

CHAPTER 13

Cultivating a Thinking Culture

Decompression Exercise

Take a moment to gaze into the candlelight.

Figure 13.1 The Intrigue of Fire



Chapter Introduction

Throughout the text, we have examined the thinking behind different marketing concepts, theories, and their associated strategies for the purpose of developing our thinking agility. At the same time, the focus of this development has been at the individual level through the Marketing Challenges and cases. Strategy benefits to the degree the marketer is able to continuously utilize and develop his or her 4-DS thinking capabilities. In addition, the environment can significantly influence the marketer's thinking. Typically, the marketer's focus is on the external environment in terms of the changes taking place in the marketplace. This is to be expected given the nature of marketing. However, the internal environment shouldn't be overlooked, as the workplace also has the potential to affect the marketer's thinking. Some environments are more conducive to a thinking environment than others are. As such, this chapter's focus is on examining the characteristics of workplace environments that value and promote thinking at the individual and organization levels.

Changes external to the marketer's organization are constantly occurring in terms of new technologies, Internet developments, increasing innovation rates, new competitors, and so on. To stay abreast of external changes, the organization has to internally adapt at least at an equal pace. The "*living organization*" metaphor has been used to characterize such necessary organizational changes and to study the factors that lead to organizational longevity.

Many people naturally think and speak about a company as if they were speaking about an organic, living creature with a mind and character of its own. This common use of the language is not surprising. All companies exhibit the behavior and certain characteristics of living entities. All companies learn. All companies, whether explicitly or not, have an identity that determines their coherence. All companies build relationships with other entities, and all companies grow and develop until they die. To manage a "living company" is to manage with more or less consistent, more or less explicit appreciation for these facts of corporate life, instead of ignoring them.¹

Since the late 1980s and early 1990s, studies have been conducted on *organizational learning* and the benefits from developing this capability. Such benefits for organizations include being able to develop a sustainable competitive advantage,² to create or charter their own future,³ or to be able to adapt in changing environments.⁴ At the same time, some have argued that the focus on learning may not be adequate under certain circumstances, for example, in turbulent environments that are characterized by rapid change, uncertainty, and complexity.^{5,6,7,8}

It was recognized as early as the mid-1970s that *thinking* is required for situations that aren't characterized by the past, as in unexpected or novel situations.^{9,10} Learning benefits from the experiences of the past. *Thinking* also utilizes the past with its *reflective* dimension and, to various degrees, the *critical* dimension, but *thinking is also about creating a future that may not resemble the past*. The *creative* and *time* dimensions of 4-DS thinking extend beyond a learning perspective.

In the following example, a thinking perspective is applied in a manufacturing context by using the brain as a metaphor to model flexible production systems.

Manufacturing flexibility is critical for survival in industries characterized by rapid change and diverse product markets. Although new manufacturing technologies make it possible to accomplish flexibility, their potential remains unrealized by firms whose organizational elements do not possess adaptive capabilities. We use the brain as a metaphor to generate insights on how firms might design flexible production systems. We chose the brain as a metaphor because it is a self-organizing system capable of responding rapidly to a broad range of external stimuli.¹¹

Beyond focusing on learning, organizations are starting to consider the broader, more encompassing thinking perspective and to conceptualize the organization not as a learning organization but as a *thinking organization*.^{12,13}

Additionally, it is recognized that learning is evidenced by some form of psychological, behavioral, and/or social change, and one source for these changes is thinking. *As such, thinking is a prerequisite for learning at either the individual or group level.* Whether the interest is in improving an organization's capability to learn and/or to be more proactive (through developing the creative and TIME dimensions of 4-DS thinking at the organizational level), the concept of a *thinking organization* encompasses both aspects. With a constantly changing marketplace, organizations need to be agile, that is, agile in their strategy. This agility stems from thinking agility within the organization.

The interest in developing thinking within organizations is highlighted in the following quote from the *New York Times*:

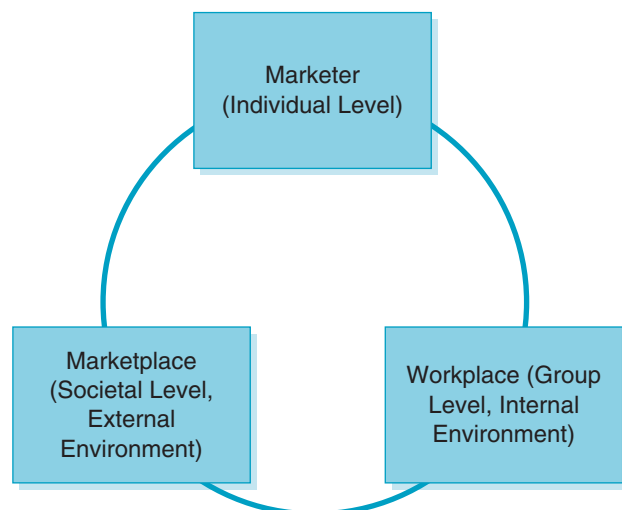
Jump's work has elements of management consulting and a bit of design-firm draftsmanship, but its specialty is conceiving new businesses, and what it sells is really the art of innovation. The company is built on the premise that creative thinking is a kind of expertise. Like P&G and Mars, you can hire Jump on your behalf, for somewhere between \$200,000 and \$500,000 a month, depending on the complexity and ambiguity of the question you need answered. Or you can ask Jump to teach your corporation how to generate better ideas on its own; Jump imparts that expertise in one- and five-day how-to-brainstorm training sessions that can cost \$200,000 for a one-day session for 25 employees.

This was a pretty exotic business model when Jump opened in 1998, but it isn't today. In the last decade, a quirky legion of idea peddlers has quietly invented what might be a new discipline and is certainly an expanding niche. How and why this happened is, naturally, a subject that everyone in the field theories about. What's clear is that in recent years, much of corporate America has gone meta—it has started thinking about thinking. And all that thinking has led many executives to the same conclusions: We need help thinking.¹⁴

In this chapter, we will broaden our thinking agility and 4-DS thinking to an organization level. There are several reasons for doing this. It should be recognized that there is a reciprocal relationship between thinking and one's environment(s), as depicted in Figure 13.2. Through thinking, the marketer can affect his or her environment and, at the same time, the environment has the potential to influence the marketer's thinking. Similarly, this relationship occurs between the marketer and his or her organization and, likewise, between the organization and its environment. If the organization's culture is conducive to thinking, that is, in terms of possessing a culture valuing, supporting, and facilitating thinking, then accordingly, the organization will potentially be more poised for an adaptive, agile, and proactive strategic posture with its environment.

To elevate our thinking agility to the organization level, we'll examine different types of organizational cultures, organizational barriers to forward- (future-) oriented thinking dimensions (*creative* and *time*), and the characteristics of a thinking culture that are

Figure 13.2 The Marketer's Environmental Reciprocal Relationships



conducive to opening up the doors to these dimensions of our 4-DS thinking while creating an environment that promotes thinking agility.

Organizational Cultures

Across the chapters, the traditional marketing perspectives have been contrasted with emerging contemporary ones. The traditional perspectives can be described as focusing on controlling and competing, whereas the contemporary perspectives focus on collaborating and creating. For example, as discussed in Chapter 4, Red Ocean strategies compete and control through exploitation. Blue Ocean strategies pertain to creating new markets. The persuasive forms of marketing involve competing, and the collaborative/participative forms of marketing (co-marketing) focus on co-creation. It can also be observed that such strategies or forms of marketing reflect their organization's culture. For example, if the culture of an organization revolves around an internal perspective of control, then it would value hierarchies, standardization, efficiencies, and structure. In contrast, if the culture of an organization were externally oriented to creating, then it would value creativity, innovation, differentiation, and be focused on the future.

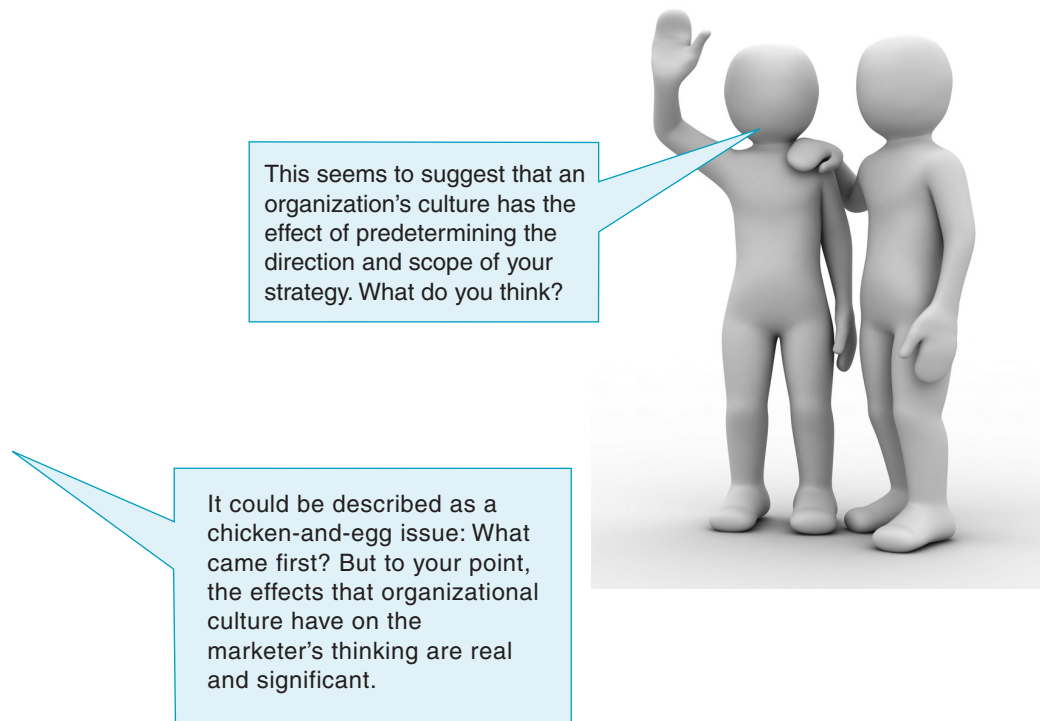
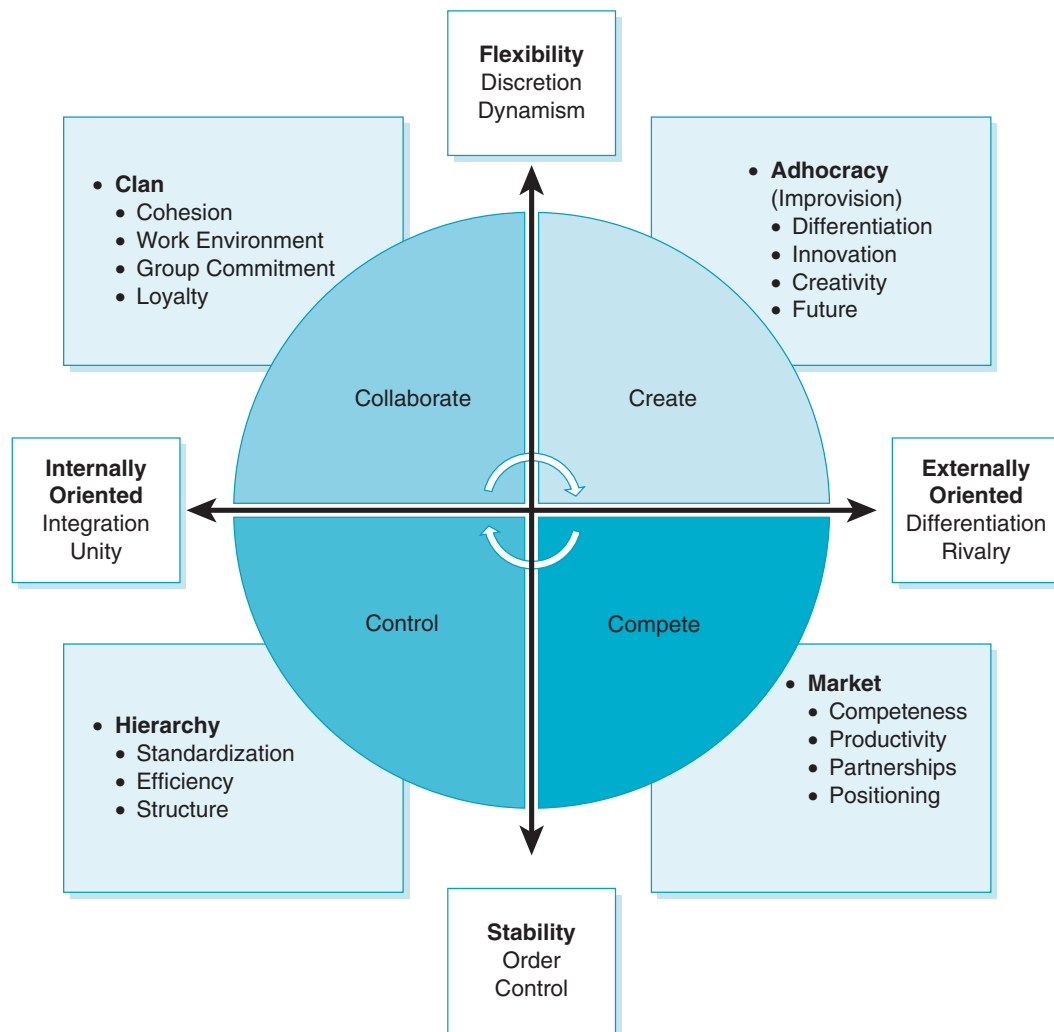


Figure 13.3 presents four types of organizational culture and their respective values.¹⁵The culture types are based upon bipolar, two-dimensional axes. The figure presents two basic questions that, when combined, describe an organization's culture. For example, is your organization internally or externally oriented? What level of stability versus flexibility does your organization strive for? The answers to these questions can be used to characterize the basis of your organization's culture.

Figure 13.3 Organizational Culture Types



Source: ¹⁶

Internally and Controlling-Oriented Cultures (Hierarchical Cultures)

Companies that have an internal orientation and seek a high level of stability in terms of order through standardization and structure (e.g., hierarchies) are grounded in an internal controlling culture (e.g., McDonald's, Ford). Fast-food organizations such as McDonald's utilize standardization to achieve efficiencies in their operations to be fast and consistent. Large manufacturers, because of their size, typically use structure as in hierarchies (layers of management) for control purposes while striving to capitalize on standardization and the learning curve.

Internally and Collaboratively Oriented Cultures (Clan Cultures)

Companies that are internally oriented, emphasizing cohesion, a good work environment, and employee loyalty, possess an internal collaborating culture (e.g., Tom's of Maine, In-N-Out Burger).

Unlike American national culture, which is founded upon individualism, Japanese firms had a more team-centered approach. This basic understanding affected the way that Japanese companies structured their companies and approached problems. Their Collaborate (clan) organizations operated more like families—hence the name—they valued cohesion, a humane working environment, group commitment, and loyalty.¹⁷

Companies that value employees by creating rewarding working environments strive for greater employee satisfaction, which they believe leads to greater productivity and customers satisfaction (e.g., as in the In-N-Out Burger case).

Externally and Competitively Oriented Cultures (Market Cultures)

Companies that are externally oriented and strive for higher levels of stability, productivity, partnerships, and positioning exemplify an external competing culture (e.g., General Electric, Citigroup, universities). The competing orientation tends to focus on taking away market share from others in the marketplace. It is an example of a *moving-against orientation* that was discussed in Chapter 4.

Externally and Creating-Oriented Cultures (Adhocracy Cultures)

Companies that are externally oriented and pursue differentiation in the marketplace through differentiation, innovation, and creativity typify an external creating culture (e.g., Google).

Google develops innovative web tools, taking advantage of entrepreneurial software engineers and cutting-edge processes and technologies. Their ability to quickly develop new services and capture market share has made them leaders in the marketplace and forced less nimble competition to play catch-up.¹⁸

Hybrid Orientations

While these four types of organizational cultures represent the extremes, hybrid cultures are possible as well. For example, a company that is pursuing collaboration (internally and externally) and differentiation in the marketplace represents a co-creation culture (e.g., Mini-Cooper, Adidas). Organizations that pursue internal and external (e.g., open-source innovation, alliances, etc.) sources for innovations while embracing brand communities typify co-creation cultures (e.g., Apple) and can be characterized as possessing a *moving-with orientation* as discussed in Chapter 4.

Significance of Organizational Culture

Each of the cultures described can serve different organizational situations and, hence, one isn't seen as being necessarily preferable to the others. They are simply different strategic elements to consider. At the same time, it is suggested that the organization's culture can have a significant influence on the marketer's thinking in terms of what strategies would fit in or be acceptable within the culture. In this context, organizational culture has a channeling affect, which may also lead to groupthink and, as such, is seen as a thinking obstacle at the individual and organizational levels. The more entrenched the cultural values, the more they increase the level of difficulty in avoiding or working through this thinking obstacle at the expense of strategy.

Before we move on to discuss potential barriers to organizational thinking, try the following organizational culture and strategy Marketing Thinking Challenge.

Marketing Thinking Challenge 13.1: Organizational Culture and Strategy

Identify companies that exemplify the four different organization cultures represented in Figure 13.2 and any hybrids. From what you can identify, do their marketing strategies reflect their organization cultures? What observations can you make from what you have found?

Figure 13.4 Different Cultures, Different Strategies



Barriers to Organizational Thinking

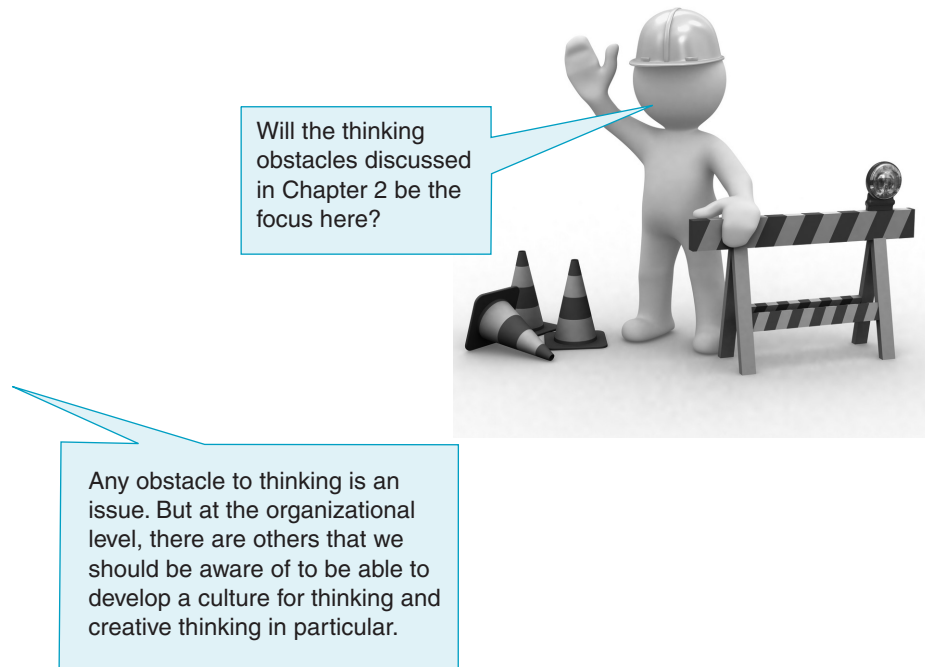
By examining what impedes creative thinking, we can identify organizational barriers that can potentially extend into all of the 4-DS of thinking. Since creative thinking involves a forward form of differentiation, it represents a departure from current forms of thinking within the organization. As such, it can be viewed by those that have established their positions within the organization along current forms of thinking as being threatening in one form or another. At the same time, some have even referred to creative thinking as the “game changer.”¹⁹

Creativity is the driver of global competitive advantage. What sets companies apart from the crowd isn't just that they're playing the game well; they're redefining what it means to play the game.²⁰

While the strategic importance of creativity is becoming more recognized, there continues to be resistance to investing in organizational creativity. Reasons include that

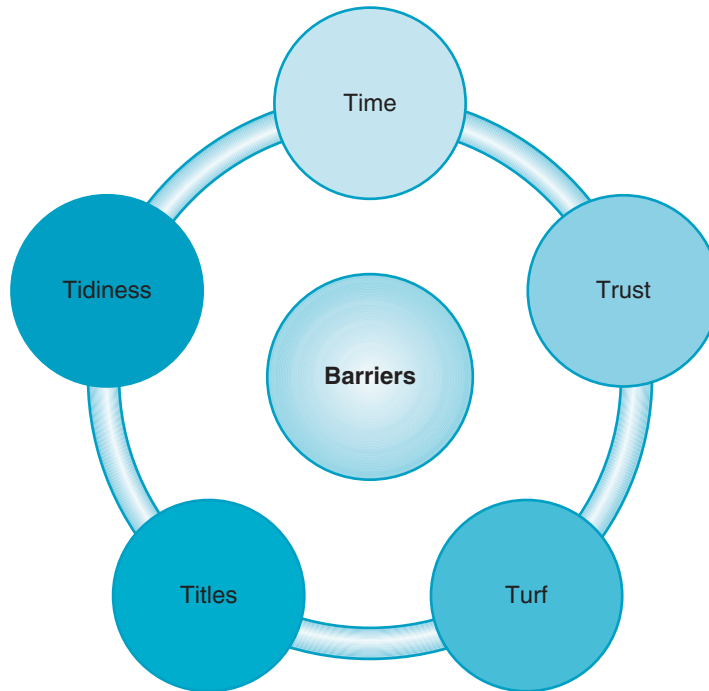
creativity is messy, inefficient and imprecise. There is no formula that guarantees the successful generation, let alone implementation of a creative idea. Creativity involves false starts, misfires and failures. Consequently, predicting how much time or money the development and execution of a creative idea requires is difficult. As a result many companies invest in creativity only when they have slack resources.²¹

This suggests that those adhering to this perspective see creativity as a luxury and not as a necessity. Yet the future of an organization lies within the realm of creative thinking. To not invest in an organization's creative capacity is to confine the organization to the past. And, as we have seen, an organization's culture is based upon what it values. To develop a "thinking organization" requires *a culture for thinking* in which creativity is a part.



As we have already discussed, creativity is about creating something different, something new. The process isn't linear or straight forward. It can be messy and time consuming. And there aren't any guarantees as to what the process will produce and whether what comes from the process will be successful. At the same time, the process involves people—not only those engaging in creativity but also those that will be affected by the potential change(s) represented by the new ideas. Figure 13.5 brings into focus some of the issues that would need to be dealt with to move toward a thinking culture and make room for *creative thinking*.

Figure 13.5 Organizational Barriers to Creative Thinking



Sources:²²

Allocating Time

To make room for creativity, it has to be valued, and as such, time needs to be allocated for it. Marketing as an occupation is a very demanding profession, with the pressures of daily activities including meetings, monitoring changes, and dealing with issues as they arise. *Thinking organizations* value thinking and provide for it (e.g., time, resources) as with any other activity that is valued by and needed for the organization to be successful. Perhaps a hallmark of a thinking organization is the degree to which time and resources are allocated toward creative thinking.

Establishing Trust

With the uncertainty associated with *creativity*, it is necessary to allocate not only time but also a nourishing and supportive environment. From the employee's perspective, such environments translate into an element of trust. For *creative thinking* to have an opportunity to breathe and take hold within the organization, there has to be an element of trust. Yet trust isn't sufficient for *creativity* to flourish. *Creative thinking* can easily be squelched by organizational norms and practices. Hence, the fragility of creativity needs to be recognized and protected before trust can be established. Trust is just the beginning.

At the same time, the organization needs to bring to the foreground the issue of its predisposition toward answers instead of questions. A culture built on valuing answers will have the tendency to blame those that make mistakes and come up short. In contrast, a culture that is built upon valuing questioning views mistakes and failures as opportunities to pursue different lines of questioning that have the potential to lead to new paths of success.

Fundamental to a thinking organization is the element of trust that supports a questioning, inquiring environment. The question for any organization is, Can we resist the temptation for the quick answer(s) while allowing our organization to explore new, unexplored conceptual frontiers that might not lead to anything significant right away?

The Issue of Turf

Two equally powerful barriers to creativity include turf and titles. *Turf* refers to an individual's area of responsibility. It is similar to establishing a familiar box that the marketer sees as his or her own. This has also been a problem with organizations that are structured functionally (e.g., marketing, accounting, finance, etc.) versus being organized via some flexible team approach. As discussed in Chapter 10, functional structural designs, organizational or by channels, can lead to "silo thinking." Organization structures and, similarly, turfs impede creativity by being resistant to change. *Thinking organizations* attempt to be more organic by being less rigid in structure and more flexible. In doing so, they have the tendency to reduce the turf issue, as the responsibilities are continuously being redefined.

The Issue of Titles

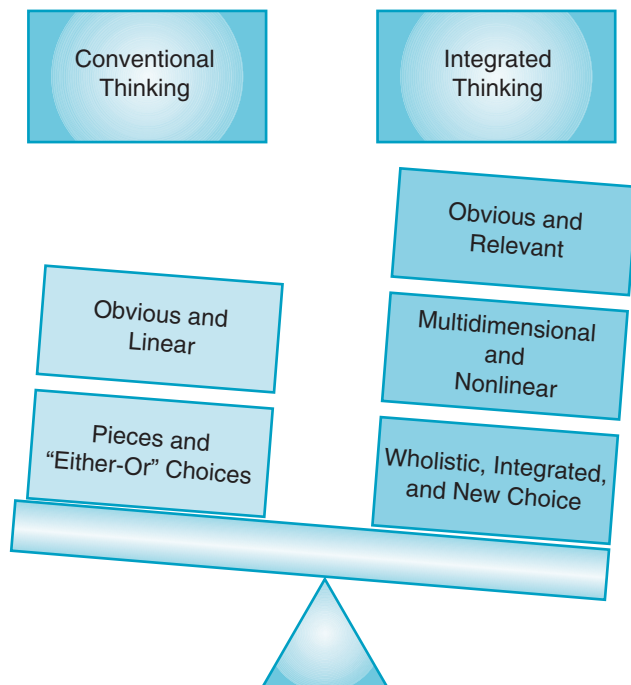
Titles play out in a similar manner if status and recognition are tied to one's title.²³ *Thinking organizations* instead focus on promoting a nourishing and supportive environment by recognizing people for their ideas and supporting them while they are working on their ideas. Ideas are to be valued over titles and, as such, titles lose their purposes.

Tidiness Is a Problem

Then there is the messiness of creativity. Tidiness isn't a virtue of creativity, given its unconstrained nature. Thinking organizations loosen the reins to the unstructured process of creativity. Another way of thinking about the issues of tidiness and how it relates to thinking is to compare the differences between conventional and integrated thinking. Creativity isn't described as *conventional thinking* in terms of being linear or involving either-or choices, which tends to be more associated with critical and/or reflective thinking. *Integrated thinking* benefits from creativity by being multidimensional and nonlinear to be able to generate new choices. This more complex or abstract thinking isn't as straightforward as conventional thinking and can be described as being more messy. Yet it is through this messy process that new forms of thinking or ideas can flow. The differences between the two forms of thinking are presented in Figure 13.6.²⁴

Additionally, as discussed in Chapter 1, contributing to the success of thinkers like Steve Jobs of Apple, Jeff Bezos of Amazon, and others was a questioning nature that constantly sought new associations that hadn't yet been formed.

Figure 13.6 Successful Leaders' Thinking—Differences Between Conventional and Integrated Thinking



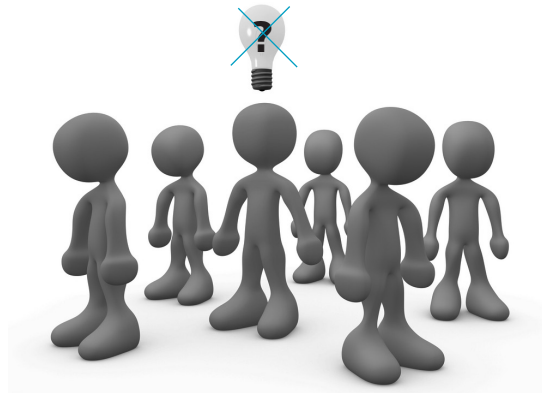
Their “innovator’s DNA” involved the inclination to seek new associations, which is also a characteristic of integrated thinking and its element of creativity.

With these organizational barriers (time, trust, turf, title, and tidiness) in mind, we’ll turn our attention to examining the characteristics that promote thinking within an organization.

Marketing Thinking Challenge 13.2: Barriers to a Thinking Organization

Identify an organization that you believe has its potential limited by its culture’s barriers to thinking. What thinking barriers were you able to identify? What recommendations would you make to improve the situation?

Figure 13.7 Organizational Barriers to Thinking



Marketing Thinking in Practice: Creativity Is the New Style in Leadership!

Blogger Connie Harryman comments on why creativity is becoming increasingly important and how creative leadership can lead to greater organizational creativity.²⁵ Creative leadership is characterized by being forward looking, experimenting, and co-creating.

Competency in creative leadership leads the list for standout CEOs according to the IBM 2010 Global CEO Study. The survey included over 1,500 Chief Executive Officers from 60 countries and 33 industries.

Creativity is more important than rigor, management discipline, integrity or vision. Creativity is identified as the leading competency. Our world is becoming incredibly complex and dealing with ambiguity in this complex world requires creativity.

I listened to a webinar sponsored by *Harvard Business Review*. IBM’s Saul Berman and Peter J. Korsten shared some insights on standout companies in today’s ambiguous environment.

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As we come out of the worst recession in 50 years, the new economic environment is viewed as structurally different, with more complexity, more uncertainty, and more volatility. However, standout companies (the top 25%) are turning complexity to their advantage with creative leadership.

There are three different ways that standout companies achieve success and capitalize on complexity. They embody creative leadership, they reinvent customer relationships, and they build operating dexterity.

A speedy decision is valued over a correct decision. There is a philosophy of correcting things as they move forward.

Creativity is the leading indicator of leadership quality. Creative leadership drives the change needed in the organization to stay ahead of the market. Creative leaders use different communication styles and tools.

They are more open to experimentation with Twitter, Facebook, LinkedIn and other social media. Standout companies break with the status quo of industry, enterprise, and revenue models.

Chief executives believe that to navigate an increasingly complex world will require creativity. They will co-create with their clients. They will globalize what is possible due to standardization and localize what is necessary and whatever needs local tuning. Think "glocal."

When creativity is implemented within an organization, then it is better prepared to deal with some of the massive shifts taking place, such as new government regulations, changes in global economic power centers, accelerated industry transformation, growing volumes of data, and rapidly evolving customer preferences.

Clearly creativity is the new leadership differentiator for standout companies. You must ask yourself, what tools are you providing to your organization to unleash the creativity of your employees?

Characteristics of Thinking Organizations

A thinking organization is built upon a paradoxical relationship between the individual and the group. This can be attributed to the reciprocal relationship involving the individual and her or his environment, as previously discussed. What this means is thinking at the individual and organization (group) levels are codependent upon on this relationship. A thinking organization is built upon the thinking of the individual, yet the individual's thinking is influenced by the degree of explicit thinking occurring throughout the organization by others. In others words, you can't have a thinking organization without the thinking of the individual (the employee) and the individual's thinking is influenced or dependent upon the organization's thinking culture (other employees). This suggests that consideration has to be given to both the individual and the group to strike the right mix to achieve thinking throughout.

The Question of Control and Thinking

We'll discuss a number of elements that relate to the individual and the group. Fundamental to this is an understanding that control, that is, management control needs to be rethought

in terms of its effects and subsequent consequences on thinking within the organization. Thinking, especially creative thinking, doesn't flourish under constraints. *This means thinking and control are at odds with each other.* Managing thinking is an oxymoron. Therefore,

Perhaps, instead of thinking in terms of managing thinking by attempting to control it, it would be better from a thinking organization's perspective to think in terms of managing for thinking.²⁶

Elements of a Thinking Organization

Roughly four groups of elements are associated with thinking organizations: *play*, collaborating (internally and externally), *questioning*, and supportive open environments. These elements can also be the basis for promoting thinking agility within the organization. See Figure 13.8 (on page 313). The classification is not meant to be an exhaustive list but is simply intended to be suggestive.

Play: We'll start with the element of *play*, which represents a significant element to a thinking organization. *Play* seems counterintuitive to a business environment, but it is vital to creativity and *thinking in time*. Within the element of *play*, the possibilities for new associations appear and can be toyed with through experimentation, which can potentially lead to other forms of associations. This process is important to an organization for identifying future innovations. *Play* also brings in the element of fun that promotes the intrinsic motivation of the individual.

In time and through incubation, the ideas and the thinking can develop into even farther-reaching advances. *Play* represents a major resource for the advancement of an organization that shouldn't be overlooked. Organizations like Apple, Google, advertising agencies, and many other organizations have capitalized on this element, which is evidenced through their continuing launch of new innovations.

Questioning: Questioning is another vital element to any thinking organization. It represents the hallmark of a thinking organization in that we have defined *thinking as questioning*. Questioning, in essence, represents that step away from the *status quo* toward something new and different. It is through questioning that differences are created, and questioning is the way in which difference plays out within an organization and throughout the marketplace.

As we discussed in Chapter 5, difference repeats, and the repetition is occurring through questioning. If the organization wishes to actively participate in the difference-creation process, then the organization must develop its questioning capabilities and a culture for questioning (thinking). Without this vital questioning capability, the organization is to be destined to the past and potentially disadvantaged from others that take a *more active strategic questioning status*.

Supportive and Open Environments: In discussing the trust barrier to a thinking organization, norms and practices should be examined in terms of their effects on thinking.

As previously mentioned, it's important to take steps toward protecting the fragility of creativity. Supportive and open environments are conducive for creative organizational environments. Leadership in terms of modeling thinking can be used to initiate the type of thinking environment desired and to develop an appreciation for differing perspectives. The organization needs to establish as one of its central values the valuing of differing perspectives and to avoid the opposite, as in the groupthink phenomenon.²⁷ *Making thinking explicit within an organization is vital.*

For example, “Bring in expert thinkers (consultants) into an organization, display quotations, cartoons, (such as Dilbert), puzzles and inspirational tools in the halls and waiting rooms to help explicit thinking.”²⁸ More and more consulting firms specializing in organizational thinking, such as Jump, are available that can be used to help in the process. As a part of the thinking leadership, it is important for management to carry through their support and keep the environment open when failures occur.

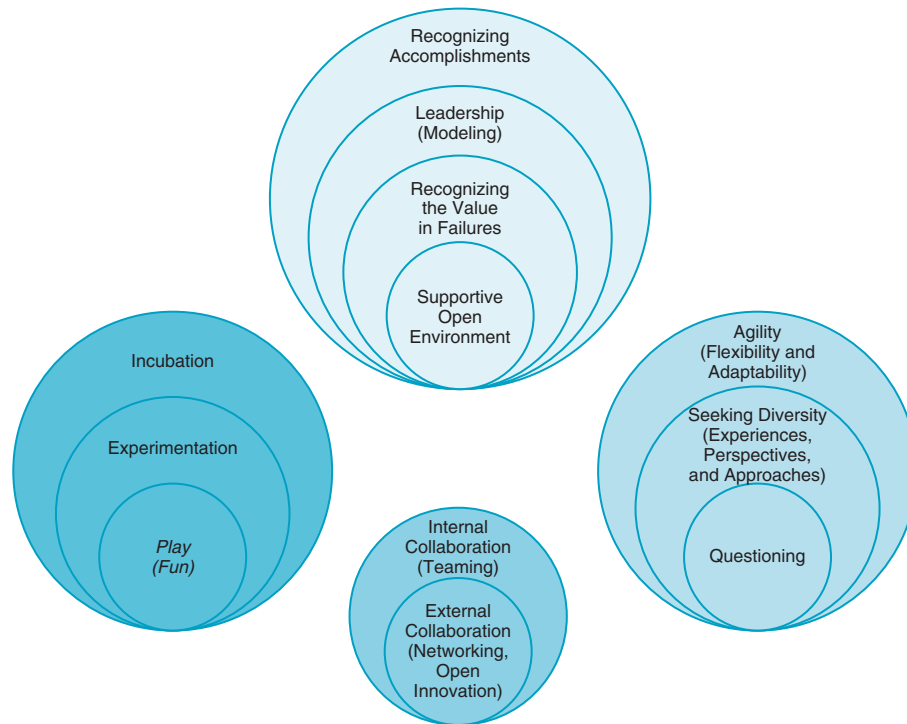
Consistent with this view, failures are recognized not as some end but simply steps within an ongoing inquiring process. Some insights can only come from failures and, hence, the value of failures needs to be recognized and understood throughout the organization. The advances in thinking being made should also be recognized throughout the organization. Accomplishments need to be recognized.

Collaboration: Collaboration in the forms of networking and teaming is also integral to a thinking organization.²⁹ Networking through open-source innovation and external partnerships provides for a means of drawing on the expertise of others outside of the organization. It is a means to expanding the borders of an organization outward. Companies like Unilever, Apple, Google, and others utilize open-source innovation as a means for expanding their organizational thinking capabilities externally.

Teaming is another form of collaboration (an internal form) and can be used to work around functional organizational structures. Teaming individuals with different areas of expertise to work together can be a catalyst for an environment that leads to synergies in thinking in which the combined ideas (thinking) are greater (e.g., in terms of uniqueness, scope, and/or depth) than the individuals' ideas considered separately.

The elements of a thinking organization (*play, questioning, collaborating, and a supportive open environment*) work together, promoting thinking at the individual level, which aggregates to the organizational level and reciprocally promotes greater thinking at the individual level and vice versa. It becomes a reciprocating thinking engine fueling both the individual's and the group's (organization's) thinking.

Try the following thinking organization Marketing Thinking Challenge 13.3. There are two additional challenges, 13.3 and 13.4, that you can use to see how your marketing thinking has developed over the course of the chapters. Challenge 13.4 puts you in the role of writing a Marketing Thinking Challenge. It is a challenge on thinking about thinking. Challenge 13.5 asks you to generate 10 additional interesting marketing questions. This challenge is meant to be used in conjunction with Challenge 1.1, which also asked for 10 interesting questions. After completing Challenge 13.5, compare your two lists of questions. Do you see any differences? Has your marketing thinking changed? How?

Figure 13.8 Elements of a Thinking Organization Culture

Marketing Thinking Challenge 13.3: Identifying Thinking Organizations

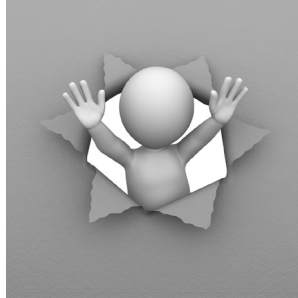
Identify several organizations that you believe would qualify as thinking organizations and explain how they are using these characteristics as a part of their strategies.

Figure 13.9 A Thinking Organization

Marketing Thinking Challenge 13.4: Creating a Marketing Thinking Challenge

It's your turn to create an interesting Marketing Thinking Challenge that you believe will promote thinking. Create an interesting Marketing Thinking Challenge.

Figure 13.10 Creating a Thinking Challenge



Marketing Thinking Challenge 13.5: Interesting Marketing Questions

Reflecting over the chapters, generate 10 interesting marketing questions that would be useful to a marketer. Then compare these questions to the ones you generated in Marketing Thinking Challenge 1.1. What insights can you see between the two lists of questions?

Figure 13.11 Question Marks



Your list of 10 interesting marketing questions:

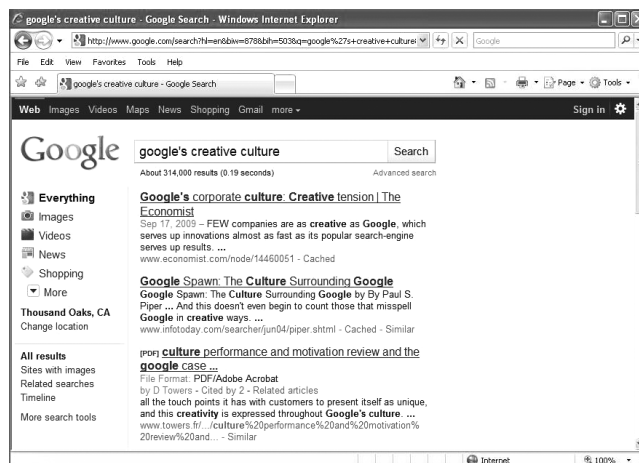
1. _____
2. _____
3. _____
4. _____

5. _____
6. _____
7. _____
8. _____
9. _____
10. _____

Summary

- In this chapter, we examined the relationship between thinking at the individual and organizational levels. This relationship was described as reciprocal in that each had the potential to affect the other.
- A thinking organization was distinguished from a learning organization by being able to deal with situations that aren't characterized by the past. Organizations' cultures were found to have the potential to influence the marketer's thinking, affecting (e.g., channeling) the nature of their strategies.
- Four main cultures were identified: controlling, competing, collaborating, and creating. Hybrids are also possible.
- Barriers to organizational thinking were identified in the form of time, trust, turf, title, and tidiness. To be able to develop a thinking organization, these barriers need to be recognized and resolved.
- At the same time, the following elements were found to promote a thinking organization: *play*, *questioning*, *collaboration*, and a *supportive open environment*. To the degree to which one is able to develop a thinking organization, strategy ultimately benefits.

Case: Google, Inc.—Seeking the Fun in Innovation



Google Inc. prides itself on nurturing a special type of work environment—a culture that breeds innovation and one that is meant to be fun. To a Googler, work isn't to be interpreted as some hardship but, instead, as something one would want to do—similar to having a particular interest such as a hobby and looking forward to being able to pursue it and explore all its aspects. As a result, Google has been ranked among the top five companies to work for by *Fortune Magazine* for the last five consecutive years since 2007.^{30, 31, 32, 33, 34} In 2010, *Universum* conducted its first global employer attractiveness survey. “From the world’s leading economies, nearly 130,000 students at top academic institutions chose their ideal companies to work for.”³⁵ Google was ranked number one. What is Google doing to make it such an attractive place to work?

Google’s website provides a list for the *Top 10 Reasons to Work at Google* (presented below):³⁶

1. **Lend a helping hand.** With millions of visitors every month, Google has become an essential part of everyday life—like a good friend—connecting people with the information they need to live great lives.
2. **Life is beautiful.** Being a part of something that matters and working on products in which you can believe is remarkably fulfilling.
3. **Appreciation is the best motivation,** so we’ve created a fun and inspiring workspace you’ll be glad to be a part of, including an on-site doctor; massage and yoga; professional development opportunities; shoreline running trails; and plenty of snacks to get you through the day.
4. **Work and play are not mutually exclusive.** It is possible to code and pass the puck at the same time.
5. **We love our employees, and we want them to know it.** Google offers a variety of benefits, including a choice of medical programs, company-matched 401(k), stock options, maternity and paternity leave, and much more.
6. **Innovation is our bloodline.** Even the best technology can be improved. We see endless opportunity to create even more relevant, more useful, and faster products for our users. Google is the technology leader in organizing the world’s information.
7. **Good company everywhere you look.** Googlers range from former neurosurgeons, CEOs, and U. S. puzzle champions to alligator wrestlers and Marines. No matter what their backgrounds, Googlers make for interesting cube mates.
8. **Uniting the world, one user at a time.** People in every country and every language use our products. As such we think, act, and work globally—just our little contribution to making the world a better place.
9. **Boldly go where no one has gone before.** There are hundreds of challenges yet to solve. Your creative ideas matter here and are worth exploring. You’ll have the opportunity to develop innovative new products that millions of people will find useful.
10. **There is such a thing as a free lunch after all.** In fact we have them every day: healthy, yummy, and made with love.

The list provides insight into the types of people they are looking for. Their ideal candidate is someone they would describe as being “Googley.”

It’s an ill-defined term—we intentionally don’t define that term, but it’s... not someone too traditional or stuck in ways done traditionally by other companies, ... Each prospective hire is interviewed by at least five staff members, who ask a series of

questions intended to make them understand how the candidate thinks about solving a problem. Getting the right answer is not necessary.³⁷

The list also suggests an understanding of the nature from which innovation comes—that is, from people and the environments they interact within. These are two critical elements to the Google pursuit.

Accordingly, having the right people isn't sufficient; Google's recipe also involves creating an environment that stimulates thinking and the sharing of ideas.

Google maintains a casual and democratic atmosphere, resulting in its distinction as a “Flat” company. The company does not boast a large middle management, and upper management is so hands on, it's hard to qualify them in a separate category. Teams are made up of members with equal authority and a certain level of autonomy is maintained. “We're a highly collaborative culture,” said Karen Godwin, the office's online sales and operations manager and a former Kodak executive. “There's no top-down hierarchy.”

This techno-democracy takes a good deal of effort to maintain. In order to secure it, a sort of bread and circuses environment is created. Google boasts some unique cultural aspects:

- Local touches like ski gondolas in Zurich, expressing each office's unique location and personality.
- Dogs, lava lamps, and massage chairs.
- Double rooms (few single offices!) with three or four team members.
- Foosball, darts, assorted video games, pianos, ping pong tables, lap pools, gyms that include yoga and dance classes.
- Social groups of all kinds, such as meditation classes, film clubs, wine tasting groups, and salsa dance clubs.
- Health food at a wide variety of cafés, and outdoor seating for sunshine brainstorming.
- Snacks and drinks to keep Googlers going throughout the day.³⁸

All aspects of the Google work environment represent opportunities to promote thinking. For example,

Every bathroom stall on the company campus holds a Japanese high-tech commode with a heated seat. If a flush is not enough, a wireless button on the door activates a bidet and drying.

Yet even while they are being pampered with high-tech toiletry, Google employees are encouraged to make good use of their downtime: A flier tacked inside each stall bears the title, “Testing on the Toilet, Testing code that uses databases.” It features a geek quiz that changes every few weeks and asks technical questions about testing programming code for bugs.

The toilets reflect Google's general philosophy of work: Generous, quirky perks keep employees happy and thinking in unconventional ways, helping Google innovate as it rapidly expands into new lines of business.³⁹

At Google, innovation is an ongoing process. As such, success and failures go hand-in-hand. Google has an interesting take on the role failures play in the innovation process.

“If you're not failing enough, you're not trying hard enough,” said Richard Holden, product management director for Google's AdWords service, in which advertisers bid to place text ads next to search results. “The stigma [for failure] is less because we staff projects leanly and encourage them to just move, move, move. If it doesn't work, move on.”⁴⁰

The Google culture values collaboration internally and externally. They have constructed a corporate culture that deeply believes in delegation. Individual employees are encouraged to speak their mind from the first day, and even decisions classically reserved for management, such as hiring, are done through a collaborative process. . . . The result of their efforts is perhaps the best example of a Loose-Tight company; one where the core employees have autonomy, but under the regime of a single unifying philosophy. . . . Google is, and will likely remain, one of the most dynamic and competitive firms in the world today. Its willingness to learn from its experiments and learn from its mistakes compliment perfectly its internal collaborative structure.⁴¹ Google also pursues external collaboration by supporting the open-source developer community.⁴² For example, Google launched its Summer of Code mentoring program in 2005. It's a program for students 18 and older to get involved in free and open-source software while "providing a sustainable stream of new contributions to the open source community."⁴³

Levity is also important component to the Google culture. Examples include:

. . . creating April Fools' Day jokes. For example, Google MentalPlex allegedly featured the use of mental power to search the web. In 2007, Google announced a free Internet service called TiSP, or Toilet Internet Service Provider, where one obtained a connection by flushing one end of a fiber-optic cable down their toilet. Also in 2007, Google's Gmail page displayed an announcement for Gmail Paper, allowing users to have email messages printed and shipped to them. In 2010, Google jokingly changed its company name to Topeka in honor of Topeka, Kansas, whose mayor actually changed the city's name to Google for a short amount of time in an attempt to sway Google's decision in its new Google Fiber Project.

In addition to April Fools' Day jokes, Google's services contain a number of Easter eggs. For instance, Google included the Swedish Chef's "Bork bork bork," Pig Latin, "Hacker" or leetspeak, Elmer Fudd, and Klingon as language selections for its search engine. In addition, the search engine calculator provides the Answer to the Ultimate Question of Life, the Universe, and Everything from Douglas Adams' *The Hitchhiker's Guide to the Galaxy*. Furthermore, when searching the word "recursion," the spell-checker's result for the properly spelled word is exactly the same word, creating a recursive link. Likewise, when searching for the word "anagram," meaning a rearrangement of letters from one word to form other valid words, Google's suggestion feature displays "Did you mean: nag a ram?" In Google Maps, searching for directions between places separated by large bodies of water, such as Los Angeles and Tokyo, results in instructions to "kayak across the Pacific Ocean." During FIFA World Cup 2010, search queries like "World Cup," "FIFA," etc. will cause the "Goooo...gle" page indicator at the bottom of every result page to read "Goooo...al!" instead.⁴⁴

From what is described above and from what you can find out about Google, would you characterize Google as a thinking organization? If so, what are its thinking characteristics? If it is not a thinking organization, what would be needed to elevate it to a thinking organization? What suggestions would you offer to Google to create an even better environment for thinking? Explain the role Google's culture plays in its strategy.

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