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## Some thoughts on "Dilemma Thinking"

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Dilemma identification and resolution was introduced by Charles Hampden-Turner in the 90s, when he was working at Shell Group Planning. Dilemma Thinking proposes an alternative to the classical 'choice based' strategy thinking, which for example was popularised by Michael Porter in the choice to be made between being a premium or a low-cost producer. While decision situations often appear to be exclusive choices ("Shall we go right or left?") they can sometimes also be framed as two competing sets of values, both of which should be respected.

Dilemmas for Strategy

If what appears at first to be a straight choice can be framed as a dilemma between two equally worthwhile values to be pursued, which needs reconciliation rather than 'solving', then it changes the strategic dialogue from 'either-or', to a synergistic 'best of both'. In a true dilemma situation pursuing just one of the dilemma 'horns' eventually disturbs the balance of the whole. If one value is held to the exclusion of the other then the previously neglected value will re-assert itself, often in ways that have catastrophic consequences.

Typical examples of intra-enterprise dilemmas are the tensions between centralisation and decentralisation, between diversification and focus on the core, between wanting to be 'local' as well as being 'global', between measuring mainly short-term profitability or focusing on the long-term, or even (more philosophically) between the need to change and the desire to retain a unique identity.
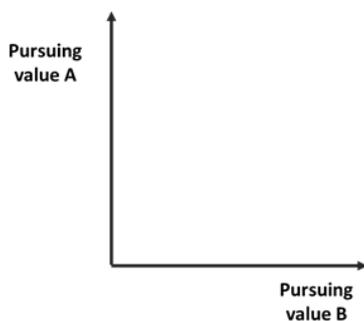
Societal dilemmas are those that 'humankind' struggles with, such as the tension between the desire to let all world nations develop and the desire not to overstretch the carrying capacity of the planet. Or the tension between using market mechanisms to price carbon and using tax mechanisms to do this. Or the tension stemming from the desire of governments to provide security to its citizens as well as preserving civil liberties.

Oftentimes enterprises have dilemmas where one axis is intra-enterprise and the other axis societal. An example is the need for enterprises to be profitable and at the same time to adhere to contextual values such as 'sustainability' or 'social equity'.

The Dilemma Framework

The diagram on the right identifies five 'zones' in a dilemma framework. Four of these zones demonstrate a form of failure. In the Compromise zone the dilemma is avoided, and diluted compromises are accepted that actually achieve neither of the values pursued. The Top-heavy and Lop-sided zones are where the seeds of collapse are in the neglect or rejection of the opposite value. In the Conflict zone both values are strongly expressed but a creative resolution is not reached. It is often the place for a 'war for supremacy' for either value. If the conflict is protracted it wastes resources on internal friction and is very destructive. From this conflict it is possible to either flip to one of the other three failure zones, or the conflict may be creative, in which case it becomes a driver for innovation and learning, enabling the creation of a pathway to resolution. In the Resolution zone both values are expressed strongly but in a way in which they mutually support each other. We get "the best of both worlds".
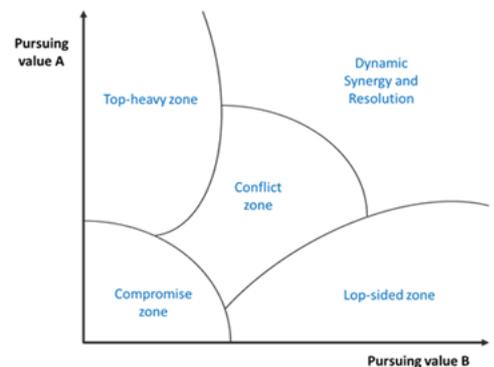
Solving and Re-Solving Dilemmas

Attempts to resolve dilemmas require a strategy, and Hampden-Turner calls the process of mind whereby the 'two propositions' are reconciled strategic thinking. (If a dilemma is truly insoluble it would be an impasse.)

A *critical* dilemma is a polarity or tension between two equally necessary values that are themselves seemingly incompatible. A critical dilemma is not a choice between these values, indeed should one value prevail then, sooner or later, the reality of the other value will catch up and cause defeat. This is because the critical dilemma itself is the manifestation of a deeper, underlying structure. Pursuit of short term profit alone exhausts the assets of the company. Pursuit of growth alone leads to profit collapse.
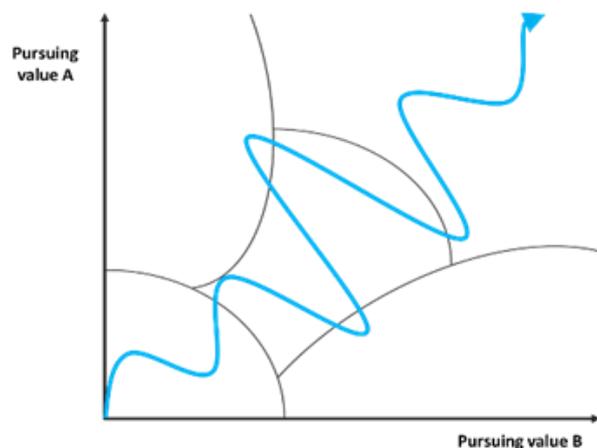
There is no right or wrong in either of the polarising issues. Successful resolution of a critical dilemma will inevitably require some flexibility and accommodation on the part of all viewpoints. Dilemmas are never solved but must be constantly navigated and 're-solved' to maintain the balance.

Re-solving dilemmas requires experimentation, contextual sensing, seeking and internalising feedback, learning and creative innovation. Enterprises that want to make dilemma thinking and navigating an integral part of managing need to build processes and systems for identifying long-term vision and the values for achieving success, for continuously scanning the context and the horizon, for scenario thinking and pathway creation, for transparency and feedback solicitation, and for monitoring progress and adjusting course.

For further examples of Dilemma Thinking or details about how your organisation can apply this approach, please visit **NormannPartners.com**, or contact us directly:

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The Dilemma. A mottled quadruped, with a pronounced squint, one eye being focused upon each of its two horns. Contrary to popular superstition, the Dilemma is not usually dangerous and can easily be domesticated.
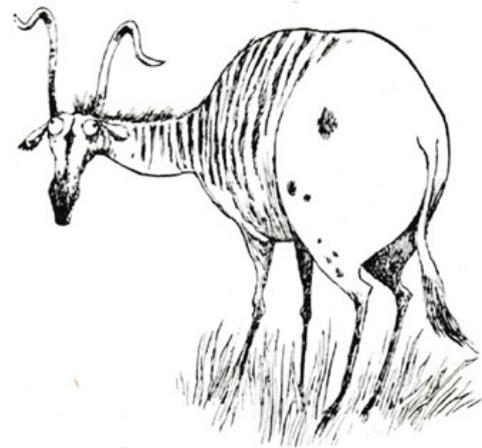
Illustration: Jeff MacNelly

The Impasse. A much more formidable beast than its cousin, The Dilemma. Those unwilling or unable to domesticate Dilemmas, may have no choice but to confront the Impasse.

Illustration: Jeff MacNelly

References

h3uni.org – http://www.h3uni.org/project/learn2-dilemma-resolution/

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We borrowed two cartoons from *A Political Bestiary*, by Eugene N. McCarthy and James K. Kilpatrick, illustrated by Jeff MacNelly (New York: McGraw-Hill, 1978).