Systems Thinking/ Systems Changing™

HANDOUTS

 $\textit{Systems Thinking/Systems Changing}^{\text{TM}}$

Playing the Game Activity Sheet

Decide which activities will create a learning organization. Each activity is a separate move; you can make only one move at a time. You can repeat any activity at any time, except Social Information.

1. ASSESS SUCCESS

Assess the organization's success in meeting a variety of product/service standards and how the organization's culture and climate support and/or impede success.

Choose: 8 people Cost: 4 Bits

2. SURVEY STAKEHOLDERS

Survey the needs and concerns of both internal and external stakeholders in the organization (staff, customers, board members and other stakeholders).

Cost: 4 Bits

3. GATHER SOCIAL INFORMATION

Identify informal relationships of people.

Cost: 1 Bit

4. TALK WITH PEOPLE

Have individual conversations with people to introduce the idea of building a continuously improving learning organization.

Choose: 3 people Cost: 2 Bits

5. TALK WITH AGAIN

Have follow-up conversations with individual people to further discuss their questions, needs, and concerns.

Choose: 3 people Cost: 2 Bits

6. CREATE A SHARED VISION

At a retreat for stakeholder representatives develop personal visions and begin to create a shared vision of the ideal products/services and working environment. Participants do a

self assessment to identify their values, skills, and knowledge.

Cost: 8 Bits

7. ASSESS PROBLEMS/PROCESSES

Use tools to systematically collect and analyze information about the organization's problems and processes to get a systems' view and to identify high priority opportunities for improvement.

Choose: 8 people Cost: 4 Bits

8. COMPARE VISION TO REALITY

Compare vision to reality, identify gaps and prioritize opportunities for improvement.

Choose: 8 people Cost: 3 Bits

9. DEVELOP A LONG-RANGE PLAN

Develop a long-range plan that links activities to vision and shows who will do what, when and indicators that to monitor progress toward reaching the vision.

Choose: 10 people Cost: 5 Bits

10. ROFESSIONAL DEVELOPMENT **PLAN**

Develop an organization-wide professional development plan that includes a plan for individual and team learning opportunities.

Choose: 8 people Cost: 5 Bits

11. QUALITY TOOLS TRAINING

Conduct staff training to use quality tools (such as Brainstorming, Flow Charts, Check Sheets, and Nominal Group Technique) to systematically identify critical problems and processes and to help solve those problems.

Choose: 8 people Cost: 3 Bits

FAILURES AND SHARE LEARNINGS

Document successes and failures you have experienced in implementing the changes in your organization and share the learning so

everyone in the system can learn from past experiences.

Cost: 2 Bits

13. PROFESSIONAL DEVELOPMENT OPPORTUNITIES

Provide professional development opportunities on priority areas, including systems/processes strategies for staff throughout the organization.

Cost: 4 Bits

14. CREATE IMPROVEMENT TEAMS

Create and maintain cross-functional, improvement teams to work on priorities. *Choose:* 8 people Cost: 6 Bits

15. DEVELOP TEAMWORK SKILLS

Develop teamwork skills for people in the organization, including facilitation, communication, and use of dialogue skills. *Choose:* 8 people Cost: 3 Bits

16. IMPLEMENT NEW STRATEGIES

Implement new systems/processes and strategies to enhance staff performance. *Choose:* 8 people Cost: 4 Bits

17. COMMUNICATE VISION

Communicate your vision for the organization to all stakeholders. *Cost: 1 Bit*

18. MODEL EFFECTIVE PRACTICES

Model effective practices in your work. *Cost: 2 Bits*

19. CHECK ACTIVITIES

Review the activities in your plan to make sure they will help you to reach your vision. Monitor implementation of the plan to see if it is being implemented as designed and is giving the desired results.

Choose: 8 people Cost: 3 Bits

20. REFLECT WITH COLLEAGUES

Using teamwork skills, staff reflect, support, question, and challenge their own and others' mental models and assumptions.

Choose: 8 people Cost: 2 Bits

Conduct in Years 2 & 3 Only

21. BENCHMARK BEST PRACTICES

Identify organizations that are using best business practices. Compare your organization's processes and standards to theirs and plan how you could improve your results.

Choose: 8 people Cost: 6 Bits

22. CHANGE SUPPORT SYSTEMS

Change support systems such as rewards, policies, work assessment, and resource allocation mechanisms to support vision. *Choose:* 8 people Cost: 6 Bits

23. BUILD IN-HOUSE CAPACITY

Build in-house capacity to provide ongoing professional development and develop leadership capacities of staff.

Choose: 8 people Cost: 8 Bits

24. COMMUNICATE PROGRESS

Give presentations on quality improvement process to members of the organization using visuals to display data.

Cost: 2 Bits

25. REVISIT/REVISE VISION

Revisit and revise vision periodically to match current thinking and the current state of the organization.

Choose: 10 people Cost: 5 Bits

26. REVISE PLAN

Revise plan based on the current state of the organization. Make changes in plan and systems/processes and strategies based on latest information about stakeholder needs.

Choose: 8 people Cost: 4 Bits

PEOPLE SHEET

AL: Managing Director

A Senior Executive with long experience in the organization, Al has things running smoothly. While he appreciates the need for continuous improvement, he has expressed concern about implementing too many new programs in too short a time. He realizes that the organization faces a rapidly changing world, but he's worried about the staff's capacity to change as fast as necessary. He is under some pressure from his Board of Directors who feel the organization has consistently lagged in adopting the latest practices and technologies.

BETH: Deputy Director

Beth joined the organization two years ago. She was hired because of her past experience in organizational improvement and skills in technology implementation. She is highly competent but lacks a strong network of contacts in the organization. Lately she has expressed frustration over Al's reluctance to move as quickly on promised changes as previously promised.

CARLA: Board Member

Carla is a senior executive with a company in a different sector and also a member of the local business industry council. She was selected for the Board five years ago because of her expertise in organizational development. She has been disappointed in the organization's progress in making necessary changes.

DAVE: Board Member

Dave is a manager with a well-known public service agency and a long-time member of

the Board. He is cautious about changing things too rapidly but is also concerned about the organization's declining productivity.

EASTERN BRANCH

EVE: Manager

Eve treats her staff and customers with respect and receives their loyalty in return. She has led several innovations successfully and has long been an advocate inside the organization for using information technology.

FERN: Service Dept.

Fern has been in the organization for 10 years. She is liked by her colleagues and is a reliable worker. However, she has been reluctant to use the new database system for tracking customer/client complaints changes like technology.

GARY: Human Resources

An young and enthusiastic trainer, Gary constantly seeks new and better ways of working with his colleagues. Before coming to the Best Organization last year, he had worked at a company known for innovation. Although Eve personally hired him, he has been unable to gain support for his new ideas since coming here.

HELEN: MIS

Helen is highly competent in the data processing area in which she works. She has consistently been frustrated by the lack of staff interest in other departments for learning to use the data generated by her department. Somehow her department gets blamed when there's no follow-through.

IRENE: Accounting

Irene knows what works in her department— "the old ways work best." She keep busy and focused on her deadlines. She was strongly opposed to recent changes in the accounting package used by the organization and will oppose anything that results in more work.

CENTRAL BRANCH

JUANITA: Manager

Bright and articulate, Juanita is respected by colleagues throughout the organization as a visionary leader. Although her branch is not one of the larger ones, she has demonstrated impressive results over the past three years. Her branch has become a model of client-centered services within the organization.

KEN: Service Dept.

Ken tends to "go along to get along." Most teachers like him because he's a nice guy and doesn't make waves. But he's not someone you can count on when something needs to get done. In addition, he just had twin boys and has seem particularly distracted of late.

LADONNA: MIS

Ladonna is an experienced MIS professional who has worked for the Best organization for eight years. She is liked by managers and other workers. She is a good listener and is supportive of other's ideas.

MIA: Human Resources

Mia splits her time between staff development and other personnel functions. She is active in professional associations and likes to search out new ideas. She has traveled abroad and is know for her creative – though not always practical ideas.

NORIKO: Public and Community Relations

Noriko is an attractive and energetic staff member with many contacts in the organization and the community. Lately she's noticed an increase in the number of customer/client complaints and the amount of bad press that she's had to deal with. This really concerns her but she's not sure what to do with it.

WESTERN BRANCH

OWEN: Manager

Bright and ambitious, Owen is manager of the largest branch in the organization and runs a tight ship. He tends to be cautious and looks to his friends and superiors before making major changes.

PAT: Assistant Manager

Pat feels overwhelmed and spends most of her time dealing with customer/client complaints. She's not interested in new ideas or projects because they interfere with the smooth running of the branch.

Q.T.: Service Dept.

A veteran staff member, Q.T. likes working in the service department because he gets to have a lot of contact w ith people. He has felt increasingly uncomfortable in recent years with the introduction of so many new data tracking systems. He says, "If I had wanted to spend all my time working with data, I would have become an engineer."

RAY: MIS/Union representative

Ray is a dedicated staff member who has chaired the local MIS Professional's Association. He is also the union representative. Lately he's felt torn between management's demands for change and the staff's desire to maintain the status quo.

SU LING: Public Relations

Su Ling just moved into the Western Branch as part of an organizational decentralization of PR services. She doesn't have friends at the branch and hasn't spent much time going out into the community. She felt that the move was a demotion and has generally withdrawn.

THELMA: Accounting

Thelma has been a team-leader in the branch for the past two years. She has picked up a lot about work process standards, team-building, and staff development but has not put that knowledge into practice in her department yet.

UPTON: Customer

Upton is a popular and highly respected community member who has participated in a number of focus groups run by the Best Organization over the years. He is on the local community council and is an active proponent of enhancing relationships between local business, government and the community.

VELMA: Administrative Secretary

Known as the branch gossip, Velma is a competent veteran. She was in the branch before Owen got here and does what's required in the job. Her mother recently passed away and she hasn't seemed her usual talkative self for the past couple of months.

WILL: Human Resources

Although Will has been at the branch for many years, he is still in the same position as when he started out. He's always done the minimum on the job and avoids anything that will mean more work. He has few friends in the branch and just went through a difficult divorce.

XAVIER: Regional Support Services

Xavier moved from the HR department into Support Services as part of the recent reorganization. Although he's optimistic about the possibilities of the new position, he's still learning the job.

Progress Record

		STAGE				
		AWARENESS	PREPARATION	PRACTICE	MASTERY	RENEWAL
щ	Al					
HEAD OFFICE	Beth					
EAD (Carla					
	Dave					
=	Eve					
EASTERN BRANCH	Fern					
N B	Gary					
ASTER	Hazel					
- E	Irene					
=	Juanita					
CENTRAL BRANCH	Ken					
AL BI	LaDonna					
ENTR	Mia					
	Noriko					
	Owen					
	Pat					
	Q.T.					
N E	Ray					
WESTERN BRANCH	Su Ling					
TERN	Thelma					
WES	Upton					
	Velma					
	Will					
	Xavier					

Learning from the Game Pulling It All Together

Using your Strategy Record Sheet, your Progress Report, and the Feedback Screen from the Computer, note your total Benniess and the number of players in each stage. Discuss the following questions with your team. Record your answers so you can report out to the rest of the group.

,	
1.	Reflect on where you were blocked? What did you do to get beyond the blocks?
2.	What did you learn about resistance to change? What are the reasons for resistance to change? How does this relate to your experience in your own organization?
3.	Look at the total number of Bennies you received and note when your team first started earning them. What year was it? What activities moved many people and gave you the most Bennies?
4.	What data gathering and planning activities did you choose and how did they help or hinder you? Did you collect data throughout the simulation? If not, how did this affect you?
5.	How did the sequence of your activities affect your outcomes? How would you change your sequence if you played again and why?
6.	What activities in the simulation helped the organization's members to learn continuously? How did you as players continuously learn throughout the simulation?

Adopter Types

The people described in *Systems Thinking/Systems Changing* conform to a set of adopter types developed by Everett Rogers and others who have studied how an innovation diffuses through a group of people. The research on diffusion found that people differ in their readiness to accept a change. Some people will adopt the change quickly; others will take a long time.

Systems Thinking/Systems Changing includes people of all adopter types, in percentages close to those found in the population at large. Of course, a particular organization may not be representative of the population at large. It may include more people of one category or another. This game gives you a representative sample.

- INNOVATOR: eager to try new ideas, open to change, and willing to take risks; usually perceived as naive or a little crazy and, therefore, not well integrated into the social structure (Gary, Mia)
- LEADER: open to change, but more thoughtful about getting involved; trusted by other staff and sought out for advice and opinions (Eve, Juanita, Noriko, Upton, Ray)
- EARLY MAJORITY: cautious and deliberate about deciding to adopt an innovation; tends to be a follower, not a leader (Beth, Carla, Dave, LaDonna, Owen, Thelma, Velma, Xavier)
- LATE MAJORITY: skeptical of adopting new ideas and "set in their ways;" can be won over by a combination of peer pressure and administrative expectations (Al, Fern, Hazel, Ken, Q.T., Su Ling)
- RESISTER: suspicious and generally opposed to new ideas; usually low in influence and often isolated from the mainstream (Irene, Pat, Will)

Reasons for Resistance to Change

Sources of Resistance:

- People do not know enough about the change
- No one has made a clear case for the change
- There has been poor communication about the change
- People do not believe the change is worthwhile
- People are afraid they will fail
- The change is not aligned with the school culture
- Stakeholders are not adequately involved
- Lack of trust
- Lack of leadership for the change
- Inadequate resources

Strategies for addressing resistance include:

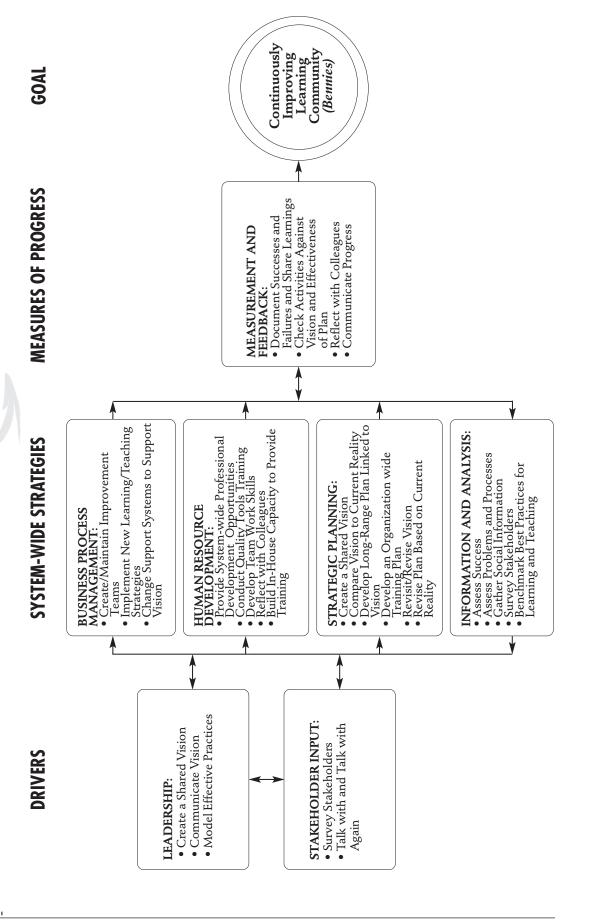
- Build stronger relationships among all members of the organization
- Practice communicating negative, as well as positive aspects of change learn to dialogue
- Gather data to understand the basis of people's resistance
- Develop plans for addressing the concerns and needs people have with regard to change
- Create a shared vision for what you are trying to accomplish
- Hold high expectations for each other in the organization

THE FIVE DISCIPLINES

Systems Thinking	Personal Mastery	Mental Models	Shared Vision	Team Learning		
Assess Success	Talk with/Again	Survey Stakeholders Success	Assess Success	Create a Shared Vision		
Survey Stakeholders	Create a Shared Vision	Gather Social Information	Survey Stakeholders	Assess Problems and Processes		
Gather Social Information	Professional Development Plan	Talk with/Again	Talk with/Again	Professional Development Plan		
Talk with/Again	Quality Tools Training	Create a Shared Vision	Create a Shared Vision	Quality Tools Training		
Assess Problems and Processes	Document Successes and Failures	Create Improvement Teams	Assess Problems and Processes	Document Successes and Failures		
Document Successes and Failures	Professional Development Training	Reflect with Colleagues	Compare Vision	Professional Development Training		
Reflect with Colleagues	Implement New Workplace Strategies	Benchmark	Develop Long-Range Plan	Create Improvement Teams		
Benchmark	Model Effective Practices	Communicate Progress	Document Successes and Failures	Develop Team Work Skills		
Change Support Systems	Reflect with Colleagues		Communicate Vision	Reflect with Colleagues		
Communicate Progress	Benchmark		Check Activities Against Vision	Benchmark		
Develop System- wide Professional Development Plan			Revisit/Revise Vision	Build In-House Capacity		
Develop Long-Range Plan Linked to Vision			Change Support Systems			
Other Features Built into Game:						
Need representative teams for most activities	Individuals' needs change over time	Learn about other team members' assumptions	Create a learning community	Play the game as a team		
Biggest rewards come from changes at systemwide level.	Individuals move through stages as they change.	Simulation specifies clear goals for teams.	Need representative teams for activities.			

Systems Thinking/Systems Changing © The NETWORK, Inc. Handout #7 The Five Disciplines

Systems Perspective of Change



Productivity Benefits

Bennies(productivity benefits) are earned for system-wide change through these activities:

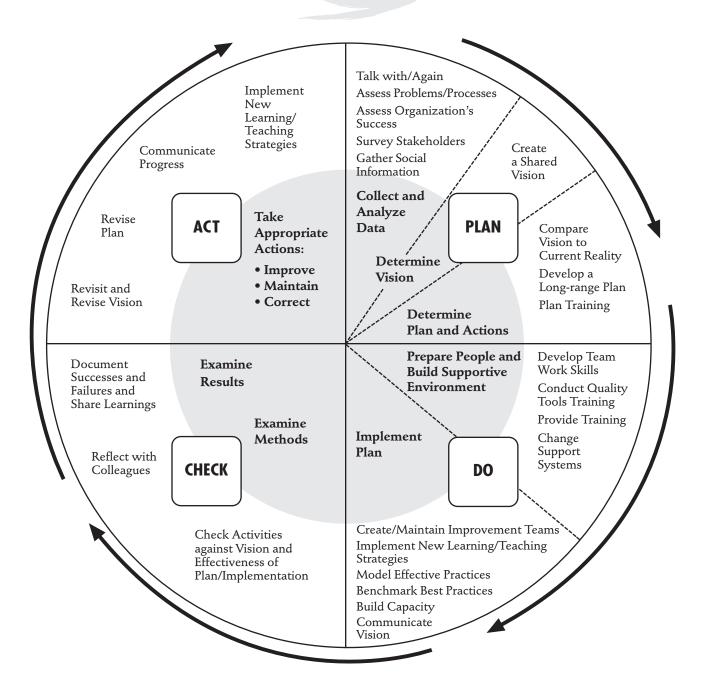
Activity Number and Name	Result
1. Assess Success (Second or more times)	20 Bennies If you've involved a customer, gain 10 bonus Bennies.
6. Create a Shared Vision	20 Bennies
7. Assess Problems and Processes	If you've involved a customer, gain 10 bonus Bennies.
10. Develop a Professional Development Plan	If you've involved staff from each branch, gain 10 bonus Bennies
11. Conduct Quality Tools Training	20 Bennies If you've involved Carla, gain 10 bonus Bennies.
13. Provide Professional Development	20 Bennies
14. Create/Maintain Improvement Teams	20 Bennies each (if in Practice or beyond).
	Double Bennies in Renewal.
15. Develop Team Work Skills	20 Bennies
16. Implement New Workplace Strategies	50 Bennies each (if in Mastery/Integration and beyond). Double the # of Bennies in Renewal.
18. Model Effective Practices	20 Bennies for everyone in Practice and beyond.
19. Check Activities Against Vision and Plan	20 Bennies
20. Reflect with Colleagues	20 Bennies each
21. Benchmark Best Practices	15 Bennies for everyone in Practice and beyond. If you've done
	activity #12 (Document Success and Failures), 30 Bennies in
	Practice and beyond. If you've involved customers, gain 10 Bonus
22. Change Support Systems	40 Bennies each (in Practice or beyond). Double Bennies in Renewal.
23. Build In-house Capacity	10 Bennies each. Double the # of Bennies in Renewal.
26. Revise Plan Based on Current Reality	10 Bennies each (if in Renewal).

Stages of Change

STAGES OF CHANGE	WHAT INDIVIDUALS SAY AND WANT AT THIS STAGE
Awareness	I am not concerned about the change and am not taking action. I need information to develop my interest.
Preparation	I have information about what the change is and how I would use it. I am worrying about how it will affect me. I need help getting organized and developing new skills.
Practice	I am spending all my time learning how to think and do things differently. I'm concerned about doing a good job. I need support to take risks and feedback (data) to help me solve problems and master the new approaches.
Mastery/Integration	I am comfortable with the new practices. I have integrated them into my daily activities and am looking for ways to increase my knowledge and skills. I need leadership and feedback to encourage this process. I'd like to coordinate and communicate more with my colleagues to make things work best.
Renewal	I have new plans that I want to implement that will improve outcomes. I need current data and help planning and building support for my new ideas.

Adapted with permission from Hall and Loucks, *Implementing Innovations in Schools: A Concerns-Based Approach*. Austin, TX. University of Texas. 1979.

Plan, Do, Check, Act Cycle and Simulation Activities



Sequence of Activities and Plan, Do, Check, Act Cycle

	ACT		#24 Communicate Progress (9,10)				#25 Revisit/Revise Vision (10)	#26 Revise Plan Based on Current Reality (10)
	CHECK	#20 Reflect with Colleagues (4,5,6,7,8,9,10)				#12 Document Successes and Failures and Share Learnings	#19 Check Activities Against Vision and Effectiveness of Plan/ Implementation (8)	
	00			#18 Model Effective Practices	(8,9)	#16 Implement New Learning/ Teaching Strategies (7,8,9,10)	#23 Build In-house Capacity to Provide Training Opportunities (9)	#22 Change Support Systems to Support Vision (9)
			#14 Create/Maintain Improvement Teams (4,5,6)			#21 Benchmark Best Practices for Learning and Teaching (8,9)		
		#15 Develop Team Work Skills (3,4,5,6)		#11 Conduct Quality Tools Training	(4)	#13 Provide Organization-wide Opportunities (5,6)	#17 Communicate Vision (4)	
				#7 Assess Problems and Processes	(5)	#10 Develop an Organization-wide Training Plan (4,5)	#8 Compare Vision to Current Reality (6)	#9 Develop a Long-Range Plan That Links Activities to Vision (7)
	PLAN		#1 Assess Organization's Success (3)			#5 Talk with Again (2)	#6 Create a Shared Vision (3,4)	
		#2 Survey Stakeholders (1,2)	#3 Gather Social Information (1,2)			#4 Talk with Staff, Students, Parents, and Other Stakeholders (1)		

Number in parentheses indicates possible sequence of activities.

Components of Successful Change

Effective Leadership

- Support and leadership of key people
- Leaders use systems thinking
- Leaders model effective practices
- Formal and informal leaders influence others
- Leaders help create a shared vision

Attention to People

- People move through stages of change
- People need different activities at different points in the change process
- Ongoing communication is essential
- Critical mass of stakeholder support necessary for change
- Focus on learning and personal mastery for both staff and students
- Effective teamwork/team learning requires team work skills
- Representative teams are needed to reflect stakeholder needs

Using Systems Thinking

- Involve representatives of all stakeholders in system
- Create a shared vision
- Change underlying support systems to support vision
- Most effective improvements are based on system-wide view
- Create opportunities to share assumptions and understand how actions/choices reflect our assumptions/beliefs about system
- Identify and use high-leverage activities—those with the greatest payoff

Using and Understanding Processes

- Change is a process
- Change takes time and persistence
- Choices/decisions are driven by current data, successes and failures
- Continuously improving organizations use a cycle of change that moves from Planning to Doing to Checking to Acting
- Reflection and revision of plans are essential to the change process

Bringing It Home

Effective Leadership

- Take a minute to think about the people in your organization. Who are the leaders in your how can you get them involved in promoting continuous improvement? As an formal or informal leader, how might you promote improvements and model systems thinking back home?
- To what extent do you have the competence in your organization to carry out the new roles of leaders? What is needed to build such leadership in your organization?

Role of People in the Change Process

• In what ways could you gather and share information among all stakeholders? How do you assess the needs and interests of others in your organization? Do you know who talks with and influences whom? How might you use this information to convene teams and taskforces? What mechanisms do you have for identifying sources of resistance and creating opportunities to have dialogue about resistance?

Using Systems Thinking

- Think about these same elements in your own organization. For example, who or what drives systems change in your organization? What system-wide activities have you already implemented and how effective have they been? What else needs to be done? How can you create the leadership and stakeholder involvement needed to drive systemic change?
- What type of thinking and analysis is done in your organization? To what extent do people use systems thinking in which events, patterns, interrelationships and mental models or assumptions and beliefs are analyzed and explored? What are your ideas for increasing the use of systems thinking in your organization?

Using and Understanding the Process of Change

- Think about what stages of change people in your own organization are in with regard to a particular change or new practice. What could you do in your community to involve and help people advance along the stages of change?
- What is the balance of planning and doing and checking and learning from actions in your own organization? Does your organization routinely evaluate the results of its actions and incorporate these into new actions? Does your organization benchmark and learn from other organizations? How can you do more of these important activities to develop into a continuously learning organization?

Systems Thinking References

- Aubrey, R. & Cohen, P. (1995). Working wisdom. San Francisco: Jossey Bass.
- Bennis, W. & Nanus, B. (1985). Leaders. New York: Harper and Row.
- Block, P. (1987). The empowered manager. San Francisco: Jossey Bass.
- Cross, P. (1992). Adults as learners. San Francisco: Jossey Bass.
- Cszikzentmihaly, M. (1996). <u>Creativity: Flow and the psychology of discovery and invention</u>. New York: Harper Collins.
- De Geus, A. (1988). Planning as learning. <u>Harvard Business Review</u>, 2(66), 70-72.
- Drucker, P. (1985). <u>Innovation and entrepreneurship</u>. New York: Harper and Row.
- Drucker, P. (1995). Managing in a time of great change. New York: Dutton.
- Farson, R. (1996). Management of the absurd. New York: Simon and Schuster.
- Goleman, D. (1995). Emotional intelligence. New York: Bantam Books.
- Handy, C. (1994). The age of paradox. Cambridge, MA: Harvard Business Press.
- Imparato, N. & Harari, O. (1994). <u>Jumping the curve: Innovation and strategic choice in an age of transitions</u>. San Francisco: Jossey Bass.
- Kanter, R.M. (1988). When giants learn to dance. New York: Simon and Schuster.
- Kanter, R.M. (1995). <u>World class: Thriving locally in the global economy</u>. New York: Simon and Schuster.
- Mintzberg, H. (1994). The rise and fall of strategic planning. New York: Free Press.
- Naisbitt, J. (1997). Megatrends Asia. London: Nicholas Brealey.
- Ohmae, K. (1995). <u>The end of the nation state</u>: The rise of regional economies. New York: Free Press.
- O'Toole, J. (1995). <u>Leading change</u>. San Francisco: Jossey Bass.
- Rohwer, J. (1996). Asia rising. London: Nicholas Brealey Publishing.
- Schein, E. (1985). Organizational culture and leadership. San Francisco: Jossey Bass.
- Senge, P. (1990). The fifth discipline. New York Doubleday.
- Shah, I. (1981). <u>Learning how to learn</u>. New York: Harper and Row.
- Stewart, T. (1997). <u>Intellectual capital: The new wealth of organizations</u>. New York, Doubleday.