

Our Mission

To help individuals, teams and organizations reach their potential through strategic planning, innovative coaching, development of team effectiveness and management consulting

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Report from the Front: Using Possibility Analysis

By Gary M. Cook

In our newsletter of winter, 2008, "Using Possibility Analysis to Solve Problems," we discussed how the analytical approach known as Appreciative Inquiry and our derivative of AI, Possibility Analysis (or PA), could help organizations break through existing constraints to create more value in problem solving.

In this edition, we would like to focus on recent work we have done with several clients using PA to create more innovative and value-laden strategic focus.

(For those of you who are unfamiliar with the basic principles of a AI and our derivative, I encourage you to read the Winter, 2008 Newsletter (found on our website at www.cookcompany.com*) to understand the basic differences between it and the more common fault analysis model of dealing with issues and opportunities.

Here are some of the critical lessons we've learned from utilizing PA in the field:

I. Possibility Analysis really works!

Example: In recent work done for a software services organization, we were able to break through long-held beliefs about what the organization was about, and focus instead on what the organization could be. As a matter of interest, we used the model that Simon Sinek of Columbia University uses to describe how Apple's strategic view of the world is based more on *why* it does what it does, as opposed to *what* it does. This allows Apple to be an innovator in cell phones, computers, portable music systems, and other entire industries where Apple's philosophy of creating value from high-

quality design works (imagine, on the other hand, Nokia being able to successfully market computers!). For those of you who have not seen Sinek's talk on TED, I strongly urge you to take a look at "How Great Leaders Inspire Action" **.

By starting with this, we were able to open the eyes of the senior leadership team to the fact that, while the company's success was due both initially and now to a single product, it had the capacity to branch out into other products and services needed by its industry. In short, it needed to recast its own view of itself as a high quality provider of services to the software industry, as opposed to a purveyor of a single excellent product.

How did Possibility Analysis help here? By asking each of the participants to write down one of their best experiences within the organization over the last five years, we were able to capture some of the critical values, behaviors and cultural memes that created the success the organization has experienced to date. The result was a focus on using those successes not only to "build on their strengths," but also to use the inherent characteristics of their strengths to deal with issues they were facing. For example, one of their strategic issues was difficulty with matrix management. By looking at the successes of key individuals "facing" each other across the matrix, we were able to create a "win-win" compromise, wherein each of the senior leaders used his strengths, while deferring to the strengths of the opposite party. This approach quelled the unsuccessful focus that had heretofore been placed on roles and responsibilities as a means of resolving matrix-oriented conflicts.

Cook & Company Commentary

2. Possibility Analysis is a great “resolution” tool for organizations at an inflection point

In another setting, we have been using Possibility Analysis to aid an organization which is going to become an entirely different company through acquisition of a larger entity. The challenge? To create vision, mission and values that are based on the current company’s background and successes, and take into account the strengths which the acquired company is bringing to the combined entities.

Thus, the acquired company was challenged to explain the best of what it did and why it was so successful. By combining that perspective with a similar Possibility Analysis review of the acquiring company, we were able to meld the best of both entities, and create a promising future for the combined companies. Collateral benefits included the creation of ownership across the newly-forming combined senior leadership team, and less angst about who had been “at fault” for past mistakes, both in strategy and execution.

3. There is still little written about how Possibility Analysis and fault-based analysis can work together

Since we work with a number of larger organizations that have for years created, implemented, and refined fault analysis-based approaches like Six Sigma and Lean, we have been searching for how the two fit together. Unfortunately, there is very little literature and little apparent research about this subject. Our own experiences convince us that there are several dimensions in which the two benefit from each other:

–Appreciative Inquiry tends to suffer from a lack of focus on quantifiable metrics to help measure progress. Fault analysis in some dimensions contains too much in the way of metrics, often overwhelming customers of the process with numbers, which in our view, may be useful for the black belts that employed the approach but are of little value to the customers of the Fault Analysis approach. Comparing the approaches should lead to better balance.

–Fault Analysis, with its emphasis on responsibility, suffers from the defects that we outlined in our original newsletter, namely a psychological set of barriers to improving performance based on an unwillingness and/or inability of the participants to go beyond the question of fault to generate creative solutions. Just asking PA-type questions here will help.

4. Possibility Analysis is an integral part of the “next new thing” in managerial thinking, design-based approaches

The number of recent books and articles on the concept of Design Thinking is striking. These include: Roger Martin, *The Design of Business: Why Design Thinking is the Next Competitive Advantage* (2009) and Tim Brown, *Change by Design: How Design Thinking Transforms Organizations and Inspires Innovation* (2009), among others. While innovative, much of Design Thinking’s “front end” is largely based on the principles of Appreciative Inquiry, as the exhibit below demonstrates.

FA compared to PA	
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: More value is created by solving problems	Basic Assumption: More value is created by embracing opportunities

If any of you have had recent experiences with Appreciative Inquiry, we’d like to hear about them! Please e-mail us at administration@cookcompany.com and let us know. We think even more strongly today than we did in 2008 that some version of Appreciative Inquiry/Possibility Analysis is a key building block in the continued search for better theories of leadership and management.

* http://www.cookcompany.com/newsletters/Winter2008/Winter_2008_Newsletter.htm

** http://www.ted.com/talks/simon_sinek_how_great_leaders_inspire_action.html

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