

Insight Trading

Collaborating to transform the infrastructure that shapes society

by Nick Fleming and Susanne Cooper

Achieving a sustainable shift in productivity

Greater demands are being placed on the world's cities, infrastructure, and the resources that underpin economic development and prosperity. Risk factors and measures of value are changing, so organisations, projects and their leaders must evolve to remain successful. Delivering more of the same or even incremental business improvement is inadequate. A step change in productivity is required. New solutions are called for, solutions which are **more effective, not just more efficient.**

Why *Insight Trading* is a must-read

Conceiving and implementing smarter solutions doesn't require significantly more effort, just **better placed effort**. Smarter, cheaper, lower risk and more sustainable infrastructure can be delivered now. *Insight Trading* offers **proven methods** to achieve collaborative, strategic thinking that delivers better results, time after time. And this competitive edge is available to anyone prepared to examine and challenge the way they think and partner.

"Incremental solutions will not deliver sustainability: we need system change. And effective system change demands new infrastructures, hard and soft. In Insight Trading, Nick Fleming and Susanne Cooper provide hard-won insights on how we can rise to the challenge."

John Elkington,

Executive Chairman, Volans Ventures;
co-founder of SustainAbility, and author
of 18 books, most recently *The Zeronauts*:
Breaking the Sustainability Barrier

"This book really strikes a chord with me and is sure to for others. It offers some great insights and case studies, emphasising the need for us to join the dots to achieve innovation and better outcomes that the authors so eloquently demonstrate are possible."

Ben Waters,

Director of ecomagination,
GE Australia & New Zealand

For more information on *Insight Trading* go to:
<http://insighttrading.globalskm.com>

If you would like to contact the authors, or for all other enquiries,
please email: insighttrading@globalskm.com



A book for practical, progressive leaders

The insights and methods contained in *Insight Trading* are relevant and repeatable in all industry sectors and organisations, large or small.

Insight Trading offers immediate, practical value to progressive leaders from the executive levels to roles in asset management, project leadership and procurement. Investors, owners and operators of public and private infrastructure will be equipped to find solutions that achieve more with less, are fit for purpose, cost effective and enduring.

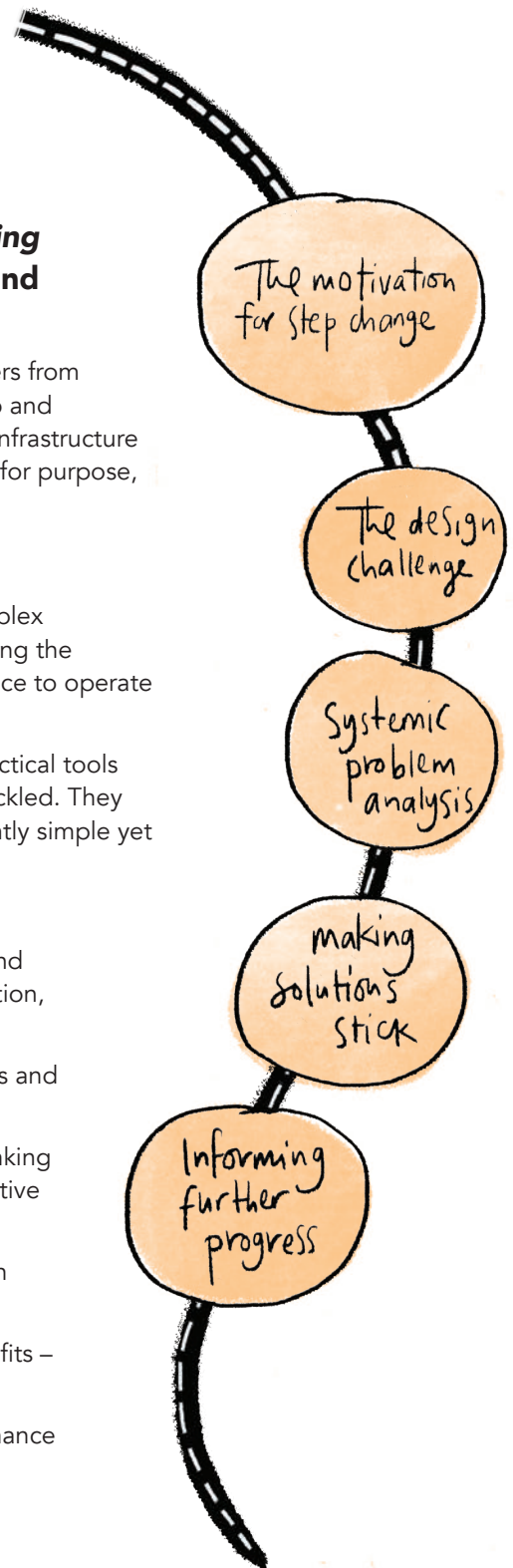
Simple methods powerfully applied

The concepts and tools in *Insight Trading* go to the heart of the complex infrastructure challenges facing government and business – negotiating the evolving regulatory landscape while striving to maintain a social licence to operate and enhancing returns on investment.

The *how to* approach emphasised in the book is underpinned by practical tools that enable a deeper, systemic appreciation of the situation being tackled. They focus effort on the problems that really matter and find smart, elegantly simple yet profoundly effective solutions.

In particular, the authors observe that:

- **Systems thinking** is key to understanding important factors and relationships that shape the operating context for an organisation, project or asset
- An **integrated approach** is needed to understand related risks and issues, and to conceive smart solutions
- Asking the **right questions** can reframe the problem, shift thinking and play a profoundly important role in generating transformative solutions
- Genuinely **collaborative approaches** provide the basis to gain valuable insights and competitive advantage
- Effectively putting these ideas into practice – to gain the benefits – requires **change management** and strong leadership
- **Innovation** needn't be left to chance; good processes will enhance its value and repeatability



Each chapter is structured to provide a mix of practical insights, informative diagrams, meaningful examples and probing questions. Combined, they offer a powerful approach for purposeful innovation and substantive change at the organisation, program or project level. The snapshot from Chapter Six below shows how these elements combine in a logical structure and engaging format.

The suggested approach at work

Real case studies

Key chapter messages

Good questions get everyone involved.
Spend time working out what questions really matter.
Powerful questions provide new insights, ideas and solutions.

Astute insights

A solid evidence base

Informative diagrams

Thought provoking questions

Six

Using the power of questions

Take the example

Simple questions, at the right time

We were once involved in discussions with a team planning an upgrade to a major highway connecting key capital cities. At a project kick-off meeting with the client and consulting team, the question we asked was: What are the given parameters and conditions for the project? Participants were then asked to list more than six bullet points for each without discussion. One participant led a conversation about the need to be clear that about two weeks of "conditions" for the project were invalid assumptions based on experience; they did not apply to this particular project.

A team member summarised the discussion: "Well, if they're not constraints, we have a range of options to us I'd not considered. Asking the question 'What are the set parameters?' had expanded the creative space for the project, helping to avoid future problems, costs and time delays which the original invalid assumptions may

Questions

Most of us have experienced the greatest barrier to change is often fear – of uncertainty, of being stupid. Our evolutionary survival senses are fine-tuned to perceive threats, and when combined with our Western cultural disposition to action and our reliance on people who are "right" and have the status of experts, the typical business environment can see too much risk in anything that is "less than certain". Not surprisingly, conversations that are full of fear, mistrust and hierarchical control are unlikely to take place in any environment where questions are asked. Questions provide a powerful tool for shifting perceptions of risk and the status of hierarchy. For example, a conversation that begins with "I don't agree with you" can be reframed more constructively: "I don't agree with you, but I would like to see how that conclusion is reached. Can you explain your rationale?"

When questions are asked with a genuine intention of learning and can allow people with widely varying knowledge to legitimately contribute without fearing loss of face. Open questions are also more likely to engender sharing of knowledge and insights between people, build rapport, support sense making, and build a greater understanding of the situation.



Questions that build a reason for change

The initial reaction of the water company CEO provided of "conservatism masquerading as pragmatism" to the previous chapter. To move beyond business as usual business practices, a compelling reason to change is needed.

We know most people avoid change, partly because of uncertainty and fear, but also because it is not in their nature

The case for change must be compelling, not only at the project level but also at the personal level of the leading change.

Numerous studies have shown that people are more motivated to avoid risk than to gain benefit (we move from something than toward something).

The distinguished American neuroeconomist, neuroscientist, and writer, Dr Gregory Berns, provides an interesting and relevant insight.¹⁸ His research has found the brains of people aged below 30 years are more plastic and able to rewire, which generally makes them open to new ideas and adaptation. Risk and novelty can be attractive to this age group. Older people are less able and open, so familiarity and close relationships and things are more important. Thus when it comes to change, and a reason to change, are more important. This is one of the many factors we need to consider when presenting questions to challenge the status quo.

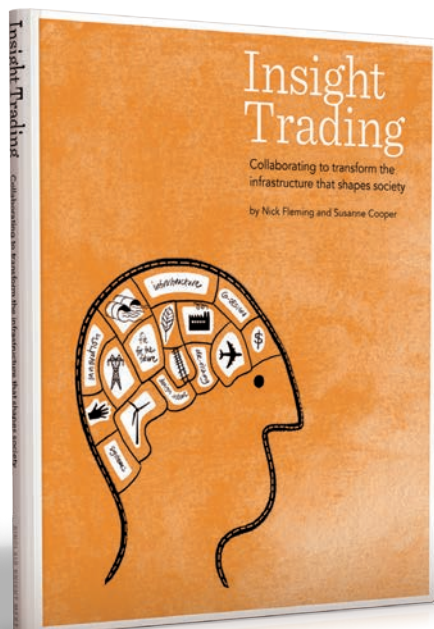
It's vital that questions relate to things within the bounds of possibility for people to influence. Questions that are too abstract, such as "academic excellence", not only do not warrant the effort and thought, but also the questions we ask are not relevant. The major challenge in this project is to design and implement a new or different system that is likely to exist over its operating life?

- What business initiatives are your peers undertaking that we can learn from?
- Is the project developing in a way that's consistent with core business strategy?
- Will the project be well regarded in 5 or 10 years? Why?

It's important to build on the minds and ways of thinking and behaviours. Only when we have a clear understanding of current ways of thinking and behaviours can we provide the foundation for change. This figure provides a simplified version of the current infrastructure underpinning our current infrastructure. It shows how they could be reframed for more enduring and valuable change.

USEFUL QUESTIONS

- How do we know we've identified questions that really matter?
- What are the questions that most benefit to this team?
- What assumptions are we making and how valid are they?



Convincing. Authoritative. Compelling.

International peer review has confirmed the relevance, portability and value of the insights and methods set out in *Insight Trading*.

"Insight Trading is an enjoyable and convincing book, with a suite of excellent case studies."

Stephen Selwood,
Chief Executive,

New Zealand Council for Infrastructure Development

"This is an authoritative book. It's based on many years of practical experience, and the case studies give concrete backing to the opinions and recommendations. It's going to be a very useful tool."

Professor John Thwaites,
Chair of the Monash Sustainability Institute
and ClimateWorks Australia

"Insight Trading makes numerous compelling points, including that sustainability concepts are core to good business management. Challenging questions that trigger reflection are complemented by useful planning and project design tools and very good examples to demonstrate the key principles."

David Loggia,
Director,

Carmignac Gestion asset management

"This book takes the concept of sustainability, presents it in simple language, and provides a true and important bridge from knowledge to behaviour. It's concise and will reach many readers with a variety of interests, educational backgrounds and professions."

Pedro Rodrigues De Almeida,
Head of Infrastructure and Urban Development Industries,
World Economic Forum

The authors



Nick Fleming has been a leading contributor to sustainable development for more than 20 years, utilising his background in engineering, a PhD in sustainable water infrastructure, and qualifications and experience in strategic business leadership. He is widely published and a recognised speaker. Nick is currently the Chief Sustainability Officer of Sinclair Knight Merz, and sits on several industry bodies fostering sustainable infrastructure.



Susanne Cooper has 25 years of experience leading multi-disciplinary teams and senior levels of organisations to achieve practical but innovative change for better outcomes, backed by technical rigour

and incisive thinking. She is a recognised facilitator of innovative approaches to complex problems. Susanne is currently the Sustainability Practice Leader for Sinclair Knight Merz.

The authors' combined expertise provides an impressive depth of hands-on experience and insight that gives a confidence and credibility to their work.

For more information on *Insight Trading* go to:
<http://insighttrading.globalskm.com>

If you would like to contact the authors, or for all other enquiries, please email: insighttrading@globalskm.com

