

My Eureka Moment With Strategy



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by Roger Martin

Do you find that company strategy meetings often descend into adversarial position-taking? Many people complain to me that it's the single biggest block to strategy-making that they encounter. But getting around that block is a lot easier than you might think. The solution lies simply in posing a single question, which I believe is the most important question in strategy.

I discovered the question about 15 years ago in Rhinelander, Wisconsin, a town of 7,500 inhabitants equidistant from Green Bay, Wisconsin and Duluth, Minnesota. We had a group of about 10 executives from a mining company in a conference room, split evenly between mine management and executives from head office in Toronto. Everybody had an opinion — i.e. what was true — but given the wide array of experiences, technical knowledge, and organizational interests, those opinions were all over the map. We quickly descended into adversarial position-taking and I could tell it was going nowhere.

Then an idea popped into my head. Rather than have them talk about what they thought was true, ask them to specify what would have to be true for the option on the table to be a fantastic choice. It was magic. Clashing views turned into collaboration on really understanding the logic of the options.

For all the options, the participants were perfectly happy to contribute to laying out the logic of what would have to be true in a cooperative way, instead of insisting on what was true in an adversarial way. By the end of the day, we had the group's agreement on what had to be true for each of the five options for it to be the very best choice. And we had a plan for analyzing the items that were most important to hold true, but about which the group had the most reservations. The group was game to have those specific items analyzed and then come back and make the decision based on the structuring of the choices we had just carried out.

I was so struck by how well the group worked together when I didn't let them dwell on what they thought to be true and asked them to focus on what would have to be true that from that moment on, that question became the single most important in my strategy work.

Why is it so important? The central reason is that it allows managers to step back from their beliefs and contemplate the possibility that they might not be entirely correct.

If you think an idea is the wrong way to approach a problem and someone asks you if you think it's the right way, you'll reply "no" and defend that answer against all comers. But if someone asks you to figure out what would have to be true for that approach to work, your frame of thinking changes. No one is asking you to take a stand on the idea, just to focus on what would have to be true for that idea to work. This subtle shift gives people a way to back away from their beliefs and allow exploration by which they give themselves the opportunity to learn something new.

That in turn enables more options to survive longer and get explored more thoroughly. Typically, options get weeded out at the outset by an opinionated manager who feels "that would never work". And if you kill my option prematurely because of what you believe to be true, I will want to kill your favorite option prematurely too and we descend prematurely into conflict.

But if options are allowed to live until what would have to be true is demonstrated to not be true, they die a death of failure to meet agreed-upon conditions, not because somebody killed it in the proverbial cradle. In this way, what would have to be true replaces prejudice with exploration, and as we know prejudice eliminates possibility and exploration discovers possibility.

Last week I ran into the CEO and Chairman of that mining company. He told me that he still remembers vividly how amazingly far the group got in a single day in that Rhinelander conference room. I told him the reason was that it was the day I discovered the most important question in strategy.

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