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Thinking

From the Editor

On October 25, 1881, Pablo Ruiz Picasso was born in Malaga, Spain. This is Picasso the artist who had a blue period, a rose period, and cubist period in a couple of varieties, analytical and synthetic. He reminded us that “every act of creation is first an act of destruction” (a nifty insight about change) and that “everything you can imagine is real.” Some of his observations were, well, provocatively humorous. “God is really only another artist, he made the elephant, giraffe, and cat. He has no real style but keeps trying new ideas.”

One of his best observations was, “Computers are useless. They can only give you answers.” Why do I like it? Because I happen to think that questions are far more valuable to leaders and managers than answers. Questions hook the mind into thinking; they ask us to re-evaluate old assumptions; they are the fuel to making change.

At LIVE Consultants we find good questions to ask so, as managers and leaders, you can re-think how you look at the world.

Marilyn Baetz, editor

About the Author and the Article

Every once in a while — okay it may be more often than that — smart people do dumb things. Why does that happen?

In this article, Stephen Baetz, explores that question and observes, “The explanation that has caught my attention relates to systemic thinking and how it often connects to our humanity.” Smart people can get caught in dumb systems.

He bolsters his argument by using organization silos: narrow, self-interested thinking that decreases the productivity of the entire organization.

Stephen is a principal of LIVE Consultants Inc., the organization which sponsors this publication.

For further information about LIVE Consultants, go to our website: www.liveconsultants.com.



Stephen Baetz

Get Smarter by Defining the System

Why is it that perfectly sensible, logical, prudent people do dumb things?

The easy answer is that we are emotional as well as rational beings and that emotion often holds sensibility captive. And, on occasion, I find myself embracing that explanation, especially when I look at an individual and the circumstance they were in at the moment. The person may have been missing facts, an opportunity to test the information at hand, or a clear definition of what the goal was ... and they had to make a decision quickly. Either that or the thrill of the moment seemed to provide such a rush that a consideration of costs seemed like such a tedious thing to do.

However, the explanation doesn't hold up as a sufficient explanation for ongoing circumstances where there is ample time for reflection. All too often, incredibly smart people do perfectly dumb things.

You want an example of when that happens? Silos: looking after the narrow interests of a department to the detriment of the larger organization. Smart doing dumb. In cross-functional meetings people comment on the silliness of silo thinking, indicate that it has been that way for ages, agree that it's costly, wish that it didn't happen, and point out that the organization could do a lot better if narrow self-interests were set aside. And, yet, people return to their "silos" and make decisions that fail to consider broader interests, shun active collaboration, and scratch their heads about why the organization isn't doing better.

So why does something like this happen? One possible explanation is that the focus of a reward and recognition system causes people to act inappropriately: in the case of silos, with self-interest. Balanced scorecards were designed to raise the sights of teams that were suffering from myopia. In part, they did. So instead of concentrating on a single self-interested measure, they focus on four or five. But it is still self-interest and it misses the standard of broader collaboration. A second explanation relates to the desire of a single leader to create a track record of accomplishment. They recognize that the easiest way to do that is to "tend to their

knitting" and put together a stellar track record in an area that they can control.

I admit that I have seen the ambition of a single person dominate within a department or team and, as a result, individuals doing dumb things to feed the ambition-need. This lasts until others in the team learn from the example and engage in self-interested behaviour for themselves.

However, the explanation that has caught my attention relates to systemic thinking and how it often connects to our humanity — in the case of silos, it is a fundamental fear of failure. Here's my thought process.

Test This Analysis Against Your Own

Chris Argyris is a Professor Emeritus at Harvard University and over the years has done some solid work in the area of leadership and organizational behaviour. His suggestion is that there are four "governing values" behind most human interactions. (I know; suggesting that there are only four is too simple and in all likelihood a thinker like Chris recognizes that too.) Here are his four governing values:

- ✓ To win and not to lose in any interaction
- ✓ To maintain control of the situation at hand
- ✓ To avoid embarrassment of any kind
- ✓ To stay rational throughout

Make sense? Let's test it for ourselves. The first one — to win and not to lose in any interaction — does not imply that we are driven to win by causing others to lose. It merely suggests that healthy individuals like to feel they have won and they will avoid putting themselves in situations or circumstances that cause them to lose and put their self-image at stake. Check.

The second governing value suggests that we like the feeling of being in control as opposed to somebody else or something else controlling us. That doesn't imply we have to control everything every moment of the day but as Seinfeld has observed we like to be masters of our domain. So our guy Chris may have two of them right on the nose. Check.

Do we work to avoid embarrassment as the third governing value suggests? I suspect so.

Sure, most healthy individuals can laugh at their foibles on occasion. But constant embarrassment is hardly a good thing for our sense of identity. Check.

The fourth governing value — to stay rational — appears to be solid as well. By the time we are 20 we have learned the wisdom of “using our heads” to solve problems and deal with complex situations. Check.

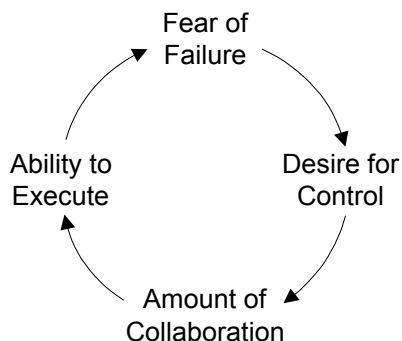
So Chris, thank you. You appear to be on to something.

The twist is how these four work together in a system and cause us to get the exact opposite of what we want.

As our fear of failure, of losing, increases so does our desire for control because we hold on to the belief that if we can control it, we have a greater chance of being successful, of winning. This is where silo thinking often begins.

However, as control increases, the amount of collaboration with others decreases because others fear that we are building our own empire and merely looking after ourselves. And when the amount of collaboration decreases, our ability to execute decreases — because it is an interdependent world and rarely can we do it all ourselves. This is where the loop closes. As our ability to execute decreases, failure increases ... and we end up with what we fear most.

You guessed it. As failure or the fear of failure goes up, we go to our silos where we think we can control more, we collaborate less, execute less well, and get more failure.



The cycle is vicious and we end up with exactly

what we don't want. Or if Chris were here, he might say the governing values have conspired in an odd way to give us far less than what we — or the organization — would hope for.

Smart people do dumb things when needs conspire with systems.

So How Do We Get Out of These Messes?

So what can smart people do to make sure they don't unknowingly do dumb things.

Focus on outcomes. Ask yourself, “Am I getting the outcomes that I want?” and “Are we getting the outcomes we want?” If you can't answer “Yes” to *both* of those questions, then you have some clue that you need to dig deeper and figure out the more profound dynamic.

Look for cause and effect relationships. In this example of silo behaviour, pursue questions like, “What is causing collaboration to decrease?” or “What is causing us to fear failure?” or “How might they be connected?” When cause-and-effect relationships are defined, they can often be drawn like the one here and we can see the cycles that entrap us.

Identify what beliefs support the current system and change them. My assumption is this: if you can figure out what beliefs support the cycle, you can better determine how to make it different. Again, back to the silo example. If I recognize that the belief I hold is, “Control is the best way to avoid failure,” I then can determine whether that is, in fact, true. In this case, it clearly is not. Given that it isn't, I can then choose other beliefs which might change how the cycle works.

Think About It

You recognize that the silo illustration was but one example. The core idea is this: smart people can do smart things if they look at the results they are getting, determine the cause of those results, and ask tough questions about what they were thinking and believing.

Let's Stop Training And Let's Start Educating

Ever wonder why senior management views trainers as mechanics and the classroom as the service department where you send people to be fixed?

Senior executives didn't get that impression on their own.

Somehow or other that impression is there because our profession has helped to create it. Training has been used all too often as a quick fix. "Not performing? Let's send them on this training program, give them some basic skills, and see if it makes a difference."

It won't.

We owe it to our organizations to provide people with an education and get out of the quick-fix business. Education improves the quality of the organization's intellectual capital by not only building skills but also by building knowledge and the supporting attitudes. Education is a longer-term developmental process which helps people understand context and constraint. Education focuses as much on how to think as what to do. Besides, if the truth were told, most current performance problems are best addressed by the immediate manager on a one-to-one basis with specific coaching, support, and follow-up — not by mere classroom input and practice.

If our business is education, then a long-term development process should be what we offer and promise. To do that, we should

- be thoughtful about what attitudes, skills, and knowledge we help managers to learn,
- develop a variety of learning experiences — inside and outside the classroom — that complement one another,
- measure what contributions we are making to learning, and
- refuse to offer quick fixes.

If you would like some help in figuring out how you can best carry out the development work of an educator, please call us.

For more information about our services, contact us at (519) 664-2213.

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