



# **A3 Thinking as a Tool for Organizational Effectiveness (and Collective Intelligence)**

*the workshop with Lex Schroeder*

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# Agenda

- Intros
- What is A3 thinking?
- What does the A3 process have to do with org effectiveness and collective intelligence?
- Practical Applications
- Q&A



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# Introductions

Nice to meet you! I'm Lex Schroeder

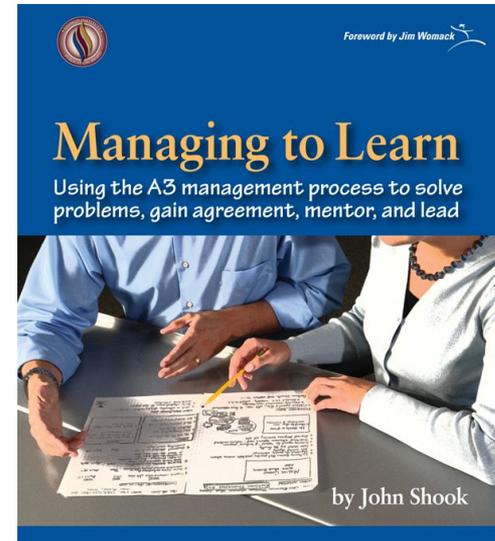
- Strategy leader in tech
- Editor of books on future of work
- Director of Community Engagement, Lean Product & Process Development at The Lean Enterprise Institute



## What is the A3?

- First, a **tool for dialogue/listening**
- A **method** for capturing knowledge and making work (and *thinking*) visible
- A **structure** for getting aligned
- A **process** based on PDCA for creating strategy, solving problems, and running experiments (science!)

**MIT Sloan**  
Management Review



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## What is A3 thinking?

A strategy development and problem solving process that helps people feel respected for their intelligence and contributions to the team.

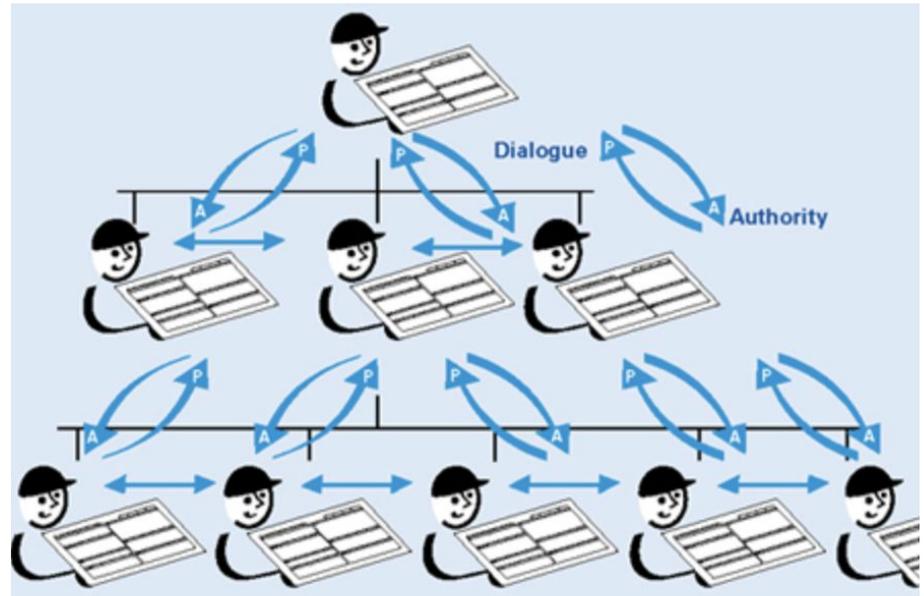


# What is A3 thinking?

A way to build agreement.

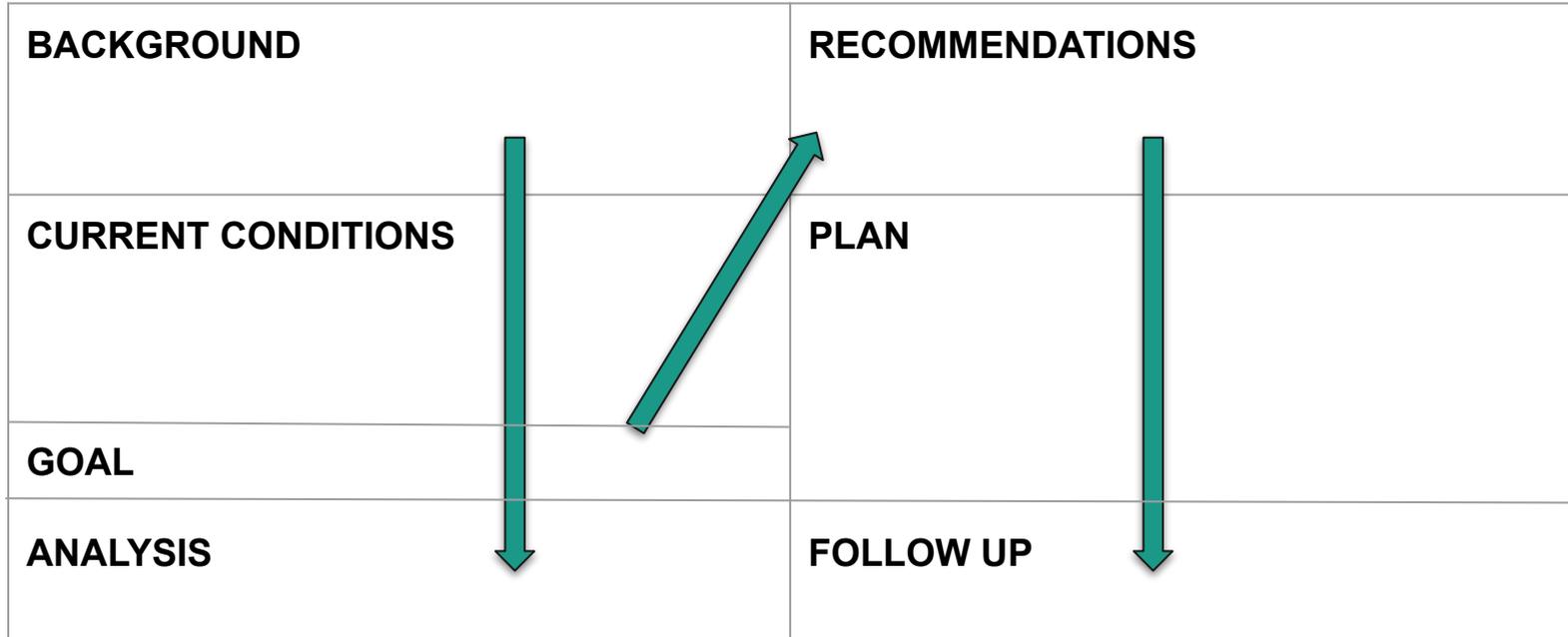
“in North America... we tend to create a plan in isolation, announce it, and spend [effort] in execution explaining what we want to do and why... trying to get alignment so that we can proceed... In Toyota, the opposite was the case. **Planning was a process of building agreement and alignment *as you develop a plan.***”

-David Verble, “What I Learned About Planning at Toyota”



# The basic strategy “A3” template

*“deceptively simple”*



# The intuitive “flow”



*“deceptively simple”*

<b>BACKGROUND</b>	<b>RECOMMENDATIONS</b>
<b>CURRENT CONDITIONS</b>	<b>PLAN</b>
<b>GOAL</b>	
<b>ANALYSIS</b>	<b>FOLLOW UP</b>

## **BACKGROUND**

What is your one-line purpose or problem statement?  
What history/context is important to know?  
Why is this important to the business?

## **CURRENT CONDITIONS**

What is currently going on related to your purpose or problem? Just the facts!

## **GOAL**

What are you trying to achieve?

## **ANALYSIS**

What is getting in the way of achieving your goal or solving your problem? How can you get to root cause?

## **RECOMMENDATIONS**

How do you want to approach the problem/opportunity?

## **PLAN**

What will you do by when? Who will be responsible? How will you measure your experiments? What metrics will tell you you've achieved your goal?

## **FOLLOW UP**

How will you check that you are making progress? What will be your process for adjusting your plan?

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## How is the A3 process more effective?

- Creates alignment from the start
- Focuses on clear metrics that tell you you're creating value
- Supports teams in co-creating strategy
- Builds a shared story of the work to be done





## Pros and Cons of the A3 process

### Benefits:

- Supports collaboration
- Emphasizes alignment
- Increases operational rigor
- Makes everybody smarter
- Creates learning organizations

### Challenges:

- Can upend traditional power structures
- Can expose organizational and process problems/shortcomings
- Asks people to think *differently* and think *together*



## Reality check: What does A3 thinking NOT address or help you overcome?

- Cultural barriers like false urgency/need for speed, hoarding info, lack of trust
- Top down authoritative management
- Talent issues
- Funding gaps
- You get the idea...



## Moving to Practice: 3 Different Scenarios



### Scenario 1

You're given an assignment to lead an important initiative/project



### Scenario 2

You're driving a change that you can see is possible (but perhaps others can't see yet)



### Scenario 3

You're building something new and want to co-develop the strategy from the start



## **Reflect, what do you notice about the A3 dialogue process?**

- What went well? What was particularly helpful?
- What changed, if anything, over the course of the dialogue about the work or what was on the page?
- What information would you not have known or insights would you not have come to if not for the dialogue?



**Thank You & Let's Stay Connected**