



# *INTEGRATIVE THINKING*

► GROANING ►

## ***DIVERGENT THINKING***

- Generating a large number of raw ideas
- Assuming (even forcing) new perspectives on the problem or its subproblems

## ***CONVERGENT THINKING***

- Selecting, curating, critiquing, developing the most promising ideas into even better ones

# AGENDA

- Integrative thinking and convergence
- Example: Four Seasons Hotel and Customer Experience Design
- Student learnings!

*We look for lessons in the actions of great leaders. We should instead be examining what goes on in their heads—particularly the way they creatively build on the tensions among conflicting ideas.*

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## How Successful Leaders Think

by Roger Martin

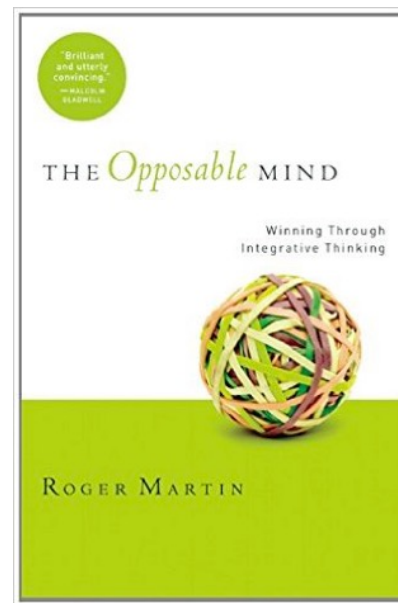
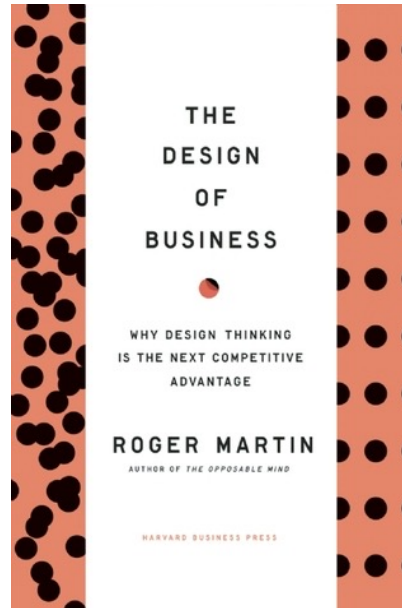
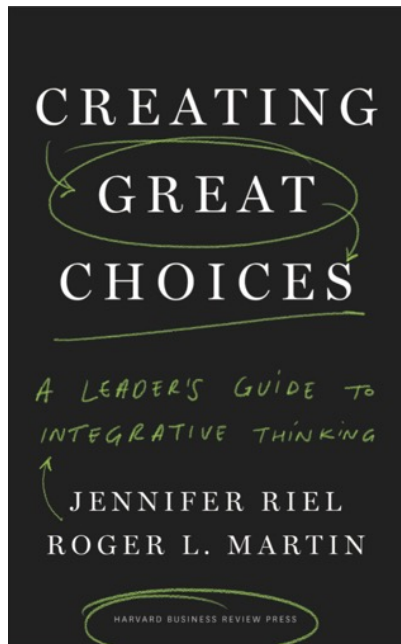
We are drawn to the stories of effective leaders in action. Their decisiveness invigorates us. The events that unfold from their bold moves, often culminating in successful outcomes, make for gripping narratives. Perhaps most important, we turn to accounts of their deeds for lessons that we can apply in our own careers. Books like *Jack: Straight from the Gut* and *Execution: The Discipline of Getting Things Done* are compelling in part because they implicitly promise that we can achieve the success of a Jack Welch or a Larry Bossidy—if only we learn to emulate his actions.

But this focus on what a leader does is misplaced. That's because moves that work in one context often make little sense in another, even at the same company or within the experience of a single leader. Recall that Jack Welch, early in his career at General Electric, insisted that each of GE's businesses be number one or number two in market share in its industry; years later he insisted that those same businesses define their markets so that their share was no greater than 10%, thereby

forcing managers to look for opportunities beyond the confines of a narrowly conceived market. Trying to learn from what Jack Welch did invites confusion and incoherence, because he pursued—wisely, I might add—diametrically opposed courses at different points in his career and in GE's history.

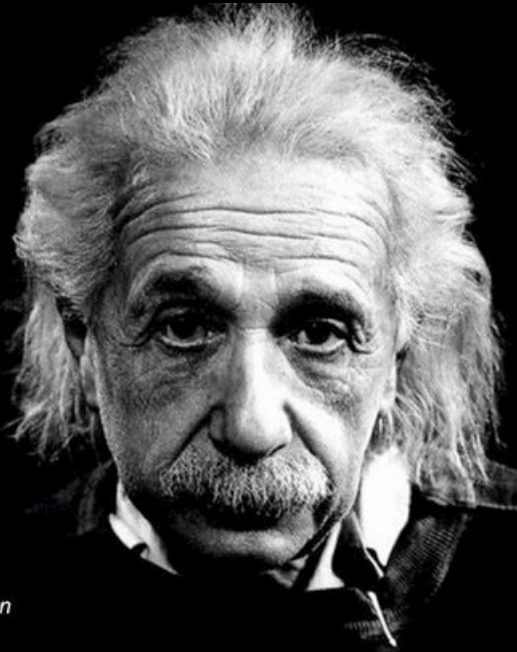
So where do we look for lessons? A more productive, though more difficult, approach is to focus on *how a leader thinks*—that is, to examine the antecedent of doing, or the ways in which leaders' cognitive processes produce their actions.

I have spent the past 15 years, first as a management consultant and now as the dean of a business school, studying leaders with exemplary records. Over the past six years, I have interviewed more than 50 such leaders, some for as long as eight hours, and found that most of them share a somewhat unusual trait: They have the predisposition and the capacity to hold in their heads two opposing ideas at once. And then, without panicking or simply settling for one alternative or the other, they're able to



"If I had an hour to solve a problem and my life depended on the solution, I would spend the first 55 minutes determining the proper question to ask, for once I know the proper question, I could solve the problem in less than 5 minutes."

- Albert Einstein



To me, ideas are worth nothing unless executed. They are just a multiplier. Execution is worth millions.

— Steve Jobs —

AZ QUOTES

# *INTEGRATIVE THINKING*

The ability to entertain  
opposing ideas or solution  
models beyond their trade-offs

(Martin, 2007)

## ***INTEGRATIVE THINKING***

***CAN YOU COME UP WITH  
EXAMPLES OF SUCH  
SYNTHESIS OR  
INTEGRATION?***



VISION 2020

# How This Millennial Entrepreneur Is Disrupting the \$10 Billion Wine Market

Mary McAuley abandoned a lucrative job in health care analytics to start her own wine label. Just three years later, she has two of the hottest wines on the market.



BY MAISIE DEVINE *CEO and co-founder, Savvy* [@Maisie\\_Devine](#)



1 COMMENTS



**One Question Site Survey**  
TAKES ONLY SECONDS TO ANSWER BELOW

Which of the following communication services have you heard of specifically for businesses?

SELECT UP TO 4 ANSWERS

- Vonage
- Fonality
- Verizon
- 8x8

**VOTE TO SEE RESULTS**

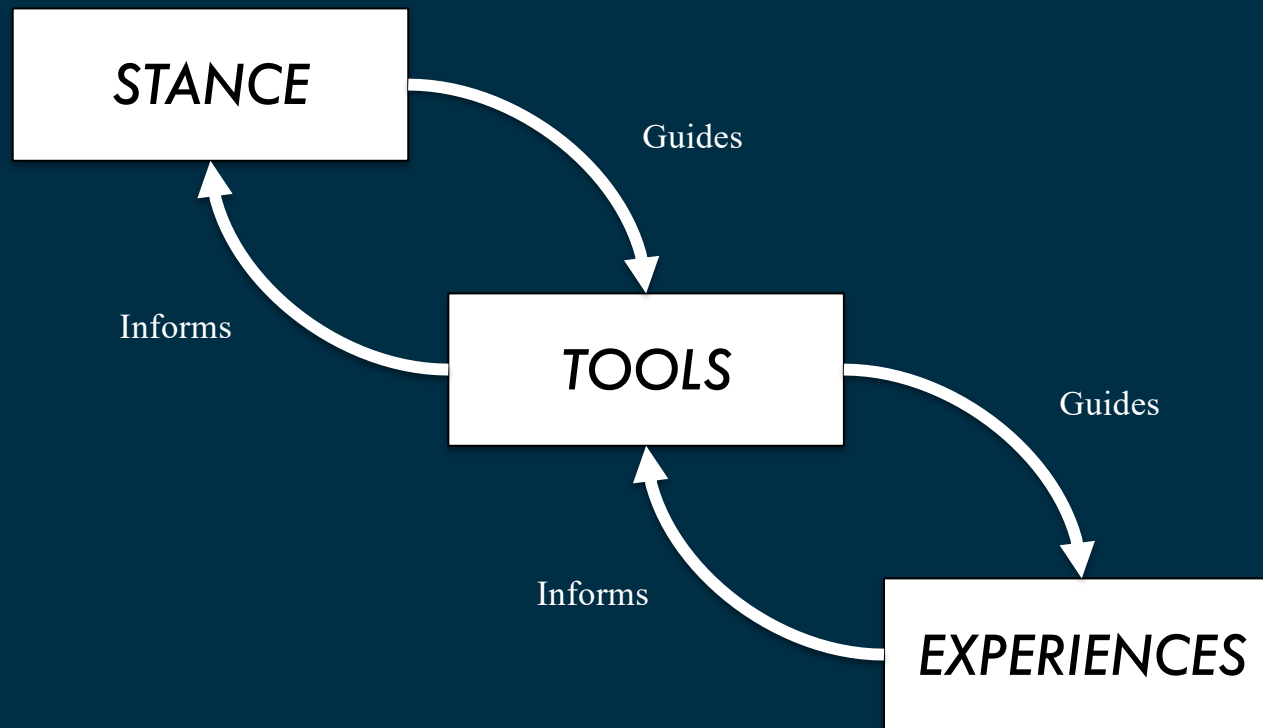
POWERED BY VIZU [VIEW PRIVACY POLICY](#)

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## TODAY'S MUST READS

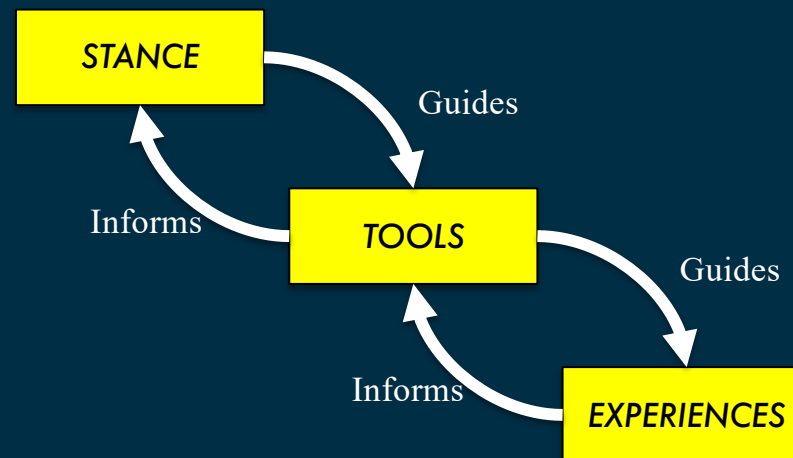
How Two Brothers Turned a \$300 Cooler Into a \$450 Million Cult Brand

# MARTIN (2009) INTEGRATIVE THINKER'S KNOWLEDGE SYSTEM



# MARTIN (2009) INTEGRATIVE THINKER'S KNOWLEDGE SYSTEM

- **STANCE**: Your view of the world and yourself in solving its problems
- **TOOLS**: Your toolkit of problem solving and organizing thought
- **EXPERIENCES**: Ability to reflect and improve self, build sensitivity



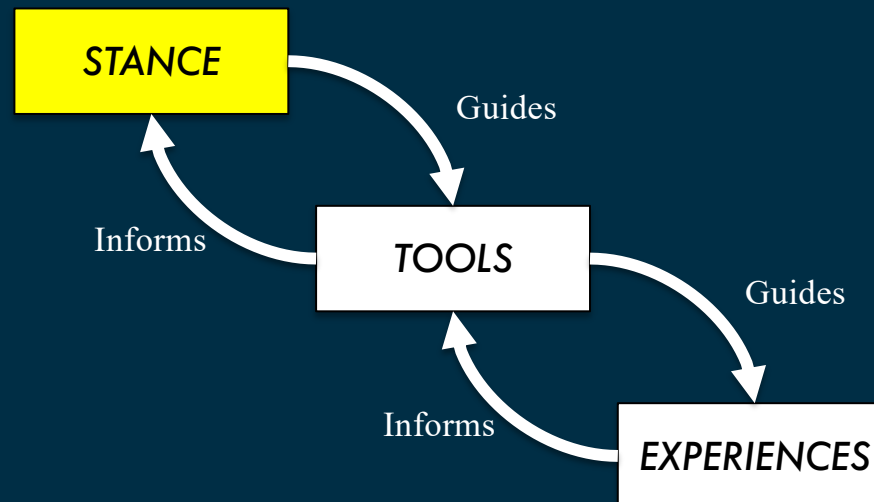
# STANCE

## *WORLD*

1. Existing models  $\neq$  reality
2. Leverage opposing models
3. Better models exist

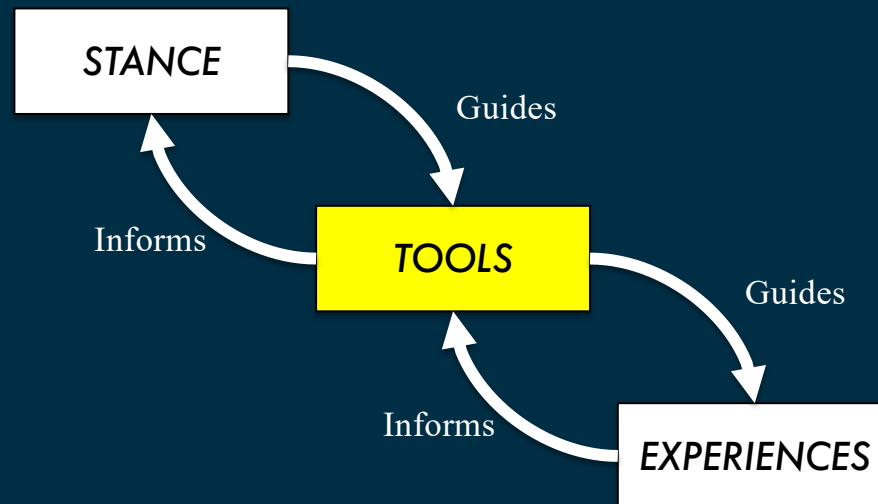
## *SELF*

4. I can find a better model
5. I wade into complexity
6. I give myself time to create



# TOOLS

1. Generative reasoning
2. Causal modeling
3. Assertive inquiry



## *MARTIN: ASSERTIVE INQUIRY*

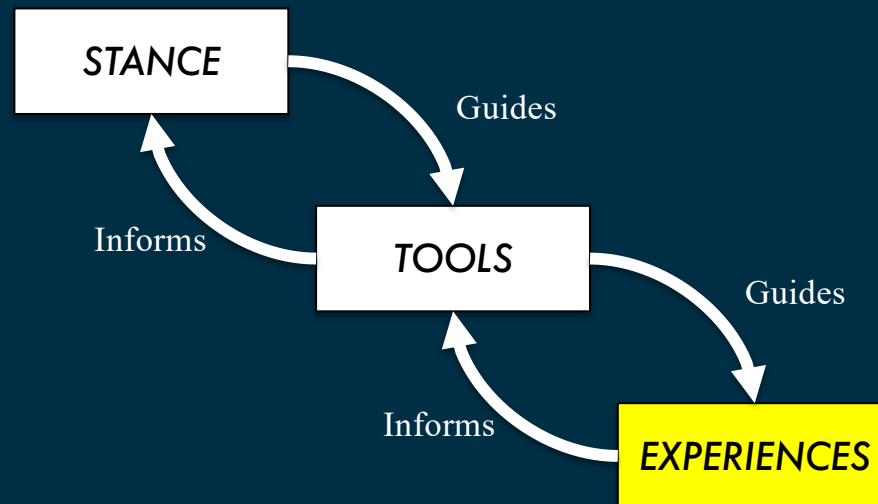
“When we interact with other people on the basis of a particular mental model, **we usually try to defend that model against any challenges. Our energy goes into explaining our model to others and defending it from criticism....** [Assertive inquiry] explicitly seeks to **explore the underpinnings of your own model and that of another person.** Its aim is to learn about the salient data and causal maps baked into another person’s model, then use the insight gained to fashion a creative resolution of the conflict between that person’s model and your own.”

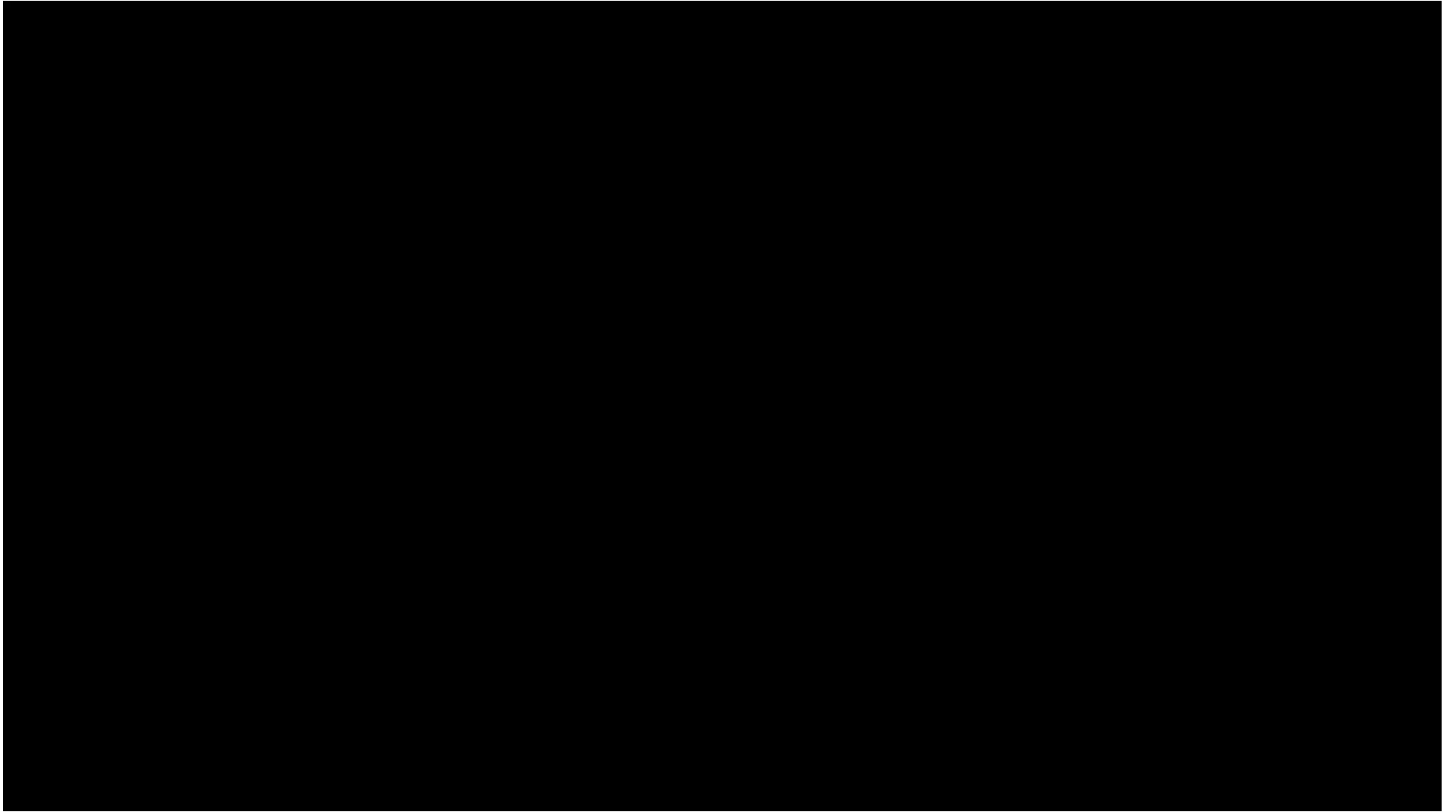
# EXPERIENCES

1. Deepening mastery

*and*

2. Nurturing originality





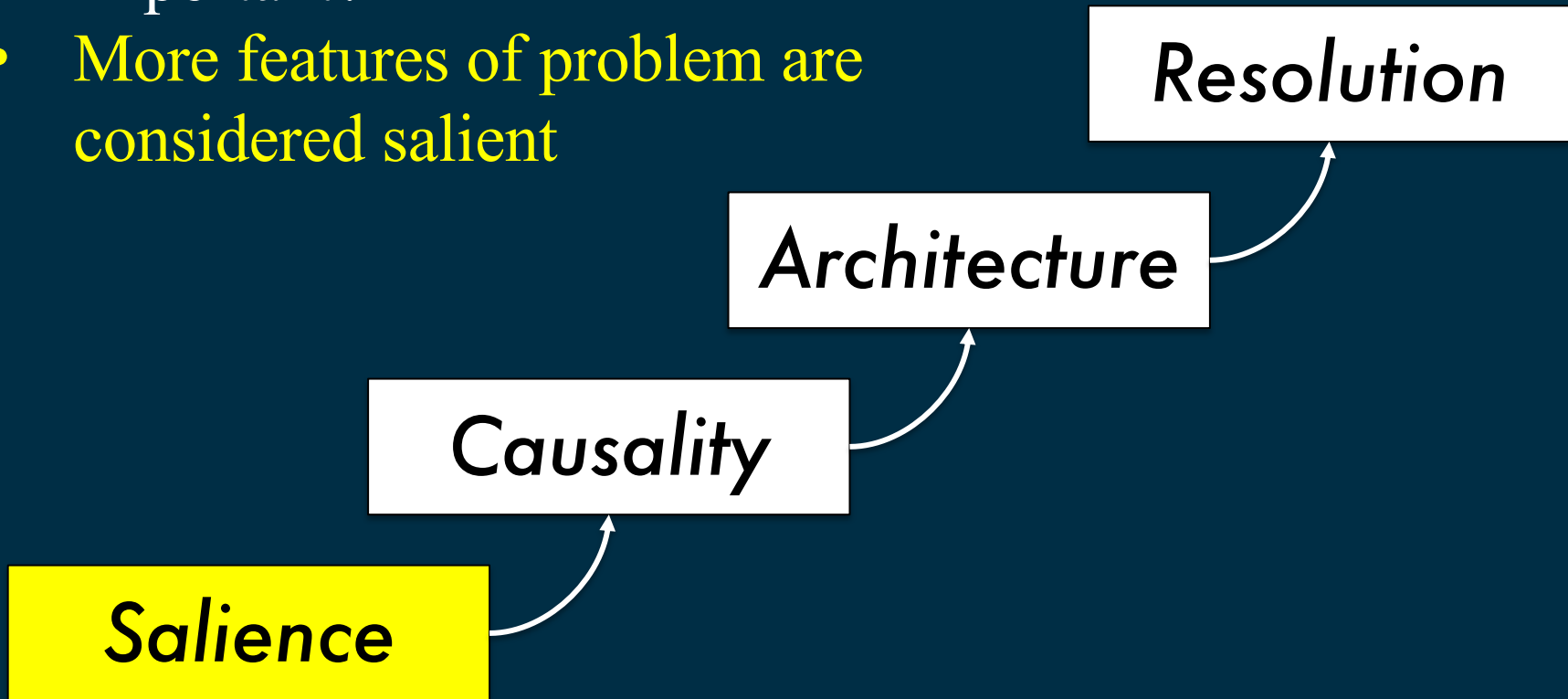


# Conventional Versus Integrative Thinking

When responding to problems or challenges, leaders work through four steps. Those who are conventional thinkers seek simplicity along the way and are often forced to make unattractive trade-offs. By contrast, integrative thinkers welcome complexity—even if it means repeating one or more of the steps—and this allows them to craft innovative solutions.

	1 Determining Saliency	2 Analyzing Causality	3 Envisioning the Decision Architecture	4 Achieving Resolution
CONVENTIONAL THINKERS	Focus only on obviously relevant features	Consider one-way, linear relationships between variables, in which more of A produces more of B	Break problems into pieces and work on them separately or sequentially	Make either-or choices; settle for best available options
INTEGRATIVE THINKERS	<b>Seek less obvious but potentially relevant factors</b>	<b>Consider multidirectional and nonlinear relationships among variables</b>	<b>See problems as a whole, examining how the parts fit together and how decisions affect one another</b>	<b>Creatively resolve tensions among opposing ideas; generate innovative outcomes</b>

- What features do I see as important?
- More features of problem are considered salient



HT get sponsors

HT differentiate followup

HT ensure everyone survives

IW people come to the follow-up

HT make the party a game

HT find 2 dates fit everyone

IW there's an APP for that.

HT surprise the organizer

HT keep everything a secret

ad good time  
comes friends  
jiujitsu  
memories

tion

edule

open up  
ets

such  
date

travel time

airbon f.p.

party

ful planning

IW it can federate ppl together

IW something different from the other events

IW it will be easy to organize

IW a "wow" moment

HT stick to budget

HT  $\emptyset$  get into trouble

IW everyone feels confident

IW it suits personality of the beach

HT make everything by yourself

HT prevent incident

HT know who invite?

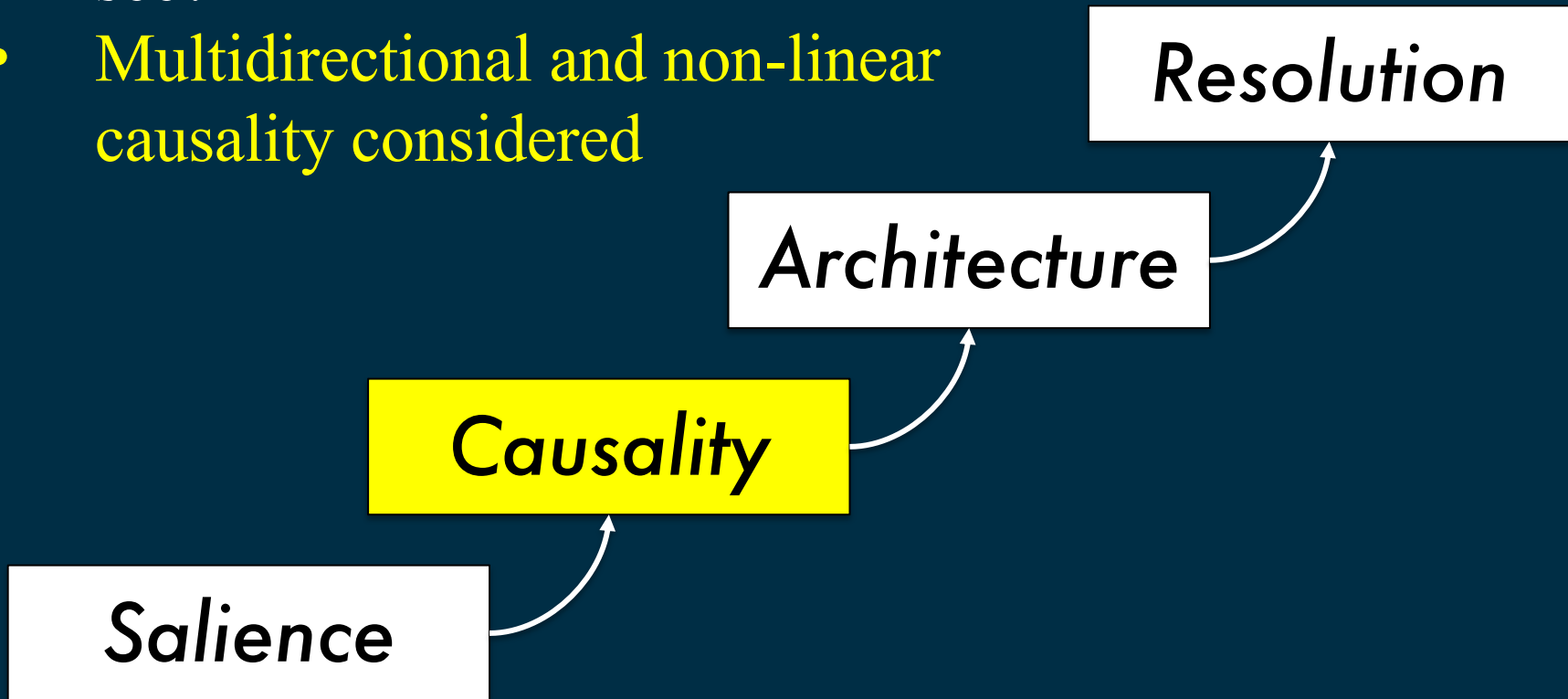
HT make sure everyone can attend

IW no one = disappointed

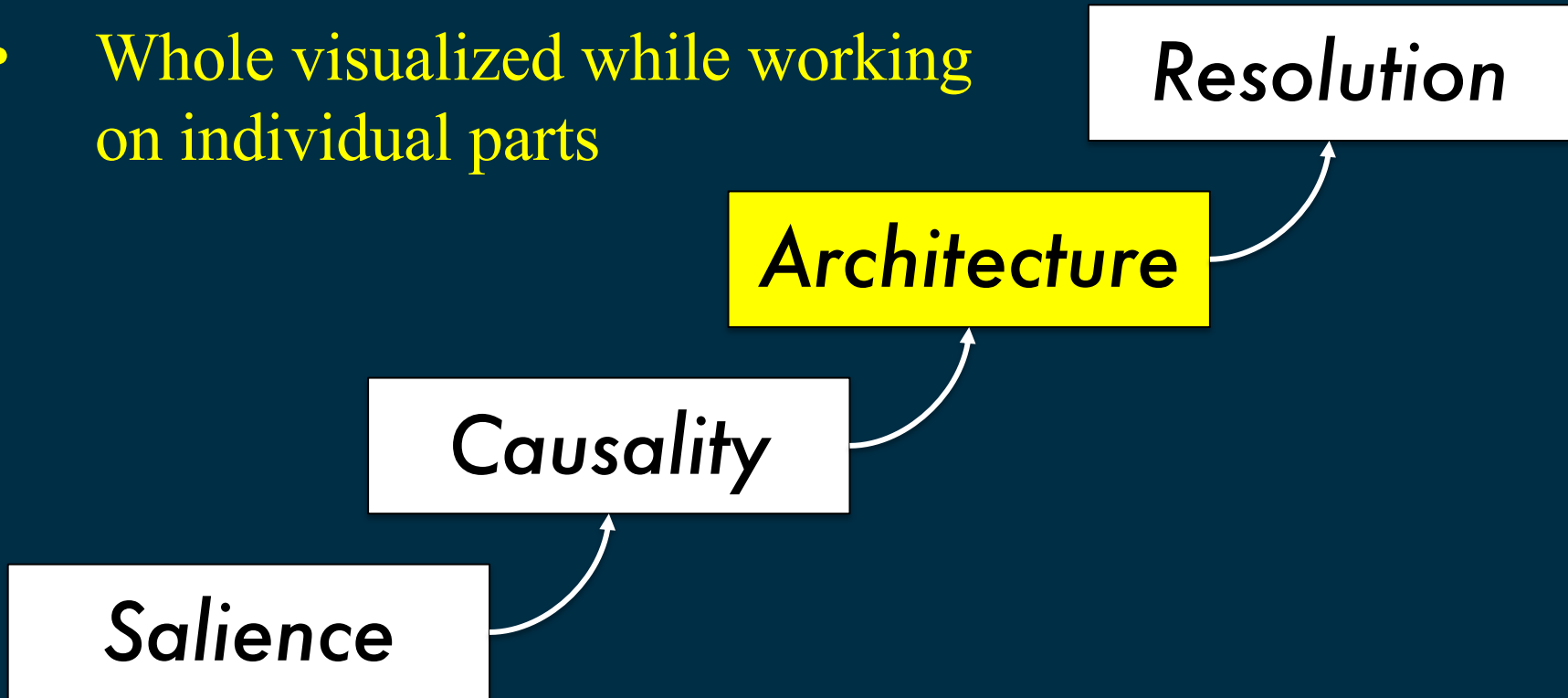
HT  $\emptyset$  hangover

HT to  $\div$  responsibility

- How do I make sense of what I see?
- **Multidirectional and non-linear causality considered**



- What tasks will I do in what order?
- Whole visualized while working on individual parts



IW I could take memory home & also laura

IW bachelorette party had team name and it's lame

IW there was professional's filming the event but they would be invisible

IW the party would meet expectations but avoid endless discussions

HT keep on schedule but not stress about it

IW party was wild but not to destroy wedding

HW make party affordable but luxurious

HW memorable but not shocking

HW find sponsors but without liabilities

HW have enough food but NO WASTE

HW minimize travel time but find new locations

HW to know everyone's availability but still surprise

IW everyone wore go pros & party didn't cost anything

IW there was apcas and also laura the everyone offline but still sponsors interested

IW to see aftermovie at the

IW to have enough food for all

IW it lasts all weekend

IW the party would be off other side of the world

HT stick to budget and get to travel

HT reuse the material but not human

HT make it perfect for the bride but involve her in the planning

HT share responsibility without creating

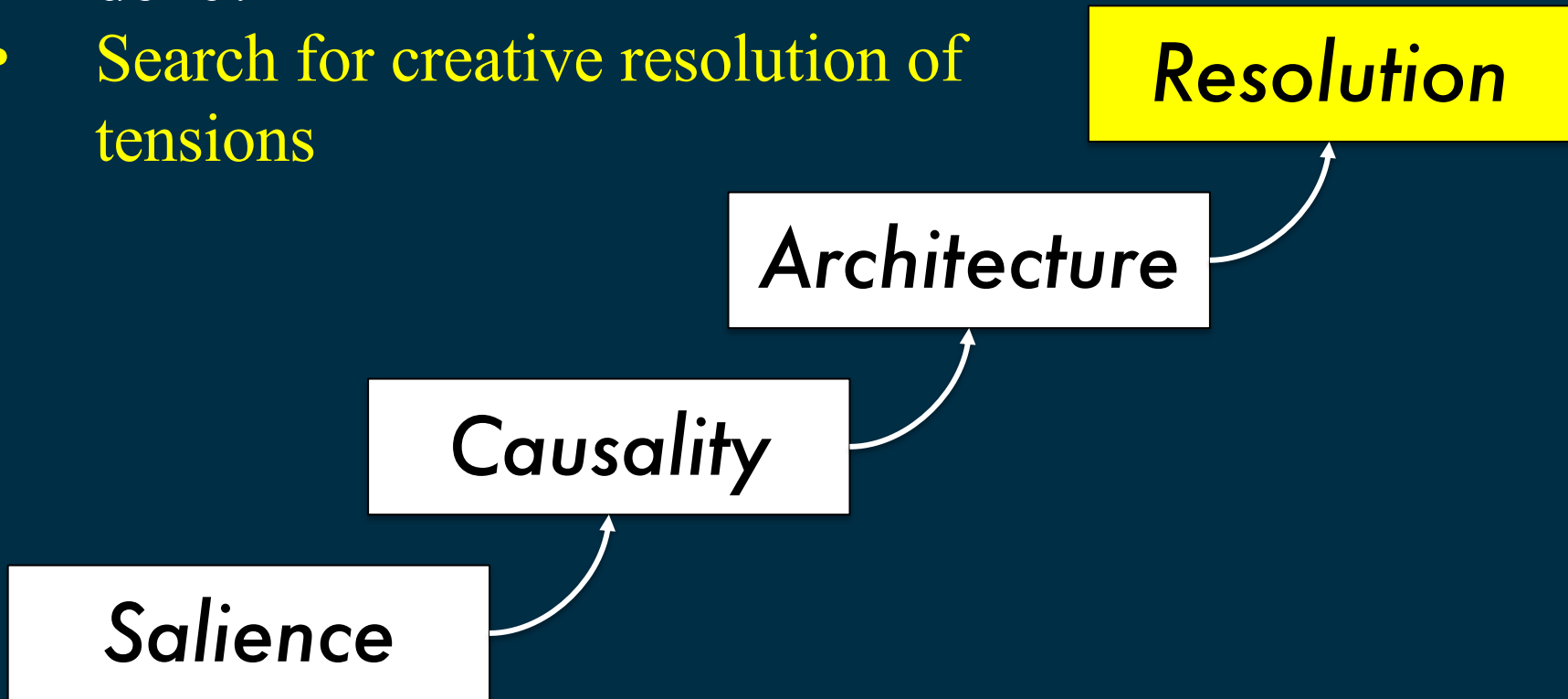
HT find a good theme that's not too k

IW ppl took pictures but wouldn't use social

IW there were jigsaws but also include children

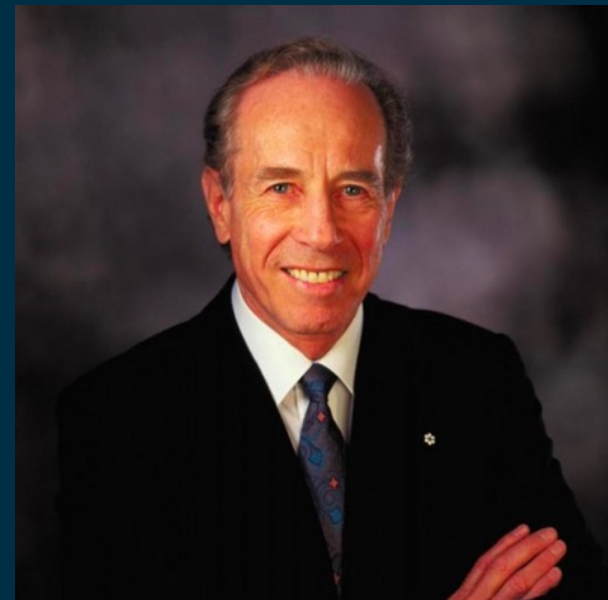
IW everyone could use the substances they make feeling the need to use them

- How will I know when I am done?
- Search for creative resolution of tensions



# CASE: *FOUR SEASONS*

- Isadore "Issy" Sharpe, founder of Four Seasons
- Long career in hotel industry, in various jobs – endowed him with a holistic perspective of how the hotel business works!

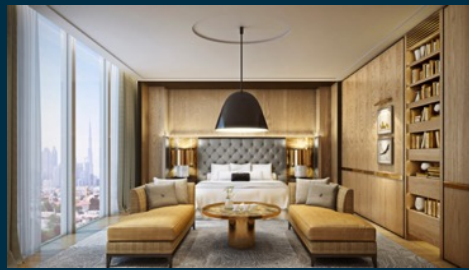




# OPPOSITIONAL DOMINANT LOGICS: BUSINESS TRAVEL PRIOR TO FS

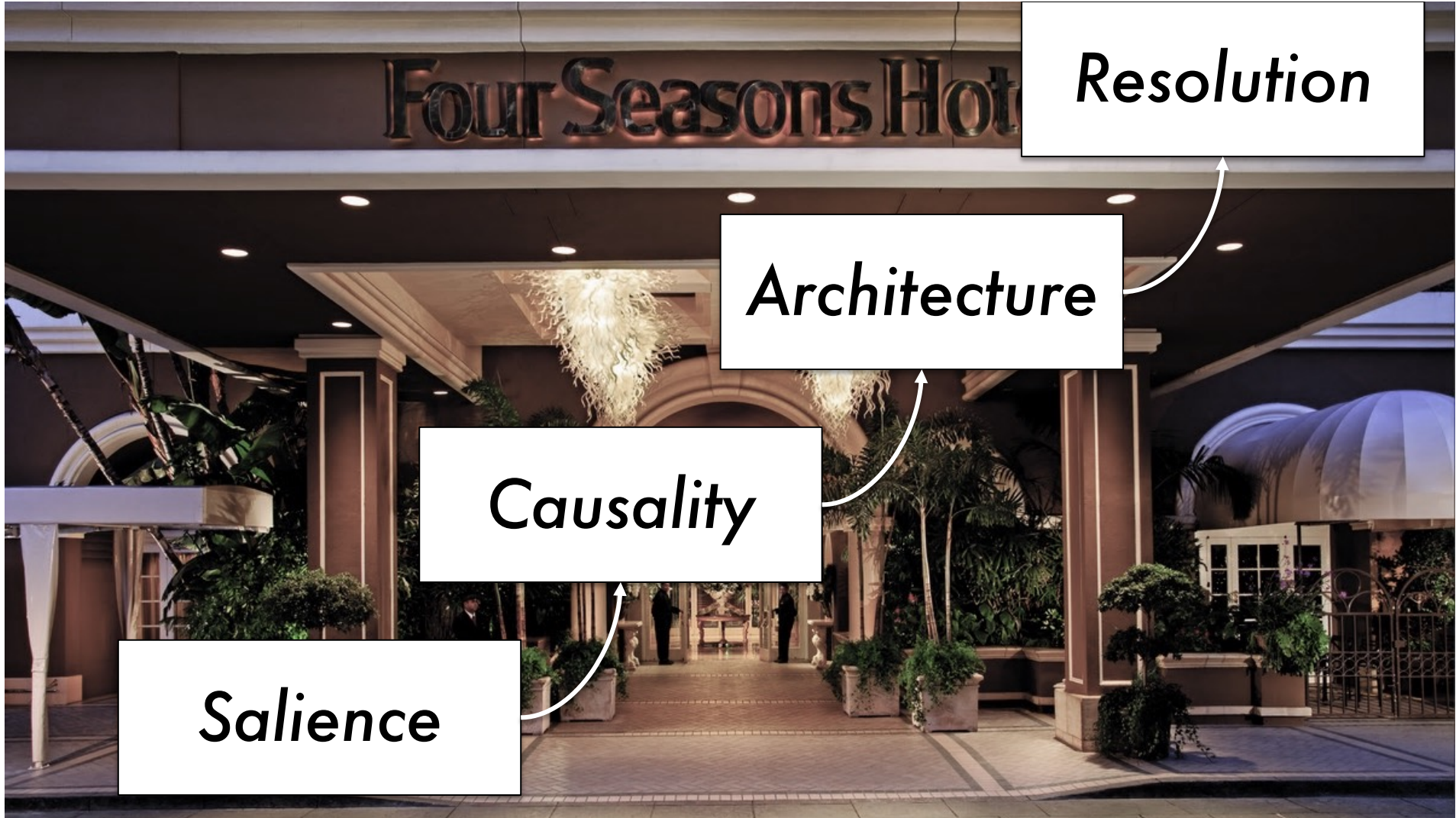
## HOTELS

- Expensive
- Amenities
- Big rooms
- Service
- Massive square footage



## MOTELS

- Cheap
- No amenities
- Small rooms
- No service
- Optimised square footage



Four Seasons Hotel

*Resolution*

*Architecture*

*Causality*

*Salience*

# CUSTOMER EXPERIENCE DESIGN



# CUSTOMER EXPERIENCE DESIGN



# CUSTOMER UNDERSTANDING: THE **REAL** NEEDS OF BUSINESS TRAVELERS

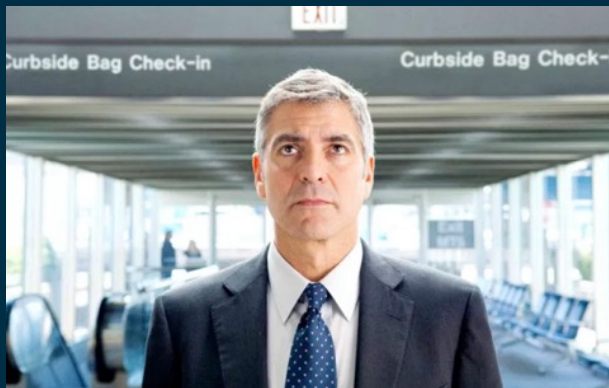
- Sharpe had and gained deeper insights through interviews, part. relating to the emotional side
- For many travelers, the big hotel rooms were alienating, "too nice" and too big
- Business travel is not glamorous; home sickness, rush, and sleep deprivation are constant companions
- People did not value the "shiny surface"; rather: speed, responsiveness, personalization, and empathy
- Smaller observations: business travelers "travel light" with a carry-on suitcase



# OUT-SPOKEN VERSUS DEEP EXPERIENCE

## Out-spoken

- "I want a lot and good service"
- "I am in a hurry"
- "Money is no issue"



## Deep Experience

- "I am home sick"
- "I do not like assuming a role all the time"
- "I am not being treated as a human being"
- "I am very tired"

# CUSTOMER EXPERIENCE DESIGN



# FS'S CAUSALITIES AND (EXPERIENCE) ARCHITECTURE

- Iron law in the hotel business: price has to work in relation to usage rate and the sale of amenities and extra services (A&ES)
- Big hotels finance their A&ES by having a lot of rooms → minimum of 170 is typical for a hotel meant for business travel
- Four Seasons justified its "too big" (and more expensive) A&ES level by tailoring it to business travelers' true needs
- Managing tradeoffs!





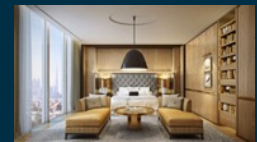
A photograph of a modern hotel room. The room features a bed with white linens and a red patterned throw, a desk with a chair, and a wall-mounted lamp. The room is decorated with wood paneling and a patterned wall. A semi-transparent white box is overlaid on the image, containing text.

## Four Seasons' innovations

1. Rooms were motel size, but decorated to be "homey"
2. Desk, two-way telephone, big reading lamp
3. Bathroom: shampoos on walls, hair drier, makeup mirror, bathrobes
4. Overnight shoe shining and laundry service
5. 24h concierge services
6. All hotels would be tailored according to local traditions and flair (especially restaurants)
7. Encouraging patronage of hotel restaurant over using room service (freeing up service people)
8. Outsourcing ownership of hotels, renting → managers were freed up to focus exclusively on improving customer experience

# EXPERIENCE ARCHITECTURE: FOUR SEASON'S PERSONNEL POLICY

1. More and more frequent training for personnel
2. Appreciating personnel (esp. during downturns)
3. Internal promotions and role circulation → employees are exposed to the entirety of the customer experience and understand their roles in it!
4. Customer and employee complaints were declared equal
5. Getting rid of the customer service department (!)
6. Removing service "scripting", giving employees more freedom (and responsibility!) to do the right thing

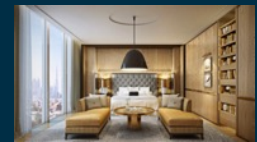


# CUSTOMER EXPERIENCE DESIGN



# DEVELOPMENT: FS'S MEASURES

1. Global sales and booking numbers
2. Local and global travel awards
3. Local online-information
4. Local guest databases (e.g., frequency, "lost customers")
5. Local employee retention rates
6. Recruitment numbers (number of applications, "best place to work" – surveys)
7. Global procurement, but local evaluation of cost and quality
8. External evaluators and mystery shopping, extensive and incentivized best practice sharing



- What are the most salient features of our problem?
- How do they relate to each other in a causal way?
- How do we design a solution where these causalities are addressed?
- How do ensure our solution is robust?

