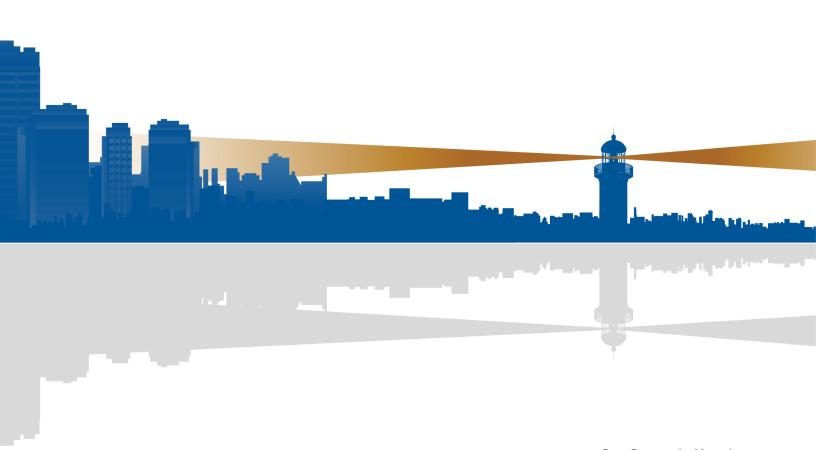


Navigate the Future™

Curiosity & Ambition - The Cure for Strategic Ignorance

Issue 8 - Volume 1 Winter 2016



Our Quarterly Newsletter



We are asked all the time, by senior executives across all industries and sectors, about the broad megatrends we see, and how other organizations are responding to the increasingly complex challenges of business leadership today.

Our answer is always the same, and we tell them three things.

- We are not going back to a simpler, less chaotic, more orderly and more predictable time,
- All great breakthroughs are in the "How" we do things, not in the "What" we do, and
- Leadership, going forward, requires fresh mindsets, attitudes and competencies.

We know one of the essential ingredients for success is curiosity matched by ambition, and so we have chosen that theme as the focus for this edition of our quarterly Newsletter "Navigate the FutureTM". In so doing, we have drawn upon two sources:

- Some of the most popular of our previous editions of Navigate which have looked at this issue through a number of different lenses, and
- The thinking and writings of lan Leslie, a London, England based author commentator and a brand strategist for major UK and global brands.

I hope you enjoy this fresh perspective.

Yours truly,

R. Douglas Williamson
President & CEO

Curiosity Killed the Cat, or Did It?

We have all been taught that three basic drives propel human existence – food, sex and shelter. Increasingly, academics, economists and other thinkers are suggesting that humans possess something else – a fourth drive. They tell us that pure curiosity is unique to human beings and, while animals may snuffle around in the bushes, they are only looking for ways to satisfy the basic three drives. It's only people, as far as we know, who look up at the stars and wonder what they are. The ancient philosopher Erasmus suggested that curiosity was greed by a different name and, for most of Western history, curiosity has been regarded as, at best, a distraction, and at worst, a poison, corrosive to the soul, to society and certainly to business.

lan Leslie, in his book "Curious – *The Desire to Know and Why your Future Depends on It*", suggests there is a reason for this. He submits that curiosity is unruly, it doesn't like rules, or at least, it assumes all rules are provisional, subject to the laceration of a smart question nobody has yet thought to ask. As such, curiosity disdains the approved pathways, preferring diversions, unplanned excursions and impulsive left turns.

In short, Leslie suggests curiosity is deviant! Even worse, he reminds us that pursuing it is liable to bring us into conflict with established thinking and authority, as everyone from Galileo to Charles Darwin to Steve Jobs would attest.

But, perhaps, we need to evolve our thinking.

A society or an organization that values order above all else will seek to suppress curiosity. But, a society or organization that believes in progress, innovation and creativity will cultivate it, recognizing that the enquiring minds of its people constitute its most valuable asset if only they can be leveraged.

Ending the Great Stagnation ...

Tyler Cowen, a professor of economics at George Mason University, has termed the current period "the great stagnation". Edmund Phelps, the Nobel Prize-winning economist, believes the grassroots spirit of enterprise which fueled the Industrial Revolution is being suffocated by the dead weight of state and corporate bureaucracies.

Are they right?

If the great challenges of the future require new answers, and new thinking, we need to find ways to create organizational cultures that are more collaborative, more creative and more competitive. To do so, we need our people to be active, enquiring and imaginative. In short, we need them to be full of ideas and curiosity. The truly curious amongst us will be increasingly in demand. Employers will be looking for people who can do more than follow procedures competently or respond to requests. The people we need, and the cultures we must foster to grow and reward them, must have a strong intrinsic desire to learn, solve problems and ask penetrating "wicked" questions.

These individuals may be difficult to manage at times, they will take unpredictable paths, and they won't respond well to being told what to think. These curious learners go deep, and they go wide. They are the people best equipped for the kind of knowledge rich, cognitively challenging work required today. They are also the ones most likely to make creative connections between different fields, and the ones best suited to working in multi-disciplinary teams. To put it another way, there will be a rising premium on people with a high need for understanding, a Need for Cognition (or NFC), which is the scientific measure of intellectual curiosity.

Blind Spots & Bravado - A Toxic Combination

Originally Published - Fall 2011

Over the past several years, the global economic swamp has drained and, as a result, the hidden rocks of inefficiency should now be visible to anyone who can see. What better time to declare war on those things getting in the way of improved organizational effectiveness? However, we still find organizations hunkered down for survival, not rising appropriately to the challenge at hand. It is as though the greater the uncertainty and instability in the market, the less willing leaders actually are to stare down the "devils" within their own organizations. The less willing they are to deal with the things holding them back and getting in the way. The less candour they have to tackle the issues that make a real difference.

Strategy is ultimately about developing a radically new point of view, a new way of looking at the world and defining success. Opportunity arises as these viewpoints shift, affording you the chance to destabilize and disorient the competition.

Here is a list of pointers to help get you started.

Dig Deeper - Much Deeper

If your resolve is to get straight answers to the "wicked problems" hidden just beneath the surface, the success of your search will depend on how willing you are to do the heavy lifting necessary to find them. Begin by making sure you have selected the right people to help you think, probe and discover, and provide them with the necessary air cover they need and deserve.

Ask Tougher Questions

Mining for the hidden issues, dilemmas and incongruities lurking in your organization will require you to ask more penetrating questions than you have ever asked before. The questions need to be questions of exploration, focused on the unknown territories – and you have to be prepared to follow the line of thought, no matter where it takes you.

Check the Numbers

In this new world of "Hypercompetition", you will need to change how you analyze the conditions. This means examining the data you have at hand in new and more interesting ways. Then, just to add another level of tension, you will need to seek out new information from new places and in new combinations.

Call it Out

Organizations tend, over time, to take on the characteristics of their leader. If there is a meaningful shift to be made in the way strategy is conceived, then the leader will have to model new behaviours. This very likely means an overt, visible commitment to calling out the superficial arguments that do not hold water, and putting an end to the timid, evasive responses to the tougher questions. Raise the bar. Increase the standards. Demand better.

Banish All Defenses

It is human nature to become easily annoyed and defensive when someone challenges your opinion or point of view and, yet, we actually need more dissent and disagreement than ever before if we want to surface the "real" issues impacting organizational performance. These defensive reactions are multiplied several times the more people we ask to speak up and, soon, we have a complex maze of conflicting, opinions, priorities and messages. The trick is to eliminate the excuses people use to divert their energy and attention. The leaders at the top need to ensure there is no recrimination for speaking the truth, and that those who do so are sheltered from those who would build walls to keep the truth hidden.

Go Big or Go Home

Business is about balancing risk with market need and opportunity. As we have been forced back onto our heels by recent economic events and circumstances, many have tried to lessen the risk by reducing their field of vision. They have justified a hunker down strategy by promoting it as the safest thing to do. Strategy is an offensive weapon. Get out of the bunker and get back in the game.

The Devastating Cost of Bias in Leadership

Originally Published – Winter 2013

The biases that undermine strategic decision making often operate in full force during those most heated of meetings we have where opinions collide and the conversation is intense. The suggestions below, which were developed by Dan Lovallo of The University of Sydney and Olivier Sibony of McKinsey, are designed to help ensure you and your team are not held hostage to the biases which others may bring to the table.

Make sure the "right people" are involved

To get to the best decisions, you need to ensure a rich diversity of backgrounds, roles, risk aversion profiles, and interests are represented. Cultivate critics within the top team. Invite contributions based on expertise, not rank. Don't hesitate to invite expert contributors to come and present a point of view, without attending the entire meeting.

For the portion of the meeting where a decision is actually going to be made, keep attendance to a minimum, preferably with a team that has experience making decisions together. This loads the dice in favour of depersonalized debate.

Assign Homework

Make sure pre-decision due diligence is based on accurate, sufficient, and independent facts, and on appropriate analytical techniques. Request alternatives and "out of the box" plans. Consider setting up competing fact-gathering teams charged with investigating opposing hypotheses.

Create the Right Atmosphere

As the final decision maker, ask others to speak up (starting with the most junior person), show you can change your mind based on their input, and strive to create a "peer-like" atmosphere. Encourage expressions of doubt, and create a climate that recognizes reasonable people may disagree when discussing difficult decisions.

Manage the Debate

Before you get going, make sure everyone knows the meeting's purpose and the criteria you will be using to make decisions. For recurring decisions, make it clear to everyone that those criteria include "forcing devices" (such as comparing projects against one another).

Take the pulse of the room – ask participants to write down their initial positions, use voting devices, or ask participants for their "balance sheets" of pros and cons.

Use pre-mortem techniques to expand the debate. Promote counter anchoring by postponing the introduction of numbers, if possible. As well, "reframe" alternative courses of action as they emerge by making explicit "what you have to believe" to support each of the alternatives.

Follow up

Commit yourself to the decision. Debate should stop when the decision is made. Connect individually with initial dissenters and make sure implementation plans address their concerns, to whatever extent possible. Monitor pre-agreed upon criteria and milestones to correct your course, or move on to backup plans.

Conduct a post-mortem on the decision once its outcome is known. Periodically, step back and review decision making processes to improve meeting preparation and mechanics, using an outside observer to diagnose possible sources of bias.

The Powerful Influence of Perspective

Originally Published - Spring 2012

In the modern business era, there has probably been no other period of time during which so many moving parts were circulating, at such high speed, with no obvious or discernible pattern to their movement, as right now. In times like this, it can be hard to make sense of things, and even harder to connect the dots and shape them into a clear picture you can share with others in a confident and convincing manner.

As a result, the cognitive and interpretive skills of the leader are being put to the test like never before. The old approach, the tried and tested, may not be the best approach to solve new challenges where there is no precedent to call upon.

Here are some things to consider instead.

Reduce Anxiety Levels

In an environment that is full of uncertainty and anxiety, the role of the leader, at any level, is to reduce the anxiety that gets in the way of performance. Healthy anxiety is one thing, but endless, spiraling down anxiety, that creates sludge and becomes an excuse for inaction, is simply not acceptable.

Go on a Road Trip

Sitting at your desk will not help. The best way to gain a different and clearer perspective is to get away from the task at hand and elevate your vantage point. Get out into the world of your customers, and your customers' customers, and see what they are feeling and experiencing.

Face Down the Demons

In every organization, there are obstacles, barriers and excuses that get in the way. They seem to be known by everybody except the leader, or the responsible unit manager or executive. The current climate, with the swamp having been drained, provides the perfect opportunity to slay the demons and deal with the things that are now even more obvious.

Tap into the Creative Class

It is highly unlikely that your traditional, buttoned down executives will have the capacity, or the willingness, to find the "next right answer". Chances are, they are just too invested in the status quo to become the active champions of the transformation you actually require. You will need to weigh the risks of non-action against the risks of opening up the dialogue to the next generation of leaders from the creative class.

Shift by 45 degrees

In case radical transformation is just too big a leap to take, the least you can do is force your organization to look at things from an angle off the current centre. The enforced discipline of altering perspective can serve a very useful purpose in terms of identifying things that are just no longer right, when seen from a less comfortable and traditional point of view.

Amplify Your Curiosity

If all else fails, the least you can do is take steps to upgrade the level of curiosity displayed by your key people. You need to ask them to hone their skills when it comes to posing the questions that lead to new and fresh insight. It will require you to disrupt convention by accepting the inherent tension that comes from useful debate and improved dialogue.

Deny, Defend, Disrupt - It's Your Choice!

Originally Published - Summer 2013

We are not hostages to the random forces of the free market.

We are not prisoners of the change monster who chases us every day.

We are not powerless in the midst of forces that may, at times, overwhelm us.

We have free choice, and we deserve to be allowed to exercise that choice without being judged by those who may disagree. Today, we need better choices, and we need to make sure those people who see things differently than we do are allowed to "call it out", rather than submit. In our view, no one has done a better job of describing this formula for success based on candour than Phillip Kotler and John Caslione in their book "Chaotics: *The Business of Managing and Marketing in the Age of Turbulence.*"

They have done a brilliant job of summarizing the characteristics of companies that have lived a long and healthy life, and we have shared them below as a recipe for leaders who wish to seize the opportunity this moment presents, the opportunity embedded in the disruption we find all around us.

Sensitivity to the World Around Them

The <u>best leaders</u> in the world have an acute and finely tuned radar for sensing and identifying shifts in the business and social context. They appreciate the need to be vigilant in continuously scanning the environment and interpreting the signals.

Awareness of their Identity

The <u>best organizations</u> in the world know who they are and what they stand for. They are confident in their own skin and not easily tempted to jump on fads that pass in the night. They place the importance of culture alongside that of strategy.

Tolerance to New Ideas

The <u>best thinkers</u> in the world are broad minded, curious and open to the new and the different. They embrace new ideas and concepts. They resist the confining cocoon of complacency. The pioneers of the continuing future will be those who seek out new knowledge and understanding in an effort to make sense of the world.

Valuing People Not Assets

The <u>best run companies</u> in the world place people first, even before customers. They know and understand it is people who create value through their insight, ingenuity and passion. They appreciate that machines and buildings and systems are only there to enable human capability to be leveraged.

Loosening Steering and Control

The <u>best leadership teams</u> in the world are not obsessed with maintaining order and enforcing control. They are more inclined to actually be the chief agitators for freedom, experimentation and more breathing room. They know that no leader, or group of leaders, can get the best out of the opportunities which present themselves by tightening the vice of control and centering it around the executive table. They open up the discussion to include others who think differently.

Organizing for Learning

The organizations that thrive and excel in times like these are organizations that see learning opportunity in everything they do, and turn themselves into lean, mean learning machines, producing new learning at ever expanding rates of return.

The Power of Unreasonable People

Originally Published - Summer 2011

The world we see evolving is an exciting and challenging one. It is a world in which the array of possibilities is endless, and the need for novelty, imagination and originality has never been higher. The world of business has an important role to play in shaping the communities in which we live and building the international bridges that will bring us even closer together.

This brave new globalized world, with its rich and diverse tapestry, is also a world that is demanding new answers to haunting questions about sustainability, justice, tolerance and equality. Business leaders have a powerful platform from which to help transform the world, but their success will depend on the mindsets of those in positions of influence. Equally, the ongoing business value proposition will require the same, or very similar, new mindsets.

In order to begin the process, we have provided a short list of possible actions.

Identify the Deviants

The current and future competitive climates will require new ideas, and those are more likely to come from people who view the world just a little differently. Organizations will need to do a much better job of identifying them and bringing them into the circle of influence. Wise leaders will not only listen to them, but will give them a voice and the opportunity to shape the future. Think about reshaping your <u>Talent Evaluation</u> process.

Unleash their Conviction

These deviants thrive on freedom of expression and passion, so let them loose. Tap into their core purpose and allow them to identify new areas of opportunity for your organization. Think about creating a <u>Tomorrow Forum</u> as a vehicle for these thinkers to cast their minds into the emerging trends of the future.

Provide Broad Scope

We know from the work of behavioural economists such as Daniel Kahneman and Amos Taversky that the key to effective problem solving and decision making is in the proper framing of the challenge. Accordingly, we need to be open to a healthy divergent phase of investigation, and learn to examine multiple scenarios in tandem. Rushing to a premature conclusion within a narrow frame or context is exactly the wrong formula. Think about building a component into your Learning and Development process to addresses this.

Weave the Story

It is part of the human condition to relate to stories and to use them as metaphors for our own challenges and dilemmas. In this era of Blogs, Facebook and other social media, there are many ways to create virtual storytelling communities that get people involved and engaged in crucial conversations about tomorrow. Think about your <u>Communication Strategy</u> and whether it is creating the right conversations.

Ensure Ample Air Cover

The people you need to help carve the path to the future will be people who stand out and make others uncomfortable. You need to ensure they are not marginalized by those who do not understand the value and purpose of creating a new mindset. Do not allow the efforts of new thinkers to be drowned out by the disciples of the status quo. Think about ways you can benefit from <u>Design Thinking</u>.

The Predictable Passages of Transformation

Originally Published - Winter 2015

The decision to embark on a transformational journey should not be taken lightly. The leaders must commit to seeing it through, and must understand there are predictable passages they need to navigate along the way. Promises should be few, and guarantees abolished. No transformational leader can allow ego and bravado to take control of them, their actions or their words. The promises should only be about the hard work that lies ahead and the reward at the end of the tunnel. Realism and truth must be the order of the day, and the touchstone for the behaviour of leaders at all levels.

The leaders can and should lay out the broad strokes, but must avoid the temptation to offer the fine detail to those who cannot exist inside the cloud of uncertainty and ambiguity. They should set the compass heading, but avoid handing out the detailed road maps that many people will be demanding.

The leader must appeal to heart over head.

Here are some things to think about, as you begin to consider what's next.

Build the Guiding Coalition

Your first task is picking the team. There is a huge difference between the operating team you may need to keep the business running, and a transformation team whose job it will be to reimagine the future. The skills and aptitudes are different but, most significantly, it is the mindsets and attitudes that are different. The leader must draft wisely, and from all levels of the organization, when putting together a truly whole-brained, cross functional and cross disciplinary group of advisors and agents.

Bring the Coalition Inside the Tent

Your first act of courage will be to trust the coalition with an open, honest assessment of where the organization currently stands and the obstacles and imminent risks it faces. The leader must be willing to pull back the veil and call things as they really are. There can be no room for obfuscation or gilding the lily – it's the straight goods, raw and ugly, that must be put on the table.

Embark on a Dialogue of Discovery

Members of the guiding coalition must be given a clear choice – join the battle or step aside. This must truly be a coalition of the willing, and the willingness must be to break the old model apart and start with a blank sheet of paper. There can be no room for biases, sacred cows or antique paradigms. The task must be undertaken as it was in the movie Apollo 13, where the entire mission was about getting the ship back to earth.

Focus Your Energy and Resources

Decide what really matters and what will have the biggest impact. Do the hard work first and forget about the pseudo benefits of "low hanging fruit". The journey will not be determined by early wins, but rather by new choices about the stuff that really counts. Strip away the excuses and face the demons.

Emulate Churchill

Take control of the narrative. Lead from the front and talk to the organization in real terms, appealing to emotions and setting expectations realistically. Accept any help that anyone can offer and recruit volunteers to the cause. Remember that your words will carry extra meaning, and that words matter. Pick those words that will resonate in their simplicity and common sense. Present the facts in all their dirty glory and, most importantly, offer hope while promising hard work.



We are a Canadian based professional services consulting firm supporting a diverse portfolio of clients throughout North America and around the world. We work with senior leadership teams in all sectors and industries, in the development of their organizational strategies and in leveraging their human capital.

We advise senior leaders on <u>how</u> to transform their culture, improve performance and build effective leadership capability at all levels. We help:

Identify critical gaps – which impact organizational and leadership effectiveness

Facilitate crucial conversations – in a direct, "straight talk" manner

Align resources - to achieve sustainable high performance

Develop talent – in order to navigate the future

Our practice is divided into four main areas of expertise.

OUR MISSION:: BUILDING THE HIGH PERFORMANCE ORGANIZATION OF THE FUTURE ORGANIZATIONAL TRANSFORMATION LEADERSHIP DEVELOPMENT **ORGANIZATIONAL FACILITATION DEVELOPMENT ASSESSMENTS ASSESSMENTS** We facilitate.. We provide assessments of... We design and deliver... We provide.. ► Leadership Team Offsites ▶ Organizational Culture ► Executive Development ▶ 360° Feedback Programs ► Competency Design Sessions ▶ Employee Engagement ► Talent Assessments ► Management Training ► Strategic Planning Sessions ► Team Effectiveness ► Individual Diagnostics ► Executive Coaching

Our Point of View ...

Times have changed.

Organizations are facing difficult and complex challenges.

Leaders are being asked to make different choices to confront crucial problems.

In times of turbulence and uncertainty, The Beacon Group helps organizations navigate the future. We help senior leaders redefine their strategic ambition and identify the stubborn barriers that are getting in the way. We help them reimagine a new path and then support them as they take practical steps to enhance performance, improve effectiveness and achieve new levels of sustained excellence.

Our Promises ...

We Believe – mindsets, attitudes, behaviour and character matter and that clear, consistent and authentic relationships are at the very heart of any "Trusted Partnership" with a client.

We Commit – to being a progressive, passionate, customer driven partner. We are thought leaders who are not only responsive, but agile as well.

We Support – progressive leaders and ambitious organizations in transforming business performance, organizational culture and leadership potential.

We Partner – with senior leaders to help create robust strategies, solid frameworks and pragmatic solutions to their most difficult challenges and intriguing opportunities.

We Achieve – results that make a difference and allow our clients to lead with confidence, and execute with clarity and accountability.

Organizational Transformation | Leadership Development

