

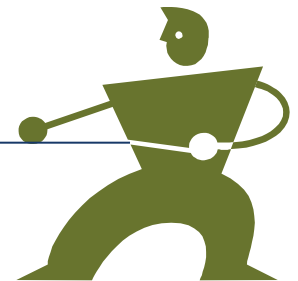
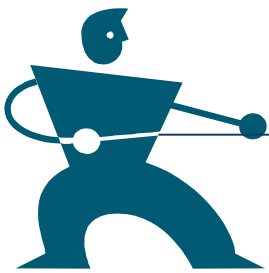


***“BOTH/AND” THINKING IN  
ORGANIZATIONAL LEADERSHIP***

*ST. LOUIS QUALITY CONFERENCE - 2011*

DEBORAH SCHROEDER-SAULNIER, D.MGT

# WHERE DO YOU STAND?



# POLARITIES/PARADOXES/BOTH-AND

## *A DEFINITION*

### Polarities:

- Interdependent opposites
- Inherent tensions in an organization
- Dilemmas, paradoxes
- Require “both/and” thinking
- Goal: *Tap the Polarities*

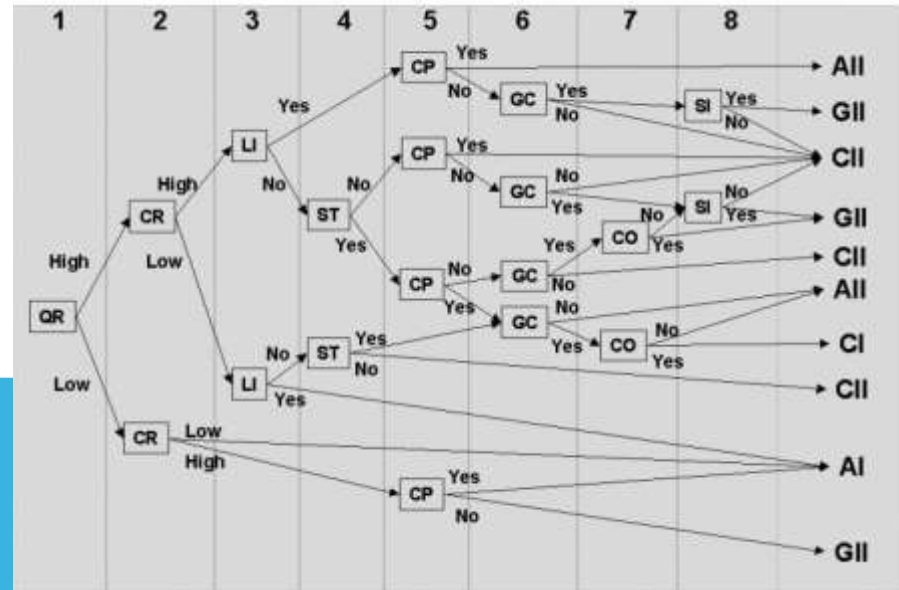


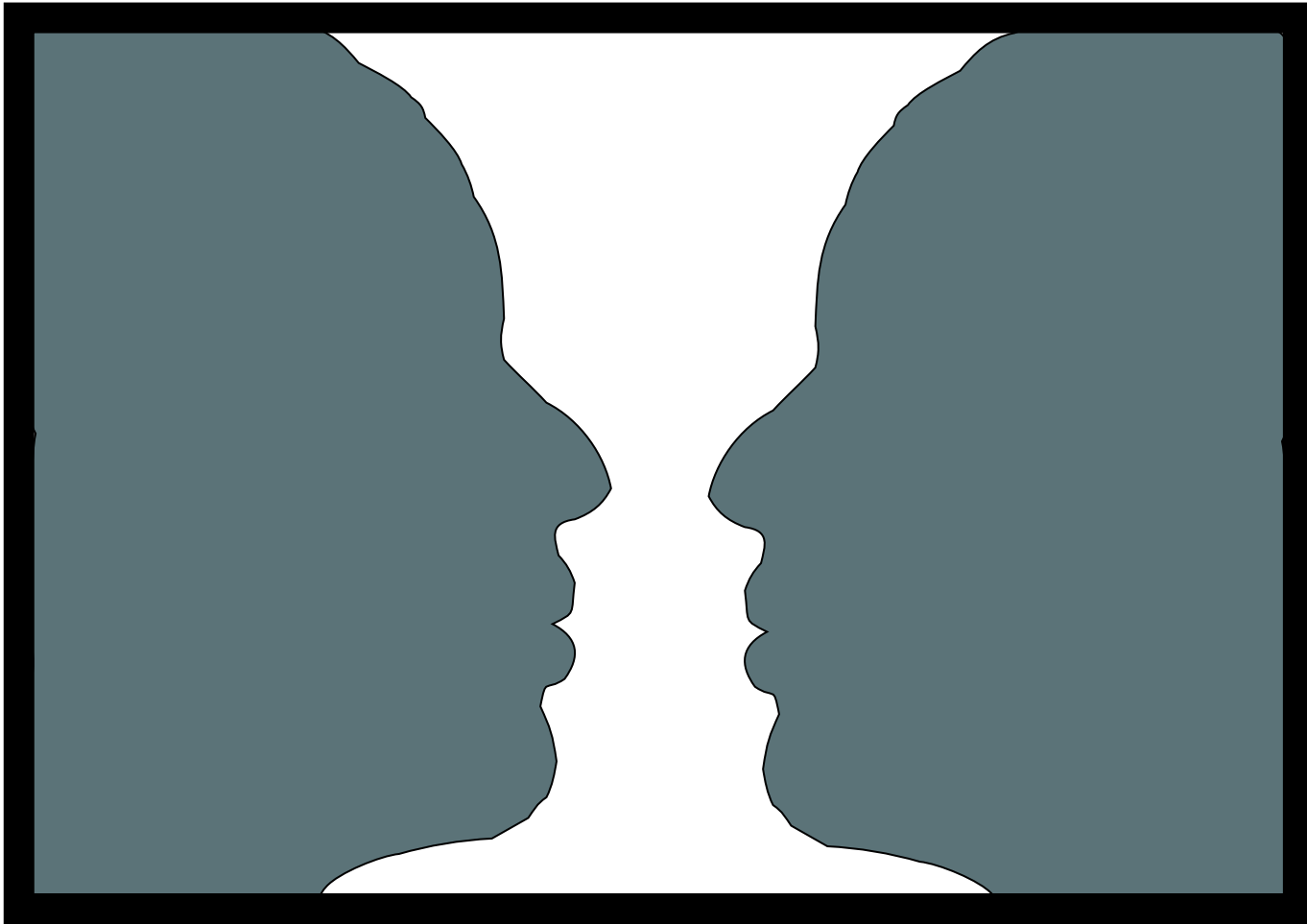
***ENERGY SYSTEM***

# PROBLEMS – A DEFINITION

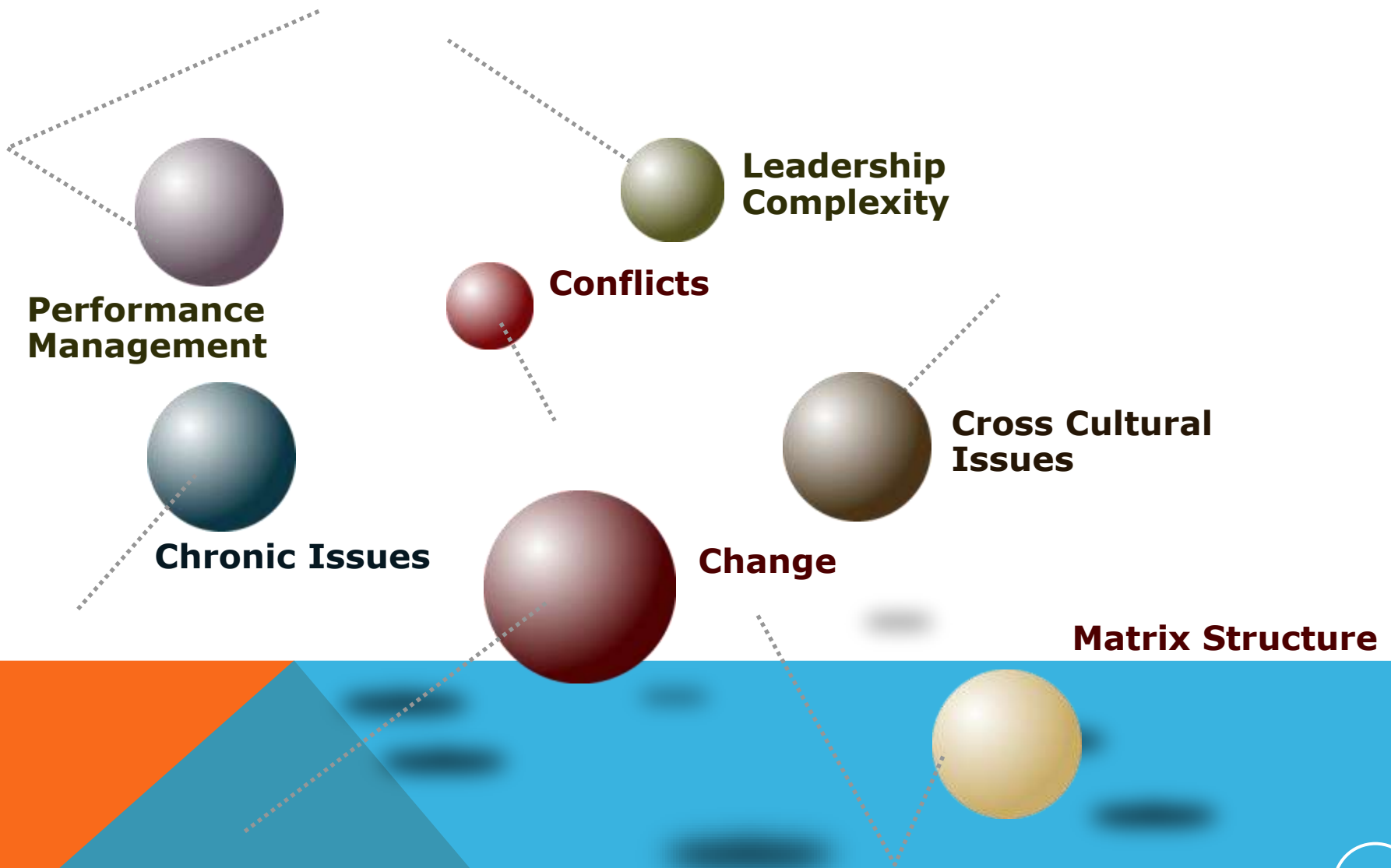
## Problems:

- One right answer
- Two or more right answers that are independent
- Require “either/or” thinking
- Goal: *Solve the Problems*





# LEADERSHIP SITUATIONS CALL FOR “BOTH-AND” OR “POLARITY” THINKING



# THE CHALLENGE OF GLOBAL COMPLEXITY

*“Before a firm can organize globally, choices must be made, challenges must be met, and mind-sets must be transformed.”*

*“At the heart of the issue is the manager’s difficulty embracing the complexity of the organization and building the capability to manage it.”*

Jay Galbraith. *Designing the Global Corporation*

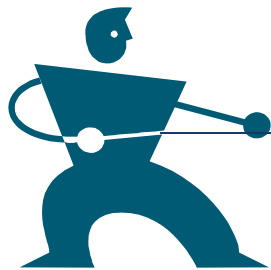


# GLOBAL MINDSET

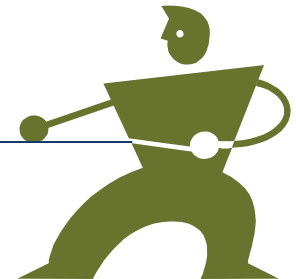
*The world will increasingly demand that leaders manage paradoxes, rather than apply the general approach of solving problems!*

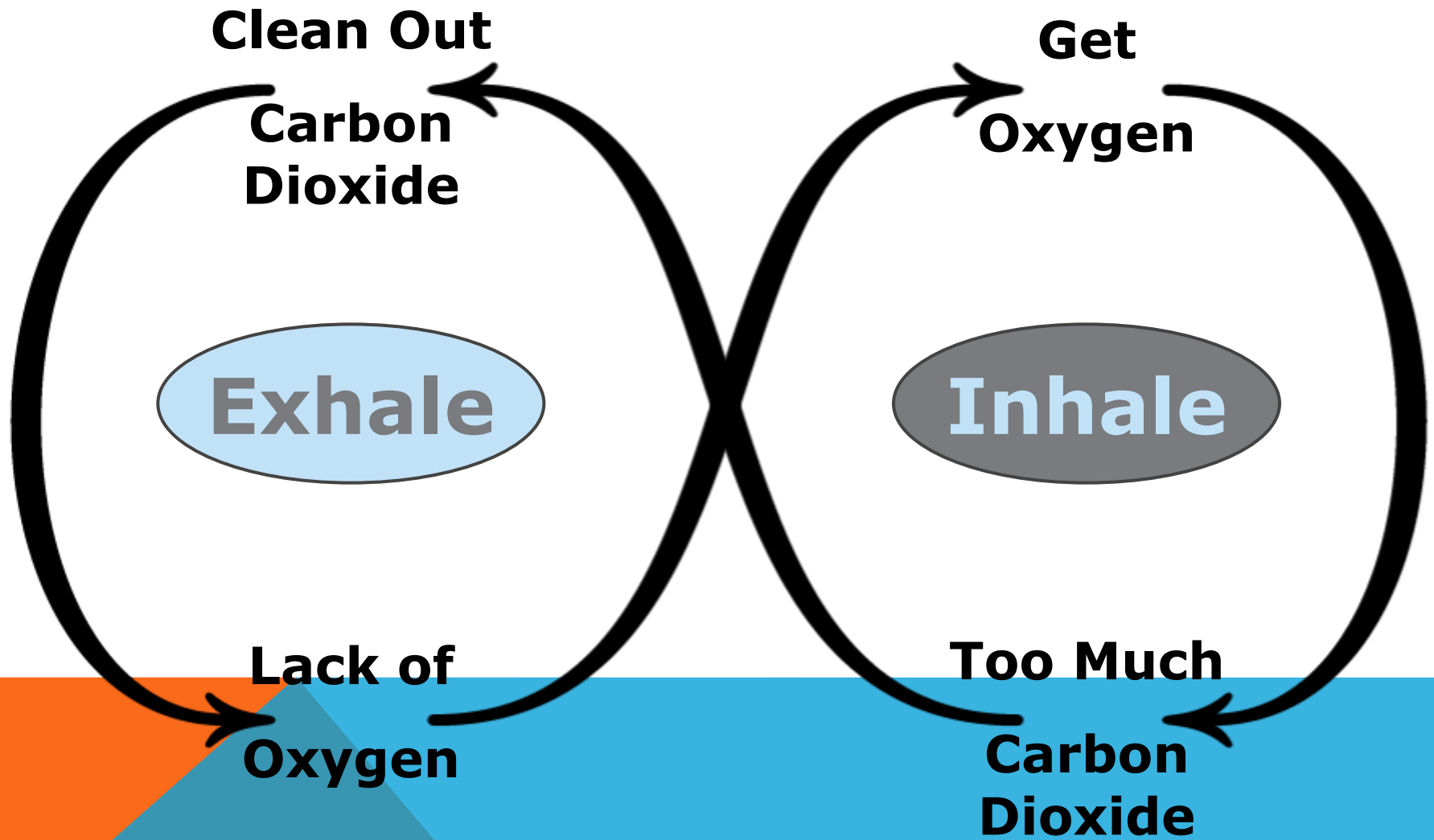


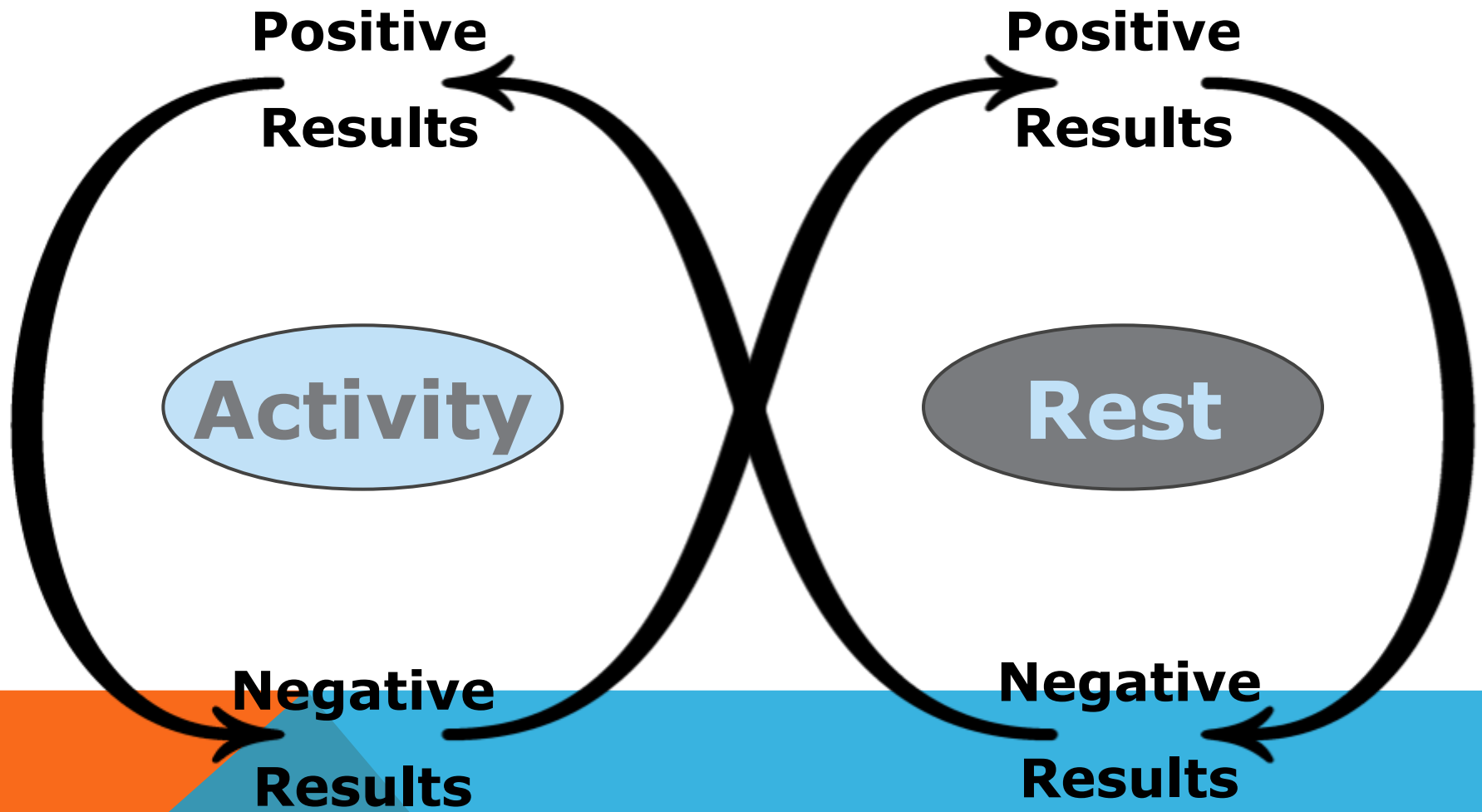
# A FEW POLARITY EXAMPLES



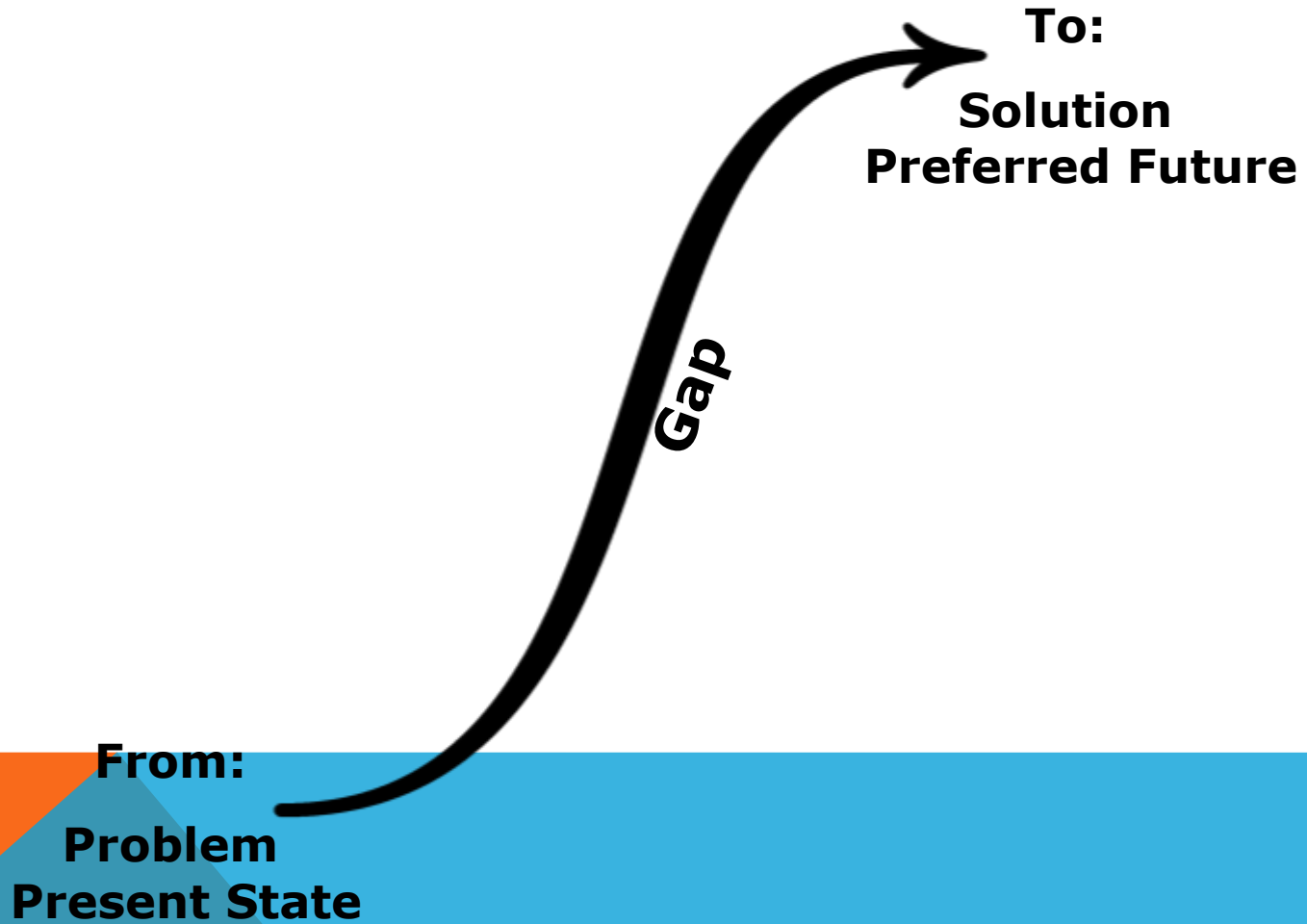
Tight & Loose  
Centralized & Decentralized  
Market-Focused & Product-Focused  
Team & Individual  
My Local Unit & The Global Business  
Stability & Change



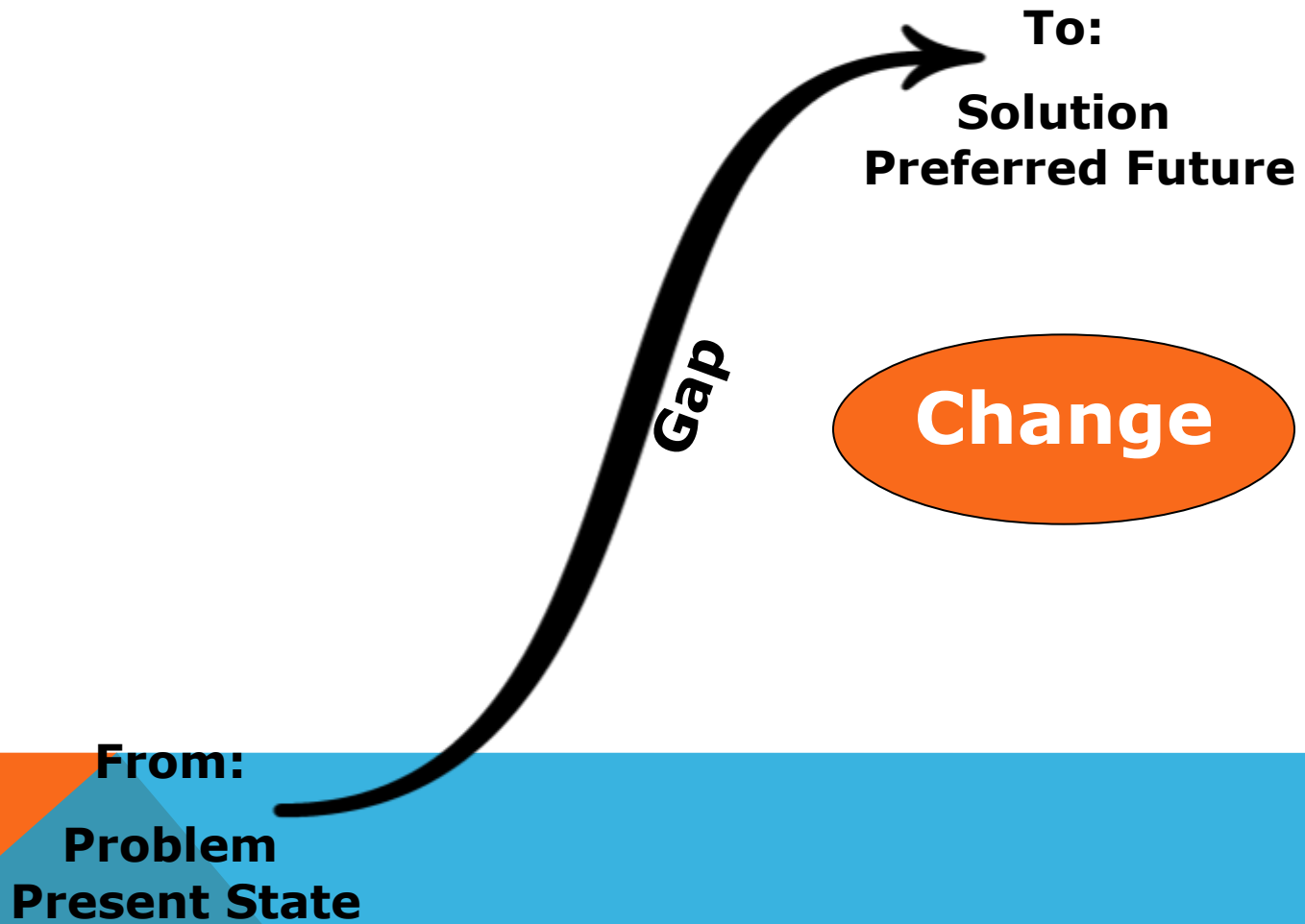




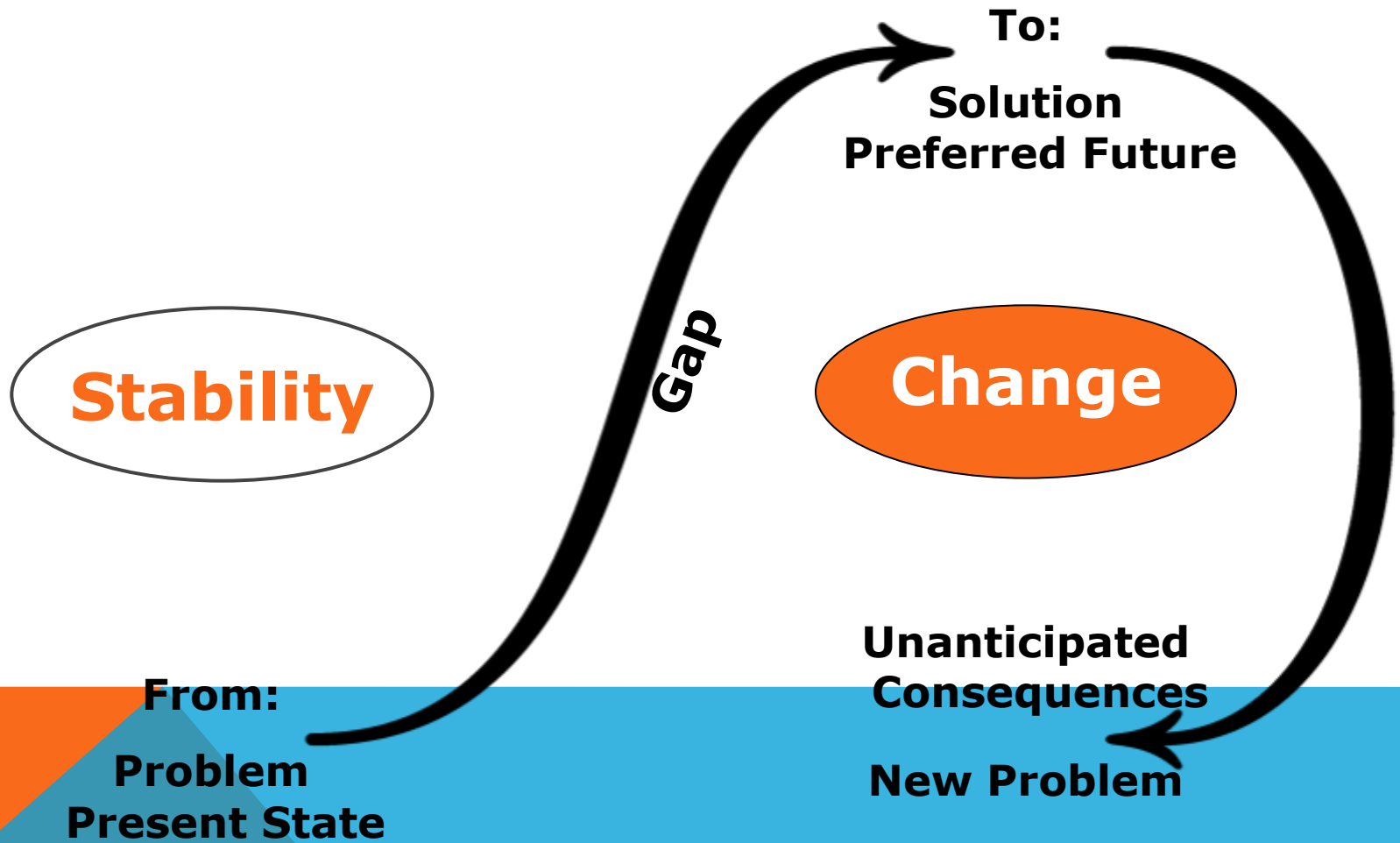
# TRADITIONAL GAP ANALYSIS



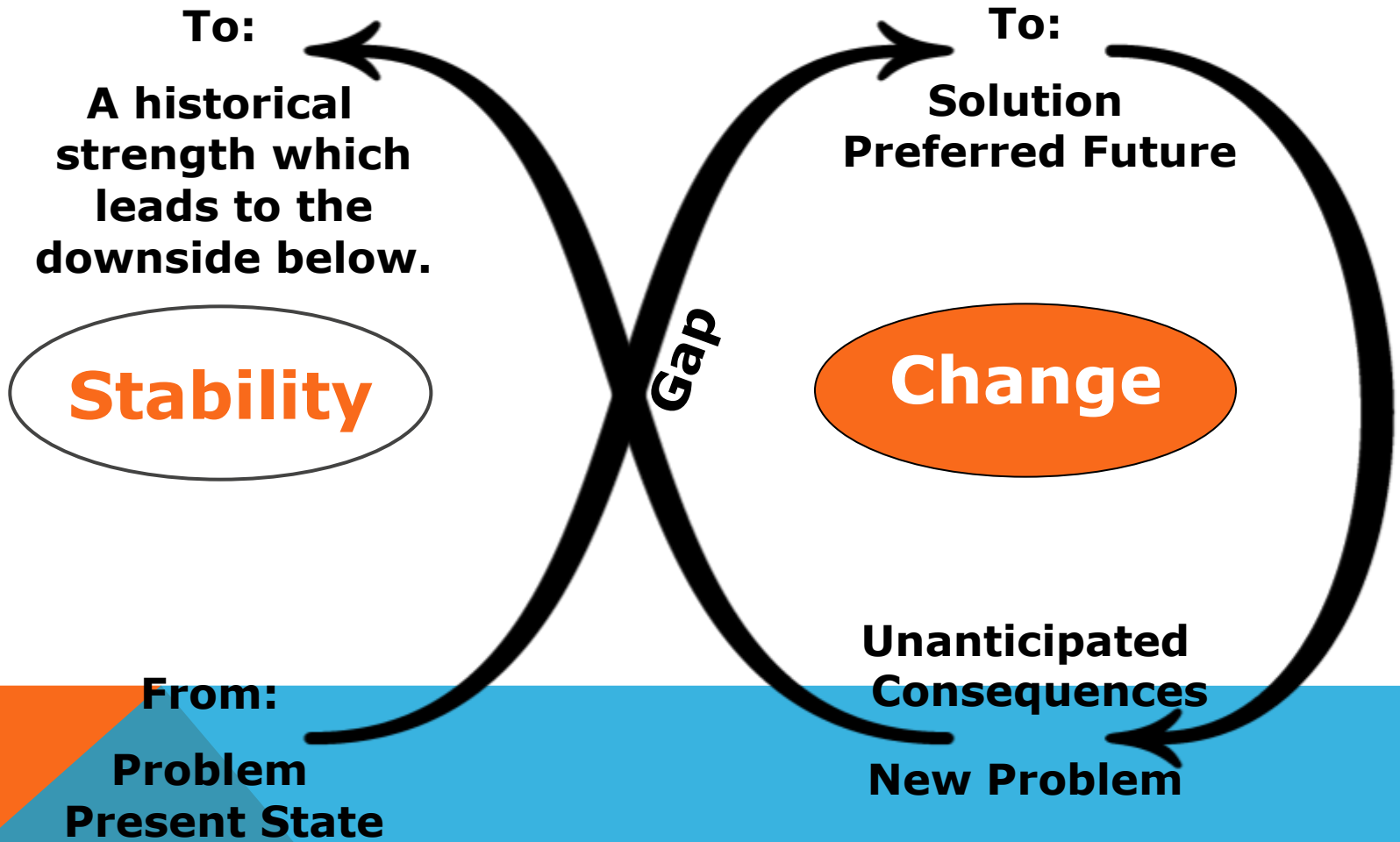
# TRADITIONAL GAP ANALYSIS



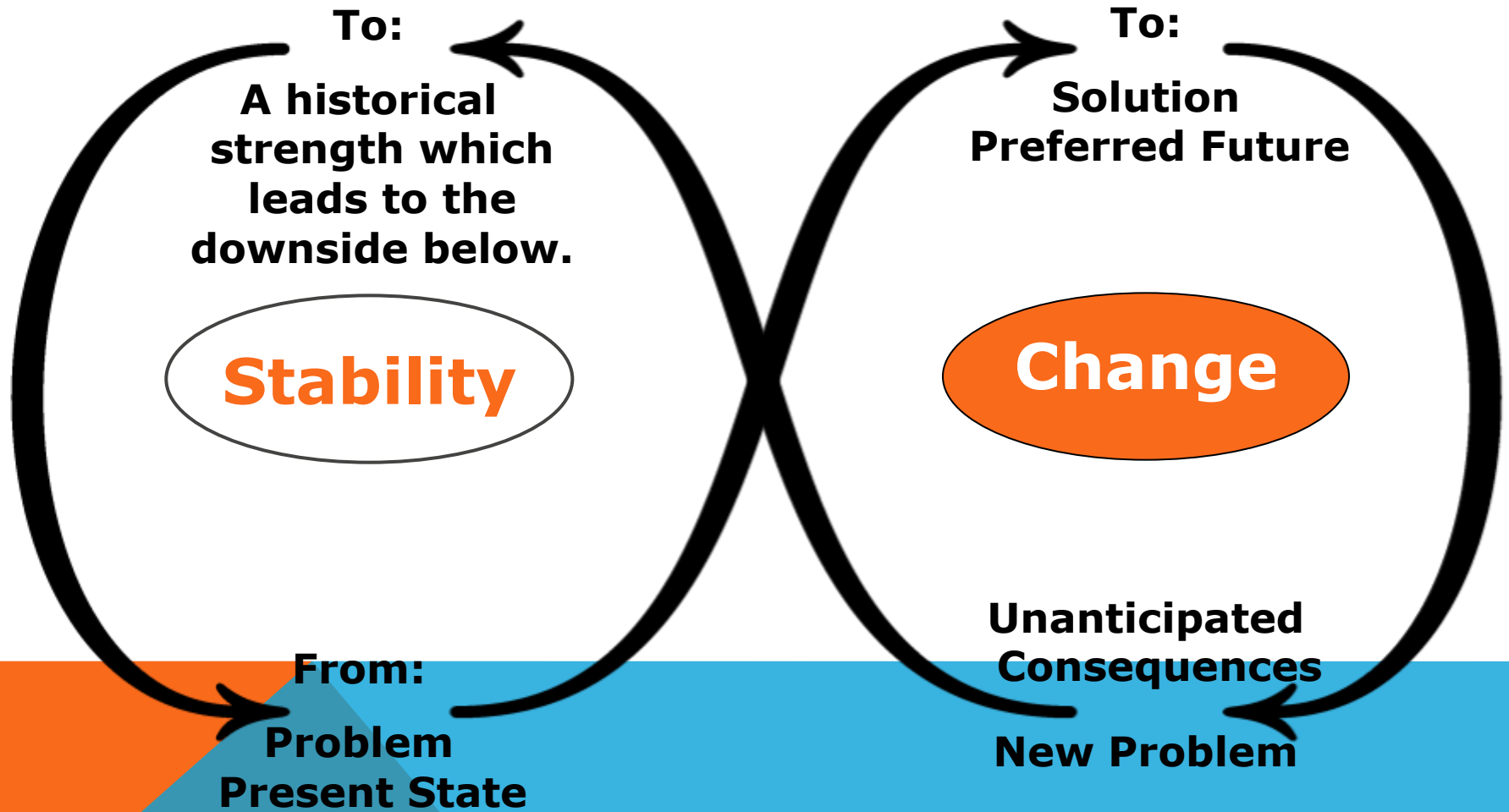
# SEEING THE POLARITY



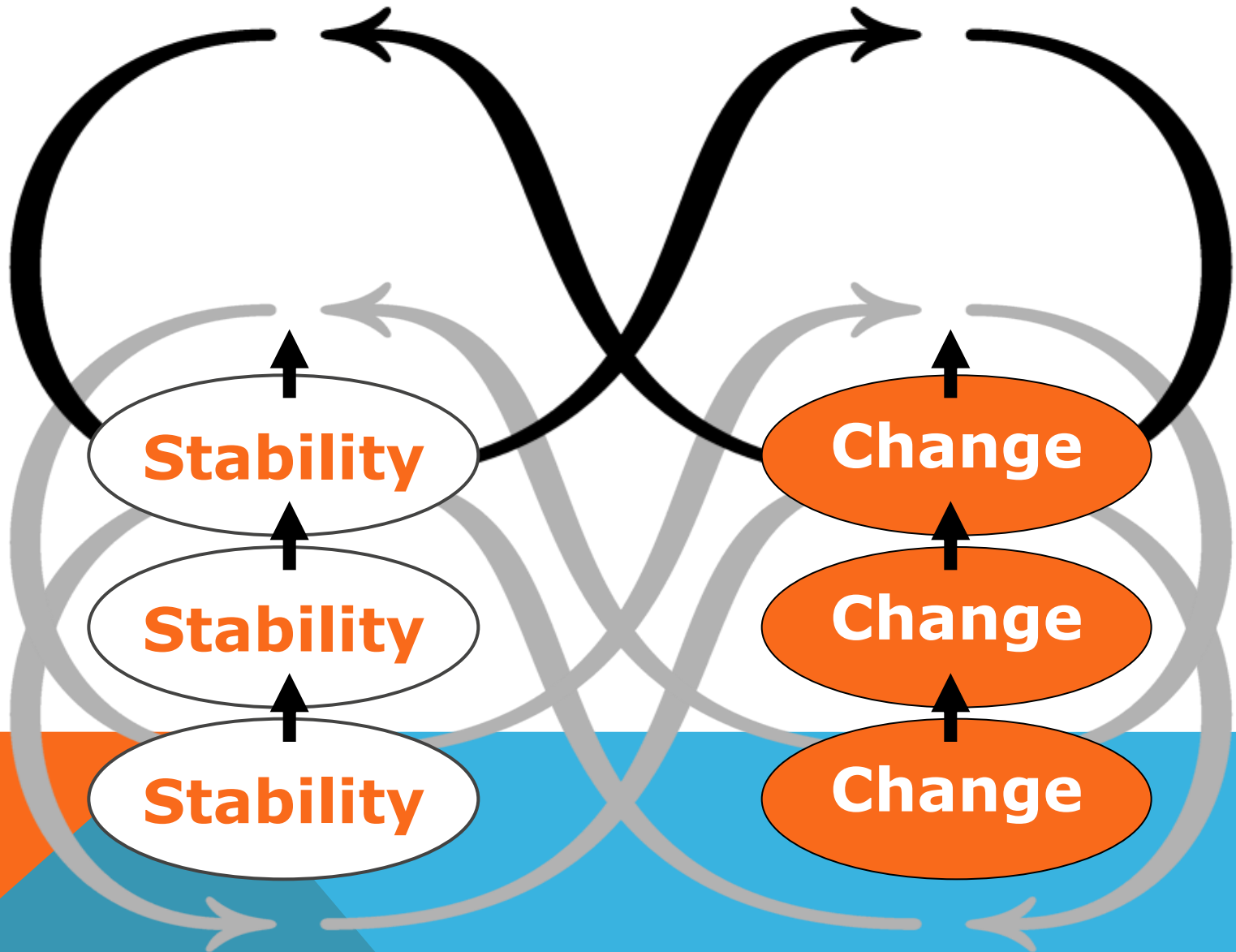
# SEEING THE POLARITY



# SEEING THE POLARITY



# TAPPING THE POLARITY



# Fortune 100 Company – USA – *Company Example*

## Action Steps

*Action steps to gain or maintain the positive results from focusing on this left pole.*

1. Higher capital authority level (increase amount for BU) and processing speed – Bob and Dave will make recommendation – May 14, 2003
2. Take a common customer approach with 3-5 selected customers (where we have them between BUs and/or w/company, work together synergistically) – Sam – May 14, 2003
3. Mary & Ed meet to share customers and have a common sales approach
4. Joint sales training (more sophisticated) – have initial design discussions
5. Joint development of ingredient systems (look harder when we go to a customer about other systems we have access to in the company – work together with the company to figure out how we are going to develop ingredient systems) – SEE COMPANY UPSIDE 4 and 5 GREEN FLAGS

## Early Warnings\*\*\*

*Measurable indicators (things you can count) that will let you know that you are getting into the downside of the left pole.*

1. We don't address the duplication of effort (trend line on SG&A as a percentage of gross profit)
2. Platform "the approach" revenue goals are not met
3. Less knowledge sharing (how measure? Call reports?)

Greater Purpose Statement = Why Balance This Polarity?\*

Synergistic value – achieve the company vision.

Greater value to company

*Positive results from focusing on this left pole:*

1. Reason to believe – further along on the life cycle – operational
2. More clear goals/focus
3. Brings in cash
4. Speed/nimble
5. Easier for employees & customers to be connected (more traditional)
6. High level of control within the BU
7. BU initiative and creativity
8. Products/services better defined
9. Aligning ee interest/skill sets w/BU

*Positive results from focusing on this Right pole:*

1. Synergy/coordination
2. Strategic advantage (distinctive)
3. Greater leverage of capabilities and broader skill set
4. Integrator
5. New revenue streams
6. Insulation of ingredient sales
7. Different customer relations
8. More emphasis on intangibles (IP)
9. Less capital intensive
10. Knowledge generation/sharing

Biz Unit

and

Company

*Negative results of over-focusing on this left pole to the neglect of the Right pole:*

1. Higher costs/duplication of effort
2. Focus is too narrow/siloed/myopic
3. Loss of biz opps
4. Less sustainability of value
5. Lessened ability to integrate techs
6. Less leverage of capabilities
7. Less competitive advantage
8. More intense external competition
9. Less knowledge sharing
10. Less employee networking/career opps

*Negative results of over-focusing on this Right pole to the neglect of the Left pole:*

1. More overhead
2. Bureaucratic and slow
3. Lack of clarity (internally & externally)
4. Lack of focus on ingredient sales
5. Narrower customer base
6. Slower to market/slower dev of new ingredients
7. Loss of cash flow
8. Loss of some specific capabilities or individuals (specialty ingred skills)

Deeper Fear from Lack of Balance?  
Some of the existing BU's will not exist

## Action Steps

*Action steps to gain or maintain the positive results from focusing on the Right pole.*

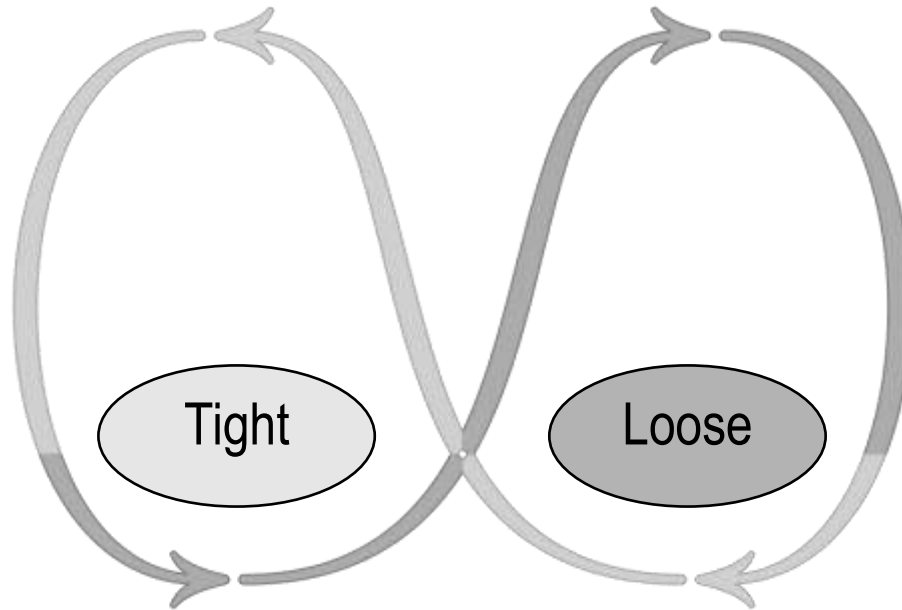
1. Merging common functions and assets (quantifying and creating synergy value) – see budget mtg action list (end of April)
2. Specifically plan projects that grow ingredient sales – Sal by June 1, 2003
3. Target key BU customers and take an integrated/systems approach to unseat the incumbent
4. BUs forwarding project ideas and/or customers for solutions approach for the company (Corp. Steering Team)
5. Within BUs, develop ingredients or derivative systems that achieve company goals (i.e. achieve consumer needs) – Bob and Bruce initial discussion by May 14, 2003
6. Share/assign xxx contacts between BUs and CST, identify ee within BU to lead sales effort with specific customer – Bob to get xxx list compiled by June 15, 2003 – Mary and Sam to assign appropriate sales contact for target customers by May 14, 2003

## Early Warnings

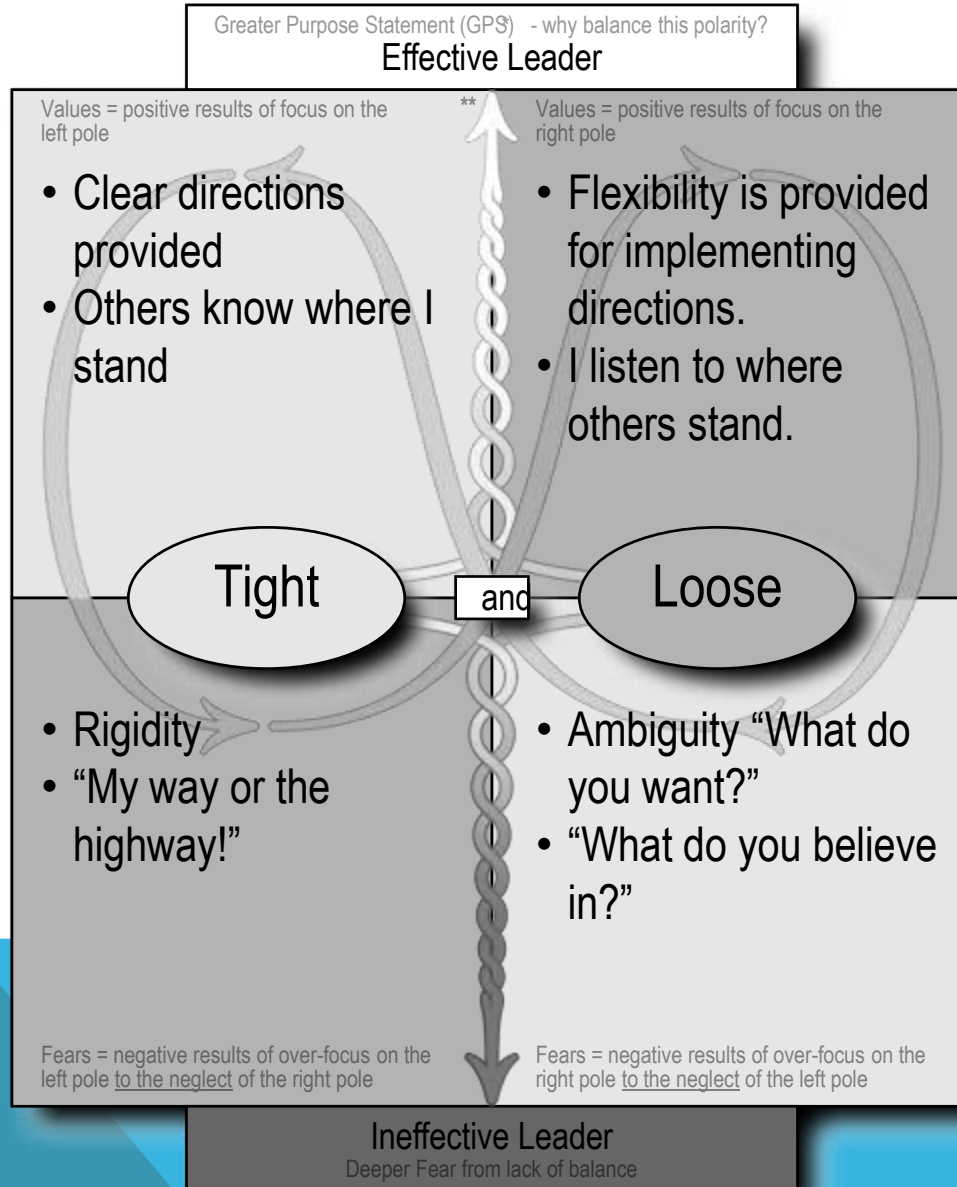
*Measurable indicators (things you can count) that will let you know that you are getting into the downside of the Right pole.*

1. Meeting audit (measure of value, speed of decision making)
2. BU revenue goals are not met
3. Shrinking BU customer base
4. Engagement survey q's that relate to lack of clarity

# SEE IT

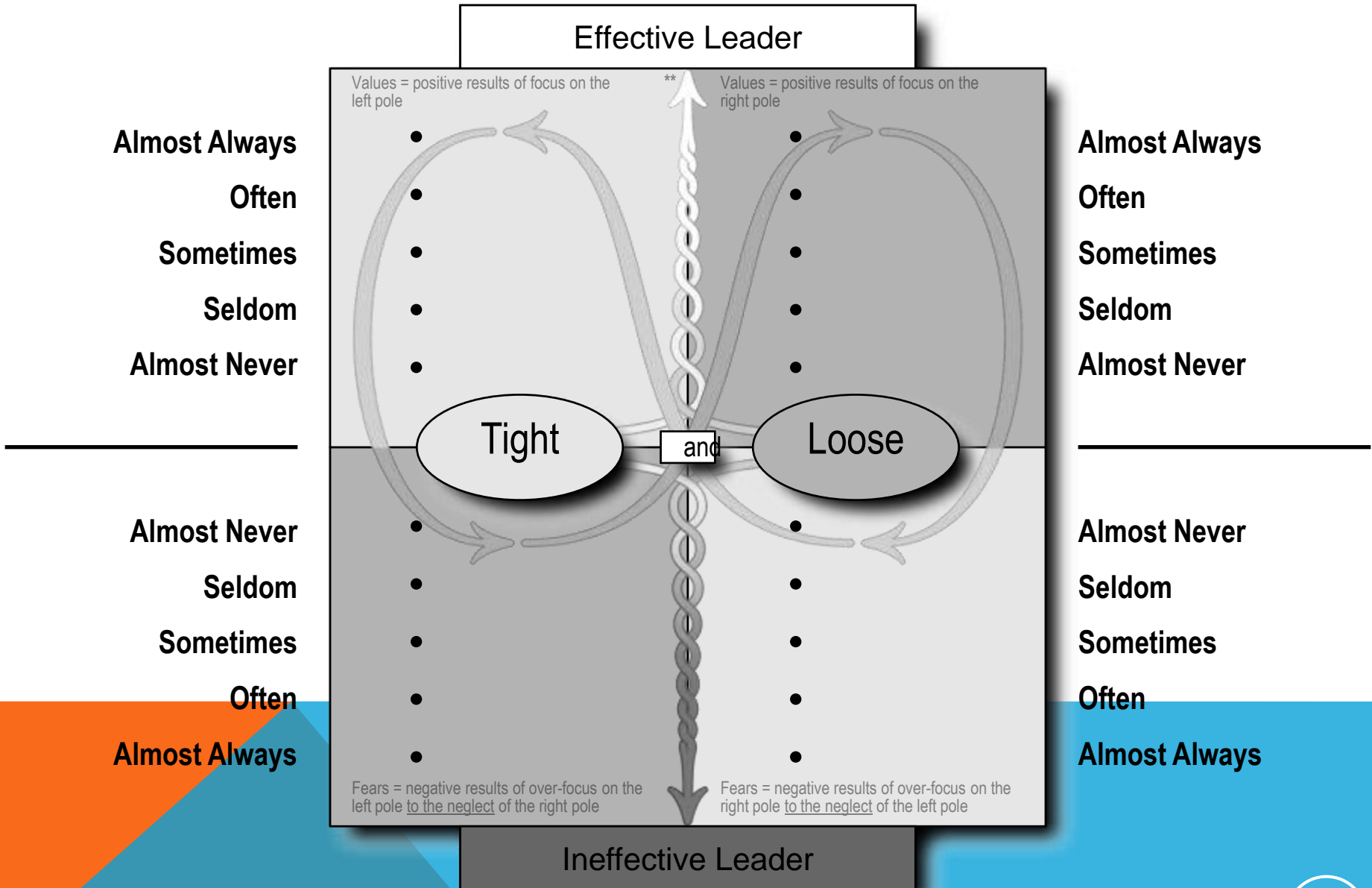


# MAP IT



Polarity Map™ © 1992-2008 Polarity Management Associates, LLC. All Rights Reserved. See Selection: The Balanced Leadership Center / \*\* Thanks to De Wit & Meyer BV / \*\*\* Thanks to Todd Johnson, Rivertown Consultants

# TAP IT - #1 Assess Present Realities



Polarity Map™ © 1992, 2008 Polarity Management Associates, LLC. / \* Thanks to John Scherer, The Scherer Leadership Center / \*\* Thanks to De Wit & Meyer BV / \*\*\* Thanks to Todd Johnson, Rivertown Consultants

# Tap It - #2 Action Steps

## Action Steps

How will we gain or maintain the positive results from focusing on this left pole? What? Who? By When? Measures?

- A. Provide clear, overall direction for projects.
- B. Take stands on important issues.
- C. Define and recognized good work and address work not up to standard.

## Action Steps

How will we gain or maintain the positive results from focusing on this right pole? What? Who? By When? Measures?

- A. Encourage people to be creative in implementing projects.
- B. Develop active listening and dialogue skills.
- C. Use mistakes as learning opportunities.



# Tap It - #3 Early Warnings

## Action Steps

How will we gain or maintain the positive results from focusing on this left pole? What? Who? By When? Measures?

- A. Provide clear, overall direction for projects.
- B. Take stands on important issues.
- C. Define and recognized good work and address work not up to standard.

## Early Warnings<sup>\*\*\*</sup>

Measurable indicators (things you can count) that will let you know that you are getting into the downside of this left pole.

- A. I talk more than my subordinates in meetings.
- B. "Give up" statements like, "What ever you say." When disagreements occur.

Greater Purpose Statement (GPS) - why balance this polarity?  
**Effective Leader**



**Ineffective Leader**  
 Deeper Fear from lack of balance

## Action Steps

How will we gain or maintain the positive results from focusing on this right pole? What? Who? By When? Measures?

- A. Encourage people to be creative in implementing projects.
- B. Develop active listening and dialogue skills.
- C. Use mistakes as learning opportunities.

## Early Warnings

Measurable indicators (things you can count) that will let you know that you are getting into the downside of this right pole.

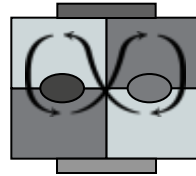
- A. Increase in questions about direction or outcomes desired.
- B. Increase in questions about what I think when issues are discussed.

# Tapping Polarity Energy Systems

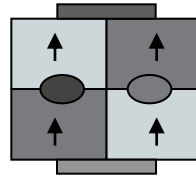
See It



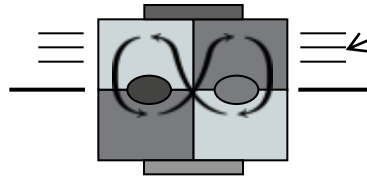
Map It



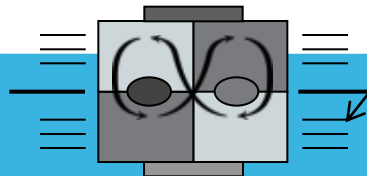
Tap It - #1 Assess Present Realities



Tap It - #2 Action Steps

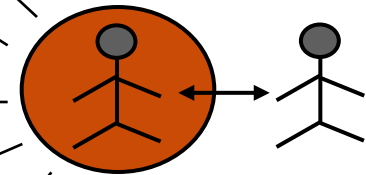


Tap It - #3 Early Warnings



Continue Tapping - #1, 2, 3

Include Key Stakeholders



# A National Audit Office – Company Example

## Action Steps

Action steps to gain or maintain the positive results from focusing on this left pole.

1. Quarterly liaison meetings
2. Consultation on work program
3. Produce unpublished advice
4. Holding conferences and workshops jointly with departments
5. Joint teams – secondment
6. Credible and expert advice and products
7. Improved publicity on outputs
8. Coordination of NAO teams
9. Publicise good practices
10. Sit on departmental working groups
11. Processes to learn from mistakes
12. Publicize financial impact of our work

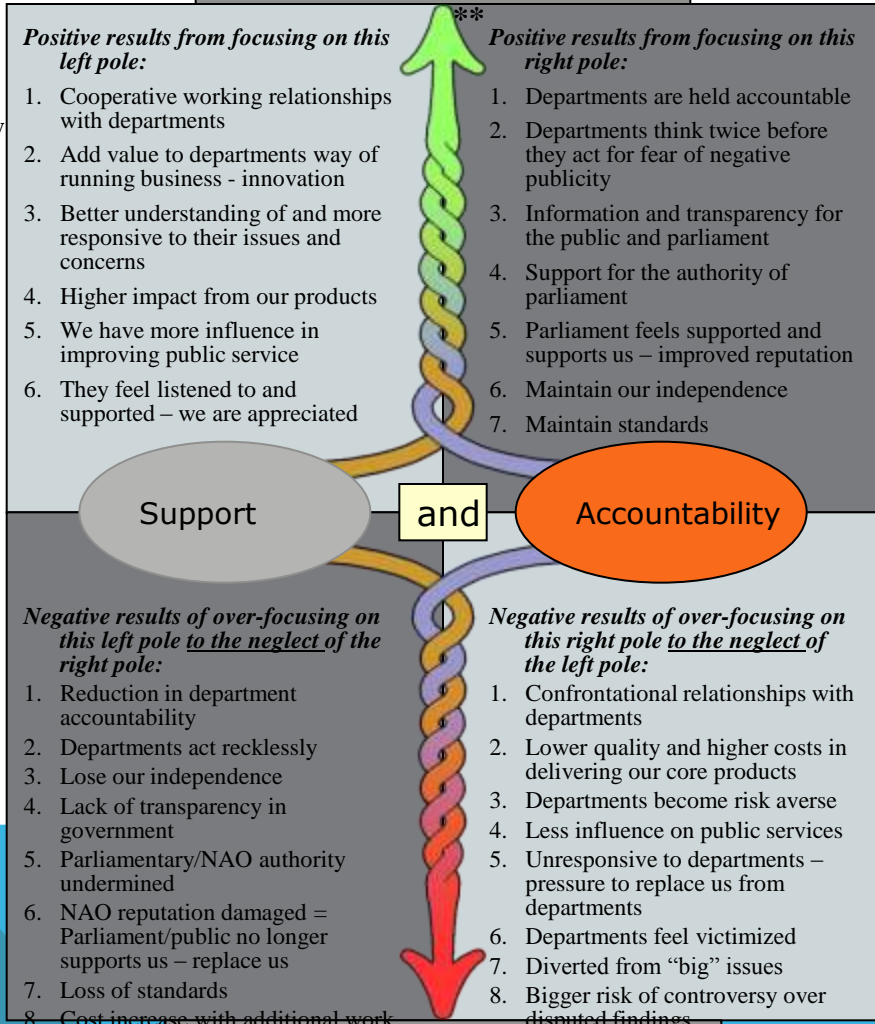
## Early Warnings\*\*\*

Measurable indicators (things you can count) that will let you know that you are getting into the downside of this left pole.

1. Negative publicity about our lack of independence
2. Criticism from parliament that we are too close to departments
3. Statements like, "There is a lack of blood and guts in this report."
4. Increase in challenges about our role from PAC and TPAC

Greater Purpose = Why Balance This Polarity?\*

Help the Nation Spend Wisely



Deeper Fear from Lack of Balance? Nation Spends Foolishly

## Action Steps

Action steps to gain or maintain the positive results from focusing on the Right pole.

1. Examine topics that matter to parliament and public
2. Influential reports – robust, balanced, on issues that matter
3. Improved publicity on outputs
4. Consult with parliament on program
5. Exposing waste
6. Focus resources on the core products of the NAO
7. Follow up - make sure recommendations have been implemented
8. Processes to learn from mistakes
9. Publicize financial impact of our work

## Early Warnings

Measurable indicators (things you can count) that will let you know that you are getting into the downside of this right pole.

1. Client questionnaires show poor relationships with complaints of unresponsiveness
2. Low take up of our recommendations
3. Long clearance times
4. Long list of unresolved issue

# “LEADERSHIP” POLARITIES

- Conditional Respect AND Unconditional Respect
- Technology Focus AND Relationship Focus
- Candor AND Diplomacy
- Responsibility AND Freedom
- Confidence AND Humility
- Analysis AND Encouragement
- Control AND Empowerment
- Grounded AND Visionary
- Logic AND Creativity
- Individual AND Work Group
- Planning AND Implementation

# “ORGANIZATIONAL” POLARITIES

- Centralized Coordination AND Decentralized Initiatives
- Recognize the Individual AND Recognize the Team
- Reduce Cost AND Improve Quality
- Competing with Others AND Collaborating with Others
- Stability AND Change
- Celebrating Our Differences AND Celebrating Our Commonalities
- Care for My Part of the Organization AND Care for the Whole Organization
- Showing Respect for Every Person AND Showing Respect for Performance
- Short Term (Tactical) AND Long Term (Strategic)
- Taking Care of the Organization AND Taking Care of the Customer
- Work AND Home
- Growth AND Profitability

# SUGGESTED READING

- Collins, James C. and Jerry I. Porras. Built to Last: Successful Habits of Visionary Companies. New York: HarperCollins, 1994.**  
*Authors identify the "Genius of the 'AND'" as a central variable that distinguished the "Gold" companies from the "Silver" companies. The whole book is based on managing the polarity of "Preserve the Core & Stimulate Progress." This could also be seen as the generic Stability & Change polarity.*
- Collins, Jim. Good to Great: Why Some Companies Make the Leap...and Others Don't. New York: HarperCollins, 2001.**  
*The "Genius of the 'And'" continues as an important variable in this book and is identified as a key characteristic of leaders moving companies from Good to Great. There are 10 identifiable polarities seen as central to becoming a level 5 leader.*
- Dodd, Dominic and Ken Favaro. The Three Tensions: Winning the Struggle to Perform Without Compromise. John Wiley and Sons, 2007.**  
*Authors interview executives from 200 companies and identify 3 important tensions (polarities) central to their organization's effectiveness: Profitability & Growth; Today & Tomorrow; and, The Whole & Its Parts.*
- de Wit, Bob and Ron Meyer. Strategy Synthesis: Resolving Strategy Paradoxes to Create Competitive Advantage. London: Thomson, 1999.**  
*de Wit and Meyer identify 10 paradoxes (polarities) which are at the heart of strategic management.*
- Elsner, Richard and Bridget Farrands. Lost in Transition: How Business Leaders Can Successfully Take Charge In New Roles, London: Marshall Cavendish Limited, 2006.**  
*Authors identify 8 tensions (polarities) which, when managed well, contribute significantly to being successful in new jobs.*
- Fletcher, Jerry and Kelle Olwyler. Paradoxical Thinking: How to Profit From Your Contradictions. San Francisco: Berrett-Koehler, 1997.**  
*"After more than fifteen years of studying thousands of detailed examples of people performing at their best, Fletcher and Olwyler have found that individuals are always paradoxical when performing optimally and that each person has a particular combination of contradictory and paradoxical (polarity) qualities that work together to produce that person's best work."*
- Hammett, Peter, Unbalanced Influence: Recognizing and Resolving the Impact of Myth and Paradox in Executive Performance. Davies-Black Publishing, 2007.**  
*Ten year of executive research indicates the importance of paradox in executive performance.*
- Hampden-Turner, Charles. Charting the Corporate Mind: Graphic Solutions to Business Conflicts. New York: The Free Press, 1990.**  
*Charles Hampden-Turner has written several books on the advantage of managing dilemmas in which his research shows that those companies that manage key dilemmas well outperform those that don't.*
- Hampden-Turner, Charles and Alfons Trompenaars. The Seven Cultures of Capitalism: Value Systems for Creating Wealth in the United States, Japan, Germany, France, Britain, Sweden, and The Netherlands. New York: Doubleday, 1993.**
- . Building Cross-Cultural Competence: How to Create Wealth from Conflicting Values. Chichester: John Wiley & Sons, 2000.**  
*Hampden-Turner and Trompenaars identify 6 dilemmas (polarities) which must be managed to support cross-cultural competence.*

# SUGGESTED READING, CONTINUED

- Handy, Charles. The Age of Paradox. Boston: Harvard Business School Press, 1994.**  
*Handy builds on his earlier work, The Age of Unreason, to assert the balancing of paradoxes (polarities) at the heart not just of effective personal and organizational life, but of our survival as a world community.*
- Hickman, Craig R. Mind of a Manager Soul of a Leader. New York: John Wylie & Sons, 1990.**  
*Support for the benefits of paradoxical thinking also show up in Hickman's book the title of which is a fundamental polarity in leadership.*
- Hofstede, Geert. Culture's Consequences: Comparing Values, Behaviors, Institutions, and Organizations Across Nations. London: Sage Publications, Ltd., 2001.**  
*Hofstede identifies 5 dimensions (polarities) of national culture to help us tap national differences as a resource.*
- Johnson, Barry, Polarity Management: Identifying and Managing Unsolvable Problems. Amherst: HRD Press, 1992, 1994.**  
*Johnson shares a number of case examples in which the shift from seeing an issue as a problem to solve to managing it as a polarity added real value for individual leaders and for organizations.*
- Johnston, Charles M. Necessary Wisdom: Meeting the Challenge of a New Cultural Maturity. Seattle: ICD Press, 1991.**  
*Johnston identifies 5 key polarity domains within culture and asserts the importance of understanding and bridging polarities. Managing polarities are at the heart of wisdom and cultural maturity and how we "must learn to think and act if our future is to be a healthy one."*
- Pascale, Richard Tanner. Managing on the Edge: How the Smartest Companies Use Conflict to Stay Ahead. New York: Simon & Schuster, 1991.**  
*Pascale identifies "managing contention better" as the key variable that separated the 14 companies that kept their "excellent" rating from the 29 that did not when looking at the 43 companies identified in the book In Search of Excellence. What he means by "managing contention" is managing polarities/dilemmas/paradoxes and he identifies 7 giving examples of each.*
- Quinn, Robert E. Beyond Rational Management: Mastering the Paradoxes and Competing Demands of High Performance. San Francisco: Jossey-Bass, 1988.**  
*Quinn asserts that mastering paradox (polarity) is the central to high performance.*
- Quinn, Robert E. Building The Bridge As You Walk On It: A Guide for Leading Change. San Francisco: Jossey-Bass, 2004.**  
*Quinn identifies 8 polarities as "The fundamental state of leadership."*
- Sisodia, Raj, Jag Sheth, and David B. Wolfe. Firms of Endearment: How World Class Companies Profit from Passion And Purpose. Wharton School Publishing, 2007.**  
*The authors discovered that the key indicator for whether a company is a great investment is the degree to which it manages the polarity of taking care of the stockholders & the stakeholders. In other words attending to company interests & the interests of the larger community in which the company exists.*

# Thank You!

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