

The Importance of Human Systems

“In order to change, *you* have to change”

U.S. Andersen, *The Practical Application of Human Cybernetics*

Why Human Systems are Key to Achieving Lasting Results

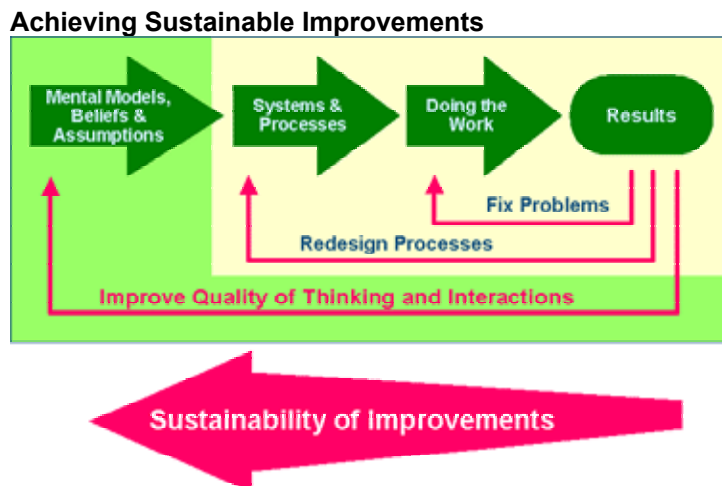
Many companies invest in change initiatives only to find that, despite their efforts, improvements are not sustainable. After months of analysis, important structural and organizational changes, and often large investments in new technologies, results regress to pre-project levels or, at best, show incremental improvement. Frustrated, these companies reach one of two conclusions:

- They did not choose the correct technologies, or
- They do not have the right people.

In the first case, they do further analysis and invest in a new change activity, and the cycle continues. In the second case, experienced individuals are replaced, within the same system and culture. In the vast majority of cases, these new individuals will achieve essentially the same results as their predecessors and, again, morale and confidence decline, and the cycle continues.

Working on Your Human Systems

At **HMC**, we have found that the key element that is missing from most improvement initiatives is a focus on the Human Systems. Too often we expend our greatest efforts finding new ways to ‘do the work’, reacting to problems as they arise. Results improve in the short term, but inevitably the symptom recurs, or a new problem arises, and long-term results oscillate around the same level. If we study the system, identifying trends and patterns and developing new processes in response to root causes, we will begin achieve more consistent and predictable outcomes. However, if we have not worked on the Human Systems – the beliefs, assumptions, habits, motivations and Mental Models – the gains achieved will level off, or diminish, over time.



HMC's "Human Systems" Workshops and Seminars

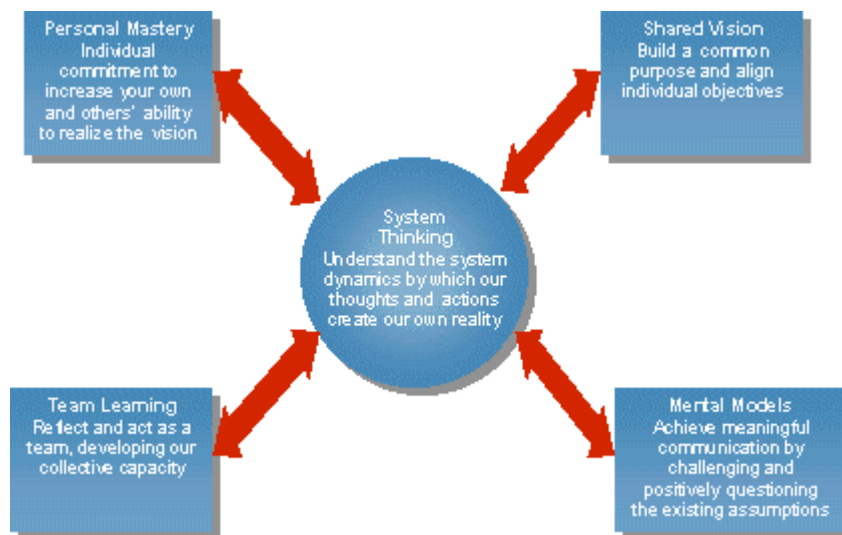
Working on Human Systems is an integral part of HMC's Holistic philosophy. HMC's Human Systems services include workshops and seminars which are tailored to the specific needs of our clients. Our workshops and seminars focus on these areas:

- We help our clients identify individual and organizational beliefs and assumptions and link those beliefs to results.
- We work with clients to create high performance teams with a shared vision that are committed to realizing their goals.
- We help our clients create system-wide solutions that address root-causes rather than the symptoms that constantly surface.
- We coach the change leaders and emphasize the importance of their role in holding the vision and maintaining the team's focus.

The Foundation

The Five Disciplines

Our Human Systems services are largely based on *The Five Disciplines*:



Above information from *The Fifth Discipline: The Art & Practice of The Learning Organization* by Peter Senge

Through these five disciplines, the building blocks of a learning organization, we seek to create a new model of breakthrough performance. Successful, learning organizations are those that have a deep sense of purpose, that stand for something that connects with people's values and aspirations. The concept of 'the learning organization' is not new, what distinguishes HMC's Human Systems work is the successful adaptation and application of these five disciplines in manufacturing environments. We find the correct balance of theory, exercises, examples and tools to engage teams at all levels and help them define meaningful objectives and commit to take visible, measurable actions.

With Personal Mastery we endeavor to build a personal commitment within each employee to strive to realize his own vision and to develop a connection between that and the goals of the organization. We all work better when we have a personal interest in results. Through

Shared Vision we work to instill in each of our client's employees, from the shop floor to senior management, common objectives and clear goals to work towards. This Shared Vision is the intersection of the individuals' personal objectives with those of the business, so each individual has a personal link with achieving that vision. At the shop floor level, objectives may be very basic but are tangible and measurable for each individual, and are fundamental in achieving commitment and teamwork. We often find people working on local goals which may not optimize global performance. Our experience with companies worldwide has shown us that effective organizations have committed individuals with clear, aligned objectives.

With Team Learning our goal is to develop the collective capacity of all of the employees to work, think and react as a team. Just like any line operation, where all of the parts must be synchronized properly to achieve smooth production, people must be "synchronized" in order to work effectively and efficiently. This may mean redefining what is 'the team'. For example, we frequently find people thinking that the shift is the team, but more often it is line, during all shifts, that makes up the team. In the first case emphasis is placed on improving performance during each shift, which may be in conflict with the more important objective of achieving top performance over *all* shifts.

We emphasize the importance of identifying Mental Models and discuss how these influence not only our behavior today, but also the results we will achieve and our behavior in future situations. We encourage employees to challenge assumptions and think creatively while also communicating more effectively with their team and other employees. One Mental Model we have encountered in several client factories is that "the role of maintenance is to fix things when they break." Adopting the more powerful model, "the role of maintenance is to create future reliable capacity," has an enormous impact on maintenance planning and execution.

All of these elements come together in the System Thinking discipline, where we develop the capacity to think systemically, to diagnose and correct problems by understanding the underlying cause and effect relationships in the production system. We also use Systems Thinking to understand the dynamics of problems that have persisted in organizations for many years despite efforts to solve them. In many cases we are able to show how 'solutions' to such problems have exacerbated the situation over the long term.

The Cornerstones

The cornerstones of the human system focus equally on the individual and the organization:



When the individuals and organizations begin to share the same aspirations and understanding, and then begin to work together and collaborate as a team, then real breakthroughs can occur. And this will lead to both higher levels of efficiency and improvements that are sustainable.

If these principles are both understood and undertaken by many companies, why then aren't more teams successful? The primary reason is the approach used to facilitate change. The success of **HMC's** Human Systems work is based on its interpretation and application of these concepts, and the emphasis **HMC** places on Human Systems in all aspects of Holistic improvement projects. We offer several workshops aimed at building awareness of human issues, developing skills to improve communications and promote learning, creating and leading change, understanding system dynamics and dealing with the conflict and tension that inevitably accompany change.

Visioning

Each Visioning workshop we facilitate is adapted to the level of the team we are working with and to the specific needs of the client. We utilize information gathered during meetings, informal observations and individual interviews to get an idea of the primary issues and to appropriately tailor our program. While the specific tactics may differ from one workshop to the next, our goal remains the same: to develop a Shared Vision to which each individual in the team is personally connected.

While Mission Statements and Corporate Visions may be useful at a strategic level, they are often distant and abstract to middle managers and shop-floor workers. In our Visioning workshops, we look for the intersection of individual aspirations and corporate objectives, identifying the personal benefits of realizing the vision. All members have a clear understanding of the team's goals and a personal connection to achieving them.

Defining the Shared Vision is critical to **HMC's** *Commitment*-based approach to change. Many change initiatives are managed in a top-down manner that we call *Compliance*-based change, essentially a "push" strategy where threat is the primary motivator. A *Commitment*-based approach uses aspiration to motivate change.

The Commitment-based approach used by **HMC** is more difficult to implement but is far more successful in achieving sustainable results. It has the following 7 basic elements:

- **Shared Vision** - Employees share a common vision and align themselves with it.
- **Current Reality** - Employees actively seek to understand the vision-relevant components of the present.
- **Gap** - Employees identify the nature of the gap between reality and the vision and set milestones towards achieving it.
- **Leverage** - Identify those actions, areas of focus, and intermediate results that when accomplished will greatly accelerate progress toward the vision.
- **Action Plans and Accountability** - Objectives and plans are carried out according to the vision.
- **Whole System Perspective** - Employees understand and use the principles of complex systems when planning and intervening.
- **Learning and Improvement** - Recognize that learning is an essential component of change and employ an active learning model.

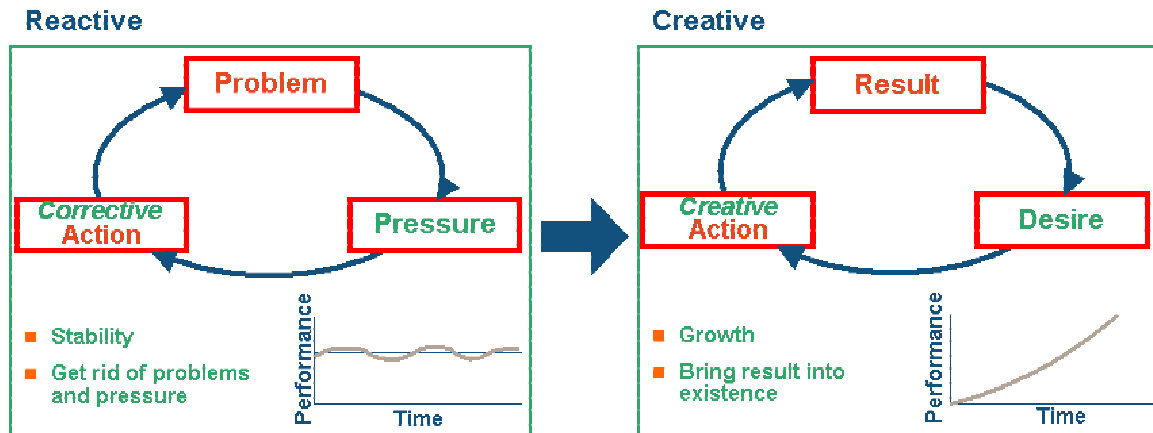
We work side by side with our clients to teach this approach and to give them the tools to carry it forward into the future. Armed with this methodology, clients are able to transform their companies and reach levels of performance that had previously been unattainable.

Leading Change

Even a motivated team with clear goals benefits from the presence of a strong leader. **HMC's** Leading Change workshop aims to catalyze alignment and build commitment to "do whatever it takes" to make change happen, despite inertia and resistance. A common

problem in complex change management projects is that the “old system” is very powerful – managers achieved their current positions by being successful in the *old* system. So whenever there are problems or doubts, it is comfortable to revert to the “old system”.

HMC works with middle- and senior-management to help them build their capacity as leaders and facilitators of change. These sessions combine theory, tools and exercises to stimulate productive communication and illustrate the importance of the change leaders in moving toward the vision. We stress the difference between a reactive orientation, which results in incremental improvements, and a creative orientation where we move along a growth curve toward desired results.



Key results include a deeper understanding of how individuals and organizations change and of the fundamentals of organization learning. We explore the role of Change Leaders and help them develop an increased capacity to facilitate change and have more productive, ‘learningful’ interactions across all levels. In addition, we take a closer look at the system and begin to understand the cause and effect relationships between the team and its members and the ‘system’.

The Cultural Impact of Change

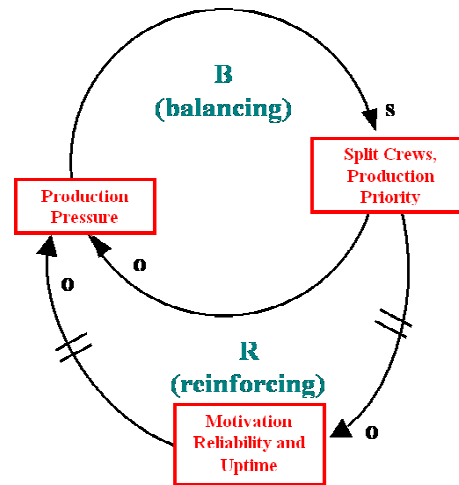
Culture, both corporate and societal, can blind people to factors compelling change. Cultures develop naturally over time and represent the pattern of accumulated learning on how to succeed in a given organization. A strong culture helps align individual actions with the goals of the company, however, when facing the imperative for change, culture can also be come a major source of resistance. When new strategic directions bump up against an existing culture, culture wins unless the organization has paid attention to changing the prevailing frames of reference.

HMC works with clients to understand cultural issues in their organizations and how these issues may effect change initiatives. In our workshop, The Cultural Aspects of Change, we strive to identify how well the current culture fits with the strategic direction of the organization. We look for potential aids and barriers to change, recognizing that as strategic direction is modified culture must also adapt. We examine attitudes and behaviors as well as management practices and operating policies, including the reward structure, information sharing and leadership styles. **HMC** employs a variety of exercises and activities to help uncover key issues and facilitates discussion of how the organization will adapt to its changing needs.

System Thinking

System Thinking is a critical tool and philosophy to help design organizational change. We must understand the forces that got us to where we are – good and bad – or we cannot know what to change, and it is equally important to understand the current structure so we can effectively re-design it. System Thinking helps cultivate clarity by showing interrelationships, the impact of time and how small changes can have major effects, often leading to alternative interventions and solutions.

For example, we can explain “systemically” why production pressures persist and seem to get worse despite our best efforts. The story often goes like this: “When the heat is really on for production, we typically split crews and give production priority over maintenance. In the short term, this does relieve the pressure but over time it destroys a crew’s motivation and reduces the reliability and uptime of equipment, which in turn creates even more production pressure.” Developing this type of understanding of what is going on enables teams to make more powerful choices and interventions.



The goal of **HMC's** System Thinking workshop is to gain a better understanding of ‘the system’, its structure and the impact this system has on outcomes, as well as to begin to create structural explanations for why things happen. We use examples to illustrate the power of a systemic view and the pitfalls of ‘solving’ problems in isolation. System archetypes are discussed, and participants begin to apply this powerful tool to persistent problems within their organization. Using a System approach, we not only identify interventions that lead to sustainable, holistic solutions but also gain a more global understanding of our role in the system and how our actions impact other departments and individuals.

Working on Your Human Systems

HMC has a proven track record of helping clients achieve breakthrough results that are sustainable, and often continue to improve, over time. [Contact us](#) for more information on how **HMC** can help you elevate your organization to a new level of performance.