



What if you could see into the future?



## *Cognitive Agility; another trend, or a new dawn for business?*

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Is there such a thing as general cognitive agility, like general intelligence, and, what is cognitive agility anyway and do we even need it?

I have written a lot about cognitive agility in business, have developed instruments to measure it and calculated the financial cost to companies that is attributable to a lack of cognitive agility in their leaders, and explained how it is related to research on the novice to expert shift. So, I have a general understanding of what it is. However, as a recovering academic, I have gotten very concerned with describing it “correctly”, digressing into what it’s not and citing everyone who might have contributed to the notion. Therefore, hardly anyone understands what I am talking about.

What follows is something less precise, but probably more helpful.

### **What is cognitive agility, really?**

In business settings, it's simply the ability to adapt one's thinking as things change. It has nothing to do with believing in change, or wanting to change or wanting to be seen as adaptable. Rather it's the ability to perceive subtle indicators in the landscape of activities, and see that the winds have changed direction. In the agile person, this is largely automatic and not under conscious control.

The highly agile person will then begin to mentally simulate alternative paths to success. They may not change the goal, but will adapt the path to get there and behavior and thinking will adjust in turn.. This can happen at different levels depending on one's role in an organization. A CEO may realize the entire strategy is wrong for the company given changes in the market. A manager may realize that the tactical blocking and tackling to meet a goal has to change given changes in resources.

### **Is cognitive agility important in other parts of life, such as relationships?.**

Very likely yes, but we have not studied that. And it may manifest differently, such as in the ability to see a conflict from multiple points of view.

### **Does it manifest in other domains besides business?**

It is certainly important in other things besides business and is sometimes considered necessary to qualify as an intuitive expert in fields like physics, engineering, aviation or firefighting. These experts have been heavily studied by my colleagues, such as Gary Klein or Robert Hoffman.

### **Is it innate?**

In my opinion, it is not innate, but rather an outcome of certain kinds experience and a resulting increased understanding of a domain. On the other hand, some people seem to achieve it more easily. This is largely unexplained. However, if we are not born with it, we can develop it.

## **Is it a general skill, such as general intelligence?**

Probably not. People who are good at seeing the signs of change in one industry or field, such as medicine, are not good at doing the same thing outside their field. However, as people move up in management, the “field” -- making the business a success – is more similar, regardless of the industry.

## **Is cognitive agility important and if so, why now?**

Our research estimated that in the 1950's and even in the 1960's, a manager could maintain the same view of the industry and the path to success for an entire career without changing much in his thinking. A few years ago, we conducted a study showing that CEO's may have to adapt their approach to business as often as every 18 months. The rate of CEO turnover has also accelerated beyond what we have ever seen before and this is likely why. One-trick ponies cannot survive in the top jobs by simply repeating the approaches that got them promoted.

More to the point is the cost of not having cognitive agility, especially among the executive committee. The stories of large companies that failed due to rigid thinking are too numerous to mention. We have done some studies calculating the financial cost of poor management decisions. In large part these bad decisions were driven by outdated assumptions. The ripple effect in job loss, innovations not reach commercialization and impact on communities is almost too high to contemplate. As the economy becomes more globalized, cognitive agility will be needed for companies to succeed and maybe to survive. More to the point is the cost of not having cognitive agility, especially among the executive committee. The stories of large companies that failed due to rigid thinking are too numerous to mention. The financial cost in job loss, innovations not reach commercialization and impact on communities is almost too high to contemplate. As the economy becomes more globalized, cognitive agility will be needed to survive and succeed.

## **Is cognitive agility the new basic skill for business?**

Very likely, yes, and it may be required of the executive committee as a unit as well of the individual executives. In the current climate of rapid change in business, enterprise level decision-makers need to continually evaluate their organization's value and competitive future. From what we have seen, the companies who are continually able to grow even in down markets are differentiated by having Cognitive Agility in their leaders.