

Developing People: coaching the individual

Applying inherent simplicity to the question of leadership
and the coaching of people

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TOC-Lean Institute





Some initial thoughts

- ⌘ What is the number one priority in organisations?
 - | *In other words, what is our goal?*
- ⌘ How much time do we spend on that?
 - | *Consider the typical working day – how much time is spent on activity that takes the organisation towards the goal, or is working on the necessary conditions to achieve the goal?*
- ⌘ How many of us believe that the vast majority of the people in the organisation possess far more creativity, resourcefulness, ingenuity, intelligence and talent than their jobs require or even allow?
- ⌘ How many feel a lot of pressure to produce more for less – but we fail to use the talent we have!



Chronic Problem of Organisations

(Covey Sept 2007)

- ☪ Mind
 - | No shared vision or values
 - ☪ Spirit
 - | Low trust
 - ☪ Body
 - | Misalignment
 - ☪ Heart
 - | Disempowerment
- ☪ *We work with many companies for whom this is a valid description, but it does not have to be like this.....*



Chronic Problem ctd

- ⌘ Teams have unclear goals
 - | *Ask any team – what is the number 1 priority? Eventually urgency replaces importance – there is widespread dysfunctional behaviour and protective communication*
 - | *Ask, with eyes closed, each person to point north – then open eyes*
- ⌘ The members of the team run around in all directions
- ⌘ The basic sequence of Goals – Strategy – Tactics – Action is missing in many cases
- ⌘ The Execution Gap
 - | *Less than 15% can identify the most important goals and priorities – remember the front-line produces the bottom-line*
 - | *19% feel passionate about the top goals – the rest are not involved*
 - | *49% of time is spent working on the goal, the rest on other things*
 - | *51% do not understand what you have to do to meet the goal*
 - | *“In order to reach goals you have never reached before, you have to start doing things you have never done before”*



What is the mission for any organisation?

- ⌘ Sustained financial success – and this includes not-for-profit organisations
- ⌘ Sustained track record in meeting clients needs – however defined
- ⌘ Excellence in our people and business *partnerships*
- ⌘ Developing our unique personality and culture



Paradigms and moving forward

- ⌘ A “breakthrough” is a “break with” an old paradigm
- ⌘ Now we have to face two things: the need for a paradigm shift and the reality of paradigm lock
- ⌘ We need a whole new different way of thinking
 - | *Quantum improvements = paradigm shift*
- ⌘ If you have the wrong map then trying harder does nothing, greater efficiency does nothing.
- ⌘ People are not “expense items” they are assets of enormous importance, as long as we continue to see them as expense items we will remain in trouble
 - | *Part of our work is to enable paradigm shifts, and unlocking where paradigms become locked*



The industrial age vs the age of wisdom

- ⌚ Kind Control gives way to **Unleashing Talent**
- ⌚ Formal Authority gives way to **Moral Authority**
- ⌚ Boss Centred gives way to **Complementary Teams and Servant Leadership**
- ⌚ People as Expense gives way to **People as a voiced, passionate asset**
- ⌚ External control gives way to **internal, inspirational**
- ⌚ The boss owning responsibility gives way to the **Culture which owns the responsibility for results**
 - | *This is about an emotional connection to the strategy*
 - | *It is about giving satisfaction to the people*
 - | *It is about constantly getting better at what we do*
 - | *It is the culture of innovation*



Core Values of Organisations

- ☪ *Talent* – what are you good at?
- ☪ *Spirit* – what is life asking of me, what should I contribute in this service (a sense of calling)?
- ☪ *Need* – What does the body need in order to serve?
- ☪ *Passion* – what do you/I love doing?



Leadership and what it means

- ☛ We must live life in crescendo (Covey)
 - | Personal greatness
 - | Leadership is not a position, it is a choice about moral authority
 - | Leadership is about inspiring greatness, clarifying purpose, aligning systems and unleashing talent
 - | Greatness is about sustained superior performance and the discipline of execution
 - | Leadership is about communicating worth to people so clearly that they are inspired to find it for themselves



Elements of Greatness

- ☛ Covey argues that there are four elements of greatness
 - | Sustained Superior Performance
 - *The application of the relevant tools and techniques such as Lean, TOC and DMAIC*
 - | Unleashed People
 - *Thinking For Change programmes in terms of personal, team and organisational focus*
 - | Loyal, promoting, customers
 - | Distinctive Contribution



Greatness – a definition

- ☪ Personal greatness
 - | Our own values and mission
- ☪ Leadership greatness
 - | Inspirational
 - | The ability to lead, and enable others to lead
- ☪ Organisational greatness
 - | Sustained, superior, performance
 - | Disciplines of execution
- ☪ Live by integrity and principles
 - | This adds value to our organisations
 - | This meets needs, ours and the needs of others



Execution – make change happen

- ☞ Focus on the wildly important
 - | The goal and the necessary conditions
- ☞ Act on the lead measures
 - | Make sure you know what they are!
- ☞ Create a cadence of accountability
 - | Throughout the whole of the organisation
- ☞ And keep asking this question “what does it mean to be a servant leader?”
- ☞ Focus on making it happen



The Four Needs of people

- ☪ **To Live** – the body
- ☪ **To Learn** – the mind
- ☪ **To Love** – the heart
- ☪ **To Leave a Legacy** – the spirit
 - | Live by principles
 - | Have integrity
 - | Be loyal
 - | Stay true to vows made



Legacies

- ⌘ What are the individual, personal legacies that we each have, or would like to have?
- ⌘ What might the legacy of our organisation be?
 - | Do we want to be part of it?
 - | Should we be part of it?
 - | So what is our passion, what fires burn within us that we want to see achieved?



The TOC response to the need for a new way of leading and managing

Why thinking in a new way is crucial for real, sustainable, improvement at all three levels, the individual, the team and the organisation as a whole





Change and the management of change

☞ The greatest challenge facing leaders within all organisations today is:-

☞ *CAN WE LEAD CHANGE?*

- ☞ And for many people the answer is NO!
- ☞ Yet change is a necessary condition for almost all organisations
- ☞ It is a constant demand within almost all types of organisations
- ☞ It applies at the level of the whole organisation, at the team level, and at the level of the individual



Objectives of the TFC process

- ☞ Creating within the organisation
 - | A renewed passion for the customer
 - | Alignment of people and decisions
 - | A platform for both stability and growth
 - | An understanding of the links between values and value
 - | Creating a better life for all within the organisation founded on **win-win relationships**



Objectives continued

- ⌘ The objectives of the preceding page are to be accomplished through the following:
 - | Determining the core issues holding the organisation back versus the goal
 - | Developing a solution that removes these core issues and thus creates a platform for growth without risking stability
 - | Developing the ability to implement such solutions in a win-win manner and putting the results onto the bottom-line
 - | All of which means leading and developing change strategies that deliver
 - | Learning how to do it for yourself thus being able to sustain progress towards the goal



Where does the demand for change come from?

- ⌘ Performance is below expectation
- ⌘ New opportunities are not being taken advantage of
- ⌘ The current system is not capable of meeting the demand placed upon it
- ⌘ The current system cannot be changed
- ⌘ The existing structure does not allow for generating demand
- ⌘ The current people do not have the right skills

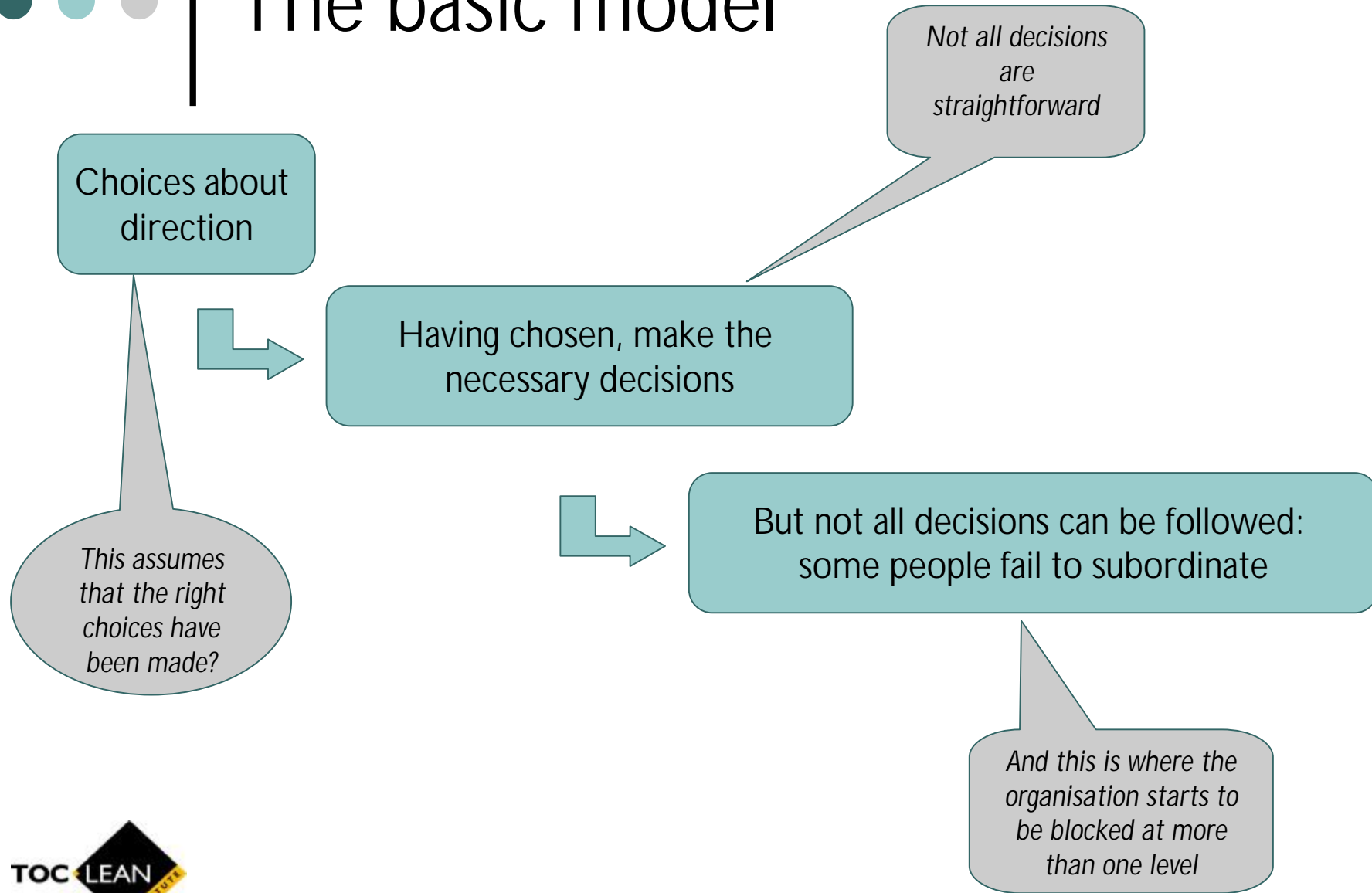


Change implies Choices!

- ☪ Many senior people within organisations today are faced with having to make choices between competing options for direction
- ☪ Having chosen, they are then faced with a set of decisions related to that choice
 - | Change the choice, change the decisions
- ☪ Then they find that not everyone is keen to implement the decisions mandated by the choice
 - | This means that people find it very difficult to subordinate to the decisions even if they were involved in the original choice process!
- ☪ Therefore the demand for change forces choices, which in turn are subject to constraints
- ☪ This typically results in the organisation being blocked
- ☪ It also results in the team being blocked
- ☪ And finally the individual also finds himself, or herself, blocked as well!



The basic model





So we are faced with a new choice!

- ☞ Stay as we are or risk the change
 - | What are the implications of staying as we are?
 - | What are the implications to changing?
- ☞ In both cases there are pros and cons – so how to choose?
- ☞ And this assumes we know what to change to – so what happens if we don't?
- ☞ This is all about the conflict between growth and stability – we all want growth, but not at the expense of stability – but how to achieve both?



So what is the current situation?

- ☞ Many leaders within organisations are frustrated at their inability to lead change throughout the whole of the organisation
- ☞ Many teams are unable to carry through the changes necessary
- ☞ Many individuals feel unable to participate in the change process, engage with it, contribute to it and so on



What does it mean to be blocked – the organisational level

- ☞ Many organisations are blocked from making progress
 - | Blocked in terms of performance
 - | Blocked in terms of the market
 - | Blocked in terms of change
 - | Blocked in terms of developing people to lead
 - | Blocked in all manner of ways



What does it mean to be blocked – the team level

- ☪ Many teams are blocked from making progress, especially in terms of relationships within the team and to those outside
 - | Conflicts abound
 - | Projects fail
 - | Ideas get dropped, or stolen!
 - | Rules and procedures not followed
 - | People think they know better



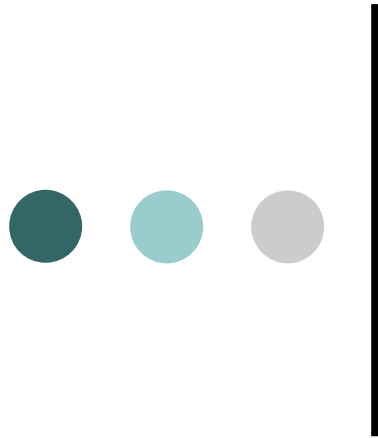
What does it mean to be blocked – the individual level

- ☞ Many individuals are blocked from making progress, within themselves, within the team and within the organisation
 - | Life is difficult
 - | Stress is high
 - | Daily conflicts
 - | Priorities changing
 - | Frustration high
 - | Staff turnover high
 - | Health and related problem happen regularly
 - | Life is out of balance
 - | Home issues are affected and vice versa



And what is the inevitable result of all this?

- ⌘ In some case people work around the block
- ⌘ Much political activity
- ⌘ People form into groups to defend their position
- ⌘ In others they ignore the block completely
- ⌘ Carry on as if nothing has changed, or will change
- ⌘ In others they try to resolve the block but often with little or no success
- ⌘ And much more.....



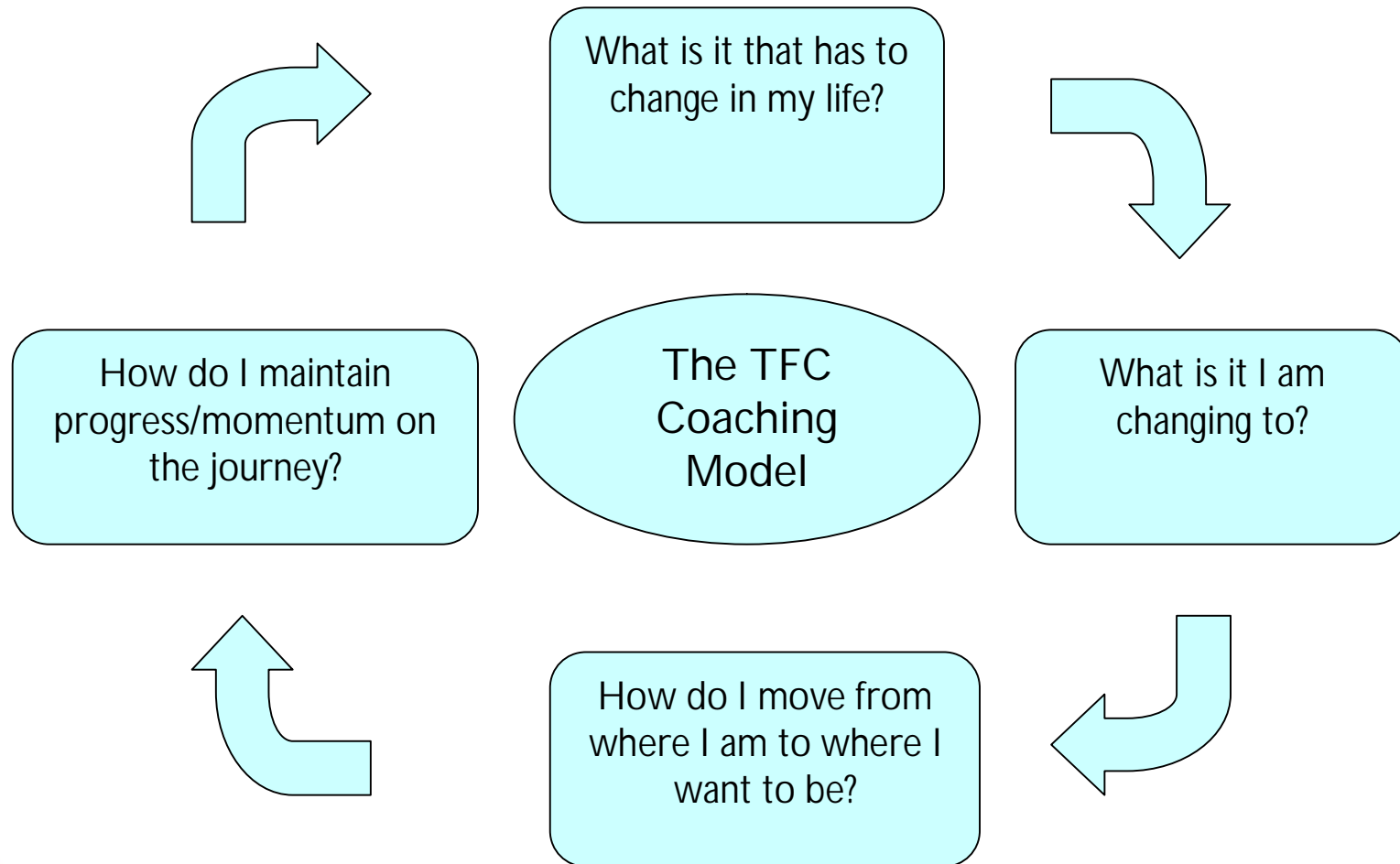
Re-thinking how we develop our people

Transforming the lives of individuals in
terms of results, relationships and
individual well-being





Our Coaching Model for the individual





The *TFC* Change Process

- ☒ Gain consensus on the core problem
 - | At the Individual level
- ☒ Gain consensus on the direction of the solution
- ☒ Gain consensus on the benefits of the solution
- ☒ Overcome all the reservations towards the solution
 - | Obstacles to the success of the implementation of the solution
 - | Potential negative outcomes from implementing the solution
- ☒ Make it happen
- ☒ Keep it happening



Gain consensus on the core problem

- ⌘ This is where our process of analysis applies known as the Theory of Constraints Thinking Process (TOC/TP) from which we developed the Thinking For Change (TFC) programme
- ⌘ This level of consensus is based on the identification of the core problem through a rigorous analysis that answers the question “what to change”?
- ⌘ The second stage is to fully communicate the analysis to as wide a population of the team as possible in order to gain the required consensus



Consensus on the direction and benefits of the proposed solution

- ⌘ This is where we answer the question “what to change to”?
- ⌘ It takes the same level of rigour of the core problem analysis to construct the solution in such a way that it properly removes the core problem and creates a new, unblocked, organisation
- ⌘ The same level of communication must also take place to gain the required consensus in both areas, direction and benefit.



Overcoming the reservations

- ⌘ This is all about answering the question “how to effect the change”?
- ⌘ Even when people agree with the analysis to date they will still have reservations about how to do the implementation
- ⌘ These fall into two categories:
 - | Obstacle to the success of the implementation
 - | Possible negative outcomes of implementing the solution
- ⌘ The rigour applied to date is now used to construct a do-able implementation plan that overcomes all the reservations and grounds the solution in reality, ready for execution



Making it happen

- ⌘ This is where the implementation plan which has been developed, and incorporating all the upgrades that the reservations have caused, is put into practice
- ⌘ The solution should also be checked for:
 - | Replicability, sustainability and scalability
- ⌘ Measures of progress are also used to ensure the plan is executed in a timely manner with the expected results achieved.
- ⌘ Where new and unexpected obstacles occur the TFC process is used to upgrade the plan accordingly
- ⌘ On-going support and coaching to ensure that progress is maintained



Creating a learning organisation

- ☞ This is a critical aspect of any team that suffers from being blocked.
- ☞ It must create within itself the ability to learn as a team, to develop tools and techniques that can capture good ideas and learn from them
- ☞ Transfer good practice from within to other parts of the organisation, and also from outside.

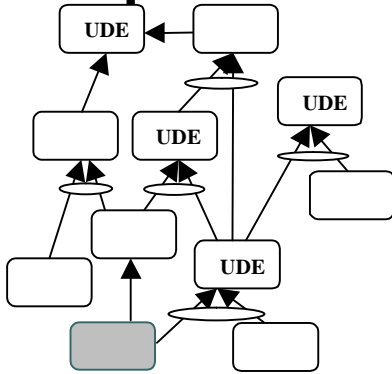


Summary of the *TFC* process

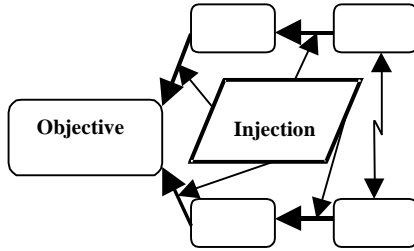
- ☛ This requires clear answers to four questions
 - | What to change?
 - Identifying the real blockage holding the individual back, preventing him or her from moving forward towards their goal
 - | What to change to?
 - Developing the solution that enables them to break free and thus to achieve their goal
 - | How to effect the change?
 - The steps necessary to implement the solution
 - | How to maintain the change?
 - Replicable, sustainable and scaleable
 - On-going support and coaching

Thinking Process Map

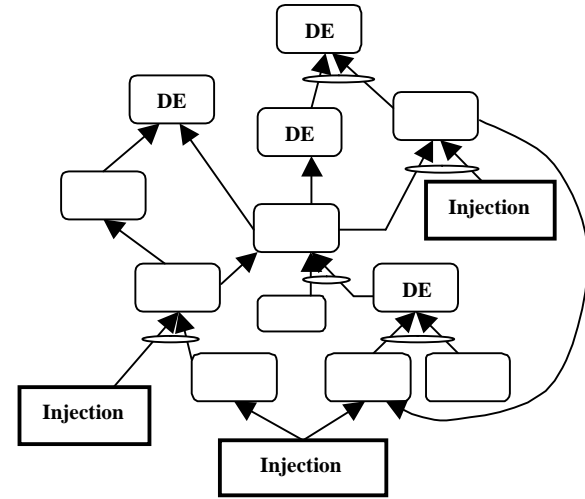
1. Current Reality Tree



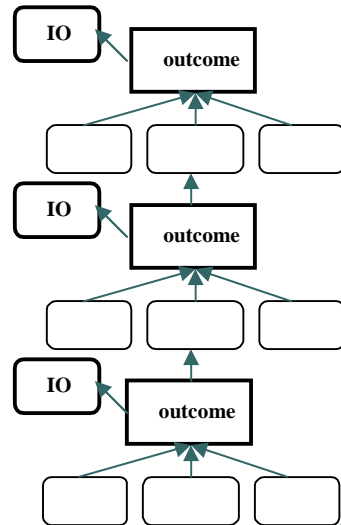
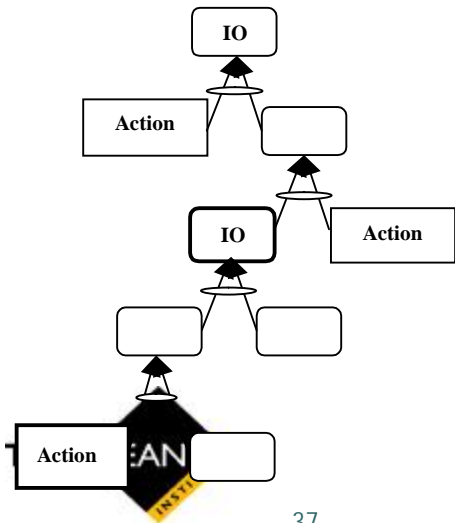
2. Evaporating Cloud or Conflict Resolution Diagram.



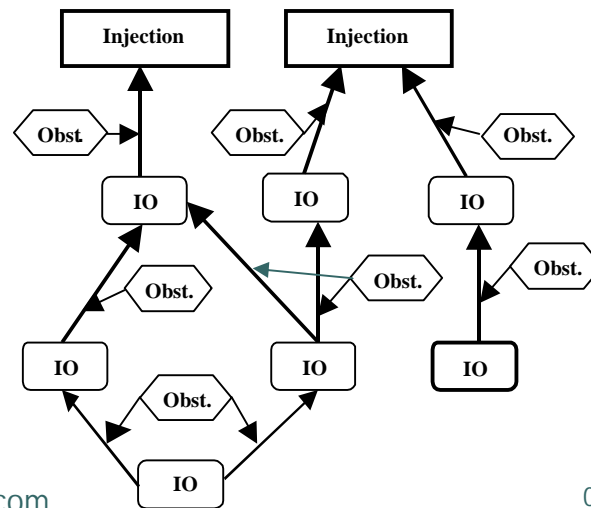
3. Future Reality Tree



5. Transition Tree



4. Prerequisite Tree





One final thought

- ⌘ The question of Paradigm Lock and the impact it has
- ⌘ The injections necessary to break the stranglehold paradigm lock has
 - | Subordinate to the goal/constraint
 - | Take responsibility, be accountable, for the results of my actions
 - | Give, and respond to, leadership



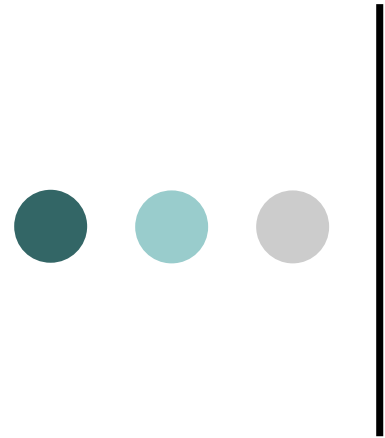
Reading List

- ☪ *The Goal* by Eli Goldratt and Jeff Cox
- ☪ *It's Not Luck* by Eli Goldratt
- ☪ *Constraint Management within Manufacturing* by Ted Hutchin
- ☪ *Thinking for a Change* by Lisa Scheinkopf
- ☪ *Enterprise Focused Management* by Ted Hutchin
- ☪ *Unconstrained Organisations* by Ted Hutchin
- ☪ *Necessary but not Sufficient* by Eli Goldratt



Making Contact

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Appendices





Paradigm Lock Explained

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Based on a paper presented at APICS, San Antonio in March 2001





What is the problem?

- ⌘ Economic Pressures
- ⌘ Financial Pressures
- ⌘ Organisational Pressures
- ⌘ Do we need any more?



Clarity on the problem!

- ⌘ The pressure to improve
- ⌘ The need for systems
- ⌘ ERP as the saviour!
- ⌘ The more the merrier?
- ⌘ The implications for the individual



The real impact of the constraint

- ⌘ The constraint determines progress
 - | Physical
 - | Policy
 - | Paradigm
 - | Combination!
- ⌘ The constraint is the only place to focus
- ⌘ The easier approach is to ignore the constraint!
- ⌘ There are laws related to constraints however.



The laws of constraint management - 1

- ☞ *The first law of constraint management* is that every organisation is a system comprising interdependent elements forming a revenue chain.
- ☞ *The second law of constraint management* is that the ability of the revenue chain to maximise performance is determined by the weakest link – the constraint.



The laws of constraint management - 2

- ☉ *The third law of constraint management* is that the constraint is the primary location for both focus and leverage for the improvement of the overall performance of the chain.



The laws of constraint management - 3

- ⌘ *The fourth law of constraint management* is that improving any other link, a non-constraint, does not improve the overall performance of the chain.
- ⌘ *The fifth law of constraint management* is that subordination to the constraint in terms of the measurement system, the policies of the organisation and the way in which people operate is a fundamental requirement of managing the chain.



The laws of constraint management - 4

- ⌘ *The sixth law of constraint management* is that the management of the constraint, and non-constraints is dependent upon the use of an effective decision support system.
- ⌘ *The seventh law of constraint management* is that variation in the system has most impact on the constraint.



Applying this to the revenue chain

- ⌘ What is the revenue chain?
- ⌘ Has it been determined?
- ⌘ Placing the UDEs onto the revenue chain
- ⌘ Determining the financial impact of the UDEs
- ⌘ The real pressure to find the constraint

● ● ● | The objective of the theory of constraints thinking processes

- ☞ To gain real understanding of the system and the core problem(s) determining performance
- ☞ To have real confidence that we understand the causality that exists within our system
- ☞ To release our imagination and build a platform for on-going success based on a real win-win
- ☞ More.....



Ok so we have a solution – so what!

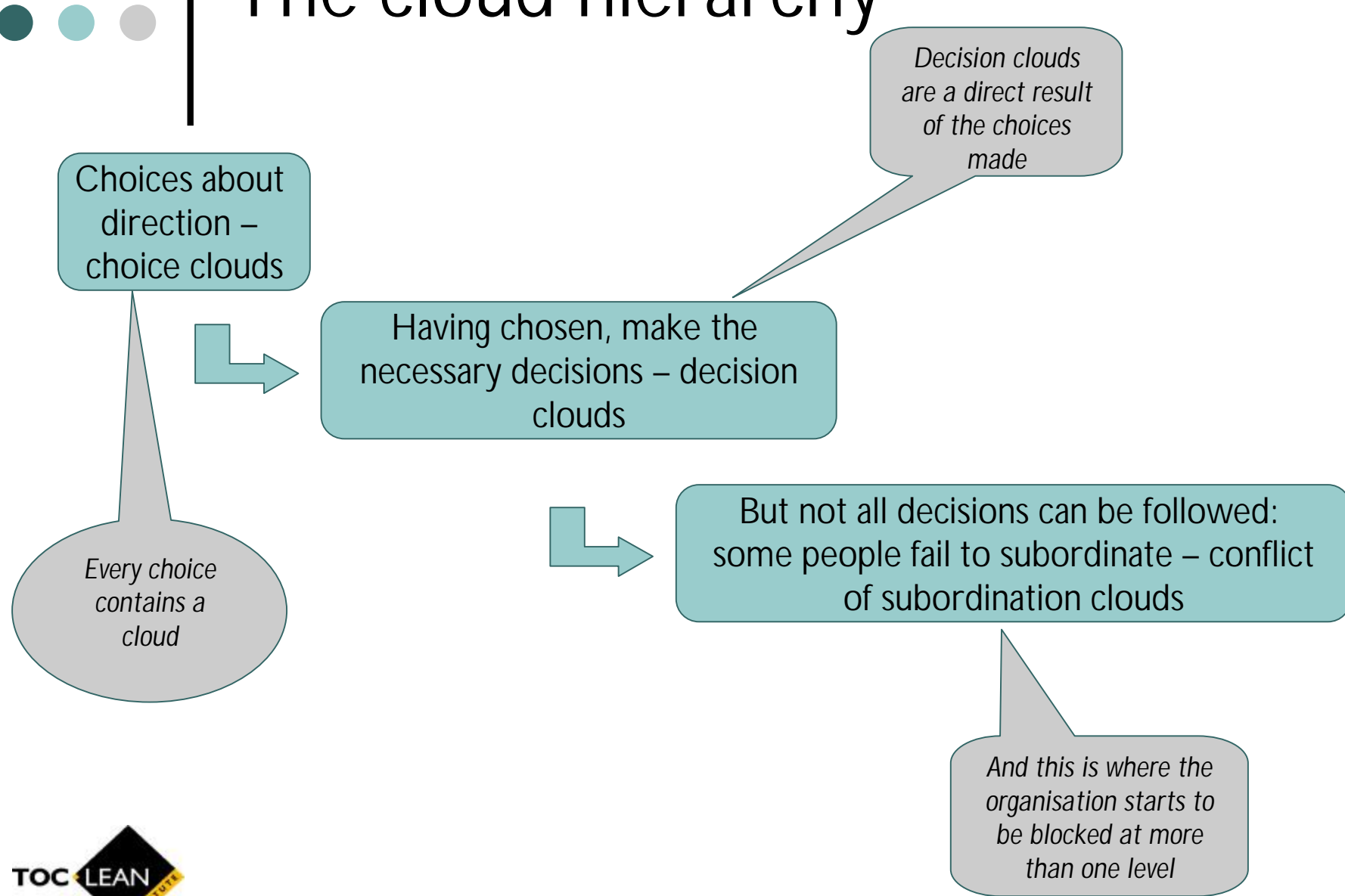
- ☞ The research – many people found their core problem, developed their solution, developed their implementation plan, knew the real benefits to them and their people, knew the dangers of not following the path so developed
- ☞ THEN DID NOTHING – WHY?



The hierarchy of clouds

- ☛ There is a hierarchy of clouds which was described within the research. Driven by choice clouds they are the following:
 - | Choice Clouds
 - | Decision Clouds
 - | Conflict of Subordination Clouds
 - | Paradigm Lock Cloud

The cloud hierarchy





Conflict of subordination

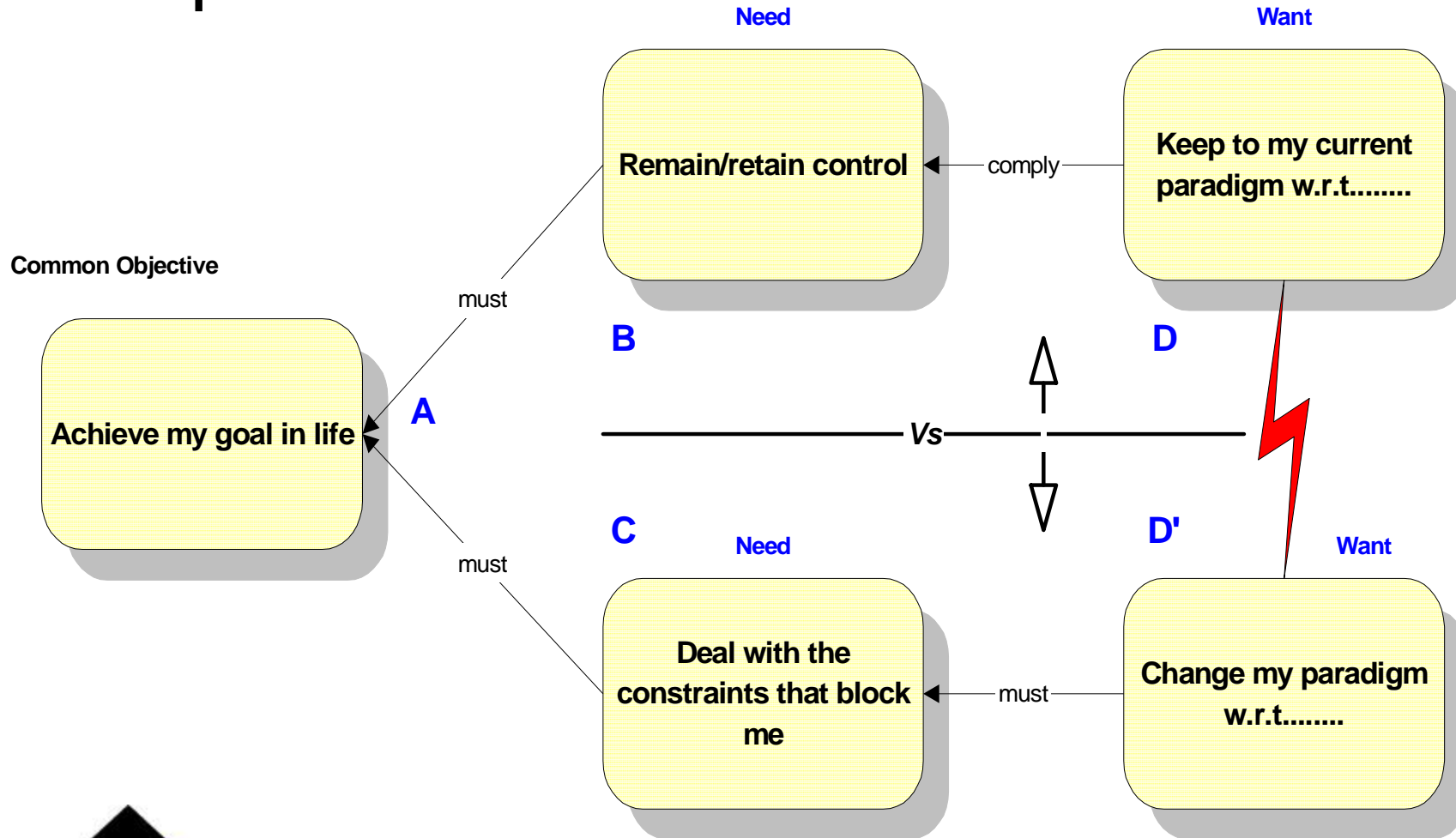
- ⌘ This cloud is not necessarily a function of a paradigm issue.
- ⌘ It is very much an area of constructs.
- ⌘ The clues to this lie in the “B” box of the cloud.
- ⌘ Time is the key element in overcoming this issue – that and a clear transfer of knowledge.

● ● ● | Paradigm Lock

- ⌘ This is a really powerful block on change.
- ⌘ Found in DBR implementations, found in Critical Chain implementations, found in enterprise solution implementations.
- ⌘ The data set for this research comprised over 400 people, in over 13 companies throughout Europe and the USA.
- ⌘ Not everyone suffers from this?



The paradigm lock cloud



● ● ● | The power of the cloud

- ☞ I currently have the problem, I want to have the solution, in other words move from D to D', but.....
- ☞ D' is a fundamental challenge to what is written in the "B" box therefore I cannot move to D', however.....
- ☞ D' is a necessary condition for C, and C is a necessary condition for achieving A, and what is more, the continued existence of D puts C out of the question, therefore.....



The lock created by the cloud

- ⌘ Though B and C are not in conflict, they never are in any cloud, and though A is what I really want, I am blocked from moving to D', why?
- ⌘ Two forces prevent me moving, the first is that I cannot see how both B and C can exist at the same time, I can have one or the other but not both
- ⌘ The second is that even if it were possible to have both at the same time there is no process available to enable that to take place, there is no solution to this problem.



The final stages of the paradigm lock cloud

- ☞ As there is no solution what is left for me to focus on – only the “B” box.
- ☞ The research showed that many had given up on A and only focused on maintaining B. They were locked into the current paradigm and nothing could change them.
- ☞ This is perhaps the saddest position of all, they have given up on their goals.



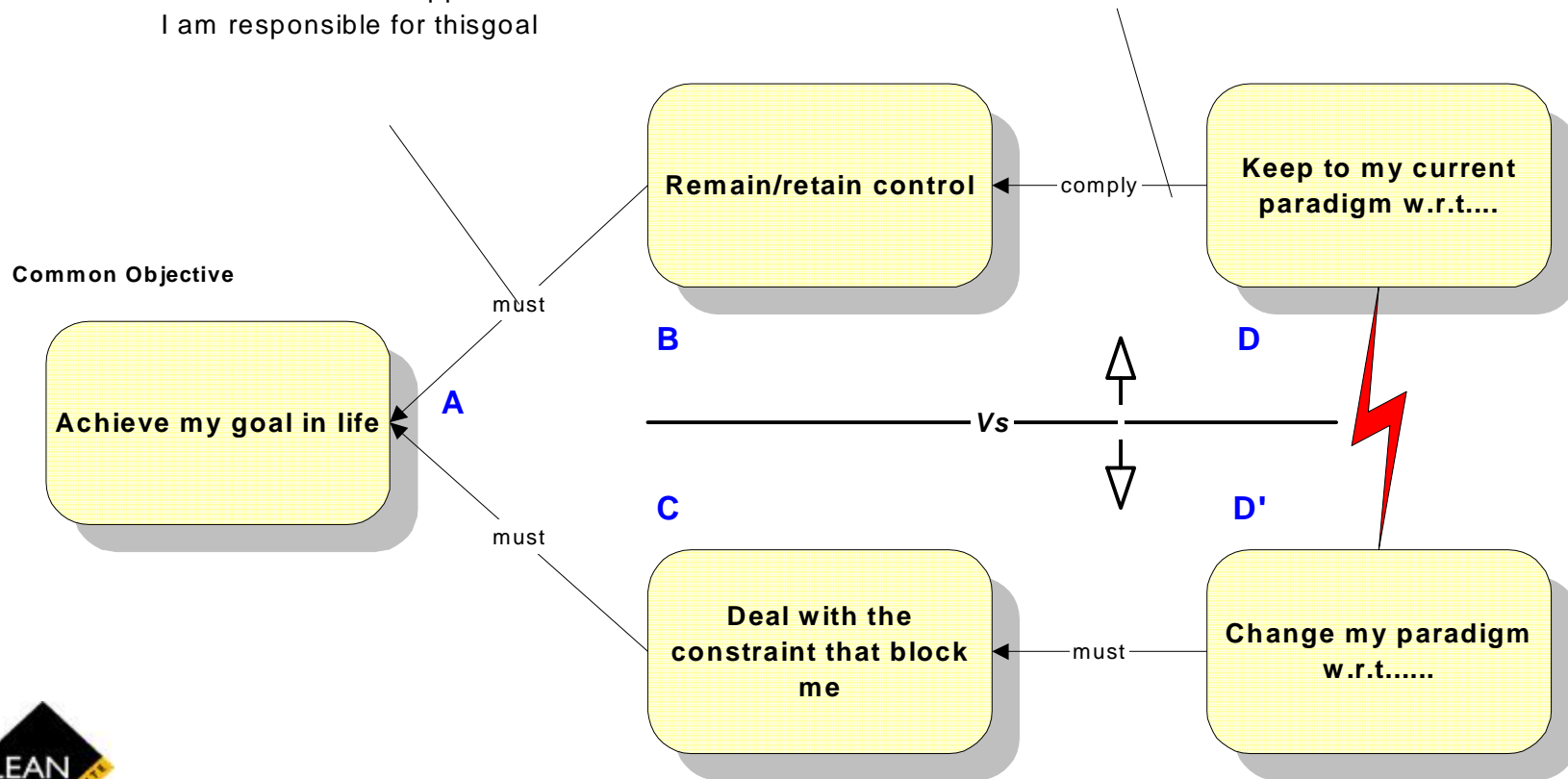
Some assumptions surfaced

Because?:

It is my goal
This is my job
This is what I am supposed to do
I am responsible for this goal

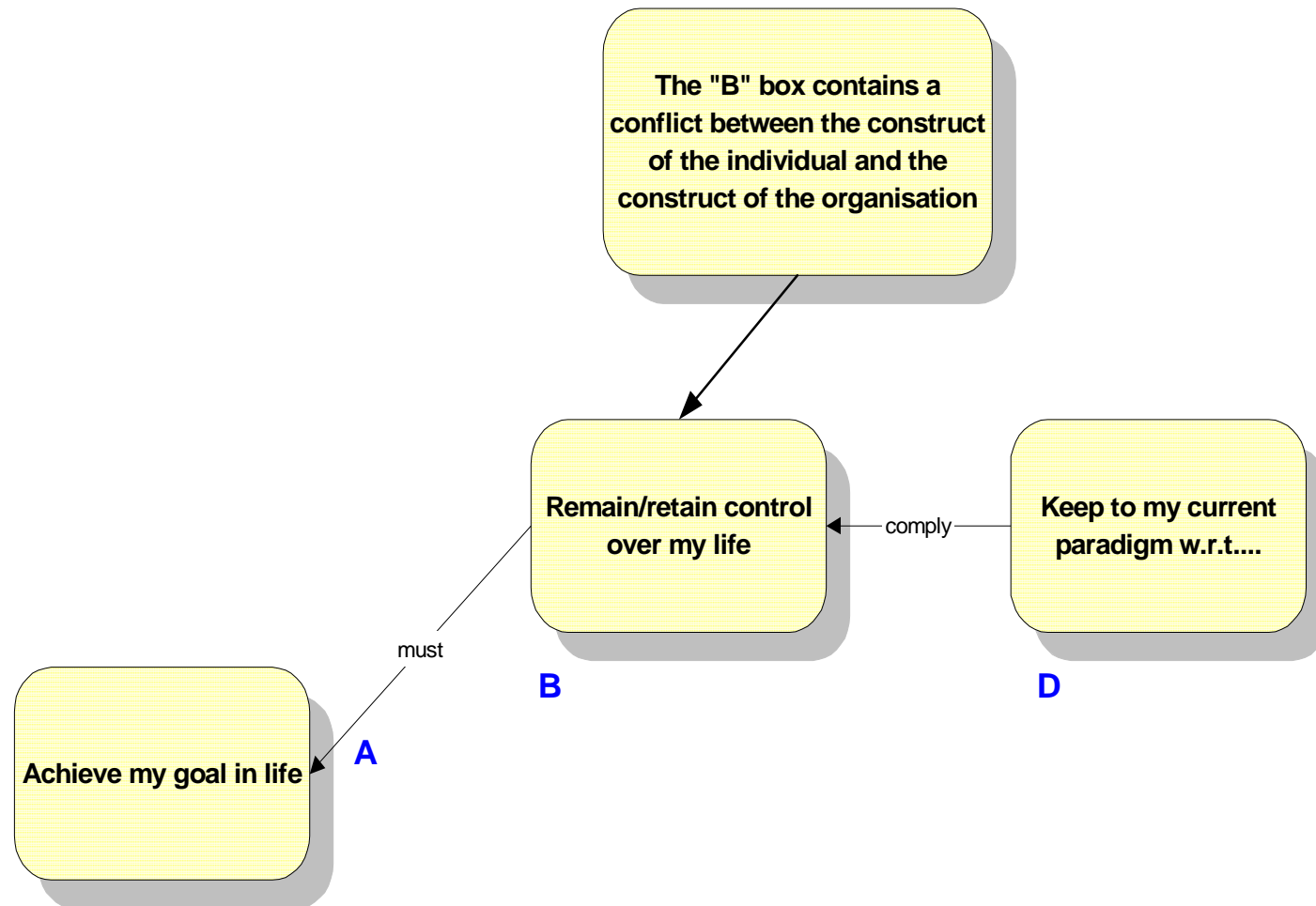
Because?:

This is a function of my security
Change is a threat to my security
I am not in full control of the change process
it is not my problem



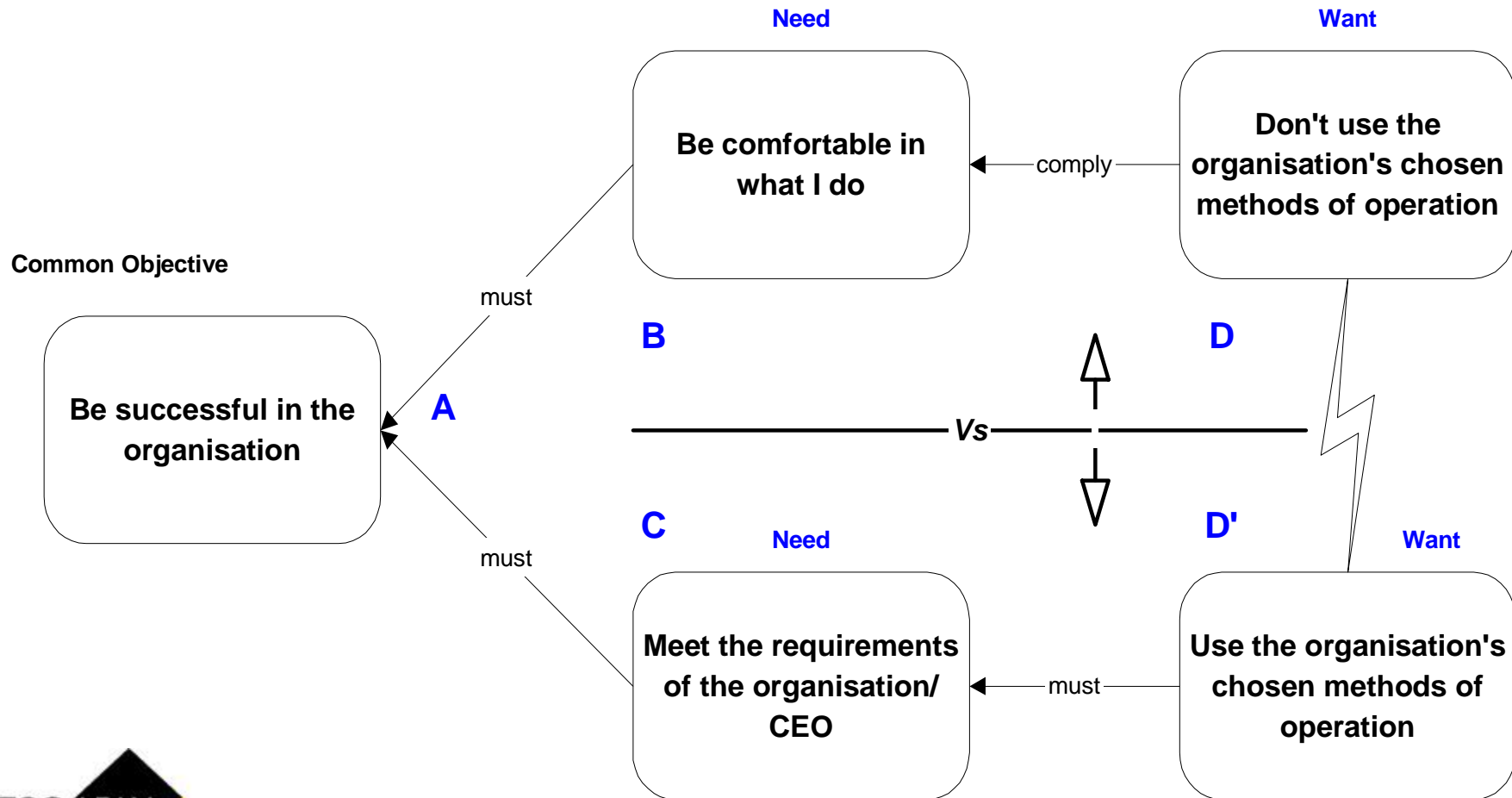


The conflict contained within the "B" box



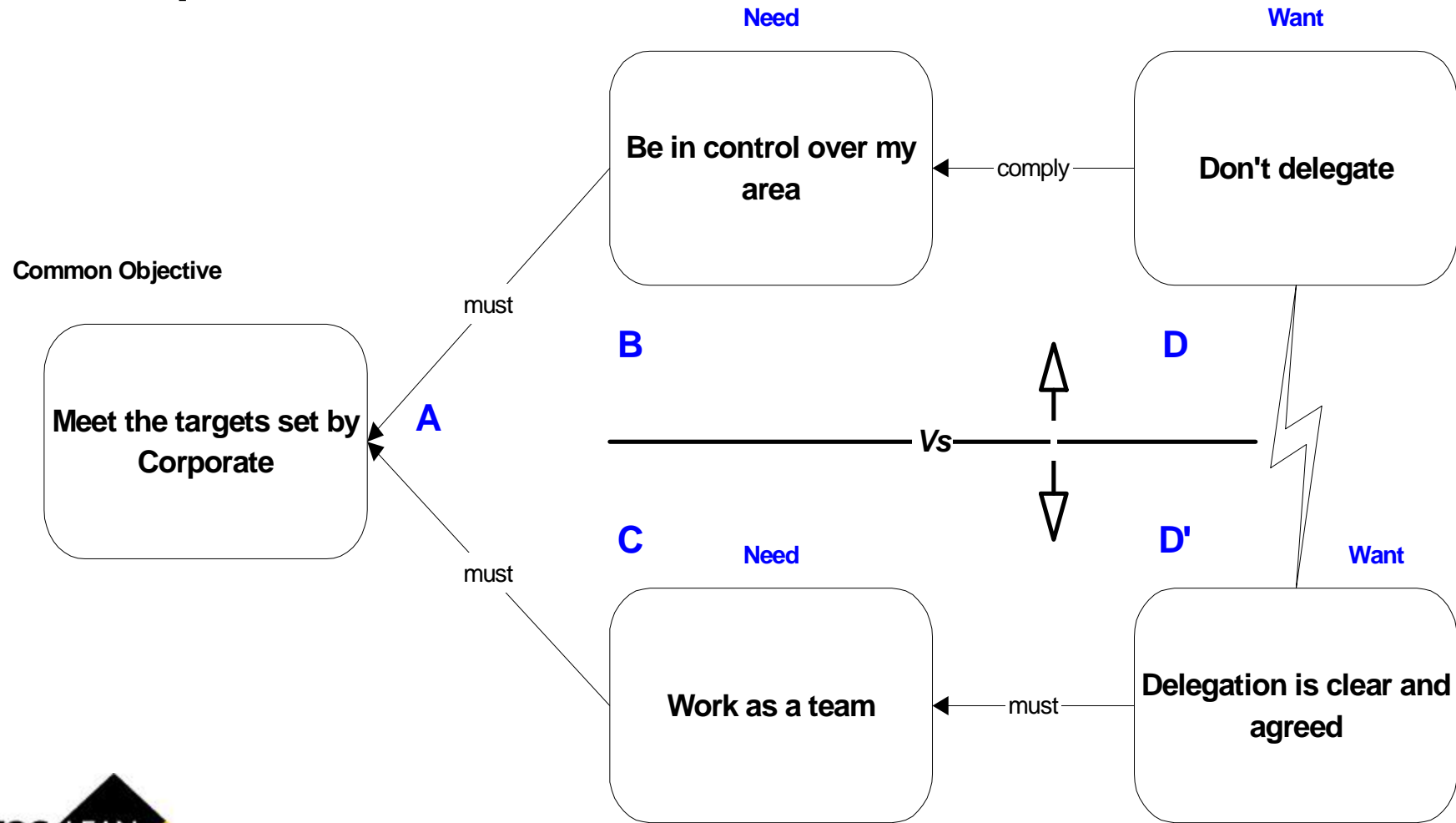


An example from the original research





A further example





Organisational paradigm lock

- ☞ It is in the “B” box that the real obstacle to change exists, in the conflict between the construct of the individual and the construct of the organisation.
- ☞ This has the capacity to block the entire organisation.



Five steps to successful change

- ☞ Gain consensus on the problem
- ☞ Gain consensus on the direction of the solution
- ☞ Gain consensus on the benefits to both the individual and the organisation
- ☞ Overcome all reservations
- ☞ Make it happen



Three key injections

- ⌘ Subordinate to the goal/constraint
- ⌘ Take responsibility, and be accountable, for the results of my actions
- ⌘ Give, and respond to leadership



The role of personal focus

Unblocking the individual

- ⌘ The ability to release the individual by focusing on their own life and where they want to be
- ⌘ A necessary but insufficient element of overcoming paradigm lock
- ⌘ The task only of real specialists – not everyone can do this