

MALAYSIAN HUMAN CAPITAL TRENDS

People's Edge

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**MINISTRY OF HIGHER
EDUCATION'S VISION:**

**MALAYSIA A
WORLD CLASS
EDUCATION HUB**

**IS MALAYSIA
READY FOR**

**MINIMUM
WAGE?**

**RETIREMENT AT 60:
THE PROS AND CONS**

**TRANSFORMING PERAK
IDR'S MISSION POSSIBLE**



Critical thinking for **business leaders**

Alex Lowy, world famous author and business consultant will be in Malaysia in January 2012 to conduct an in-house project titled Critical Thinking & Strategic Problem-Solving Skills for Leaders organised by Job Hunt Training. People's Edge caught up with Lowy and he shared his thoughts on the concerns of the business world today and named his favourite CEO.

Alex Lowy is known world-wide for his book *The Power of the 2 x 2 Matrix* which he co-authored with his colleague Phil Hood. The publication of this book also led to a unique way of problem solving for business leaders called the Dialectical Solutions Method™. Stephen R. Covey the author of the world-wide bestseller *The 7 Habits of Highly Effective People* called it, "An exciting new approach to problem-solving that transcends our old ways of thinking that actually changes us into creative, responsible beings in which solutions abound."

Another of Lowy's book, *No Problem*, published in 2007 is taught in business schools in Canada, the United States and here in Malaysia. Lowy also travels around the world giving seminars on critical thinking and problem-solving for business leaders based on the Dialectical Solutions Method™.

Lowy started his career as an educator before moving on to the corporate world. In 1994 he co-founded the think tank called The Alliance for Converging Technologies with Don Tapscott and David Ticoll. Starting off as the head of research he eventually rose up to be the President of the company and built up the company to 60 consultants who served a client list of over 30 major corporations world wide.

In 2003 Lowy founded the Transcend Strategy Group. Lowy is in demand as a strategic adviser and educator for major companies. He is also an adjunct faculty member at three business schools in Canada (Schulich, Toronto, St

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Mary's, Halifax and Memorial, Newfoundland) where he specialises in teaching Critical Thinking skills to executives. His articles on strategies and decision-making have appeared in major business journals such as Strategy & Leadership, Business 2.0 and Group and Organization Studies.

Could you tell us a little about yourself – where you were from and how did your interest start in training and especially in your areas of expertise in business strategy?

During my post-graduate studies, I was very fortunate to learn from a professor who was a leader in the field of creative thinking. After completing a course with him, he offered me the opportunity to co-teach his next class and then to work with him and some of his colleagues on several non-university client projects. The heart of what we did back then was to challenge our business and government clients to think more creatively while remaining within a clear and supportive structure.

The interplay between these two forces, freedom and structure, had a powerful and beneficial effect on their output. I was fascinated by the apparent paradox and the degree to which the two factors were interdependent. The resulting creative tension did not only enhance innovation. It produced a better quality of attention, communication and ultimately, thinking.

You've held several jobs before you finally founded your own consulting company Transcend Strategy Group. Out of the jobs you held which would you consider were the ones that had a profound influence on the way you saw how businesses and talents were managed?

I spent ten years as Director of Training & Development for the City of Toronto, Canada's largest city. During that time I saw a wide range of leadership styles and effectiveness. Great managers could lift a poor work team up; weak managers could destroy the best work unit. We did a study of 43 of these managers over a three year period, and found that learning and a positive problem-solving approach played a big role in creating effective leaders.

I worked for three years for Shell, leading a High-performance Work Design project. We experimented with four variables: processes, organisation structure, job & work design and rewards. By improving these things, we succeeded in doubling plant productivity while reducing staff levels by fifty percent.

Several insights from these experiences have remained with me: excellence in leadership and in work performance are not accidental; organisational values and culture have a large impact on how individuals and teams behave, and finally, learning is common to healthy, high-performing functioning.

Your name is synonymous with Dialectical Solutions Method (DSM). Briefly could you tell us what it is and how did you come up with it?

In 2004 I co-authored *The Power of the 2 x 2 Matrix* with my colleague Phil Hood. We studied the problem-solving approaches of the very best executives and organizational consultants. We found that they regularly thought in a dialectical manner. What this means, is that they considered opposing arguments and trade-offs before making any big decisions. They resisted the temptation to pick simple solutions to complex challenges. Thinking in this way helped them to develop a more mature perspective, often leading to a useful reformulation of the issue. The DSM consists of the core, recurring steps they followed, leading to identification of the core dilemma, which can be modeled, analysed and resolved.

You have travelled the world conducting seminars and workshops. What gives you pleasure in these activities?

I learn a great deal from visiting other cultures. My children are now in their 20's so this is an ideal time for me to be on the road a little more. It gives me great pleasure to see individuals and organisations finding value in the ideas and methods I have developed. And, I am always curious to see how culture and local practices influence which approaches will work best.

The world economy seems to be in crisis and a lot of blame is being directed at corporations and their greed. This has spawned movements like Occupy Wall Street which started off in the US and seems to be spreading elsewhere in the West. As a business strategist and consultant how do you view all this? Has corporate malaise set in?

A lot of people are understandably frustrated and frightened by economic uncertainty and the apparent inability of their public and private institutions to fix things. From uprisings in Egypt and Libya to rioting in Athens and now the Occupy movement, people are voicing their dissatisfaction and their desire for positive change and responsible leadership. This is bigger than corporate malaise. Just how big a change is necessary remains to be seen. It's easier to know we have a problem than it is to identify a solution all parties can support.

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What are corporations doing right and wrong these days?

This is a challenging time to be leading a large or mid-sized company. Innovation and new competition can come from anywhere; there is no room for complacency! Three trends I find encouraging are in the areas of technology, innovation and culture. Corporations are quickly embracing new and better technologies, improving quality and lowering prices; they are seeking innovation from external sources (witness P & G's goal of finding more than 50% of new product ideas outside of the firm), making them more agile and generally open, and many are pursuing positive work cultures as a source of performance advantage and as a way to attract and retain top talent. On the less positive side of things, there is a short-term, financially-driven mentality that is hurting many organisations and will render them uncompetitive as they lose key staff and under-invest in their futures.

Everyone is saying that the 21st century is the Asian century with China leading the way. With greater shift and emphasis to Asia, will the current business strategies etc which are all mainly from the West have to be retooled and re-adjusted to meet Asian values and system?

That is probably a question that others who work more actively in both regions can answer better than I. Based on my experience delivering seminars in Malaysia, I would say that similarities outweigh differences. Especially for those companies that compete on a global scale. Efficiency, quality control, innovation and agility are not options, they are fundamental requirements. Remember, the lessons of the Quality Improvement movement led initially by Westerners like Edward Deming and Joseph Durant found their fullest success in Japan, contributing to the growth of companies like Toyota.

How important is critical thinking and strategic problem-solving for leaders especially in these challenging times?

The challenges facing private and public companies continue to become more complex, varied and unpredictable. To respond to this, leaders need to be adept at thinking flexibly, critically and strategically. This means learning methods and techniques for framing and addressing issues effectively. And it requires expanding self-awareness so that personal preferences, biases, hopes and fears don't hijack decision-making processes without one even noticing. The leaders of organisations set the tone for how others respond to challenges. They need to send the right signals about the value of critical thinking and lead by example.

