

The Problem with Asking Questions

One of the more remarkable features of many organisations – and one that is seldom talked about openly – is the general lack of understanding of the organisation by its own employees, even at senior levels. In many companies, people will have detailed knowledge of the region, business unit or function to which they belong but the broader business strategy, organisational structure, key success factors, systems and culture remain a mystery to many and that has a major impact on the ability of any business to succeed.

It is easy to argue that this situation is brought about by either poor internal communication, or an indifference displayed by employees to anything beyond the immediate organisational boundaries within which they operate, but the truth is that few organisations take the trouble to educate their employees even in the basics of organisational design and effectiveness.

The intention is not to make every employee an expert in every aspect of the business. That would be enormously time consuming, difficult to keep updated and frankly of questionable value. However, it is the responsibility of all companies to work out what level of knowledge is important for all employees to possess, because it significantly enhances their ability to contribute and their sense of belonging.

If you want a simple way of picturing this dilemma, take the company's last Annual Report and sit down and read it, remembering that this document is likely to be read by more external people than any other document your company produces. As you sit and read it, ask yourself three questions:

1. Do I understand everything in the report?
2. Do I understand it well enough to be able to explain it to someone else?
3. If I failed any element of the first two questions; why is that the case, what are the implications and what should I do about it?

Assuming you are enthusiastic enough to seek out information about the company, what you will discover is that the process of discovering information is not as straight forward as you might like it to be.

As you embark on your journey, you have three broad options:

1. You can read materials about the company
2. You can observe the business

3. You can ask questions

Doing background reading on any organisation is seldom wasted time. If you intend to invest in a company or you have been hired to work with a company to improve overall performance, building a picture of the company both historically and in the present day, provides a useful backdrop. Yet reading does have limitations. The speed at which companies change, makes information dated very quickly. Imagine reading about the airline industry up to March of last year (2020) and reading about it today.

To make sense of written material, one also has to understand the context. Aside from the timing issue, you need to know something about the author. Were they trying to be provocative or present a balanced view, what were they hoping to achieve with the document, how was it received, did the individual have a built-in bias and who was the intended audience? Depending on the skill of the writer and the way in which material is kept within companies, it is possible to uncover answers to some of these questions but not always as easy as people might imagine. When you have finished your reading, a second option is observation. Clearly the size and complexity of some organisations makes it difficult to observe the whole business but if you apply yourself, the results can be remarkable.

At O.F.C. we run an organisational effectiveness programme which, as the name suggests, teaches people how to analyse businesses. On the morning of the second day, having given the participants some tools to work with, we invite them to pick a local firm and study it for two hours. The only rule is that they are not allowed to ask anyone any questions. Typically, they select restaurants, coffee shops, supermarkets, shopping malls, local hotels and the like. The teams are always amazed at how much they are capable of learning from this simple experience; including the company's strategy (or at least glimpses of it), location, target audience, customer service and the like. If you are still sceptical, the next time you are sat at an airport, railway station, or in the foyer of a hotel for half an hour, take out a notebook and see what you learn.

While both of these approaches have merit, the most tried and tested methodology for understanding a business is to ask questions. It is true for everyone, from new CEOs, to analysts, to external consultants. As employees of a company, we do it hundreds if not thousands of times a week and more often than not we accept the answer at face value. Subliminally, we might be influenced by how we feel about the individual to whom we are talking but more often than not, we give the person the benefit of the doubt. Such conversations are also governed by the size and scale of the answer and its implications. So a question about the location of the nearest coffee machine is understandably not in the same category as, "Why do there seem to be discrepancies in a functional budget" – but in

practice our ease with most answers we are given tends to lead us into a false sense of security.

If you ask someone a question, there are essentially six categories of answers that can be given. Understanding these categories is critically important, particularly when there is a lot at stake. For an external consultant, it is even more difficult because you don't necessarily know the people or the culture of the organisation.

Category 1 - The Lie

Most of us find it disappointing, even offensive to believe that employees would deliberately lie but it happens far more frequently than most people imagine. It tends to occur when there is a great deal at stake – so for instance during a major business transformation. Any organisational structure exists for a purpose and for that reason there are people who benefit from the current arrangement. Put bluntly, they would prefer things to remain exactly as they are. In organisational analysis terms we call this, “the dominant coalition”. The word coalition sometimes suggests that the group is more formally organised than is actually the case but everyone in this category shares the common goal of upholding the status quo.

Although it does come as a surprise to some, it is often the case that members of the coalition are senior - sometimes very senior - people. If a person has worked hard for many years to achieve seniority, they are not likely to be pleased about possibly surrendering it. Such situations can sometimes lead to compromises. I once worked with a CEO who accepted the wide-ranging recommendations into the ways in which his company could embrace Inclusion and Diversity. However, privately he said, “I am not going to change. I understand why the company needs to move in a different direction but I am not going to champion this. Write the report in such a way that the implementation date starts in six months time. By then I will be retired and can publicly support this as I hand over.”. Maybe not the most purist of approaches but better than having him oppose the findings.

Category 2 – “I Don't Know”

In this instance, the person should at least be given credit for being honest but other than that, the content of the answer doesn't appear to add any value. Having said that, it can be helpful in providing insight into how well a business communicates. Where people who give the “I don't know” answer sit in an organisation might cause you to reflect about how information is communicated and whether it is reasonable for groups of people to know more than they appear to do.

Category 3 – The Opinionated Answer

In the most extreme of cases, this category of answer is often just vitriol – people in the organisation who carry grievances are not slow to vent their anger when given the opportunity. They have a need to get something off their chest and sometimes it almost doesn't matter what question you ask they just say what they want to say. In a more considered sense, opinions can be helpful, as long as you remember it is an opinion. The secret with such answers is how much credence you give to the opinion, and the person.

Category 4 – The Qualified Answer

Sometimes called the “sometimes, maybe, depends” answer. The answer starts by sounding both credible and helpful until the words “sometimes”, “maybe” and “it depends” are added. The number of caveats continues to grow the longer the conversation takes place and often becomes so confusing it is impossible to draw legitimate conclusions. One's natural instinct is not to dismiss the whole conversation for fear of missing valuable nuggets of information but trying to decode what can be consistently applied often requires it to be cross referenced with other information.

Category 5 – “The Truth”

This is an interesting category for a number of reasons. The first is that the person asking the questions is often struck by the vehemence and passion with which the answer is given, and such answers are often swiftly supported by colleagues. People giving you such an answer are perfectly happy to swear on a close relative's grave as to the veracity of their answer – even when a modicum of effort on the part of the consultant can demonstrate it is not true. This type of answer is often prevalent in organisations which have a strong “informal culture”. The telling and retelling of stories becomes the font of all knowledge. It is easy to see how seductive such views of the organisation become. If you are not convinced about the power of this, watch what is unfolding in the USA over the 6 January 2021 storming of the Capitol in Washington DC.

Obviously, all answers in this category need to be carefully checked because of the persuasiveness of how they are presented. However even if it can be proved that they are not correct, it is helpful to build a picture of the disparity between what is believed to be true and what can be verified.

Category 6 – The Truth the Whole Truth and Nothing but the Truth

As this category suggests, there are answers that are not only true but can be verified. For those tasked with establishing a business transformation platform, the challenges are clear.

Change is difficult at the best of times and the more information one has to hand, the better the chances of coming to sound conclusions. In these days of “alternative facts” (Kellyanne

Conway, advisor to Donald Trump, 2017), decisions that will have a major impact on a company's future need to be made with as much certainty as possible.

When you talk to senior Police Officers, they will tell you that after years of experience, you develop a sixth sense, an intuition about when someone is telling you the truth. However, knowing something and being able to prove it beyond all reasonable doubt are two very different things.

So, where does that leave us?

Reading and observation have a role to play in any analysis but there is little reason to believe that asking questions will not remain the primary means by which people gather information and make decisions. With that in mind, I would suggest the following:

- Keep an open mind about any answers you are given.
- Value every answer until you are able to decide which category to put it in.
- Mix up questions with observations and reading – cross referencing conflicting information is helpful.
- Think about how you ask questions and the reasons behind certain questions. The more consistent you are in your approach, the less personal bias you are likely to introduce.
- Select a cross section of employees in terms of geography, seniority, functions/business units, new and long serving employees and head office versus non head office people.
- Take your time and practice active listening.

When you have gathered all your information, build into your analytical process a “confirming evidence” phase. In hindsight, I am convinced that during my 27 years in the corporate world, many business transformations failed not because of a lack of execution capability but more likely a lack of time spent being clear about the basics on which such transformations were based.

It might not be possible to verify everything – some intuition or judgement will be required every time you do something like this and it is reasonable to assume that the vast majority

of people start from a position of wanting to be helpful. However, the additional effort will always be worth it.



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