SMALL BUSINESS | Are You Applying Critical Thinking?

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If you have children or grandchildren in the K-12 education system, you have probable heard the term "Critical Thinking". It is a way to teach our children to think beyond their comfort zones, and not to accept everything they hear at face value.

The Definition of Critical Thinking

Critical thinking means making reasoned judgements that are logical and well thought out. It is a way of thinking in which you don't simply accept all arguments and conclusions you are exposed to, but rather have an attitude involving questioning such arguments and conclusions. It requires wanting to see what evidence is involved to support a particular argument or conclusion. People who use critical thinking are the ones who say things such as, 'How do you know that? Is this conclusion based on evidence or gut feeling?" and "Are there alternative possibilities when given new pieces of information?'

Additionally, critical thinking can be divided into the following three core skills:

- 1) **Curiosity** .. The desire to learn more information, and seek evidence as well as being open to new ideas.
- 2) **Skepticism** .. involving a healthy questioning attitude about new information that you are exposed to, and not blindly believing everything everyone tells you.
- 3) **Humility** ... the ability to admit that your opinions and ideas are wrong when faced with new convincing evidence that states otherwise.

The Million Dollar Question

So there is the million dollar question ... Are you using critical thinking in the running of your business?

I often write about the difficulty of the change process in business because most companies are mired in the "we have always done it this way (WHADITTW)" syndrome. There is a comfort level in keeping things the way they are even in the face of some dysfunctional activities.

Are You Applying Critical Thinking Methodologies While Running Your Business By: Larry Girouard

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Larry Girouard
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There is always a better way than WHADITTW as evidenced by the myriad of continuous improvement programs that are available. Unless you have such a unique product or service where you dominate a market, like AirBnB or UBER, you have many competitors. Differentiation is almost always elusive without stepping back and taking a hard look at your business relative to competition. It is safe to say that, if you are not penetrating the market, your WHADITTW is not working.

As the business owner, or manager, you then face this reality and are responsible for addressing it. You have either created, or sustained, the WHADITTW culture. If growth in both the top and bottom lines are your charter, what are you going to do? What are you going to change? How will you lead your team in performing at a higher level? Humility, item #3 above, must be part of that equation.

One of the cornerstones for critical thinking is the removal of all emotion from the process. Emotion only clouds clear thinking, and seriously dilutes the level of any quantifiable results. We use emotions in our daily decision making because we are, let's face it, emotional creatures. Emotions rather than logic, statistics, process maps and reason dominate the WHADITTW culture.

Critical thinking involves collecting data from multiple sources, not the least of which is getting input and feedback from all employees involved with the issue at hand. While a manager's thought process might quickly default to thinking that employees do not have the time to deal with such things such as a critical thinking brainstorming discussion, that could not be further from the truth. Employees may be hesitant at first because it is new to them, but if it results in positive changes in part because of their input, they will eventually embrace these sessions with enthusiasm.

Critical thinking does not have to be steeped in rigorous data collection, but data is the foundation. Inefficiencies present an epidemic in most small businesses. Dramatic improvement in the way things are done can be realized in the early stages by mapping out some of the basic information collected, and allowing that information to steer some of the initial changes.

While it would be a lot faster for the president, or manager, to make quick knee-jerk decisions, this approach will sabotage the creation of the critical thinking culture. Also, there is one additional aspect that must be considered by today's business owners and managers. The speed of business is such that you can never keep up with all the variables that a company faces both inside and outside the company.

Better said, in today's fast paced world, business owners and managers can't hide from change. Change is now constant. If they do, the business will slowly fail. Developing a critical thinking culture within your company will free business owners up to apply this methodology to the forces that are impacting their business from the outside.