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# Cook & Company Commentary

Winter 2008

## Using Possibility Analysis to Solve Problems

The way most of us solve problems, both personally and in organizations, is through the traditional process of problem identification, then causal analysis, and finally, recommendation. The origin of this process – which I call “Fault Analysis”-- is lost in the mists of time, but it forms the basis of the way we look at the world in a variety of disciplines.

Recent research suggests some real drawbacks to this approach<sup>1</sup>:

- By focusing on the problem first, we often actually reinforce our belief in the difficulty of that problem
- Our causal analysis tends to reinforce our original characterization of the issue, even if there is evidence to the contrary
- At the recommendation step, attempts to change behaviors or interact in ways that are thought to resolve the problem may be seen as just attempts to “game” the situation for the benefit of one of the actors involved
- Overall, this focus on problems has been shown (at least in some cases) to actually reduce our ability to solve those very problems

Further, the combination of these factors can also lead to a self-reinforcing, negative “triad” of negative mood, cognition reduction, and inability to act. The result is less rigorous problem identification, constricted analysis and option creation, and ultimately, poorer problem resolution. These behaviors can exist at the individual, organizational and societal level.

A good example of this approach is the Define / Measure / Analyze / Improve / Control (“DMAIC”) process found in Six Sigma that has been effective in a wide variety of environments – but also has been the source of issues in many others (although in fairness the DMAIC model avoids the “fault” world entirely and deliberately, in an attempt to maximize the notion that problems should be treated as system failures, rather than random human mistakes):

- Home Depot under CEO Robert Nardelli, leading to Nardelli’s ouster in 2006, in part on Six Sigma’s diversion of Home Depot’s long focus on customers
- Young & Rubicam, where CEO Ann Fudge left after a Six Sigma initiative failed
- Raytheon, where the DMAIC model is seen as not being adaptable to the kind of top-line growth the company is now seeking

Is there a better way?

Some 20 years ago, Professor David Cooperrider at Case Western University developed a new approach

which turns Fault Analysis on its head. This approach, commonly called Appreciative Inquiry (“AI”), starts with identifying an affirmative end state, and seeks to use an extension of that state to resolve issues. This approach is still flying below the radar, but appears to offer a more robust in creating that end-state that problem-solving at least implicitly hopes to accomplish. It also eliminates those issues with the problem-solving approach that we’ve outlined above.

We prefer to call this process Possibility Analysis (“PA”) because it focuses on possibilities instead of “fault” in the Fault Analysis approach. We will use our variant of Appreciative Inquiry in the balance of this discussion. However, we are deeply indebted to AI and to Cooperrider for most of the basic principles we discuss below<sup>2</sup>.

The principles of PA include:

- **Wholeness** – Trust, connectedness, forces people to see a purpose greater than their own
- **Discovery** – Who are we? What do we do well? What are our hopes for the future?
- **Envision** – Maximize potential for positive influence and impact. What will the organization look like? What will be happening in the world? What is the best outcome?
- **Design** – Incorporate the positive change core into every strategy, process, and system, in action-oriented statements of how the organization will function
- **Action** – Distill organizational design into a list of “inspired actions”

An interesting analogy is found in golf. I was listening to Dr. Bob Rotella, the famous golf sports psychologist, the other day and his approach struck me as a great example of Possibility Analysis. He observed that in school we face what he called “the red pencil mentality,” that is, we are always graded on our mistakes, and we are always asked to remember those mistakes. A Fault Analysis approach if there ever was one!

Conversely, he observed that if you really want to play a sport well (not just golf), or paint, or perform any creative activity, you want to *forget* the mistakes you have made, you want to *forget* technique, and in essence, let the activity flow. Perhaps that is the greatest gift of Possibility Analysis, that it encourages us to be creative, positive, proactive, and that it frees us from the critical analysis of the past and rather focuses us on the possibilities of the future. In fact, in my own experience, once you get people “in the flow” thinking about what *could be*, most of us can “let it flow,” that is, it seems much easier to think in

these terms.

Another good example is found in the November-December issue of Strategy & Innovation newsletter, in an article by Joseph Sinfield. He suggests an approach he calls "Intelligent Feature Selection" (basically deciding what customers want, need and are willing to pay for) as a way of deciding how to choose between cutting costs and reducing features in a product, as opposed to the "traditional cost-reduction process." Clearly—a Possibility Analysis approach!

And a final interesting example is quoted in the

January 21, 2008 *New Yorker* magazine, where, in an article by Lawrence Wright on Mike McConnell, the Director of National Intelligence, he cites the use of Walt Disney Imagineering to help design the National Counter-Terrorism Center. His quote is instructive: "The fantasy worlds that Disney creates have a surprising amount in common with the ideal universe envisaged by the intelligence community." Note the focus on a future that is desired, rather than a set of problems to be solved!

Using the principles of PA, we compare Fault Analysis with Possibility Analysis:

FA Compared to PA <sup>1</sup>	
Fault Analysis	Possibility Analysis
"Felt Need," Identification of Problem	Appreciating, Valuing the Best of "What Is"
Analysis of Causes	Envisioning "What Might Be"
Analysis of Possible Solutions	Dialoguing "What Should Be"
Action Planning (Treatment)	Innovating "What Will Be"
Basic Assumption: Organizes as a Problem to be Solved	Basic Assumption: Organizes as an Opportunity to be Embraced

What kinds of questions are asked in Possibility Analysis?

- Talk about a personal experience during your tenure within your organization when you felt the most engaged and most valued
- If your organization were to become "the organization you have always wanted to work for," what would it look like? What would its relationships with its stakeholders look like?
- What are the commonalities in our individual answers to the above questions? Do they suggest themes upon which the organization should focus?
- What would an "opportunity map" look like, drawn from these thoughts?
- How would we act on that opportunity map?

Some organizational questions about Possibility Analysis:

- Will PA resonate better with senior managers than more traditional "Problem/Solution/Implementation" model? With employees?
- Will it meet your needs?
- Issue: Tends to take longer than traditional methods (although generally builds more ownership than traditional model, for many of the reasons cited) - is this a problem?

Operationally, how does it work? Here's one format, although there are many others:

- Form a Steering Committee from across the organization
- Decide on attendees to a ~ 30 person workshop (a microcosm of the organization)
- Hold three-day workshop which discusses the aforementioned four questions
- Prioritize findings
- Form teams to work on most important issues
- Report to organization as a whole, and empower it and its leaders to carry out recommendations

Possibility Analysis is not an approach to be taken lightly. It is so radically different than the normal Fault Analysis approach that it takes great commitment from a leadership team to start. On the other hand, if the initial steps are carried out correctly, the energy that is generated among participants can allow the leadership to surf through the rest of the process. So the first step is the most critical one. Though PA is new, different, and somewhat challenging, it has been used successfully in a number of different environments, and appears to be especially powerful where complex issues involving many human interactions are essential (think "organizational culture change"), as opposed to specific issues (think "making sure our vials always fill to the same level during the packaging process").

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<sup>1</sup>Barret and Cooperridder. *Generative Metaphor Invention: A New Approach for Working with Systems Divided by Conflict and Caught in Defensive Perceptions. Appreciative Inquiry: An Emerging Direction for Organization Development.* January 2001.  
<sup>2</sup>Cooperridder and Srivastva. *Appreciative Inquiry in Organizational Life. Appreciative Inquiry: Rethinking Human Organization Toward a Positive Theory of Change.* January 2000.

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