

# Using Systems Driven Leadership to enable an Agile Organization

## If you want to Lead an Agile Organization...



- One that
- thrives in unpredictable and rapidly changing environment,
  - is open, inclusive and nonhierarchical,
  - evolves continually and embraces uncertainty and ambiguity.

The Secret is **SYSTEMS** that **Enable** **NOT Systems** That ~~Control~~ **Employees**



## Transform Yourself

There are three fundamental reactive-to-creative mind-set shifts we have found critical to foster the culture at the heart of agile organizations:

1. *From scarcity to abundance: fostering value creation.*
2. *From authority to partnership: fostering collaboration.*
3. *From certainty to discovery: fostering innovation.*

<https://www.mckinsey.com>



## Our Basic Principles

$$MU = \frac{S^D}{F}$$

Diversity  
of thinking

Meaningfully  
Unique Ideas =  $\frac{\text{Explore Stimulus}}{\text{Drive Out Fear}}$

Ideas for Strategies, Products/Services, Systems, Business Models, Problem Solving...

## Traditional Model

draining  
Individual Brainstorming

Before



After



**Suck Method**  
Uses Your Brain Like A  
**LIBRARY**

At Their Most Basic  
**IDEAS**  
are Feats of Association

## Exploring Stimulus is basically...



Filling  
Your  
BRAIN

So You Have More  
“Stuff” to Make  
Connections With



## Two Types of Stimulus

Ideas for a new type of candy

**RELATED**



Lots of ideas,  
but closer in

**UNRELATED**



Fewer ideas, but  
really **UNIQUE**

## Diversifying Thinking

Diversity multiplies the impact of stimulus.

Diversity of Thinking	# of practical ideas invented
Low Diversity	19
Medium Diversity	30
High Diversity	46

## Diversity Multiplies Impact of Stimulus

What comes to mind?



“Beauty”



“Thorns”



“Kentucky Derby”



“New York’s  
State Flower”

## Diversity Means People Who Think DIFFERENTLY than You



Mindset



Backgrounds  
& Skills



Culture



Maybe Even Who  
You Disagree With

# Activity 1: Stimulus & Diversity

With your group, use the prompts below as stimulus to invent ideas for Meaningfully Unique playgrounds or playground equipment.

When free associating, it is important to write down whatever comes to mind when you see the stimulus with NO attempt to connect it to the challenge. That comes in the second step.

Stimulus	Free Associate <i>"What comes to mind"</i>	Raw ideas for a new type of playground/ equipment
UNRELATED: <b>Frog</b>	<i>green, lily pad, flies, slime, tadpole, Kermit, tongue, rabbit</i>	<i>A playground with lots of trampolines like lily pads for kids to hop from one to the other Monkey bars that make noises when you reach each bar Slime covered slides</i>
UNRELATED: <b>Rock and Roll</b>		
RELATED: <b>When it comes to playgrounds, coordination is a greater source of fun than height for children.</b> International Journal of Injury Control & Safety Promotion.		
RELATED: <b>Exercise and play time directly impacts a child's self esteem. The more the better.</b> Ekeland, Heian and Hagan (2005)		

## Activity 2: Communicating Ideas

Writing a concept is about telling the complete story of your idea with clarity. All of the parts must hang together. If you are unsure about a part of your idea, write a hypothesis for what it could be.

With your group, make up the missing parts of the concepts below to communicate a full idea.

<b>Customer</b>	<b>Problem:</b> WHAT problem does this idea address?	<b>Promise:</b> WHAT is your specific or numeric promise to SOLVE the problem?	<b>Proof:</b> HOW is it that you can deliver on this Promise? What are you proposing to do differently?
Senior Citizens who want to canoe	It can be hard to get in and out of a canoe		
	It's easy to forgot how much and how frequently to water all of your house plants.		Smart Soak is a new technology that time-releases water based on the type of plant and the condition of its roots.
Your team / coworkers.		I promise more productive meetings, we'll accomplish 50% more in the same time!	

## Activity 3: Fail Fast, Fail Cheap

With your group, identify ways to learn more and reduce uncertainty about the Death Threats for the ideas below in a way that's FAST and CHEAP.

We provided a Death Threat for the first idea. Your group will need to identify a Death Threat for the second idea.

Idea	Death Threat	What could we DO to learn more?	What else could we DO to learn more?
A new kind of umbrella that has an off-center shaft so that you are in the direct center. Designed to keep you 4x drier.	Can we actually deliver on the promise of 4x drier?		
A teacher has an idea for her students to chew bubble gum while they study and then again when they take a test. By using <u>scent</u> to induce <u>memory</u> & improve <u>recall</u> , she believes it will increase test scores.	<i>You identify...</i>		



# System Driven Leadership

*Grounded in Deming System of Profound Knowledge (SoPK)*

## 1. Appreciation for a System

**Make it Visible**

## 2. Knowledge about Variation

**Identify High Variation Leverage Points**

## 3. Psychology

**Identify What is Motivating/Demotivating Your Team**

## 4. Theory of Knowledge (PDSA)

**Learning Cycles to Improve the System**



You've taken over the annual car wash fundraiser for your son or daughter's sports team.

The car wash earns a few hundred dollars each year, but you believe if you apply systems thinking **and make it more of an agile system**, it could be far more effective as a fundraiser.

# 1. Appreciation for a System

First, make the system visible the way that it likely operates today.

<b>System Name:</b> Name of the System	Carwash Fundraiser
<b>System Aim:</b> The purpose of the system	To Raise Money for a Youth Sports Team
<b>Stakeholders:</b> Those with vested interest in the system's operations and results	
<b>Boundaries:</b> Where it starts and stops and/or what it doesn't include if that is not obvious.	
<b>System Metric:</b> The one number we will measure to determine how well the system is delivering on the Aim.	
<b>Enabling Metrics:</b>	See below in each Phase.

Give each phase a name.	Phase 1:	Phase 2:	Phase 3:	Phase 4:	Phase 5:
Describe the activities in the phase.					
Enabling Metrics: List one or more things we can measure in this phase.					

## 2. Knowledge of Variation:

	Name 2 parts of the System that have variation.	How does this variation affect the AIM (if at all)?	Possible Cause of this Variation	Is it <ul style="list-style-type: none"> <li>• <u>Special Cause</u> Variation due to mistakes, not doing job, not following procedures, external factors, <b>OR</b></li> <li>• <u>Common Cause</u> Variation due to poor tools, documentation, training, technique</li> </ul>
1				
2				

## 3. Psychology:

	Psychology	How does this affect the AIM (if at all)?	Possible Root Cause of the Feeling
List one example of <b>Positive Psychology</b> , where people are cooperating well, feeling motivated and appreciated. What is the root cause of the feeling?			
List one example of <b>Negative Psychology</b> , where people are frustrated, fearful, or demotivated. What is the root cause of the feeling?			

## 4. Plan, Do, Study Act: Based on the system's variation and psychological forces you've identified, consider your next steps...

After analyzing Variance and Psychology, which parts of the system offer the greatest opportunity for improving the System Metric and accomplishing our Aim?	
What information, if any, could we gather to better understand the existing system? (Data, Stakeholder Insights / Perceptions, Historical Data, etc)	
What Idea(s) came up, if any, to help the people in the system better achieve the overall Aim?	
What part of the system, if any, do we need to redesign but we aren't sure how quite yet?	