



Frank Lynn & Associates, Inc.

Who Is Your 10th Man?

By

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Frank Lynn & Associates consults with clients across over a dozen industries. About the only constants facing these clients, regardless of the industry, are change...and choice. Companies are constantly striving for a way to integrate objective and decisive decision making into their structure, culture, and processes.

One "out of the box" way to do so is what we refer to as the "10th Man Rule." The rule represents a critical thinking exercise that can be applied to business decision making. The rule is designed to force a contrary perspective into the decision-making structure-- "if nine men agree, it is the duty of the tenth man to disagree."

What is the "10th Man"?

Reference to the 10th Man can be found in a disparate set of sources:

- It is a reference from the novel World War Z written by Max Brooks, which was adapted into film via a movie starring Brad Pitt
- The rule has been applied by the Israeli Defense Force (IDF) with the development of a Red Team. After the Yom Kippur War in 1973, the team was established as a fail-safe. The role of the team is to review any and all major military and intelligence decisions-to look for alternative interpretation of "facts," identify worst case scenarios, and prepare for each
- Perhaps the original application of the rule can be found in the "Devil's Advocate." The Devil's Advocate, or "Promoter of Faith" position, was appointed by the Roman Catholic Church to argue against the canonization of candidates for sainthood. The purpose of the Devil's Advocate was not to argue their personal feelings, but to argue the opposing viewpoint to provide the fairest judgement in canonization of candidates

In every case, it was the duty of the "10th Man" to examine existing "facts" and beliefs from a different perspective-and draw different conclusions. To challenge/validate decision making and build a more robust approach to implementation, contingency planning, and risk management. There is no better venue for this type of discipline than the business strategy planning process.

The 10th Man can be easily designed into your decision-making process. The rule is very simple: make sure that somebody within the organization is assigned the role to disagree with the interpretation of market facts and context that leads to strategy. Regardless of what the 10th Man actually believes, he is there to argue for the sake of argument, which helps to assure the most objective decision making. This "second guessing" by a member of the decision-making team will force the team to support, validate, and take ownership of its strategy.

How Does it Work?

By establishing an opposing viewpoint, the 10th Man provides a level of objectivity that can identify any flaws in the strategy or supporting logic before implementation. There are two alternative approaches to build this intellectual challenge into your organization's decision making:

- Build in a "challenge" step, facilitated by the 10th Man, into the conclusion of the planning process. This challenge work session is built against a structured set of questions that examine market dynamics, internal capabilities/constraints, etc. In addition to validating the decision, an outcome of the session should be at least one alternative strategy that could be put "on-the-shelf" as a contingency plan
- Conclude the planning process with a "contingency review." Under this approach, the 10th Man would be chartered with reviewing the strategy and the supporting facts, preparing and presenting to the management team a series of alternative strategies. The management team would use this learning to modify the strategy as appropriate. The team would also rank the alternatives and put the priority one on the shelf to be revisited as necessary

In either of the above approaches, alternative strategy scenarios would be created. Additionally, often in the process of doing so, management will be confronted with the fact that their core strategy may need to be modified to deal with inconsistencies, incongruences, or unknowns identified through the 10th Man process.

What is the Value?

The 10th Man Rule assures a broader and more effective assessment of the fact sets that form context for strategy. However, we believe the real value is found in strategy execution:

- By considering alternative interpretation of facts, the 10th Man allows for "contingency planning" as part of the process. There are "on-the-shelf" alternatives should the core strategy not deliver the desired results
- The organization is more attuned to key metrics and milestones, both in terms of market dynamics and company performance. And often, these milestones are unique-by applying the 10th Man principle during strategy development, the company is often looking at factors that competition is not even aware are important
- Ultimately, the company is quicker to react to change. Even a lead time of a few weeks in reacting to market change can often be worth several points of market share

The simplicity of the 10th Man Rule ensures that it can be molded to any company's capabilities/constraints, and more fully utilize the organization's experience and knowledge. The critical thinking involved is designed to keep management's view open to alternative interpretation of the same set of market facts, making the organization's reaction to market change quicker, more focused, and ultimately more effective than competition.

What are the Barriers?

Integrating the 10th Man Rule into your decision-making process is designed to create, then eliminate conflict and bias. The barriers to effective use of this concept can be structural, cultural, or be rooted in the process itself:

- The ideal structural solution; the ideal execution of the 10th Man principle is to dedicate at least one objective entity, potentially from outside the company or department, to play the 10th Man. This individual is included in all key planning sessions, and if possible, the analysis of the "fact sets" that form the context for strategy

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- Any company can benefit from a 10th Man. However, not all organizations have the resources to dedicate to this role. In these cases, one member of the planning team is selected to play this role. An effective approach is to rotate this responsibility from planning season to planning season. Once individuals have played this role, they become more receptive to the 10th Man's inputs
 - Culture plays a large part in the effectiveness of the 10th Man. Within organizations with a risk averse culture, individuals may feel threatened playing the contrarian. For these organizations, it is best to look outside the company for the 10th Man
 - Another cultural challenge is the degree to which business leaders are objective. If the style is to view the market through rose-colored glasses, the opportunity for healthy debate can be lost. As a result, the 10th Man role could devolve into one of a glorified cheerleader, as opposed to the constructive critic and contingency planner it is designed to be
 - Finally, process plays an important part on the success of the 10th Man. We see too many business leaders that defer to a planning process, rather than taking ownership of the outcomes. This results in a lack of debate around the facts--rather the business plan becomes an aggregation of disparate analyses of the piece parts of the business. There is no "big picture" that the 10th Man can help address

Summary

Frank Lynn & Associates believes that the 10th Man Rule is an innovative, low cost way to improve internal decision making and risk management. Consider how past market strategies, capital investments, or business metrics, etc. would have been different if the 10th Man approach was in place when evaluating the housing market over the last decade. What other market (or internal) dynamics might warrant the approach over the next decade?

Frank Lynn & Associates has helped bring the discipline of the "10th Man" to clients' decision making for over 20 years. We have played the role of 10th Man and helped clients establish the role and supporting structure internally. We would love to get your thoughts on the concept and/or explore it further for your organization.