



“Bad” Idea Could Be Just What You Need

by
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The time has come to sing the praises of bad ideas.

Not all bad ideas, mind you, just those that are actually good ideas in disguise – and the better the disguise, the more praiseworthy the “bad idea.”

In fact, powerful forces that are turning today’s business marketplace upside down also are placing a premium on the ability to recognize and pursue the right kind of “bad idea.” One way to understand why this occurs is to recognize that the pursuit and cultivation of good ideas – especially those that are immediately recognizable as good – has become a “gimme.” We’ve crossed into a new hypercompetitive era, one with increased access to management know-how and to capital; improved technology-transfer and reverse-engineering capabilities; and accelerated competitor response to marketplace innovations.

As a result, traditional business strategies that rely solely on such ideas as the leveraging of core competencies and on the incremental building of business advantage are likely to relegate a company to a painful and unrewarding business version of trench warfare. In this hypercompetitive environment, strategic surprise becomes increasingly crucial for success. And, achieving surprise basically means successfully pursuing what others consider bad ideas.

“The essence of strategic surprise is to do something that everyone else thinks is impossible,” said Dartmouth business school professor Richard A. D’Aveni, who explored these issues in his recently published “Hypercompetition: Managing the Dynamics of Strategic Maneuvering”

(Free Press, 1994). “Real surprise comes when people say, ‘You can’t do that’ – and you do it. If you tell someone else your idea and they laugh at you and call you an idiot, that’s when you know that you can use it to beat them.”

Coming up with a successful “bad idea” is no simple matter, however. Managers and senior executives who have climbed the corporate ladder, for example, find it almost impossible to come up with anything but “good ideas”; their success, after all, has been achieved by intensely honing that ability.

There is, of course, no way to systematize the process of coming up with surprises. Nonetheless, in a recent conversation, Mr. D’Aveni described a process he has been using with the companies that have been trying to develop hypercompetitive strategies and that can help increase the likelihood of generating novel notions.

It starts with the assembly of a brainstorming session that includes representatives of a broad array of perspectives ranging far beyond senior management. This group is given the standard brainstorming instruction to operate in a purely idea-generating mode, with no shooting down allowed. This instruction is particularly vital to the generation of breakthrough ideas, because, said Mr. D’Aveni, “Whenever you have the shoot-down environment, for almost every breakthrough idea, you can find a reason why you don’t want to do it.”

The group then is given a two-pronged mission: To come up with ideas, without regard to their real-world feasibility, that (1) would dramatically delight current customers or create future customers, and (2) would excite that other crucial set of stakeholders: employees.

“You want ideas that motivate the troops to get involved,” Mr. D’Aveni emphasized. “In order to generate a sense of excitement, you need more than just empowerment; you have to ask yourself, ‘What are the troops willing to fight for?’”

A dangerous temptation can arise once this first step is completed and a list of potential strategic thrusts has been compiled. The traditional management approach would call for the company to step back and evaluate these ideas based on which of them can best leverage off of the company’s core competencies.

“That’s completely wrong,” Mr. D’Aveni said. “That makes you completely predictable, and it gives up the element of surprise, the stunning effect and the opportunity to truly disrupt the marketplace.”

Instead, the list of potential strategies should be turned over to the most negative people in your company, whose assignment is to tear the ideas to pieces and to make a list of every possible reason each proposal cannot be done. The final step is to then go back to the organization's "can-do types and to the people who are the high-riskers, and you assign them, piece by piece, to every one of those objections and ask them, How would you get around them?"

The process does not always produce a viable breakthrough strategic thrust, and, even when it does yield an idea deemed worth attempting, don't expect to get consensus support for it. "You can be absolutely certain," warned Mr. D'Aveni, "that anything on which there is absolute consensus is going to be bland, dull and completely predictable."

And, if a loud chorus of skeptics ridicules the idea, that's just fine: it means you've got them right where you want them.

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