Honoring Dick Beckhard—OD’s Founder
Show you how you can implement Strategic and Systems Thinking to Maximize OD Effectiveness

You will learn:

- Why strategic and systems thinking are your key to greater success
- How to use the Strategic Thinking ABC’s Template in to solve both simple and complex problems in your life and your organizational interventions
- Revisit Beckhard’s Old/New/Relevant definition of the OD Field
IDENTIFY THE ISSUE

Name the Issue - Problem - Project - Change Effort, etc.

Be clear

Be succinct

Be specific
A GLOBAL ALLIANCE OF MASTER CONSULTANTS

FOUNDED 1990 — OFFICES in OVER 20 COUNTRIES

North America
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  - Calgary, Alberta
  - White Rock, BC
  - Toronto, Ontario
  - Lumsden, Saskatchewan
- United States
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  - Atlanta, GA
  - Chicago, IL
  - Hickory, NC
  - Mays Landing, NJ
  - Denton, TX
  - Seattle, WA
  - Washington D.C.

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- Bolivia
- Brazil
- Paraguay
- Peru
- Uruguay

Africa & Middle East
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- Jeddah, Saudi Arabia
- Tel Aviv, Israel
- Johannesburg, South Africa
- Istanbul, Turkey

Asia
- Beijing
- Shanghai
- Hong Kong
- Mumbai, India
- Kuala Lumpur, Malaysia
- Singapore
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WORLD LEADER: THE CENTRE

“We Are The World Leaders in Strategic Management
Powered by Systems Thinking”

Planning—People—Leadership—Change
To
Deliver Customer Value

Haines Centre’s Five Integrated Lines of Business:

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www.SystemsThinkingAssessments.com
HAINES CENTRE:
LEADING STRATEGIC CHANGE
TO DELIVER CUSTOMER VALUE
WHO IS STEVE HAINES?

Founder & CEO:
- Haines Centre for Strategic Management®

Founded in 1990—Offices in 25 Countries

STEVE
is a:
- “CEO—Entrepreneur—Global Strategist”
  and
- “A Facilitator—Systems Thinker—Prolific Author”
  (of 18+ books)

- A graduate of the US NAVAL ACADEMY’s
  Legendary Leadership Class of 1968

- A Member of the ASP Hall of Fame
WHO IS BARBARA COLLINS?

BARBARA COLLINS

IS

THE CENTRE’S GLOBAL PARTNER in the
THE BALTIMORE-DC MIDATLANTIC AREA

SHE WAS A FOUNDER & BOARD MEMBER
AND THEN CEO OF THE NATIONAL
JUVENILE JUSTICE TRAINERS ASSOCIATION

She has been a manager in state government and not-for-profit agencies and has run her own consulting firm since 1991.

She works with private business and governmental organizations To help them reach business excellence

She joined the Centre in 2002 and has risen to be one of the Global Partners AND Chair of our Executive Committee
From theory ➔ to practice
From complexity ➔ to simplicity
From confusing complexity ➔ to elegant simplicity
From tradition ➔ to innovation
From analytic/reductionist thinking ➔ to systems thinking
From mechanic ➔ to organic thinking
From parts ➔ to the whole
From tactical ➔ to Strategic Thinking
OD is
1. Planned Change
2. Organization-wide
3. Managed from the top
4. To increase organization effectiveness and health
5. Through planned interventions in the organization’s processes
6. Using Behavioral Science Knowledge

*Organization Development: Strategies and Models*
Richard Beckhard @ 1969
Addison-Wesley Series on Organization Development
Let’s explore this Definition today:

What are today’s Critical Issues for Organizations?
ORIGINS OF OD?

1. Ludwig von Bertalanffy - Vienna Austria
2. Sigmund Freud - Vienna Austria
3. James Greer Miller
4. Margaret Mead
5. Abraham Maslow
6. BF Skinner
7. Dick Beckhard
8. MIT
9. Peter Drucker - Vienna Austria
10. Edwards Deming
11. Peter Senge
“If the rate of change on the outside exceeds the rate of change on the inside, the end is near.”

—Jack Welch
Former Chairman and CEO
General Electric Corporation
“IF NOTHING ELSE WORKS, THIS MAY BE A PERFECT OPPORTUNITY TO USE COMMON SENSE.”
Problems that are created by our current level of thinking can't be solved by that same level of thinking.

—Albert Einstein

So ...if we generally use analytical thinking, we now need real “Systems Thinking” to resolve our issues.

—Stephen G. Haines
“Everything that can be invented has been invented.”
-Charles H. Duell, Director of U.S. Patent Office, 1899

“Heavier-than-air flying machines are impossible.”
-Lord Kelvin, President, Royal Society, 1895

“Sensible and responsible women do not want to vote.”
-Grover Cleveland, President, 1905

“Babe Ruth made a mistake when he gave up pitching.”
-Tris Speaker, Baseball Player, 1921
A HIGHER, BROADER VIEWPOINT

Take a Helicopter View of Life!
The Science of Living Systems

“The natural way the world works”

Backed by 50+ Years of Scientific Research
THE LAWS OF NATURE

Cycle of Productive Life

What Shall We Plant This Year?

Till Soil
Plant Seeds
Pray for Rain
Harvest
Fertilize

What Shall We Plant Next Year?
SYSTEMS THINKING: 50 YEARS OF SCIENTIFIC RESEARCH

FATHER OF SYSTEMS THINKING—LUDWIG von BERTALANFFY

1954-Society of General Systems Research—Three Nobel Prize Winners
+LvB
Ken Boulding (Economics)—Anatol Rapoport (Math)—Ralph Gerard
(Physiology)
Margaret Mead—Buckminster Fuller—James G. Miller
Abraham Maslow—Erik Erikson—Jean Piaget—Victor Frankl
Peter Drucker—Edward Deming—Russell Ackoff—Thomas Kuhn
Arthur Koestler—Jay Forrester—Dick Beckhard—Steven Covey
Peter Senge—Margaret Wheatley—Barry Oshry—Steve Haines
THINK – PLAN – ACT = RESULTS

How you think is how you plan is how you act!

. . . and THAT determines the results you get in work and in life
A NEW APPROACH PLANNING & CHANGE IS REQUIRED IN THE 21\textsuperscript{ST} CENTURY

21\textsuperscript{ST} CENTURY BEST PRACTICE:

THINK DIFFERENTLY—THINK STRATEGICALLY

\textit{Use The Systems Thinking Approach®}

LOOK FOR SYSTEMS SOLUTIONS TO SYSTEMS PROBLEMS
(Not Analytic & Piecemeal Solutions to Systems Problems)

CLARITY AND SIMPLICITY = SPEED AND SUCCESS
(Simplicity Wins the Game Every Time)
A SYSTEM DEFINED

A SYSTEM:

IS A SET OF PARTS OR COMPONENTS

THAT WORK TOGETHER

FOR THE OVERALL OBJECTIVES

OF THE WHOLE
8 LEVELS OF LIVING SYSTEMS WITHIN LIVING SYSTEMS

Nested and Interdependent Systems
EIGHT LEVELS OF LIVING (OPEN) SYSTEMS

1. Cell
2. Organ
3. Organism/Individual
4. Group
5. Organization
6. Communities
7. Society/Nation
8. Supranational System/Earth
Environment Includes:
- Other people/groups
- Other organizations
- Customer/competitors
- Society/community
- Regions/earth

Increased Readiness:
- Complexity/chaos
- Readiness/willingness
- Skills/competencies growth

Note:
Rings 3 – 4 – 5 - 6 are 4 of the “8 Levels of Living Systems”
Rings 3A – 4A – 5A are “Collisions of Systems” with other systems
OD: TO INCREASE ORGANIZATION EFFECTIVENESS AND HEALTH
THE YIN AND YANG OF STRATEGIES

(Positioning for a Competitive Edge and Customer Value)

Positioning

Alignment
(of Delivery Processes)

Star

Results

Attunement
(with People’s Hearts)

For Customer Value
HOW WOULD YOU DRAW A SYSTEM—ANY SYSTEM????
“EVERYTHING IS SIMPLE, YOU SEE BUT YOU JUST HAVE TO SEE IT”

CLARITY AND SIMPLICITY = SPEED AND SUCCESS
SIMPLICITY OF SYSTEMS THINKING

The Best, Most Holistic, Integrated, Organizing Framework There is!
Five Strategic Thinking Questions -- In Sequence:
A. Where do we want to be?
B. How will we know when we get there?
C. Where are we now?
D. How do we get there?
E. Ongoing: What will/may change in our environment?

Vs. Analytic Thinking Which . . .
1. Starts with today and the current state, issues, and problems.
2. Breaks the issues and/or problems into their smallest components.
3. Solves each component separately (i.e., maximizes the solution).
4. Has no far-reaching vision or goal (just the absence of the problem).
Peter Drucker on Strategic Management

DRUCKER QUESTIONS:
SELF ASSESSMENT

Mission
Goals
Objectives
Action Steps
Budget
Appraisal
PHASE A: OUTPUTS / OUTCOMES

#1 Systems Question:
Where do you want to be?

What are your DESIRED OUTCOMES for this issue?

LIST your Desired Outcomes in Phase A
OD: PLANNED INTERVENTIONS IN THE ORGANIZATION’S PROCESSES
We must become

Architects of the Future . . .

or we will become

Defenders of the Decline.
CASCADE AND WATERFALL OF CHANGE

HOW DOES CHANGE OCCUR?

- Individually
- Level by Level
- Unit by Unit
- Dept by Dept
- Different Subcultures
- Adversarial Cultures
"The Organization as a System"

From: Chaos & Complexity
To: Elegant Simplicity

How to Start Moving:
SYSTEMS and ANALYTIC THINKING
– Three Steps –

1. **Work ON the Enterprise First**

   ![Helicopter View]

   - **OUTSIDE** (Plan)
   - **INSIDE** (Do)
   - **OUTSIDE** (Check)

   **1. Helicopter View**
   **2. Clarity Of Purpose**
   **3. Link to Deliverables And Outcomes**

2. **Work IN the Enterprise**

3. **Check ON the Enterprise**

   - **Clarity Of Purpose**
   - **Link to Deliverables And Outcomes**

   **TAKE ACTION**

   - **Analyze Parts & Relationships**
   - **Work IN the Enterprise**
CLASSIFYING AND CLARIFYING CHANGE PROJECTS

Intervention Roles

1. Reflector/Catalyst
2. Process Facilitator
3. Alternative Identifier
4. Expert Adviser
5. Advocate/Participant
6. Education/Training
7. Manager

System Levels (of Attention)

1. Individual/Self
2. Teams
2A. Intergroups
3. Total Org'n

3A. Org’n/Envirmnt

Enterprise-Wide Diagnostic

A
B
C

Vision/Mission/Results
Feedback Loop/Goals
EW Assessment Data

• Culture/Values
• Plans/Strategies/Tasks

Change Management
• People/Teams
• Leadership
• Customer-Focused
• Delivery/Processes

ENVIRONMENTAL SCANNING
THE ICEBERG THEORY OF STRATEGIC CHANGE

The CAPACITY To Achieve Your Competitive Business Edge

1. CONTENT – What (Visible)
   - *Alignment* – Operational Tasks (Customer Edge)
     - Customer ★ Results
     - Delivery Processes

2. PROCESSES – How (Below the Surface)
   - *Attunement* – with People’s Hearts (People Edge)
     - Support Content
     - Rollercoaster Uses
     - Strategic Change Processes

3. STRUCTURES – Framework (Deep Foundation)
   - *Systems Thinking* (Strategic Edge)
     - Change Structures
     - Organizational Capabilities
     - Culture

Efforts:
- 13% CONTENT
- 87% RESOURCES
We’ve gone as far as we can go with piecemeal Analytic Thinking . . .

1. IRS rules
2. Health Care
3. Social Services
4. Homeland Security
5. Separate cities, counties, countries
6. California Education Code
Using “Analytic Approaches” To “Systems Problems”

In *Systems Thinking* – the whole is primary
   And the parts are secondary

In *Analytic Thinking* – the parts are primary
   And the whole is secondary
OD: USING BEHAVIORAL SCIENCE KNOWLEDGE
ORIGINS OF OD AND BEHAVIORAL SCIENCE?

1. Ludwig von Bertalanffy - Vienna Austria
2. Sigmund Freud - Vienna Austria
3. James Greer Miller
4. Margaret Mead
5. Abraham Maslow
6. BF Skinner
7. Dick Beckhard
8. MIT
9. Peter Drucker - Vienna Austria
10. Edwards Deming
11. Peter Senge
Strategic Thinking is Systems Thinking for OD Consultants

It is the E-A-B of the ABCs Template
The BEST conceptual, integrated ORGANIZING FRAMEWORK that exists is

The Systems Thinking Approach®

because

“It is the natural way the world works”

– The world is composed of living/human systems
SYSTEMS THINKING’S
12 NATURAL LAWS

(Life Here on Earth for All Living Systems)

12 NATURAL LAWS -AND- THEIR BEST PRACTICES

I. The Whole System:

1. Holism
   1. Ask “What’s your purpose” (No. 1 Systems Question)
2. Open System
   2. Scan the environment regularly (Ask implications)
3. Boundaries
   3. Collaborate across Boundaries (seek win-win)
4. Input/Output
   4. Use “Backwards Thinking” (Learn A-B-C’s)
5. Feedback (is a gift)
   5. Encourage “gifts”
6. Multiple Outcomes
   6. Organizational and individual outcomes—WIIFM
II. THE INNER WORKINGS: BEST PRACTICES

7. Equifinality  7. Empower the means (focus on ends)
8. Entropy       8. Build in booster Shots
10. Relationships 10. Recognize Relationships and Fit
11. Dynamic Equilibrium 11. Blast away the ruts
12. Internal elaboration 12. Create Clarity and Simplicity

Dr. Deming clearly warns that executives sharing experiences without theory learn nothing .... and may even do harm.

This learning method requires that a theory be formed first from the questions.

Then experiential learning discussing the theory can help.

The authors recommend obtaining a master facilitator to help out.

Only in the presence of a master facilitator should one resort to this method.

It has inherent dangers.

Source: Four Days with Dr. Deming
The way you think creates the results you get.

The most powerful way to impact the quality of your results is

To improve the ways you think
PRESENT LEARNINGS

1-2 MINUTES ONLY:

1-3 KEY LEARNINGS

HOW TO APPLY THEM IN YOUR CASE

CASE STUDY
THANK YOU FOR YOUR PARTICIPATION

Stephen Haines

Haines Centre for Strategic Management
Phase E: The *Future Environmental Scan*

*What will be changing in the future environment that will affect us?*

*Use the SKEPTIC on the back of the handout*
<table>
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<th>TODAY – IMPLICATIONS (Opportunities – Threats)</th>
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Guiding Question #2:

*How will we know when we get there?*

List 2 - 3 measures you will use to determine your Progress . . . and Ultimate Success

List the Key Success Measures/Goals in *Phase B*
PHASE C: CURRENT STATE ASSESSMENT

Systems Thinking Question #3: *Where are we now?*

Create a T Chart . . .

- **What are our current strengths and weaknesses?**

- **What will help or hinder our capacity to achieve the desired outcomes?**

List the Current State *Strengths & Weaknesses* in Phase C
PHASE C: CURRENT STATE ASSESSMENT

Systems Thinking Question #3: Where are we now?

Review the *Future Environmental Scan*:

- What *opportunities* exist that, if taken advantage of, could positively impact the outcomes?

- What *threats* exist that, if we do not address, could block our capacity to achieve our Desired Outcomes?

List the Current State *Opportunities & Threats* in Phase C
Systems Thinking Question #4:

How do we get there?

How do we close the gap from C → A?

The Glue that Holds It All Together

- How do we close the gap?
- What are the core strategies we will use?
PHASE D: SYSTEM THROUGHPUTS / PROCESSES

Systems Thinking Question #4:

*How do we get there?*

*How do we close the gap from C → A)?*

1. Review the *Current State Assessment (C)*

2. What strengths and opportunities can you build upon?

3. What weaknesses or threats can you minimize or eliminate?

4. What actions do we need to take to achieve our Vision and Key Success Measures?
PHASE D: SYSTEM THROUGHPUTS / PROCESSES

Systems Thinking Question #4:
How do we get there (close the gap from C → A)?

- What will you do today? Tomorrow? Next week? ... to begin to close the gap?
- Who else needs to be involved?
- Set a target date for each priority action.

List the Prioritized Actions in Phase D