



Jim Taylor has been CEO/President and a director of Thomas Group since January, 2004. He joined the Company in 2001 as Executive Vice President and Chief Financial Officer. Previously, Jim served as President of the Chancellor Group, a Texas-based consulting company. Jim also was Vice President for Overhill Farms Corporation, a food processing company. Previously he was the CEO/President of Elcon Industries, a manufacturer/distributor of after market automotive accessories. Prior to this, Jim also was a partner with Coopers & Lybrand (currently PriceWaterhouseCoopers) in both the Los Angeles and Dallas offices. Jim is a licensed CPA and a member of Financial Executives International, Dallas Citizens Council, and a board member for the Big Thought. In 2005, Thomas Group (TGIS) was the highest ranked "Fast Track Company" in the DFW area by the *Dallas Morning News* and ranked Number 4 on Nasdaq in stock price appreciation in 2005. In 2006, Jim was awarded the International Business "Stevie Award" for Best Turn-around Executive of the year; an award which recognizes executives and their respective companies' great performances each year.

# KNOWLEDGE LEADERSHIP

Jim Taylor

**Knowledge Leadership**—I believe it means influencing others to follow an enlightened and intellectual path, but it also refers to the ability to execute and deliver results.

**KL@TG:** How do you define the term "knowledge leadership"?

**JIM TAYLOR:** Let's start with Tom Davenport's observation that "knowledge is information combined with experience, context, interpretation, and reflection." All by itself, knowledge is merely information—data, facts, business intelligence, etc. Knowledge to me involves much more. First, it consists of information, which has been evaluated by judgment in terms of its relevance to specific needs and interests, within a specific context. I think this is what Davenport has in mind. OK, now let's assume that certain people have exceptional talents which enable them to understand and appreciate the value of information within a given context, whatever that context and subject may be.

Those who share insights concerning such subjects are, in my opinion, "leaders." Quite literally, they lead us to a deeper, richer understanding of the given subject. When both of these terms are put together—Knowledge Leadership—I believe it means influencing others to follow an enlightened and intellectual path, but it also refers to their ability to execute and deliver results. Years ago, I learned of this truism: "Ideas may be a dime a dozen but those who *implement* them are priceless." A knowledge leader brings the intellectual capital of know-how to bear together with



the intrinsic motivation and ability to lead others to intended results.

**KL@TG:** In your opinion, how specifically does Thomas Group provide such leadership, both within the firm and to its clients?

**JT:** This is an on-going effort on all fronts. First and most obviously, our Resultants share a wealth of their knowledge with clients as they work together on process improvement and process innovation initiatives. I should add that they learn a great deal from their client associates as well. Also, we have made a substantial commitment to expanding and developing what we call our **KnowledgeLeadership@ThomasGroup** initiatives. They consist of interviews of thought leaders, authors of bestseller business books, corporate CEOs, admirals, generals, and public officials, all of whom are highly regarded as people of knowledge, and they know how to lead in their respective fields and positions.

We will also have commentaries on hundreds of business books, “white papers” on major business topics, and transcripts of proceedings from forums such as those co-sponsored with Wharton and our other academic partners. All of this material will be available online at our dedicated Web site, [www.thomasgroup.com](http://www.thomasgroup.com) (look for Knowledge Leadership), and in print form.

**KL@TG:** There seems to be no shortage of information. Why do so few organizations make effective use of what is already available to them?

**JT:** Carla O’Dell and Jackson Grayson have much of value to say about this common problem in *If Only We Knew What We Already Know*. Their key point, and I totally agree, is that all organizations have “hidden reservoirs of intelligence” which can be efficiently tapped “to create

customer value, operational excellence, and product innovation—all the while increasing profits and effectiveness.” However, most senior-level managers have not identified their organization’s most important knowledge needs, nor have they established an infrastructure by which to access, obtain, process, evaluate, and then utilize information which already exists within their “reservoirs.” This is an *avoidable* waste of human capital. The sharing of ideas, mentorship in and outside the organization, and intentional impact when crossing over business functions do not need to be as difficult as many people assume.

I have no doubt that an organization’s most important assets “walk out the door at the end of each day”: it’s people. Of greatest value is their intellectual capacity. More often than not, much of what they know is not applied effectively to the organization’s most urgent knowledge needs. Knowledge leaders identify those needs. They formulate the infrastructure and then manage it efficiently. This is what Peter Senge has in mind when discussing what he calls “the total learning organization.” Everyone is a “knowledge worker,” actively involved in helping others to increase what they know so they can improve what they do and how they do it.

This effective use of “knowledgeable sharing” is what Thomas Group calls “cycles of learning.” An enterprise or organization must be intentional—and totally committed—when doing it. For that reason, we build it into our process for advancement at Thomas Group.

**KL@TG:** Throughout a program, how do Thomas Group Resultants identify information needs and then respond to them?

**JT:** They first bring know-how because, remember, these are C-level executives who now work for us and have “been there and done that” before. They also are very smart and



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become very good at asking lots of smart questions. Also knowing which questions to ask is a critical success factor in identifying information needs. Of course, as our men and women become more involved in a client's operations, they encounter situations, which raise questions. "Why did that happen? When was the first time you noticed this happening? Who else does this challenge impact? What does this pattern indicate?" Our Resultants are by nature very curious about what works well and, especially, about what doesn't. It is important to keep in mind: every problem is a learning opportunity. Filling one "information need" often reveals several others. We also do a very good job of building on previous knowledge from best process practices in other industries as well.

**KL@TG:** Which business thinkers have had the greatest impact on your own ideas about knowledge leadership? How so?

JT: Karl Albrecht, Peter Drucker, and Peter Senge. Albrecht offers a gold mine of ideas and techniques to improve business-thinking skills. Drucker impacted me as a young man just learning the frontiers of management, innovation, and entrepreneurship. Of course, I continue to practice many of the management philosophies he originally pioneered. And I continue to admire Senge because of his breakthrough research on learning organizations and cultural breakthroughs and especially, his insights regarding change and change management.

**KL@TG:** Which non-business books have been most helpful to you?

JT: I very much admire two books by Donald T. Phillips. Specifically, *The Founding Fathers on Leadership: Classic Teamwork in Changing Times* and *Lincoln on Leadership: Executive Strategies for Tough Times*. Washington, John Adams, Jefferson, and Franklin certainly did live in "changing times," just as we do today. We can learn a great deal from them about effective leadership. As for the second book, I have always been intrigued by President Lincoln's ability to look beyond what he hoped would be a successful conclusion of the Civil War. He agonized over the bloodshed and destruction, which made him even more determined to end the war and then begin a healing process. Lincoln was probably our greatest president. Although a visionary, he was also a pragmatist. He possessed exceptional skills in strategy and tactics. He also had steadfast faith in a power greater than himself. As Clint Eastwood's character observes in the movie *Heartbreak Ridge*, everyday was a challenge for Lincoln "to overcome, adapt, and improvise."

In *The Power of Intention*, Wayne Dyer suggests that we stay focused on what we want rather than on not having what we want. He believes in a universal source of energy that can also be called the "power of intention." He calls people who are consciously co-creating with this energy source "connectors" and describes them as "individuals who have made themselves available for success...They don't say "With my luck things won't work out." Instead, you're more likely to hear something like, "I intend to create this and I know it will work out."

**KL@TG:** Your thoughts about "street smarts?"

JT: I see it in several ways but first, a few personal comments. Some of the greatest knowledge leaders had little (if any) formal education. However, they were avid readers and lifelong learners. Lincoln is probably the best example. Other knowledge leaders were born into privileged circumstances but poor students while attending prestigious schools and colleges. But over time, through personal experience, they gained maturity and then what I guess you could call "worldly wisdom"...Churchill, for example.

First, I view "street smarts" as common sense. You know people, you know situations, you've been there—done that type of thing. You know how to respond in situations—rather than merely react to them. A person with street smarts has bruises and has most likely been broken through their experiences of right and many times wrong. You don't need a formal education to have "street smarts." You gain it from practical experience. I also see it as a combination of survival skills; being alert, wary, realistic, practical, resourceful, and resilient. People with "street smarts" seldom make the same mistake twice, and they have an application meter that seems to trigger the mechanism of execution. They are wise in "the ways of the world" and have much of value to share as mentors. They tend to assume nothing. In fact, they have what Ernest Hemingway once described as a "built-in, shock-proof crap detector."

**KL@TG:** How do you recognize potential knowledge leaders?

**JT:** I guess what I notice first is their intellectual curiosity. Knowledge leaders are by nature lifelong learners and with it they bring an influencing leadership quality. They always see themselves as students. In fact, that is how Peter Drucker preferred to describe himself: as a “student.” It is easy to recognize someone for whom ideas are really exciting, who then wants to put those ideas to work, to test them, to “see where they go.” Over time, as a person gains more knowledge, and practical experience when applying that knowledge, others will recognize that and learn from them. Einstein changed how we see the world with and through his intellectual curiosity, as did Edison. However, when you add the word leadership to knowledge, I see people like Fred Smith, Bill Gates, Howard Schultz, Mary Kay Ash, Ebby Halliday, Steve Jobs, Bill Bowerman, and Phil Knight as just some of the respected men and women who have applied their intellectual curiosity and leadership to change the way we live and work. I know, every day, our Resultants “take the lead” when helping clients to improve what they do and how they do it.

**KL@TG:** Can the impact of knowledge leadership on the bottom line be accurately measured?

**JT:** It is much easier to appreciate the value of knowledge leadership than it is to measure its value, at least defini-

e-Learning will be limited only by our imagination. We are indeed very excited about its potentialities. You will also be able to check out reviews which comprise Thomas Group’s *Business Bookshelf* at our own Web site as well as others’, notably KnowledgeWharton.upenn.edu.

**KL@TG:** The costs of education at all levels (school, college, university, post-graduate) have increased dramatically in recent years. Moreover, corporations will spend at least \$10-billion in 2005 on their training programs. Is it worth it?

**JT:** Let me answer that question this way. I agree with Derek Bok: “If you think education is expensive, try ignorance.” Obviously, ignorance is unacceptable. All organizations should support both formal and on-the-job training in one form or another. True, hours and dollars can be wasted when participants then fail to apply what they have learned. Our hope is that the Knowledge Leadership Strategic Initiative will provide improved order and structure for enterprise-wide learning throughout our own organization and, I hope, be of substantial benefit to other organizations as well. The first step is to identify what you need to know. Next, obtain what you need to know. Then create access to this body of knowledge so that others can make their own contributions. Finally, monitor this process very carefully because knowledge needs can change, often

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tively. That said, we do know that analyzing and then emulating entitlement has measurable impact on the bottom-line. Thomas Group clients do that with our best practices. They can determine precisely what the economic impact of process improvement initiatives has been. Also, increased efficiency and productivity continue long after we have completed an assignment.

**KL@TG:** Your thoughts about online learning opportunities.

**JT:** We are very excited about the potentialities. As I mentioned earlier, we are using our public Web site (ThomasGroup.com) to feature and share material produced for our Knowledge Leadership Strategic Initiative. Thomas Group Resultants worldwide will immediately be able to exchange information with each other, literally, in real time. Of course, clients will make their own contributions. And we will also exchange content with the Web sites of our academic partners, which include Wharton and the Mays Business School at Texas A&M University. Our use of

unexpectedly. I don’t see our commitment to enterprise learning initiatives as a cost, rather, as a prudent investment.

**KL@TG:** What must be done for Thomas Group to become an even more effective learning organization?

**JT:** I think our Knowledge Leadership initiatives have us headed in the right direction. However, we have only recently begun to develop and post the material we intend to post. I also think we can improve our internal communications between and among our project teams. Of course, everyone is already so busy responding to clients’ needs and that must remain our #1 priority. Nonetheless, I think we can—and will—be even more effective when organizing and then sharing our intellectual capital.

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