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September 7-8, 2017



PRESENT: BUILDING ON SUCCESS 2017

**BREAKTROUGH RESULTS FOR
GOVERNMENT AND BUSINESS**

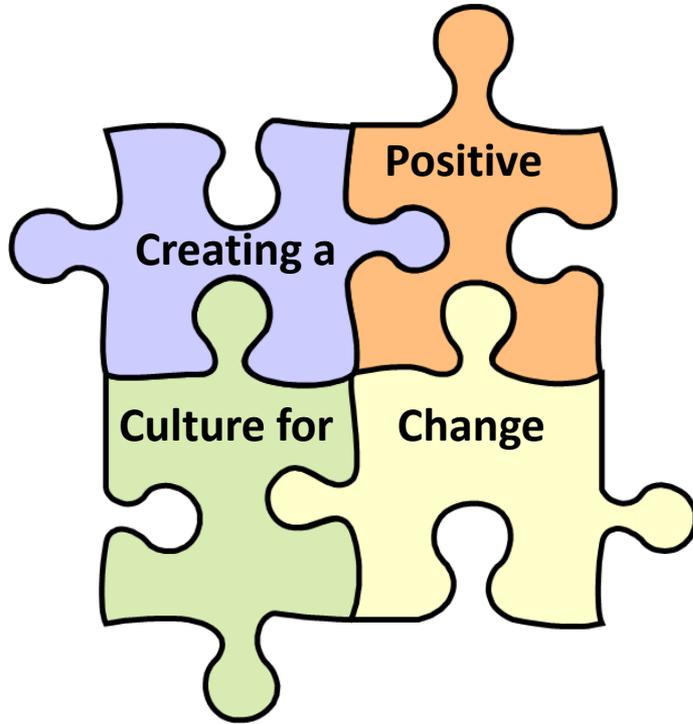


**An organization's culture can serve as a
conduit or obstacle for change**



Do you agree?

Flow of Discussion



1. Defining Culture
2. Culture's Influence on Change
3. What Good Looks Like
4. Using TOC to Create Positive Culture for Change
5. A call to action

Culture

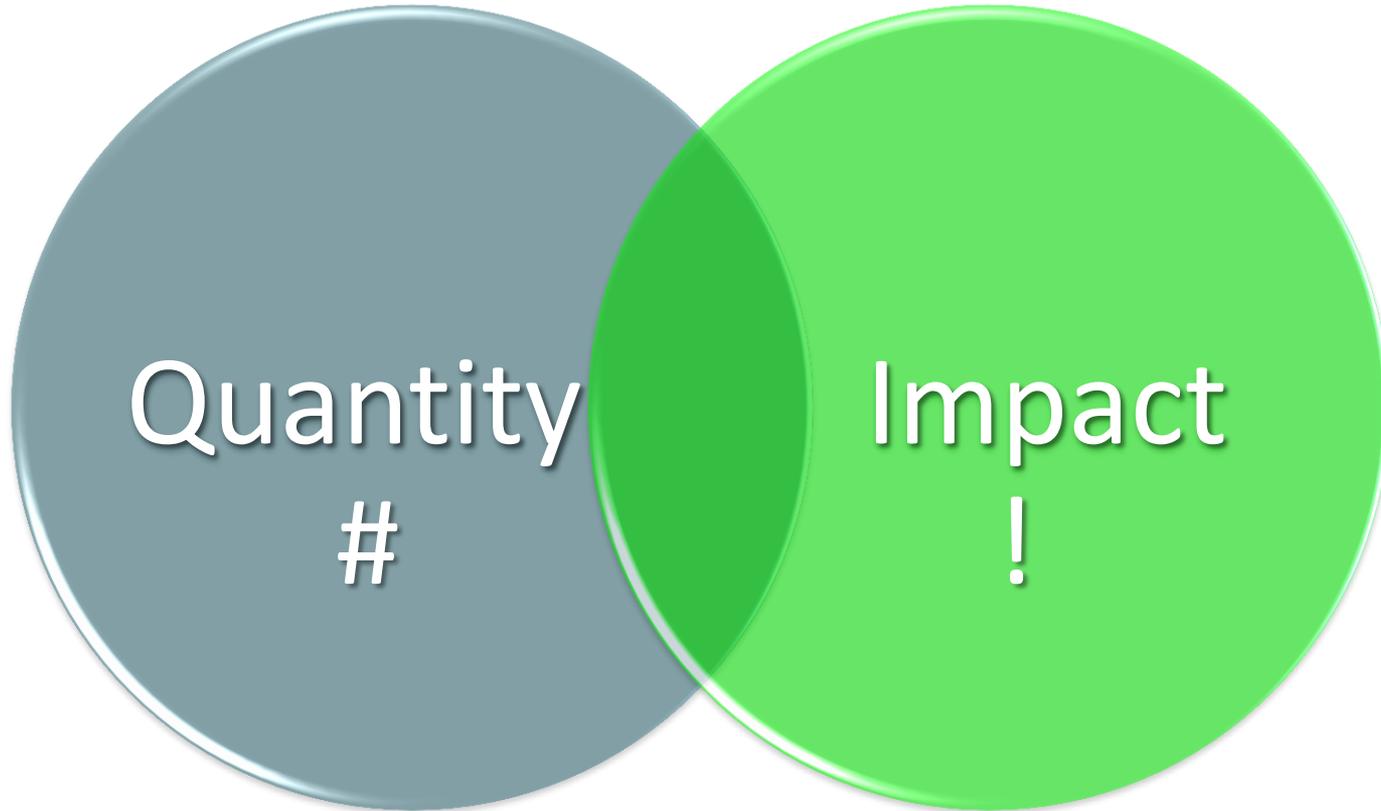


- What is noticed or ignored
- What is celebrated or punished
- What gets prioritized
- What we say, how we say it
- Rituals, stories, traditions

Culture Establishes Behavioral Norms



2 Aspects of Change



Quantity of Changes

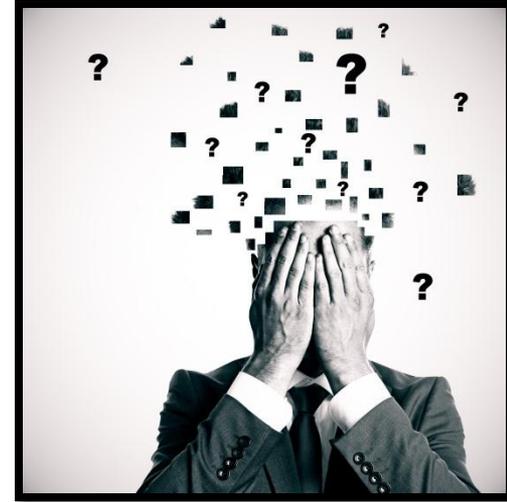
The number of changes made in some period of time

- Attempted as well as completed

Too Few Changes



Too Many Changes

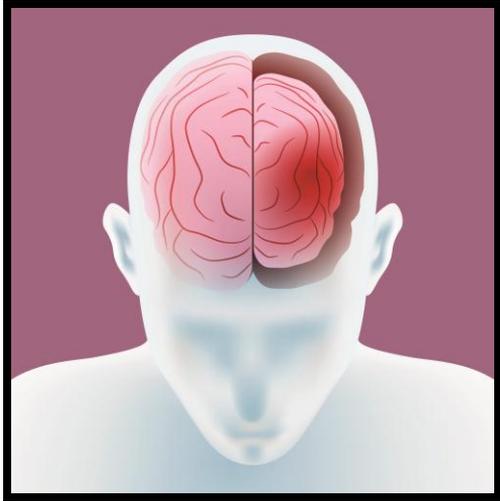


Quantity of Changes

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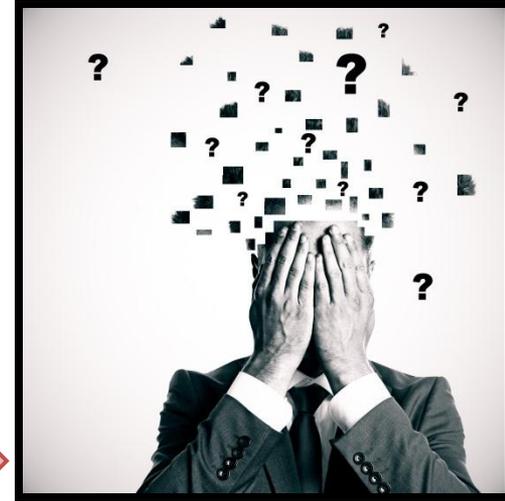


At Either Extreme

- ↓ Performance
- ↓ Agility
- ↓ Progress
- ↓ Morale

*Conduit
Needed*

Too Many Changes

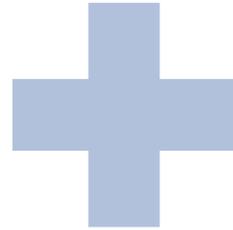


*Obstacle
Needed*

What Drives Quantity of Changes?

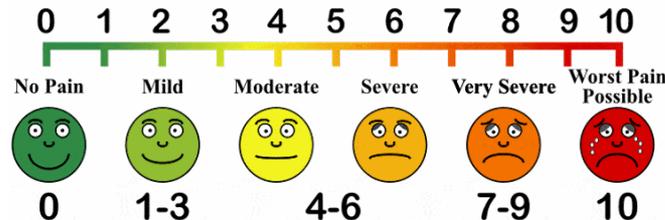
Perceived Need

- # of changes decided



Ability to Execute

- # of changes made



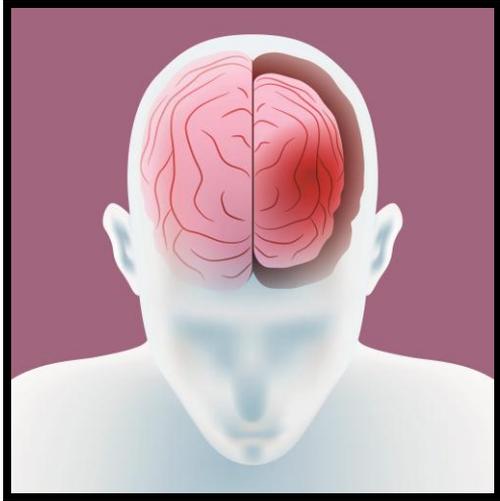
Availability of resources

Culture's Influence on Quantity of Changes

The number of changes made in some period of time

- Attempted as well as completed

Too Few Changes



High Fear of Failure

Analysis Paralysis

React to Noise

High Arrogance

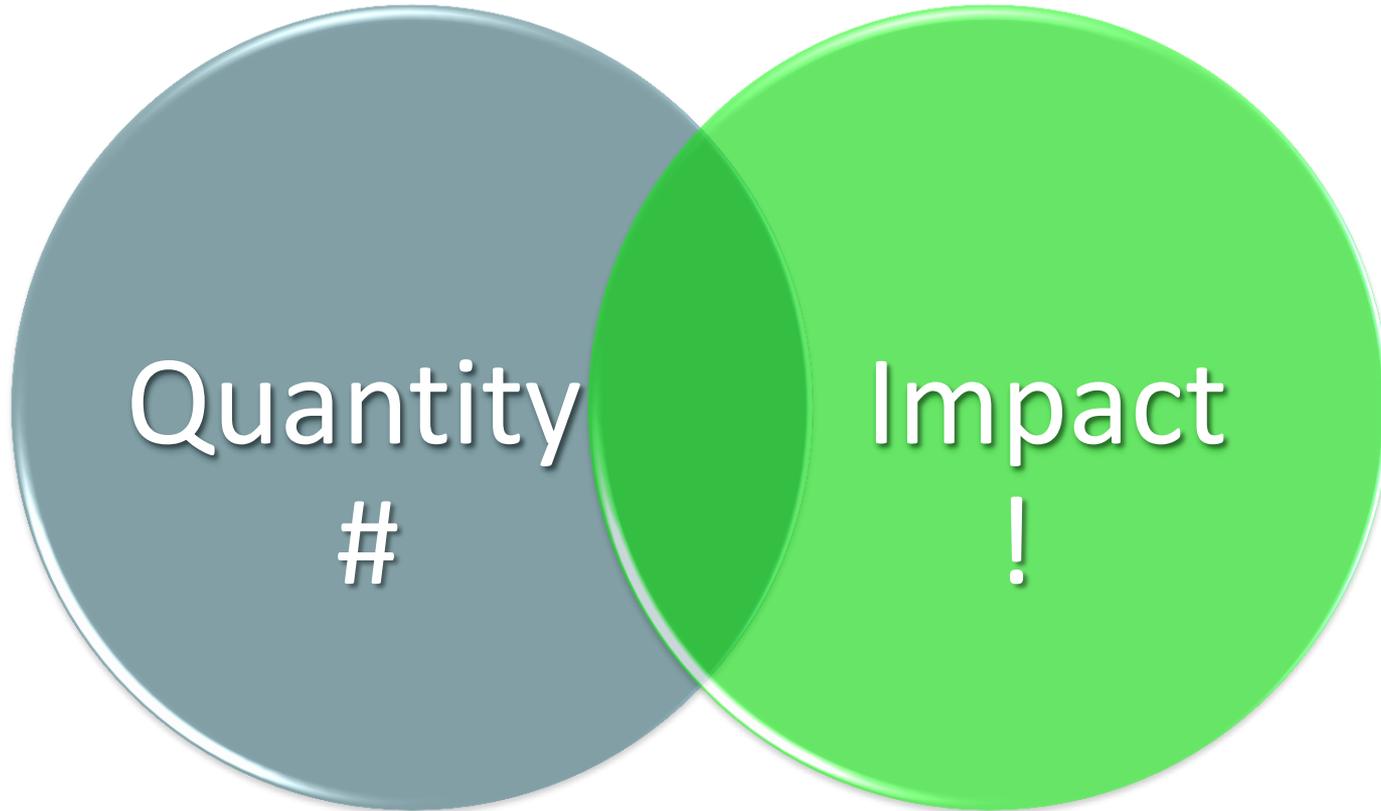
Signal Blindness

Resource Blindness

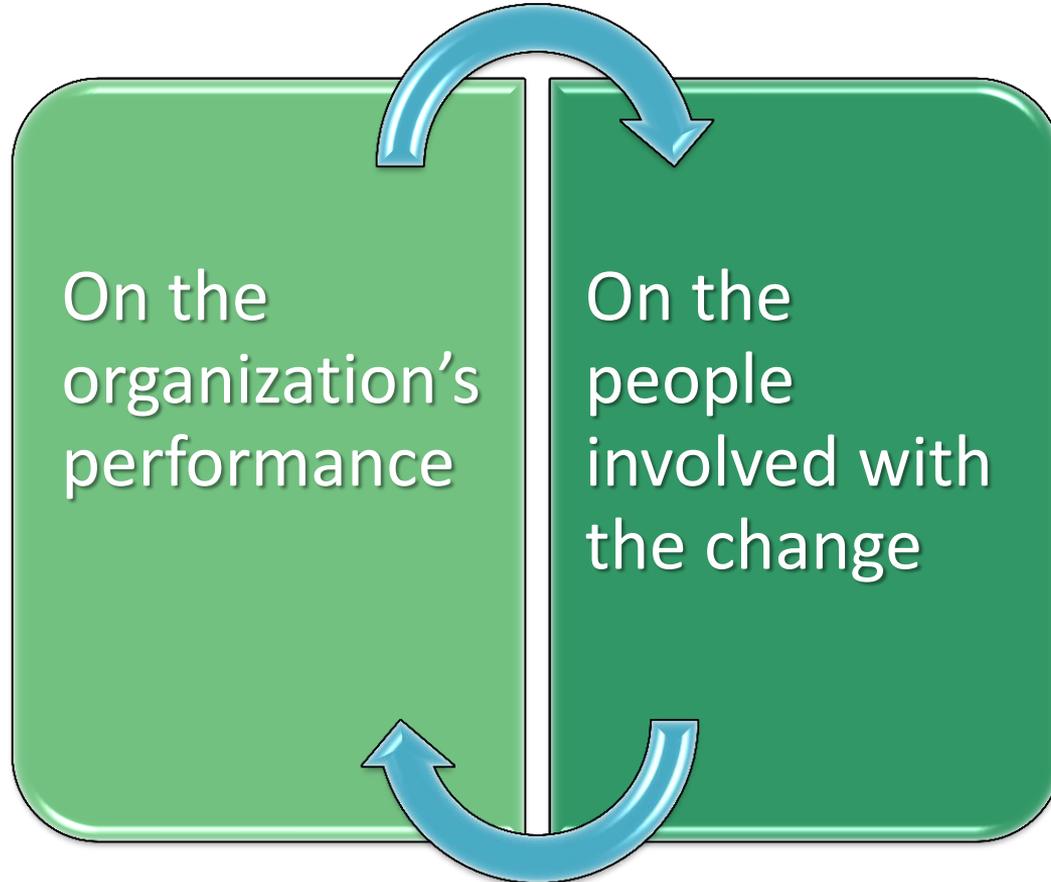
Too Many Changes



2 Aspects of Change



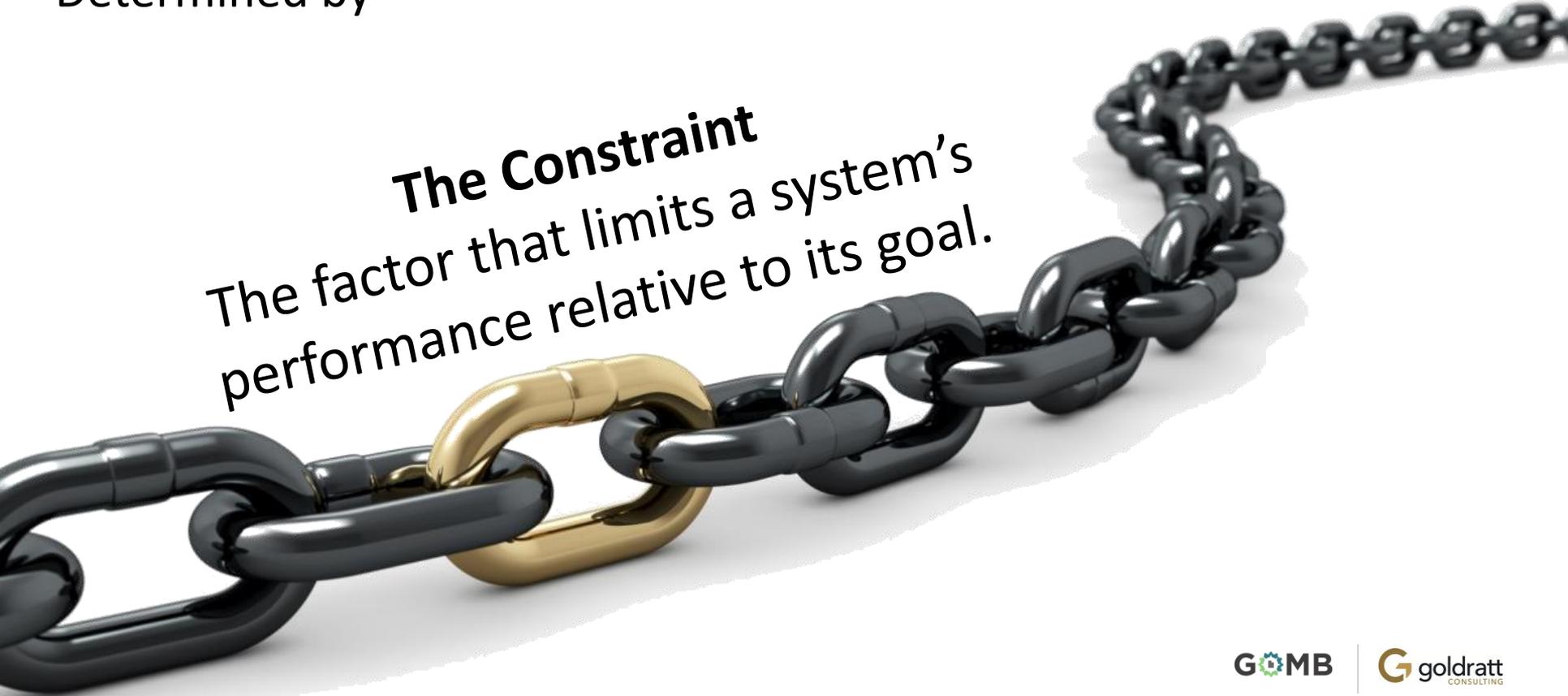
Impact of Change



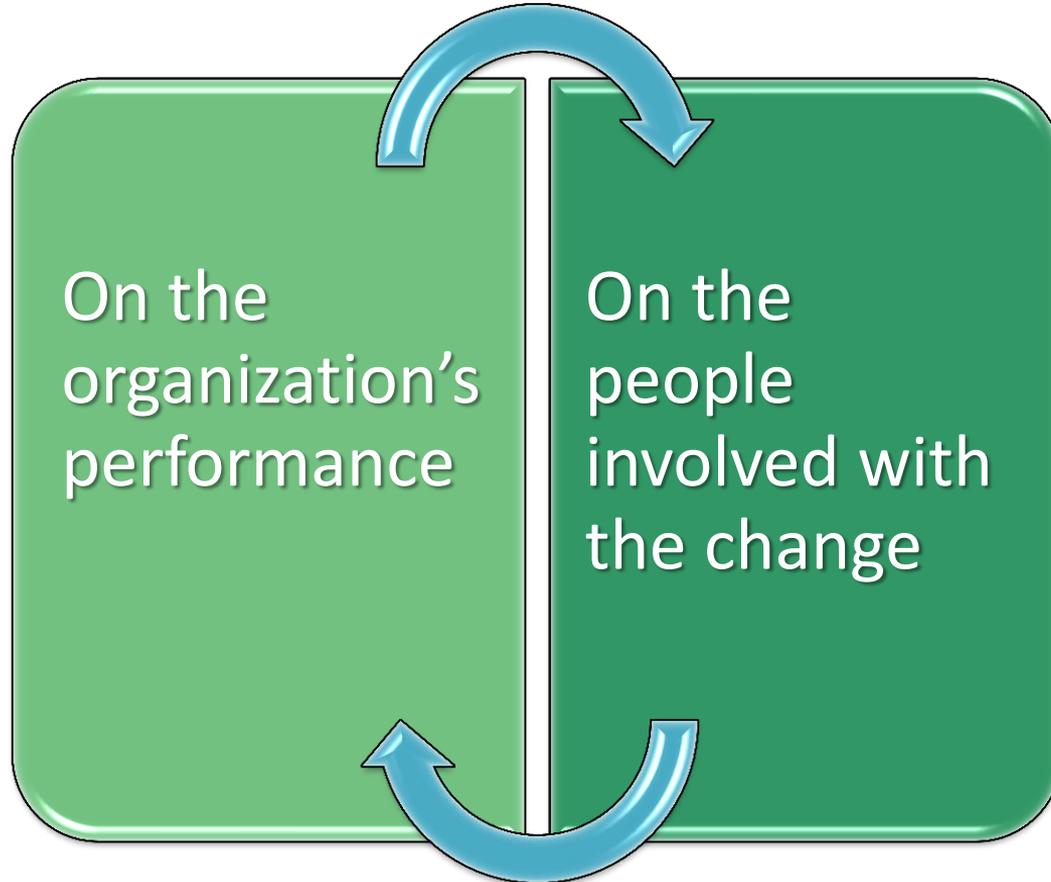
Impact on Organization Performance

Determined by

The Constraint
The factor that limits a system's performance relative to its goal.



Impact of Change



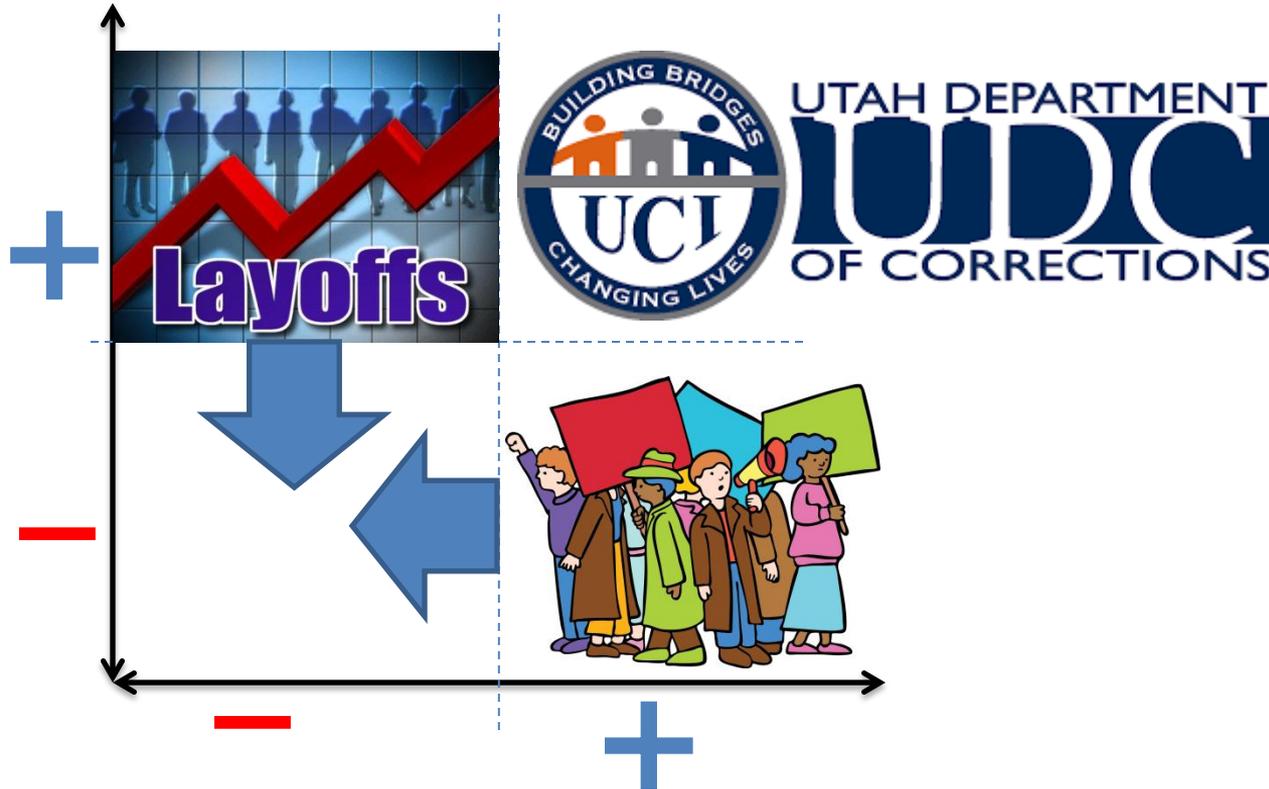
Impact on the people involved

	Positive (+)	Negative (-)
Making The Change...	 <p><i>New benefit(s) previously out of reach that the change would bring</i></p>	<p><i>Dangerous risk(s) or difficult obstacle(s) to making the change</i></p> 
Not Making The Change...	 <p><i>What is positive now but might go negative as the change proceeds</i></p>	<p><i>Current or inevitable problem(s) that the change would solve</i></p> 

For each of these 4 quadrants, people evaluate the impact on themselves and on the people and entities they care about – before and after a change is made

Culture Influences Impact of Changes

On the Organization's performance vis-à-vis its Goal



On the people involved and what/who matters to them



What does good look like?

A positive culture for change should be a conduit for a healthy flow of changes – not too few, not too many - that will simultaneously improve the organization relative to its goal while enabling those involved with the change to achieve more of theirs.

Creating a Positive Culture for Change

TOC Toolbox

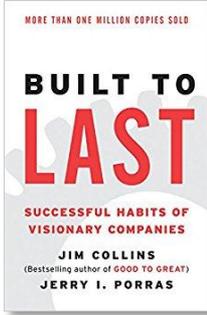
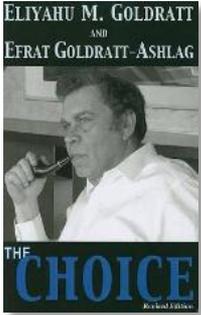
- Quantity
 - TOC methods for managing and improving flow
 - WIP control, choking release, full kit, buffer management, batch reduction, CCPM, DBR, POOGI, etc.
- Impact
 - 5 Focusing Steps, Thinking Processes, Business Innovation, Throughput Accounting, Mystery analysis, 6 Questions of Technology, etc.

TOC 4 Pillars

- Can they guide a positive culture for change?



Parallels



Wish to reach a full life



Have enough
meaningful successes

*Wish to have a successful
organization*



Parallels

Wish to reach a full life



Have enough
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organization*



The greater danger for most of us lies not in setting our aim too high and falling short; but in setting our aim too low, and achieving our mark.

(Michelangelo)

izquotes.com

Parallels

Wish to reach a full life



Have enough
meaningful successes

*Wish to have a successful
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- Have a Goal. A Big one. And a Moral Compass. Verbalize them. Simply.
- Make them known, and clearly understood by the organization.
- Populate the organization with people who are excited about participating in achieving the Big Goal and embracing the Moral Compass.

<https://www.goldrattconsulting.com/Our-Mission>

<https://www.goldrattconsulting.com/Core-Values>

Parallels

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meaningful successes

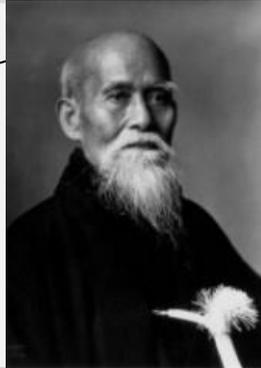
*Wish to have a successful
organization*



Positive Culture for Change Environment



Have stamina to
overcome failures



*Failure is the key to success;
Each mistake teaches us
something.
-Morihei Ueshiba*

Parallels

Wish to reach a full life



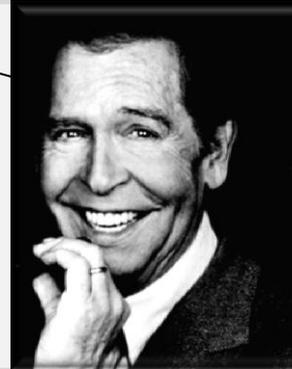
Have enough
meaningful successes

*Wish to have a successful
organization*



*If opportunity doesn't
knock, build a door.*

Have many
opportunities



Milton Berle

Parallels

Wish to reach a full life



Have enough
meaningful successes

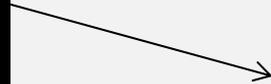
*Wish to have a successful
organization*



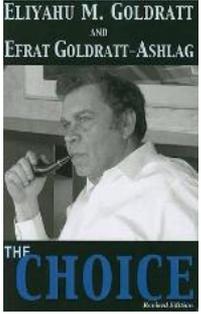
*I can do things you cannot.
You can do things I cannot.
Together, we can do great things.*

-Mother Theresa

Be able to collaborate
with people



Parallels



Wish to reach a full life

Wish to have a successful organization

Have enough meaningful successes

Positive Culture for Change Environment

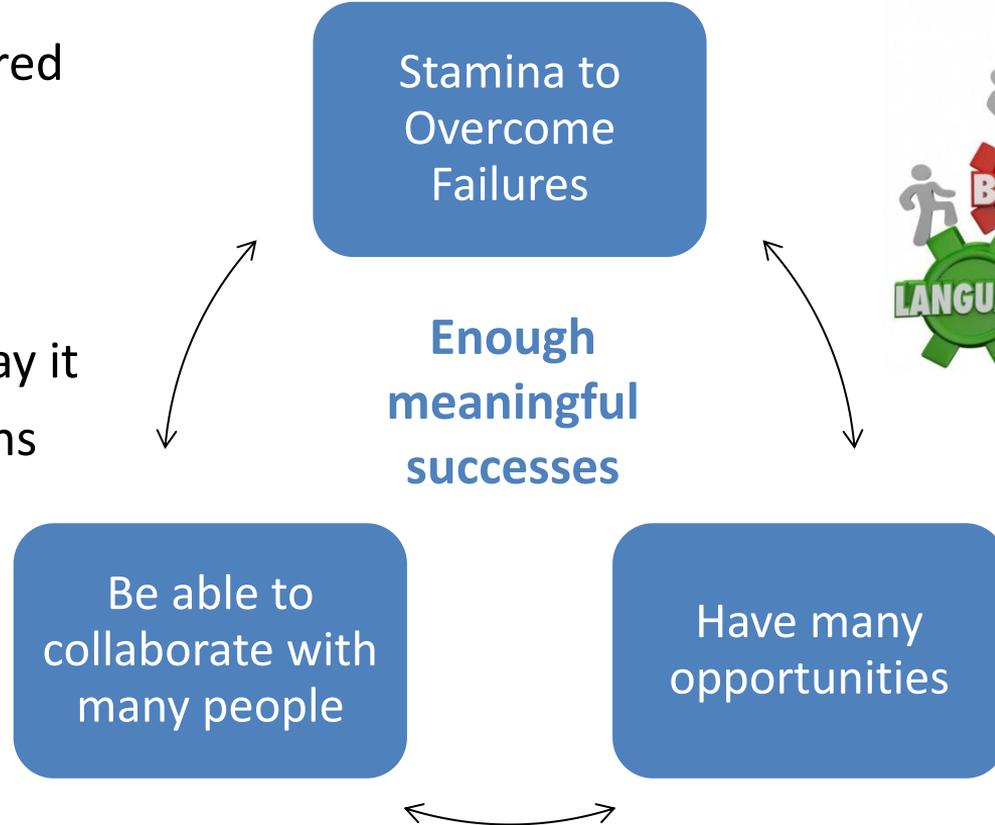
Have stamina to overcome failures

Have many opportunities

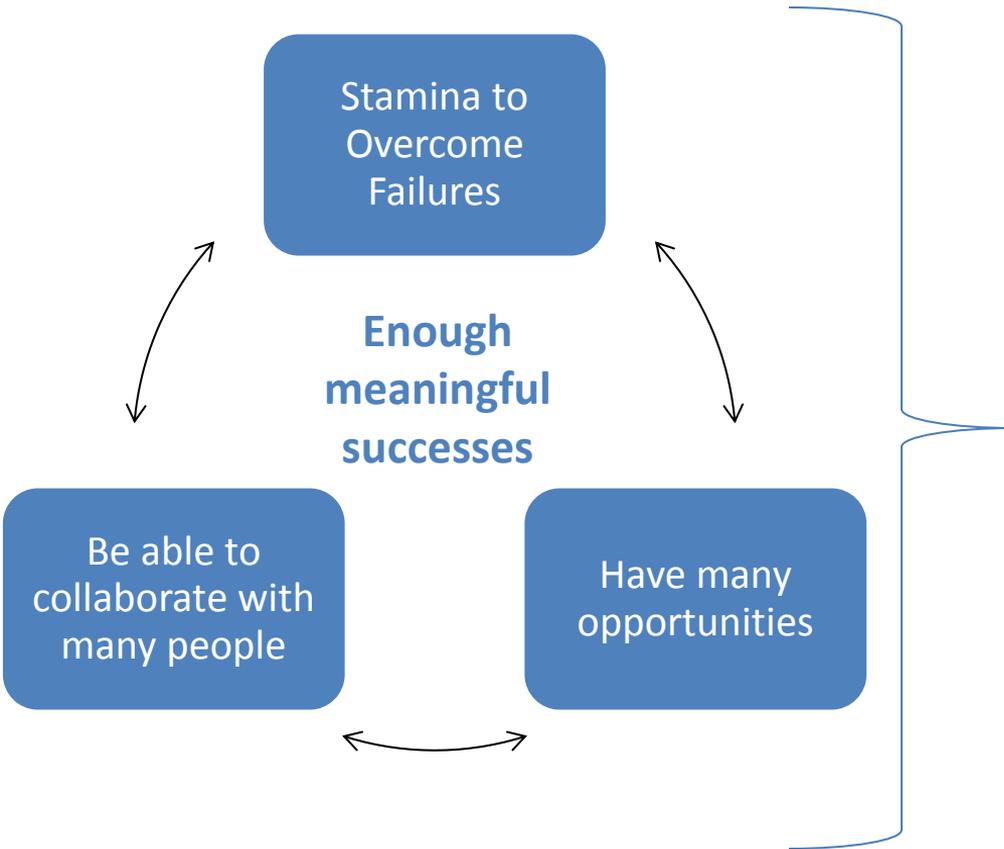
Be able to collaborate with people

Positive Culture for Change Environment

- What is noticed or ignored
- What is celebrated or punished
- The (real) priorities
- What we say, how we say it
- Rituals, stories, traditions

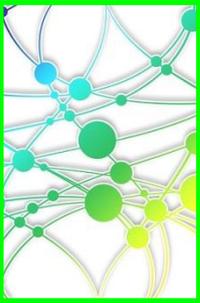


Creating a Positive Culture for Change



- Thinking Clearly
- Requires overcoming 4 obstacles

Overcoming 4 Obstacles to Clear Thinking & Having Positive Culture for Change



Perception of reality as complex

- *Instead, assume inherent simplicity*



Accepting conflicts as given

- *Instead, assume every conflict can be removed*



Blaming

- *Instead, assume people are good and there is always win-win solution*



Thinking that WE KNOW!

- *Instead, assume every situation can be substantially improved*

Wish to reach a full life

Wish to have a successful organization

↓
Have enough meaningful successes



Positive Culture for Change Environment Has

←
Have stamina to overcome failures

↓
Have many opportunities

→
Be able to collaborate with people



Strives to think clearly

Mindset of a Positive Culture for Change

←
Inherent simplicity

←
Every conflict can be removed

→
Always a win-win solution; People are good

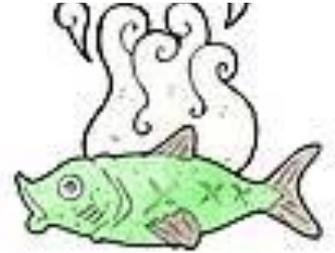
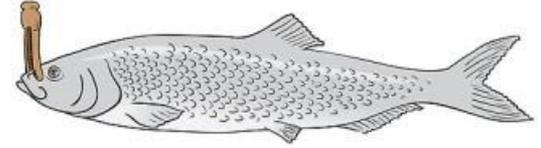
→
Every situation can be substantially improved

Culture for Change v Making a Change

- Saying that something is a culture means it is there for some time.
- Creating a culture for change means making a change
- So this change is a long-term change. These are attributes we want the org to have forever. This is different than pursuing a “number” for this quarter, this year, or even in the next 5 years.
- Requires commitment & perseverance.

The Fish Stinks From The Head

- Old proverb implying that what's wrong with an organization stems from the top
- But biologists point out that fish actually rot from the guts out
- So which is it?
- Rather than blame one or the other...



Power v Leadership

- Cultures are formed by people
 - New people are injected into the organization all the time
 - The more power they have, the more people look to them for the signals on what is expected of them in terms of behavior



Power

- Dependent on hierarchy
- People must obey

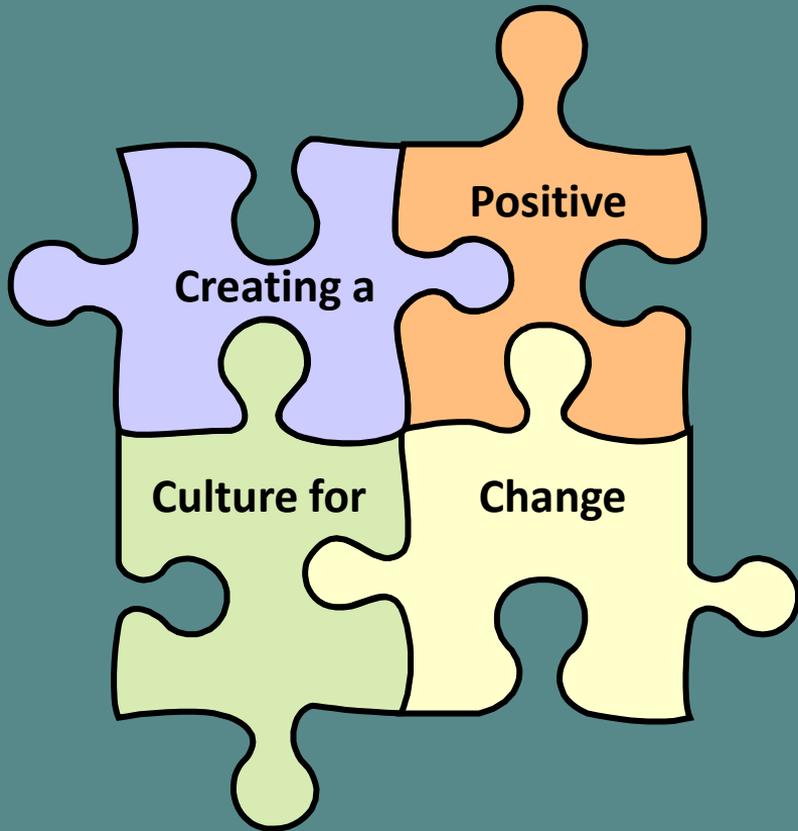


Leadership

- Dependent on shared values
- People choose to follow

An Invitation to Lead – It Starts With You

Obstacle	Mindset to Overcome Obstacle	What to Stop Doing	What to Start Doing
Perception of reality as complex	Assume inherent simplicity		
Accepting conflicts as given	Assume every conflict can be removed		
Blaming	Assume people are good and there is always a win-win solution		
Thinking that WE KNOW!	Assume every situation can be <u>significantly</u> improved		



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