

When we lead with knowledge, what kind of information are we talking about?

Asta Raami, PhD

In many organizations, knowledge-based management is emphasized. And that's good. Leading with ignorance doesn't sound good and doesn't make sense. But when we talk about knowledge-based leadership, what kind of knowledge and information are we talking about?

We often think of information as data and facts, on the basis of which rational conclusions are made. Assuming we have the best and most reliable information at our disposal, so that we can make impeccable decisions.

The thought is unrealistic.

No one, not even machines, is capable of flawless decision-making. The data is always filtered, often partially unreliable, incomplete or perhaps already outdated. At the very least, we face the limits of computing capacity or time. There is no data about the future yet, but management decisions are often aimed at the future. Of course, we can have good analyses and probable scenarios at our disposal, but situations change, and uncertainty increases the further into the future these decisions are directed.

In many cases, it would be more relevant to ask what goal we are aiming for and what kind of information we need to get there. After this, we could start to specify how we could acquire and evaluate the necessary information.

Leadership whose goal is foresight, innovation, or pioneering needs more information than the landscape of the rear-view mirror can offer. Inventing something completely new and being a radical visionary happens largely beyond the reach of currently visible logic. Only rarely do inventions arise by rearranging old information. The radical new involves transcending current knowledge and perspectives and recognizing meaning and potential where others do not yet see it.

One inventor I interviewed heats his big house with a tin roof. "*With a tin roof?!"*, I wondered, "*A tin roof is cold in winter and hot in summer*". He smiled and replied, "*Well reasoned, but not all the way through.*"

For heating, the inventor uses the heat of the sun's infrared rays, which travel through clouds and snow. The heat is collected under the roof using a simple system and recycled to heat the house. When freezing outside, the inventor buys about 10% of the energy needed to heat his house, the rest he gets from under the tin roof. My own logic had failed with the first contradiction between the cold season and the great need for heat.

The fact that the idea seems illogical and impossible tells mainly about the (lack of) perspective. It is also a situation where the possible hidden logic is not yet visible. Sometimes a wild idea turns out to be illogical and nonsensical, but sometimes genius. It is important to recognize this difference. Therefore, we need the cooperation of different ways of knowing: the ability to operate in the world of visible logic and the ability to operate outside of visible logic.

***"Forerunners and radical innovation require
the ability to operate in the world of known logic
and in the world of hidden logic."***

We have good tools for working with visible logic and reliable data. We can reason, analyse, classify, compare, relate and so on.

With information beyond apparent logic, we are often confused. Typically, the solution is to exclude it. Instead of starting to develop methods of thinking and the necessary ability to perceive, we want to bypass inner knowing and our ability to see hidden logic. It's like a situation where we don't bother to clean the baby but throw them out with the bathwater. Essential information for the future remains unused.

Contrary to what is often thought, intuitive inner knowledge and reasoning are not opposites or even alternatives, but with their cooperation we have opportunities to work outside of visible logic. But both ways of knowing are prone to errors, so it is essential to examine the reliability of both. The methods are just different.

The fact that something just feels right is not a guarantee of anything. Our thinking is prone to biases and emotions colour our perspectives. Recent research on emotions has shown that our thinking tilts under the influence of a strong emotion. We can be paralyzed by fear or fall into a state similar to psychosis as a result of passion or infatuation. Then we make decisions based on random emotion-based vibes, which we cover with acceptable justifications.

There are methods for evaluating internal information, and the courageous experts use them in their work. One of the most important methods is the boldness to look at ideas beyond the reach of your own logic – at those that seem absurd – and another is the openness to explore conflicting observations to the very end. That still doesn't mean that decisions should be based on them. It's all about acquiring information and exploring, where the fresh landscape opening up in front of the windshield can also be seen.