

APQC Conference Notes

Key observations from the conference

- Social computing has the potential to address many of the aspirations of KM to link people to others with similar interests and knowledge, including experts and share relevant and useful content and sources, based on user feedback, gathering user-driven content that is less dependent on content managers. Social networking tools allow people with niche or specific interests to find each other—and each others' friends—easily to get help with problems or questions ([O'Dell](#)).
- The locus of control is moving from institutions to individuals, communities and self-organized networks. Users pick and launch the tools they want, they invite whom they want to collaborate, and they come and go as they please ([O'Dell](#)).
- The monopoly of useful knowledge by western countries is gone (biggest trend of our lifetime). More people have access to more information more easily than every before (information transaction costs have plummeted ([Prusak](#))).
 - The implications of these two developments are: organizations need to find better ways to exploit, develop, transfer knowledge and that it is hard to determine who we should rely on for getting the information we need, and can workers afford to work at places that maintain that they do not have “time” to learn and reflect?
- New tools can enable remote/traveling employees to share knowledge and get the power of social networking inside a company ([Web 2.0 Meets Learning and Knowledge](#)).
- Video histories (Knowledge Harvests) are a way to capture knowledge prior to retirements and “reverse mentoring” (protégés choosing mentors from a biographies/skills lists) can be used to retain and grow newcomers ([Olson](#)).
- Business Enterprise IT innovates too slowly and nobody gets excited about their work PC because current software delivery models have *insane* complexity. Manual categorization (for files and emails) and hierarchies are DEAD. ([Mistry](#))
- Fooled by their facility with technology, some conclude that if knowledge is not available in a digital form, it is not relevant or is not meaningful if it cannot be applied immediately ([Wendover](#)).
- The nuances of critical thinking may not be grasped as readily by those who develop a reliance on menu driven options to make decisions ([Wendover](#)).
- Knowledge capture requires patient information gathering and processes that may cause impatient young learners to struggle to find relevance, especially if the mentor lacks tools to convince the protégé of the value of what s/he has to offer ([Wendover](#)).
- Experience supports knowledge, but it can complicate transfer of critical information. Emerging workers have little patience for long stories and this is exacerbated by impatience and over-stimulation of the young. Veteran workers must distill their wisdom to the essentials and younger workers must accept the fact that the nuances of this transfer will take time and effort ([Wendover](#)).

- The search for novel experiences and knowledge through job hopping can work against topical mastery because younger people may not stay in one job long enough ([Wendover](#)).
- Trend spotting can support developing products, enhances idea generation, and informs marketing, media, design and strategic planning. By developing a systematic approach to trend spotting, individuals and organizations can generate ideas, stimulate creativity and ultimately unlock cool ([Gutsche](#)).
- Analysis (presented through facts and charts) is insufficient to motivate people to act with the energy and enthusiasm to adopt new ideas and approaches. You inspire enduring enthusiasm for a cause, connect with diverse, difficult, cynical audiences, and turn those audiences into champions for your cause through story telling. Effective leadership requires the ability to choose the right story and the right time and tell it well ([Denning](#)).

1 May 2008

Forces at the New Edge of KM – Carla O'Dell, president, APQC

- Forces at the New Edge of KM
 - o Social Computing and the Wisdom of Crowds
 - o Multiple Generations
 - o Social Networking
- Social Computing
 - o The locus of control is moving from institutions to individuals, communities and self-organized networks.
 - Users pick and launch the tools they want
 - They invite whom they want to collaborate
 - They come and go as they please
 - o Social computing has the potential to address many of the aspirations of KM to:
 - link people to others with similar interests and knowledge, including experts;
 - share relevant and useful content and sources, based on user feedback;
 - gathering user-driven content that is less dependent on content managers
 - By
 - reducing the barriers to use;
 - giving users more control over the tools; and
 - being more “fun” to use than enterprise applications.
- Wisdom of Crowds
 - o Value is shifting from expertise to experience
 - o Wikis are the chameleons of social computing tools.
- Multiple Generations (with different learning styles, experience, and skills)

- Five years ago, the issue facing organizations was the looming retirement of the baby boomers who entered the workforce in the Seventies and Eighties.
- Today, the risk and reality of knowledge loss has become a pandemic in modern organizations.
- Are the barriers to knowledge transfer generational?
- What will Millennials want— and how will they want to learn?
- Baby Boomers
 - Keep it simple – no bells and whistles.
 - Help me save time and do my job
 - Don't keep changing to new tools
 - If I have time, I'm happy to share what I know. Just ask.
 - Who are these people and why are they editing my stuff?
- Gen X, Y, and Millennials
 - Put it on my fourth screen (TV is first screen, PC is second, movie theater is third, cell phone is fourth, iPod may be fifth).
 - I don't know what to ask these old guys.
 - I don't want to look stupid.
 - I'm happy to share what I know. Ask me on FaceBook.
 - Multi-Generation: From Baby Boomers to Millennials
 - How to mitigate the risk of lost knowledge?
 - How to attract and keep the next generation?
 - How to build bridges for knowledge to flow?
 - What approaches really work for knowledge transfer?
- Social Networking
 - Social networking tools allow people with niche or specific interests to find each other—and each others' friends—easily to get help with problems or questions.
 - Registered users world wide:
 - MySpace ~ 100 million
 - FaceBook ~ 69 million
 - LinkedIn ~ 20 million
 - Twitter ~ 1 million
 - Does Social Networking have a business use?
- What AQPC Found in Evolving Technologies (2008)
 - A growing focus on connecting people to people and a decreasing emphasis on collecting and managing content
 - A convergence of expertise locator systems, “people finders,” and social networking
 - Companies emulating Web-based tools in their corporate expertise location and profiling systems
 - The New Questions in 2008
 - Expert or experience or advice?
 - Will what works on the Web work here?
 - What makes people hook up, show up or hide?

- How do we effectively connect those with a need for knowledge or expertise with those who have it?
- How do we identify those with the necessary experience to staff projects
- APQC's KM Edge Portal
 - Blogs, discussions, networking, APQC content
 - An EVOLVING, GROWING space for KMers. Help us. Share ideas, content, energy.
 - Looking for active COLLABORATORS, Strong Voices, people willing to lead communities and discussions
 - Visit www.KMEdge.org

She used the unpredictability of the weather as an analogy for the unpredictability of the new forces bearing down on KM practices. She suggested that these new forces, while they have the potential for "disaster," also open the door to new opportunities. Social computing and networking are scary for organizations because using these tools involves giving up some control to users. However, these new practices are revolutionizing the way people collaborate and share their knowledge.

The question that keeps coming up for me is: Are we putting too much emphasis on the formality of managing knowledge, and should the new forces be allowed to merge into the "old way" of working and thinking?

Are these new forces capable of changing the paradigm for knowledge and creating new ways of working? How will "formal" KM programs need to adjust their current approaches for helping knowledge flow and ensuring that it gets organized, managed, and used? Will social computing, networking, and tapping into the wisdom of crowds help us show tangible value to the bottom line? And will the current structures of our organizations allow us to really stand face-to-face with the storm of change that is already here? Don't we still need to demonstrate the value of our KM efforts--and will the new forces that enable knowledge to flow more freely allow us to show this value?

Carla talked about a number of tools and methods--social networking, wikis, blogs--that are pushing KM to the "edge." She asked whether, for those of us who have been in this KM game for a long time, these new forces are going to change some of the enduring truths we know about KM.

For example, a basic tenet of KM is not trying to change the organizational culture--you are not as strong as your culture, and it will win every time. But what about social computing tools? They potentially make connecting to people easier, faster, and more efficient. Will they help us alter culturally ingrained behaviors for sharing and connecting to people who "know" what you need?

The Future of Knowledge – Laurence Prusak, researcher, consultant, and founder and executive director, Institute for Knowledge Management (IKM).

He is the author of many books (see this [link](#) for a list) and articles (see this [link](#) for a list from Harvard Business Review) on Knowledge Management (even though IBM speakers at the conference said we have to change this to “Knowledge Sharing” since it may be oxymoronic to “manage” knowledge).

[Working Knowledge: How Organizations Manage What They Know](#)

Quick Summary

Three themes:

1. The monopoly of useful knowledge is over!
2. New models of knowledge exchange have emerged that will change the way organizations look in the future.
3. Virtual collaboration cannot provide the richness of in-person interaction.

Citing that historically a "monopoly" of knowledge by Western civilizations allowed those to flourish, today's access to information has democratized it, reduced its transaction costs, and increased the value of true knowledge. So emerging economies, like those in the Pacific Rim, may well be the frontrunners in the future.

Changes in how knowledge is socialized today directly challenges many organizational structures--the hierarchical ones that is. Networks have proven to be valuable in removing rigidity. Good to know that Larry sees the world the way APQC does!

Virtual collaboration, while having value, cannot supplant the face-to-face context of knowledge exchange. Prusak felt strongly that those not well connected in a physical office environment (read: virtual workers), not only miss key opportunities for knowledge sharing, but also have pretty sealed their fates in advancement opportunities.

He explained why the screen behind him remained blank: he did not prepare any PowerPoint slides for his presentation. In fact, he took PowerPoint off his computer because he regards it as “an enemy of learning” (he is in good company with Edward Tufte, among others, [here](#) and [here](#)).

He made a reference to the book “[Black Swan](#)” and the difficulty of predicting improbable events.

He quoted or paraphrased Yogi Berra: “Predictions are always difficult, especially about the future.”

He believes you can discern important trends and perhaps get an idea of where the world is going without necessarily running afoul of the prediction errors catalogued by Taleb in *The Black Swan*.

He told this personal story:

His grandfather was an officer in the Russian army, in 1904 (Czar wanted big people as officers, his grandfather was six foot, five inches), he was sent to fight in the Russo-Japanese War of 1904 (disaster for Russia), it was the first time an Asian nation had defeated a European nation, he learned that at age 12, he had a big map in his room and found it amazing that such a big country could be defeated by such a little one (big people, big country, small country, little people – this was very counterintuitive to a twelve-year-old), the Japanese had seen China and India lose their sovereignty and be colonized by Europeans and they did not want this, Meiji restoration occurred after the visit by Commodore Perry (which proved to the Japanese that hundreds of years of isolation from outside influences might have its drawbacks), during the restoration, they searched the world for technologies and practices that could help them defend themselves.

Key trends he discerns

#1 The monopoly of useful knowledge by western countries is gone. He believes this is the biggest trend of our lifetime and has never been seen before.

For 400 years, western countries and Japan had a monopoly on useful knowledge. Their science and technology allowed them to dominate the world economically and politically.

A very different world will result. New products and services are being introduced an amazing rate. Science and knowledge is expanding so fast that it is hard to know any field completely now.

#2 Information transaction costs have plummeted. The cost of accessing information is almost zero in many areas.

These two trends are connected and they represent the equivalent of the Industrial Revolution for their potential to impact the world and change societies.

As the cost of accessing information goes down, the value of knowledge (meaning/understanding) goes way up. Knowledge is expensive and takes time to get so it is becoming one of the most valuable things in the world (Soule – and companies are willing to pay handsomely for it, see the book “The Bell Curve”). The transaction costs for knowledge are very high and there are few shortcuts to acquiring it.

- A recent study concluded that 60 pct of non-capital expenditures go to knowledge or its acquisition

- Expenditures on knowledge are probably going to grow since it is recognized by business as very valuable.

How are organizations trying to deal with these two big developments?

1. Organizations may need to change their structure and practices to utilize knowledge better.

Most enterprises are organized based on 19th century ideas when the Catholic church and armies were the models of choice for big industries trying to do complex things with thousands of people. The organizing principles were derived from command and control ("just follow orders") and fear. This may have worked when big businesses were all about manipulating land, labor, and capital and not knowledge.

Rigid hierarchies will end because knowledge is a stronger factor for increasing wealth than land, labor, and capital. Companies need to find better ways to exploit, develop, and transfer knowledge. Will firms look more like universities or consulting firms (organizations that thrive on knowledge development)? What would a firm that took knowledge "seriously" look like? They probably will not look like IBM, Citi-Corp, and Shell do now.

(Made some comments about exec pay and 400x gap between some CEOs and line workers)

Knowledge is very different from land, labor, and capital (see this [link](#) from Wikipedia) because it is:

- * intangible
- * not depleted when shared
- * not owned by the organization (at least for "know how" as opposed to patents)

2. Democratization of Knowledge

What is the result if everyone thinks they know everything? If time and attention are really such scarce resources, to whom do we listen to form our views of the world? Is there a natural mechanism to filter the important or truthful from the unimportant or heavily biased? How do the "best" ideas rise above the din?

Consider some of the generally accepted sources of cognitive authority in our society. The New York Times did not report on the Holocaust (Soule – [this](#) source states that it was reported, but not emphatically) or Kennedy's health or womanizing while he was President, or FDR's polio or deteriorating health in 1944. The American Medical Association was slow to highlight the health effects of smoking (accepting advertisements for cigarettes until 1953). For a very long time, the American Psychiatric Association classified homosexuality as a form of mental illness. (Soule example – Walter Durante's dispatches to the New York Times did not report Stalin's starvation of Russian peasants to bring about agricultural collectivization.)

Newspapers and TV news reader/viewership are in precipitous decline.

Why should we "listen" to traditional sources of cognitive authority when they have been so biased/wrong in the past and anyone with access to the internet can become an opinion columnist by writing a blog? What will happen to investigative reporting if no one pays for that kind of writing? Is a blog better? (Soule – the record is somewhat mixed given the impact that bloggers had in exposing bias and errors in a CBS investigative report on President Bush's National Guard service.)

Toyota seems to do this well? (Soule – my notes are not clear on what this means)

There probably is still a role for some amount of editing and mediation of conflicting views (Soule - although the idea that any source is free of bias is a fallacy). We need to use the knowledge of an organization in a structured and disciplined way.

Organizations are moving away from democratization, at least in the last ten years or so. Power is not relinquished naturally.

3. Meta-Knowledge (knowledge about knowledge)

(Soule – my notes have a reference to the Nobel prize winning economist, Joseph Stiglitz and a statement by Prusak that he stated that the only sustainable advantage for countries and organizations is the global search for and appropriation of new value. An organization's processes, promotions, incentives, awards, symbols, and systems need to support this. This may not be correct.)

Not enough books are being translated from English to Arabic. The number of English books translated to Arabic is the same as the number of books that have been translated from English to Greek (the Arabic world is 22 countries and territories with a combined population of 325 million people spanning two continents).

Industrialized nations do not have a monopoly on useful ideas.

It takes time to reflect, learn, and read books. Some companies and executives maintain that they do not have "time" to learn and reflect. Who would want or could afford to work for such an organization given the increasing importance of knowledge acquisition?

[Novartis](#) is constructing new buildings based on making it easier to reflect, have collegial conversations, and spread knowledge internally. This is a very interesting idea.

There is a growing "de-physical-ization" of knowledge. This leads to some interesting questions:

- Can knowledge exist outside of a living thing? Real knowledge is inside people.
- It exacerbates the class structure of American life/business (CEO pay is many times that of line workers in some US companies, but not multiple is not so high in Europe and Japan)

- Getting a degree from the University of Phoenix (an on-line and after working hours educational institution in the United States) vs. Harvard. Giving someone a CD to suggest that they are *learning* something is probably more of a placebo than a way to actually learn.
- Most of Harvard Business School revenue comes from programs they conduct for senior executives.
- There is a hierarchy of learning approaches. Most meaningful learning has to be live and interactive.
- What you know depends on where you are. You have to be “there” if you want to know what is going on “there.”
- Why don't people attend virtual churches?

4. There is a growing knowledge hegemony

- Certain subjects are privileged (political correctness, taboos?)
- The global elite only values certain types of knowledge (science, technology, finance), one way to work, and certain concepts like pluralism.
- This may make us less open to other forms of knowledge that may be relevant
- Indian, Malaysian, Chinese leaders are taught mostly the same things in their business schools. While some degree of commonality is probably appropriate, is teaching them all the same things really a good thing
- Do all organizations have to be like those in the US/England? Perhaps others are more efficient at using knowledge.

(Comments I made to him about China and India's social structure representing a restraining force for their economic and intellectual development - put this in a comment to the session)

There is an article on the MIT Sloan Review titled "Putting Ideas to Work" that Larry Prusak co-authored with Thomas H. Davenport and Bruce Strong. It does not appear that you have to be a subscriber to the web site to view. This is the same article that appeared in the WSJ on 10 Mar 08.

The link is: <http://sloanreview.mit.edu/wsj/insight/organization/2008/03/10/>

I copied this short summary of the article:

The Issue: Knowledge management, in practice, has fallen short of its goal of transforming the way companies work.

The Problem: Many firms have focused solely on disseminating knowledge via technology, ignoring the other aspects of knowledge management.

The Bottom Line: Organizations need a broader management strategy, one that addresses how they are creating, sharing and using knowledge. The authors provide examples of all three.

Web 2.0 Meets Learning and Knowledge

IBM Global Business Services, professional services

(Soule note – the slides at the session were not easy to take notes from since there were many demonstrations of software internal to IBM so I captured what I thought were the salient points)

Questions their Knowledge Sharing Efforts Try to Address:

- How do you get remote/traveling employees (almost no one in IBM Global Business Services has an office) to share knowledge?
- How do you get the power of social networking inside a company?

Terminology is important

- IBM is striking “knowledge harvesting” from its vocabulary (probably because it presents a mental image that could be viewed as unsavory). They are replacing it with “culture of collaboration.”

They are replacing “search” (watch out Google!) with “find” (because it has a connotation of locate, choose, and use).

They are replacing “Knowledge Management” with “Knowledge Sharing.”

One of their slides had the quote: “Innovation is the intersection of intervention and insight, leading to social and economic value.”

New technology is providing capability that IBM never had before to do things differently.

IBM has internal directory pages, “My Space – like” that show consultant skills, interests, Communities of Practice, etc. They call these Blue Pages.

There was a reference to “[social bookmarking](#)”

Knowledge Transfer: What’s Tired, What’s Wired and New – Jude Olson, senior analyst, organization and leadership development, and Theresa Neimeth, organization development analyst, Lockheed Martin Aeronautics.

Cultural change is one of the speaker’s areas of expertise.

Lockheed Martin is concerned about some of the same things that are pervasive in the Defense industry: brain drain from talent retiring (primary) or changing jobs (secondary, but more of an issue with younger generation of workers that expect to change jobs over

20 times in their careers). The most acute problem area is in engineering. They are also concerned with growing and keeping the skills they need for the future (“if we only knew what we know”).

General overview of the Joint Strike Fighter

- Three models for three services (only the Army is not buying)
- Hundreds of suppliers and many “work-share” agreements to manage
- Contract/product is structured to support collaboration

Lockheed Martin has partnered with the College for [Complex Project Managers](#) in Australia to build an academic foundation for the skills they feel are important. Other organizations at the conference are working with [Program Management Book of Knowledge](#).

Tired and Typical - > recovery from retirements (realizing too late that vital knowledge is leaving the organization) and retaining and growing newcomers. (Soule – I got the sense that this is only “tired” in the sense that this is not a new problem and many companies struggle with it.) The challenges are:

- Recruit the talent you need
- Retain (through social affinity groups, mentoring within the organization)
- Diversity (generational conflicts with working and learning styles, going where the talent and “numbers” are, learning more through surveys and feedback from the workers, providing workplace flexibility for those workers seeking it)
- Knowledge transfer (from experienced to new workers)

Lockheed Martin makes it a practice that half of its new hires are college graduates. They are also focusing on:

- Mentoring and internships for college and high school students
- Engineering LDP (Soule – Leadership Development Plan?, this was not explained on the slide) Learning Series

Wired and New

- Reverse mentoring. Thirty-five potential mentors were asked what they could offer (technical expertise, experience with certain projects, etc.). Biographies were built based on these surveys. Protégés were allowed to choose their mentor from the biographies/skills lists.

Recurring Themes from Reverse Mentoring Project

1. Retention. The primary causes for attrition before the five year point were: expectations mismatch, lack of training, lack of challenges. Companies need to understand better what Generation Y wants in an employer.

2. Work experience. People will want to stay working with an employer if they like what they are doing and learning. Sharing of business knowledge and experience is important.
3. Employers need to build inclusive environments.
4. Aero culture is more command and control (Soule – probably derives from the military). This is not what the younger generation are seeking at work.
5. Performance management. It is important to set goals and keep expectations clear.
6. Shadow the mentor (younger employees get to spend a day or a few days with senior leaders seeing what they do and how they apply their skills) programs are very popular. (Soule – I have a program to enable junior officers to attend all my meetings and events for a full week. [See details ...](#))
7. Communications. Newer employees gave managers suggestions for how to be more approachable.
8. Process/Policy. Clear expectations (Soule – be careful not to overdo it, not everything important can be reduced to a procedure) to help new personnel integrate into the organization.
9. Miscellaneous.
 - Email tips
 - IM
 - Personal interests
 - Excel macros (Soule – I think this means that the experienced managers benefitted from the knowledge the new hires in some surprising ways, such as Excel macros).

Lessons Learned

- The Mentoring needs to be longer
- The knowledge exchange could be improved by more guidance/structure
 - o A more in-depth introduction session
 - o A checklist of questions for the first meeting
 - o Case studies
 - o Role playing
 - o Broaden to include more of the organization's leaders
- Understanding generational differences in many areas and capitalizing on the creativity and productivity of the younger workers were big plusses.

Wired and New – Knowledge Harvest with [Bob Elrod](#) (a legend at Lockheed Martin Aircraft

- Goals
 - o Pilot a method to stop loss of tacit knowledge prior to retirement. Create a bridge between senior leaders and inexperienced staff and new hires
 - o Chose a senior leader who was retiring (Bob Elrod). Chose someone highly respected in the company to build support for the pilot.
- Background

- Targeted new aircraft transition from design to production. This is something that only happens every 5-10 years or so and someone at Lockheed Martin might only experience this once in their career.
- Modeled their effort off of a process used by the US Army
- Intend to incorporate case studies, seminars, and special meetings
- Expectation is that the effort will lead to better decisions and increased innovation
- Processes used
 - Determine availability and needs (stakeholders, validate the questions)
 - Interviews (general and specific technical issues) -> need to train interviewers
 - Distill specific knowledge
 - Review data gathered against technical expectations, validate what it means in context
 - Create knowledge assets and implement (case studies, videos, etc.)
- Primary customers were program offices and managers
- Recommendations after the pilot
 - Do more videotaping of other leaders, drill down for details
 - While there is a desire for high quality video, some people can become very “stiff” when they are placed in a studio under bright lights as opposed to surroundings with which they are more comfortable
- Leverage mentoring roundtables
 - Include written summaries (lessons learned, good practices)
 - Get more diverse perspectives from many program managers
 - Debrief departing program managers
- Created a quick start web site
 - Add “Leave a Legacy” spot for retiring, departing managers
 - Need to tag with program manager competencies
- Add questions to employee exit assessments
 - What to do differently?
- Additional measures
 - Case studies
 - Collect stories
- Consider adult learning model. You have to make it clear why they need to learn the material you present.

Google Enterprise (Cyrus Mistry) (Soule – or “the future of IT According to Google”)

What is Google Enterprise doing for KM?

(Soule note – lots of marketing and views of the world according to Google in the notes below, but the ideas were still interesting and thought provoking)

Google’s mission: Organize the world’s information (web, video, books, and news) and make it universally accessible and useful.

Problem: this *only* represents 40% of the information. An estimated 60% of the world's information is behind firewalls.

Workers at many companies are increasingly frustrating their Information Technology (IT) staffs by asking "Why can't I have a Google user experience at work?"

Business Enterprise IT is falling behind in the innovation race. The consumer world is innovating at a staggering rate (TiVo, iPods, GPS, 4th generation mobile phones, internet telephony, etc.). Speaker showed a graphic that showed rapidly increasing user satisfaction with consumer technology (Soule – as long as their twelve-year olds can show them how to operate it) over time juxtaposed with slowly decreasing user satisfaction with business technology over time.

Google wants to bring "coolness" back to work so users are just as excited about business IT as they are with what they have at home.

Statistic: 75% of IT budget is allocated to run existing systems, \$8 in every \$10 is "dead," not being spent on change and growth.

An end-user focused company like Google can change this with business technology powered by Google.

Three blindingly obvious lessons learned about IT from Google.

- #1 – Fast is better than slow for every aspect of computers and IT. This means
- Organizations should be striving for iterative change, not big bangs (six months is an eternity to Google, the model should be "launch and improve" and you should be willing to fail quickly and learn
 - Technology must be simpler to implement
 - Platforms must be able to accommodate constant change

- #2 – Simple is better than complex
- Current delivery models have *insane* complexity (Soule – no wonder they are so slow to be released and take so long to fix)

It takes an army of people to support and defend current IT processes (showed a graphic example of email complexity amid backups, more servers for capacity, and mobile email). He referenced [Nicholas Carr's book The Big Switch](#), which is about how the change of computing into a utility is reshaping business, society and culture just like electrification did a hundred years ago.

- New software and service delivery models must emerge (Appliances, [Software as a Service](#) (SaaS), Simpler)

- #3 – Assume chaos and have systems/approaches that can deal with it (Soule – like the [CEMEX cement delivery story](#)).

Manual categorization (for files and emails) and hierarchies are DEAD. For example, Gmail is designed so that users do not need to tag, label, or delete *anything* because the search feature is so effective and fast. Users waste too much time thinking about how to file things. If your IT systems are designed the “right way”, the specific lessons are:

- Do not throw anything away
- Encourage information to be published and shared (everything, including performance evaluations, meeting notes, and projects is public and shared at Google). (Soule – this is a huge paradigm shift that may not be embraced readily any time soon)
- Stop categorizing information into hierarchies because you can find it any time you want with almost no effort.
- Embrace “search” as a way of navigation

He showed a graphic comparison (this text does not do it justice) of the top search engines for the Internet and within businesses. On the internet, Google is the top search engine and the market is \$15B. Within most businesses, the telephone (ugh) is the top search engine (if you can reach someone as opposed to their voice mail) and the “market” is \$700M (Soule – not sure the source of that number and this word description does not capture the humor of the slide he presented).

The Enterprise search philosophy should be to focus on the user. Most people would like the same ease of use and speed they get from Google at their workplace. This experience can be summed up as:

- Outstanding relevance
- Simple interface (Google is maniacal about usability)
- Sub-second response time
- Leverages many, many users (because of the Google search algorithm)

Mr. Mistry showed examples of “ideal relevancy” (answering user questions fast) such as doing a Google search on “movies (your zip code)” to see the show times for movies in your area. He provided other examples, but too fast for me to take note of them.

Universal search: increase accessibility and reliability by reducing complexity.

Mr. Mistry stated that he has not sent an attachment to anyone in two years because of the functionality of Google docs and spreadsheets (gave a demonstration).

Google sites is a new way to share information.

Benefits of Google applications

- never throw any email away
- simple/rich interface for users

- search functionality means no one has to user folders to store and index files
- significantly lower total cost of ownership

He spoke briefly about the [Google's new voice activated business search service](#) (GOOG-411).

From OJT to DVD: Knowledge Management and the Emerging Generations

Speaker: Robert Wendover, managing director, [Center for Generational Studies](#). Free articles are available from this [link](#).

- The next generations have very different ideas about:
 - o What work is about.
 - o What communications are about.
 - o What knowledge is about.
- Perception of the value and relevance and knowledge
 - o If it is not available through a point and mouse click, is it really worth knowing?
 - o If you can find the information when you need it, why do you need to know it?
 - o Are techniques and processes developed years ago still relevant in today's world and how do you know?
 - o Who needs a Knowledge a Management system? Is that allowed in a bureaucracy?
- Impact of convenience on critical thinking skills
 - o Not everything that you need to know can fit in a linear, technical environment.
 - o Some learning has to occur through trial and error. Susceptibility or impact of mistakes may require over-supervision initially.
- Mastery
 - o It takes a lot of time to gain [personal mastery](#). There can be a quick jump up to a plateau, then a slow, incremental improvement over time.
 - o Why can't organizations deliver knowledge in an entertaining way?
 - o Why can't the organization delivery the information I need to know on the platform of my choice?
- Continuous Learning
 - o Some young people will only study transferrable skills on their own time. If the information does not appear transferrable, they will only learn it on company time.
 - o Some do not take or have the time to reflect on what they have learned. This is essential for personal mastery.

The transfer and management of knowledge will continue to bedevil organizations for decades to come. While technology poses a number of barriers, the successful collection of wisdom and insights from veteran workers and the transfer of this knowledge to the emerging generations may well set forth the most insurmountable of obstacles due to the

human interactions required. What follows are five trends we believe are the most formidable of these barriers. Consider the question(s) at the end of each topic to assess how it may impact your actions and the actions of those around you.

Perception of the value and relevance of knowledge - The value of knowledge must be measured in different ways. Skills may be essential to daily operations. But the vision and insights gathered over years of experience set organizational strategy, not to mention helping to avoid crises when they appear. But how will those in the emerging generations perceive the value of knowledge they may not comprehend or appreciate at the present time? Using the ease of technology as their guide, some have made the leap that if a certain body of knowledge is not available in a digital form, it must no longer be relevant. In other cases, this knowledge may not appear meaningful since application of it is not necessary immediately. It will be incumbent upon organizations to convince younger workers of the value of knowledge along with delivering it in a way that demonstrates relevancy. Questions to consider: What steps does your organization need to take to convince young users of the relevance and applicability of a particular base of knowledge? What kinds of information within your environment will prove particularly challenging to transfer and manage?

The impact of convenience on critical thinking - Technology has always been a mixed blessing. Society appears to be migrating toward a model of menu-driven thinking that replaces traditional problem solving approaches with choice-oriented applications. On one level, this kind of technology can enhance the delivery of training and instruction by offering applications that appeal to young minds by addressing their expectation of entertainment and stimulation. At the same time, it can be argued that the nuances of critical thinking are lost on those who develop a reliance on menu driven options to make decisions. Yes, simulations and games may offer solutions to this challenge, but the technology and true integration of this approach is just now in its infancy. Questions to consider: What knowledge bases within your organization are amenable to being managed using a technological platform? What knowledge bases will prove difficult because of their problem solving- oriented nature? What steps can you take to address the challenges of both?

The influence of impatience and non-stop stimulation - The emerging generations are products of a 24/7/365 multi-media environment that leaves many uncomfortable with silence. The nature of knowledge transfer, especially within non-technical realms, is based largely on patient information gathering and process. A classic example of this is the passing of wisdom and insights from a veteran to an emerging leader. The methodology for this typically consists of story-telling, discussion and repeated exposure to the environment. For the impatient young learner, this may be a struggle, especially if the mentor is less than effective at investing the protégé in the value of what s/he has to offer. These relationships cannot be forced, yet contain the transfer of knowledge critical to organizational health over time. Questions to consider: How can you best coach veteran managers and leaders to effectively work with emerging professionals in transferring their base of knowledge and wisdom? How can you convince emerging

workers of the value of story-telling, interviews and reflection as effective means for learning and embracing a non-technical knowledge base?

Rejection of veterans' knowledge - It has been assumed by many that young workers will reject the knowledge of experienced contributors out of hand. But this is not so much an outright rejection as it is a search for relevance. While experience is hailed as buttressing knowledge, it can also bedevil the transfer of critical information by obscuring it with non-essential data, insights and stories. After all, the older we become, the more we tend to use the past as a reference point for the present. Emerging workers have little patience for enduring the embellished tales of the thirty-year veteran. This is not new news. But it has been exacerbated by the impatience and over-stimulation mentioned above. If knowledge is to be transferred successfully, both parties must work collaboratively. Veteran workers must distill their experiences and wisdom down to the essentials. Emerging workers must accept the fact that the nuances of this transfer will take considerable time and effort with those currently possessing the knowledge. Questions to consider: How can you encourage workplace veterans to share their knowledge and insights in ways that are most appealing to the emerging generations? How can you encourage young workers to embrace the relevance of the knowledge they are learning and to work collaboratively with veteran contributors to facilitate the process?

Expectation of continuous learning - The emerging generations have concluded that knowledge and skills equal versatility. This versatility, they believe, will enhance their ability to remain consistently employed in a meaningful way. They willingly embrace opportunities to develop new proficiencies and learn new disciplines. For this reason alone, most eagerly search for novel experiences and knowledge bases to conquer. The acquisition of these skills and knowledge bases however, should not be equated with topical mastery. Veteran workers are sometimes put off by the youthful desire of some young professionals because they see little evidence of an ability to apply these newly acquired skills within the environment. Given a choice between working with a 20-year veteran who has a high-school diploma and a newly minted MBA, they will tend to embrace the person with the years of experience.

Organizations will need to effectively manage the transfer of knowledge to those most willing to embrace mastery of a topic over time. This will require a system that effectively addresses several issues: 1) Reluctance on the part of older workers to share knowledge that some equate with job security, 2) Skepticism on the part of emerging workers that the knowledge is relevant to them, not just within in the organization, but in a broader context, 3) The desire to learn using delivery methods which young workers embrace such as simulations and Web 2.0 applications, and 4) Encouraging among emerging workers the patience, reflection and endurance required to master the bases of knowledge contained within their areas of responsibility. Questions to consider: How can you and your organization successfully address the issues identified above? What resources will be required to do so? What obstacles can you anticipate in addressing these issues?

2 May 2008

Keynote Presentation: "Unlocking Cool"

-- Jeremy Gutsche, founder, TrendHunter.com

Unlocking Cool – How to unleash innovation potential and infect your creations with cool

Unlocking Cool - Innovation and strategic advantage hinge on the ability to anticipate trends and identify the next big thing. By tracking the evolution of cool, Trend Hunters generate ideas, stimulate creativity, and ultimately shape our social context.

Trend spotting (a.k.a. trend watching) is the science of identifying emerging shifts in our social behavior and aspirations. Trends are driven by a range of factors, including pop culture, media, news, innovation, and the arts. Trend spotting is used by industry professionals to develop products, enhance idea generation, and inform marketing, media, design and strategic planning. By developing a systematic approach to trend spotting, individuals and organizations can better develop disruptive products and creations that dance the beat of cool.

<http://www.trendhunter.com/keynotespeaker>

<http://www.trendhunter.com/>

Notes from the presentation

Introduction included [YouTube video](#) of the contestant from South Carolina in the Miss Teen USA 2007 contest answering a question about why many people in the USA cannot locate countries like South Africa and Iraq on a map. The essence of her barely coherent answer (that ranged across topics such as education, foreign aid, and map ownership) was that people in the USA lack enough maps. I had not seen the video until this presentation, but the point of showing it was to illustrate how widely viewed some YouTube videos are (and thus the power of VIRAL marketing).

What is Cool?

- Popular is not Cool; Cool is the next big thing
- Cool is:
 - o Unique
 - o Cutting edge
 - o Viral
- Unlocking Cool is the title of his book in progress, which explores how methodical innovation can unlock Cool
- His thesis is that by methodically approaching trend spotting and innovation, you can generate ideas, stimulate creativity and ultimately unlock cool. A Culture of Innovation is the foundation and catalyst for disruptive innovation. Unlocking Cool consists of:
 - o Trend Hunting

- Power Innovation
- Infectious Marketing

Culture of Innovation

- “Culture eats strategy for breakfast” – sign on the wall of Ford’s Strategy War Room
 - Jeremy Gutsche’s Four Dimensions of a Creative Culture. These are not base requirements; these are areas where you must be revolutionary.
 - Perspective
 - Creativity
 - Incentive
 - Forced Failure
- Perspective
 - Guess the company (from wording on its web site)
 - “...turning creative ideas into breakthroughs for well over a century.”
 - Invented grammar checkers
 - Invented built-in dictionaries (1985)
 - Invented lap-top word processors (1989)
 - Started building PDAs in 1994
 - Any guesses?
- [Smith Corona](#), the best typewriter company in the world (now defunct)!
 - They wanted win in the world of typewriters, but did not realize they were really in the office automation business.
 - They viewed the PC as rival technology, but apparently did not believe it presented a threat to their business model.
 - But they could have dominated PC word processing (Soule – *perhaps*) if they had changed their business model sooner.
- The point is that **situational framing** can dominate your outcome.
- [Wei-Ji -> Crisis = Opportunity](#)
 - 转机
 - The Chinese symbol for crisis is not one symbol but two. Wei means "danger; peril" and ji means "opportunity; crucial point." So literally *wei* plus *ji* equals "danger" plus "opportunity." A crisis is still a dangerous state of affairs - regardless of the language. Crisis (*wei ji*) still means "a situation that has reached an extremely difficult or dangerous point."
- Perspective – Personal Example
 - He inherited Capital One Canada’s largest business when it started to fail
 - Their goal was to decline by ONLY 20%
 - The declaration of a crises became a major opportunity because it allowed them to cut through red tape, accelerate innovation, forced them to meet their customers (and understand their needs better), and triple monthly bookings by the end of the year.
- (Responsible) Failure means you’re innovating

- A decent proportion of your innovations must FAIL
 - If you do not fail (and learn from it), you are at risk of becoming the best typewriter company in the world (when someone else comes up with a disruptive innovation).
 - The danger of success is that it can breed complacency (complacency will be the architecture of your downfall).
 - Successful companies innovate to optimize their existing position, it is like finding the top of a small hill. It is a large risk for successful companies to make a big test (or market gambit) because failure is more likely. However, without making large innovations, it is impossible to climb even larger hills.
 - Creating opportunities to fail can result in breakthrough innovation ([3M's Seven Pillars of Innovation](#), [Invention of Post-it Notes](#))
 - BBC television programming
 - BBC created rigid show development budget controls in 1990s.
 - Result: innovation became narrow, viewer market share decreased even more.
 - New CEO and CFO created a “gambling fund” for new show development. Ideas that did not meet the normal risk threshold for development could still compete for the gambling fund. One idea that won “gambling money” was “The Office” (the biggest hit in the BBC’s history).
- Incentive
- Incentive = Motivation = Success
 - Organizations reward individuals and groups based on the outcomes of their actions. Good results, even if they resulted from bad decisions, are nearly always rewarded. Bad results, even if they resulted from good decisions, are nearly always punished.
 - If a person gets paid for “making their numbers,” there is no incentive to fail. Smith Corona example “Why bother failing in software when I can make a profitable new typewriter without taking any risk?”
 - Rewarding the right kind of decisions is *particularly important* in the world of innovation. It is better to reward good decisions (even when they occasionally lead to bad outcomes) than just good outcomes. You also want a system that does not reward bad decisions. Rewarding decisions, not outcomes, can also lead to a more innovation friendly environment.
 - Win like you are used to it, lose like you enjoy it.
- Exude Creativity
- There are elements of a creative culture that we all recognize, but sometimes forget to practice. A creative culture is fun, has lots of freedom, and enables broad involvement. We *know this*, but often fail to implement (or let it get squeezed out by policies that favor standards, control, and predictability).
 - Senior people need to be borderline CRAZY. People mirror their leaders, so a senior leader with only “feasible” ideas (or who rewards only those

kinds of ideas and discourages risk) ruins idea generation. A company's approach should be that "Sacred Cows Make the Best Burgers" and that nothing is off-limits or precious.

- He told the story of a company that was trying to find ways to improve the customer experience and one of the senior leaders in the group suggested at the outset that they have nachos available right inside the door. It may not have been practical (and probably was not adopted), but it dramatically lowered the resistance to coming up with innovative ideas very early in the meeting.
- Trend Hunting. Innovation and strategic advantage hinge on the ability to anticipate trends and identify the next big thing (Soule – this is no doubt why he founded his organization). Trend Hunting is seeking inspiration from someone else's innovation. It involves five steps:
 - Resetting your expectations
 - Observing your customers
 - Hunting for Cool
 - Cluster insights into trends
 - Developing a point of view (*not as easy as it sounds*).
- Resetting your expectations
 - Jeremy's observation is that both leaders and new hires ask questions. Middle managers act with confidence (to appear like they know what they are doing) and do not ask as many questions.
 - You have to work hard to avoid your biases (also called "confirmation bias"). There is no point in looking for anything new if you think you already know the answer to a question. The lead car designer for Ferrari spends about fifty percent of this time paying attention to fashion trends because of his belief that only by being on the cutting edge of fashion can he be more open to auto innovation.
- Observing your customers
 - In all industries, innovation starts by observing customers. Even the CEO needs to do this. Companies need to move away from stale customer interactions like focus groups, surveys, and interviews and interact with customers, observe them using the product, and even watch the purchase.
 - The head of Cadillac Design rides with Escalade customers in inner city Detroit.
 - Capital One senior executives answer customer service calls.
 - Continental Airlines' CEO always flies economy.
 - His personal example: BP Oil and Gas wanted to reinvent gas station stores so he and his team hung out in one for six hours! Seems crazy since most people probably think they know all there is to know about such stores and the people who shop in them. He and his team gained **powerful** insights by this observation opportunity. For example: teenage boys **group shop** at gas stations, they get **excited by energy drinks and snack foods**, and they are **price insensitive**.

- A drink called Rockstar fuel. He thought of “what would specifically anger my mother?” about a product or approach so as not to alienate the parents of teens.
- Hunting for Cool (what Trend Hunters is all about)
 - Cool things in the hotel industry:
 - Themed hotels. prison, coffin, luxury blimp, extreme hotels where you can rock climb to your room from the outside, ghetto experience, pipe hotel, underwater, portable hotels, dockside crane that had been turned into a hotel (view must have been great), celebrity B&B, cave hotel, and Rolls Royce hotel.
 - Hotel services. In room massage, graffiti architecture, artist designed rooms, pre-cooked gourmet meals, professional run sleepover parties, glowing bath tubs, pet spas, in room chef, rain sky showers, wine spas, beer spas, and bubble architecture.
 - Cool ideas outside hotels: skateboard park in a museum, Botox parties, fighting robots, art vending machines, helmets for your dog, urinals for dogs, urinals with video games, naughty video games, New York City garbage as art, orthodox Jewish Barbie, Muslim Barbie, and Barbie cosmetics
- Cluster insights into trends
 - Pick relevant names for the trends you discern
 - The human mind has an amazing ability to recognize patterns by creating shortcuts. This is BAD because initial biases, schemas, and heuristics flow into the clusters because of the mental shortcuts the human mind takes. It is easy to see trends that you already expect. For the hotel industry, trends could be:
 - Ultra luxury
 - Sensationalism (prison/coffin/pipe hotels, beer spa)
 - Only by forcing yourself to re-cluster your trends (not easy) will you unlock insight. In the hotels case, “in room” was less apparent: in room chef, in room massage, pre-cooked gourmet meals.
- Developing a point of view (the really hard part)
 - Next, you must identify how to act on your new trend, “We will transform the industry with **unparalleled in room luxuries.**”
- Power Innovation: adding some structure to your innovation process will enhance results.
 - Starting with your new point of view: “We will transform the industry with **unparalleled in room luxuries,**” develop a methodical innovation process. Stage gate innovation can be powerful because it levels the playing field and forces innovation.
 - Trend Hunting
 - Power innovation
 - Ideate – 100 ideas
 - Rank – 35
 - No idea should be “precious.” The impact of feedback differs when a person spends two weeks

on a project versus writing ideas on the back of the napkin. If someone ripped up the latter or said “I think we can make this better,” you are unlikely to respond with “Why did you do that, I just spent 11 minutes doing that?” People are going to hold back on their feedback a bit (and this is probably not good) if they know you spent two weeks on the project.

- Rapid prototyping – 20
- Market survey – 12
- Refine – 6
- Test Market – 4
- Infect Cool
- Infectious Marketing – How you pitch an already Cool idea will dictate its success or failure. What you really want is to be VIRAL, which can be very different from typical branding or marketing.
 - Case Study – Infecting the Blogosphere with the Half Suit (so you can work at home in pajamas or casual wear, but quickly put on a half-suit (like young males do when they get high school senior portraits) to impress people who can only see you through a web cam or VTC camera.
 - One of the Trend Hunters posted the Half Suit idea on their site, 175 sites linked to the TrendHunter post. 1800 sites linked to those 175 sites, and six months later the total number of linked sites were 13,800 or an estimated exposure to 35 million people for FREE.
 - How do you make your product viral?
 - Rule #1 Relentless Obsess about Your Story
 - Story obsession: power and alignment and leads to empowerment.
 - A checklist for story obsession (very similar to **Made to Stick** concept of “Simple”):
 - Simple (supercharge word of mouth)
 - There is a Canadian company called [Blueprint](#) that guarantees they can express your business concept in 7 words or less.
 - THE low cost airline.
 - Direct (people understand everything from the title)
 - Innovative (passes the “I have to tell someone” test)
 - Examples
 - Good: Fleurburger, the world’s most expensive hamburger
 - Viral: The \$5000 hamburger.
 - Good: Toys from the toilet.
 - Viral: Pee and Poo dolls.
 - Good: Balaclava hoodie.
 - Viral: Terror fashion.
 - Case Study: [Don’t Mess with Texas Campaign](#)

- Cultural connections that speak with someone, not to them, are more powerful. The most important thing to note about the slogan, is it is a trade marked slogan. U-tube shows how users keep it alive
- Conclusion: By leveraging viral trends plus methodically approaching innovation, you can
 - Generate ideas
 - Stimulate creativity
 - And ultimately unlock Cool.

Keynote Presentation: "[The Secret Language of Leadership: How Leaders Inspire Action through Narrative](#)" -- [Steven Denning](#), author and organizational storyteller extraordinaire (presentation is based on [his book](#) by the same title).

Harvard Management Communication Newsletter of May 2006 has an article about storytelling. It's entitled: "[Leading Words: How to Use Stories to Change Minds and Ignite Action: The right story at the right time can be a very powerful leadership tool](#)," and is written by Cynthia M. Phoel. It summarizes material from Denning's book, *The Leader's Guide to Storytelling* (2005), tells the Zambia story and describes the characteristics of a springboard story, the various purposes of organizational storytelling, how to perform the story, and the various tips and tricks of business narrative. It provides a crisp, clear and succinct summary of what business narrative is all about.

- Contrast the effectiveness of Al Gore in getting his global warming message across versus his presidential campaign of 2000.
 - Al Gore's Nobel Peace Prize is a reminder that on any rational basis he should have won the 2000 election. The country was at peace and enjoying unprecedented economic prosperity. Crime rates were declining. There were major foreign policy accomplishments. Gore himself was one of the few vice presidents in history to have made a substantive contribution to an administration. And unlike most U.S. vice presidents, he had the strong, explicit backing of the then president, Bill Clinton, whose policies, despite a sex scandal, remained remarkably popular. And Gore, who had 24 years of national and international experience, was facing a candidate who had no national or international experience. He should have won by a mile. So why did he lose? Long before the Supreme Court intervened in Florida, Gore had put himself in a position to lose the election by failing to understand the language of leadership.
 - One element was his inability to communicate who he was and what he stood for and who he was communicating to:
 - ***Gore wasn't clear on the story of why he should be president:***
Did Gore support the policies of the Clinton administration or was he going to fight to change those policies? These ambiguities showed through to the electorate and undermined everything he said.

- ***Gore didn't understand the audience's story.*** In 2000, the US was prospering and the electorate were largely satisfied with the administration that Gore had been a part of for eight years. Yet Gore talked mainly about problems, followed up by promises to solve them with major government programs – something the electorate had little interest in.
- ***Gore wasn't comfortable with his own story:*** In 2000, Gore wasn't comfortable with who he was and what he stood for. Was he an associate of Bill Clinton or not? What sort of a person was he? In the debate, he was articulate and knowledgeable, but didn't seem at ease with himself.
- The other element was that Gore was unable to connect with the electorate and communicate a compelling narrative as to why he should be elected:
 - ***Gore failed to get the electorate's attention:*** “I'm not,” said Gore toward the end of the first presidential debate, “a very exciting politician.” When Gore said those words, it wasn't news: he was confirming what his critics had often said about him. But he was revealing something fatal in a transformational leader. He was conceding that even he wasn't fully convinced in himself as a leader. If Gore wasn't excited about his own candidacy and his change agenda, how could he expect the electorate to be?
 - ***He didn't stimulate the electorate's desire for change:*** Gore ran for election as a transformational leader. Instead of dwelling on the question, by analogy with Ronald Reagan in 1980, “Are you better off today than eight years ago?” he asked “Will we be better off four years from this day?” For most voters, the answer to the first question would have been a resoundingly positive “Yes!” The answer to the second question was much less certain. While Bush generally embraced the successful economic policies of the Clinton administration, paradoxically Gore ran as someone who wanted to change policy. He presented himself as someone who wanted to fight and the electorate was in no mood for more partisan fighting.
 - ***His reasons didn't resonate:*** In the presidential debates, Gore was more articulate than Bush. He kept giving reason after reason, statistic after statistic, without realizing that when people don't like you as a person, the more reasons you give, the more your reasons will be perceived as problematic. According to all the news services, Gore was the clear winner of the first presidential debate, but it didn't matter: Bush surged ahead in the polls and went on to victory.
 - ***His body language contradicted what he said:*** In the U.S. presidential campaign of 2000, Al Gore's robotic performances were the fodder of late-night comedy. The charisma-challenged candidate put everyone to sleep. His petulant sighs and stiffly aggressive manner made him look like the smart kid we all hated in eighth grade. No one wanted to listen to what he had to say. Despite a strong case on the merits, he lost the election.

- How on earth do you get people to want to change? This is the missing chapter in most books on leadership or communications.
 - o How do you:
 - inspire enduring enthusiasm for a cause?
 - connect with diverse, difficult, cynical audiences?
 - turn those audiences into champions for your cause?
 - o Denning argues that people whose jobs mainly involve “persuasion” make up 28% of GNP. People in Law, Public Relations, Psychology, Marketing, and Management: the job of these people is mainly to persuade other people.
- The ideas presented are more than just “a set of communication tools.” They represent a fundamental rethinking of how we communicate.
 - o The Western tradition of leadership communication flows from problem, to analysis, to solution.
 - o Effective presentations to get action flow through getting attention, stimulating a desire to act, and reinforcement with reasons.
 - The first approach works when people basically agree with you, but is counterproductive when the audience already has some bias since that drives them even harder against you.
 - Because of the confirmation bias, people tend to reject conflicting information or question its source (speaker told the story of reading a tabloid headline about a 4000 yr old tv found in an Egyptian pyramid).
 - Two groups that had differing views of capital punishment were shown capital punishment studies. Each group became even more fixed in their opinions after reading the studies. Brain scans have shown that “thinking” areas of the brain are not active at all in such situations and that the part of the brain that registers readers’ psychic rewards are very active when they had dismissed the view.
 - Lesson: Stimulate desire *before* you explain the reasons.
- He related the story of how he convinced (failed the first time) to convince his leadership at the World Bank to develop a knowledge repository for the kinds of things their clients in the developing world needed to know.
- How does one person persuade many?
 - o Charts and rational arguments have about zero efficacy unless people already agree with you. Dialogue is impractical (hard to practice in one on many situations). The best approach is through story telling.
- The Communications Revolution
 - o Preparing to lead
 - The story of the change. The unexpected finding is that he may be clear about the problem, but not what the change would look like. Once you are clear about what needs to be changed, focus on it like a laser beam.
 - Understand the story of the person who must change. There must be a reason why what you want is not already happening.

- The story of how the leader must change. Tell the story of a person who does not want to change as persuasively and coherently as you can. Discover the logic, the harmony, the beauty in his/her viewpoint. What are his/her values? The story will end with: *“That’s why this person does not want to change.”* The person trying to persuade others must change from being a salesman to a trusted partner. Trust is generated through:
 - Being transparently honest
 - Knowing what you talk about
 - Showing real concern for the problems of others.
 - Revealing vulnerability
 - Being curious and receptive to the listeners’ interests
 - Being ready to learn yourself.
 - Focus on “What’s good for them.”
- Effective presentation to get action
 - Get their attention, often through a negative story. Start from where they are, not where you are. You get people’s attention through things that are unexpected, relevant, or negative (our problems will get worse, our problem now, my story of adversity). Twenty communications devices to get attention.
 - Generally effective:
 - The story of the audience’s problems
 - The story of how you handled adversity
 - A warning
 - A challenge
 - A question
 - A metaphor
 - Have the audience do something unexpected.
 - Share something of value
 - Admission of responsibility
 - A relevant musical performance
 - Moderately effective
 - The real thing
 - A surprise
 - An extraordinary offer
 - The story of an opportunity for the audience.
 - A springboard story (a story to spark action). It needs to be true, positive, minimalist, and focused on getting action as an outcome.
 - Stories with a happy ending tend to produce a warm, “floaty” feeling (releasing dopamine, producing a mild sense of euphoria). Dopamine plus meaning will inspire action. The story needs to be positive and plausible. What matters most is the ending, not the beginning or middle.

- Generally there are two listeners. The one you see and the “little voice” in their head. You stimulate the “little voice” by telling the story in a way that elicits a second story, giving the “little voice” something to do. You do this by letting the listeners adapt the story for themselves (everybody loves their own creation), focusing on how they could use it.
 - A joke
 - An image
- Generally ineffective
 - How the conclusions were reached
 - The story of who your company is
 - Facts, data, analyses.
- Elicit desire to change, generally through a positive story to get action. You elicit a desire to change through being positive, memorable, letting listener’s contribute, and generating a whole new story. Using story as a tool requires understanding the pattern underlying the narrative
- Reinforce with reasons, generally through neutral stories to explain what, how, and why.
 - The story of how we will get there is told through First, We will do A...Then we will do B ...Then we will need to do C ...Then D will happen...Then we will be there ...
 - The story of what it will be like.
 - The story of why it works. Focus on the underlying causal factors that make it inevitable (or at least highly likely).
 - Embed you reasons in simple stories: Fred has a young family, Jack it two years from retirement, Sally is a hip, young single. Personify the data.

(copied from Amazon.com book review of The Secret Language of Leadership)

Howard Gardner has done research on multiple intelligences. In his latest book, Five Minds for the Future, Gardner suggests that, to thrive in the world during eras to come, there are five cognitive abilities that need to be developed. Gardner refers to them as "minds" but they are really mindsets.

1. The disciplined mind enables us to know how to work steadily over time to improve skill and understanding;
2. The synthesizing mind enables us to take information from disparate sources and make sense of it by understanding and evaluating that information objectively;

3. By building on discipline and synthesis, the creating mind enables us to break new ground;
4. By "recognizing that nowadays one can no longer remain within one's shell or one's home territory," the respectful mind enables us to note and welcome differences between human individuals and between human groups so as to understand them and work effectively with them;
5. and finally, "proceeding on a level more abstract than the respectful mind," the ethical mind to reflect on the nature of one's work and the needs and desires of the society in which one lives.

As Denning would explain, each of these five "minds" or mindsets has a "secret language" of its own. Those who would be leaders must become fluent in one or more languages that are most appropriate to the given objective, be it the creation of an entirely new art form or a coalition of health care organizations. He examines three key steps of language leadership (i.e. getting the audience's urgent attention, eliciting desire for a different future, and reinforcing with reasons) before shifting his attention to six elements ("key enablers") that enable the language of leadership to achieve its maximum effectiveness: articulating a clear and inspiring change idea, committing to the "story" of change, mastering the audience's own "story," cultivating narrative intelligence, a commitment to telling authentically true stories, and finally, deploying the body language of leadership.

The last is a key factor because, as Denning correctly points out, "without the calm assertiveness of the body language of leadership, the verbal language of leadership will have little effect." Although percentages vary from one research study to another, there is no doubt that during face-to-face contact, body language and tone of voice determine 85-90% of the impact.

Carrier Team One Notes for Panel Discussion (probably should include point paper, ask Jim Lee how to do so) (elevator speech)

Started more formal process to share knowledge and improve aircraft carrier overhaul in 1997 when senior naval officers, shipyard leaders, and headquarters executives (VP level at most companies) challenged two shipyards that had just finished three carrier overhauls to do something different: critically analyze their results and ask what help they needed to improve performance.

We have eleven years of experience, but do not feel we have "solved" KS by any means. Game keeps changing, challenges keep increasing.

Nature of carrier overhaul and construction

- Six months to three years

- Vessels are over three football fields long, wider than the Panama canal, composed of over 1600 compartments (or rooms).
- Crew, about 2300, remain on the ship during repair periods and are an active component of the repair process (doing their own work and supporting all of the work)
- 32 month, 8 year cycle means that many crew members are engaged in their first major industrial repair experience.
- It takes 48 million man-hours to build a carrier and between one to three million man-hours to repair one.
- Only about 40 percent of the work is repetitive such that the work and planning products are easily reusable.
- Like the petro-chemical industry, there is a lot of pressure to operate until the last minute and finish precisely on time.
- Carrier repair periods involve 30-50 other organizations, many of whom do not meet each other until the repairs commence, whose work must be integrated to produce a logical schedule. Many of the organizations have difficulty communicating with each other.

Every dollar spent on KS is a dollar we do not spend on fixing something so there is tremendous incentive to show Return on Investment and limit KS expenses. This is just one of many Navy improvement initiatives so we struggle to keep our efforts aligned, focused, and relevant.

Key features of Carrier Team One that we think make a difference:

- Despite the military reputation for command and control and rigid hierarchy, we seldom dictate solutions to problems and prefer a bottom up approach to problem solving.
- We work hard to produce value in the customers' eyes (there are many customers for what we do).
- We try to engage senior leaders sponsorship whenever we can so senior leaders see us as a way to solve some of their hardest problems.
- We focus on fixing processes, not fixing people.