



# *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**

# See Individual Assignment Instructions document on MyCourses: Brand Character Outline – March 10<sup>th</sup>, Midnight

- Make your brand into a real person and give them a “real name” resembling the brand name (see Marlboro è Marl Borough example on MyCourses).
- Your character background should, of course, be based on the “brand personality” of that brand. Think about the cultural meanings, associations, history, and maybe typical users of that brand. How would a real person “embody” these traits?
- The outline should feature the following:
  - 1. What is their personality like? (Brash and confident? Calm and calculative? Strong temper? Introverted or extroverted? Etc.)
  - 2. What was their past like? What were their important formative moments? What are their biggest regrets? How have these things shaped who they have become now?
  - 3. Where did they grow up? Surrounded by whom? With whom do they socialize now?
  - 4. What are (or were) they good at? What are they bad at?
  - 5. The essential question for your character is this: What do they want, and what do they need? And how are these two either the same, or different? What your character wants drives their actions in the story; what they need drives the story towards its conclusion.

# AGENDA

- **Perusall**
- **Integrative thinking and convergence**
- **Example: Four Seasons Hotel and Customer Experience Design**
- **Group Exercise**

CHRISTIAN MADSBJERG / MIKKEL B. RASMUSSEN

USING THE HUMAN SCIENCES TO SOLVE  
YOUR TOUGHEST BUSINESS PROBLEMS

# THE MOMENT OF CLARITY

HARVARD BUSINESS REVIEW PRESS

Why is default thinking is ill-suited for analyzing shifts in consumer behavior?

*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

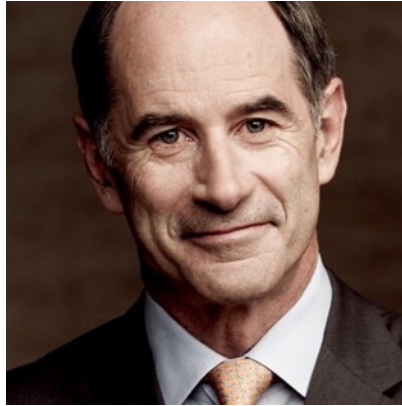
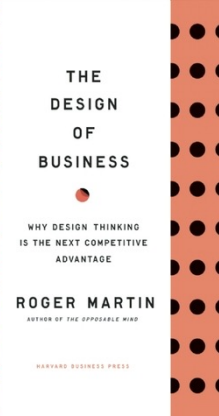
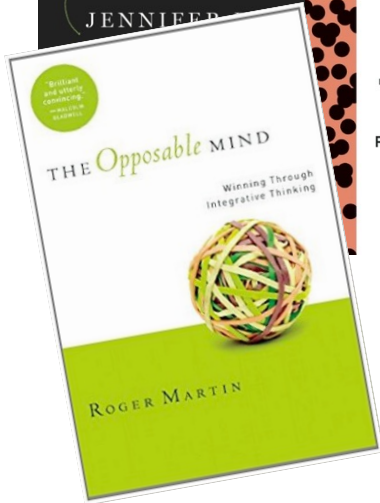
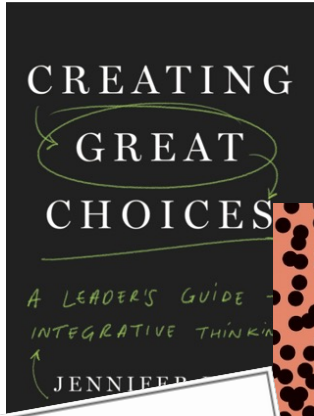
We are drawn to the stories of effective leaders in action. Their decisiveness invigorates us. The events that unfold from their bold moves, often culminating in successful outcomes, make for gripping narratives. Perhaps most important, we turn to accounts of their deeds for lessons that we can apply in our own careers. Books like Jack Welch's *Struggle 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 30%, 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—wilyly, I might add—diametrically opposed courses at different points in his career and in GE's history.

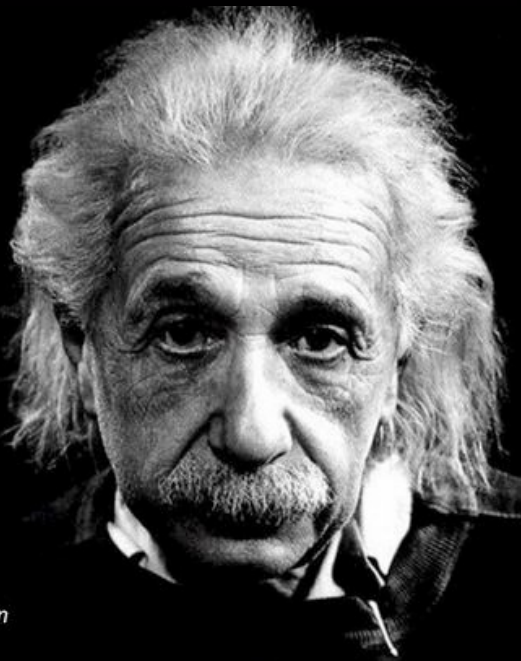
So where do we look for lessons? A more productive, though more difficult, approach is to focus on how a leader thinks—that is, to examine the antecedent of doing, or the ways in which leaders' cognitive processes produce their actions.

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)**



# 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. [↗](#)

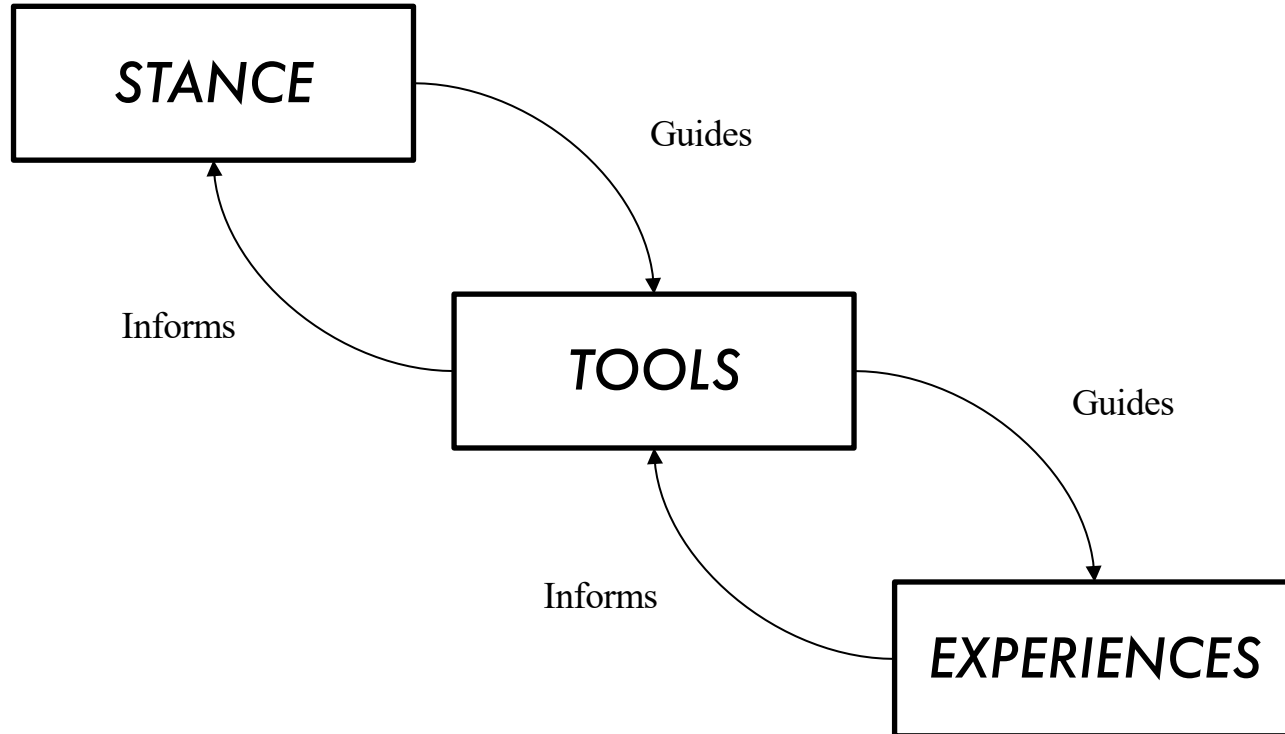
EXPERT OPINION BY MAISIE DEVINE, INVESTOR AT ZX VENTURES @MAISIE\_DEVINE

DEC 16, 2015

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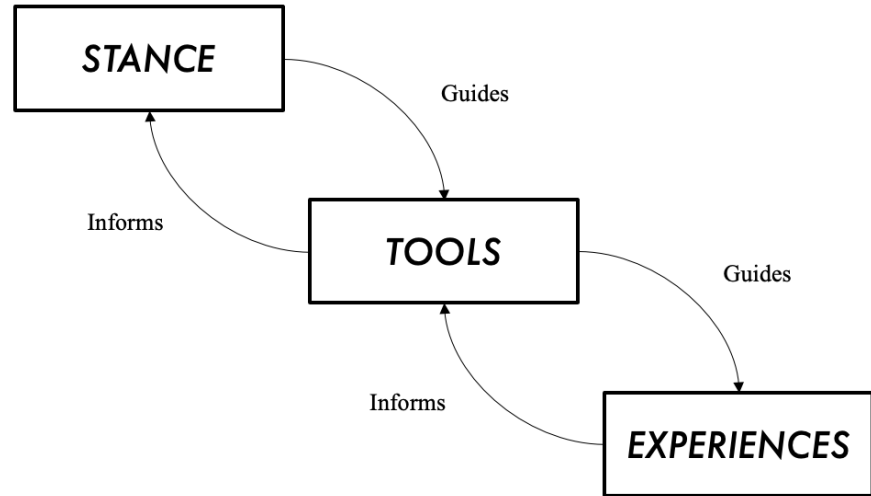


# MARTIN (2009) INTEGRATIVE THINKER'S KNOWLEDGE SYSTEM



# 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

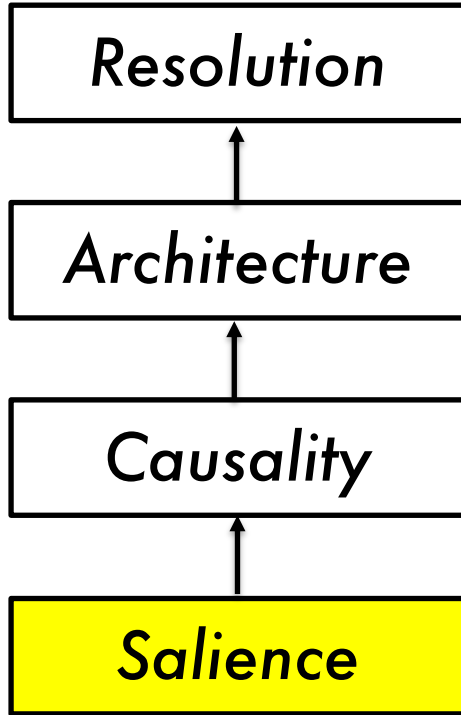


# Conventional Versus Integrative Thinking

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	Seek less obvious but potentially relevant factors	Consider multidirectional and nonlinear relationships among variables	See problems as a whole, examining how the parts fit together and how decisions affect one another	Creatively resolve tensions among opposing ideas; generate innovative outcomes

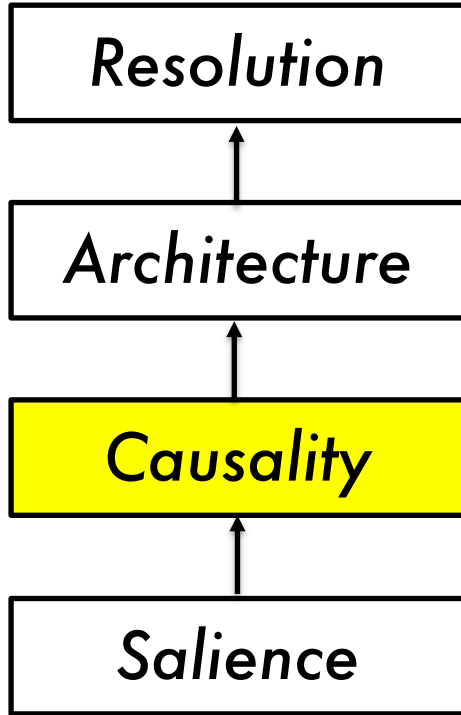
Imagine that you are making a summer holiday plan with your best friend



What features do I see as important?

- How much will each trip cost?
- What kinds of accommodation is available?
- Which destination is the most exotic and likely to offer the most unusual experience?
- ...

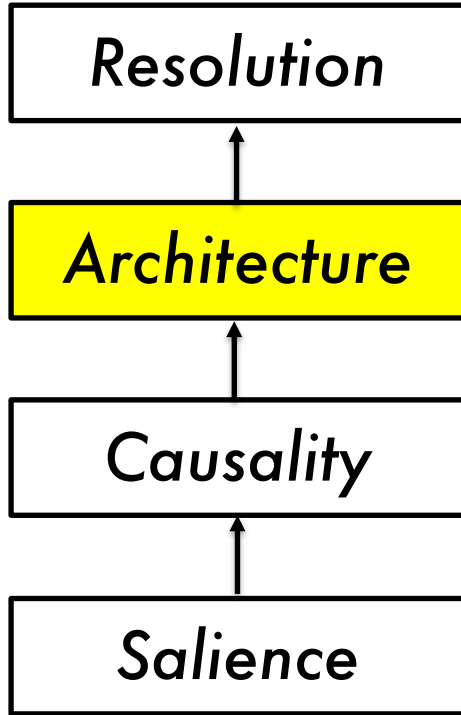
Imagine that you are making a summer holiday plan with your best friend



How do I make sense of what I see?

- Will a long trip cost more than a short one?
- Is a potential destination less safe because it's more exotic?
- ...

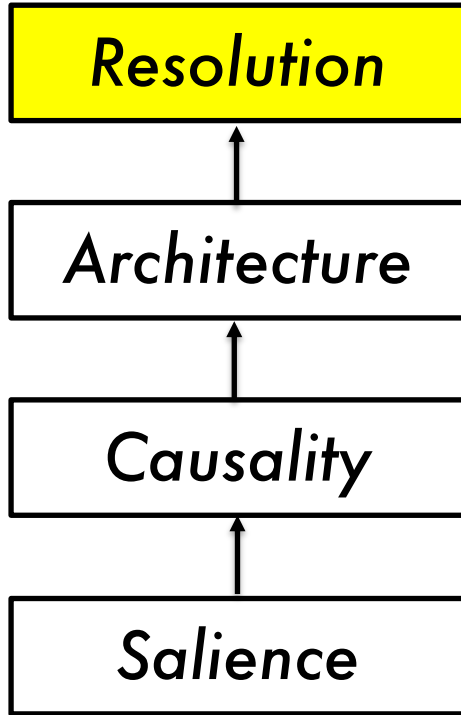
Imagine that you are making a summer holiday plan with your best friend



What tasks will I do in what order?

- First look at cost and logistics, then look at activities
- Look at activities first

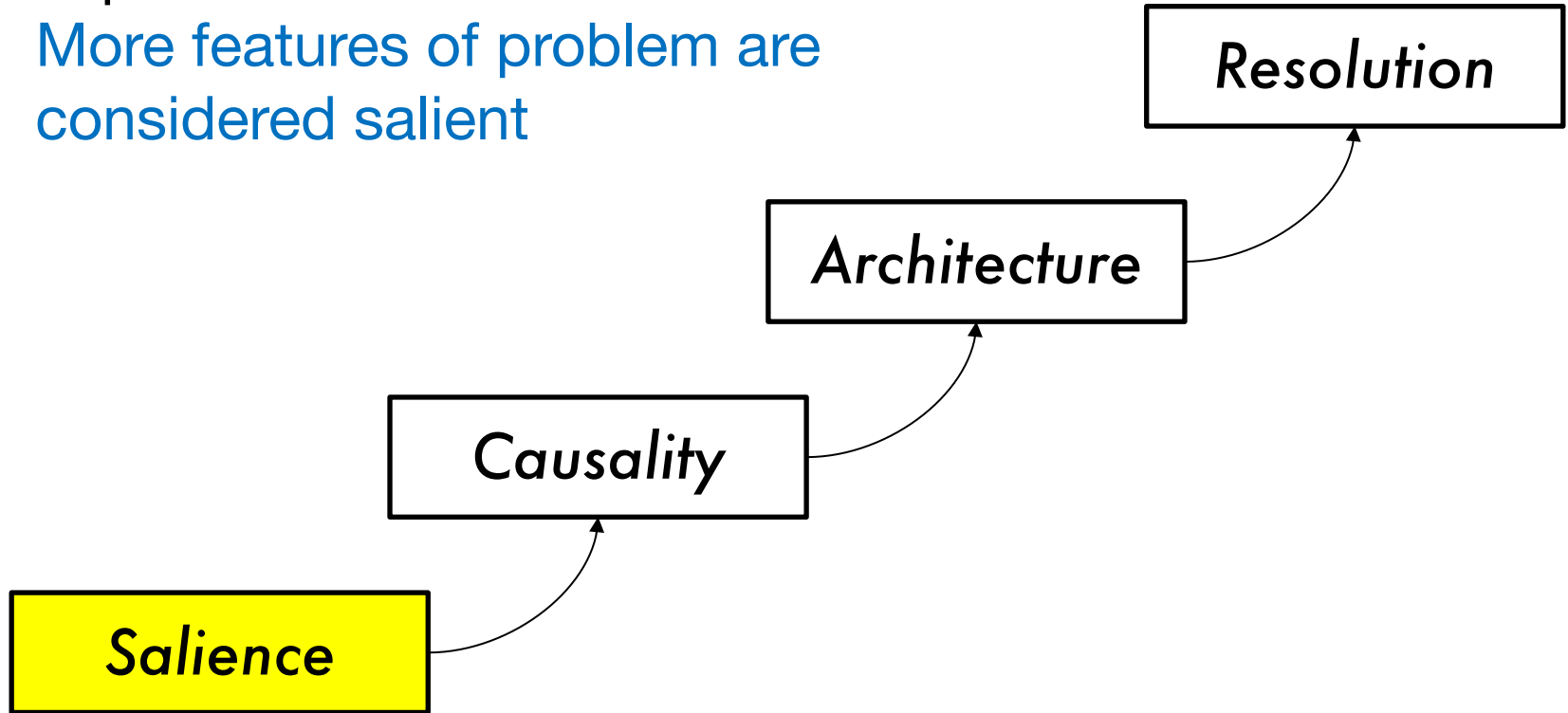
Imagine that you are making a summer holiday plan with your best friend



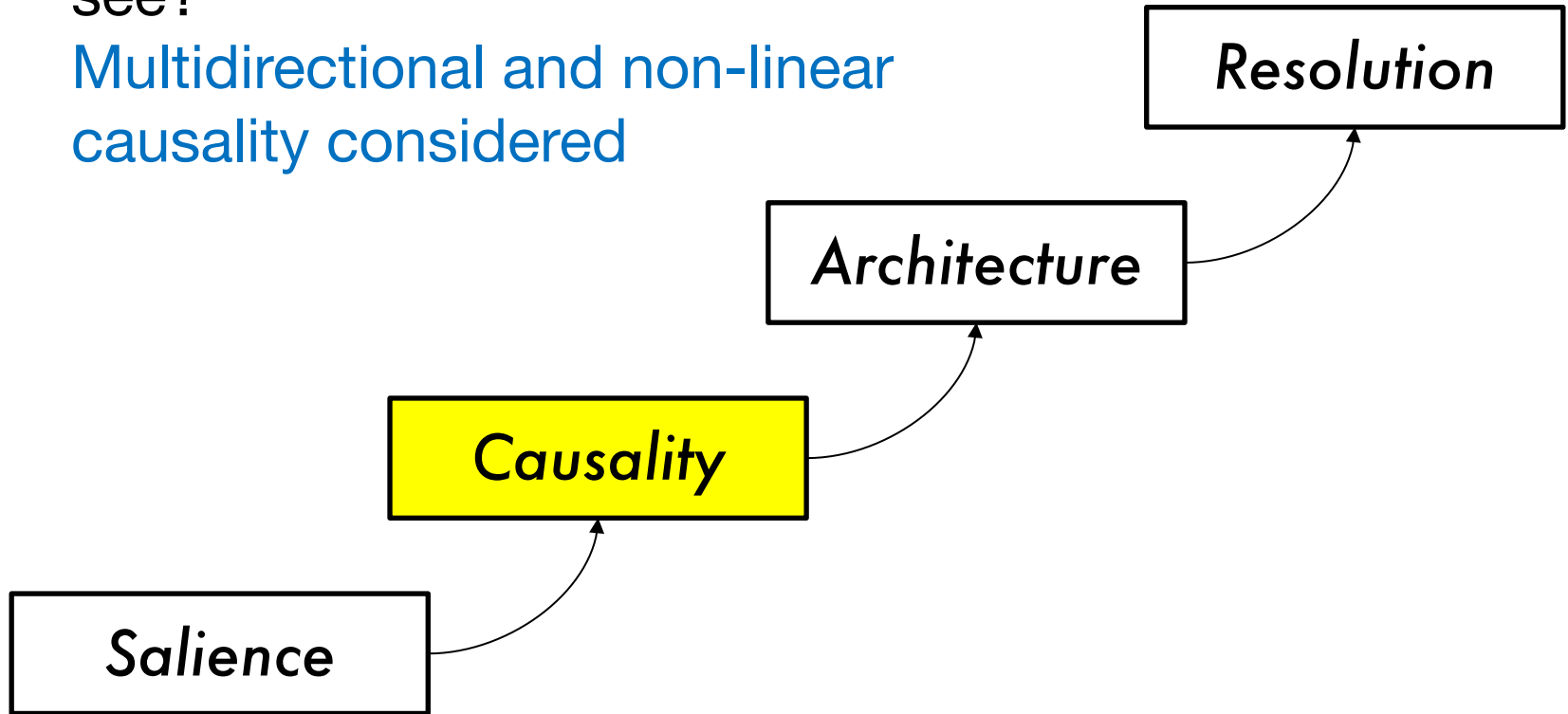
**With a different salience, causality, and architecture, you would most certainly arrive at a different resolution.**



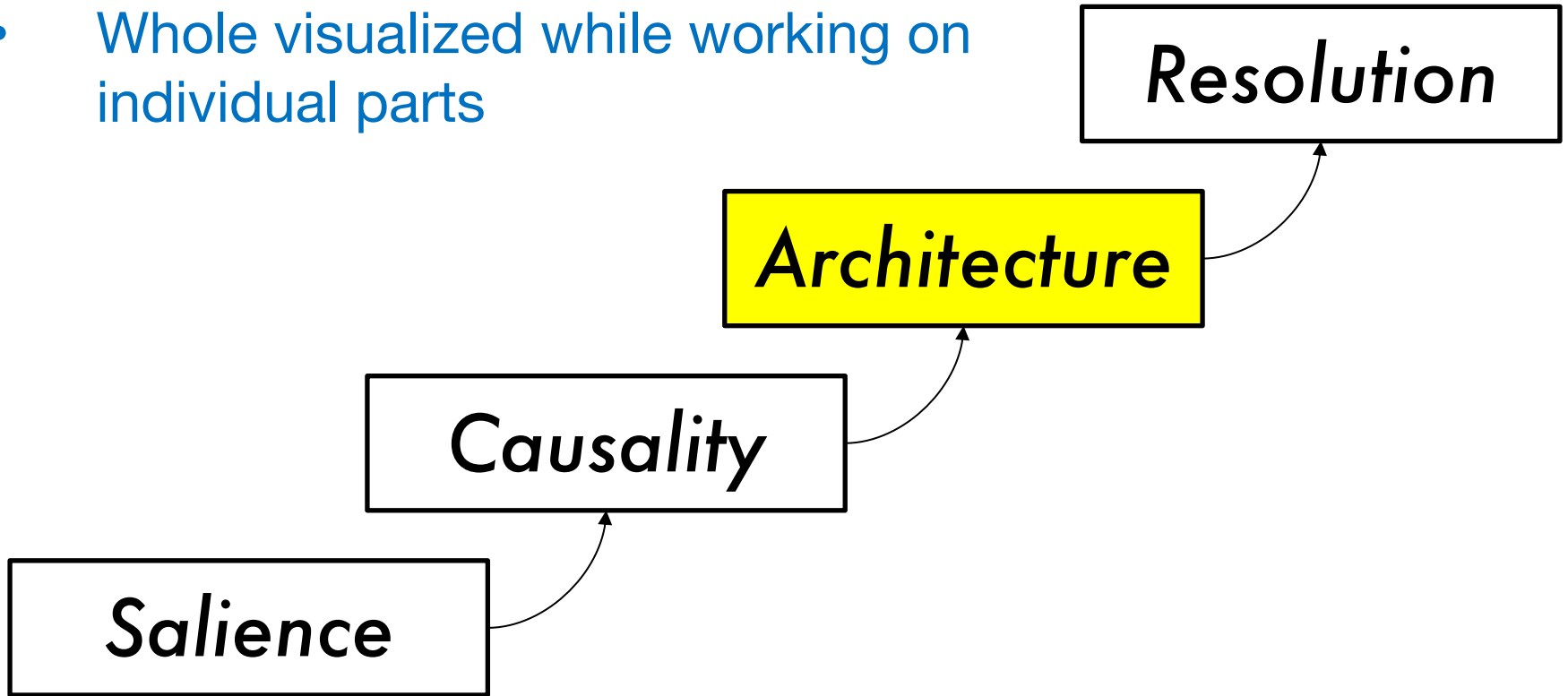
- What features do I see as important?
- More features of problem are considered salient



- 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



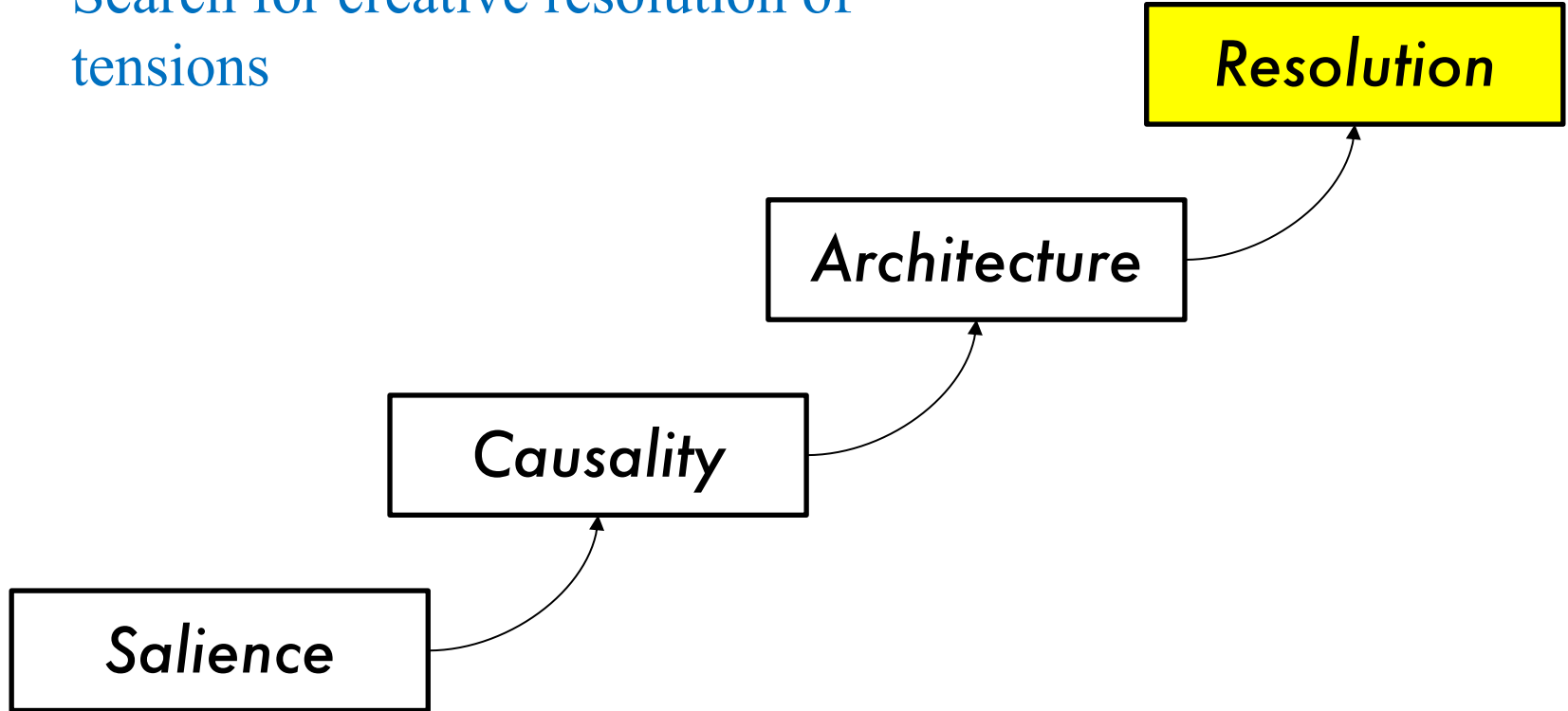
- How will I know when I am done
- Search for creative resolution of tensions

**Resolution**

**Architecture**

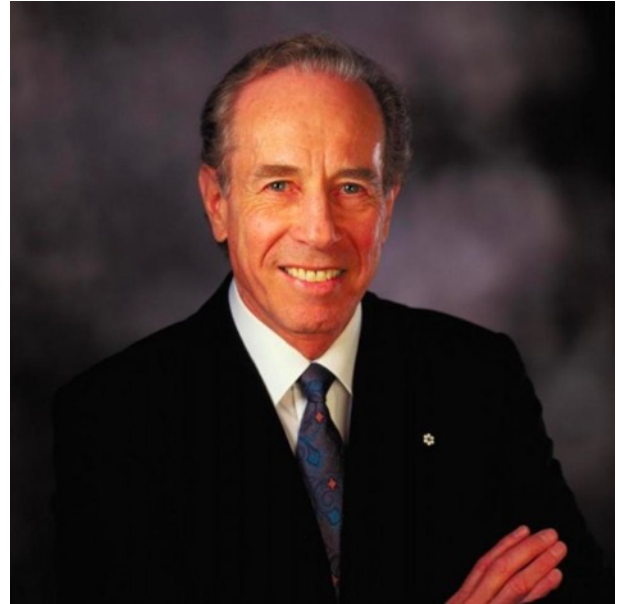
**Causality**

**Salience**



# 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



- **Sharpe wanted to combine the best of small motels with the best of large hotels.**
- **A medium-sized hotel is big enough to have amenities and still maintain a sense of intimacy.**
- **Issue: It's not viable. It's the same price as competitors, but it's a smaller hotel, so there's less profit.**
- **Idea: Premium price for better service!**
- **New challenge: Four Seasons has to offer an entirely different kind of service.**

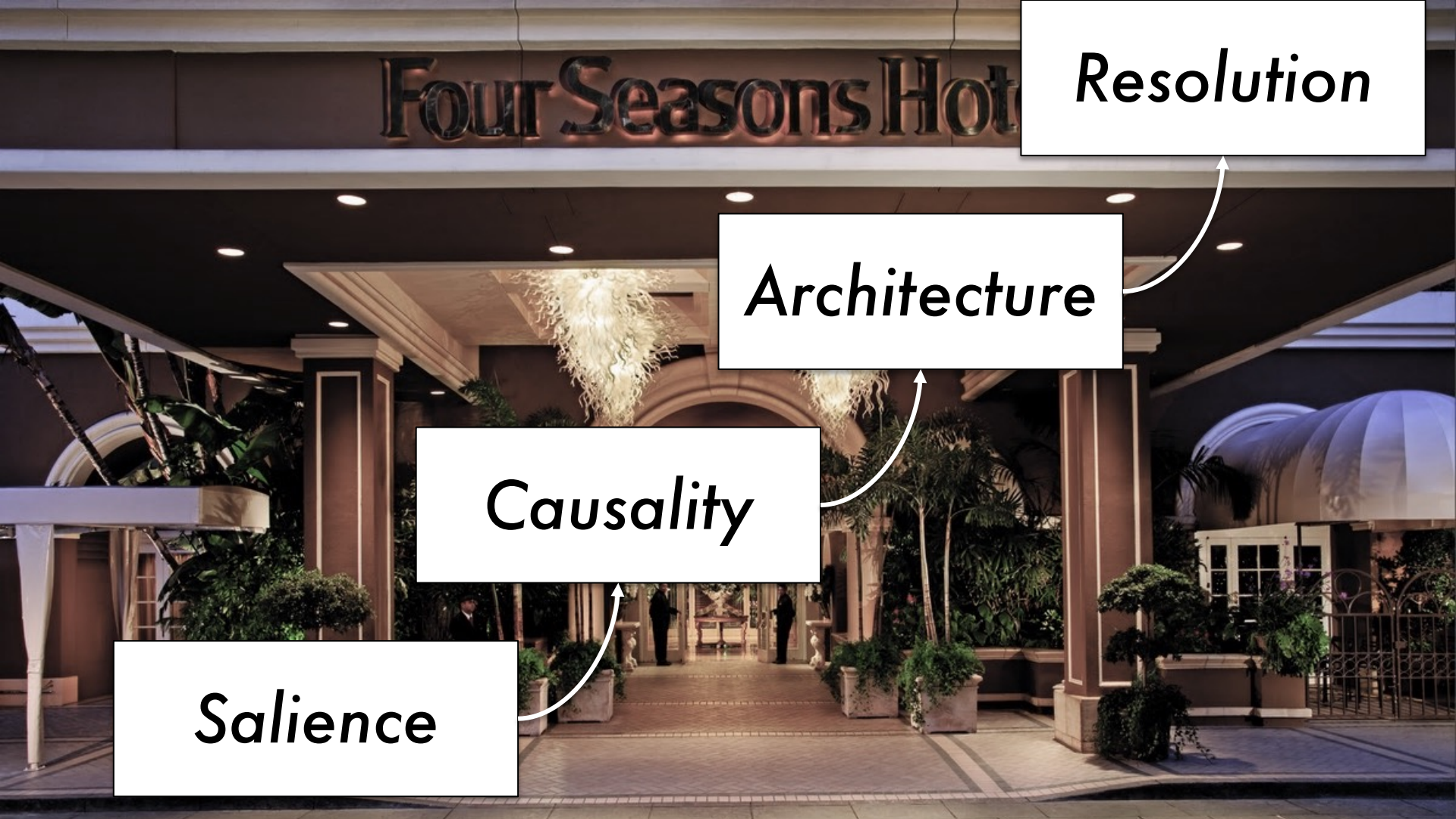
Four Seasons Hotel

*Resolution*

*Architecture*

*Causality*

*Salience*





# CUSTOMER EXPERIENCE DESIGN

```
graph LR; A[Customer understanding] --> B[Experience causalities]; B --> C[Experience architecture]; C --> D[Continuous development]
```

The diagram is overlaid on a photograph of a hotel lobby. The lobby features a central walkway with a tiled floor, flanked by large potted plants and classical architectural elements like columns and arches. The ceiling is high with recessed lighting and decorative light fixtures. The overall atmosphere is warm and elegant.

*Customer understanding*

*Experience causalities*

*Experience architecture*

*Continuous development*

# CUSTOMER EXPERIENCE DESIGN

```
graph TD; A[Customer understanding] --> B[Experience causalities]; B --> C[Experience architecture]; C --> D[Continuous development];
```

*Customer  
understanding*

*Experience causalities*

*Experience  
architecture*

*Continuous  
development*

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

- Sharpe had and gained deeper insights through interviews - 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



# ***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"

**Conventional approach:  
replicate everywhere**

**Four Seasons: one size  
does not fit all**



# CUSTOMER EXPERIENCE DESIGN

*Customer  
understanding*

*Experience causalities*

*Experience  
architecture*

*Continuous  
development*

# 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
- Give a good reason for the high prices -> then you can offer good amenities. **What is the good reason here?**
- Four Seasons justified its "too big" (and more expensive) A&ES level by tailoring it to business travelers' true needs



## 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 service
6. All hotels would be tailored according to local traditions and flair (especially restaurants)
7. 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

*Customer understanding*

*Experience causalities*

*Experience architecture*

*Continuous development*

# ***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?

