

# THINKING CLEARLY

Clear thinking underpins a compelling vision, mission, and business model.

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# THINKING CLEARLY

*Clear thinking is the foundation for a compelling vision, mission, and business model. It also helps for solving problems.*



“ *Looking critically at groupings of ideas requires hard work - indeed it is the essence of the thinking process - which is no doubt why it is so often ignored.* ”

*- Barbara Minto*

Clear thinking is also the starting point for developing a business case. For the purpose of this slide doc, thinking clearly will help you develop The Case For Your Business.

*Most vision and mission statements are vague, meaningless platitudes which broadcast their authors' inability to think clearly.*

In this section, we will give you some tools to help you think through your business problems.

## ***Groupings of Ideas***

Think about your ideas as a pyramid. You must group your ideas in order to communicate them. Grouped ideas form a pyramid at various levels of abstraction.

## ***Introductions***

Sort out the introductory information first, and then concentrate on the lower-level ideas of your pyramid.

## ***Developing a Business Case***

Gain clarity on your recommendation and identify the key assertions and supporting facts you will need to support your recommendation.

# GROUPINGS OF IDEAS - THE MAGIC NUMBER SEVEN

*Think about your ideas as individual blocks in a pyramid.*



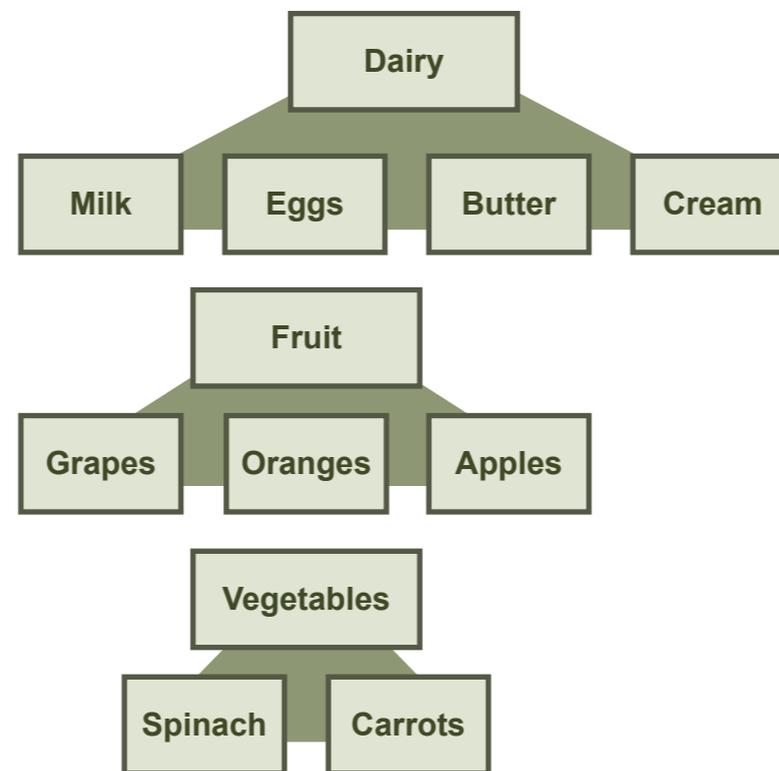
The human mind cannot hold more than about seven items in its short-term memory. As the number of items with which it is being presented begins to rise above four or five, it starts to group them into logical categories so that they can be retained.

Imagine your spouse rattles off the following items, in quick succession, for you to pick up at the grocery store:

Grapes    Eggs    Butter  
Milk    Carrots    Apples  
Spinach    Oranges    Sour Cream

If you're like me, you'll be lucky to come back with the grapes and the sour cream. Perhaps you noticed these items might fall into three categories; dairy, fruit, and vegetables.

Summarizing your nine items into three groups and visualizing them as pyramids helps you remember them. Now you only need to remember three groups. Each grouping then *suggests* the items below it:



Much easier to remember, right?

Mental processes like thinking, remembering, and problem solving use this grouping and summarizing process. Think of the information in a person's mind as one giant conglomeration of related pyramids. If you think about communicating to that mind, you will want to ensure that what you say will fit somewhere into the existing pyramids.

You can "see" these groupings of items clearly. To communicate them means to ensure that the other person "sees" them in the same way. But, as was the case with your spouse, you can only present them one at a time.

So, the best way to communicate your ideas is to present the category first and then the items.

*Controlling the sequence in which you present your ideas is the single most important act necessary in clear writing. The clearest sequence is always to give the summarizing idea before you give the individual ideas being summarized.*

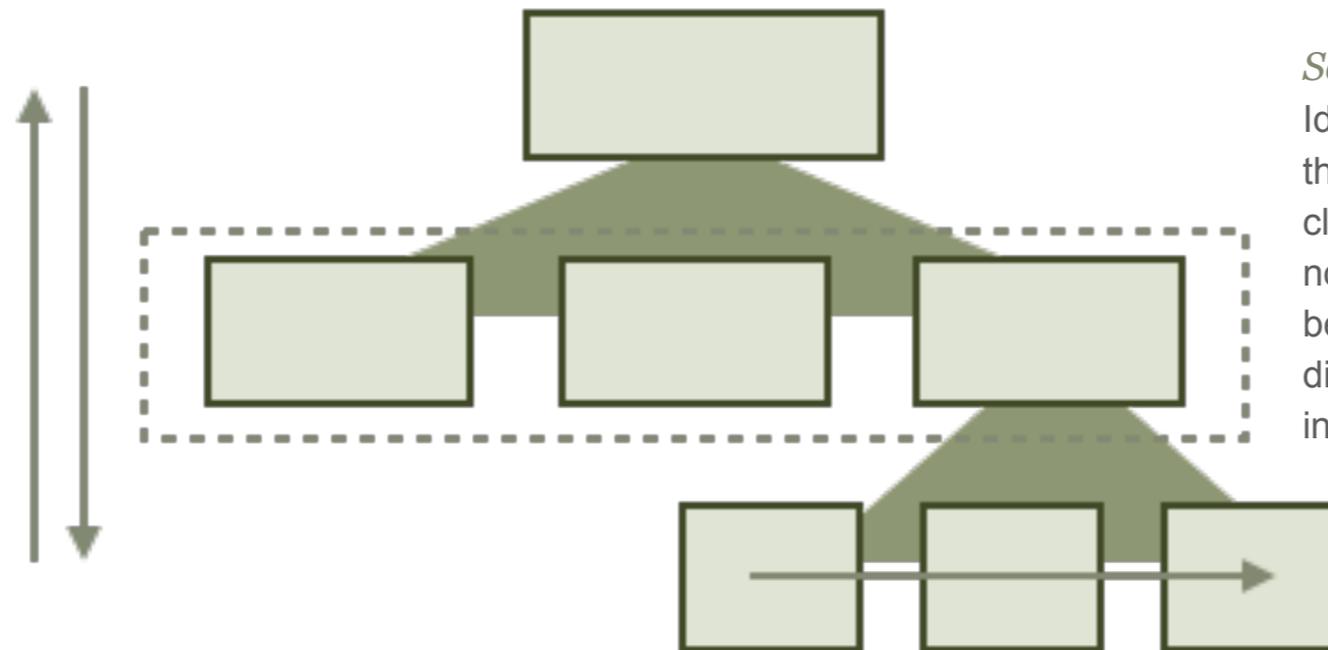
# GROUPINGS OF IDEAS - PYRAMID RULES

*Put your ideas into the pyramid form and test them against these rules before you begin to write.*



You can be sure whether your groupings of ideas are structurally (logically) sound by checking to see whether your ideas relate to each other in a way that permits them to form a pyramid. Your ideas must obey three rules:

*First,*  
Ideas in any level of the pyramid must always be *summaries* of the ideas grouped below them. Likewise, ideas below must always *support* the ideas above.



*Second,*  
Ideas in each grouping must always be the *same kind of idea*. Be sure you can clearly label the ideas with a plural noun. Bananas, apples, and pears can be summarized as...fruit.. It would-be difficult to summarize bananas, integrity, and velocity.

*Third,*  
Ideas in each grouping must always be *logically ordered* (biggest to smallest, sequence of events, order of importance, etc.). There must be a specific reason why the second idea comes second, and cannot come first or third.

# GROUPINGS OF IDEAS - QUESTION / ANSWER DIALOG

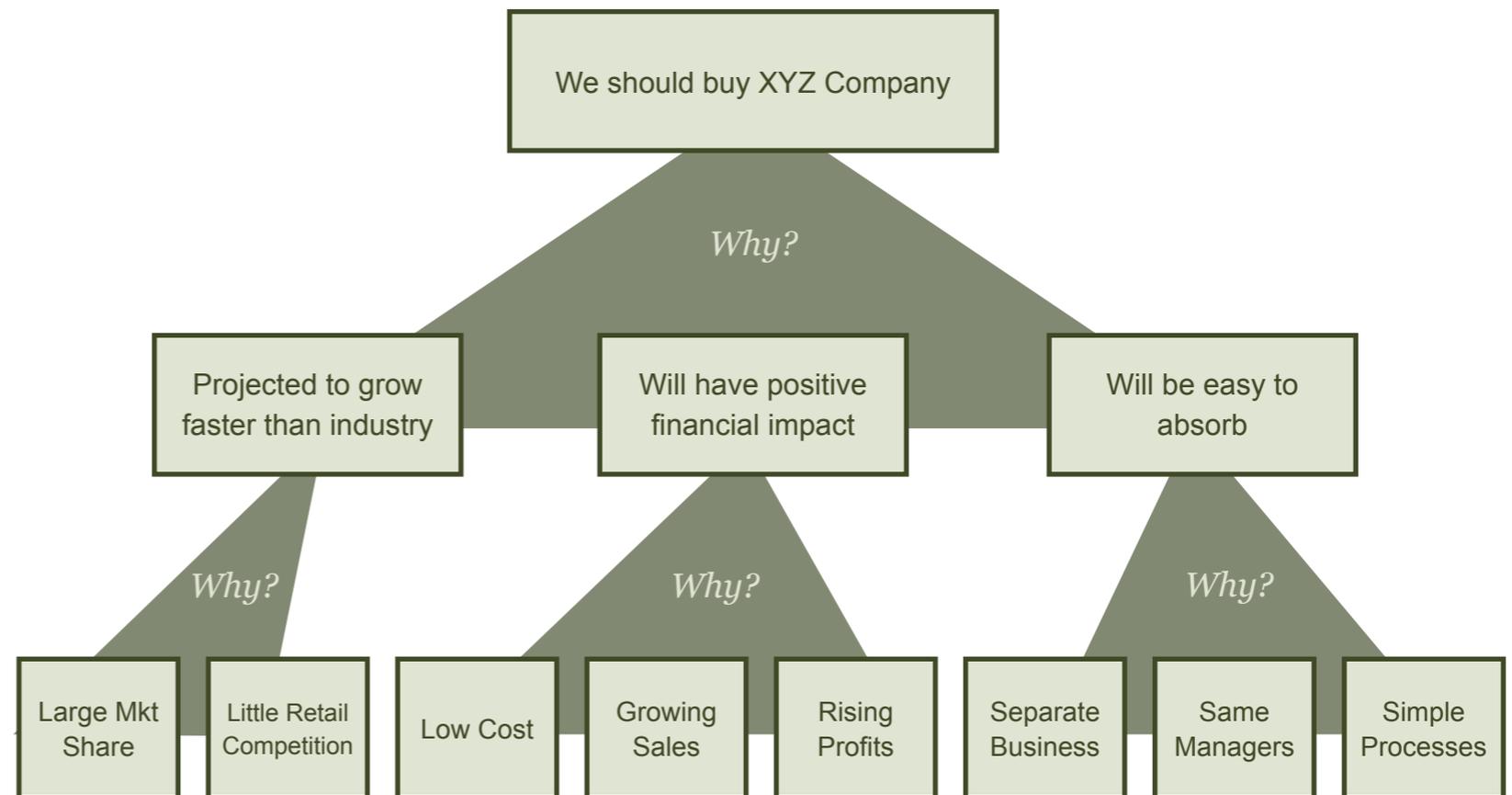
*Each block (box) of the pyramid contains an idea, which is a statement that raises a question in the reader's mind. Identify the question you wish to raise, and then proceed to answer that question in the boxes below.*



Making a statement to a reader that tells him something he does not know should automatically raise a logical question in his mind (why?, how?, why do you say that?, etc.). You should then answer that question. Since you will still be telling the reader things he does not know, you will raise further questions that must again be answered.

You will continue to write, raising and answering questions until you reach a point at which you judge the reader will have no more logical questions (not that the reader necessarily agrees with you; simply that he follows your logic).

Once you have sufficiently answered all the logical questions, you then move back up in your pyramid to continue wrestling the original question raised by the point in the top box.



# INTRODUCTIONS

*Sort out the introductory information first, and then concentrate on the lower-level ideas within your pyramid.*



“ Solving a problem simply means representing it so as to make the solution transparent. ”

- Herbert A. Simon

The question and answer rhythm of your document must start somewhere. The main idea of your document is the answer to a questions that already exists in the reader’s mind. Where did *that* question come from?

The introduction to your document should provide just the right set-up for THE CRITICAL QUESTION, which in turn provides you the opportunity to answer that question.

The most effective introductions provide the allure of an unfinished story. Every good story has a beginning, a middle, and an end. It establishes a *situation*, introduces a *complication*, and offers a resolution. The resolution is your major point of writing the piece in the first place.

## ***The Situation***

The Situation is a non-controversial summary of a time and place when things were stable that the reader will readily accept and agree to. The response should be “*Yeah, so what? Get on with it!*”

## ***The Complication***

“*Well, something happened.*” The Complication in the story you are telling moves the situation from stable to unstable. It creates tension and triggers The Question.

## ***The Question***

The Complication should immediately raise the Question you are trying to answer. If it doesn’t, perhaps you need to rethink your Situation or Complication so that the right Question naturally falls out. Then again, it might be that you are asking the wrong question.

# DEVELOPING A BUSINESS CASE

*Given the proper context of the Situation and Complication, which have posed the right Question, the rest of your document must support your answer to that Question.*



## ***Form Your Hypothesis (Solution, Answer, Recommendation)***

Your hypothesis or recommendation is what you believe will answer the Question and resolve the Complication.

In forming your hypothesis, engage everything you know; from school, from previous careers, from solving similar problems, from what you know about the market, the available technology, etc.

What are the background facts saying? Have we (or anyone else for that matter) ever addressed a problem like this before? What does my gut tell me?

## ***Identify Key Assertions***

Once you've formed your initial hypothesis, determine the key assertions that will support that hypothesis. The big question is

*“What would my boss, (or investors or customers) have to believe in order to buy into this overall recommendation?”*

What would have to be true for my hypothesis to be valid?

DO NOT start by asking what data you have available. That is a recipe for a mess that ultimately will not support your recommendation.

Make sure each assertion is *mutually-exclusive* of your other assertions (that it isn't just two ways of saying the same thing). Also, be sure your assertions are *collectively-exhaustive* - that you've thought of everything you need to support your recommendation.

Check yourself for completeness. Inoculate yourself from blinding oversights. If all my assertions are true, will I (or my boss, financier, customer, etc.) have enough information to move forward without hesitation?

## ***Identify Supporting Facts***

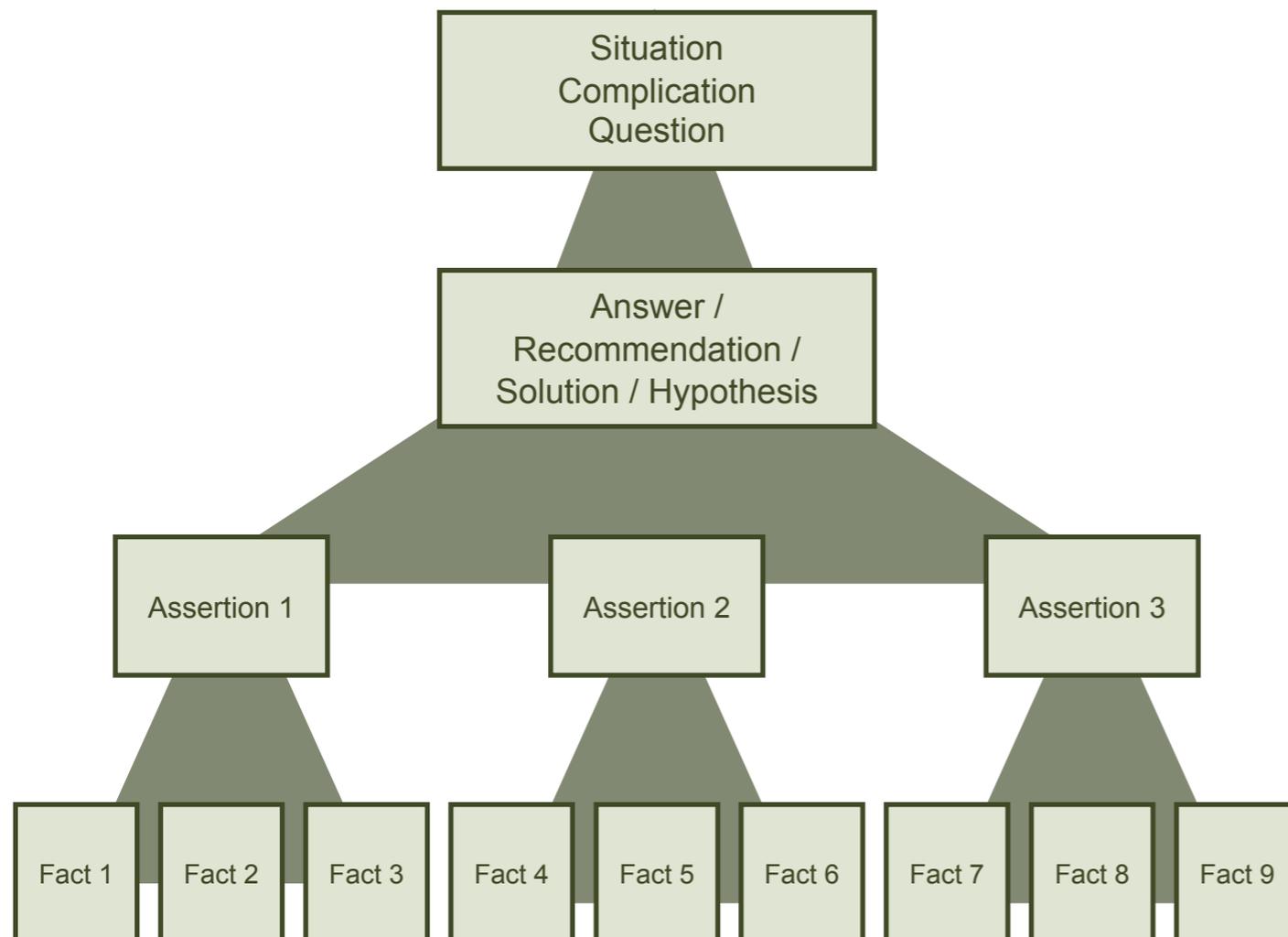
Once you've identified your key assertions, go down one level of abstraction (in your pyramid) and repeat this process. Ask yourself

“What data or facts do I need to support this key assertion?”

I recommend sketching out a picture of what that data might look like. If you envision a chart, sketch the horizontal and vertical axes, give labels to the axes, and sketch what you imagine the data to look like (an upward trend line, for instance).

# DEVELOPING A BUSINESS CASE

*The pyramid structure provides a way to visualize all your ideas and sub-points as a single structure. It also simplifies checking that the logic is sound.*



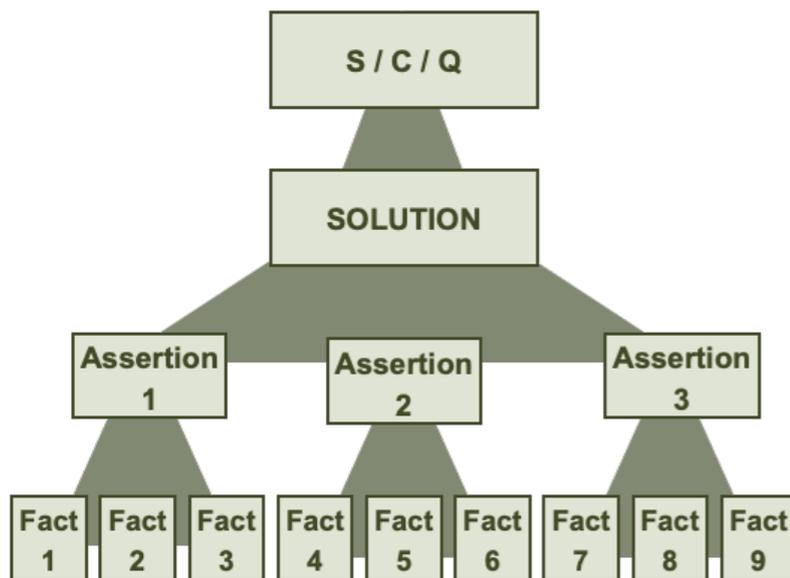
The pyramid structure is similar to the old outlining technique you learned in grade school (I., A., i, a., etc), just turned on its side. The pyramid is much more visual than an outline, so it is more intuitive.

As mentioned earlier, each block in the pyramid contains an idea. Each block can represent simple noun-verb phrases, complete sentence, full paragraphs made up of complete sentences, or even the chapters of a book. For instance, three chapters of a book might support the premise of a section of the book, which in turn supports the overarching premise of the entire book.

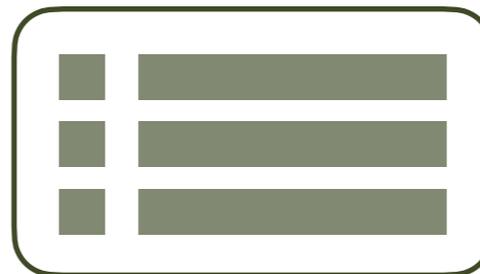
The pyramid structure also provides a fantastic way to organize a presentation.

# STORYBOARDING

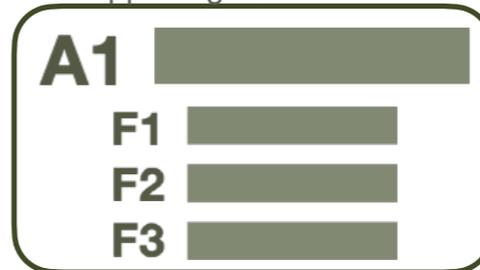
*Before you do any real work toward solving your particular problem, sketch out your storyboard, point by point. Labeling your axes and data series will help focus your data collection efforts.*



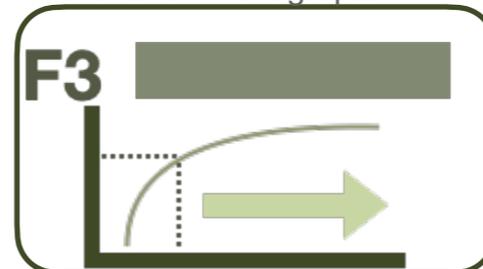
Situation Points



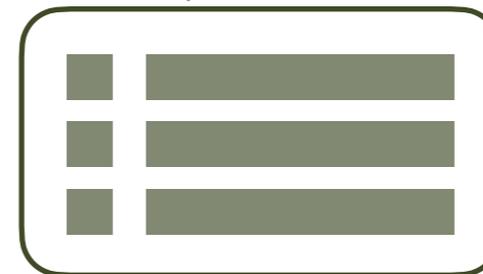
First Key Assertion & Supporting Facts



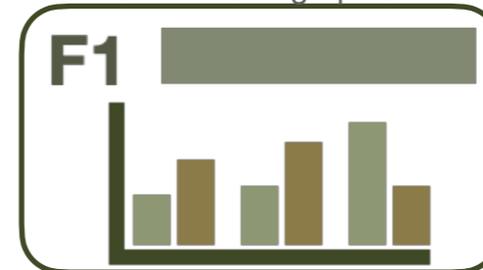
Third Supporting Fact as a sentence over a graphic



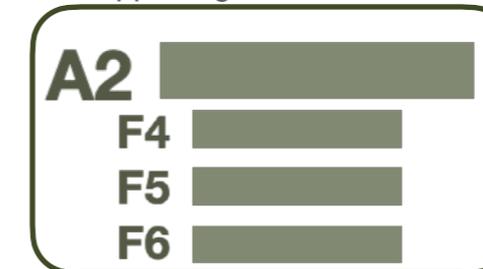
Complication Points



First Supporting Fact as a sentence over a graphic



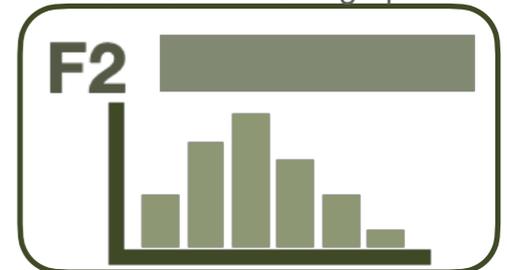
Second Key Assertion & Supporting Facts



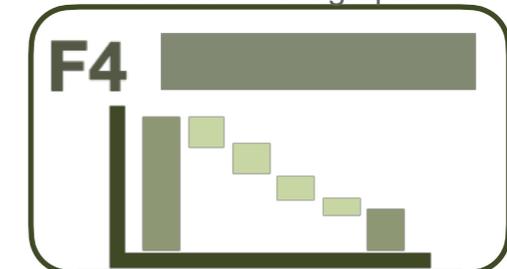
Main Point & Key Assertions



Second Supporting Fact as a sentence over a graphic



Fourth Supporting Fact as a sentence over a graphic



*On each slide that you sketch, include a tag line (a noun-verb complete sentence) that leaves no room for your audience to make a wrong assumption about the essence of the point you are making.*

# THINKING CLEARLY - RECAP

*The previous ideas and tools can lend quite a bit of clarity to the scope of a problem you're trying to solve.*



## ***The Pyramid Can Help You Sort Out Your Visioneering Statements***

Since visioneering statements are groupings of ideas, the pyramid structure will help you get clear on your vision and mission statements (there is a difference).

Thinking clearly using these tools will help you articulate your vision statement and ensure that it is the single unifying idea of your entire enterprise.

These ideas, in turn, will help you gain clarity around the things your company should do to support that vision.

## ***The Pyramid Can Help You Develop a Business Case***

This section also described how to lay out a business case to support a recommendation. You can develop a business case to solve just about any kind of business problem, from determining the best way to structure your sales force, which markets to penetrate, and even the best places to build a facility.

Using the pyramid structure with a proper introduction (situation, complication, and key question) will help ensure you are answering the right question. It will also help you identify all the critical assertions and supporting facts you might need to gather in order to support your overall recommendation. These tools can be helpful in solving any problem and presenting your findings.

## ***The Pyramid Helps You Develop The Case For Your Business***

More to the point, however, these tools will help you set up the most important “business case” for your business; that is, the case *for* your business:

*Why should anyone ever want to buy our products or services?*

*Why would someone wish to work for us?*

*Why would anyone invest in us?*



# ABOUT BOB

Bob Ross of Highland Ross serves as an executive and business coach, working with business owners and leaders who are stuck in some aspect of their businesses.

Through his professional career in corporate America, small business America, and in the community, Bob has come to believe that our community is stronger when its local businesses are anchored with good leaders. The businesses themselves are stronger. Their employees feel safe and secure in their roles in their companies. Business owners' relationships with their spouses and significant others are stronger when they are good leaders. Their children are stronger and more resilient. All of this positivity sends positive ripples throughout the community in many ways, shapes, and forms.

Highland Ross exists to help, to coach, to enable, to challenge our local business owners to be everything their significant others, their children, their employees, and their community need them to be.

Bob is married to Dixie, Director of Campus Financial Services at WFU, and has three spirited, active kids. Two are out of the nest and our youngest is a rising senior in college. All have been active in the community, the church, and sports.



[bob@highlandross.com](mailto:bob@highlandross.com)



336-671-7640



[www.highlandross.com](http://www.highlandross.com)



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