

Insights and Paradoxes

A personal view from a
systems thinker

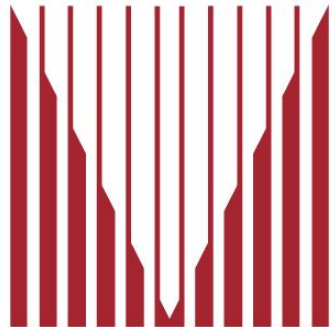
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A bit about me

- ▶ Mech Eng & Manufacturing
- ▶ TQM at Bradford: Deming, Kohn
- ▶ Financial Services
- ▶ Net2

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www.systemsthinking.co.uk

www.thesystemsthinkingreview.com

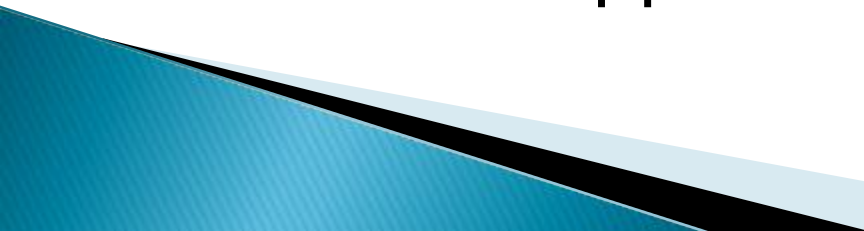
Today's session

- ▶ Some insights from a systems thinker
 - ▶ Key systems principles
 - ▶ Exercises
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- ▶ What will it take to make systems thinking more widespread?

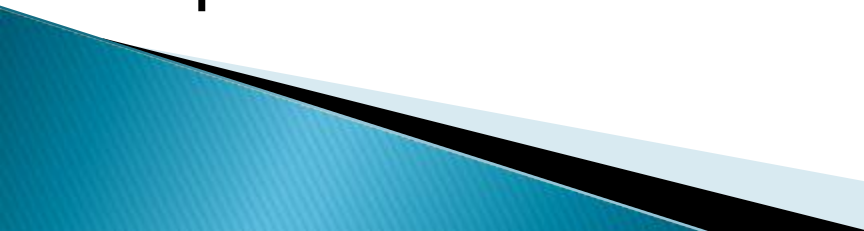
Number 1

- ▶ Doing the wrong thing righter vs. doing the right thing
- ▶ Examples
 - Child Protection admin
 - Staff morale in the bank
 - 2000 BVPIs to 198 National Indicators
- ▶ Principle: Thinking – System – Performance
- ▶ Exercise 1: why do we solve problems using the same thinking that created the problem?
- ▶ Exercise 2: What have you been wrong about?
How did it change your view of the world?


Number 2

- ▶ Change by Plan vs. emergent change, based on knowledge
 - ▶ Example: Special Needs Transport
 - ▶ Principle:
 - Understand, Improve, Make Normal
 - Check – Plan – Do
 - ▶ Exercise: why, in their terms, do managers think we can define what is going to happen before it happens?
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Number 3

- ▶ Compliance vs. customers
 - ▶ Example:
 - £100k to implement CBL costs £1 m pa
 - 14 days creates 97 days in CHC
 - ▶ Principle: Purpose – Measures – Method
 - ▶ Exercise: When measures & method were specified, what happened to behaviour and performance?
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Number 4

- ▶ All demand = units of production
 - ▶ Example: 100 calls per day to 30
 - ▶ Principle:
 - Design against demand
 - Demand – Value – Flow
 - ▶ Exercise: Value and Failure demand in a system you know
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Number 5

- ▶ Paying attention to costs puts up costs
- ▶ Example: How long to cancel a policy?
- ▶ Principles:
 - Managing cost puts up cost
 - You must understand the **causes** of cost
 - If you manage **value**, you drive down cost
- ▶ Exercise:
 - Why do managers think cost can be managed?
 - Examples of driving costs up?

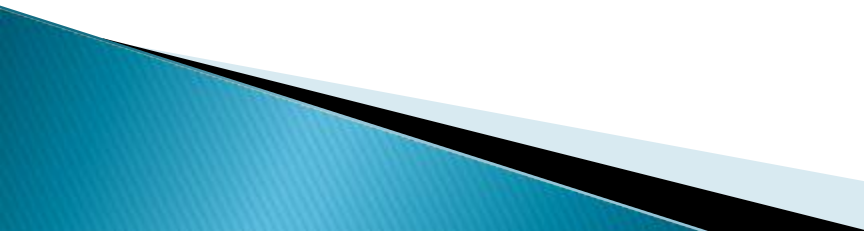
Number 6

- ▶ Management vs. Leadership
- ▶ Example: Repairs


Housing Repairs

	Area 01	Area 02	Area 03	Area 04	Area 05	All	Target
Priority A Tasks (General Needs and Supported Housing)							
Total completed (this week)	72	43	104	77	46	342	
Number completed in target (this week)	70	42	98	75	45	330	
% completed in target (this week)	97.2%	97.7%	94.2%	97.4%	97.8%	96.5%	99%
Total completed (year to date)	1544	1617	2061	1589	1465	8276	
Number completed in target (year to date)	1495	1580	1976	1528	1410	7989	
% completed in target (year to date)	96.8%	97.7%	95.9%	96.2%	96.2%	96.5%	99%
Priority B Tasks (General Needs and Supported Housing)							
Total completed (this week)	84	77	117	98	84	460	
Number completed in target (this week)	78	76	115	94	75	438	
% completed in target (this week)	92.9%	98.7%	98.3%	95.9%	89.3%	95.2%	96%
Total completed (year to date)	2010	2366	3094	2257	1801	11528	
Number completed in target (year to date)	1854	2300	2780	2085	1743	10762	
% completed in target (year to date)	92.2%	97.2%	89.9%	92.4%	96.8%	93.4%	96%
Priority C Tasks (General Needs and Supported Housing)							
Total completed (this week)	207	186	252	225	185	1055	
Number completed in target (this week)	205	184	251	225	181	1046	
% completed in target (this week)	99.0%	98.9%	99.6%	100.0%	97.8%	99.1%	96%
Total completed (year to date)	5082	5256	7999	6557	4983	29877	
Number completed in target (year to date)	5016	5233	7961	6526	4931	29667	
% completed in target (year to date)	98.7%	99.6%	99.5%	99.5%	99.0%	99.3%	96%
Percentage Tasks completed by priority (year to date)							
Priority A - Emergency Responsive Repairs	14%	15%	15%	15%	15%	15%	
Priority B - Urgent Responsive Repairs	21%	24%	23%	20%	19%	21%	
Priority C - Routine Responsive Repairs	66%	61%	62%	65%	66%	64%	

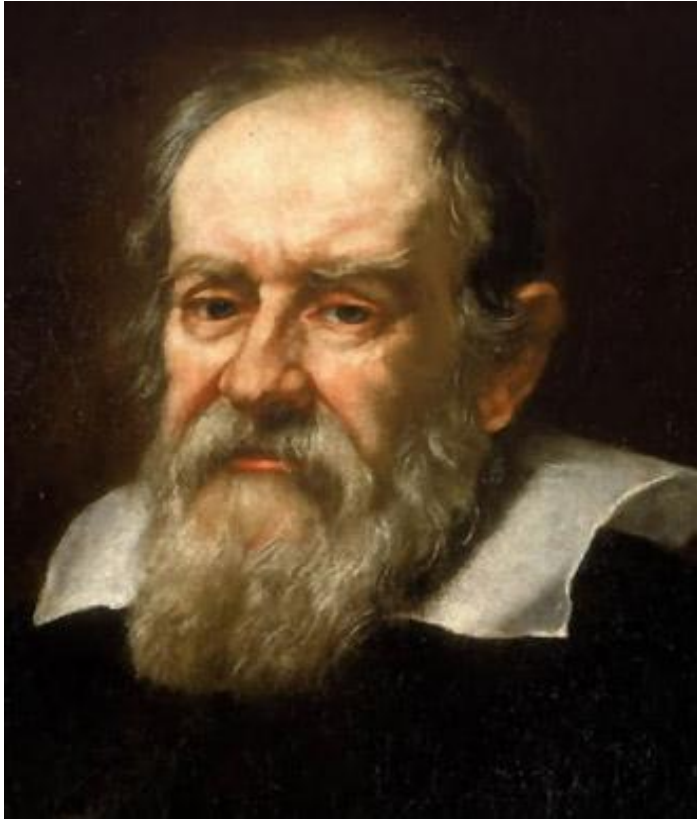
Number 6

- ▶ Management vs. Leadership
 - ▶ Example: Repairs
 - ▶ Principles:
 - Measures drive learning & improvement
 - Decision-making integrated with work
 - Act on the system
 - *Genchi Genbutsu*
 - ▶ Exercise:
 - Examples of decision-making separated from work
 - How could you integrate work design, roles & measures?
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More Counter-Intuitive Ideas

- ▶ People **see** process change, but the real change is thinking
 - ▶ 95% of the causes of poor performance are in the system, not the people...
 - ▶ ...but to improve the system you have to pay attention to the people
 - ▶ Strategy lives in operations
 - ▶ Holding people accountable for working to a set of principles, not for performance
 - ▶ Culture change comes free
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My most profound insight!



Good ideas are
not adopted
automatically...

Galileo Galilei (1564 – 1642)

Making this normal

- ▶ Systems Theory + Intervention Theory
 - You have to change thinking
 - Change starts with curiosity (pull not push)
 - Coercive, Rational, & Normative interventions
 - ▶ Principles rule, tools follow
 - ▶ Public sector bad, private sector good?
 - ▶ Be clear what 'leadership' actually means
 - ▶ “First they ignore you, then they laugh at you, then they fight you, then you win” M.K.Gandhi
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