“Though no one can go back and make a brand new start, anyone can start from now and make a brand new ending.”
— Anonymous

Achieving Full Potential Performance: Managing Transformations in yourself, others, in teams and organizations

If an egg is broken by an outside force, life ends.

If an egg is broken by an inside force, then life begins.

Great things happen from the inside.
I. The Key Points and Framework

II. Leadership Creating the Right Context for Full Potential Performance (I,G,O)

III. Developing the Right “Thought, Words, Deeds” that align, cause full potential performance

IV. Mechanisms then to support the right tendencies and habits

V. Upcoming Webinars

We’ve got more slides in here than we can or will cover, but will hit the key points skip some, but then at end you’ll have the deck and will get to see all the material.
Key Points

1. **Full Potential Performance**: If you aspire for it, personally, professionally, for your team, for your organization, then it’s achievable and the possibilities are great. *Good is the enemy of Great*;

2. Leadership (of yourself, your teams, your organization) requires that you create the right context/culture and lead with values;

3. Transformations individually, of teams and organizations require that people learn how to learn differently, learn how to manage relationships differently;

4. If you can do this for yourself, it makes it easier to do it with others and create higher performing teams and in doing that create more value with your life’s energy. *There are proven training and development methods that can be employed to cause positive improvement in personal and professional mastery.*
Whether you prevail or fail depends more on what you do to yourself than on what the world does to you.
Framework Key Points

- Full Potential Performance (what Collins would call the Visionary or Great Companies) is a real construct, tangible, measurable.
- CRM research and our experience at Loblaws and other organizations shows that the performance gap is often 27 times what current state performance is, see series of slides that depict this.
- The data from Collins books/work, built to last, good to great, provides support for the size of prize.
- We provide another IBM piece of work that further supports this.

\[ Y = f(x), \] if we just apply the ILSS strategy and consider the Gap to be our \( Y \) (Defect/Opportunity), then the analytic question is what are the \( x \)'s.

- **Bottom line**, not really very profound, is that there are huge gaps in performance (potential-actual) at the I, G, and O levels and that there are proven methods to close those gaps.
The ‘End Game’ is to Optimize the Lifetime Value of various stakeholders in the system (customers, internal and external; employees; shareholders; the business).

There is a science and there are explicit methods that can be utilized to do this.

Formalized Performance Improvement Programs (e.g. Op Ex) can have huge impact.

Blended, broad, balanced views and capabilities on types of improvement methods is required.

**End Game for our Performance Improvement Efforts—Growing Enterprise Value**

- **Average Stakeholder Relationship Duration**
- **Average Stakeholder Relationship Value Created**
- **Quantity of Stakeholder Relationships**
- **Full Potential: 20-50 x**

- **Greater Longevity**
- **Ideal**
- **Enhanced Behavior**
- **Increased Geog. / Segment Scope/**
Three basic ways to grow organizational Value. What are the ways to grow individual value???

- **POSITIONING STRATEGY**
  - Improve Positioning via..
  - Geographic Coverage / Offerings Provided / Served Segments / Branding/ Imaging, etc.

- **VALUE EXCHANGE OPTIMIZATION**
  - Managing the Exchange of Value With Stakeholders
  - Altering the Give/Get, Responding to unmet and unfulfilled needs, QFD, Innovation, Rebalancing Segment Investment

- **OPERATIONAL EXCELLENCE**
  - Improve Quality, Efficiency, Productivity, Innovation, Engagement, Quality of Work life, Sustainability
  - Apply principles and methods of ISE and ILSS
The organizations studied in *Built to Last*

<table>
<thead>
<tr>
<th>Visionary Companies</th>
<th>Comparison Companies</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. 3M</td>
<td>1. Norton</td>
</tr>
<tr>
<td>2. American Express</td>
<td>2. Wells Fargo</td>
</tr>
<tr>
<td>5. Ford</td>
<td>5. GM</td>
</tr>
<tr>
<td>8. IBM</td>
<td>8. Burroughs</td>
</tr>
<tr>
<td>11. Merck</td>
<td>11. Pfizer</td>
</tr>
<tr>
<td>12. Motorola</td>
<td>12. Zenith</td>
</tr>
<tr>
<td>14. Philip Morris</td>
<td>14. RJR Nabisco</td>
</tr>
<tr>
<td>15. Procter &amp; Gamble</td>
<td>15. Colgate</td>
</tr>
<tr>
<td>17. Wal-Mart</td>
<td>17. Ames</td>
</tr>
<tr>
<td>18. Walt Disney</td>
<td>18. Columbia</td>
</tr>
</tbody>
</table>
High Performance Companies—Built to Last (Collins) (these numbers are ‘relative’, proportional, not exact)

<table>
<thead>
<tr>
<th>Investment</th>
<th>Term</th>
<th>Result</th>
<th>Type of Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1,000</td>
<td>40 Years</td>
<td>$410,000</td>
<td>Survived</td>
</tr>
<tr>
<td>$1,000</td>
<td>40 Years</td>
<td>$950,000</td>
<td>Pretty Good</td>
</tr>
<tr>
<td>$1,000</td>
<td>40 Years</td>
<td>$6,500,000</td>
<td>Great</td>
</tr>
</tbody>
</table>

Requires:
- Context before Action
- Consciousness
- Discipline
Beware of the fact that pretty good is the enemy of great

- Great =$6.4M?
- Pretty Good =$1M?
- Acceptable =$0.4M?

If you ask the people in the ‘good’ organizations, the ones that produced $1M how they are doing, they will say ‘pretty good’, a 7 out of 10.
The Context and possibilities Requirement is super critical and there are strong tendencies and habits that prevent this from happening as well as needed.

<table>
<thead>
<tr>
<th>Context</th>
<th>Possibilities</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purpose (Why)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Outcomes (Success=)</td>
<td>Success =</td>
<td>Strategy for Success</td>
</tr>
<tr>
<td>Strategy for Success</td>
<td>Strategy for Success</td>
<td>Strategy for Success</td>
</tr>
<tr>
<td>Requirements for Success</td>
<td>Requirements for Success Planning</td>
<td>Reqmts for Success Ensurance</td>
</tr>
<tr>
<td>Role Requirements</td>
<td>Role Requirements</td>
<td>Roles and Accountabilities</td>
</tr>
</tbody>
</table>

Ground Rules

<table>
<thead>
<tr>
<th>Default Position</th>
<th>10</th>
<th>10</th>
<th>80</th>
</tr>
</thead>
<tbody>
<tr>
<td>Great Ind’s, Team’s, Org’s</td>
<td>40</td>
<td>30</td>
<td>30</td>
</tr>
</tbody>
</table>

Unbounded thinking –
Quality of question –
focus on RESULTS

- Balancing the two

Bounded thinking – right answer;
Action Junkie
Borrowing from this case study to support our Strategy and Method

Culture Modeling Tools to Measure an Organization’s Lean Transformation Effectiveness

Lessons Learned from the IBM Path Forward to Lean Transformation Methodology

Sreemanth Ramakrishnan, Ph.D.
Advisory Engineer, Scientist; Lean Master, Lean Six Sigma Black Belt
There are frameworks, models, instruments to help ‘measure’ attitudes, mindsets, culture, styles...

Organizational Culture Inventory®, OCI
Circumplex with a Brief Description of the 12 Styles

- **Self-Actualizing**
  - Members are expected to gain enjoyment from their work and produce high-quality products/services

- **Humanistic-encouraging**
  - Members are expected to be supportive, constructive, and open to influence in dealing with others

- **Achievement**
  - Members are expected to set challenging but realistic goals and solve problems effectively

- **Perfectionistic**
  - Members are expected to avoid making mistakes, work long hours, and keep “on top” of everything

- **Competitive**
  - Members are expected to operate in a “win-lose” framework and work against their peers to be noticed

- **Affiliative**
  - Members are expected to be friendly, open, and sensitive to the satisfaction of the work group

- **Power**
  - Members are expected to take charge and “control” others, and make decisions autocratically

- **Approval**
  - Members are expected to agree with, gain the approval of, and be liked by others

- **Conventional**
  - Members are expected to conform, follow the rules, and make a good impression

- **Oppositional**
  - Members are expected to gain status and influence by being critical and constantly challenging one another

- **Dependent**
  - Members are expected to do what they are told and clear all decisions with supervisors

- **Avoidance**
  - Members are expected to shift responsibilities to others and avoid being blamed for mistakes

Styles of Behaviors Required to “Fit-in”
The Importance of Values in the Pursuit of Full Potential

Thoughts → Words → Deeds → Results → Outcomes

Serve Ourselves → Serving the Higher Good
Conventional → Creative
Territorial → Sharing
Individual → Team
Competitive → Collaborative
Indecisive → Decisive
Problem-Solver → Creation Skillful
Focus on Activity → Focus on Results
At-fault/At-blame → At-Cause
Being Popular → Making the ‘Right’ Decision
Fearful → Courageous
Closed, Political, Indirect → Open, Honest, Direct
Defending/Debating → Listening/Dialoguing
Question/Statement Ratio Low → Question/Statement Ratio Hi
Hierarchical/Jobs → Contributions
Attack Ideas → Nurture Ideas

SERVING
EXCELLENCE
INTEGRITY
LEARNING

FULL POTENTIAL PERFORMANCE

Under Performance
As you create Context and Planned Interventions at the I level (for yourself and others), and then at the G level (for teams you work with) and O level (for the organizations you serve) Levels, positive shifts naturally take place.

Advocates for Change – Creating a more Constructive Culture resulting in a more Adaptive / High-performing Organization

Path Forward Measure of Success - 107% increase in Constructive behaviors
When you live on the ‘right’ the research shows that there are positive long term outcomes. We would argue this is true at the personal and professional level also. In fact, the results we see to the right are the product of positive changes in individuals.

Culture has a significant impact on an organization’s long-term economic performance:

Results from an 11 year study, contrasting cultures of more than 200 companies, shows organizations with Adaptive cultures consistently produced superior business results.*

<table>
<thead>
<tr>
<th></th>
<th>Unadaptive Culture</th>
<th>Adaptive Culture</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>166%</td>
<td>682%</td>
</tr>
<tr>
<td>Work Force</td>
<td>36%</td>
<td>282%</td>
</tr>
<tr>
<td>Stock Price</td>
<td>74%</td>
<td>901%</td>
</tr>
<tr>
<td>Net Income</td>
<td>1%</td>
<td>756%</td>
</tr>
</tbody>
</table>

Bottom Line

- If you want, aspire to have full potential career success as an ISE, then you have to learn how to blend soft and hard skills in a way that creates as much value for the organizations you serve as possible.

- The potential to have huge impact exists in every organization, as the research has shown.

- so let’s know look at how you can manage to accomplish that...
Key Points

1. Full Potential Performance: If you aspire for it, personally, professionally, for your team, for your organization, then it’s a achievable and the possibilities are great. Good is the enemy of Great;

2. Leadership (of yourself, your teams, your organization) requires that you create the right context/culture and lead with values;

3. Transformations individually, of teams and organizations require that people learn how to learn differently, learn how to manage relationships differently;

4. If you can do this for yourself, it makes it easier to do it with others and create higher performing teams and in doing that create more value with your life’s energy. There are proven training and development methods that can be employed to cause positive improvement in personal and professional mastery.
I. The Framework

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V. Putting it all together Case Examples
Creating the Right Context

Key Points

- The collection, stream of decisions-actions-results in any organization are being shaped by ‘contextual’ conditions that are in turn shaped (or not) by Leadership and Management.

- Perhaps a Leader’s most important role is to create the context and conditions within which full potential performance can occur, has a better chance of evolving and occurring.

- What’s true for organizations and teams is true for individuals, we create our own context within which we perform.
Domains of Human Experience

Context
- Open or Defensive
- Creative or Reactive
- Aligned or Fragmented
- Cooperative or Competitive
- Courageous or Fearful
- Accountable or Blaming
- Trusting or Suspicious
- Committed or Ambivalent
- Purposeful or Aimless
- Focused or Diffused

ACTION
- more, better, different

RESULTS
- Or reasons

Leaders manage context and meaning

Context: the set of interrelated conditions in which something exists or occurs

Results as much a function of context or condition of mind as they are of action
The Importance of Values in the Pursuit of Full Potential

**Thoughts** → **Words** → **Deeds** → **Results** → **Outcomes**

- Serve Ourselves → Serving the Higher Good
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- Hierarchical/Jobs → Contributions
- Attack Ideas → Nurture Ideas

**FULL POTENTIAL PERFORMANCE**

Under Performance

- SERVING
- EXCELLENCE
- INTEGRITY
- LEARNING
This is an example of the influence Leaders have on culture and context.

Studying the Role of Leadership Style to Organizational Culture

Research shows that Transformational Leaders ‘pull’ the organizational culture towards their (leader’s) constructive styles of behavior.

- Underscores the need to develop more transformational leaders in the organization to enable true culture transformation.

*CPI = Culture Performance Index

Study based on OCI, LI and LSI results from 2004-current; Published at the 2011 Industrial Engineering Research Conference*
Leaders Build Speed of Trust

- Self
- Relationship
- Organizational
- Market
- Societal
Leaders create ‘walk the talk’

First Wave is all about

- **Integrity**
- **Intent**
- **Capability**
- **Results**

Second Wave—Relationship
Trust is all about consistent behaviors

1. Talk Straight
2. Demonstrate Respect
3. Create Transparency
4. Right Wrongs
5. Show Loyalty
6. Deliver Results
7. Get Better
8. Confront Reality
9. Clarify Expectations
10. Practice Accountability
11. Listen First
12. Keep Commitments
13. Extend Trust
Earning Trust will Grow Franchise Value (SxE)T = R (yours and the organizations you choose to work with and for)

The Lifetime Of your relationships

Average Customer Relationship Duration

Ideal

Greater Longevity

Ideal

Enhanced Behavior

Ideal

Average Customer Profitability Per Year

1.0

Ideal

1.0

1.0

Increased Geog. / Segment Scope

Ideal

Number of Customer Relationships

Number of Valuable Relationships in your Life (personally and professionally)

1x

0.2x

27x

(Number of Valuable Relationships) (Strategy x Execution) Trust = Results

Trust will speed things up for us

The value of the Gives and gets In your relationships
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Getting Conscious and Promoting Consciousness is what Change Masters do best

GREATNESS IS NOT A FUNCTION OF CIRCUMSTANCE. GREATNESS IS LARGELY A MATTER OF CONSCIOUS CHOICE, AND DISCIPLINE.

Jim Collins
Transforming is all about Managing the Fronts over time (true for us as individuals too)

THE STRATEGY AND APPROACH

Program Initialization
Engage the ‘Right’ People
Pick the Right Projects
Best in Class Training
Discipline around Methodology
Celebrate Successes to get the ‘fly wheel’ spinning

Point of Departure (2004):
- Isolated Process Improvement Initiatives
- Inconsistency in method and approach
- Low penetration across the business
- Not sustainable (starts and stops)

CURRENT STATE

Infrastructure (Leadership Engagement)

Planning

Learning

‘Technology’

Measurement

Communication

Culture & Motivation

Political/Positioning

Point of Arrival (2008–2010):

Best-in-class LeanSigma Program with Sustainable Productivity and Impact:

- 2% (of Revenue) in Annual Benefits
- Critical mass of seasoned and skilled belts
- Way of doing business
- ‘Good kind of tired’

FUTURE STATE
A neat model from Dance of Change, note the critical role of Learning Capabilities and getting people involved.

When I left MDS we were right about here 24 months in.
But all Successful Transformations ultimately rest on the ability of leaders to be able to get individuals to be more reflective and conscious.
Senge has created a model/framework that outlines the disciplines of a Learning Organization.

So, your career full potential success is predicated on how well you learn and grow and cause others around you to do the same thing.
As you create Context and Planned Interventions at the I level (for yourself and others), and then at the G level (for teams you work with) and O level (for the organizations you serve) Levels, positive shifts naturally take place.

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PERSONAL MASTERY

DESIGN YOUR OWN ROAD MAP FOR SUCCESS
Personal and Professional Mastery Bootcamps

There is so much that can be covered in this module... lot’s of approaches, tools (see Dance of Change), methods, etc.

Dave and I will just highlight how we crafted what we called Personal and Professional Mastery Bootcamps.

We designed and developed these as part of a 5-7 year transformation at Loblaws back in the 90’s. Scott has participated and/or led over 50 of these that involved over 1000 people (500 20 year olds and over 1500 career professionals in business and industry)

They were hugely successful. They were examples like we’ve shown from the IBM case study of shifting the culture and capabilities of individuals and teams and then ultimately the organization.

But ultimately, a systematic, planned, well invested in people development process is required. Dave always pushed me to think of this as a stream of interventions we did with people and teams aimed at creating full potential performance.
Guiding Principle

The 5-day, off-site, development sessions were designed by Dave and John Webb and Scott helped operationalize them.

These two concepts really were what we’d call the guiding principle of the approach.
What can leaders do beyond managing ‘context’ to develop people in a way that naturally leads to full potential performance?

- \[ Y = f(x_1, x_2, x_3, \ldots) \]

- \( Y = \) Full Potential Performance (think back to our examples of how much bigger the cube can be, was in the case examples we showed. The gap in performance that exists at the O, G, and I level in every organization.)

- \( x_1 = \) Creation Skillful versus Creative Problem Solvers
- \( x_2 = \) Mindset, Attitudes, Intentionality (the Trilogy)
- \( x_3 = \) Ground Rules, Feedback, Environment for Dialogue and Reflection and Experimentation
- \( x_4 = \) Tackling Habits and Tendencies (People and Team Development Systems)

- These ‘factors’ can get worked on in team “Bootcamps” focused on People and Team Development.
The ‘bootcamps’ were a process, designed to start, catalyze a transformation in people and groups.

- Attitude is a choice
  - The attitude you choose to adopt impacts the results you create
  - At-cause/At-effect
  - Intention-Mechanism-Results
  - Resistance

- S-shaped curves, comfort zones vs growth zones; tendencies

- Feedback Experiment
- Ice-berg and consciousness—Johari’s Window

- Full Potential?
  - Full Potential and Trust
  - Trust Experiment
  - Listening, plan before do, competition, etc.

- 28 August 2018 - 41
Greatness is a lot about disciplined people (thought, word, deed)

Disciplined about what?

- Systems & Statistical Thinking
- Personal Mastery
- Mental Models
- Creation Skillful
- Team Learning

On one level we were balancing the technical side of process, performance improvement with the Soft Skills, Other Four Disciplines.
An example of what we are talking about (IBM case study)

Successful Lean Transformations Use Team-based Problem Solving

Effective Lean Solutions = 

Quality \times Acceptance

Rational Skills and Processes
- Analyzing the Situation
- Setting Objectives
- Simplifying the Problem
- Considering Alternatives
- Discussing the Consequences

Task Skills Knowledge Resources

Interpersonal Skills and Processes
- Listening
- Supporting
- Differing
- Participating
- Striving for Consensus

Lean Mfg. Bronze, Silver, Gold
Lean for Support Workers
8 Step Structured Problem Solving
Kaizens and Self-direct Work Teams
Process/Quality Excellence through Structured problem solving

*The OCI is a registered Trademark of Human Synergistics International, Inc. – Dr. Robert Cooke

Integrated leadership
Employee Empowerment
Lean Recognition System
Transformational Communication
Team-based Problem Solving
Transformational Leadership
OCI Action Planning & Deployment

Lean deployment integrates process improvement skills with people skills: Critical for Organizational Transformation
A nice model that helps people understand the phases of change, transformation. This model has really created aha moments for participants.
What can leaders do beyond managing ‘context’ to develop people in a way that naturally leads to full potential performance?

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These ‘factors’ can get worked on in team “Bootcamps” focused on People and Team Development.
2--Shared Vision/Creation Skillful

- **Creation Skillful/ Shared Vision**--extent to which you have been creation skillful, creating a tangible real future state that people are being pulled to rather than it feeling like it's just problem solving. Ability to operationally define and portray DONE so that people choose for it and want to work with you to get it.
Harnessing your Intention

Structural Conflict

Creation Skillful

Diffusion
Start with End in Mind—make it a pull rather than a push!! Have to get them to nail DONE!!

Today Assessment:

- What I have and want?
- What’s working
- What am I naturally ‘great’ at?
- What I tend to be naturally passionate about?
- How I create value and what others think that is worth?
- Feedback I got in asking 10 of my closest colleagues, friends
- Tendencies that serve me?
- Tendencies that don’t serve me?
- What needs work?

Future State (3-5 years):

- what I have
- what’s working
- what I am great at
- I can bring passion to what I put in front of me
- I can create greater value and serve my vision
- Tendencies I have that serve me and the higher good
What can leaders do beyond managing ‘context’ to develop people in a way that naturally leads to full potential performance?

\[ Y = f(x_1, x_2, x_3, \ldots) \]

\[ Y = \text{Full Potential Performance} \text{ (think back to our examples of how much bigger the cube can be, was in the case examples we showed. The gap in performance that exists at the O, G, and I level in every organization.)} \]

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- \( x_4 = \text{Tackling Habits and Tendencies (People and Team Development Systems)} \)

These ‘factors’ can get worked on in team “Bootcamps” focused on People and Team Development.
As you all know some of the tougher challenges with positive change are mindsets and attitudes.

Most of the critical challenges to successful change involve people, process-technology and leadership.

**Major Change Challenges**

- Changing mindsets and attitudes: 58%
- Corporate culture: 40%
- Complexity is underestimated: 35%
- Shortage of resources: 33%
- Lack of commitment of higher management: 32%
- Lack of change know how: 20%
- Lack of transparency: 18%
- Lack of motivation of involved employees: 16%
- Change of process: 15%
- Change of IT systems: 12%
- Technology barriers: 8%

Source: Making Change Work Study: Continuing The Enterprise of The Future Conversation from the IBM Global CEO Study, 2008 (n=1,532)
O4D Trilogy

1. Attitude is a Choice
   - The attitude I choose/adopt, impacts the results I create
   - the brain has three parts/components, the oldest part tends to take over in certain situations over riding the newest part (where creation and full potential happens)
   - Humans tend to go unconscious at times

2. Stances we can adopt, types of attitudes
   - At-cause
   - At-effect

3. Intention-Mechanism-Result Model (extension of at-cause/at-effect)
What are some ‘attitudes’ that you experience in others and yourself?

Think about Thought-Word-Deed connections (thought patterns, how they impact words that come out of your mouth, and then how words shape behaviors)

What are some examples of words that reflect an attitude type?

How would you explain the attitude type to these words?

Your prediction as to outcomes that these attitude/words might shape (directly or indirectly)?
Part A words to describe how you felt:

Felt sorry for
Angry for them
It was unfair
Helplessness
Unlucky
Scared for them
Wrong time wrong place

Part B words to describe how you felt:

Laid back
Understanding
Indifferent
Sense of responsibility
Sympathy
Blaming themselves too much
Work on getting people more conscious about ‘stances’, attitudes, mindsets, “thought, words” watch the words coming out of your mouths….they reflect thought patterns

Difference

Evaluation (usefulness, utility)

Judgment (right/wrong, good/bad, agree/disagree)

Do you spend most of your time here?

Or up here
Exposure to Ladder of Inference is useful, gets them to reflect on mental models.

We create results: We do not measure all our results well, hence our results cannot truly be our “guru”.

We take actions: We adopt beliefs: We draw conclusions: We make assumptions: We add meaning, interpret: We select (filter) data

We observe & experience (collect data)
This Extension of Attitude is a choice is also an AHA moment for people.

At-cause

Best case

Fix the System

Fix the Process

Fix the Problem

Worst case

Do Nothing

Prepare them to expect to encounter some of this

Enroll Others

Sabbotage

At-effect

Train them to contribute here!!

- 28 August 2018 - 56
In most if not all organizations today, the Migration, the metamorphosis to a different DNA requires this kind of mindset shift.

Fix the System: boil the ocean, first solution is the IT solution

Tendencies

Fix the Process: \( Y = f(x) \), decompose the opportunities into bite size chunks

Fix the Problem

Do Nothing, enroll others to do nothing, make it worse: common condition we run into in the organization
The Intention-Mechanism-Results Model is the final piece of the puzzle relative to attitude is a choice and that choice impacts the results we create. Takes time to explain this but well worth it.

We Try and hope

We create error—results less than planned

We tell “Stories” about (Blame)

What might need to happen?

What tends to happen

INTENTION

MECHANISM

• the forecast
• the system
• the product/offering
• coworkers
• the professor
• the project/company
• My team mates
What can leaders do beyond managing ‘context’ to develop people in a way that naturally leads to full potential performance?

- $Y = f(x_1, x_2, x_3, \ldots)$

- $Y = $ Full Potential Performance (think back to our examples of how much bigger the cube can be, was in the case examples we showed. The gap in performance that exists at the O, G, and I level in every organization.)

- $x_1 = $ Creation Skillful versus Creative Problem Solvers
- $x_2 = $ Mindset, Attitudes, Intentionality (the Trilogy)
- $x_3 = $ Ground Rules, Environment for Dialogue and Reflection and Experimentation
- $x_4 = $ Tackling Habits and Tendencies (People and Team Development Systems)

These ‘factors’ can get worked on in team “Bootcamps” focused on People and Team Development.
Leaders create Conditions where human beings will naturally live on the “Right” and when we do that, we create more VALUE!!!
Ground Rules (the list from previous groups in bootcamps)

- Use open, honest, direct communication.
  - Say what you mean and mean what you say; be direct.

- Maintain confidentiality
  - No attribution/no retribution

- Manage Agreements
  - Show up right on time to start, we’ll end right on time, and when we do assignments/exercises, do them the way you are instructed

- Maintain a Supportive Environment
  - Help others if/when they get stuck
  - Active and/or deep listening

- Be prepared and stay focused
  - Stay focused on the conversation at hand

- Be Self-Monitoring
  - Keep your observer on, stay conscious, listen to your listening

- Maintain a proper attitude for learning
  - 1% possibility
  - Stay open to experimenting, taking a risk
  - Minimize judgment (right/wrong; agree/disagree; like/dislike)
What would you add as Ground Rules?

I am and will remain totally committed to your success, unconditionally. (Scott)
Permission check

- do I have your permission to challenge you? To take you outside what might be your comfort zone?

- do others have your permission to do the same? To be open, honest and direct way beyond what would be normal, typically, ‘safe’ or polite norms?

- what can you be counted on for relative to our ground rules?

- do we have your word?

- Are you good for your word?
What can leaders do beyond managing ‘context’ to develop people in a way that naturally leads to full potential performance?

- $Y = f(x_1, x_2, x_3, \ldots)$

- $Y =$ Full Potential Performance (think back to our examples of how much bigger the cube can be, was in the case examples we showed. The gap in performance that exists at the O, G, and I level in every organization.)

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These ‘factors’ can get worked on in team “Bootcamps” focused on People and Team Development.
X4 = tackling habits and tendencies that aren’t effective, don’t contribute to full potential performance

- Listening Skills
- Defensive Routines
- Fears (huge factor for many people, in some cases not overcomeable)
- Needs (to be right)
- no feedback, cut ourselves off from feedback, shun it, prevent it, etc.
- stay in comfort zone, confuse growth zone with danger zone
- action junky
- not reflective
First we decide what we want to create, what our goals are...

Then we commit to them individually and collectively...

Then we examine our habits in the context of our goals...

If our habits/tendencies support achievement of our goals, then we press on...

If our habits/tendencies don’t support achievement of our goals, then we change our habits....
The Power of Habit
Why we do what we do in life and business

The Brain
- The brain constantly looks to save effort.
- By "chunking" sequences of actions, it creates an automatic routine (habit).
- The brain saves energy.

The Habit Loop
- How habits work...
  - CUE: time of day, feelings/thought, people
  - Routine: physical, cognitive, emotional
  - Reward

Belief
- Is an essential ingredient for habit change.

Habit Change
- The Golden Rule of Habit Change...
  - Insert new routine
  - Keep the same cue
  - Keep the same reward

Organizational Habits
- Organizational habits are habits too...
  - They're often called routines.

Keystone Habits:
- Are powerful habits that can change other habits.

Encourage habits in organizations:
- Make small habits greater.
- Make greater habits small..
- Develop culture.

What key habit will help you thrive?
The 4 Protagonists
Which one are you???

Sniff
- sniffs/looks ahead; anticipates change

Scurry
- scurries ahead and bumps into change

Hem

Haw

“To discuss, deliberate, or contemplate rather than taking action or making up one's mind. (e.g., *If you hem and haw* long enough, someone else will do it first.)” - Wiktionary

"One of the most successful business books ever" Daily Telegraph

Who Moved My Cheese?
An Amazing Way to Deal With Change In Your Work and in Your Life

Dr. Spencer Johnson

Foreword by Kenneth Blanchard Ph.D.
From the best-selling author of The One Minute Manager
Consciousness & Choices around understanding reality—e.g. Feedback

Core Ideology
- Organizational
- Individual

Environment/Conditions
- Organizational
- Group

Attitudes/Attributes
- help us succeed
- hinder us, hold us back, sabotage success

Behaviours
- help us succeed
- hinder us, hold us back, sabotage success

Performance/Results
- Organizational Vision
- Personal Vision

Tendencies
- We see, Others see
- We don’t see, Others see
- We see, Others don’t
- We don’t see, Others don’t

Full Potential?
Theories of Action

- **Espoused theory**: what people profess to believe

- **Theories-in-use**: the theory they actually use when they take action in the real world

  He concluded that no matter how genuinely we believe in some approach to a situation, but at the first sign of threat or embarrassment most of us fall back on a deep-rooted, master programme of behaviour.

  This behaviour is characterised by a powerful defensive attitude and a tendency to blame others whilst struggling to maintain control and save face.

  Not only do people slip easily into defensive routines, they are totally unaware they are doing so.

  The effectiveness results from developing congruence between theory-in-use and espoused theory.
Defensive routines are patterns of interpersonal interactions people create to protect themselves from embarrassment and threat.

Defensive routines become so ingrained in our social behavior that they become an accepted “way for how things work around here.”

I have heard many senior leaders complain that they are unable to have tough and difficult conversations because of the “egos” around the table. Of course, the conflict exhibited in defensive routines is a result of people coming together with different views and contexts to discuss complex issues. Yet, the excuse of big egos as a justification for not engaging the conflict is not a satisfying explanation.
The Creative Tension that Sparked this Program*

Junior ('composite')

**PERSONAL MASTERY**
- don't listen well
- Action junkies
- don’t stay focused, can’t juggle multiple balls well
- don’t communicate well
- judgment mode common
- Parent-child lingering, still, with Teacher-Student, which will carry over to boss to subordinate if not corrected

**PROFESSIONAL MASTERY**
- struggle mightily to 'reduce to practice'
- do not exhibit ideal learning behaviors
- do not understand what it takes to succeed in the 'real world'
- struggle mightily to 'reduce to practice', sloppy, undisciplined practice
- can’t manage projects successfully
- do not manage relationships proactively
- cannot produce results, lose sight of the end-game
- have heard the talk on 'ethics' and values

ISE 500: Initial Exposure

**ISE Core Curriculum: Essential Foundation for Systems Improvement**

Senior ('composite')

**PERSONAL MASTERY**
- can deep listen, can active listen, seek to understand
- Plan before acting, Context, Possibilities, Action
- practiced focus and persistence with something difficult for 6+ months
- communication skills (written, oral, body language) enhanced for success
- spend less time in judgment more time in evaluation and difference, consciousness about tendencies
- made the switch of making the switch to Adult to Adult

**PROFESSIONAL MASTERY**
- improved consciousness and practice with 'ideal learning behaviors'
- clear understanding of 'flat world', competitive World requirements for success, more real world savvy
- lot’s of opportunities for perfect practice
- demonstrated program and project management skill to gain certification
- relationship management skill development initialized, understand importance
- Capable of producing results in timely fashion and understand them in context of the system or higher good
- have had to walk the talk on ethics and values

* The New Offering

**LeanSigma Foundations + ISE Capstone Senior Design**

- A fact based yet personal representation of before and after.
The importance of feedback

“In the absence of adequate feedback, efficient learning is impossible and improvement only minimal even for highly motivated subjects. Hence mere repetition of an activity will not automatically lead to improvement...”

Practice ≠ Perfect
Perfect Practice = Perfect

Ready for the Tour de France yet?

The Feedback Exercise

- Seek/confirm willingness to provide feedback or receive feedback

- ‘My experience of you is...’
  - What’s working, ....
  - What needs work

- ‘Based on this experience, I’d suggest you consider starting.....; continuing.....; stopping.....
  - Deep listening not active listening
  - Probe for clarification at end
  - Keep your observer on, collect the data (don’t choose to feel judge or to judge)

- The better the data base the more accurate the information, it can drive discovery on your part as to what’s ‘causing’ some of your tendencies.
The Trust Exercise

Similar to the Feedback Exercise:

- ‘I base trust on the following things....’
- ‘Trust is important in our relationship because.....’
- ‘I’m encouraged to trust you based on the following...’
- ‘Things that are holding me back from trusting you more are.....’
- ‘Here’s what you can count on for me to continue to build trust in our relationship.....’
- ‘I’d like to count on you for the following as a way of building trust in our relationship...’

Then it’s your opportunity to acknowledge and form an agreement around what to do to build trust.
Power Line, Trust Line, Lifeboat Exercise

- Assignment that is a career breaker... (e.g. high stakes, reward, risk, etc.)
- takes a small team to pull off, it’s a really tough ISE type project but it’s complex in lots of ways
- I’ll pick one of you, then you pick a team member, they can say yes or no, their career is on line too. Feedback and Trust Exercise integrated into the yes or no answer
- Get ‘in role’
In the bootcamps, we’re working on improving tendencies and habits that will grow trust, speed of trust

The 4 elements of Credibility & Self Trust

1 – Results
• What's your track record? Expect to win.
• Start strong and finish strong.

2 – Capabilities
• Talents, Skills, knowledge, attitudes and style.
• Learn with the intent to teach others what you learn.
• Accept to learn from everyone at any level.
• Keep yourself Relevant.

3 – Intent
• Motive, Agenda, Behavior
• Do we genuinely care?
• Do we seek mutual benefit?
• Do we act in the best interest of others?

4 – Integrity
• Honesty
• Telling the Trust and leaving the right impression.
• Congruence (Walk the Talk)
• Show Humility and Courage to do what's right.
Then focus on how we spend our time....

New ideas and new ways of doing things are welcomed

- Innovation has to be a normal part of business
- Have to communicate your reasoning
- You can only shoot ideas down if:
  - They lack strategic fit
  - You lack resources to implement them

**SOURCE:** Managing Creativity and Innovation, HBR
How do you spend your time, Current View?

How do you ensure proper context exists in the face of excessive time demands?
How will you choose to spend your time in order to achieve full-potential?

Current Reality?

Ideal State?

How will you make this shift?
Shift tendencies, trust grows, increase/focus “B” and then you evolve adaptive culture and then....
Create Adaptive Culture get this

Culture has a significant impact on an organization’s long-term economic performance:

Results from an 11 year study, contrasting cultures of more than 200 companies, shows organizations with Adaptive cultures consistently produced superior business results.

<table>
<thead>
<tr>
<th></th>
<th>Unadaptive Culture</th>
<th>Adaptive Culture</th>
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</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>166%</td>
<td>vs. 682%</td>
</tr>
<tr>
<td>Work Force</td>
<td>36%</td>
<td>vs. 282%</td>
</tr>
<tr>
<td>Stock Price</td>
<td>74%</td>
<td>vs. 901%</td>
</tr>
<tr>
<td>Net Income</td>
<td>1%</td>
<td>vs. 756%</td>
</tr>
</tbody>
</table>

Loblaw’s:
Small sample of what’s available to you…
Modules

I. The Framework

II. Leadership Creating the Right Context for Full Potential Performance (I,G,O)

III. Developing the Right “Thought, Words, Deeds” that align, cause full potential performance

IV. Mechanisms then to support the right tendencies and habits

V. Putting it all together Case Examples
Key Points

1. Full Potential Performance: If you aspire for it, personally, professionally, for your team, for your organization, then it’s achievable and the possibilities are great. Good is the enemy of Great;

2. Leadership (of yourself, your teams, your organization) requires that you create the right context/culture and lead with values;

3. Transformations individually, of teams and organizations require that people learn how to learn differently, learn how to manage relationships differently;

4. If you can do this for yourself, it makes it easier to do it with others and create higher performing teams and in doing that create more value with your life’s energy. There are proven training and development methods that can be employed to cause positive improvement in personal and professional mastery.
So.....

- What’s worked for us is going within, doing this to ourselves, participating in a number of bootcamps ourselves (I even did one with my wife!!) We have really taken ourselves on so to speak.

- That got us empathy and understanding for what people go through in these transformations.

- Then have the courage and vision to lead transformations in your domains of influence and control.
Upcoming Chapter #1 and CISE Lunch and Learn Webinars

Senior ISE Leaders Share Learnings from Career and Life Choicepoints

- **Presented by Columbus, OH Chapter, CISE, Young Professionals - OPEN TO ALL**
  Sept. 6, 12 p.m. Eastern time
- **Presenters:** D. Scott Sink, Ph.D., The Ohio State University, Kelli Franklin-Joyner, UPS, Jim Dobson, Walt Disney World, and Rudy Santacroce, CallisonRTKL

The Council on Industrial and Systems Engineering is a small group (22) of very senior ISE Leaders that meet twice a year to benchmark and continue to learn and develop. One of the ways CISE serves the profession, institute and our members is to provide periodic webinars where a small group of CISE members share Life and Career learnings, lessons and tips.

- More information and registration
Upcoming Chapter #1 and CISE Lunch and Learn Webinars

Whetting your Appetite ("Aperitivo"): All you Need to Know about Industry 4.0

- OPEN TO ALL
Oct. 11, 12 p.m. Eastern time

- Presenters: D. Scott Sink, Ph.D., The Ohio State University, Jack Feng, Commercial Vehicle Group, Curt Burnett, John Deere and Paul Cohen, NC State

IISE is a very diverse professional society with many young/early career professionals. Our Manufacturing and Design Division has teamed with Chapter #1 (Columbus) and the Council on Industrial and Systems Engineering (CISE) to provide a “foundational” webinar on Industry 4.0 and National Network for Manufacturing Innovation (NNMI).

More information and registration
Thanks for participating

- Slides and the audio will be available for you shortly on IISE’s website for Webinars.

- Dave and I are glad to answer questions:
  - Dave’s busier than I am so if you want to start with me, I’m glad to help and will relay anything for Dave to him.
  - sink.22@osu.edu
BACKMATTER
The Supplier Selection Simulation

- Known as THE SC Compete/Partnership
- Modelled after vision deck 920.ppt

- This is an exercise or experiment in the form of a typical supplier selection compete process
- I’d encourage you to keep your observer on.
- There will be three supplier teams
- I will explain the purpose of the compete exercise as many times as you need.
- I won’t answer any strategy questions
- I will tell you how to win the competition last, once I’ve told you how to win the competition I will answer no more questions.
Purpose of the Competition

- The purpose of the competition is to win the business from the customer, to prove to the customer that you should be a part of their customer suppliers team.
- You will be broken into three supplier teams.
- Once I tell you how to win, your team will go to a separate room and you have to remain in that room until the simulation is complete.
- You are not under time pressure to decide, this is not a LEAN exercise, speed isn’t important, quality, consensus, alignment, winning are the important objectives.

Your choices, decisions required are basically simply represented in the form of two choices, decisions you are making. They just represent choices your supplier makes in a bid for business. For the sake of simplicity in the simulation we’ll just call the two choices hi and lo.
Some of the rules or operating guidelines

- You can decide what “consensus” is, enough agreement to give me your vote/answer
- You should elect or select a team representative, someone who will deliver the vote to me when I come around
  - I will ask you what the decision is and whether the votes tally (everyone must vote either Hi or Lo in order for a decision to be reached and there can be no ties)
The “Competition” Scorecard

- 6 rounds of ‘bids’ or proposals basically
- I have three scorecards, I want you to see that all three are the same. One for each team
- The way you accumulate points is shown on the scorecard
- If you have any questions, ask now, once you have all your questions asked I will tell you how you win the game, once I tell you that, I won’t answer anymore questions until the game is over.
How you accumulate points

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<tr>
<th>You</th>
<th>Them</th>
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<tbody>
<tr>
<td>Hi –6</td>
<td>Hi –6</td>
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<tr>
<td>Lo –10</td>
<td>Hi +10</td>
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<td>Hi +10</td>
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- *Round 2 Score Doubles
- ** Round 6 Score Triples
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<th>Proposal Round</th>
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- *Round 2 Score Doubles
- ** Round 6 Score Triples
## Scorecard

### Proposal Round

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<th>Round</th>
<th>Team 1</th>
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<th>Team 2</th>
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- Total Earned Points = -48
- Max Positive Points = 288
- *Round 2 Score Doubles
- ** Round 6 Score Triples

Earned Points = -48
Max Positive Points = 288
For Further Exploration

- Robert Fritz—*Path of Least Resistance*
- Peter Senge—*Fifth Discipline: the art and practice of learning & Fifth Discipline Fieldbook & The Dance of Change*
- Stephen Covey—*7-Habits of Highly Successful People; First Things First*
- Neal Walsch, *Conversation with God* (books 1, 3, and Friendship with God)
- Mihaly Csikszentmihalyi, *Flow; The Evolving Self*

- Personal and Professional Plan of Development Template
- Sink, D.S. *By What Method:*