

## FROM PROBLEM-SOLVING TO PURPOSE-FINDING

### Teaching Note

#### Synopsis

Based on two chapters in *Lift: Becoming a Positive Force in Any Situation*,<sup>1</sup> this one-session lesson may be taught independently or within a six-class module aligned with the book in its entirety.<sup>2</sup> *Lift* introduces readers to four questions that they can ask in any situation which will help them to become a positive influence in that situation and explains the science behind these questions. One of these questions helps people find purpose in their activities rather than to just solve problems.

As comfort-centered creatures, we humans tend to interpret the unfamiliar as a problem to be solved. Sure enough, when circumstances are simple and static, expectations are appropriate, and solutions are ethical, we can reestablish equilibrium one way or another and claim success. But when circumstances are complex, dynamic, and ambiguous, “problem-solving” may succeed only in perpetuating or exacerbating the very conditions we seek to avoid.

Instead, we may choose to ask, “What result do I want to *create*?” By emphasizing creation, we assert our ability to change circumstances, energize our actions by reconnecting with what we *want* to do, and increase the likelihood of success by focusing on *specific results*. A person thus *lifted* by clarity of purpose invariably lifts others by inspiring creative thought, validating current efforts, and enhancing performance across the board.

#### Objectives

This lesson will help students recognize the implicit or explicit framing of a situation as a problem and re-frame it in purposeful ways. Students will see how these two skills can

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<sup>1</sup> Ryan W. Quinn and Robert E. Quinn, *Lift: Becoming a Positive Force in Any Situation* (San Francisco: Berrett-Koehler, 2009).

<sup>2</sup> Notes on the entire *Lift* module may be found at <http://www.leadingwithlift.com/teaching/coursemodules>.

- enhance the positive influence they exert on others,
- assist them in managing change, and
- improve their capacity for leadership.

The skills and insights gained may in turn reveal any reactive or constraining tendencies and encourage a more proactive and creative frame of mind.

### **Class Preparation**

The instructor, who may choose to use any combination of the case vignettes (**Exhibit TN1** through **Exhibit TN5**), will need to prepare them as slides or handouts; if handouts, students should receive a copy of each vignette to be used. Students should not see any vignette in advance of class.

### **Reading and Assignment Questions**

The reading assignment for this class is Chapter Three, “Seeking Comfort and Dwelling on Problems,” and Chapter Four, “Becoming Purpose-Centered,” from *Lift*. If you are teaching this lesson in a course on power, politics, and influence, the recommended assignment questions are:

1. Think of a difficult problem you encountered *in your previous work experience*. What made the problem difficult? Write a paragraph describing this problem and what made it difficult. Bring it with you to class.
2. Think of a difficult problem you encountered *in your life outside of work*. What made the problem difficult? Write a paragraph describing this problem and what made it difficult. Bring it with you to class.

If you are teaching this lesson in a course on change management, the recommended assignment questions are:

1. Think of a time when *your organization was undergoing some kind of change* (large or small) and a difficult problem emerged as a result of this change effort. What made the problem difficult? Write a paragraph describing this problem and what made it difficult. Bring it with you to class.
2. Think of a time when *you were trying to make a personal change in your life* (which may include right now). What was/is problematic about your effort? Write a paragraph describing this problem and what made/makes it difficult. Bring it with you to class.

If you are teaching this lesson in a course on leadership, the recommended assignment questions are:

1. Think of a time at work when you were *called upon to exhibit leadership*, but encountered problems in your effort to do so. What made the situation difficult? Write a paragraph describing this situation and what made it difficult. Bring it with you to class.
2. Think of a time when you were *working with others on a project and you were not the leader*, but you encountered a problem. What made this problem difficult? Write a paragraph describing the situation. Bring it with you to class.

For examples of what the students' paragraphs might look like, instructors can refer to case vignettes 3, 4 and 5 (**Exhibit TN3** through **Exhibit TN5**), which are based on the kinds of stories that the students are likely to write.

### Timeline Allocation Plan

A possible timeline for this class is as follows:

5 mins.	Introduction
15 mins.	First case vignette
15 mins.	Second case vignette
10 mins.	Third case vignette
20 mins.	Paired discussions
15 mins.	Debrief
5 mins.	Summary and bridge to the next class

### Lesson Overview

In preparation, instructors will find it useful to consider how the principles of this lesson apply to their own lives. If, through the course of the session, instructors interject relevant personal anecdotes, the concept will come to life for the students; wrapping up the session with a personal story will further lend the lesson a powerful air of authenticity.

Instructors teaching this lesson as part of the *Lift* course module will want to begin by asking students if they have any questions from the previous class or by selecting one or two to summarize key points. This will activate prior knowledge and provide a context for the lesson on purpose-finding, which is one of the four elements of lift covered by the module.

Instructors may also want to clarify that, rather than devoting an entire hour to one vignette, several will be discussed, because research suggests that skill-building is developed

through repetitive practice in different contexts. The instructor then should dive into the first case vignette as quickly as possible.

Instructors should simply display the vignette as a slide or distribute it as a handout and ask the class what the protagonist in the case should do. More explicit instructions are to be avoided.

Many students will see the vignettes as problems and respond by seeking a solution. If so, the instructor should let them wrestle with the problem for a few minutes, come up with solutions, argue over which solution is best and so forth, then ask what their reading from the night before would suggest they do. This question (perhaps by itself, or perhaps with a few additional “nudges” from the instructor) should get them to try to move from problem-solving to purpose-finding.

If, on the other hand, students extrapolate the lesson activity from the assigned reading, the instructor should allow them to try to establish a purpose within the situation. See below for a brief discussion of how students might find purpose in each case vignette.

While recording purposes and action responses on the board (**Figure 1**), the instructor may facilitate a discussion that differentiates the protagonist’s thoughts, feelings, and actions when solving problems from when seeking purpose. As this difference is elucidated, ask about the topic of the course:

*Power, Politics, and Influence:* How might the protagonist’s influence differ when engaging in problem solving versus engaging in purpose finding?

*Change Management:* What difference will it make in how the protagonist leads change if the protagonist engages in problem solving or purpose finding?

*Leadership:* How might the protagonist’s style of leadership differ when engaging in problem solving versus engaging in purpose finding?

Figure 1. Board plan.

**Middle Board**

<i>Case #1</i>		<i>Case #2</i>	
Problem: _____	Purpose: _____	Problem: _____	Purpose: _____
<u>Actions</u>	<u>Actions</u>	<u>Actions</u>	<u>Actions</u>
1.	1.	1.	1.
2.	2.	2.	2.
3.	3.	3.	3.

**Rear Board**

<i>Case #3</i>		Contrasts between problem-solving and <u>Purpose-finding</u> _____
Problem: _____	Purpose: _____	
<u>Actions</u>	<u>Actions</u>	
1.	1.	
2.	2.	
3.	3.	

**Front Board**

Purpose-finding				
<u>Impacts</u>	<u>Practices</u>	<u>Concerns</u>	<u>Limits</u>	<u>Other elements of Lift</u>

Student responses may or may not clearly favor one approach over another. This is fine; if students seem to be genuinely exploring the questions, the instructor can simply capture them on the board, the implications to be discussed later. If students seem to be rejecting the framework up front, the instructor may wish to help them explore why they feel the way they do and invite alternative perspectives from others. The instructor should not reject their opinions, however—just help them and the class explore their opinions constructively.

Once the instructor has identified the differences between problem-solving and purpose-finding for the first vignette, the process should be repeated for one to three additional vignettes, depending on how much time each takes.

Next, the instructor should allot about forty minutes for students to discuss, in pairs and then as a class, their own personal vignettes. Developing these skills requires repeated practice in a variety of situations that get increasingly personal. Ask students to do the following:

1. Read through their partners' problems
2. Suggest how their partners might find purpose in those situations
3. Discuss how the situations might have unfolded differently if they had approached it purposefully

When the class reconvenes, debrief their paired discussions and ask some general questions about what they can learn from this experience, such as:

- What kind of impact might purpose-finding have had on the situations that you wrote about for today?
- What would it take for you to be more purposeful...in your work? ...in your change efforts? ...in your leadership? ...in your own life?
- What concerns do you have about purpose-finding, and how might we address them as a class?
- What are the limits of purpose-finding? How might these limits be addressed by including the other elements of lift?
- (Within the *Lift* module) How is purpose-finding related to and influenced by the other three elements of lift?

Student responses to these questions can also be captured on the board. The last two questions, in particular, can provide the instructor with a bridge to the next class. If teaching the entire *Lift* module, the instructor may end with something like, “Given the interconnectedness and importance of using all four elements of lift, tomorrow we will discuss how to become internally-directed.”

## Analysis and Student Response

This section provides a brief analysis for each of the case vignettes. The vignettes are placed in a deliberate, recommended teaching order, but deviations from this order may be appropriate given a particular class's circumstances. This section also reviews some of the discussion that might emerge in the final section of class.

### Vignette #1

In the first vignette, Wright faces a \$30 million penalty for an 18-month delay that seems almost certain to happen. Managers throughout the company are afraid and want to avoid that penalty. If students take a problem-focused approach to this situation, they are likely to ask questions about why this project falls further behind every month. They will want to analyze the situation for its operational inefficiencies, to identify bottlenecks or other impediments to an efficient design process, and to remove these impediments.

If students get mired in discussing the problem-focused approach, it might be useful to ask them how this story is similar to the story of the five-dollar lawn in chapter four of *Lift*. In other words, how is the problem of trying to avoid the \$30-million penalty like trying to mow a four-dollar lawn? What would be the equivalent of mowing a five-dollar lawn in this vignette? What result should the engineers want to create?<sup>3</sup>

There may be more than one possible answer to the question of what result the engineers should want to create, but if the instructor frames this question in the context of the story of the five-dollar lawn, then an appropriate answer to the equivalent of mowing a five-dollar lawn would be something like, "completing a high-quality software product on time (in a total of 60 months)." This is similar to the answer that Kurt Wright came up with, but he was even more audacious. He wanted the group to finish their project a week early.

When students discuss the difference between problem-solving and purpose finding in this case, they may notice that a problem focus could lead people to be anxiety-ridden, hyper-focused, and to think in terms of deficits. When students focus on purpose, there may be anxiety, but there is also likely to be excitement and a focus on opportunity, creativity, and abundance.

Wright influenced change in the software project. He began asking people in the hallways and in meetings, "What will it take to finish this project a week early?" Early on, this question angered many people. He was summoned into managers' offices and told that he was losing his credibility and would get himself in trouble if he did not stop. He listened politely, went back into the halls, and kept asking the same question.

Wright finished his work in six weeks, using only \$90,000 of his \$150,000 budget. The project was completed on time (in sixty months), \$15 million under budget. If you include the

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<sup>3</sup> See Robert Fritz, *The Path of Least Resistance: Learning to Become the Creative Force in Your Own Life*, 2<sup>nd</sup> ed. (New York: Ballantine Books, 1989).

\$30 million that the company did not lose at the forty-eight month mark, Wright's simple question was worth \$45,060,000.

### **Vignette #2**

Goizueta's problem was that his company was wasting gobs of money chasing after or preserving negligible amounts of market share. He wanted to re-establish the dominant position in the marketplace that they had lost, but he was having trouble doing that because his industry was mature and his competitors were engaging in cutthroat competition. He tried to address this problem with new products and intense and creative marketing, to name only a few of his tactics. None of these closed the gap between his current and his desired state.

Students may come up with these and other ideas, based on what they have learned in their marketing, strategy, or finance classes about what to do when faced with a mature market, such as develop new products, enter a new product line, or manage for costs instead of growth. It might be useful to ask if Goizueta has already tried some of these options. For example, if they say, "He needs to introduce innovative new products to the market," the instructor could ask, "Hasn't he already done that?" The students will then be likely to critique *how* Goizueta and his people went about these attempts. When students begin to critique the actions that Coca-Cola took, it might be useful to ask them for examples of what they might do instead, and then to explore whether or not those examples are problem-focused or purpose-centered.

If the instructor discussed Vignette #1 before this vignette, some students may try to equate the first vignette with the second vignette: "Pursuing incremental improvements in market share is like trying to avoid a \$30-million penalty. Therefore, if Wright re-focused the software engineers on their original goal, then Goizueta should do the same thing—focus Coca-Cola on its original goal of dominating the cola market." This line of thinking does not work, however, because a more appropriate comparison is to say that focusing on getting Coca-Cola to dominate the cola market is actually the equivalent of avoiding the \$30-million penalty. Dominating the cola market is a problem-focused approach.

To become purpose-centered, Goizueta would ask, "What result do I want to create?" Is dominating the cola market really what we want? Or is there something more, something different that we could pursue? What could we create if we really opened our mind up to the possibilities?

In *Lift* there are a number of recommendations designed to help people answer these questions. These include:

1. *Expand the scope or time frame*

The scope of the problem, as Goizueta and the people throughout Coca-Cola perceived it, was the American cola market. What if they expanded this scope to focus on soft drinks? Or on drinks in general? And what if they expand it to think about their global

presence? Or what about the future—what kinds of drinks might the future hold if Coca-Cola had been prescient about trends in food and drink during the 1980s? Students could even get radical here, asking questions about the purpose of selling unhealthy drinks and what it would mean for Coca-Cola to have a purpose that creates more social benefits. These are appropriate questions, and can also lead to a discussion of how much we should expand the scope? Not enough expansion could leave people solving problems, but too much expansion could make the purpose intractable.

2. *Use zero-based budgeting*

If it is hard to come up with meaningful purposes, it might be useful to ask what result we would want to create if we could start from scratch. For example, if Goizuetta were to wipe the budget clean for the next year and to ask, “If we could do anything, what would we spend our money on?” what might he do differently? Would they conceive of entirely new products, forms of distribution, or means of promotion?

3. *Imagine scenarios*

If students figuratively wipe the budget clean for Goizuetta, it might be useful to encourage them to imagine how the scenarios they come up with might play out.

4. *Recite the mantra, “Why not?”*

When coming up with scenarios that do not take into account the constraints of the current situation, it is easy to become critical of ideas, and therefore to not be audacious about creating meaningful results. This can be mitigated somewhat if you encourage the students to respond to criticism with, “Why not?” Some options may be impossible, but many options are possible and are only precluded by our own lack of creativity or determination. This is a good opportunity for a discussion about how to know when our assumptions are limiting us unnecessarily, and when they are good assumptions.

In discussing the difference between problem-focused and purpose-centered approaches to Coca-Cola’s situation, students will probably come up with similar responses to those in the software example above. They may also note that a purpose-centered approach may be more ambiguous than a problem-focused approach. There is something comforting about a problem-focused approach because you know what the problem is, even if it never seems to get solved. Purpose-centered approaches can sometimes be frightening because even though there is something exciting to accomplish, people seldom know how to accomplish them. Pursuing purpose can be risky, and an act of faith. Those who embrace a purpose-centered approach accept the ambiguity and risk because the purpose gives meaning to their work and lives: They ask, “What is life for, if not to pursue worthwhile ends, perhaps at risk and in the face of uncertainty?”

Eventually, Goizuetta expanded the scope of his problem in a way similar to the ideas mentioned above and created a breakthrough for Coca-Cola. While everyone else in Coca-Cola was thinking, “What can we do to beat Pepsi?” Goizueta asked his senior executives, “What is the average per-capita daily consumption of fluids by the world’s 4.4 billion people?”

Their answer: 64 ounces.

“What,” Goizuetta asked, “is the daily per-capita consumption of Coca-Cola?”

Their answer: Less than two ounces.

Finally, Goizuetta asked, “What is our market share of the stomach?”<sup>4</sup>

By asking this question, Goizuetta expanded the scope of his situation from soft drinks to all fluids. In that one move, he was no longer competing in a mature industry, but instead was competing in a wide-open market full of possibility. When Goizuetta retired, the Coca-Cola brand was the best-known brand in the world, and he was the first non-founding head of a company to become a billionaire.

Goizuetta’s purpose of increasing Coca-Cola’s share of stomach influenced Coca-Cola employees by energizing them and giving them new directions to invest their energy in, such as different types of marketing, different areas for the company to grow into, and different types of advertising that they were doing before Goizuetta asked this question. These different initiatives created changes in the company. Presumably, if people were energized and clear about what they were doing, there would be less resistance to this change. Goizuetta’s actions suggests that sometimes the best leadership is found more in the questions leaders ask than in the answers they give.

### **Vignette #3**

Ankita faced a multi-faceted problem. On one hand, she was concerned about Jill, who felt unsafe from the sexual advances of her co-workers and unsure about her job and her career. On the other hand, she had to worry about her own job and career—the dangers of talking to her boss or her boss’s boss, and the danger of creating racial tensions in the office. From a problem-focused perspective, Ankita is likely to try to find some kind of compromise, such as reporting Pete’s behavior in a way that is as likely to do as little damage to her career and to Jill’s career as possible. She may also take some actions to help comfort Jill.

To take a purpose-focused approach, Ankita is likely going to need to make her question plural: “What *results* do I want to create?” with each result broadening the scope of the situation. Some of the results she might consider could include:

- *For Jill:* If Ankita helps Jill learn how to empower herself to handle any career situation she may face (a purpose like this would include, but also moves beyond, comforting her or protecting her from Pete), she would be broadening the scope of her actions from being just about Jill’s experience in this office to being about Jill’s career.

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<sup>4</sup> This story can be found in Ram Charan and Noel Tichy, *Every Business a Growth Business: How Your Company Can Prosper Year After Year* (New York: Random House, 1998), 4–5.

- *For the office:* If Ankita makes it her purpose to create an office where diverse people can work together safely and constructively, she is expanding her the scope of her situation beyond simply seeking punishment for Pete or a compromise for this situation.

Ankita's case is particularly useful for exploring the differences between problem-solving and purpose-finding. If Ankita simply comforts Jill or seeks to protect her from Pete, then she could end up just reinforcing victimized beliefs and behavior in Jill and creating divisions and tensions in the office. If, instead, she made it her point to help Jill to empower herself in her career, she might take very different actions, depending on how deeply Jill was affected by the incident and Ankita's past experiences with Pete. At one extreme, she may talk to her boss's boss on Jill's behalf and then help Jill prepare for other scenarios that she might encounter. At the other extreme, if she believes that this was an aberration for Pete and that Pete is likely to feel bad about the incident, she may even have Jill talk to Pete when he is sober. In either case, her actions will be oriented toward helping Jill empower herself.

Helping the office become a place where diverse people can work together safely and constructively would also lead to different actions and results than seeking punishment for Pete. Pete may still end up getting punished in the purpose-centered scenario, and may even end up fired, but whatever the punishment would be, it would be much more likely to be appropriate to the severity and frequency of Pete's offenses and to the sincerity of his remorse and commitment to refrain from such actions in the future. There would probably be other actions as well, aimed at educating the office staff and helping them to learn how to have open dialogue about working across differences.

There could, of course, be other purposes Ankita could pursue, and other effects of pursuing these purposes, and these could each be discussed in turn.

#### **Vignette #4**

Kwame Jones faces a problem in which staff members in the Fort Collins office are not reporting illegal behaviors, and the regional and national offices of the organization are not doing anything about it. The staff members in Boulder who hired him want staff members in the Fort Collins office to report illegal activity and for the regional and national offices to hold local offices accountable for such activity. Fort Collins staff members and regional and national managers seem to be loyal to each other to the point of ignoring this activity.

Problem-focused approaches to this situation can include anything from negotiating with the Fort Collins staff, to threatening legal action. Purpose-centered approaches would expand the scope of the situation, perhaps by re-visiting the question of what this non-profit's purpose is (or should be). Another way might be to ask what result the Boulder staff members want to create in their relationship with the Fort Collins staff people and the regional and national managers as they work together over the next five or ten years.

Based on the limited data in the vignette, the purpose of the organization could have something to do with strengthening families, communities, and their children. Sometimes strengthening families and communities may require the reporting and punishing of lawbreakers. In other cases it may not. Focusing on the larger purpose of the organization may open up different possibilities for how individual situations are handled, how the organization is run, and how relationships between offices should be managed. Similarly, if we want to create a productive, long-term relationship between staff members in Boulder and Fort Collins, we might invest some time in getting to know the people in the other office or developing norms for improving communication.

It may be worth noting that although people can choose to be purpose-centered by asking a question like “What result(s) do I want to create?,” it is also possible to become purpose-centered by focusing on learning<sup>5</sup>. If students approach to Jones’s situation by trying to find out why people in the other offices seem to be acting illegally, they would be focusing on learning in a way that could help them become purpose-centered. By focusing on learning, they may find out that the other offices have good reasons for behaving the way they do, which might, in turn, lead Jones to develop a purpose that is inclusive of all of the offices.

Focusing on learning may lead to a larger purpose, but it is not certain that it will. Asking what result he wants to create is a more certain way to become purpose-centered. And, focusing on both purpose and learning is likely to be more productive than focusing on either alone. If this discussion comes up, it would be useful to mention that the students will have an opportunity to discuss it further in the class on becoming externally-open.

To help students with expanding their scope, the zero-based budgeting approach may also be useful. For example, if this organization did not exist yet, and we had to set it up in Fort Collins and in Boulder, how would we design this organization? Or if there were no relationship between these two offices, how would we begin this relationship? How is that different from what we have now?

Problem-focused and purpose-centered approaches to this situation have implications for influence, change, and leadership. Jones is likely to be more influential when he is purpose-centered, for example, because if he does not see people as problems, he is not as likely to treat them like problems, and they are less likely to bristle and undermine him as a result. His influence is more likely to be positive as he focuses his efforts on larger goals that incorporate other points of view. Change is more likely to occur in the organization because more people will be more likely to work with him than against him. And as he develops a meaningful and attractive purpose, people who believe in that same purpose are more likely to follow him, improving his leadership.

Another important note in this case is that sometimes the best purpose that can be achieved is to find a solution to the problem. In some cases, getting Fort Collins to report illegal

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<sup>5</sup> See chapters nine and ten of Quinn and Quinn.

actions that they observe and getting managers to hold people accountable for not reporting may be the best thing that can be done. Many times, however, the accusations we make of others are based on incomplete information or differing perspectives, and the effort to be purpose-centered (and externally-open) will reveal new possibilities to us that we might not have considered otherwise. Taking a few moments to ask what result we want to create seldom makes things worse. If the best result we can create is to solve the problem, then at least we've put the effort in to be sure that is the best result.

### **Vignette #5**

In the final vignette, Amelia has a financial reporting problem. If she remains problem-focused, she will pour her efforts into getting the report out as quickly as possible, perhaps stepping on toes and careless about offending people along the way. In contrast, if she is purposeful about this work, she might extend the scope of her situation to focus on using this crisis as an opportunity to create a capability in her bank for managing real estate assets. This would require her to learn, and to encourage others to learn how to work together and how to develop systems and processes for valuing assets like these in conditions of turbulence and ambiguity. She would still need to approach the situation urgently, as the bank is carrying too much risk in an environment where banks are collapsing, but she would also recognize that even in this environment urgency can be overdone and opportunities can be capitalized upon if people learn how to work together effectively with trust and respect.

### **Final Class Discussion**

The first two recommended questions for the final discussion in class are meant to help students debrief the exercise in which they pair off and share stories with each other. The instructor can list these answers on the board as they are given. Instructors may also want to address any concerns students have about purpose-finding at this point as well. They can do that with questions like these:

- What concerns do you have about purpose-finding, and how might we address them as a class?

The most common concerns that people tend to have about purpose-finding have been addressed in other places in this technical note, or in chapter four of *Lift*. These include:

- The burden of setting ambitious purposes
- The ambiguity people experience with regards to accomplishing ambitious purposes
- The risks involved with pursuing ambitious purposes
- The impossibility of some purposes
- The idea that problem-solving is not bad

- The possibility of negative purposes

Students may benefit from visiting or re-visiting these points. In addition to addressing these as outlined above, an instructor may also benefit from asking the following question.

- How might these limits be addressed by including the other elements of lift?
  - The answer to this question is also discussed at the end of chapter four of *Lift*, but students might appreciate revisiting it after having struggled through a number of cases on purpose-finding, including one of their own. It can also be useful to mention that the next three classes will address these other elements of *Lift*, and may provide other insights.

### Summary

A lesson on problem-solving and purpose-finding provides students with an opportunity to develop skills in recognizing our tendency to frame complications as problems and in reframing problems as purposes in a wide array of personal and professional settings. It also helps students to see how the application of these skills will influence others, assist in managing change, and improve their ability to lead. As instructors elicit and capture insights from the students in their efforts to learn and apply these principles, they can tie these insights into the broader set of concepts from *Lift* and can identify practical takeaways to apply again and again in management practice.

Exhibit TN1

**PROBLEM-SOLVING AND PURPOSE-FINDING**

Vignette #1  
(student handout)

Kurt Wright<sup>1</sup> was a consultant for a company working on a \$100 million, sixty-month, software development project for the government. There were 400 engineers working on the project. Thirty-eight months had already passed, the engineers have fallen behind on the project a little bit more every month that they have worked on this project and at the thirty-eight month mark the project was already eighteen months behind schedule. A clause in the contract stated that if the project was eighteen months behind at the forty-eight-month milestone the company would suffer a \$30 million penalty. The stress that engineers and managers feel about this clause is beginning to escalate.

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<sup>1</sup> This story is paraphrased from Kurt Wright, *Breaking the Rules: Removing the Obstacles to Effortless High Performance* (Boise, ID: CPM Publishing, 1998).

Exhibit TN2

**PROBLEM-SOLVING AND PURPOSE-FINDING**

Vignette #2  
(student handout)

When Roberto Goizueta became the president and CEO of Coca-Cola in 1981, he had to figure out how to return the company to profitable growth.<sup>1</sup> Coca-Cola had approximately a 35% share of the very mature soft drink market. Soft drink manufacturers—especially Coca-Cola and Pepsi—fought lengthy and expensive advertising and promotion battles in the United States over one-tenth of a percent of market share. Pepsi seemed to be winning the marketing battle—especially after Coca-Cola discontinued their gamble to produce a “New Coke.” Analysts began dismissing Coca-Cola, giving it dismal financial projections.

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<sup>1</sup> This story is paraphrased from Ram Charan and Noel Tichy, *Every Business a Growth Business: How Your Company Can Prosper Year After Year* (New York: Random House, 1998), 4–5.

Exhibit TN3

**PROBLEM-SOLVING AND PURPOSE-FINDING**

Vignette #3  
(student handout)

Ankita Choudhary<sup>1</sup> is a junior staff member in the office of a U.S. senator. During a holiday party where alcohol was served, Pete, a senior staff member, grabbed Jill, an office intern, by the waist and told her that he wanted to “suck on the mole” on her lip. The next day, Jill told Ankita, whom she trusted. Ankita’s direct supervisor, Fred, was brilliant legislatively but completely ineffective in personnel matters. Tom, the office manager who handled payroll and HR issues, was close friends with Pete. Pete and Tom were both minorities, but Jill was not. Diversity was one of the senate office’s top priorities. The only recent instance of sexual harassment in the office resulted in a different minority staff member being fired. Jill is an unpaid college intern in her first professional work environment.

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<sup>1</sup> Names in this vignette are pseudonyms.

Exhibit TN4

**PROBLEM-SOLVING AND PURPOSE-FINDING**

Vignette #4  
(student handout)

The Boulder office of a national nonprofit organization has hired Kwame Jones<sup>1</sup> as a consultant to help them address an issue they face with the Fort Collins office, the regional office, and the headquarters.

This nonprofit provides community services, support, and education for low-income families with infants and preschool-age children. Most of the staff members in Fort Collins have only a high school education, but they have a close relationship with the managers in the regional office. Most of the staff members in Boulder, meanwhile, have a college education but do not have relationships with the regional office that are as close as those of the staff at Fort Collins. The managers in the regional office have close relationships with the managers in the national office.

Recently, staff members in Boulder have reported that staff members in Fort Collins are failing to report behaviors in client families that they are legally bound to report. For example, in one home a staff member from Boulder found evidence of child abuse and neglect, including needles used for illegal drugs lying on a coffee table. This staff member knew that a staff member from Fort Collins had been in the home earlier, and that it was impossible to miss the available evidence, which should have been reported. When the staff members in Boulder pointed out that the staff members in Fort Collins should have reported this, the staff members in Fort Collins “covered up” the situation, according to the staff members in Boulder, who further claim that this is one of many such instances and that the problem is becoming intolerable.

The Boulder staff is bringing it up to the regional level now because they reportedly have contacted the staff members in Fort Collins many times with the same result. They claim that the staff members in Fort Collins have an unwritten rule of covering up for each other, that it is becoming a serious problem, and that the leadership of the organization is turning a blind eye to the problem.

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<sup>1</sup> Names in this vignette are pseudonyms.

Exhibit TN5

**PROBLEM-SOLVING AND PURPOSE-FINDING**

Vignette #5  
(student handout)

Amelia Epley<sup>1</sup> is a senior asset manager in the real estate asset management group at First National Bank. Along with her unit of about 20 people, Epley must figure out how to report on the management of a \$7-billion portfolio of real estate loans originated by the bank's structured finance group. Little to no reporting, documentation, or information exists regarding the loan portfolio, yet senior management is demanding the report "yesterday." Much of the information Epley and her colleagues need to create the report must be obtained with the help of the people in structured finance.

After the bust of the real estate market and the devastation of the financial industry, it becomes evident that First National has too many non-securitized loans on the balance sheet (in this portfolio and in others), which means that the bank is shouldering 100% of the risk for the nonsecuritized loans. This is an intolerable level of risk, but nothing can be done about it in this portfolio until a complete reporting of the status and management of its components is made. This has gone unnoticed throughout the real estate market boom of the previous decade because operations had flowed relatively smoothly and loans had been generated quickly and easily.

People in both the asset management and the structured finance groups tend to think poorly of each other and resist cooperating with each other, a dynamic which also has gone unnoticed because senior management has allowed the divisions to operate autonomously and with minimal supervision. Now senior management is demanding reports that require the two groups, neither of which has a clear or consistent reporting practice, to work together.

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<sup>1</sup> Names in this vignette are pseudonyms.