

OUTSIDE THE BOX

Design — A new model for leaders

by Tom Field, University of Nebraska

Design thinking offers a powerful path forward for business leaders. The environment confronting leaders is characterized by rapid change and uncertainty. As such, it is difficult to have a clear command of the situation and the rules of engagement. When the leader's expertise and experience allow for a deep understanding of the problem, research, planning and incremental execution compose an appropriate model. However, once the situation becomes highly volatile, leaders have to adapt and develop agility. Human-based design provides just such an approach.

Rather than starting with the problem, leaders who use design thinking start with people and work diligently to learn more about the needs of human beings through insightful observation and disciplined listening skills. Furthermore, designers refuse to expend any energy on "gravity problems" — those challenges that are not actionable. For example, the production cycle of the beef cow is a gravity problem. Gestational length is a fixed variable, so we don't try to change it. Rather, we work around it.

On the ball

Design thinking focuses on five fundamentals: embracing curiosity, reframing the problem or challenge, demonstrating a bias for action, leveraging radical collaboration,

and energetic acceptance of the process. To demonstrate the application of these principles, let's take the case of the Oakland A's and general manager Billy Beane.

The challenge facing the leadership of the A's organization was threefold:

- ▶ They were constrained by a limited budget.
- ▶ Three of their best players had moved to other teams.
- ▶ Evaluating talent was based on a flawed system.

Beane had a long history as a player and organizational leader, and he had cataloged years of observation and insight. However, he was certain about only one conclusion — if they continued to do business as usual, the A's would fail. He would apply all five design principles in varying combinations in his quest to build a championship-caliber team, but the most critical step was his ability to recognize the need for a new approach.

A new game

Curiosity would be a great ally as it allowed him to pursue the ideas of a relative newcomer to baseball, Paul DePodesta, who believed decision-makers were using the wrong formula in the pursuit of star-level talent. Trained as an economist, he was utilizing sabermetrics to uncover the path to more wins. Beane's innate curiosity

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plus his willingness to reframe the challenge moved him past the human tendency to reject radical new ideas.

Excellence in design depends on the willingness of leaders to take action, to prototype, learn, rework and go again. Beane did not wait, he took action. His actions were backed by the willingness to reimagine how individual players could contribute to the team, where others saw flaws. Statistical analysis allowed him to see opportunity. Beane also accepted design as a process instead of a one-and-done solution.

He understood that success of the process would depend on collaboration with others, both baseball outsiders and insiders. The success of the A's required that players perceived their role differently and for team leaders to understand the game through a new lens.

Because Billy Beane was willing to build the way forward based on a novel perspective, he brought a new set of tools and vantage points to baseball and, in so doing, changed the game!

Would design principles prove valuable to leading a ranching enterprise? The foundations of design are well-suited to the high levels of risk and uncertainty that characterize ranching.

Design thinking works for ranching because it focuses attention on asking the right questions, requires pivoting and reframing necessary to deal with the shifting conditions internal and external to the ranch, and the model is actionable. Ranching, like baseball, can become stuck in a quagmire created by too much focus on "how we've always done things."

Like Billy Beane, we have two choices: try to play a game where the rules accentuate our disadvantages, or turn the tables on the house and design our way to success. |

Editor's note: In "Outside the Box," a regular, separate column in both the *Angus Journal* and the *Angus Beef Bulletin*, author Tom Field shares his experience as a cattleman and his insightful perspective on the business aspects of ranching. Field is director of the Engler Agribusiness Entrepreneurship Program at the University of Nebraska-Lincoln, where he holds the Paul Engler Chair of Agribusiness Entrepreneurship.

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