



**STRATEGIC
ACTION**
ASSOCIATES

Unleash Your Leadership Greatness

By Jim Bandrowski

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- € **Amplify Your Leadership Impact and Business Results**
 - € **Lead Waves of Strategic Innovation**
 - € **Motivate Your Organization to Execute**
 - € **Take Your Company to the Next Level**
 - € **Drive Profitable Growth**
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Just Say “No” to the Status Quo

I define leadership as guiding people to a new and better place. Management is improving that place when you get there. Leaders innovate. Managers improve. Both roles are a part of every person’s job. Everyone is leading someone, if only themselves. But the higher you are in an organization, the more your job should be focused on innovating. It is what moves the world forward.

Wave ThinkingSM and Wave LeadershipSM

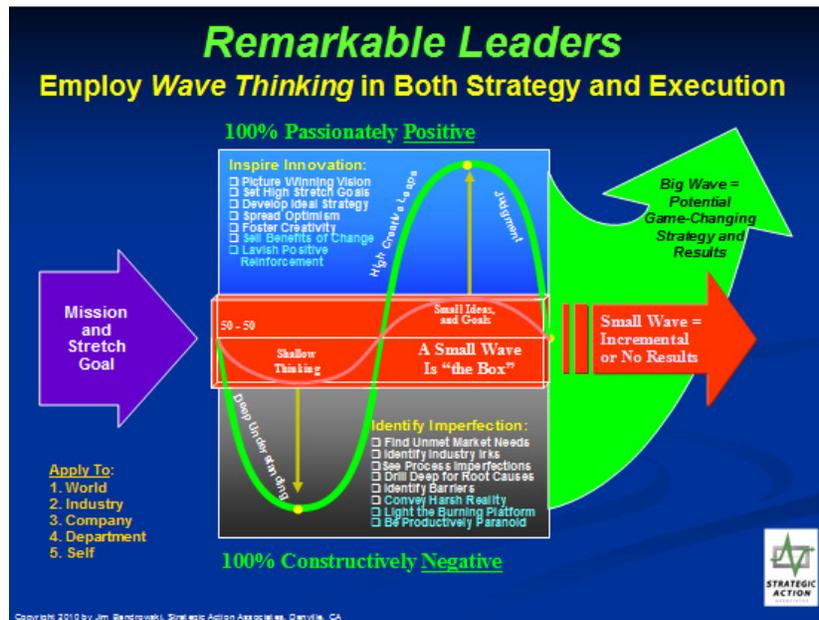
Great leaders don’t stop at just one breakthrough. They lead waves of innovation in their organizations, while the rest of the world makes ripples. How do they do this? You’ve heard of logical thinking, lateral thinking, right brained thinking, and whole brained thinking. Well, I have discovered through extensive research that remarkable leaders, as well as great innovators, employ *Wave Thinking*. In fact, this *Wave Thinking* permeates their entire leadership style to the point that I call it *Wave Leadership*.

Great Leaders Push the Extremes

Jack Welch declared: “You can’t be a moderate, balanced, thoughtful, careful articulator of policy. You’ve got to be out there on the *lunatic fringe*.” The core competency of remarkable leaders in all walks of life is that they continually visit two intellectual fringes. And they cycle between these two extremes as if they are operating on a sine wave. Average leaders function on a much smaller sine wave and as a result may achieve only incremental or no results. So let’s explore these two extremes that great leaders regularly visit.

Passionately Positive to Drive Innovation

One extreme is being 100% *passionately positive* to inspire innovation. Great leaders set incredibly high stretch goals, pursue a powerful purpose, dream a vision of how to make the world a better place, conceive ideal strategies, are irrepressibly optimistic, continuously sell the benefits of change, and lavish positive reinforcement on employees who are aligned and executing. This provides purpose, and energizes and motivates the entire organization. A. G. Lafley, when CEO of Procter & Gamble, stated: “My job at Procter & Gamble is focused on integrating innovation into *everything* we do. The CEO, in fact, must also be the CIO—the chief innovation officer.” Or in the words of Steve Jobs, “Let’s put a dent in the universe.” As he once stated, “We’re gambling on our vision, and we would rather do that than make ‘me too’ products. For us, it is always the next dream.”



Constructively Negative to Identify Imperfection

But great leaders also know they have to, and are comfortable with, visiting the opposite extreme or fringe. It is 100% *constructively negative* thinking aimed at identifying and assaulting imperfection. Yes, negative thinking—but the key word is “constructively.” Remarkable leaders continuously urge their organizations to hunt for unmet or unarticulated market needs, organizational blocks and barriers, process imperfections and their root causes, industry orthodoxies that should be discarded, and other issues and challenges of their industry and organization. The reason is that these represent breakthrough opportunities. Andy Grove, former CEO of Intel, exemplified *constructive negativity* in writing his book *Only the Paranoid Survive*. Its central point was that leaders need to constantly be vigilant for what he called an “industry inflection point”—when a technology or market abruptly leaps to a new and better solution. Productive paranoia is good; clinical paranoia is not. Your company ideally is the one capitalizing on the inflection points in your industry. Al Gore exhibited his capacity for creating productive paranoia in drawing attention to global warming with his film “An Inconvenient Truth.” He rang the alarm for the world.

Leaders Are Great Problem Finders

There is no question that great leaders and innovators are excellent problem solvers. But they are even better problem finders—using their compassion to feel and identify important problems the rest of us don't see. Or we don't believe the problems are possible to solve, so we think, "Why bother?" Once remarkable leaders have identified these problems and confirmed the value of solving them, they motivate their entire organizations to leap to the positive extreme to seek solutions, select the best ones, and implement them. Scott Cook, CEO of Intuit which sells Quicken and other software, stated in 2007: "To me, success is changing customers' lives for the better, solving their important problems. That's what keeps our company young. That means we're constantly trying new things, things that have not been 'what we do here.'" Remarkable leaders drill deep, leap, then reap.

Wave Power Comes from its Amplitude

All physical phenomena in the world operate in one way or another in a wave form, and as I contend, so does leadership and innovation. Let's clarify some wave terminology. *Frequency* is a measure of how many cycles occur in a given amount of time, with one cycle per second equal to one Hertz. *Wavelength* is the distance from the start of one cycle of a sine wave to its completion. A lesser known term is *Amplitude*, which is the height and depth of a wave. The significance of amplitude is that it quantifies the strength of a wave—its *intensity*. For example, amplitude determines the brightness of light (with wavelength determining its color), the loudness of sound (with wavelength determining the tone), and is related to the power of electricity (as in amperes). Mathematically, the power of a wave is proportional to amplitude squared. So given that leadership and innovation both operate in a wave form, *amplitude* determines how powerfully they can impact the organization and the world around them.

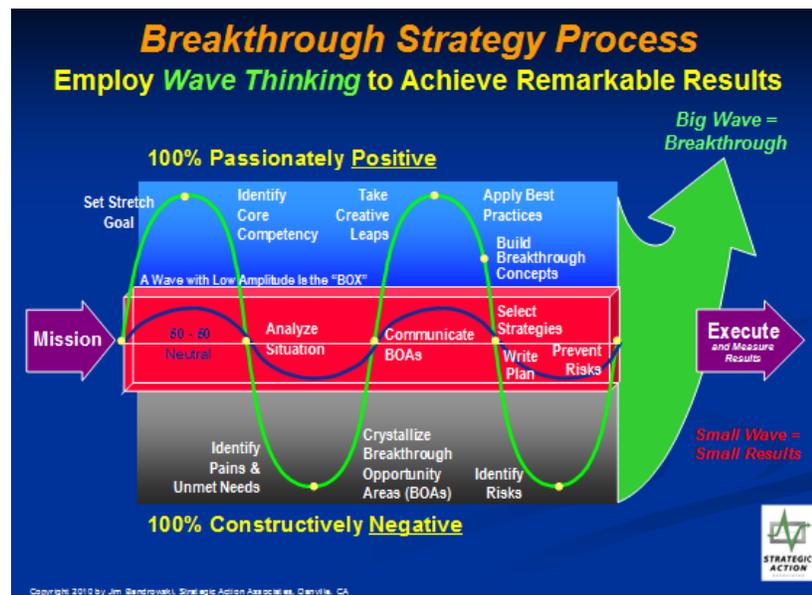
Amplitude is also an expression X-Game and Olympic competitors and judges sometimes use to describe the height of the jumps of skiers, snowboarders, skateboarders, BMX bikers, and even snowmobilers, as in "Boy did she get some amplitude!" A photo of me at age 30 on skis and "getting some amplitude" is shown at the end of this white paper.

The Metaphorical "Box" is a Low Amplitude

Ever since the nine-dot creativity exercise was developed 60 years ago, people have been trying to "think out of the box." Well, the box is not a metaphor—it is real. Remember where you heard it first: *The box is thinking with a low Amplitude*. The top of the box prevents people from thinking of novel and wild solutions, the standard use of the expression. But equally as important, the bottom of the box obstructs people from digging deep enough to see the real issues and challenges, and their root causes. While the rest of the world is solving symptoms, great leaders are drilling deep for root causes, and removing them. With our firm's assessment tools, an individual leader, department or entire organization can measure just how far out of the box it is on both the passionately positive and constructively negative extremes. Lead your organization out of the box, or it could end up being buried in one.

Breakthrough Strategic Thinking and Planning

One of the most important responsibilities of a leader at any level is to work with their team to develop a vision and strategy for their organization. Strategic planning powered by *Wave Thinking* increases the potential for innovation and increased profitable growth. Put wave power into your strategic thinking through what I call the *Breakthrough Strategy Process*. As shown in the exhibit, the path is two cycles of a sine wave. Utilizing a strategy facilitator skilled in this process can dramatically increase your success.



A place to start the strategic thinking process is with a review of your organization's mission—which should be a one sentence statement of its purpose. Unless you are considering a wholesale change in the reason for being of your company, spending too much time crafting an elegant mission statement can be a less than optimal use of time. And you can revisit it when it is time to write your strategic plan, much later in the process.

Expand Your Team's Strategic Thinking

Status quo is the enemy of innovation. To amplify everyone's thinking out of the box, facilitate your team to the 100% passionately positive side to conceive a stretch goal that is *impossible* to achieve – that is, impossible with your current strategy. A goal of this kind forces everyone to think big, because working harder won't get them there. World changers don't set reasonable goals as taught in management courses through the acronym "SMART," which stands for specific, measurable, achievable, relevant, with timing. They motivate their organizations to aim for (not promise) what I call *SMIT* goals (as in smitten with love), which stands for specific, measurable, *impossible*, with timing. Promise SMART goals, but aim for SMIT ones.

Studies of the highest performing companies have found that they grow by leveraging their core competency, periodically refreshing it to stay ahead of industry change. It can also be used in company branding. If you haven't already, determine your organization's core competency. It is the combination of characteristics that makes your company special and is compelling to customers. Honda's core competency is the design and manufacture of high performance engines. Its key competencies include all of the things that their engines go into. Their old advertisement used to be "Everyone needs at least four Hondas in their garage." How many can you think of?

Drill Deep for Strategic Insights

It is time to come down from 100% positive thinking, enter the box, and analyze your strategic situation. With balanced thinking, assess your markets and their segments, products and services, direct and indirect competition, technology portfolio, organization capabilities, process performance, net profitability by unit, global positioning, and other areas. A standard tool is SWOT, which stands for strengths, weaknesses, opportunities and threats. It is a good one, but many times is insufficient to gain true strategic insight and foresight. Great leaders work with their teams to drill deep into the *100% constructively negative* side to discover unmet market needs, hidden profit veins in the industry, emerging trends, organizational wastes, strategic barriers, industry and company orthodoxies, and numerous other strategic viewpoints. The most crucial insights and foresights represent what I call your *Breakthrough Opportunity Areas (BOAs)*, those challenges that if you can solve them will lead to potential leaps in financial performance.

Unleashing the Organization's Creativity

Great leaders then cycle up to the *100% passionately positive* extreme and take creative leaps with their organizations to conceive innovative solutions for their breakthrough opportunities. They soar through the roof of the box with their team to conceive wild ideas and strategies (as well as not so wild ones). To unleash their organization's imagination in this step they ignore cost, feasibility, company traditions, and industry rules—at least for the moment. They know they have plenty of time later to modify or kill unfeasible ideas. But they realize that almost all disruptive innovations seem absurd when first proposed, and then appear totally logical when they are printing profits.

We have a wide variety of innovative strategic techniques to help clients take creative leaps. The objective is to generate a rich menu of imaginative possibilities for creating competitive advantage. Borrowing best practices from companies outside of your industry is another way to innovate.

Building Breakthrough Concepts

Innovative leaders believe the impossible isn't. But they know that most breakthrough ideas are not feasible when they are initially conceived. So they perform a crucial step in the creative process that most people don't. Coming down the sine wave from 100% passionately positive, they float wild ideas down to earth with a wide-open mind and try to make them work. This step "before box re-entry" is how they build breakthrough concepts. A great technique is to give every wild idea at least one minute of time to make it work, rather than immediately focusing on its flaws and killing it. Borrowing a term from Ken Blanchard, I call this the One-Minute *Open Minded Manager*. In fact, if every executive, manager, and supervisor did this with every idea proposed to them by colleagues and subordinates, it could transform the culture of an organization to be much more open and innovative.

In the Box Decision Making and Planning

From here strategic leaders enter the box to work and use strategic and financial criteria with their teams to select the best strategies. Balanced and rational thought is needed to analyze the pros and cons, rewards versus risks, return on investment, etc. To help in this step, the most innovative companies undertake numerous experiments to verify the potential of strategies and tactics. Johanna Wright, Google's Head of Search in March 2011 stated: "We're running between 50 and 200 experiments at any one time."

In the box is also where great leaders write a compelling strategic plan. It should present a mission, vivid vision, strategic values, stretch goal, strategic scorecard of objectives, brand positioning, overall strategy, major strategies and tactics, strategic action plans, and a financial forecast. Before implementing the plan, they ask the organization to visit the 100% constructively negative extreme to identify risks and concerns, and to suggest preventatives for each. Most risks can be identified and minimized through this bullet proofing approach, and it dramatically increases buy-in. To launch the strategy, they cycle the organization back up to 100% passionately positive to sell the strategy to all stakeholders—employees, customers, the board, alliance partners, suppliers—everyone. Then they execute.

Yes, Make Major Decisions and Plans in the Box

All this being said, *in the box thinking* has gotten a bad rap. Innovative leaders spend a lot of time balanced *in the box*—in what scientists call a state of equilibrium. You don't want to judge the potential of a new strategy, investment or venture in either the passionately positive or constructively negative state of mind. One's *amplitude* preceding decision-making creates the rich menu of potential innovative strategies to choose from. It is now time to be balanced in your thinking and select the best strategies. It also is the place to develop your plan. Doing so at the passionately positive extreme could initiate a "bet the company" move that could lead to financial disaster. So there is no stigma to being in the box. Quite the contrary, a leader should be in it quite often. The worst situation is when leaders, and sometimes entire organizations, are *in the box* when they should be *out of it*, and *out of the box* when they should be *in it*. Understanding the *amplitude* of your *Wave Thinking* at any given time can eliminate these problems and help you achieve remarkable results.

***Emotional Amplitude*SM**

Lurking behind our Intellectual Wave is our Emotional Wave. On the positive extreme, great leaders demonstrate great passion for the mission, vision and values of their organizations. On the constructively negative extreme, they feel deep compassion for their employees, customers, and the world. This compassion leads them to recognizing latent customer needs—the fuel of innovation. Great leaders let their Emotional Amplitude out of the box to energize and motivate their organizations, as Reverend Martin Luther King, Jr. did with his stirring "I Have a Dream" speech.

The danger with high *Emotional Amplitude* in some people is that it can shift from being constructive to becoming unconstructive. Moderate unconstructive Emotional Amplitude is hubris on the positive side and anger on the negative one. At the positive

extreme it is called mania, with feelings of omnipotence, inflated self-esteem, and the pursuit of excessively risky actions. At the negative extreme it manifests itself in despair, paranoia, fatigue and depression. Combine the two extremes and you have a manic-depressive, known as a bipolar individual—generally not a quality that boards of directors are seeking in a CEO, or CEOs want in their employees. Emotional Intelligence involves mastering your Emotional Waves.

Process Innovation through Breakthrough Lean Six SigmaSM

A major way to create competitive advantage is through process innovation. For the last twenty years, I have been working with manufacturing and service companies to help them employ Lean Six Sigma to achieve outstanding, measurable results. Each year I also deliver Green Belt and Black Belt level courses in the executive education programs of various universities. I call my version *Breakthrough Lean Six Sigma (BLSS)*—bringing *bliss* to customers, employees, management, and stockholders.

The extensive tool boxes of Lean and Six Sigma are powerful. A way to increase the results you get from using these tools is to incorporate *Wave Thinking* into the approach. The standard five-step problem solving process of Six Sigma and Lean is DMAIC: Define, Measure, Analyze, Improve, and Control. When using it, here are some ways to expand the thinking of your team to the passionately positive and constructively negative extremes.

Set a stretch goal that is impossible to reach with the current process. Determine the ideal wants and desires of customers and other stakeholders, and aim for them. Identify the biggest frustrations of customers and stakeholders, as well as process defects and wastes, and be sure to drill deep for their root causes rather than stopping at just symptoms. In redesigning the process, take sky high creative leaps, conceiving ideal process alternatives and gently float them down to reality. And when the potential new process is designed, drill deep for risks using Failure Modes and Effects Analysis (FMEA) and incorporate preventatives to eliminate or mitigate the risks.

The same applies to Design for Lean Six Sigma, which is used in the design of new products, services and processes. The purpose of this approach is to design quality in rather than re-building it in after the launch. Amplify the thinking of Lean Six Sigma teams so they can achieve process breakthroughs.

Make Strategy Happen through Execution ExcellenceSM

Successfully implementing large-scale change is a difficult challenge. Yet in our accelerated business environment, it is *the* key contribution leaders can make to their organizations. Assuring that new strategies, processes and policies are effectively put into action is crucial. Our three-phased, nine-step *Execution Excellence* process will help you perform this daunting duty. It combines the best practices of world-class leaders, companies and consulting firms, all powered by *Wave Thinking*.

Here are some approaches to consider. Increase the power of your Case for Change (Call to Action) by communicating both extremes to each stakeholder group: the benefits of them changing and the consequences of them not changing, in the proper proportion and manner. Paint a compellingly clear vision of the organization, along with

precisely what it will not do. Amplify your role modeling of new behaviors with symbolic acts, as well as clarify which old behaviors to cease. Invite employees to *Vent to Prevent* as I call it, voicing all of their concerns and recommending preventatives for each. Rigorously use metrics to track progress on strategies and tactics, combined with giving positive reinforcement to those employees who are executing. These and other *High Amplitude*, “out of the box” approaches can enable you to become a *Breakthrough Change Leader* in your organization who can execute strategy and implement business transformations smoothly and effectively.

***Your Company’s Innovation Amplitude*SM**

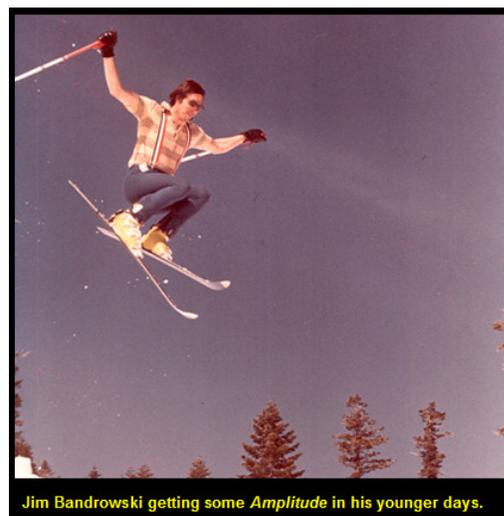
Wave Thinking and Leadership increases innovation in an organization whether it is at the strategy, product, service, process, quality, or other level. Our study of hundreds of innovations reveals that almost all start with a person or team digging deep to identify an unmet market need, taking a leap to an ideal solution, and then moving to complete the evaluation, planning, and implementation process to take it to market and reap. Dig deep, leap, then reap. Visiting both the positive and negative extremes is crucial in the innovation process. Your company’s *Innovation Amplitude* must be increased if you intend to out-think and out-implement your competition.

Unleashing an organization’s creative capacity enables everyone at all levels to join in the hunt for incremental, breakthrough and even disruptive innovations. *High Amplitude Leaders* inspire their organizations to invent and put into action inventive strategies and processes that amplify customer value while reducing costs. *Customer Elation* is the goal, not merely delight. A delighted customer might tell one other person. An elated customer can go viral.

Wave Thinking Can Enhance Many Leadership Competencies

Great leaders apply *Wave Thinking* and *Wave Leadership* to almost everything they do, and in particular to what I call the ten *Crucial Competencies of Remarkable Leadership*:

1. Strategic leadership
2. Marketing leadership
3. Financial leadership
4. Technology leadership
5. Process leadership
6. Change leadership
7. Organizational leadership
8. Facilitative leadership
9. Global Leadership
10. Self Leadership



Wave Thinking with Amplitude Motivates

Generation X and Y employees want meaning, and *Wave Leadership* can give it to them. They want to work for leaders and organizations that have huge *amplitude* aimed at a high purpose. Anything less to them is, I apologize for the B-word, boring. Give them the *Wave Leadership* they so desire and watch the ordinary deliver the extraordinary. And if you are smart or lucky enough to already have extraordinary people, you can change a bit of the world. Just ask Steve Jobs.

May breakthrough be with you.

Jim Bandrowski

Jim Bandrowski, president of Strategic Action Associates, is a global speaker, trainer and consultant on:

- *Wave Leadership*
- *Strategic Innovation and Planning*
- *Global Marketing*
- *Breakthrough Lean Six Sigma*
- *Strategic Cost Reduction*
- *Execution Excellence*

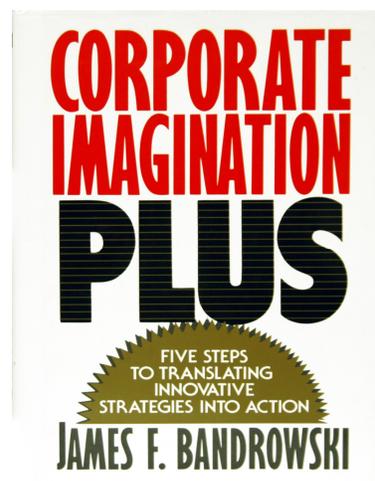
He helps organizations develop and implement breakthrough strategies and process innovations that achieve remarkable results. His clients include GE, Hewlett-Packard, Chevron, Exxon, Disney, Boeing, TRW, Electronic Arts, Merck, Saudi Aramco, Abu Dhabi Ports, Mazda, Andersen Windows, Kaiser Permanente, HealthNet, a wide variety of small companies, the U.S. Navy, state agencies, cities, and non-profit organizations.

Jim is the critically acclaimed author of *Corporate Imagination Plus: Five Steps to Translating Innovative Strategies into Action* published by Simon & Schuster. *Corporate Imagination Plus* was the first book written on how to put creativity and innovation into strategic planning.

“James Bandrowski’s system emphasizes action that helps companies beat their competition.”-- *Industry Week* magazine

“This book is for those wanting new momentum in their industries.” -- *Entrepreneur* magazine

“*Corporate Imagination Plus* sparkles with useful ideas on every page. Its points are driven home with apt quotations and vivid illustrations from the author’s many years of experience.”
-- J.D. Bonney, Vice Chairman of the Board, Chevron Corp.



“Bandrowski’s breakthrough is to realize that the essence of strategic planning and action is creativity. Bandrowski has long been the acknowledged master of this.” -- Michael Ray, Stanford Graduate School of Business, Author of *Creativity in Business*

[Click here to get a copy of Corporate Imagination Plus from Amazon.com, or go to StrategicAction.com](#)

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