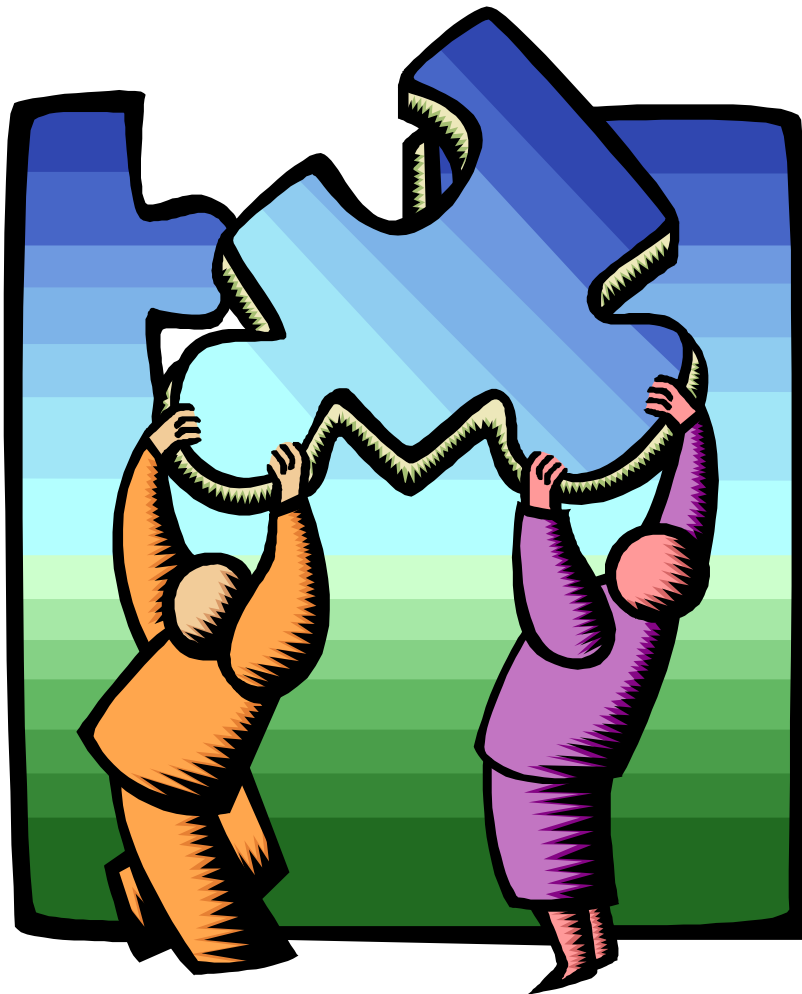


Participant Materials

The Linkage Leadership and Strategy Series

Leadership and Strategic Planning

Featuring Michael Porter



Participant Materials created by PBS The Business Channel
in conjunction with Linkage, Inc.

LINKAGE
INCORPORATED

PBS and the PBS logo are trademarks and service marks of the Public Broadcasting Service and are used with its permission.
©1999 National Technological University Corporation and Linkage, Inc.
All Rights Reserved.

Dear Participant

Welcome to the third of four programs in the *Linkage Leadership and Strategy Series*. The seminar series, produced in tandem with PBS The Business Channel, is designed to bring four inspiring and influential business thinkers to your organization in a live and interactive manner.

Today's program, *Leadership and Strategic Planning*, features Michael Porter, noted author and strategic business consultant. He will offer insight as to how leaders of an organization need to focus on asking the right questions as opposed to guessing the answers. Specifically, the program provides insight on these competencies:

- knowledge of current trends
- new idea generation
- planning
- strategic thinking

Michael Porter is the author of 14 books and more than 50 articles. He has advised every United States president since Ronald Reagan, as well as foreign heads of state and CEOs. Dr. Porter's *Competitive Strategy* is currently in its 45th printing. He is the C. Roland Christensen Professor of Business Administration at the Harvard Business School.

In this program, Michael Porter walks you and other leaders through leadership and strategic planning. Specifically, he addresses planning alliances and joint ventures, understanding the importance of concentration and diversification, and the need to manage foreign currency exposure.

These Participant Materials have been designed to complement Dr. Porter's presentation by suggesting pre and post-program activities. It can also be used to record your notes from the program. At specified points during the program you will be directed to submit questions which will be answered by Michael Porter during the Question and Answer segment scheduled toward the end of the program.

Learning is a mental activity that requires more than passively watching a speaker. Simply watching today's program will neither instill leadership skills and knowledge nor result in an immediate change in your organization's culture and strategic positioning.

Instead, becoming a strategic, visionary leader requires reflection, practice, and follow through. To further your learning, suggested pre-presentation activities can be found on page 3. Reinforcement post-presentation activities are found on page 33. These activities have been specifically identified to broaden your knowledge, as well as give you a head start in establishing strategies for implementing change.

**Leadership and
Strategic
Planning**

Table of contents

Section 1: Satellite Program Materials	2
What you will learn	3
Pre-presentation activities	3
During this program	4
Notes	4
Presentation slides	5
Question and answer session	32
Wrap up	32
Post-presentation activities	33
Section 2: Leadership Assessment Instrument™	34
About the Leadership Assessment Instrument™	35
Leadership Self-Assessment	37
Leadership Self-Assessment answer sheet	41
Individual Development Planning: Leadership Competencies	42
Section 3: Leadership Development Guide	43
Developing the Competency of Focused Drive: The Focus Component	44
Developing the Competency of Focused Drive: The Drive Component	47
Developing the Competency of Conceptual Thinking: The Innovation Component	51
Developing the Competency of Conceptual Thinking: The Big-Picture Thinking Component	56
Developing the Skill of Change Management	60
Developing the Skill of Problem Solving	66
Section 4: Forms	70
Question sheet	71
Participant evaluation form	72

SECTION 1

Satellite Program Materials

What you will learn

By participating in this satellite presentation with Michael Porter, you will be able to:

- define the terms “planning alliances” and “joint ventures” and relate when and how each brings value to the strategic planning process
- describe the importance of concentration and diversification to an organization’s strategic position
- explain the importance of managing foreign currency exposure

Pre-presentation activities

- Read books authored by Michael Porter:
 - *Competitive Advantage: Creating and Sustaining Superior Performance* by Michael Porter, Free Press, 1998.
 - *Competitive Strategy: Techniques for Analyzing Industries and Competitors* by Michael Porter, Simon & Schuster Trade, 1998.
 - *Michael E. Porter on Competition* by Michael Porter, Harvard Business School, 1998.
 - *The Competitive Advantage of Nations* by Michael Porter, Free Press, 1998.
- Complete the Leadership Assessment Instrument™ (LAI) which appears in Section 2 beginning on page 34. The LAI was researched and developed by Linkage Inc., in partnership with Dr. Warren Bennis. It focuses on the five personal characteristics, or competencies, essential to effective leadership and on the five skills with which leaders put these competencies into practice. Knowing your strengths and opportunities for development may help make today’s presentation particularly relevant.

Question and answer session

- If participating in the live presentation of this program, call in, fax, or e-mail your question to Michael Porter using the question sheet on page 71.
- If you are taking part in an encore presentation of this program, share your questions with the seminar coordinator and your colleagues.

Wrap up

- Turn to the end of these materials. Complete the participant evaluation form on page 72 and give it to your Site Coordinator.
Your feedback is valuable in ensuring the integrity of this and future programs. We take pride in providing relevant, thought-provoking, and enlightening programs. But we rely on you to help us make it happen!
- To further reinforce your understanding of today's content, as well as hone other aspects of your leadership skills, complete the suggested post-presentation activities on page 33.

Post-presentation activities

- Complete and submit the participant evaluation form found on page 72 of these Participant Materials.
- Review your notes.
- If you haven't already done so, read books authored or edited by Michael Porter. They include:
 - *Competitive Advantage: Creating and Sustaining Superior Performance* by Michael Porter, Free Press, 1998.
 - *Competitive Strategy: Techniques for Analyzing Industries and Competitors* by Michael Porter, Simon & Schuster Trade, 1998.
 - *Michael E. Porter on Competition* by Michael Porter, Harvard Business School, 1998.
 - *The Competitive Advantage of Nations* by Michael Porter, Free Press, 1998.
- Examine the suggested activities excerpted from the Leadership Development Guide and provided in Section 3 beginning on page 43. These activities were researched and developed by Linkage Inc. in partnership with Dr. Warren Bennis. Select those development opportunities and/or resources that interest you, best meet your development needs and are consistent with any constraints (such as time or finances) you may have.

SECTION 2

Leadership Assessment Instrument™

Excerpted from Leadership Assessment Instrument and Development Guide, ©1999 Linkage, Inc. Used with permission. Call 781-862-3157 for further information.

About the Leadership Assessment Instrument™

The Leadership Assessment Instrument™ (LAI) was researched and developed by Linkage, Inc., in partnership with Dr. Warren Bennis. It focuses on the five personal characteristics, or *competencies*, essential to effective leadership and on the five skills with which leaders put these competencies into practice. Knowing your strengths and opportunities for development may help make today's presentation particularly relevant.

The five categories the instrument assesses are:

1. Focused drive,
2. Emotional intelligence,
3. Building trust/enabling others,
4. Conceptual thinking, and
5. Systems thinking.

Each competency and each skill has a definition and an associated set of behaviors that demonstrate that competency or skill. Additionally, each competency is described by ten of these behaviors and each skill by five. Furthermore, the ten behaviors for each competency are organized into two groups of five, each corresponding to a component of that competency.

Let's take a closer look at the five competency categories in greater detail.

Focused Drive

The competency of focusing on a goal and harnessing your energy in order to meet that goal—a balance between the components of:

- **Focus:** The ability to identify an important goal or vision and to channel efforts at specific targets that support that goal or vision.
- **Drive:** The ability to persevere, sacrifice (when necessary), and expend high degrees of energy to reach high levels of performance.

Emotional Intelligence

The competency of understanding and mastering your emotions (and those of others) in a way that instills confidence, motivates, inspires, and enhances group effectiveness—a balance between the components of:

- **Perception:** The ability to read the emotions and thoughts of others through the use of insight and analytical skills.
- **Emotional Maturity:** The ability to master emotions and cope with stress in a way that instills confidence, motivates, and enhances group effectiveness.

Trusted Influence

The competency of evoking trust from others and placing trust in others enabling them to succeed—a balance between the components of:

- Commitment: The ability to evoke trust from others by keeping commitments, adhering to high ethical standards and principles, and building shared goals or values.
- Empowerment: The ability to help others reach higher levels of performance through trust, delegation, participation, and coaching.

Conceptual Thinking

The competency of conceiving and selecting innovative strategies and ideas for your organization—a balance of the components of:

- Innovation: The ability to create/enhance ideas, products, and services that lead to bottom-line success.
- Big-Picture Thinking: The ability to see all of the forces, events, entities, and people that are affecting (or are being affected by) the situation at hand.

Systems Thinking

The competency of rigorously and systematically connecting processes, events and systems—a balance between the components of:

- Mental Discipline: The ability to sort through ambiguity and alternatives in a way that crystallizes and puts ideas into action.
- Process Orientation: The ability to increase overall learning and performance by designing, implementing, and/or connecting processes.

While today's program is most relevant to conceptual thinking, having an awareness of your rating in each area provides insight and may make today's program more meaningful. Instructions for completing and scoring the assessment are provided on the following pages.

Leadership Self-Assessment

Purpose and overview

The purpose of this Leadership Self-Assessment is to provide a leadership profile based on the competencies necessary for strong, superior leadership. The data that you provide will enable you to construct a profile, complete with areas of strength and areas for future development.

Please complete the instrument by assessing your own behaviors and skills according to the directions below. Be honest—the more rigorous you are, the better you can target your developmental needs. Remember, the instrument is meant to assess how you believe that you actually are; not how you think that you should be.

Directions

For each of the 50 items listed on the following pages, consider how much the stated behavior characterizes your own behaviors, thoughts, intentions, or skills in on-the-job situations, and then rate yourself in the space provided according to the following scale:

3 = I often demonstrate this behavior

2 = I sometimes demonstrate this behavior

1 = I hardly ever demonstrate this behavior

Use the enclosed answer sheet (page 41) to record your answers. After recording your answers, add up the totals for each competency on page 41 and then transfer the overall competency scores to the competency profile sheet on page 42.

Leadership Self-Assessment

1. I balance multiple tasks and prioritize when faced with limited time and/or resources.
2. I create a positive environment—even when it appears "all is lost"—by expressing optimism and offering encouragement to team members.
3. I keep a mental record of every commitment that I make and follow through on my promises.
4. I steer through ambiguity and "information clutter" to resolve complex problems.
5. I ask questions to try to piece together "unrelated" information, events, etc.
6. I build momentum by spending 90 percent of my time on the top 10 percent of my priority list.
7. I view my "wins" with pride and humility.
8. I operate by a value-driven work philosophy that is grounded on clear principles.
9. I adhere to a disciplined process for sorting out alternatives and arriving at the best option when approaching a problem or project.
10. I make connections between and among information, events, etc. that reveal key issues, problems, or opportunities.
11. I display single-mindedness in unstoppably directing my energy at specific targets.
12. I persuasively and effectively reassure teams and/or individuals in the face of setbacks or seemingly insurmountable obstacles.
13. I identify and find ways to meet the needs, expectations, and wants of others up, down, and across the organization.
14. I test ideas and assumptions by carefully reviewing ideas with thought leaders and critical thinkers within my organization.
15. I do not accept a problem at face value, but search for the less obvious underlying factors driving the problem.
16. I find a way to "get it done" and will sacrifice personally to reach the goal line.
17. I have a thorough understanding of my own emotions and feelings and how they impact the situation at hand.
18. I give people a sense of personal fulfillment by recognizing their individual contributions in the achievement of a goal.

Leadership Self-Assessment continued

19. I consult outside resources (e.g., magazines, and databases) in order to identify where my company, my industry, and the market are moving and to size up new business opportunities.
20. I take into account the potential implications of a decision on other people/departments within the organization before moving forward.
21. I stay the course mentally despite potential distractions and disruptions to my primary focus.
22. I control and selectively display my emotions and feelings in a beneficial way (e.g., I successfully channel my anger).
23. I help build shared goals and values to reinforce individual commitment to the organization.
24. I create viable new business ideas by thinking "out of the box," as well as in a sound business fashion.
25. I build and connect processes within my organization to assure that implementation remains constant and reliable.
26. I display stamina, energy, and intensity in achieving high standards of performance.
27. I express myself in consistent moods that invite participation and further communication with others.
28. I provide honest, clear feedback by focusing on the issue (and not the person) so that the person will accept and consider the feedback.
29. I ask "What if?" questions and play out scenarios to test new business ideas that challenge the status quo.
30. I assure that new ideas are integrated with established procedures/processes so that the organization can digest the new ideas.
31. I act decisively, with a passion for making things happen.
32. I recognize and consider the emotions and feelings of others before taking action.
33. I articulate a goal or vision and motivate others to help me reach that goal/vision.
34. I have the ability to create unorthodox or revolutionary concepts that have growth or profit potential.
35. I create synergy by involving the "right people" in all phases of work design and operational implementation.

Leadership Self-Assessment continued

36. I demonstrate boldness in striving for ambitious goals rather than settling for the safety of achievable results.
37. I treat different people differently, with appropriate amounts of candor and sensitivity depending on each individual's own unique makeup.
38. I create shared responsibility among team members by building participation in decision making and delegating key tasks/functions.
39. I take the time to check whether a new idea is feasible before proceeding.
40. I pull together disparate ideas to create clear themes and pathways that may alleviate the confusion and anxiety of others.
41. I seek—and find—creative solutions to obstacles blocking the path to the goal line.
42. I accept rejection with grace and renewed determination, modeling to others how to handle failure.
43. I display trust in others by giving them additional responsibilities—and providing them with the appropriate tools and resources necessary to carry those responsibilities out.
44. I seek better solutions to problems instead of falling back on established protocol.
45. I demonstrate a commitment to continuous learning by documenting critically important action steps, i.e., I try to make sure that my organization does not "reinvent the wheel."
46. I effectively communicate the critical nature of the goal in a way that allows others to focus on that goal, as well.
47. I offer solutions, suggestions, and constructive criticism to others while also remaining open to additional possibilities.
48. I successfully help individuals and teams reach higher levels of performance, e.g., by displaying confidence in them at critical junctures.
49. I act receptive to the new ideas of others and try to improve or enhance them in a non-threatening manner.
50. I see an entity (e.g., my organization) not merely as a collection of isolated processes and parts, but as a unitary whole of interconnected processes.

Leadership Self-Assessment answer sheet

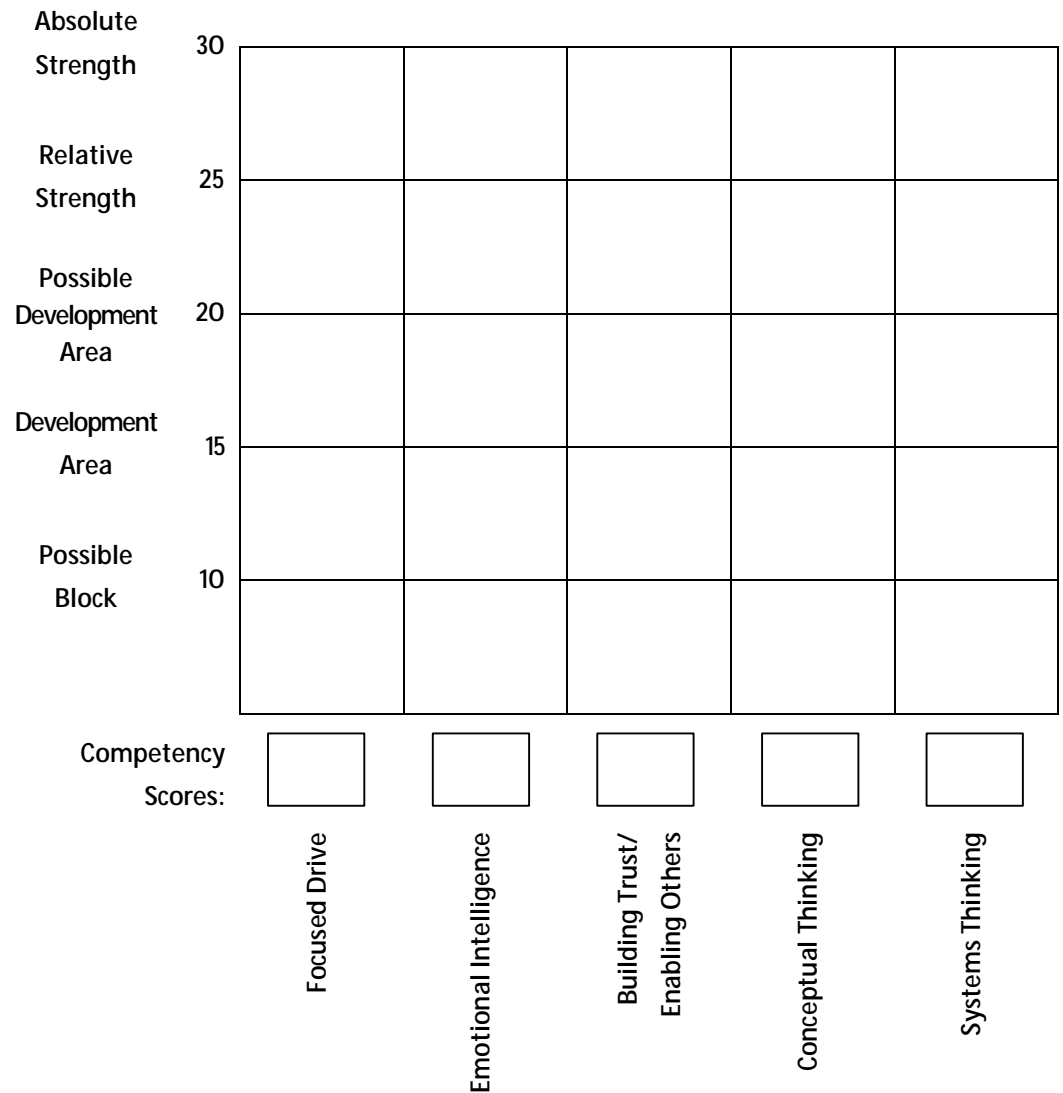
Focused Drive	Emotional Intelligence	Building Trust/ Enabling Others	Conceptual Thinking	Systems Thinking
1. _____	2. _____	3. _____	4. _____	5. _____
6. _____	7. _____	8. _____	9. _____	10. _____
11. _____	12. _____	13. _____	14. _____	15. _____
16. _____	17. _____	18. _____	19. _____	20. _____
21. _____	22. _____	23. _____	24. _____	25. _____
26. _____	27. _____	28. _____	29. _____	30. _____
31. _____	32. _____	33. _____	34. _____	35. _____
36. _____	37. _____	38. _____	39. _____	40. _____
41. _____	42. _____	43. _____	44. _____	45. _____
46. _____	47. _____	48. _____	49. _____	50. _____

TOTALS:

Individual Development Planning: Leadership Competencies

Competency Profile Sheet

1. Transfer your overall competency scores from the answer sheet to the corresponding boxes below.
2. Plot points on the graph using the scale on the left.
3. Connect the dots to see your overall competency profile.



SECTION 3

Leadership Development Guide

The following activities are excerpts from the Leadership Development Guide, a guide researched and developed by Linkage, Inc. in partnership with Dr. Warren Bennis. These activities were selected because of their relevance to today's program.

Excerpted from Leadership Assessment Instrument and Development Guide, ©1999 Linkage, Inc. Used with permission. Call 781-862-3157 for further information.

Developing the Competency of Focused Drive:

The Focus Component

Definition

The ability to identify an important goal or vision and to channel efforts at specific targets that support that goal or vision

Behaviors

- Refuses to let disruptions distract from concentration on a key objective
- Quickly identifies the projects or initiatives that require special attention
- Displays a single-mindedness in directing energy at key targets
- Focuses on key tasks when faced with limited time and/or resources
- Devotes at least 80 percent of time to top 20 percent of priority list

Exercise: Keeping Your Eye on the Ball

1. On a blank sheet of paper, write down your business goals for the next six months or year.
2. Below the goals, write a list of everything you did last week, and how much time you spent on each.
3. For each thing you did, rate its contribution to your goals on a scale of 1 to 5, with 1 being low and 5 being high.
4. Items you rated between 1 and 3 are your “distractors.” Starting with those that took up the largest amount of time, review them and try to identify any patterns. For example, you might find
 - A large number of activities, each taking a little time, but few of which contribute to your goals. This indicates an environment of high distraction and/or that you have acted with little focus.
 - Just one or two activities that take a great deal of time but don’t contribute to your goals. This indicates that you are focusing, but on the wrong things.
5. If there is a pattern in your distractors, what can you do to change this pattern?

Daily Practices

- Every day, week, and/or month, identify a single, significant goal you want to accomplish, and make that your number-one priority.
- Try visualizing as a means to maintaining focus on a key goal: Create an attractive mental image of what things will look like and how you will feel when this goal is achieved. Use recall of this image as a means of staying focused.

For example, if your goal is an improved or redesigned process, visualize how the organization will function after the change, and try to visualize how good it will feel to work in the new process.

- Every time you are interrupted or offered an opportunity, ask yourself: “Will taking this on help me further my goals?” If the answer is “no,” consider declining outright, if possible.

If you can’t decline outright, present the other person with a choice: “I’d like to take this on, but it would prevent me from focusing on goal X. Is that tradeoff acceptable?”

- Periodically complete the “Eyes on the Ball” exercise, described on the previous page.

Activities, Assignments, and Projects

- Take on one or more projects in which success relies on exerting a great deal of effort and concentration in a relatively short span of time. Some types of projects that tend to fit this bill include proposals, crisis response, and implementing new processes. These will force you to practice your focus.
- Work with the people who report to you to create a work environment that’s more conducive to their focus. Find out what makes it harder for them to focus, whether it’s the general work environment or specific behaviors you or others engage in. Then reach clear commitments with them about what will be changed or done differently to enable a higher level of focus.

Readings and other self-study resources

- Covey, Stephen R., *The Seven Habits of Highly Effective People—Powerful Lessons in Personal Change*. Fireside, 1990. This book describes an integrated, principle-centered approach for solving personal and professional problems. Its discussion of the principle “Put first things first” provides concrete suggestions about maintaining focus.
- Covey, Stephen R., *First Things First*. Audio Cassette, Covey Leadership Center, 1996. An application of *The Seven Habits of Highly Effective People and Principle-Centered Leadership*, this cassette offers a new time—management approach based on life values.

Readings and other self-study resources continued

- Fitz-enz, Jac, *The 8 Practices of Exceptional Companies*. American Management Association, 1997. What are the timeless truths on which great institutions are built? Which beliefs and stratagems separate the best organizations from the rest? Jac Fitz-enz and the prestigious Saratoga Institute explored those questions during four years of in-depth research at more than 1,000 companies. The result is a book documenting the most enduring “best practices” in human asset management. Fitz-enz takes you inside successful organizations to see precisely how they handle change management, productivity and quality improvement, and other universal challenges.
- Grove, Andrew S., *High Output Management*. Random House, 1995. The author illustrates how to apply the principles of manufacturing to managerial work in order to elicit peak performance.
- McClelland, David, *The Achieving Society*. Free Press, 1995. This book describes the thinking patterns of the focused —drive competency and its achievement motivation.
- Morrissey, George, *Management by Objectives and Results for Business and Industry*. Addison-Wesley, 1976. This book is designed for managers at all levels of the organization who are dedicated to setting clear objectives and attaining results. The author takes a “how to” approach to Management by Objectives (MBO), providing a large number of “real world” illustrations drawn from a wide variety of business, industrial, commercial, and service organizations.
- Pascarella, Perry, and Mark A. Frohman, *The Purpose Driven Organization: Unleashing the Power of Direction and Commitment*. Jossey-Bass, 1989. The authors illustrate how organizational leaders can create a framework for making decisions that will unleash company potential for creativity, initiative, and innovation. They give step-by-step methods for uncovering an organization’s unique purpose and translating this into a written statement that will provide a clear direction for company policies and strategies.
- Quigley, Joseph V., *Vision: How Leaders Develop It, Share It, and Sustain It*. McGraw-Hill, 1995. This book has been widely endorsed by recognized leaders for its approach to developing and implementing the vision and strategy of a business. The author provides a specific method for developing a company’s strategic vision and putting it into practice.
- Tichy, Noel, *The Leadership Engine*. Random House, 1997. Winning companies are successful because they can adapt and capitalize on their unique circumstances. Their Leadership Engines keep them champions by developing leaders who have clear, teachable points of view that they use to foster the abilities of others. In this book, Tichy offers colorful and insightful best practice examples from dozens of leaders gathered from decades of research and practical experience.

Developing the Competency of Focused Drive: The Drive Component

Definition

The ability to persevere, sacrifice (when necessary), and expend high degrees of energy to reach high levels of performance

Behaviors

- Acts decisively to make things happen
- Strives to set and achieve ambitious goals rather than settling for the safety of achievable results
- Overcomes potential stumbling blocks to achieve an objective
- Displays a willingness to do whatever it takes to “get it done”
- Displays stamina and energy over the long term in achieving high standards of performance

Exercise: The Conditions of Drive

1. Describe a time when you were most successful at overcoming obstacles, exerting lots of energy, and/or taking risks to achieve a goal that mattered to you.
 - Why did the goal matter to you?
 - How did you feel about the goal?
 - Were you working with others? If so, what were they like to work with?
 - Were you encouraged and/or supported by others?
 - Did you have the resources you needed?
 - What else was going on in your life at the time?
2. For each element of the situation that you just described, imagine if things had been different. (For example, imagine that, instead of working with a team, you had to work alone.) For each of these hypothetical situations, ask yourself, “Would I have been as successful if this element were missing?”

If the answer is “No,” you have probably identified a condition that is critical to your ability to drive to your goals.
3. Now, consider a goal you are currently pursuing but having trouble finding “fire in the belly” for. Are the critical conditions you just identified present?
4. If not, what can you do to bring them about? For example, if you have the most drive when working with a team, what can you do to build a team to achieve your current goal?

Exercise: The Conditions of Drive

This very simple exercise is about getting at your root motivations for work. As you answer the questions, you may find yourself giving answers that have nothing to do with work. That's fine; keep going, taking the exercise as far as you can. You may also find you have more than one answer at certain steps. That's also fine; pursue each "chain of purpose" as far as you can.

1. Answer the question, "Why do I come to work in the morning?"
2. Whatever the answer to #1 is, ask, "Why is that important to me?"
3. Whatever the answer to #2 is, ask once again, "Why is that important to me?"
4. Keep asking the question "Why is that important to me?" until you can't go any further. Your last answer(s) to the "Why?" question is probably your true purpose for work.
5. Reflect on the purpose that you have just "distilled." Ask:
 - Am I comfortable with this purpose?
 - Does my work help me achieve this purpose?
6. If your answer to both questions is "yes," congratulations.

If your answer to either of these questions is "no," you may find it difficult to sustain a high level of drive at work. If so, you may need to consider making some significant changes, either in rethinking your purpose or changing your choice of work.

Daily Practices

- Paradoxically, one of the best ways to build drive for achievement at work is to have a rich life outside of work. If you haven't already done so, you may find that making or renewing a regular commitment to, for example, exercise, community service, religious participation, or a hobby leaves you rejuvenated and sustained for the challenges of work life.
- If you completed either of the above exercises, you probably have some sense of the conditions or purpose that enable you to drive for results. You can use this knowledge to constantly monitor your environment. When you feel your energy flagging, ask yourself whether the right conditions are present or if you are serving your purpose.
- One of the most powerful dynamics that hinders our drive to success is the self-fulfilling prophecy of failure. A self-fulfilling prophecy is any belief, the mere having of which makes it come true. In the case of sustaining drive for results, this works as follows:
 - Belief: I want to achieve this, but there are obstacles.
 - Conclusion: Given all these obstacles, I'll probably fail.
 - Action: I'll put less energy into achieving this goal, since I'm probably not going to succeed anyway.
 - Outcome: Failure.
 - Learning: I'm not good at overcoming obstacles.

When the self-fulfilling prophecy takes hold, therefore, we can experience a downward spiral in our readiness and ability to drive to success.

As a daily practice, be aware of your self-fulfilling prophecies. When you find yourself focusing on the risks and obstacles instead of on the opportunities, check to see whether the self-fulfilling prophecy of failure is in effect.

Activities, Assignments, and Projects

- If you've completed the "Conditions of Drive" exercise on the previous page, intentionally seek out challenges where just one of these conditions is absent. As you complete the assignment, consciously work on using the enabling conditions that are present to compensate for what is missing. Try to develop "coping strategies" that you can use over the long term in other situations.
- If you've completed the "Distilling Your Purpose" exercise on the previous page and found that the work you're doing does not serve your larger purpose, seek out assignments or projects that are more aligned with this purpose.
- Seek opportunities to work with people who have a large amount of drive, and try to learn what they do to stay motivated and overcome obstacles. Alternatively, select from two to four people whose drive you admire and interview them, seeking to extract the motivations and practices that help them sustain their drive.

Readings and other self-study resources

- Covey, Stephen R., *The Seven Habits of Highly Effective People—Powerful Lessons in Personal Change*. New Jersey: Simon and Schuster, 1994. This book describes an integrated, principle-centered approach for solving personal and professional problems. Its discussion of the principle "Put first things first" provides concrete suggestions about maintaining focus.
- "Kye Anderson," *Harvard Business Review*, May 1992. This case illustrates how a person high in results orientation behaves and thinks.
- Kushel, Gerald, *Reaching the Peak Performance Zone*, AMACOM, 1994. This book contends that the difference between outstanding work and average work is an internal drive to achieve peak performance. Managers who are peak performers can encourage and teach others how to reach the peak performance zone.
- McClelland, David, *The Achieving Society*, Free Press, 1995. This book describes the thinking patterns of the focused—drive competency and its achievement motivation.
- Pitino, Rick, *Success Is a Choice*, Broadway Books, 1997. In *Success Is a Choice*, Rick Pitino takes the same proven methods that have earned him and his teams legendary status in the NCAA and gives you a plan of attack for achieving extraordinary success in your own life. He explains how any genuine success must be deserved and then presents a ten-step program for becoming a winner at anything you set your mind to.

Developing the Competency of Conceptual Thinking: The Innovation Component

Definition

The ability to create/enhance ideas, products, and services that lead to bottom-line success.

Behaviors

- Asks “What if?” questions to test assumptions and challenge the status quo
- Seeks better solutions to problems instead of falling back on obvious ones
- Demonstrates an ability to create new business ideas by thinking “out of the box”
- Demonstrates creativity in making ideas and concepts better
- Creates innovative concepts that have growth or profit potential

Exercise: New Product Ideas

The following exercise is one you can do either on your own or with a group.

1. Take an everyday object (such as a brick, or a toothbrush), and come up with as many uses for it as you can think of.

Example: A brick could be used, among other things, as a paperweight, a weapon for self-defense, a bookend, a pedestal to support a vase or small statuette, a flyswatter or bug-smasher, a doorstep, or a stepping stone for crossing puddles.

2. Identify which of these uses could yield a product that would complement your organization’s products or services.

Example: Let’s say your company owns and manages a chain of bookstores. You might print the name and logo of the company on bricks and sell them as hip “urban bookends.”

Exercise: Your Conditions For Creativity

How often have you heard someone say, “I do my best thinking in the shower” or “I always seem to have my best ideas in my car on the way to work?” If you’re like most people, there are probably certain conditions that are conducive to your thinking creatively, and others that hinder your creativity.

In this brief exercise, you’ll try to identify what these conditions are.

1. Identify some times when you’ve been able to think creatively.
2. Think about what each of those times were like:
 - Were you alone, or with others?
 - If you were with others, who specifically were they?
 - Where were you (for example, indoors or outdoors, at home or at work)?
 - What was the space like (for example, bright or dark, cluttered or spare)?
 - What time of day was it?
 - What else was going on at the time (For example, was your schedule busy or light, were you under pressure or not)?
3. Try to identify patterns—that is, are there conditions that were common to most or all of the times when you were able to think creatively?
4. Repeat steps 1 to 3, this time for situations in which you were unable to think creatively.
5. In the future, when you need to think creatively, try to recreate the conditions that seemed to foster creativity in the past, while avoiding conditions that hindered creativity.

Daily Practices

- When you're seeking new ideas or innovative solutions, or when you're faced with a problem for which there is no easy solution, do something different. Often, change is all it takes to send your thinking in new directions.
 - Change the conditions in which you work. For example, if you're working in an office, try taking a walk. If you're working alone, find someone to talk with. If you're working late in the day, try working first thing in the morning.
 - Change your methods. You might consider "thinking aloud" by talking things out with a colleague. Or, create interesting and unusual metaphors for the topic or issue you face and think through all the characteristics and implications of seeing it in these different ways.
 - Change your medium. For example, rather than thinking it through alone, try using a computer or paper and pen, writing non-stop for five minutes. Record your thoughts unedited, then read your thoughts with an eye toward emerging insights, connections, and possibilities. Or, draw a picture that symbolically represents either the issue you face or your relationship to the issue.

- Practice asking "What if?" questions. Do this by first identifying something you take for granted (such as gravity, your organization's core product line or lines, or the fact that people only have two arms!). Then try to imagine what all the implications would be if that fact you take for granted were no longer the case: What would life be like if there was no gravity? If your organization had to totally reconfigure its product lines? If people regularly had a different number of arms?

As with the new products exercise, above, this is a great practice to use with a group. For example, it's helpful as a way of "limbering up" people's minds at the start of a meeting.

- Institute regular brainstorming or creativity forums, where people come together with no purpose other than thinking up new ideas or ways of doing things. The only outcome of such meetings should be lists of possibilities to be explored further, and commitments to meet again to analyze the possibilities.
- Make it a regular practice to read articles or books in areas about which you know very little. These should offer new perspectives on your areas of expertise and help enrich your approach to strategic thinking and problem solving.

Activities, Assignments, and Projects

- Lead or participate on a team charged with “scanning” the organization’s environment to identify critical trends that may affect the organization in the future.
- Lead or participate on a team charged with solving a difficult problem faced by the organization.
- Seek a developmental assignment in a function that requires “out of the box” thinking, such as research and development or marketing.
- Creativity and innovation are enhanced when we work differently with the material before us and/or when we represent that material in a fresh way. When you encounter a difficult issue or problem for which there is no easy solution, consider inventive activities as alternatives to simply thinking through something alone or “talking it out” as a team.
 - Write nonstop for five minutes, recording your unedited thoughts on paper.
 - Create an interesting and unusual metaphor for the topic or issue and think through all the characteristics and implications of seeing it this way.
 - Draw a picture that symbolically represents either the issue you face or your relationship to the issue.

Readings and other self-study resources

- Albrecht, Karl, *Brain Power: Learn to Improve Your Thinking Skills*. Prentice Hall, 1987. This book introduces six functional thinking abilities needed to become an adaptive, innovative thinker. The author shows how to use creative problem solving strategies to become a more efficient and effective thinker and provides illustrations, games, and puzzles to stimulate and expand your brain power.
- Bennis, Warren, and Patricia Ward Biederman, *Organizing Genius*. Addison-Wesley Publishing, 1997. Today all organizations require creative thinking from every member, not just a few. The world’s complexity and pace mean that we can no longer rely on individual leaders and “Lone Rangers” to solve our problems. Rather we must learn to work together, to identify our own Great Groups. The fascinating stories and wise advice in *Organizing Genius* show us how.
- Brown, M. Neil and Stuart M. Keeley, *Asking the Right Questions*. New York: Prentice Hall, 1990. This test was designed to help readers bridge the gap between simple memorization and critical analysis and synthesis. The authors teach readers how to react rationally to alternative points of view and to develop a solid foundation for making personal choices about what to accept and what to reject as they read and listen.
- *Conceptual Blockbusting: A Guide to Better Ideas*. Addison-Wesley Publishing Company, 1990. This book explores the nature of creation and the capacity of each individual to be more creative. Includes techniques on how to recognize barriers to creativity and develop ways to overcome them.

Readings and other self-study resources continued

- DeBono, Edward, *Lateral Thinking : Creativity Step-By-Step*. Harper Collins, 1991. This book introduces a new way of reasoning and decision making through encouraging lateral thinking. Special techniques are taught to generate these new ideas.
- Fritz, Robert, *Creating*, Ballantine Books, 1991. This book brings you a series of practical exercises to help you create what you want. It will help to train you in the creative process and give you practical ways to use those skills to achieve the results you want.
- *Innovative Project Teams*, video, 40 min., Harvard Business School, 1998. What could a power company, a surgical instrument manufacturer, and a newspaper publisher possibly have in common—a problem so critical that it is literally threatening their survival. This video will show your managers that harnessing the power and innovation of teams can solve the most daunting of problems, often getting more done for less.
- Leonard, Dorothy, *Wellsprings of Knowledge*. Harvard Business School, 1998. Why are some companies better at managing innovation than others? With her pioneering book on knowledge management, Dorothy Leonard was among the first to probe the relationship between successful innovators and the way they create, nurture, and grow the experience and accumulated knowledge of their organization. The book is illustrated with examples of successes and failures in new product development, continuing to provide managers with the key knowledge-building activities they need to guide, control, and inspire.
- Nadler, Gerald, and Shozo Hibino, *Breakthrough Thinking: The Seven Principles of Creative Problem Solving*, Prima Publishing, 1994. This American/Japanese collaboration contains the results of the authors' ground-breaking studies on how the most intuitive and creative leaders and organizations solve problems. They show how to improve incorrect thinking, which they contend accounts for the failure of many enterprises.
- Perkins, David, *Knowledge as Design*. Lawrence Erlbaum Assoc., 1986. This book will help you to analyze your thinking process, especially the creative analytical process.
- Quinn, James Brian et. al., *Innovation Explosion*. Jossey-Bass, 1997. Here is a new book on how both entrepreneurs and nations can develop, harness, and utilize intellect, science, and technology to maximize innovation and growth. With co-authors Jordan J. Baruch and Karen Anne Zien, Quinn reveals in practical terms how successful firms can intertwine intellectual capital and modern software capabilities to cut innovation cycle times by 90%, costs by 75%, and risks by 60% or more, and thereby revolutionize all aspects of innovation management, corporate strategy, national policy, and even economics.
- Von Oech, Roger, *A Whack on the Side of the Head*. Warner Books, 1993. The author provides puzzles, exercises, metaphors, questions, stories and tips to help you systematically break through your mental blocks and unlock your mind for creative thinking. This book will help you to come up with new approaches to old problems.

Developing the Competency of Conceptual Thinking: The Big-Picture Thinking Component

Definition

The ability to see all of the forces, events, entities, and people that are affecting (or are being affected by) the situation at hand.

Behaviors

- Searches for and conceptualizes the underlying, systemic causes driving a problem
- Intuitively forms ideas that clarify the many possibilities in a complex situation
- Makes connections between and among information, events, etc. that reveal key issues or opportunities
- Comes up with new concepts or distinctions that better organize the interpretation of ambiguous data, information, or events
- Asks questions to try to form a complete picture of “unrelated” information, events, etc.

Exercise: Using a Conceptual Model to Analyze Causes

One important capability of the big-picture thinker is the ability to consider systematically the multiple underlying causes of a problem. One model that usefully organizes such a systematic scan of causes is the famous McKinsey “7S” model, which looks at organizations through the lenses of shared values, structure, strategy, systems (e.g., information systems), style, staff, and skill.

1. Consider a past project or initiative that was unsuccessful or a current project or initiative that is suffering from problems of an uncertain nature.
2. Identify how each of the following may have hindered (or is currently hindering) its success:
 - The shared values of the organization
 - The structure of the organization
 - The strategy of the organization
 - The systems of the organization (e.g., information systems, HR systems)
 - The style (culture) of the organization
 - The staff of the organization (i.e., how jobs are designed and filled)
 - The skill of the organization (i.e., how the organization identifies, measures, and develops the skills of its people)
3. If you have analyzed a past project or initiative, apply your learning to future undertakings. If you have analyzed a current project or initiative, make adjustments as necessary.

Daily Practices

- Cultivate a mindset that habitually seeks connections by consciously asking the question “How are these two (or more) issues, problems, ideas, bits of information alike or related?” Avoid the tendency to proceed with a mindset that seeks first and foremost to answer the question “How are these two (or more) issues, problems, ideas, bits of information distinct or different?”
- Regularly read a high-quality newspaper or business journal. Each time you do so, try to identify at least one trend that will affect your organization—or provide it with an opportunity—within the next five years. Develop one or more recommendations for responding to each trend. Share your analysis and recommendations with your colleagues.
- Consider the implications of problems and solutions on other people and departments by defining a problem from the perspective of each stakeholder.
- Pose context questions as frequently as you pose content questions when making decisions or coaching others. Content questions ask about the data used to solve a problem, make a decision, or proceed in a situation. Such questions focus attention on the details and specifics of a situation in order to justify choices contemplated or made.
- Context questions focus attention on how a problem or situation was solved/is being solved, addressed, or considered. Such questions promote an “on the balcony” perspective that expands our sights and sense of possibilities. Examples of context questions include the following:
 - What are the questions we should be asking ourselves?
 - What is the outcome we really want out of this?
 - What are the key assumptions that lie behind our positions and actions?
 - Who can provide another perspective?
 - What are we missing?

Activities, Assignments, and Projects

- Volunteer for a cross-functional or cross-divisional assignment. This will give you another perspective from which to view the organization in general and the work of your own unit in particular.
- Create an idea for a new product or service and outline the business plan for its launch. Share the proposal with a friend or colleague for input on how you anticipate the market's needs.
- Develop a model that clarifies and organizes your interpretation of a body of complex data, information, or events important to your job role and your business. Test the usefulness of the model as new data, information, or events present themselves.
- Record in a journal your gleanings of industry trends, organizational issues, opportunities, and threats, as gathered through calls, conversations, meetings, conferences, readings, and contacts with those inside and outside your business. Make it a habit to comb periodically through your observations and reflections, seeking synthesis of seemingly disparate pieces.

Readings and other self-study resources

- Davis, Stan, and Bill Davidson, *20/20 Vision*. Simon and Schuster, 1991. The authors explore the information age: the impact it will have on business in the future and the best way to prepare for these changes.
- Kanter, Rosabeth Moss, *World Class*. Simon & Schuster, 1996. At a time when the nation's fears about job displacement and foreign competition are sparking protectionist sympathies and backlash against world trade agreements, Kanter presents a persuasive and richly detailed argument for directing the American economy outward, not inward. This book shows us how to turn globalization into an unprecedented opportunity on the local level—to rejuvenate old businesses and grow new ones, to create new jobs, to revitalize communities, and to develop the cosmopolitan cities of the future.
- Merriam, John E., and Joel Makeover, *Trend Watching: How the Media Creates Trends and How to Be the First to Uncover Them*. AMACOM, 1988. Learn how to sort through the stream of news and information that crosses your desk in order to be ready to take advantage of future trends.
- Perkins, David, *The Mind's Best Work*. Harvard University Press, 1983. This book describes how people think conceptually and creatively, by a member of the research team Project Zero. It also has exercises to build conceptual thinking.
- Porter, Michael, *Competitive Strategy*. Free Press, 1980. The author addresses major questions of vital concern to managers and presents a comprehensive set of analytical techniques for understanding a business and the behavior of its competitors. The book presents techniques to anticipate and prepare for, rather than simply react to, sudden competitor moves or shifts in the industry.
- Wall, S.J., and S.R. Wall, *The New Strategists: Creating Leaders at All Levels*. The Free Press, 1995. The authors draw on a ten-year study of more than 200 firms such as AT&T, 3M, National Semiconductor, and Ritz Carlton Hotels to define new strategy-making roles for every employee, from front line representatives to CEOs.
- Wheatley, Margaret, *Leadership and the New Science: Learning About Organization from an Orderly Universe*. Berret-Koehler Publishers, 1992. The author shows how the “New Science” (the revolutionary discoveries in quantum physics, chaos theory, and biology that are overturning centuries-old models of science) provides powerful insights for transforming how we design, lead, and manage organizations.

Developing the Skill of Change Management

Definition

The skill of adapting to and thriving in times of internal or external change.

Behaviors

- Can successfully provide a visible anchor for others in times of great change, e.g., by reaffirming key goals/values
- Can help detect/resolve team breakdowns resulting from change
- Can convince others of the need for change due to critical organizational objectives
- Can develop new skills or behavior to adapt to turbulent times and continual change
- Can recognize (and help remedy) individual/collective barriers to the implementation of change

Exercise: The Wisdom to Know the Difference

There's a famous saying, "May God grant me the strength to change the things I can, the patience to accept the things I can't, and the wisdom to know the difference."

One of the greatest barriers to productivity in times of change is worry-about contingencies, about personal risk, about organizational outcomes. At times, people find this worry literally paralyzing; every alternative appears fraught with peril, so they end up doing nothing—even though doing nothing is itself a choice with its own consequences.

If worry is a problem for you, try this exercise.

1. Consider a change you are currently experiencing, either on the job or in your personal life. Write down every worry you have regarding the change.
2. Now divide these worries into two categories: Those you have at least some control over, and those you don't have control over.
 - For the worries you have at least some control over, identify and commit to the actions you can take to minimize the possibility of the worry coming to pass.
 - For each worry over which you have no control, identify what you will do if it comes to pass.
3. If you take action to address what you can control, and have a plan to respond to what you can't control, then you're as prepared as you can be. Now stop worrying.

Exercise: Planning a Change

Consider a change you tried unsuccessfully to implement. Answer the following questions about the change:

1. Was a sense of urgency established?
2. Was the urgency used to build a powerful coalition to sponsor the change?
3. Was a shared vision created?
4. Was the vision communicated to the organization?
5. Were others provided the necessary skills, resources, and incentives that enabled them to act on the vision?
6. Were short-term wins planned for and created?
7. Was the change reinforced as a means to sustain it?

If you are unable to answer “yes” to one or more of these questions, you may have uncovered the reasons for the difficulties you have encountered. Test this diagnosis by discussing it with your colleagues or others who were involved in or affected by the change.

If the change is one you are currently implementing, adjust your plans to incorporate what you’ve learned.

Daily Practices

Many of us have an innate bias against change, whether because we fear it will impact our interests, because we are comfortable in our current routine, because we were not involved in designing the change, or for other reasons. While a certain level of caution is good, this bias against change can lead to missed opportunity and conflict with others.

One way to diagnose this bias in yourself is to monitor your first, instinctive response when you hear of any actual or proposed change. If you tend to think or speak first about the risks of the change, the difficulties involved in implementing the change, or the negative consequences of the change, you likely have this anti-change bias to one degree or another.

- To begin moving toward a more balanced stance toward change, practice changing the questions you ask about changes:
 - “How will this change benefit me?”
 - “How will it benefit the organization?”
 - “What will I/we learn from the change?”
 - “What are the new opportunities opened up by the change?”
- Often the single greatest obstacle to change is the perception of those affected by the change. Typically, resistance occurs when there is a perception that:
 - The change harms people’s interests (by reducing power, affecting job security and/or income, and so on)
 - The change is not being communicated honestly

When communicating about a change, therefore, ask yourself:

- What’s in it for those affected by the change?
- If the answer is “nothing,” expect resistance.
- Can I communicate honestly and completely about the change?

If the answer is “no,” expect resistance. People will fill in the information gaps with their own interpretations, which will usually be unfavorable to the change you wish to make.

- Use a change methodology or model to take a disciplined approach to planning and implementing changes. Such models usually consist of a series of steps and/or a series of questions. John Kotter’s model, introduced in the first exercise above, is just one example of such a methodology.
- Regularly read a high-quality newspaper, news journal, or business journal. Look for examples of change efforts, whether in the past or ongoing, successful or unsuccessful, and analyze them in terms of a change model. If the efforts are completed, try to identify what made them successful or unsuccessful; if they are in progress, try to predict their likelihood of success.

Activities, Assignments, and Projects

- To begin moving toward a more balanced stance toward change, practice changing the questions you ask about changes:
 - “How will this change benefit me?”
 - “How will it benefit the organization?”
 - “What will I/we learn from the change?”

- Assign yourself the task of identifying a person in your organization who has been successful at implementing change. Interview this person and ask the following questions:
 - What are the critical success factors for implementing change in this organization?
 - What are the critical mistakes people tend to make when trying to implement change in this organization?
 - Describe a change you implemented successfully and what made it successful.
 - Describe a change you were unsuccessful in implementing and what made you unsuccessful.

You might also structure the conversation by asking the person to discuss a successful change in terms of the seven steps for implementing change from Kotter’s model introduced in the second exercise, above.

If you can’t interview the person, you might analyze a successful change they implemented by considering each of the seven questions introduced in the second exercise.

- Participate in a change effort in your organization. This might involve a large change such as introducing or redesigning a process, implementing a new strategy, or restructuring. It might also involve a small, simple change, such as changing a personnel policy, adjusting a standard operating procedure, or redistributing responsibilities in your group. Be prepared to find that some “simple” changes are not so simple after all!
- Participate in a change effort in your community. This might involve building support for a new community program, working door-to-door to gain signatures on a petition, or even volunteering in an election campaign.

Readings and other self-study resources

- Block, Peter, *The Empowered Manager: Positive Political Skills at Work*. Jossey-Bass, 1990. Block shows managers how to break out of the bureaucratic mode of thinking and take more responsibility for the workings of their unit. He explains how managers can become empowered to make positive changes in their organization and develop an entrepreneurial spirit in themselves and in members of their unit.
- Cohen, Allan C., and David L. Bradford, *Influence without Authority*. John Wiley and Sons, 1990. The authors offer powerful new techniques for cutting through interpersonal and interdepartmental barriers, and for motivating people over whom you have no authority.
- Connor, Daryl, *Managing at the Speed of Change*. Villard Books, 1992. In today's world, it's not enough to recognize that you and the way you do business need to change. You must know how to make changes quickly, effectively, economically, and with as little political fallout as possible. Everywhere, concern is heard about those trying to adapt to the rapid flux created by an uncertain economy, ever-changing market demands, and the threat of international competition. The author teaches managers to negotiate these future transitions.
- Handy, Charles, *The Age of Paradox*. Harvard Business School Press, 1994. The author suggests that in order to live and succeed in a rapidly changing world, we must organize in our minds the confusion generated by these changes before we can do anything about them. Managing business, family, education, money, and relationships are just some of the many topics covered. Through a discussion of these topics, strategies for maintaining a sense of continuity and direction and balancing personal and professional responsibilities are provided.
- Kanter, Rosabeth Moss, *The Change Masters*. Simon and Schuster, 1983. This book vividly demonstrates that when environments and structures are hospitable to innovation, people's natural inventiveness and power skills can make almost anything happen. Kanter's book is an indispensable guide for individuals who seek to realize their entrepreneurial potential, for corporate leaders who want to see their companies grow, and for all those concerned with the economic future of the nation. Included are searches for innovation by companies such as Hewlett-Packard, General Electric, Polaroid, General Motors, and Honeywell.
- Kotter, John P., *Leading Change*. Harvard Business School Press, 1996. The author examines the efforts of more than 100 companies to remake themselves into better competitors. He identifies the most common mistakes leaders and managers make in attempting to create change and offers an eight-step process to overcome the obstacles and carry out the firm's agenda.
- Kotter, John P., "Leading Change: Why Transformation Efforts Fail." Harvard Business Review, March/April 1995. This article is a condensed version of the author's book listed above.
- Machiavelli, Niccolo, *The Prince*. Prometheus Books, 1986. Although writing for the leaders of rough-and-tumble Renaissance Italy, Machiavelli offers much of value to the modern leader, both in positive and negative models of how to influence large groups under complex circumstances.

Readings and other self-study resources continued

- O'Toole, J., *Leading Change*. Ballantine Books, 1996. True leaders lead by encouraging, not oppressing. And the finest leaders have always shared leadership with their followers. Rather than dictating, they create organizations that welcome change and self-reevaluation, and they foster an atmosphere of open-mindedness and fresh thinking. This book proposes a new vision of leadership, one rooted in moral values and a consistent display of respect for all followers.
- Smith, Douglas K., *Taking Charge of Change*. Addison-Wesley, 1996. This book provides deep insight into organizational psychology and practical steps for mastering it. The author discusses the diagnostic tools needed to assess an organization's particular needs for change and provides the tool kit required to implement the changes.
- Troy, Kathryn, *Change Management: Communication's Pivotal Role*. The Conference Board, 1995. To deal with the challenges of communicating effectively in a fast-changing business environment, companies are taking several initiatives. Most notably, they are working to better define audiences and messages, develop the communication capabilities of managers and employees, and use emerging technologies to maximum advantage. This study documents their progress to date and discusses how to implement change strategies and measure results. It is based on a survey of 130 U.S. and European companies and contains nine company exhibits.

Developing the Skill of Problem Solving

Definition

The skill of employing analytical abilities, pragmatism, and other tools to resolve complex problems in a variety of contexts.

Behaviors

- Can fashion solutions by synthesizing and applying relevant information/data
- Can employ analysis and pragmatism to sort through options and reach timely decisions
- Can spot what is at the root of a problem, i.e., separate its symptoms from its causes
- Can break down a problem or a situation into discrete parts that are easier to manage
- Can figure out how to solve a problem, even those that appear hopeless

Exercise: Grasping the Situation

Effective problem solving requires that the problem solver accurately grasp the situation. Whether the purpose is to maintain the current situation against changing circumstances, to implement an improvement, to address an unsatisfactory situation, or to achieve a goal, grasping the situation is the essential first step. Failure to accurately grasp the situation frequently leads to solutions that address symptoms rather than real causes, or solutions that are impractical, ill-timed, or poorly received by the parties involved.

What does it take to accurately grasp the situation? Consider a recent problem you faced and ask yourself the following questions regarding your problem-solving approach to this problem:

- Did you clarify for yourself the normal condition or standard?
- Did you define for yourself the desired situation or outcome?
- Did you investigate the situation firsthand and seek clarification by asking questions (rather than relying solely on the descriptions of others)?
- Did you work to set aside preconceived notions and attempt to understand why the current situation exists?
- Did you view the current situation from multiple levels and fit the situation into a larger context?
- Did you analyze the impact that the current situation might have “downstream”?
- Did you confirm your understanding of the current situation with others?

The kinds of questions posed above provide a good checklist from which to measure the thoroughness of your approach to grasping the situation when problem solving. Consideration of the above factors will help you assemble a factual and meaningful picture of a situation—the critical first step in effective problem solving.

Daily Practices

- If you tend to “jump to solutions,” try adopting a structured problem-solving approach. There are many, many of these in the public domain, and with few exceptions, they all offer some variation on the following steps:
 1. State the problem as it first presents itself.
 2. Gather more information about the problem.
 3. Analyze the problem to identify the root cause(s) and related problems.
 4. Develop possible solutions.
 5. Select the solution.
 6. Implement the solution.
 7. Evaluate the results. Adjust as necessary.

What’s most important is that you use a structured approach, not which one you use. Any of them will provide a means of disciplining yourself to avoid jumping to solutions, or choosing a poor solution.

- If you find yourself getting “stuck” on problems, try something different. For example: If you’re working on your own, try finding someone to help you. If you’ve been sitting at your desk, take a walk. If you’ve been typing on a computer, try drawing pictures instead.

In general, it matters less what specifically you do differently, but rather that you are creating the conditions for “unfreezing” your thinking.

- If you tend to try to solve problems on your own, try collaborating: Ask others for help in thinking through the problem. Research shows that a collaborative approach to problem solving yields results that are superior to solving problems on one’s own.

If you think you’ve solved a problem, try testing your thinking on another person by explaining

1. The facts as you understand them
2. What you believe to be the cause of the problem
3. The analysis which leads you to this specific cause
4. The range of solutions
5. The solution you prefer, and why you prefer it

After each step of your explanation, pause and solicit questions and feedback from the other person. This is a simple but extremely powerful means for testing your own thought processes and revealing your assumptions.

- Listen regularly to “Car Talk,” a weekly show on National Public Radio. “Car Talk” stars Tom and Ray Magliozzi, MIT graduates and owners of an automotive repair shop in Boston. Tom and Ray address listeners’ seemingly unresolvable automotive problems and questions with good-natured humor, mind-boggling expertise, and tremendous problem-solving skills. In doing so, they provide a fine model for problem solving on and off the job.

Activities, Assignments, and Projects

- Manage or participate on a team charged with improving or redesigning a process. To get the most from this, encourage the team to use a structured problem-solving methodology. For more on this, see the section on “Daily Practices,” above.
- Take on a project or responsibility where one or more critical resources are missing or insufficient. Critical resources include time, people, funding, and information. To complete the project or meet the responsibility, you will be compelled to creatively resolve the resource problem—either by somehow obtaining the resource, or by finding a way to do without.
- Off the job, try to complete a repair or improvement project, instead of paying an expert. For example, you might try to diagnose and repair a strange noise in your car, or dismantle and fix a leaking faucet. To do so, adapt the same disciplined problem-solving methodology you would use in the workplace.

If the risk of flooding your kitchen or inserting a spark plug wrong end up is daunting to you, ask to observe the experts you do call. Watch as they work to gather information, diagnose the problem, test solutions, and so on. Ask them about their thought processes as they work.

Readings and other self-study resources

- Albrecht, Karet, *Brain Power: Learn to Improve Your Thinking Skills*. Prentice Hall, 1987. This book introduces six functional thinking abilities you need to become an adaptive, innovative thinker. The author shows how to use creative problem-solving strategies to become a more efficient and effective thinker and provides illustrations, games, and puzzles to stimulate and expand your brain power.
- Garvin, David A., “Building a Learning Organization.” *Harvard Business Review*, July/Aug. 1993. Using the “three M’s” as framework (Meaning, Management, and Measurement), the author defines learning organizations as skilled at five main activities: systematic problem solving, experimentation with new approaches, learning from past experience, learning from the best practices of others, and transferring knowledge quickly and efficiently throughout the organization. A measurable learning audit should include cognitive and behavioral changes as well as tangible improvements in a result.
- Nadler, Gerald and Hibino Shozo, *Breakthrough Thinking: The Seven Principles of Creative Problem Solving*. Prima Publishing, 1994. This American/Japanese collaboration contains the results of the authors’ ground-breaking studies on how the most intuitive and creative leaders and organizations solve problems. They show how to improve incorrect thinking, which they contend accounts for the failure of many enterprises.
- *The Memory Jogger: A Pocket Guide of Tools for Continuous Improvement*. Goal/QPC, 1991. This handy, pocket-sized guide provides instruction for using a wide range of tools for process mapping, monitoring, and analysis. It was originally designed for process improvement teams using the principles of quality management, but the tools are useful for anyone who wants to understand or fix a process.

Readings and other self-study resources continued

- Mintzberg, H., "The Logic of Business Decision Making." *Harvard Business Review*, May/June, 1989. This book describes the role that issues of personal integrity play in manager's decisions. It defines personal integrity, the factors that influence it, the situations in which it becomes particularly relevant to company decisions, and ways of overcoming the blind spots that can create too personal a focus on decisions.
- Nadler, Gerald, and Hibino Shozo, *Breakthrough Thinking: The Seven Principles of Creative Problem Solving*. Prima Publishing, 1994. This American/Japanese collaboration contains the results of the authors' groundbreaking studies on how the most intuitive and creative leaders and organizations solve problems. They show how to improve incorrect thinking, which they contend accounts for the failure of many enterprises.
- Pegasus Communications, *The Systems Thinker*. This periodical offers articles, exercises, tools, and program and conference information for those interested in developing the five disciplines of the learning organization: systems thinking, personal mastery, mental models, shared vision, and team learning. For those interested in problem solving, one of the most interesting features in each volume is a "causal-loop analysis" of a well-known but poorly understood problem.
- Senge, Roberts, Roth, Smith, and Kleiner, *The Fifth Discipline Field Book*. Doubleday, 1994. An analog to the book listed directly above, this field book describes how companies are using the tools and technologies of the five disciplines to make the learning organization a reality. The book contains exercises, suggestions, stories, and examples from over 70 contributors relating to the fields of systems thinking and organizational learning.
- Stryker, P., "How to Analyze That Problem." *Harvard Business Review*, July/August 1965. This article describes the Kepner-Tregoe concepts and procedures for problem analysis. The main steps of a systematic approach to problem analysis include defining the problem, outlining the specifications, spotting the distinction, seeking the cause, and if necessary, re-specifying the problem. The use of a specification worksheet allows managers to draw a boundary around the problem and to limit the information needed for the problem's solution to only the relevant facts. In solving the problem of the case study, precise specification and careful problem analysis uncover a previously overlooked cause and prevent action that might have produced an even more serious problem.
- Tagliere, Daniel A., *How to Meet, Think and Work to Consensus*. Pfeiffer & Company, 1993. Small groups and teams are essential to an organization's decision-making process. This book presents a method which makes meetings a productive and integral part of the work process. The author provides tools for improving the quality of decisions, solving problems, furthering creativity, and achieving reliable solutions through a collaborative team process.
- Von Oech, Roger, *A Whack on the Side of the Head*. Warner Books, 1993. The author provides puzzles, exercises, metaphors, questions, stories, and tips to help you systematically break through your mental blocks and unlock your mind for creative thinking. This book will help you come up with new approaches to old problems.

SECTION 4

Forms

**Leadership and
Strategic Planning**

Question sheet

Use this form to write your question for Michael Porter or for discussion among your colleagues. Please write clearly.

Name (optional) _____

Organization _____

Location _____

Your question (25 words or less):



Tel 617-926-0020

Fax 617-926-1794

E-mail linkage@videolink-bos.com