


## CHAPTER ONE

# Why Power Thinking Is a Must and Not a Should for Leaders



When we were growing up, we used to watch episodes of *Perry Mason* on television. Although we knew that Mason's client did not commit the crime, we hung in suspense waiting to discover who the guilty culprit was. Unlike our experience with that program, you will not have to wait until the end of this book to learn our message. It is both a clear and simple one: by enhancing your thinking skill, you will become a better leader, and your organization's performance will concurrently improve.

We can make this assertion about both you as a leader and your organization based on what we have repeatedly witnessed firsthand over the past decade. The strategies that we present in this book have already brought success to numerous professionals by giving them the tools they needed to become power thinkers. We recognize that using these strategies designed to improve your cognitive processes will involve making changes in your life. We also know that change is uncomfortable for many people. It means forsaking long-established modes of behavior as well as some facets of your personality that have brought you a certain degree of past success. Nevertheless, we contend that the strategies set out in this book will enhance you not only as a

leader but also personally. We believe you will become happier, more confident, and more satisfied with yourself and your life. This book can help you experience increased success in your work and derive appreciably more enjoyment from it.

## WHAT IS A POWER THINKER?

The term *power thinker* describes the skill levels that exemplary leaders possess and regularly use in the performance of their responsibilities. It connotes not only the high level of proficiency they have in the area of thinking but also the manner in which they employ cognitive strategies in their actions as leaders.

In our initial research, we studied 346 individuals who were highly efficient in thinking skill ability and use. In addition, the organizations that they led had high levels of performance. They were characterized by being the top-performing unit in their organization, and competitors emulated their practices. Since our initial study, our efforts have greatly expanded relative to the number of such individuals whom we have both identified and helped to develop. In the past decade, we have worked with over twenty thousand people in business, government, health care, education, and nonprofit organizations.

We found that these individuals, despite working in different professions and having diverse experiences and educational backgrounds, were remarkably similar in that their exceptional level of skill in each dimension of thinking was quite evident to subordinates as they engaged in decision making, problem solving, and creative thought. We noted too that their anticipation of change was an integral part of their leadership strategy.

Our research has also revealed that power thinkers possess exceptional ability in the three major thinking domains of reasoning, insight, and self-knowledge and are highly skilled in the internal and external processes that constitute them. *Internal cognition* refers to the mental strategies used to develop highly effective decisions, problem solutions, and creative thought. *External cognition* refers to the actions these individuals take as a consequence of the thoughts that emanated from their internal cognition.

*Reasoning* is the mind's way of consciously taking thoughtful actions. The leaders we studied can identify the causes of problems rapidly, correctly delineate the pluses and minuses of possible initiatives and choices, and finish assigned tasks on time regardless of the

effort required. They are people to whom both superiors and subordinates frequently come for advice.

We found that exceptional leaders also were quite proficient in *insight*, which is the ability to know and act without prior conscious thought being given to that action. These leaders, when required to make an instantaneous decision, had an exceptional ability to develop instinctively a new and better course of action. In fact, when given choice A or choice B, they would often envision choice C, which was appreciably superior to either of the other two options. We found that they were able to capitalize on the changing conditions that their organizations faced. When their unit or organization had to initiate a new action as a result of external circumstances, they could quickly devise a positive response to the new condition. In addition, they frequently were the catalysts for the change itself. These leaders were skilled at correctly predicting situations that would take place, and as a consequence, their unit or organization often took actions that placed them in front relative to changes rather than in a reactive position.

These exemplary leaders too had excellent *self-knowledge*, by which we mean clearly defined and well-known attitudes and beliefs. Because they were such open books, there was no reticence on their part to talk and share their ideas and experiences with others. They let subordinates and superiors know what they thought and felt about an issue under consideration. They were quickly comfortable in any environment, giving them a real advantage.

We discuss each of these domains in Chapters Four through Nine. Although we present them separately, there are ample instances when they overlap with one another and work in concert.

In the subsequent chapters of this book, we also identify twenty-three thinking subskill components of these three domains. The outstanding leaders we studied regularly and effectively use these subskills. The focus with these subskills is much narrower than that of the domains. When you use them, they will enable you to understand more concretely how enhanced thinking can improve your efforts in areas such as decision making and problem solving.

## WHO IS A POWER THINKER?

Jack Covert, the founder and president of 800-CEO-READ, probably knows more about leadership and facets of business than any other person in the United States does. In 1984, he began his career in book

sales with an unorthodox approach: he would fill his car trunk with business books and then visit local corporations in the hope that they would buy the books that he was selling.

Today, Covert's company, which is located in Milwaukee, is a far cry from its rather humble origins. It is America's leading direct supplier of business literature and has more than ten thousand corporate and organizational clients nationwide. The company's monthly Top Twenty-Five list of best-selling business books is a frequently cited standard against which a book's popularity is gauged, and the list is distributed to more than six hundred newspapers through the Knight Ridder/Tribune News Service.

Despite the tremendous success that Covert and his company have enjoyed, those early experiences in selling books are very much a part of how he acts and how the company operates. Covert describes his company as a "customer service business that sells books very, very well." Unlike some leaders who merely mouth the words *customer service*, Covert and his team go to great lengths to respond to the needs and wishes of all customers, regardless of whether they are buying a single book for the first time or are large corporations that regularly purchase sizeable quantities of the books he is selling. He also strives to respond to all requests, whether they come from friends, subordinates, or complete strangers. Finally, Covert believes that his actions should be guided not by whether something might be profitable but whether it is the right thing to do.

Covert, like other outstanding leaders, is strong in all three of the domains that constitute thinking. Let us first consider reasoning, which is the mind's way of consciously taking thoughtful actions.

An important part of Covert's decision-making process as to where his company will or will not head is his daily use of a tracking strategy. He gets a great deal of the data that he uses to make decisions from walking around the company and talking with associates and hearing what books are being ordered. Covert also asks about the types of books that customers say they are looking for, even if they have no specific title in mind. As a result of these strategic conversations, he makes decisions as to what books his company will purchase so that it can more ably respond to customer demands.

What Covert does is much more than a version of managing by walking around: he concurrently keeps his company's financial resources flexible so that they can be used as winning opportunities arise. It was this strategic flexibility that gave him the idea for what

has become an important part of his business: his company's superb relationships with authors. Here is what occurred.

Covert attended an event in which the coauthor of a book was signing autographs. The author told Covert that he had orders for books, but they were going unmet because his book's publisher was unable to fill them in a timely manner. Covert told the author that he might be able to help. When he returned to his office, Covert had his staff buy all the copies of the book from every wholesaler they could identify. The effort yielded over seven hundred copies of the book. Some people thought the company would be saddled with unsold copies of the work. Instead, all of the books were sold within three weeks. This experience led to a new part of the business: 800-CEO-READ now contacts authors about its services, and many of them regularly work with the company in the sale of their books.

The second domain in which outstanding leaders are strong is insight—the ability to know and act without prior conscious thought being given to an action.

Covert, insightful in numerous ways, uses two strategies often and especially well in the performance of this skill. Covert often comes up with what he calls “half-baked ideas”—seeds of ideas that are initially planted in his mind after he has read something. He continues to think about the idea while he is walking by himself or playing computer games late at night. After revising the idea in his thought process, he shares it with associates. They discuss the “half-baked idea” at length and as a group decide if the idea should be kept as is, altered, or discarded. Covert laughingly says that about 90 percent of his ideas “never see the light of day” as far as implementation goes. Nevertheless, some of the company's greatest accomplishments have come as a result of this thought process.

Covert, who was once called a “prophet” by former Doubleday/Currency editor Harriet Rubin, regularly engages in insightful actions in a second way: strategy sessions with David Schwartz, owner of Dickens Limited, the parent company of 800-CEO-READ. These sessions are held away from the company's building, and there is no formal agenda for them. The two discuss not profitability but how they want to develop the company and what they want to eliminate, continue, and do better or differently.

Jack Covert additionally has strong skills in self-knowledge, by which we mean well-known values, attitudes, and beliefs. It is the third domain that power thinkers possess.

Rather than worry about what his competitors are doing, Covert states: “Another company can do what we do, but they’d be hard pressed to have the relationships with customers and authors that our company’s personnel does.” He adds: “You can’t win a race backwards. You need to be confident that what you are doing fits customers’ needs well. If you do that, then you don’t have to worry about sales because they will take care of themselves.” Confidence in what he and his colleagues are doing and taking action to see that they continue to serve customers well are far more important to him than keeping up with his competitors.

Jack Covert is a terrific leader who has made a significant imprint in the business world. He has exceptional skill in reasoning, insight, and self-knowledge, and he uses these abilities strategically in his business. In an exemplary fashion, he sells a product that has changed the world: books and the ideas contained in them.

Jack Covert epitomizes the type of leader whose thinking skills are exemplary. He is strong in reasoning, insight, and self-knowledge. He and 800-CEO-READ are the beneficiaries of his skill in these domains and from the decisions that he reaches, the problems that he solves, and the creative ideas that he develops.

## AM I A POWER THINKER?

When you begin any venture, it is important to know your starting point so you can plan your route appropriately and assess your progress accurately. In the case of becoming a power thinker, the starting point is your existing skill level in each of the three domains of reasoning, insight, and self-knowledge. Identifying in which of those areas are your strengths and in which are your weaknesses helps you plan and execute a strategy for increasing your abilities and enhancing areas that you have not developed fully.

Unfortunately, most leaders lack objective information regarding their thinking abilities. In research that we present later in this chapter, we show that few leaders have ever had their thinking skill levels assessed or been taught how to think powerfully. Although these findings are both surprising and unfortunate, they are also rectifiable. If you are among the many professionals who lack objective information about their thinking abilities, you can do something to change that situation by taking the standardized assessment, the Yale Assessment of Thinking (YAT) in Chapter Two.

The YAT is a reliable and valid instrument whose previous editions have been administered to thousands of leaders in the United States

and other countries. We developed this test in order to provide professionals with accurate and objective data about their performance in the dimensions of thinking that excellent leaders regularly use: reasoning, insight, and self-knowledge. (You can learn more about this test in Chapter Two and the Appendix of this book.)

After you take this assessment and analyze the results, you will know if you already possess the skills of a power thinker. The test results will also provide you with accurate information that affirms your strengths and pinpoints specific weaknesses in thinking. You will be able to compare your existing thinking skills to the levels of outstanding leaders in each of the assessment's twenty-three subcomponents of reasoning, insight, and self-knowledge. Thus, you will know whether you are already a power thinker and will have important data that you can use to plan to become a better leader.

## **CAN I BECOME A POWER THINKER?**

If the YAT determines that you are not now a power thinker, you may be wondering: Can I become a power thinker? Absolutely yes. The YAT is a measure of your *current* skill in thinking, and thinking is a skill that can be readily improved if appropriate corrective strategies are used. Moreover, we have a large and convincing body of data and experience to support what we are saying.

We have noted how few leaders have ever had their thinking skills assessed. A comparable number were never taught how to think in elementary, middle, or high school, or even college. As a consequence, most people do not know how to think as powerfully as they are capable of thinking because they lack knowledge about strategies that will enhance their skill in this area.

According to a 1997 study conducted by the Institute for Effective Management, an estimated 74 percent of university graduates never have been taught formally how to use specific cognitive strategies properly. That is, they do not know how to direct their thoughts effectively to generate the most positive ends.

Since this study was conducted, we have had opportunities to conduct additional research relative to this topic. What we found was both illuminating and distressing.

That almost three out of four professionals who work in business have never been taught how to think is hardly a cause for celebration, yet this abysmal condition is a "best case" when compared to other groups. The following percentages of leaders in the fields shown have

never had their thinking skills levels assessed: business, 86 percent; government, 93 percent; education, 90 percent; health care, 96 percent; and other organizations, 92 percent. In these same groups, the following percentages have never been taught how to think: business, 74 percent; government, 87 percent; education, 85 percent; health care, 78 percent; and other organizations, 85 percent. In other words, in the United States, most people do not know how to think as powerfully as they are capable of thinking. They lack knowledge about strategies that will enhance their skills because they were never taught how to think in any of their schooling.

If you are among those who were never taught how to think, it might be illuminating for you to understand when the processes that you use to cognitively reach decisions, solve problems, and think creatively were developed. Research demonstrates that without instruction, the patterns of thinking developed during childhood do not change in adulthood. That means that many leaders are trying to succeed in this rapidly changing, bottom-line-oriented, complex, and highly competitive world using thinking patterns they developed during childhood.

This situation can be changed. We believe that powerful thinking can be taught and that most, if not all, people can learn to do it. Our belief is not mere conjecture. Over the years, we have taught thinking development to many people and have seen some rather remarkable results. You can learn to think better just as you can improve your public speaking, typing, mathematical, golf, or vocabulary skills.

To become more proficient in these or any other skills, you must take action. You must know the requisites for doing the task well, and then you must practice the processes until you master them and they become automatic. As you will discover, power thinking involves accepting new principles and taking simple actions repeatedly until they become an ingrained part of your thinking process.

Our confidence that what we state is accurate comes from the data that we have gathered relative to the significant gains made by thousands of individuals who have participated in the Power Thinking for Leaders programs that we conduct. We could cite several studies that support our assertion, but because the results in each of them are remarkably similar, we will share only one investigation with you. The 3,056 leaders in one of our longitudinal studies who engaged in focused actions designed to improve their thinking ability made the following improvements:



- They have become significantly more effective in decision making.
- They solve problems more quickly and with a higher degree of correctness than they did previously.
- They engage in highly creative thinking more ably and frequently.
- They are more interpersonally skilled and proficient when placed in teaming situations.
- They possess an increased level of job satisfaction.
- They receive higher job performance evaluations from superiors.
- They are absent from work on fewer occasions.
- They are less likely to leave an organization.
- Morale within units that they head has become more positive.
- The units they lead attain higher levels of performance.

A person who significantly benefited from engaging in an effort to improve his thinking ability is Bill Wilder. At the time he initiated this undertaking, he was human resource director for the City of Charlotte in North Carolina. He has over thirty years of experience in human resource management, including having served as the director of the employee compensation program for the state of Florida.

Charlotte, which has fifty-eight hundred municipal employees, has received recognition on numerous occasions for its innovative approach to providing high-quality and cost-effective services to its citizens. The city's Human Resources Department under Wilder's leadership has received national, regional, and local acclaim from the public and private sectors for its exemplary contributions to the efficiency and effectiveness of Charlotte as well as for the department's operations. Wilder has held leadership positions in many human resource organizations and has made numerous presentations. He is a strong advocate of continuous improvement and learning for himself and employees in the units where he has worked. This commitment led him to schedule a program designed to enhance the thinking ability of his department's staff as well as for himself.

Wilder believed that in order to continue to provide maximum support to the city, a more skilled approach to thinking was needed. In making the decision for his staff and himself to participate in such a program, he and his colleagues made a commitment that they would take the actions necessary to become more capable in decision making, problem solving, and creative thinking.

Prescriptive instruction for each participant occurred after they took the YAT. Despite maintaining a very busy schedule, Wilder focused on improving his thinking because this developmental action did not entail great amounts of time. When he was readministered the YAT, he found that in the three months in which he had focused on his thinking, his overall cognitive ability had improved significantly. He had also become appreciably more skilled in decision making, problem solving, and creative thinking, and he became an even better leader for his high-performing organization.

In the organizational world, the bottom line is the only one that seems to customarily be of genuine importance, so we will state our bottom line to you: by reading this book and putting its strategies into practice regularly, you will become not only a power thinker but also an appreciably better leader. This book will introduce you to concepts and strategies that will enable you to become much more effective in decision making, problem solving, and creative thinking if you implement them. You will thereby become a more able leader of an organization that becomes a better and more productive one.

### **ARE YOU READY FOR THE NEXT LEVEL?**

Unlike books that focus on a single dimension of leadership (for example, planning or personnel), the content in this one affects everything meaningful that you do in the performance of your responsibilities. Reaching decisions about issues, solving complex problems, and developing innovative strategies are what leaders do. How well they do them is what differentiates the able from the exceptional leader.

Reading this book and implementing its strategies will represent a major change for you in going to the next level as a leader. Our research, as well as that of Hay/McBer, has shown the relationship between thinking skill and leadership acumen. In programs that we have conducted as well as those initiated by professionals themselves, significant gains have been realized in the internal and external cognitive processes of reasoning, insight, and self-knowledge by leaders who have sought to improve their thinking ability.

In a September 27, 1991, address to the nation, President George H. W. Bush said, "Each day, we write a fresh page in history." By reading this book, you can begin to write a fresh page in your own history as a leader, a decision that will profoundly affect your entire life.