

Solving problems when the ‘solution’ is the very cause

By Dr Andrew Bass, BassClusker Consulting

According to what may be an urban myth (I haven't been able to verify it, but it has the ring of truth and anyway makes a point nicely)¹, you can catch a monkey by putting food inside a coconut shell or jar with an opening just big enough for the monkey's empty hand to go in, but too small for its greedy little full-of-food hand to get back out again. The monkey pulls harder and harder, but unless it lets go of the food, it is trapped. Because it doesn't grasp the nature of its own role in its predicament, it stays trapped. And the more trapped it is, the harder it pulls. And the harder it pulls, the more trapped it is.



The Apocryphal Monkey Trap

The same dynamic operates with a rather nastier device: the snare which tightens the more the prey pulls away. And essentially similar dynamics ensnare business people daily, causing among other things: market-spoiling price wars, efficiency-killing internal turf wars, intractably stalled negotiations, ridiculous overpaying for acquisitions and talent, and endless us-and-them squabbles which misdirect attention away from the customer and meaningful external results.

If they are not to be captured by these value-sapping dynamics, leaders must understand and forestall them in all their forms. To do this, they need to make a conscious (and ever-vigilant) effort to get to a vantage point where they can see their world clearly – and that usually means *differently* to the way we have historically been conditioned.

Signs you are in a trap: “The more, the more”

Look for unexplained or particularly frustrating instances of “The more, the more” pattern:

- The more we tell them to wear ear defenders, the more they neglect to do so.
- The more we lower our prices, the more customers expect discounts.
- The more we survey our employees, the worse (*more* bad) the results get.
- The more we tell the sales force to push the new line, the more they push the old one.

¹ The monkey example may be apocryphal, but Alastair Dryburgh assures me that you can catch crabs with some bait in a small muslin bag on the end of a string. The crab will grab hold of the bag with the bait and keep hold even as you lift it out of the water into the bucket.

- The more CSR we do, the more we get criticised.
- The more conscientious a job I do, the more others get credit.

Doubtless you can come up with myriad examples of your own, because these patterns arise constantly in the world of human organizations. But how to escape? Let's start by looking at the world afresh.

The world is not a billiard table

The way most managers (actually most people in or out of business) talk about the world assumes that it is like a billiard table: the cue hits the cue-ball, and the cue-ball hits the eight ball, and that's why it goes into the pocket. Linear cause-and-effect from one factor to another. When asked to explain why a project is late, you might hear someone say: because we are not getting cooperation from Department X. When asked why sales are down, you might hear, because our competitors are undercutting us. When asked why staff turnover is high, it's because young people today feel entitled to unrealistically rapid promotion. These 'explanations' might not be exactly wrong, but they are definitely extremely limiting, often disguise your true problem, and more often than you think, *they are actually a part of the problem.*

After all, if your explanation is off, then any actions based on it won't help. And quite often they will actually make a situation far worse.

A classic example is an arms race². During the Cold War, billiard table thinking was used by the US and its NATO allies to justify an arms build-up, like this:

USSR arms → Threat to Americans → Need to build US arms

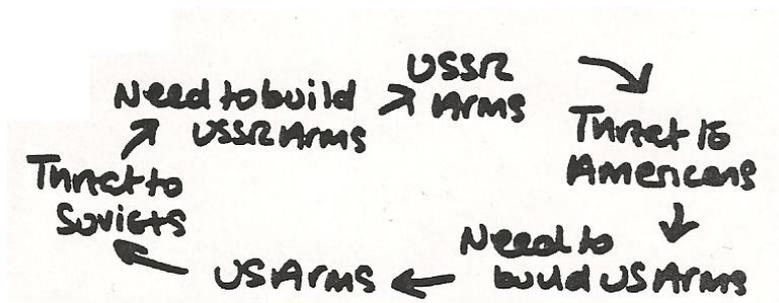
Entirely rational, right? There's a threat – we must respond. Simultaneously, the Western arms build-up supported Soviet rhetoric on the need to increase *its* arsenal:

US arms → Threat to Soviets → Need to build USSR arms

I'm not saying these were the only factors, and I am ignoring totally any question of "who started it" because that rarely helps you stop something. I am merely noting that from each side's perspective, there was a strong argument in favour of build-up to counteract the threat from the other.

But what if we put both chains of reasoning together?

² This example appears in basically the same form in Peter Senge's book *The Fifth Discipline*. The approach Senge takes is based on work over three decades by Jay Forrester and colleagues at MIT's Systems Dynamics lab.

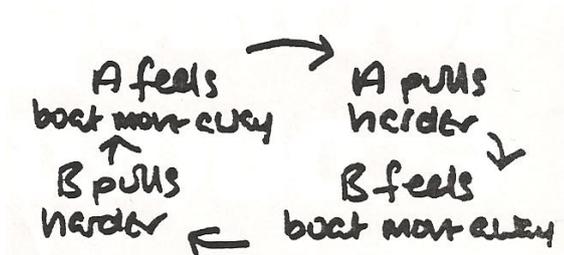


Whoops! We have got a runaway feedback loop in which seemingly rational actors produce patently irrational results such as being able to blow the world up more than once.

Now consider two people fighting to stabilise a boat³ – try to imagine yourself in the following situation:



Here's the loop in the boat situation:



Again, both parties think they are responding in a rational way to the situation presented to them, but as people tend to do, they are thinking in billiard table terms, and so are missing the wider pattern. Because they are only considering a partial arc of the overall circuit, they are acting ineffectively. In fact the more they try to use their attempted solution – pulling the boat level – the more they are actually making the situation worse. Either party could unwind the trap – they need to stop pulling: their attempted solution is part of the problem.

Business Examples

Let's look more closely at business examples of these “the more, the more” scenarios:

³ If you find this whole approach resonates and want to go deeper, you may enjoy the book *Change: principles of problem formation and problem resolution* by Watzlawick, Weakland and Fisch.

- *Two competitors race to the bottom on price, destroying the profit potential in their market.* Price wars favour no-one, ultimately not even the customer, because they generally lower expectations of not only margins and returns, but also of product or service quality. The way out of the circle is imagination. Ask yourself how you can offer a more radically different value proposition. When their competitors responded to the 2008 downturn by cutting prices, Reckitt Benckiser introduced *higher-priced* (but more effective, easier to use and interestingly branded) household cleaning products and saw sales rise. It would have been easy to view theirs as a commodity market, but products such as Cillit Bang are not perceived as generic.
- *A bidding war for an acquisition ends up with the ‘winner’ forking out a ridiculous premium, saddling itself with crippling debt.* Many CEOs will be involved in an M&A transaction only occasionally in their whole careers, but they are often egged on by old hands among their advisors who are paid and long gone far before the success or otherwise of the deal becomes apparent. The most powerful, and apparently hardest, negotiation skill of them all is to be prepared to walk away from a deal which no longer makes sense.
- *Intense scrutiny by mistrusting managers makes employees more secretive and rebellious.* Low employee morale is a strange phenomenon isn't it? After all, when they were initially hired, your people seemed motivated, and a new job is generally regarded as cause for celebration – after a while with the business however, they're not celebrating anymore. Sensible monitoring and controls are vital, of course, but treat people as if you don't trust them and they will start to fit your expectations.
- *Imposing ever more stretching ‘targets’ creates ever more ingenious ways to ‘game the system’, undermining any possibility of achieving the goals the targets are intended to measure.* At one emergency service call centre where sharp-suited armies of consultants were engaged to bring “private sector management techniques” to bear (what a money-machine that was for a while, by the way!), targets were set for the length of time required to handle a call, in order to shorten call queues. Because the dispatchers were in a hurry to get people off the phone, callers often rang back with extra information they hadn't felt able to mention in their original report, and therefore *increased* the queue size (and, insidiously of course, there was an attendant *decrease* in caller satisfaction and perceived public safety).

Reciprocal price cuts, over-egged bids, increasing surveillance and the “driving” of human performance with targets can all appear self-evidently logical if you don't see the circle you are in, but they at best singularly unimaginative, and at worst, viciously counter-productive.

Stepping Out of the Circle

These snares are exquisite mechanisms of value destruction. If you use simplistic billiard table reasoning to manage, you will lurch from one unintended consequence, vicious circle, or monkey trap to another: the newspapers offer proof on a daily basis. And the cleverer you and your advisors are, the worse it gets, because you will produce unassailable linear logic to justify and lock in your policies (the problem is not with the logic, it is that the reasoning is linear. This is exactly the sort of

thing Einstein meant by his famous quote: “the level of thinking which led to the problem will not lead to the solution.”)

So how do you step out of the vicious circle? Start with these four ideas:

1. Be vigilant for “The More, The More” patterns. Treat them as cues to stand further back and consider circular patterns of influence.
2. Refuse flatly to warrant explanations of disappointing performance that are based on ‘us and them’ thinking.
3. Challenge assumptions about one-to-one cause-effect: it’s not ‘because’ of one factor.
4. Ask, and experiment with the question: “What would happen if we *stopped* trying our attempted solution?”

Idea for Immediate Application

Pick a thorny problem within your organization and assume that it is part of the sort of vicious circle I have described. Identify all the other elements in the circle, and you have dramatically increased your chances of solving it.

.....

Contact Andrew Bass for more information and resources:

Tel: 00 44 (0)121 427 7217

Email: andrew@bassclusker.com

Web: <http://www.bassclusker.com>

Read the book, *The Performance Papers: Incisive Briefings for Busy Leaders*, by Andrew Bass:

"Provides expert guidance for aligning your people with your objectives and turning strategy into action."

Jens R. Höhnel, CEO / President Europe, International Automotive Components Group (IAC)

Available from Amazon: <http://www.amazon.com/dp/1907498702>

Or download and read it now on Kindle: <http://www.amazon.co.uk/dp/B005JJW9Z6>