



Clare Lindeque  
Head of Quantitative Analysis  
April 2023

## BOOK REVIEW: The power of team thinking and making it work

Amid the urgency of the wicked problems facing humanity in 2023, the climate emergency not least among them, author Hannah Critchlow sounds a claxon for “intelligence as a collaborative act”. She reminds us with her book *Joined-Up Thinking* that we can, and must, do some of our best work together. Why did this resonate so strongly with me?

Well, at the heart of M&G Investments Southern Africa’s investment process is a team, made up of three smaller teams (four if you count the quants!). With our much closer integration with the rest of M&G’s global business these days, the teamwork now extends, very deliberately, to our colleagues in the UK and elsewhere around the world. In the South African business, rather than relying solely on individual conviction, the equity team uses a voting process to decide whether to over- or underweight a stock in our portfolios. The asset allocation team’s work is strongly discursive and collaborative. The fixed income team’s time in the office together is marked by co-operative problem solving – sitting adjacent to them, my team (the quants) has learned a lot from overhearing these conversations. The members of the quants team all have very different skills and priorities, but we have in common a strong sense of curiosity and an attitude of “let’s try!” that informs our approach to requests from our colleagues for deeper

investigation. When we need each other's help, we are assured of an enthusiastic and possibly unexpected boost in the direction of a solution. This team aspect of our investment process means that the process itself is more likely to be stable. There isn't a single custodian holding the body of knowledge that defines how we think about asset valuation and portfolio construction, but that information is kept safe, held across many minds. I was interested to see that some of the practices Critchlow suggests to safeguard team functioning are those that we've incorporated, sometimes unconsciously, into how our teams operate at M&G.

Good team functioning obviously depends on recruiting the right team members, but not only on that. Critchlow emphasises the importance of diversity, and also of inclusion: inviting different people into a conversation and enabling them to participate. This requires creating a safe environment, cultivating empathy, gratitude for effort *and* for success, enthusiasm, humility, curiosity, and a willingness to experiment. These things do not arise automatically as soon as one gathers in a stuffy boardroom, in an open plan office or around the proverbial water cooler. Deliberate, conscious effort is required to put the structures and attitudes in place that inclusion requires.

South Africa is beautifully diverse. If arguing that we should have diverse boardrooms, teams and organisations as a reflection of society around us isn't sufficiently compelling (why not?), there is now ample evidence of correlations between diversity and financial performance. Some light googling will lead you to multiple studies\* suggesting that diversity may boost a range of financial metrics, in addition to spurring innovation. MSCI has found that companies whose boards contain more women show stronger decreases in carbon emissions than their sector peers.\*\* Critchlow cites work that finds that "the strongest predictor of a group's collective intelligence quotient is the number of women in the group."\*\*\*

If all this talk of collective intelligence is putting you uncomfortably in mind of groupthink or mind control, fear not: Critchlow devotes time to examining how "group stupidity" can arise instead of group intelligence, and how to avoid this outcome. Interestingly, it seems that power has a major impact on how a group operates, reducing the most powerful group member's empathy and their ability to synthesise new information. She suggests using "information-based" leadership, where the role of leader dynamically rotates

across to whoever has the most domain knowledge of the specific problem being solved, rather than being assigned to the person with highest rank or the most dominant personality.

Later chapters are more speculative, and, I thought, weaker, delving into the supposed effects of anti-depressants, and into the idea of neuro-engineering, whereby artificial intelligence is enlisted to boost humans' cognitive capacity. (Perhaps I am not yet ready to accept this leap into a semi-bionic hive mind!)

I think that, despite my minor complaints, this is an incredibly important book. It reminded me of how fragile but critical the team function at the heart of my workday is. It's easy to read, and well referenced should the reader wish to use it as a springboard into a deeper exploration of the subject. One of the Internet's less-appealing effects is to isolate us, enabling both physical separation from other humans (which admittedly was a godsend during the pandemic), and intellectual and social isolation into our echo chambers of shared conviction (less desirable). Dr Critchlow's book offers an alternative to this isolation, either online or in person, and paints a picture of a future made less daunting as we attempt to address its challenges, as a collective.

<https://www.mandg.co.za/insights/articlesreleases/book-review-the-power-of-team-thinking-and-making-it-work/>

---

\*<https://www.catalyst.org/research/why-diversity-and-inclusion-matter-financial-performance/>

\*\*<https://www.msci.com/www/blog-posts/women-on-boards-the-hidden/02361079223>

\*\*\* <https://hbr.org/2011/06/defend-your-research-what-makes-a-team-smarter-more-women>