

**Can baseball's Spring Training teach us about critical thinking in business?**

Every year at this time, Major League Baseball completes spring training before starting the regular season. Spring training is a time for preparation, decision and change for the organization and players. Established players work to regain their top form while young players strive to impress team management. Owners and coaches evaluate their resources to field a winning team. Management also gathers outside data from extensive use of scouting reports. This is the time of year each team makes the tough decisions: players favored by fans may be cut and unfamiliar names are given a shot at starting positions. The process may also lead to increases in ticket prices, new vendors and revised television contracts. In short, this is the time of year each team finalizes its business strategy for the upcoming season.

Now more than ever, business leaders must make the same kinds of critical decisions. The business world is extremely complex with decisions on product, promotion and price along with the all important "people" decisions. Given the current, tough economic conditions perhaps the time is right to put our businesses through Spring Training.

In any business review, the quality of our critical thinking is vitally important. How can we improve the quality of our thinking? In a traditional view of the Critical Thinking Process, the steps look like this:

- Focus on the most important issues.
- Solicit wide feedback to raise vital questions.
- Gather pertinent data and information to shape our thoughts.
- Clarify the available options after accurately interpreting the data.
- Draw conclusions based on evidence, logic, and relevant information.
- Communicate possible solutions in an open-minded fashion.
- Make decisions as the facts dictate.

These steps appear very rational. But in his book "How We Decide", Jonah Lehrer suggests that something more is needed. He wrote, "Sometimes we need to reason through our options and carefully analyze the possibilities. And sometimes we need to listen to our emotions. The secret is knowing when to use these different styles of thought. We always need to be thinking about how we think". This means decision makers need to know when to use rational abilities and when to use intuition.

The business world is full of examples of issues requiring all of our rational and intuitive abilities. One example is outsourcing. In determining the appropriateness of outsourcing, the analysis must consider which core competencies should be done in house and which may be profitably contracted to other parties who may perform more efficiently. A second example involves the identification of growth opportunities. Identifying growth potential means separating existing segments into high and low-growth potential. A great deal of raw analysis, business judgment, and even intuition may be required to reach valid conclusions.

While intuition may be critical we must guard against making decisions in an overly emotional manner with insufficient regard for our blind spots. In his book, Mr. Lehrer presents a good deal

of data to suggest that there are specific, recurring flaws in the typical human decision-making process. One of these frequent shortcomings is the tendency to be risk averse, especially in the short term when consequences are more immediate, but much less so in the long term when consequences will not be felt for many years. He makes the point that many of the financial schemes that led us astray over the last decade exploit exactly this defect in our innate, decision making abilities.

Successful baseball organizations move past purely emotional decisions to make rational choices. They drop popular players who don't fit the future plan and bring in new players to fill crucial spots. Similarly, business leaders must take a clear-eyed view of their real business prospects and issues.

So what can we learn from a successful baseball team during spring training?

- 1) Keep your eye on the ball! Problems only get worse if we don't focus on the most important issues.
- 2) Thorough scouting reports are critical! We can never reach full business potential if we don't gather and correctly interpret all relevant data and information.
- 3) Don't be afraid to use your gut instincts! But be careful of those fatal flaws that negatively affect our intuitive abilities.

With this approach you can start off the new season, in the right ballpark, with the right players, playing the right game. These economic times require our very best efforts!

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