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# The Lost Art of Thinking in Large Organizations

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**Many executives in big companies attained their positions by excelling at getting things done. Unfortunately, a bias for doing rather than thinking can leave these executives ill-equipped for their new roles.**

If you ask managers in a large organization to approach a strategic business problem, their focus often quickly narrows to proposing solutions. When asked why, many respond that they don't have time to think.

How did we arrive in a state where managers do not recognize that thinking is part of their job? The answer reflects a relentless focus on execution in many large companies. A company becomes big by finding a successful business model — and then scaling it massively. This necessitates building a finely tuned system with highly standardized processes. To get promoted in such an environment requires an almost singular focus on execution. In other words, it requires action more than thinking. However, once executives are promoted to a senior level, these new business leaders must be able to think strategically. Ironically, the very skills in execution that led to their promotions often make

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these executives ill-equipped for their new roles, since their strategy thinking muscles have withered from disuse.

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## How to Find Strategic Insights

The goal of strategic thinking is to find strategic insights. Strategy is all about choices — about which markets to compete in and which markets to avoid. Strategic insights describe the boundaries separating attractive markets from unattractive markets. For example, Amazon.com Inc. had the strategic insight that it could marry its investment in computing infrastructure with its unparalleled e-commerce capabilities to develop an attractive new business offering cloud computing services, Amazon Web Services.

Although strategy is about the big picture, strategic thinking often starts in the weeds. To think about strategy, start with a specific customer example (a “use case”) and ask: How can we make money from this customer? Now change an assumption and see whether the answer changes. This is what good thinking involves: evaluating hypotheticals and pivoting from one hypothetical to another. At this stage, you are not looking for the best solution. What you are looking for are the boundaries that identify where your company can compete effectively (and where it cannot).

Does starting with narrow examples mean you risk not exhausting every possibility? That is more than a risk; it is a certainty. An exhaustive search is not your goal in strategic thinking. Instead, good strategic thinking sacrifices breadth for depth. Functional managers transitioning to become senior leaders must learn to embrace ambiguity and uncertainty. They will struggle to progress if they try to validate every assumption. A high-performing strategic team recognizes uncertainty — and progresses despite it.

## How Do Leaders Find Time to Think?

Delegation is the key to finding time to think. When I work with managers from large organizations, I make the programs nine to ten weeks long — long enough to force them to delegate. This is often the first time they have delegated in such a substantive way. At the end of the program, many are surprised to discover how well their teams performed without them and vow to keep delegating more — freeing up time to think, while their teams delight in their new responsibilities. These executives are transitioning from being mere managers facilitating execution to becoming strategic leaders who spend time thinking carefully about how best to deploy their teams.

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## Who Should Think About Strategy?

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Realistically, not all employees need to engage in strategic thinking (although that would be nice). This question of who in an organization should be thinking about strategy can be reframed as: Who is responsible for strategy? In a startup or small company we look upward for strategy. The danger is that as companies scale, we continue to look up to the company's most senior leaders for strategic direction. Yet, as the organization grows, these senior leaders can become distant from the details of the business and emerging trends affecting it — and that can hinder their ability to make the best strategic decisions.

Bill Gates, cofounder and former CEO and chairman of Microsoft Corp., countered this challenge effectively through a technique he called “Think Week.” While leading Microsoft, Gates would go on a secluded retreat twice a year; during that time, he would immerse himself in reading and thinking about technology trends affecting Microsoft's business. Because his “Think Week” reading material included reports written by Microsoft employees all over the world, this practice allowed Gates to glean strategic insights from developments employees were seeing in the marketplace. “It's the world's coolest suggestion box,” one Microsoft manager told *The Wall Street Journal* in 2005.

Busy as he was as a senior Microsoft executive, Bill Gates made sure to set aside time to think. If your managers claim they do not have time to think, you have a problem. You need them to know not just that they have permission to take time away from doing to think — but that they are required to do so. You must also help rebuild their withered strategic thinking muscles.

The threat of not doing so is clear. While you may be executing well in your core business, companies that prioritize doing at the expense of thinking are not well-positioned to identify new markets or pivot to new opportunities when their core business matures. In other words, a singular focus on what made your company big risks preventing it from sustaining that growth in the future.

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