

THE BRAINS BEHIND YOUR ORGANIZATION'S SUCCESS

Understanding Whole Brain Thinking:

What You Don't Know Can Hurt You

Copyrighted 2004 Herrmann International

People have markedly different ways that they perceive and assimilate information, make decisions, and solve problems. Appreciation of and attention to these different “thinking styles” can literally change the way you do business with your workforce and your customers. As the business world becomes more complex, understanding the thinking styles of your customers and expanding the thinking styles of your workforce beyond their “regular” preferences may not be a luxury, but a necessity. When you examine successful businesses over time, you usually find that their workforces have had to do many tasks well, and have used a variety of different thinking styles to accomplish these tasks. But what if someone told you that your organization might not survive if all employees didn't venture outside their preferred styles of thinking? What if a competing company was trouncing yours, driving your numbers into the red, because every employee in their entire organization from the CEO to the mail clerk practiced something called “Whole Brain Thinking?” Sound too touchy-feely? That's what many Fortune 500 companies used to believe before they realized that building their competitive strategy and implementing day-to-day processes based on a technology called “Whole Brain Thinking” could improve the bottom line. Now, they're touching and feeling their way to the bank as some have accomplished profit- and performance-enhancing achievements such as reducing tech support time by 39% or increasing revenue by \$100 million as a direct result of applying Whole Brain Thinking principles across their organization.

YOUR “WHOLE BRAIN” IS THE SUM OF ITS PARTS

The most widely recognized thinking styles are illustrated as The left-brained preference is described as analytical, logical and sequential, while the right-brained preference is described as intuitive, values-based and nonlinear.

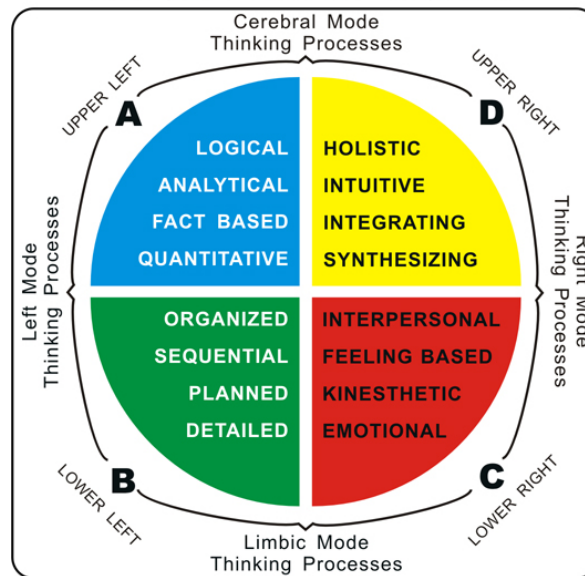
WHOLE BRAIN THINKING

The highly validated Whole Brain Model is scientifically designed to help people learn to think better. Training that utilizes Whole Brain Technology™ focuses on showing people how to use their whole brain – not just the parts with which they feel most comfortable.

The Herrmann Brain Dominance Instrument™ (HBDI™) evaluates and depicts the degree of preference individuals have for thinking in each of four brain quadrants:
Rational —Blue / A / upper left
Practical —Green / B / lower left
Feeling —Red / C / lower right
Experimental —Yellow / D / upper right

Research has shown that everyone is capable of flexing to less preferred thinking styles and learning the necessary skills to diagnose and adapt to the thinking preferences of others. Presenting information in a way that recognizes, respects, and is compatible with different preferences is crucial to meeting co-worker, customer, and client needs and expectations.

WHOLE BRAIN MODEL



The awareness of one’s own thinking style and the thinking styles of others combined with the ability to act outside of one’s preferred thinking style is known as “Whole Brain Thinking.” This methodology has been scientifically proven to help individuals at all levels to become more cooperative and productive, and can lead to heightened levels of employee and team performance.

By taking advantage of Whole Brain Thinking and its many applications, companies have addressed issues including leadership, creative problem solving, communication, productivity, and more. Companies who’ve applied the principles of Whole Brain Thinking have found that once employees are aware of their own and others’ thinking preferences, they’re much more likely to want to improve their skills in less preferred quadrants or to make sure they use other resources to “bridge the gaps.”

While individual performance improvement is certainly important, companies are finding that the richest rewards come from the long-term business results they get when they apply this “technology” across their organization and to their customer relationships.

The most natural place to start applying this “technology” is to diagnose the brains in your organization. Although a number of different diagnostic tools and assessment instruments exist for measuring brain dominance, their proponents agree about these basic points:

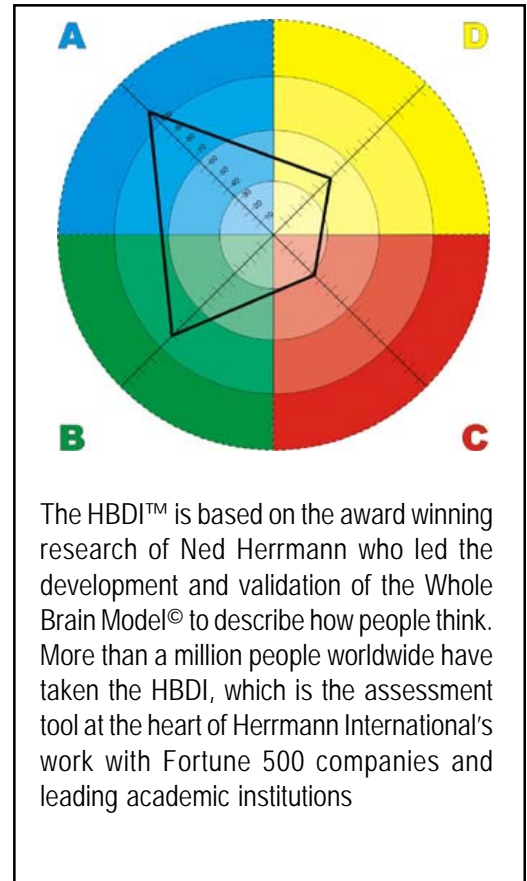
- Preferences cannot be labeled inherently good or bad
- People can learn how to act outside their preferred styles
- Understanding others’ preferences supports good communication and promotes collaboration

Scientific studies have shown that instruments that classify and describe how people perceive and interact with the world around them can be powerful tools in developing employees and achieving business objectives.

The Hermann Brain Dominance Instrument™ (HBDI™) and the Myers-Briggs Type Indicator™ (MBTI™) are two of a number of assessment systems that have earned scientific and experiential credibility. The profiles they reveal build self-awareness, self-esteem and performance. By helping individuals understand why they “get” some people and not others, the profiles encourage individuals to communicate and collaborate more effectively.

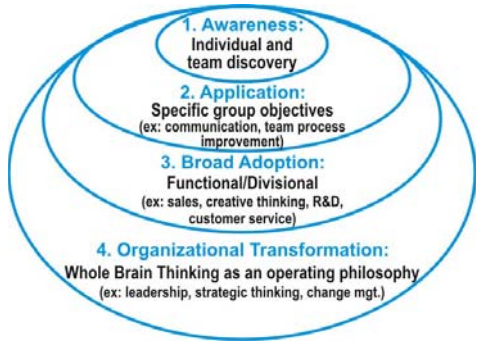
The MBTI is a psychological profile tool to assess personality type, while the HBDI specifically measures not only a person’s preference for right-brained or left-brained thinking, but also for rational, practical, cognitive or visceral thinking. The HBDI model is more complex because it is based on scientific research conducted specifically on thinking styles, and thus has applicability beyond individual profiling. But because it is based on the way our brains are organized, it is also intuitive and easy to remember. In the HBDI, the different thinking preferences are categorized into four distinct quadrants, and a person who uses the HBDI process can easily learn which quadrant(s) for which he or she has a preference and how those preferences may differ from others they work with.

Valuing different thinking preferences is the key to fewer mixed messages, improved working relationships, and gaining business advantage. People who understand the non-judgmental differences between quadrant preferences can expand the range of their own behaviors and work productively outside their preferred styles of thinking.



BEYOND THE BUZZWORDS: APPLYING WHOLE BRAIN THINKING TO IMPROVE THE BOTTOM LINE

To effectively put strategies based on Whole Brain Thinking into practice, organizations usually go through four distinct stages of application:



Stage One – Individual or Team Awareness of Thinking Preferences

Stage Two – Whole Brain Strategy Adoption by a Group to Meet A Specific Goal

Stage Three – Broad Adoption of the Whole Brain Approach Across A Division

Stage Four – Organizational Transformation With Whole Brain Thinking Practiced Throughout The Entire Organization

Stage One – Individual or Team Awareness of Thinking Preferences

Employee development and team building undoubtedly represent the widest application by businesses in the area of using thinking preferences. Individuals in a business setting are generally aware of various thinking preference assessment models, and comfortable with using them to make the personal changes needed to succeed in their chosen work.

Often, employees express that they “didn’t really know themselves” until they had reviewed their thinking preference profile. Organizations use individual thinking preference assessments to develop employees’ understanding of themselves and others.

An appreciation of the dominant thinking preferences in each of the four thinking quadrants can help employees communicate better and work more effectively with colleagues, customers, and clients. The self-awareness gained from thinking preference assessments can build self-esteem, and can greatly enhance performance. Some have achieved measurable, long-term results from this type of application. However, results can be short-lived when using thinking preference assessment tools on a one-off basis. When there’s turnover in an organization, this can be like the Botox of training methods – everything looks better for a few months until new wrinkles start to crop up again. To extend these positive results, companies usually advance to Stage Two application of this kind of work.

Stage Two – Whole Brain Strategy Adoption by a Group to Meet A Specific Goal

It’s very common for companies to use an understanding of thinking and learning preferences of their employees to focus on general problems such as personnel issues or team building. However, many companies have gone further and applied Whole Brain Thinking practices toward meeting a specific, measurable goal.

For example, General Electric Lighting Systems used a series of Whole Brain Thinking workshops to solve a very serious problem with one of its core products manufactured in its plant in Hendersonville, North Carolina. GELS' Roadway Light product was drastically losing market share due to competitors' producing a comparable product in Mexico and underselling them. GELS was seriously considering moving production of the product to Mexico or dropping the product altogether unless it could knock \$10 off the production cost of the product.

The GELS group in Hendersonville held several staff development workshops, which employed Whole Brain Thinking at the executive and team leader levels. Next, they conducted an intensive one-day problem-solving session with a facilitator specifically to explore ways to reduce margins on the Roadway Light product while still meeting customer needs. Cross-functional teams from operations, sales, marketing, manufacturing, finance, and engineering split into four small groups to apply Whole Brain Thinking principles toward generation of ideas to solve the problem. Over 120 ideas were generated, and then favorites were selected. More than \$10 was knocked off the product cost as a result of ideas that emanated from this workshop. In addition to this immediately quantifiable result, several additional ideas from subsequent team problem-solving sessions using Whole Brain Thinking reduced the price of the product another \$5 on top of the original \$10 reduction. General Electric Lighting Systems attributes this "Whole Brain" work with not only solving the identified problem, but also with "saving" this product line.

How might a company extend from year to year results like those General Electric Lighting Systems achieved? Forward-thinking companies have seen long-term positive effects of Whole Brain Thinking by embedding principles like those employed by General Electric Lighting Systems into processes used across an entire division of a company.

Stage Three – Broad Adoption of the Whole Brain Approach Across A Division

Many companies have been so encouraged by measurable success with individual and team-based training that they've permanently expanded the use of Whole Brain Thinking methodology across an entire division within the company.

As increasing numbers of employees throughout an organization become aware of thinking preferences, management can implement more widespread efforts to change how it thinks about its people and their needs.

A multinational pharmaceutical company took advantage of Herrmann's Whole Brain approach to build competitive advantage in its sales division by tailoring its entire sales training program for every pharmaceutical sales representative in the company around Whole Brain Thinking and learning.

As with most pharmaceutical companies, this particular Herrmann client is constantly faced with a limited window of opportunity for sales representatives to thoroughly learn about and sell new drugs that they launch (termed "job mastery" by the company), as it is common for competitors to launch similar products in a short period thereafter. So it

follows that a major goal of the company's sales training program was to reduce the time it took for new sales representatives to achieve "job mastery" from two years to one year.

Over the course of three years, Herrmann worked with the company on an ongoing sales training program that:

- Helped sales coaches understand their own and their trainees' thinking preferences, and subsequently tailor their coaching to the unique thinking preferences of their sales representatives.
- Provided support for sales representatives to understand the demands of their jobs (including the different customer thinking styles they'd encounter on the job) and the implications thinking preferences had on mastering those demands
- Assisted training managers with the development of Whole Brain interactive programs for sales representatives that resonated with all representatives, regardless of their profiles.
- Created a sales and training environment that supported and reinforced learning.

The program not only cut in half the time it took for new sales representatives to achieve "job mastery," but it also further reduced this cycle to seven months. Furthermore, the company saw increased sales revenue and improved results in efficiency across the sales division over the three-year period. The results were so impressive that the company expanded the use of the Whole Brain model to other parts of the organization.

Stage Four – Organizational Transformation With Whole Brain Thinking Practiced Throughout The Entire Organization

Insightful founders and CEOs of companies can use Whole Brain methods and techniques to build a company culture based on their commitment to Whole Brain Thinking across the entire organization. These leaders usually employ a cadre of resources to systematically build this culture: assessment tools, training programs, books, performance research, and the regular counsel of experts in the field. Of course, this practice is still considered somewhat radical since it calls for buy-in at the highest levels of management and adoption at every level in the company. But the payoff almost always proves to be well worth the effort.

An organizational culture dedicated to Whole Brain Thinking requires sensitivity to human needs so that executives and managers can anticipate and avert internal and external problems. Whole Brain practices must be integrated into every area of operations – from training, to sales, to overall business development – so that it truly becomes an operating philosophy of the company. Sustaining such a culture requires ongoing efforts to communicate with each other and with customers, using the principles of Whole Brain Thinking.

A prime example of a company that systematically built this type of culture is Australia-based Bendigo Bank. With clearly stated objectives of creating a company culture that supports communities and creates a fulfilling workplace for employees through

understanding and supporting diversity, Bendigo has been able to achieve tangible and intangible results based largely on the adoption of Whole Brain Thinking practices at every level in the organization.

Over the past five years, Bendigo's training program "Building The Future," which is based on Whole Brain Thinking, has grown from being a management and executive program to a mandatory training program for every employee in the organization. For Bendigo, the Whole Brain model has moved beyond merely helping people manage diversity in the organization — it has evolved into a tool to help manage interpersonal relationships and improve performance by making all employees aware and open about their own attributes and deficiencies. Whole Brain Thinking has become imbedded into everything the company does. Everyone from the CEO to the shipping clerk has a clear understanding about how expanding their own thinking preferences can enhance the organization and the bottom line.

This is not to imply that Bendigo stops at using Whole Brain Thinking for employee satisfaction. In fact, building competitive advantage through a strong focus on customer service is another core objective of the company's Whole Brain Thinking approach to business. When Bendigo began integrating Whole Brain Thinking into its customer service practices a few years ago, the desired business outcome was to drive bank growth through increases in specific areas: customer numbers, deposits, and ultimately, profitability and earnings per share.

Today, Bendigo's entire customer service approach utilizes Whole Brain Thinking. Bendigo trains individuals to identify what type of customer they are dealing with, based on aggregate profiles developed using HBDI principles.

- Customers in the Blue / A / upper left quadrant require facts and figures to support product claims. They are research-oriented and generally demanding.
- Green / B / lower left quadrant customers tend to want reasonably safe products. They're not risk takers, and can be relatively high maintenance customers.
- Customers in the Red / C / lower right quadrant respond to pleasantries and special services. They highly value attributes connected with integrity, and can be great advocates in telling others about excellent products.
- Yellow / D / upper right quadrant customers are usually innovative and forward thinking. They focus best on future possibilities, but since they usually can't be bothered with details, can require alternate communication techniques.

Just as "one size fits all" communication is ineffective, Bendigo found that customer service strategies based on a single customer profile were ineffective. Therefore, Bendigo tailors customer service solutions based on the specific customer profile of each customer. Bendigo calls this a "customer intimacy" strategy, which means that at any given moment, the unique needs of any customer are being anticipated and appropriately addressed.

Success for Bendigo was financially determined by markedly improved results outlined in its original objectives. Growth in customers, deposits, and lending approvals translated into a 21% increase in after-tax profits for the 2003 financial year and a 36%

increase for the six months ending December 2003. That's enough to make even the most rational, blue-quadrant banker leap for joy.

Organizations like Bendigo Bank that have successfully adopted the Whole Brain model in their entire organization have seen improved group dynamics, strong synergies between groups, and forward-thinking leadership strategies – not to mention incremental improvements to the bottom line. However, in the midst of the rapid technological and sociological change we're experiencing in the world, this may soon be a practice that is more than just good business sense – it may be imperative to some organizations' survival.

ABOUT HERRMANN INTERNATIONAL

Herrmann International works with Fortune 500 companies and leading academic institutions to improve employee and team performance. Herrmann's work focuses on practical ways to leverage differences in individual thinking styles. Building on research originally begun at General Electric, the company has developed applications that range from developing strategy at the executive level to increasing sales force productivity. More than a million people have completed the Herrmann Brain Dominance Instrument (HBDI), the assessment tool at the heart of the company's approach. Herrmann International is headquartered in Lake Lure, N.C., and has affiliates in Asia, Australia, Europe and Latin America. For more information, visit www.hbdi.com.