

The Blofeld School of Management

Fans of James Bond movies might recall a scene that goes something like this:

We are looking at an unidentified room. Two people we've never seen before are standing in front of a desk. We might be able to see the back of the head of the man who sits behind that desk. A voice rings out:

"You have failed SPECTRE. Number 3, why did you not kill 007 as ordered?"

Number 3 stammers out some response and the voice turns its attention on the other person.

"Number 5, you have also failed SPECTRE..."

Eventually, Number 3 is told everything is forgiven and he can leave. Of course, this is SPECTRE. As soon as he walks out of the room he's dropped into a tank of piranhas, or the bottom of the elevator turns out to be a trap door and Number 3 learns that Maxwell Elevators really are good to the last drop, or he dies in some other Rube Goldbergesque manner.

SPECTRE, as all Bond fans know, is the villainous organization headed by Ernst Stavro Blofeld, the evil genius who spends most of his time trying unsuccessfully to kill 007. Of course, given his track record, as evil geniuses go, he frequently seems more like Wile E. Coyote.

Blofeld's problem, of course, is that every time one of his agents makes a mistake that agent dies. Those whom James Bond doesn't kill are terminated by Blofeld himself. This makes it extremely difficult to conduct any form of on-the-job learning. When every mistake is fatal, the lessons tend to come a little too late to do much good. As learning organizations go, SPECTRE has issues.

Although the consequences are generally not so flashy, businesses do face some similar problems. Granted, most business mistakes don't make for a good action movie, and dropping people in piranha tanks is generally frowned upon. However, there is still the very real problem of figuring out how to enable people to learn from their mistakes without those mistakes harming the business. James Bond, after all, at least gets a script.

Part of the challenge is that even when leaders are well-trained and highly skilled, there is a big difference between what one learns in most management training classes and the actual experience of leading a team, department, division, or company. That doesn't mean that the training is useless, but it does mean that the training needs to be appropriate.

In sports, for example, athletes drill constantly: they practice the fundamental skills of their sport until they can execute those skills without thought. Doing that, however, is not enough to make an athlete a successful competitor. Such training is necessary, but it's not sufficient.

As a soccer-playing friend once commented to me, there's a big difference between the drill and the game. The drill is controlled and predictable; the game is not. The game is confusing and chaotic, and in the moment of truth all those carefully drilled skills simply vanish away. The problem is that chaos is overwhelming: it takes getting used to in order to navigate it. The Japanese term, "randori," used to describe Judo competition, means "seizing chaos."

Athletes practice getting used to chaos by moving past drills and practicing in various free play scenarios: mock games, spring training, practice randori, etc. These experiences enable the athlete to experience the chaos in small doses and hence become increasingly comfortable with it. They learn which skills to execute when. The day of the actual tournament, they are ready. When they do make mistakes, they also have something fall back on to improve their skills, as opposed to something to fall into and get eaten.

Business leaders can produce much the same results through the use of predictive scenarios. A predictive scenario is a live-action serious game focused around leadership and negotiation. Like all serious games, it both educates and entertains. Because it is live-action, rather than a computer game, leaders are forced to interact with other people as they would in daily life. Because the game is complex and competitive, participants engage with the game: there is no one right answer. Rather, the situation is chaotic and ambiguous; it's not possible to predict an optimal solution or a perfect move. Participants are forced to constantly revise and adjust their strategies in order to counter what other players are doing.

Thus, a predictive scenario becomes a powerful practice environment for leaders who want to improve their skills and the skills of their subordinates without risking the financial health of the business. As with athletic training, a mistake is an opportunity to develop new skills or improve existing ones. Surprise outcomes will often indicate someone whose potential is not being developed or recognized: an employee may turn out to be an unexpectedly skilled speaker, be remarkably talented at inspiring and motivating others, display unexpected gifts as a salesman, or reveal themselves to be a masterful problem solver. If that's not the job they already do, you've just been alerted to talent being wasted!

After the game, participants can analyze the action much as an athlete would analyze her performance with her coach. This analysis helps the participant recognize whether problems that arose were the result of a lack of skill or a failure to correctly apply a skill. In either case, you know what to do. There's no need to guess, no expensive consequences, and no need for piranha tanks.

One of the other advantages of a predictive scenario is that the setting need not be restricted to a pale imitation of the office. Rather, it can be anything imaginable, provided that it forces participants to act as leaders, negotiate with one another, work together, come into conflict, and so forth. You could even be James Bond... or see just how well Mr. Bond would actually do against a Blofeld who knew what he was doing.

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