational thinking skills that thought partnerships can produce. Consider the four elements:

Rapidity – Bright companies are able to engage in deliberations, communications and decision-making in a timely manner. They don't become bogged down in endless rumination. People read the appropriate signs and signals quickly and send effective messages to the appropriate parts of the organization rapidly. They are not paralyzed in their deliberations. They can make good decisions with the available information in the time allotted. They quickly move from thought to action.

Variety – Bright companies are able to shift gears and change focus in the face of new information or new opportunities. They aren't wedded to past solutions. They invite rather than fear diverse ideas. They are imaginative and resourceful. Their thinking evolves over time. They demonstrate their confidence by staying open to new information.

Harmony – One element of harmony is accuracy. Bright companies operate without letting their wishes and biases distort their perceptions. That is, they accurately interpret input from the world around them. The second element of harmony is that the parts of the organization think well together. They share broad common perspectives and are able to focus their efforts on the common good. They aren't bogged down with internal conflicts. The parts don't optimize their successes at the expense of the whole.

Initiative – Bright companies make things happen rather than continually reacting to the initiatives of their competition. They seize opportunities created by the marketplace and they create their own. They find ways to work their will on their environments. They take charge of creating futures that enable them to thrive. They anticipate new developments early and are proactive.

In essence, we know that a company is engaged in effective thinking when it manages its resources, its capabilities and its actions in ways that enable it to thrive. This means that it addresses threats effectively, but more than that, it generates its own success.

Using Thought Partnerships To Produce Better Thinking For The Company As A Whole:

Companies can create the infrastructure for peak performance by building thought partnerships in a deliberate, considered manner. These working relations are not something layered onto peoples' routine work. They are practiced so that they become the ways in which routine work gets done. Below, we will consider a number of thought partnerships and actions and see how they can foster a competitive advantage. The partnerships described are meant to be illustrative rather than exhaustive.

Partnering For Strategic Thinking:

A company's strategy is comprised of its purpose, its core business assumptions, and its best thinking about how to use its resources and circumstances to work its will on its business environment. The typical company thinks hard about its strategy on two occasions. One is at the typical yearly strategic planning session where goals are set as much for producing a template for the budgeting process as to lay out a critical strategy for the company's mid-term future. The other is when a competitor does something so successfully that business-as-usual is threatened. Limiting strategic thinking to these instances is insufficient for peak performance. For a company to become a fierce competitor, its strategy must become a vital part of its daily functioning. Everyone involved must share a common understanding of how the strategy affects their behavior as events unfold. When the strategic plan is a remote abstraction it cannot serve the purpose of focusing the workforce.

An active strategy group becomes a brain trust, dedicated to thinking from the company's point of view on an on-going basis.

A company needs to create a strategy group that is charged the strategy relevant to changing conditions, generating an active understanding of the strategy across the entire organization, and ensuring that the strategy forms the framework for day-to-day decision-making. This is the purpose of the strategy group. This group is a partnership where the participants share responsibility for being the champions of the company's strategy.

The strategy group must contain the core leadership team, but it should also be salted with a number of other people in the company who are looked at as natural leaders by their peers and subordinates. The charge of this partnership is to think beyond their functional duties and to serve as the company's brain trust, thinking for the company as a whole.

Having an active strategy group creates a mechanism where observations about recent developments in the external environment are considered in relation to the strategic thinking of the company. What are the implications of changing conditions? What are competitors doing to generate an advantage for themselves? What are our customers saying? Given our strategic intent, how can we perform to reduce threats and capitalize upon emerging opportunities? Considering these and similar questions forms the work of this partnership.

In the strategy group's regular meetings, they should consider the rapidity, variety, harmony and initiative the company is displaying as it competes, based on its strategy, throughout the year. Its main job is to think about the company's strategy and its implications on an on-going basis. These four dimensions translated into measurable standards and tailored to the company's specifics, become the vehicle for evaluating the efficacy of the strategy on a continuing basis. Additionally, a peer review process, in which the strategy group evaluates its own performance, should be used to create accountability by providing feedback to individuals about the quality of their

contributions and to periodically review and improve the performance of the group over time.

Partnerships To Debrief Key Initiatives:

All supervisors and managers should be held accountable for creating on-going conversations with their people about how the key elements of the business strategy are playing out in the work day-to-day. The framework for these conversations should be consistent, while the details will be shaped by the responsibilities and expectations of the particular participants. The framework should not be cumbersome; its success will lie in its ability to turn information into knowledge quickly and succinctly.

Once a week, everyone's direct reports should turn in a one-page (or if using computers, a one-screen), standard length document. A good referent for the average company is the U.S. military's after action review process. The debrief should consider:

- What did we try to do?
- What did we actually do?
- What caused the difference? Were we dealing with conflicting agendas?
- What do we need to do more of? What else can we do?
- What do we need to do less of? Are any processes weak or assumptions wrong?

A process of strategic debriefings gives people the information they need to keep their daily work aligned with the ultimate purpose behind those tasks.

Each company will develop its own language for these debriefings and tailor them to the key elements of its strategy. These debriefs are not meant to be mere functional updates, but a consideration of individual efforts in relation to the overall business strategy. The quality of these reports should become an element of the company's performance management process---people need to be held accountable for the quality of their work--- and rigorous thinking and considered reflection will be necessary in order to realize the value of these debriefings.

Each level of supervision bundles the debriefings of their people into a one-page summary for their manager/supervisor. This summary should also be disseminated to others whose efforts will be affected by these observations. Additionally, these abstracts, or important parts of them, should be forwarded to the strategy group for its consideration. Just who should send abstracts to the strategy group will vary from company to company depending on its size and complexity. The quality of these debriefings and the abstracts generated should be an area for coaching and training to ensure their usefulness. Generating debriefings simply for the sake of getting them done, rather than paying them the attention they deserve, will only clog the system and undermine the process. The functional leaders and the strategy team can periodically evaluate the process and make recommendations to improve its value.

Partnerships To Ensure Variety In Thinking:

Perspective is the lens through which everyone views the business environment. A common perspective is a perspective that is shared by two or more people, and many companies work hard to create a common focus around the business idea for everyone in the organization. However, there is a pitfall to beware of when it comes to creating and ensuring a common, shared perspective of the business strategy across the whole company. When a company becomes so wedded to its own perspectives that it cannot make appropriate changes as events continue to unfold, a corporate mindset---a specific way of considering developments---has taken hold. When companies are so invested in their plans and assumptions that they are unable to make course corrections as circumstances change, there is a lack of healthy variety in the quality of their thinking, which leads to these dysfunctional perspectives, or mindsets, developing within the company. The result is that the company develops blinders---a tunnel vision of sorts---that limit its peripheral vision and narrows what the company perceives as important.

The best way to prevent dysfunctional perspectives, or mindsets, from developing within a company is to expect and reinforce variety in the thinking of its members. One way for companies to do this is to assign people to play the role of Contrarian in the councils of the business. It is a simple but powerful step that any company can take and serves as a check and balance to ensure that information is considered not only through the shared perspective (and common lens) of the company as a whole, but also through additional and different perspectives.

A contrary thinker is someone assigned to speak from an alternative perspective from that which is the primary viewpoint of the group. The Contrarian deliberately assumes a point of view that reflects the perspectives or concerns of other important interests, interests that might otherwise be overlooked or under-represented. Playing the role of Devil's Advocate, Contrarians provoke the main group to think more broadly in their deliberations than they normally would. For example, in a meeting of the sales leadership team called to develop an initiative, someone could be assigned to represent the perspectives of the established customer base, the perspective of the manufacturing arm of the company, or even the viewpoint of a key competitor reacting to the proposed initiative. With the addition of this extra element, the thinking of the group is stretched.

Creating the role of Contrarian Thinkers forces people outside of their usual perspectives, stretching their thinking and that of the company.

To achieve the best possible benefits for the company, the Contrarian must play the role effectively. The Contrarian should be expected to thoughtfully, and in an informed manner, represent the issues and concerns of outside perspectives. Simply being difficult, finding fault for fault's sake, or representing their personal biases, is destructive to this process. To play the role well, the Contrarian must prepare, reasonably and realistically, to present realistic perspectives.

Rotating the role of Contrarian among its members can continuously develop the thinking of a group or team, because at some time, everyone will be forced to do the necessary

research required to think broadly about the strategy at his or her particular level. Having to adopt a different perspective pulls one outside of oneself and broadens thinking. When a company routinely uses Contrarian perspectives, it ensures a more robust consideration of issues in its deliberations.

In addition to encouraging variety in thinking and preventing limited perspectives from taking hold, thought partnerships that include a Contrarian can help to prevent deliberations from being dominated by one particularly aggressive or facile member or faction. None of us are strangers to the meeting in which one person dominates the discussion through sheer force of personality. However, Contrarians are *charged* with challenging the status quo, or the forceful personality, and this makes it safe to challenge an aggressive or overbearing person, which in turn, ensures variety in thinking.

Thought Partnerships In Action:

Let's take an example. Consider a sales team meeting in a food products company. The debriefings from the sales reps mentioned complaints from customers that too much of the icing on their iced cupcakes sticks to the packaging when the product is opened. Their rich, thick icing is an important differentiator from their competition, but if it is lost in opening the product the value for the customer is diminished. The Vice President of sales has been thinking about the problem and has talked to the people in the lab about changing the formulation of the icing to make it less sticky. There would be a minor tradeoff in the quality of the icing, but the stickiness problem could be solved. He calls for a meeting of the company's leadership team.

In preparation for the meeting, one of the team is asked to speak for the consumer. During the meeting this Contrarian reminds the group of what happened to Coke when it altered its traditional formula. She speaks for the customers' love of the icing and suggests instead a change in packaging rather than a change in the icing. Another executive who has been researching packing in other industries suggests a solution that is being tried elsewhere. A cross-functional team is assigned to form a thought partnership to explore the possibilities.

In short order the team identifies a possible solution. They deliver their findings and the executive team sees how they can adapt this packaging technology with only minor modifications to their capabilities. The new packaging is adopted and used with a number of different iced products. A new advertising campaign accompanies the new packaging initiative. Sales and market share increase.

The company, with its people thinking broadly and together, has solved a problem while avoiding a misstep that would have diminished the promise of the brand to its customers. The people identified a constraint to their strategy, icing sticking to the wrapper, found a solution from a different industry, and quickly took the initiative to gain further advantage against its competition. The partnership produced thinking that was rapid, varied, harmonious and delivered an initiative.

In this example, had the assigned role of Contrarian representing the perspectives of valued customers not been used, there is a strong likelihood that the leadership team would have gone with the VP of sales' thinking---to change the frosting formula---rather than the much more successful solution that was uncovered by thinking beyond a limited perspective.

Conclusions:

The quality of a company's thinking skills is critical to delivering peak performance and achieving success. Thinking well as a group is not something that can be expected to naturally emerge, but rather, is a skill that must be nurtured and reinforced. Developing strong thought partnerships, based on a common vision, genuine impact and the intimacy that enables people to think from each other's perspectives can go far towards ensuring variety in a company's thinking and preventing dysfunctional corporate mindsets from taking hold.