The CEO Refresher
... brain food for business!
June 2010
Volume 16 Issue 6.7

A Perfect Solution

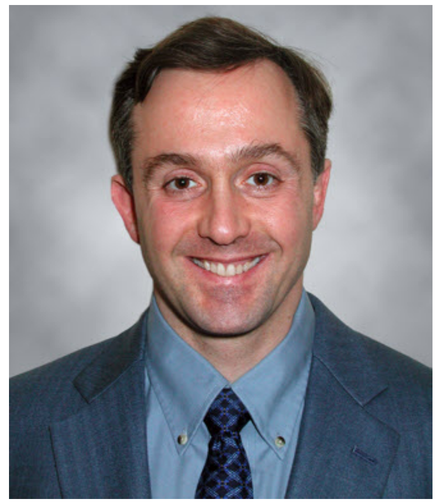
Stephen R Balzac

A recent article in the NY Times discussed a debate on Wikipedia over the Rorschach exam. The Rorschach is the famous inkblot test lampooned in countless comedy skits. Despite this, the test is actually a pretty useful tool in the hands of someone trained to use it. In the test, the patient is questioned about what they see in a series of inkblots and a well-trained psychologist or psychiatrist can deduce certain information from their answers.

Wiki, as most internet users know, is the online encyclopedia. Wiki is governed by a very strong ethic that information wants to be free. Hence, anything that can be legally published generally is published on Wiki. There are some exceptions, such as biographies of living people, but overall the "information wants to be free" ethic predominates. As a result, Wiki chose to publish the Rorschach cards and other details of the test despite being asked to refrain.

For psychologists, having information about a test published is about as palatable as publishing the details and answers to the final exam would be to a college professor. For psychologists, a better solution would be an educational page about the Rorschach written by psychologists; such a page, they argue, could give useful information about the test without compromising the test itself.

Which solution is the correct one? That would seem to depend a great deal on who you talk to. While the debate between the psychologists and Wiki might well turn out to be an esoteric argument of interest to very few people in the long run, similar problems crop up in businesses all the time. The "perfect" solution to a problem varies greatly depending on whether you happen to be the person designing and building the product, the person selling the product, or the person using the product. Seems obvious, right? Despite being obvious, however, the problem keeps recurring:


Stephen R Balzac

how many businesses find engineering and marketing banging heads or discover that their perfectly designed product isn't what the customer wanted? How often does a product discussion turn into a shouting match between different groups in the company, each one convinced that it knows the "perfect" solution? How frequently does fixing a defect get side-tracked by finger-pointing? At one small company, the CEO became so accustomed to playing referee that she didn't realize how much of her time, and energy, were being consumed until an outsider brought it to her attention.

The first step in solving the problem was for her to realize that the different departments in the company saw themselves in competition for resources and for her attention. The department most favored, in other words, most seen as contributing to the bottom line, would logically get the largest amount of money to hand out as raises and bonuses. Even within each department, the perception that the pie was fixed led to a great deal of competition amongst team members.

No one was willing to accept responsibility for a problem lest that hurt them on their annual review; finger pointing was rampant, along with a distinct tendency to minimize the accomplishments of other members of the team. Each person wanted to known as the architect of the perfect solution, even if that meant making sure that other people's contributions were seen as flawed.

Once it became obvious what the problem actually was, it also became clear why the various attempts to improve performance hadn't succeeded. Offering more bonuses for performance only increased competition. Having each department engage in "team building" exercises improved performance within a department at the cost of increasing competition between the departments.

Once it became obvious what the problem actually was, it also became clear why the various attempts to improve performance hadn't succeeded. Offering more bonuses for performance only increased competition.

The company had to totally rethink its approach. The CEO realized that she didn't have teams. Instead, she had a horde, each member charging in vaguely the direction and perfectly willing to trip up anyone else. There was no real sense of shared purpose or common goal.

The company responded by engaging in real team building. Team members encouraged to find common interests that may or may not be work related. For example, several employees discovered that they shared an interest in wine and started getting together to taste different vintages and compare notes. Employees across the company were encouraged to share accomplishments they were proud of, and to appreciate the accomplishments of others. Along the way, employees and managers discovered a surprising array of untapped talents and skills that they were suddenly much more willing to apply to the job. Managers were also trained to help their teams establish clear goals and checkpoints, and then the managers were taught to get out of the way and allow the employees to manage their own time. Managers were still available as coaches and sounding boards, but were now focusing on what needed to be done, not how it should be done.

Finally, the company revamped its incentive structure so that individual contribution was no longer the only factor. Team and company wide objectives also figured into the mix. The company worked hard, and fairly successfully, to overcome the image that employees were competing with one another for shares of a fixed pie.

The net result was a much greater agreement within teams and across departments on the ultimate vision of the product. Instead of every deadline becoming a time of blame and finger-pointing, there was increased cooperation and mutual support. In short, employees were behaving like a unified team, not a horde. Product quality improved, absences decreased, and there was a significant drop in employee turnover.

Sometimes, there really is a perfect solution.

Stephen Balzac is a consultant and professional speaker. He is president of 7 Steps Ahead , an organizational development firm focused on helping businesses to increase revenue and build their client base. Steve is a contributing author to volume one of "Ethics and Game Design: Teaching Values Through Play," and the author of "The 36-Hour Course in Organizational Development," due out from McGraw-Hill in Fall 2010. Contact him at 978-298-5189 or steve@7stepsahead.com.