

POMONIK CONSULTING, INC.

"CHAOS REMOVAL SERVICES"SM

Models for Success

Excerpts from the upcoming book "How Organizations Win—The Success Vector and Other Models for High Performance"

by George M. Pomonik

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Preface from *How Organizations Win*

Every organization is different, including yours. However, your organization has one thing in common with all others—you are a group of people striving to get meaningful results (win), in spite of the difficulties that get in your way. In this book, I share with you decades of experience on how your organization can reduce chaos and consistently achieve key goals. Those goals depend on your needs and can include:

- Making a product or service effective and competitive
- Meeting difficult deadlines
- Sustaining profitable operations
- Sustaining your revenue stream, if you are a nonprofit or public service organization
- Satisfying your customers or the community that needs your support
- Getting the job done and enjoying it
- Amplifying the power of your organization
- Demonstrating your personal value, for self-respect, promotion, and advancement

I've been involved in all aspects of these kinds of issues, as a student, engineer, inventor, supervisor, marketeer, bill collector, intelligence gatherer, facilitator, conflict resolver, program manager, executive, management consultant, and mentor. This book explores approaches that have worked well for others, and includes a number of the models and methods that I developed along the way to help communicate and implement effective ways to get meaningful results.

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THE PROBLEMS

“This is it. We either fix things or we’re going under” the boss said, with a solemn look around the conference table. “Another big project with a key customer is late and over budget. We’re working nights and weekends and pulling resources to keep it from getting worse, and that’s screwing up our other projects.”

“I hear plenty of good reasons why delays and cost overruns on several projects were unavoidable, but this is not acceptable. I got slammed at the board meeting yesterday—we either improve our bottom line, or close our doors when our current contracts are completed.”

Not a sound in the room. The boss leaned forward and practically growled, “Everything that is not related to getting work out the door is frozen. No conferences, no PR, no travel, no R&D. If it isn’t directly related to contractual deliverables, it’s out. And costs will be cut in all areas through staff or salary reductions. No exceptions. We will meet again this afternoon to discuss how we are going to implement this immediately.”

Long pause. “But that’s not all” the boss said. “We also have to take immediate steps to start building a better future. We have good products and intelligent, hard working people. It should be intolerable to all of us to see this company disintegrate after years of being an integral part of this industry, serving our customers well, and providing secure income for our employees.”

“Can we do all that?” asked the head of production. “How can we cut costs, deliver on time, and still improve for the long run?”

The boss responded, “We have to do it all. We have to improve our bottom line right now, to restore credibility with our board and stockholders. We have to deliver on time to maintain our hard-earned good reputation. And if we don’t do something about controlling this constant stream of calamities, we’ll be out of business anyway.”

“I agree,” said the head of administration. “But is that possible? Our previous fixes did not have a lasting effect.”

“Look” said the boss, “it is possible, and we have no choice. Most of us have to fight the current fires, but some of us have to work on prevention. Other companies have done it. We’re going to get some outside help, and move ahead immediately.”

FAST FORWARD

It's a couple of years later and the boss is addressing the company on the state of the business. Having summarized the prior problems, the boss continues...

"That was a couple of years ago. We're doing OK now. It wasn't easy. Uncertainties, stress, and tempers were a problem. It was close, but we managed to work our way through it without a single homicide." A few nods and chuckles from some of the long-time employees in the room.

"We had to take care of our urgent matters, but at the same time step back and take a harsh and realistic look at our operating philosophies and our business environment. As part of this, we brought in a consultant. Why bring in an outsider? For us there were several reasons."

1. **Focus and persistence.** We had our hands full with pressing operational issues. We needed an expert who could focus exclusively on the goals of this rescue activity. In the model of Stephen R. Covey in "The 7 Habits of Highly Effective People", the "Quadrant II" activities are "Important, Not Urgent". In our environment the "Quadrant II" tasks, such as prevention and building capability for the future, were always overridden by the demands of urgent tasks and emergencies. We needed someone to help make sure that we developed and completed our "Quadrant II" activities.
2. **Tailored, systematic approach.** We had to examine our overall system of operations and apply proven methods, tailored to our specific environment and needs. We needed someone who could help us integrate many factors and ideas, and implement solutions that are compatible with the complexities of our operations.
3. **Neutral, outside viewpoint.** We needed someone who could take a fresh look at our issues, had experience with methods that worked elsewhere, and had the ability to act as a neutral facilitator.
4. **Supportive, cooperative approach.** I needed an individual who could help support my leadership role, provide an overall framework for improvement, work on details, and put in the time and effort needed to help get cooperation and buy-in at all levels.
5. **Optimism.** We also needed the optimism of someone who had succeeded in this kind of role, and dealt with attitudes of pessimism and skepticism about improvement. In "Built to Last", James C. Collins and Jerry I. Porras write about visionary companies having the "Genius of the And"—the ability to satisfy needs that seem to be in conflict, instead of the "Tyranny of the Or"—we can do this or that, but not both. We needed assistance in that area to deal with questions like "how can we cut costs, deliver on time, and still improve for the long run?"

"Before we discuss our progress and successes, I want remind our recent additions to our team that you are continuing your orientation this afternoon. You'll be involved in briefings and discussions with our consultant, taking a look at key models and methods that we used, and continue to use, to help us be a high-performing and successful group—and a team that enjoys working with each other."

MODELS AND METHODS

It's after lunch. The recent hires enter the conference room and seat themselves for one of the orientation sessions.

The consultant stands and looks around the room. He sees levels of attention that include curiosity, puzzlement, drowsiness, scowling, and bent over busy with something else.

“Hello. It’s a pleasure to be here with you this afternoon. As you heard this morning, I worked with your company’s leaders and staff to help develop the successful transition effort that brought us to this point in time.

We started with assessments and, based on that, formed a top-level improvement team to sharpen our focus on critical needs, high-priority opportunities, and systematic improvement of overall operations. Then we followed with implementation teams to further develop and implement specific opportunities. To help with this, we employed several models and methods, including the following.”

1. Enhance creative problem solving—**effective face-to-face communications**
2. Successful teamwork—**the Success Vector Model**
3. Achieving difficult goals—**the Vision Flow Down Model**
4. Balancing the needs of the stakeholders—**the Money Machine Model**
5. Clearly understanding our operating processes—**Process Modeling**
6. Helping people do the job quickly and correctly—**the Creative Threshold Model**
7. A team approach to solving problems—**the Leader/Advisors Model**
8. Continuous improvement of overall operations—**the Self-healing Organization Model**

“Yeah, I know—it sounds like motherhood and apple pie. But this list is a shorthand summary of the serious discussions, iterations, and selection of approaches that we found to be beneficial in this operating environment. Today we’re going to review and discuss some of the models and methods that worked for us.”

EFFECTIVE FACE-TO-FACE COMMUNICATIONS

The importance of face-to-face communications

Before we went to work on the details of exploring problems and solution, we found it valuable (and necessary) to improve our methods for effective communications. Effective face-to-face communications is essential for developing fast, high quality decisions (and a successful bottom line) because it provides the means to rapidly and effectively:

- Inform and teach
- Influence and sell
- Define and solve problems.

Success factors for effective face-to-face communications

- Trust and openness
- Listening skills
- Effective processes for conversations and meetings

Communications Guidelines

One of the means for greatly enhancing the development and exchange of information is to agree on Communications Guidelines or Ground Rules. Our group developed our own ground rules, based on brainstorming and a “menu” of guidelines. We discussed “how do I like to be treated when communicating?” Some typical guidelines include:

1. Use "active listening," with empathy; paraphrase to confirm what you heard
2. Benefits before concerns—first look for things we agree on, and "what I like about that..."
3. Express concerns as opportunities for improvement
4. Look for win-win solutions; draw out everyone’s needs, build solutions from those needs
5. There are no stupid questions
6. Show your professionalism and courtesy; respect and appreciate each other
7. Platinum Rule: Treat others as they want to be treated

*"Why is it so difficult to realize that others are more likely to listen to us if first we listen to them."
– John Wooden*

“Benefits before Concerns”—a surefire way to improve “listening”

We found that one of the ways to defuse a potentially stressful situation—and get our ideas across at the same time—was to respond with “benefits before concerns”. When an idea was presented, we discussed benefits first (“what I like about it” or “the benefits that I see are...” or similar positive and sincere comments) followed by concerns as opportunities for improvement.

This approach established common ground and some basic agreement. It helped the listeners “open their filters” because they would be “tested” to feed back beneficial content. The presenter felt appreciated and became much more relaxed and open to alternate ideas.

Create a supportive communications environment

The above methods worked best when everyone agreed to follow them. This helped create an open communications environment where people felt freer to express their ideas. As a result, we discussed and considered more information, stimulated more ideas, developed better decisions, and improved implementation. These techniques contributed to an atmosphere of positive reinforcement, which greatly enhanced creative problem solving.

Successful teamwork—THE SUCCESS VECTOR MODEL

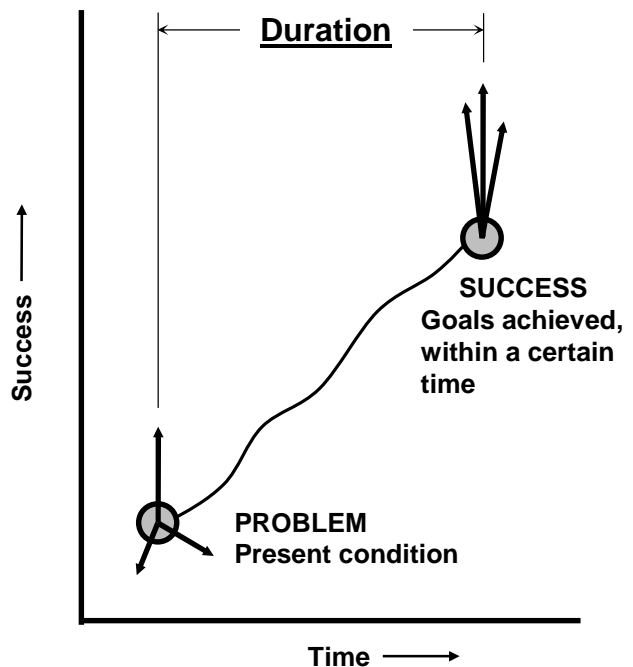
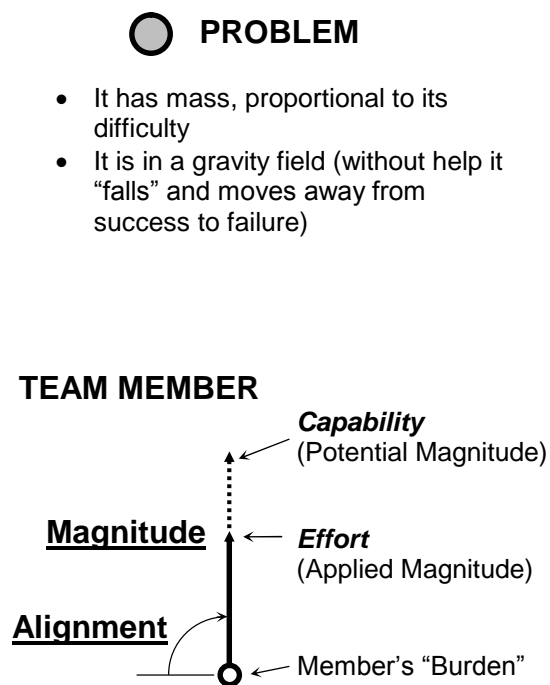
The “Success Vector Model” is a simplified representation that I developed, illustrating the complex issues of how teams win. This model helps our teams simplify discussions of their operations, focus on interdependencies, and develop ideas for significantly improving results.

As illustrated below, our team members are represented as forces (vectors) that can be applied to an object representing the problem or project. The team members need enough combined effort to move the problem from its present condition to a position of success, quickly and cost-effectively. If there are too many members on the team, they may add unacceptable “burden” (costs, complications, and conflicts) to the effort and reduce their ability to win. The success of the team increases as a function of:

1. The alignment of the team members’ efforts. (Are we all pulling in the same direction?)
2. The magnitude of the effort of each team member. (Are our capabilities strong and are we all pulling as hard as we can?)
3. The duration of the effort. (Are we all sustaining our effort?)

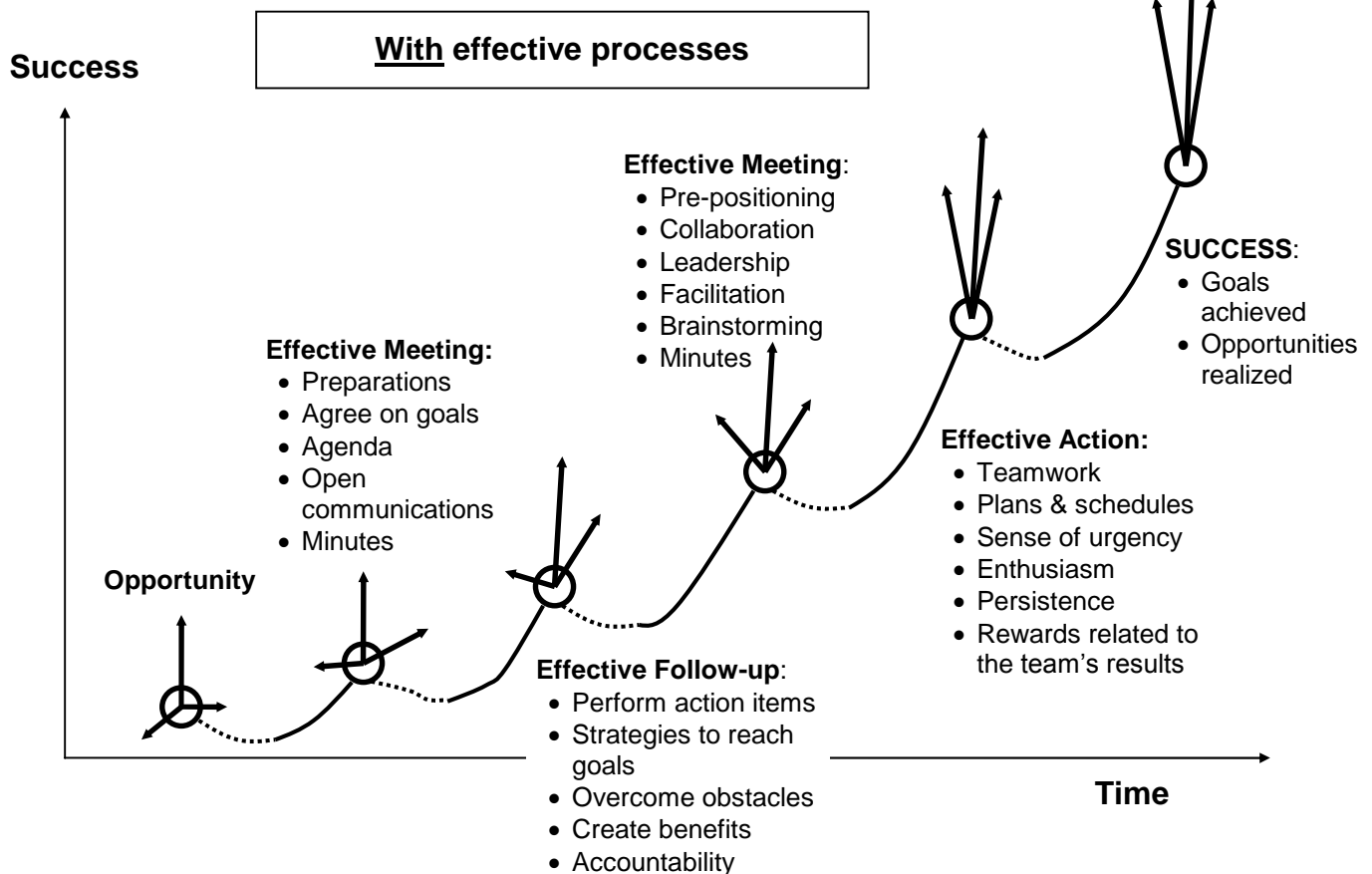
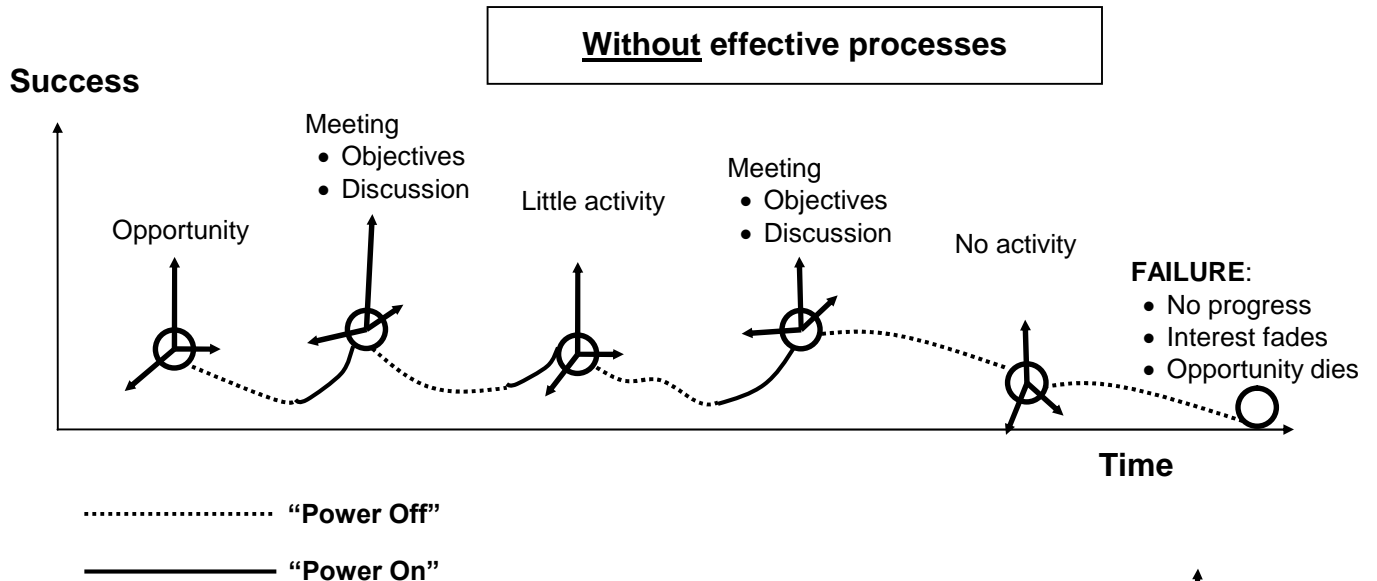
COMPONENTS OF THE MODEL
Team member “vectors” raise the problem to the desired level of success

THE SUCCESS GRAPH
Goals can be reached quickly through the increased alignment, magnitude, and duration of the team members’ efforts



The Success Vector Model—examples of failure and success

The following Success Vector Model examples illustrate how we turned prior team failures into successes. Effective team processes strengthened our efforts and helped us achieve our goals.



VISION AND GOALS—a beacon for tough decisions

We asked ourselves “overall, what are we trying to achieve?” In the midst of the chaos in a crisis, it often pays to step back and ask, “why are we doing this?” When we dig for the driving force behind the activity that we are examining, it should lead us to some fundamental and critical goal—a goal that serves to fulfill our vision.

If the activity is indeed driven by a critical goal, we can then ask if our present approach is the most effective route to that goal. And if the reason we are doing this activity is not driven by some critical goal, why are we doing it at all?

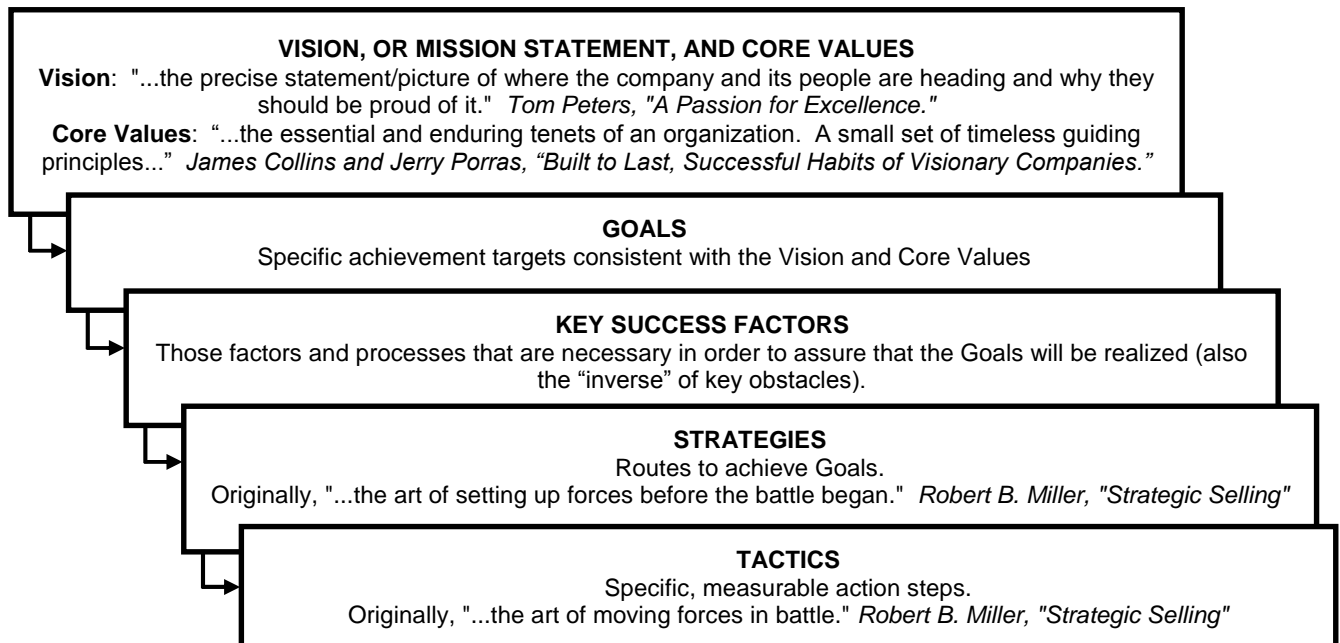
*"Perfection of means and confusion of goals seem—in my opinion—to characterize our age."
– Albert Einstein*

*"Obstacles are those frightful things you see when you take your eyes off your goal."
– Henry Ford*

THE VISION FLOW DOWN MODEL

After we clarified our company’s shared vision, core values, and goals, they served as a beacon and guide for successful actions at all levels. These principles also acted as neutral tiebreakers for thorny situations. An overview of the flow down of vision and goals is shown below.

VISION AND GOALS FLOW DOWN



Balancing the needs of the stakeholders—THE MONEY MACHINE MODEL

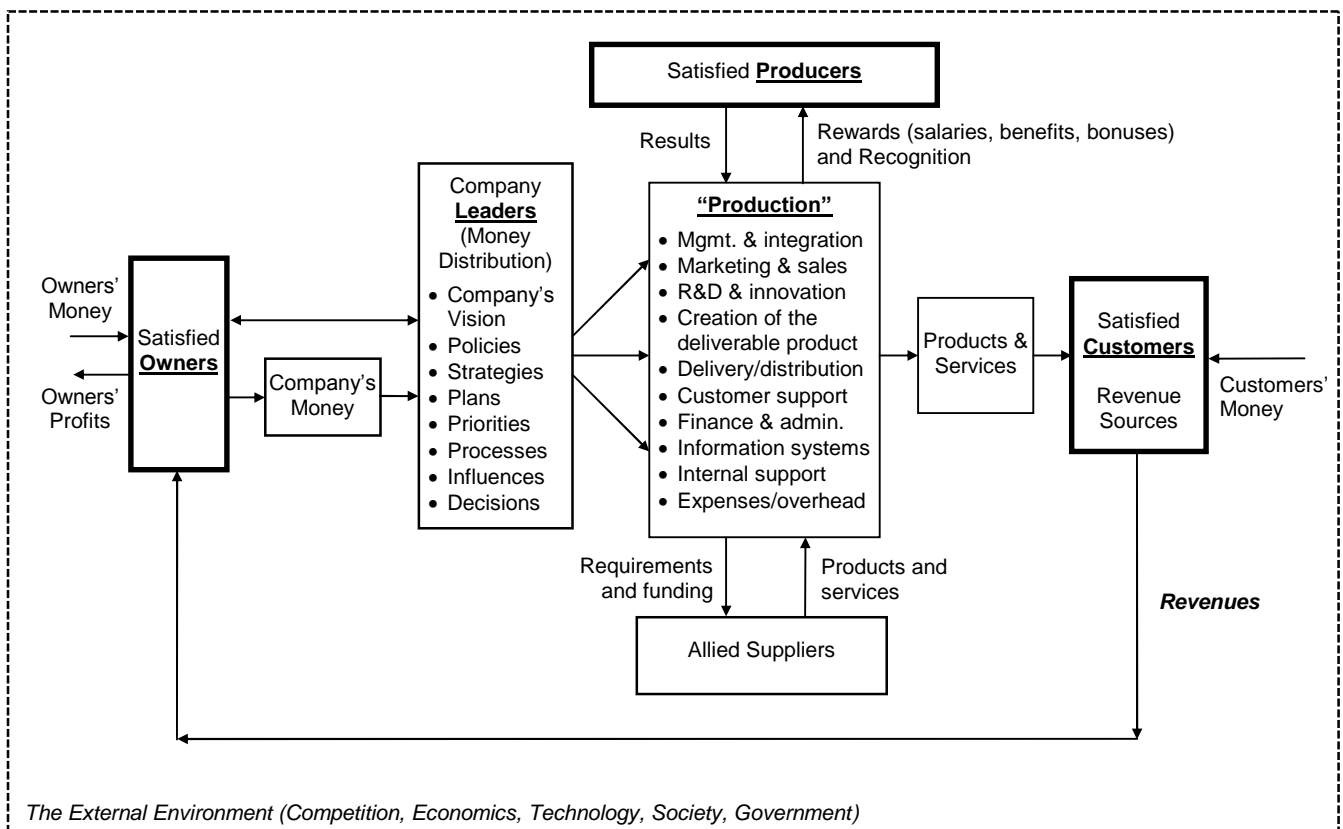
Based on my involvement with many different types of organizations, I developed the “Money Machine Model” as a means for looking at the overall process of an enterprise, and how it succeeds by balancing the needs of customers, owners, and producers, within its specific environment. Decision makers, as well as process improvement teams, have found this model to be beneficial because it helps:

- Prioritize improvement ideas and decisions on the basis of their overall impact
- Provide a meaningful context for lower-level process improvements and decisions
- Avoid local optimization at the expense of the overall system
- Illustrate everyone’s critical role in the overall success of the company

Example

An overview of a Money Machine Model for a commercial business is shown below. Our machine “runs” with high effectivity when all the stakeholders perceive that their needs are being satisfied. *However, the machine can sputter or stop if any of the following occur:*

- Insufficient money flows in from our customers. *This is the only source of “fresh” money*
- Our owners decide to restrict or stop the flow
- The internal distribution of funds is wasteful, or doesn’t cover critical needs
- Our producers can’t or won’t fulfill their roles effectively
- The external environment changes and negatively affects the system
- The balance or speed of flow to critical components is insufficient

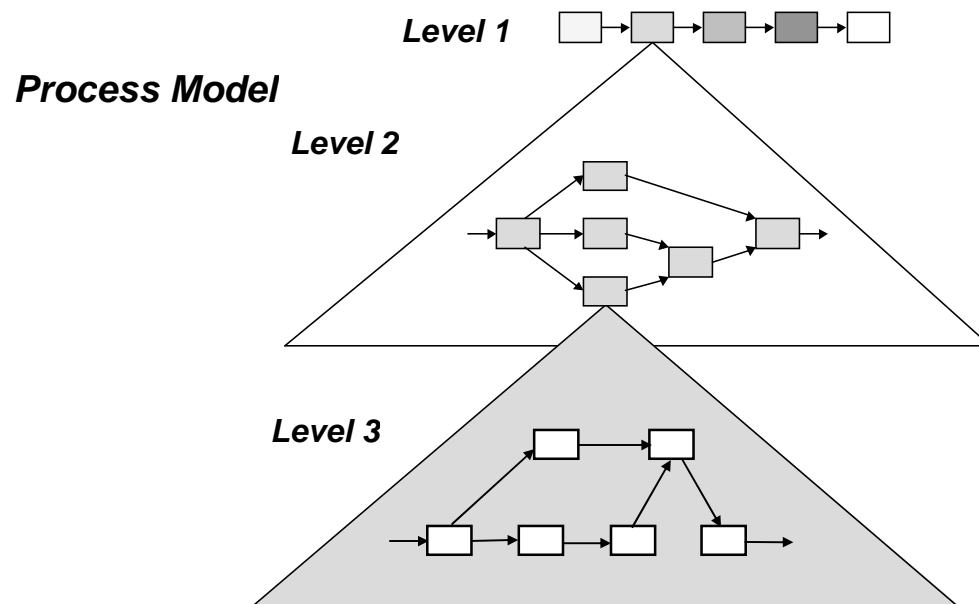


Overview of a Money Machine Model

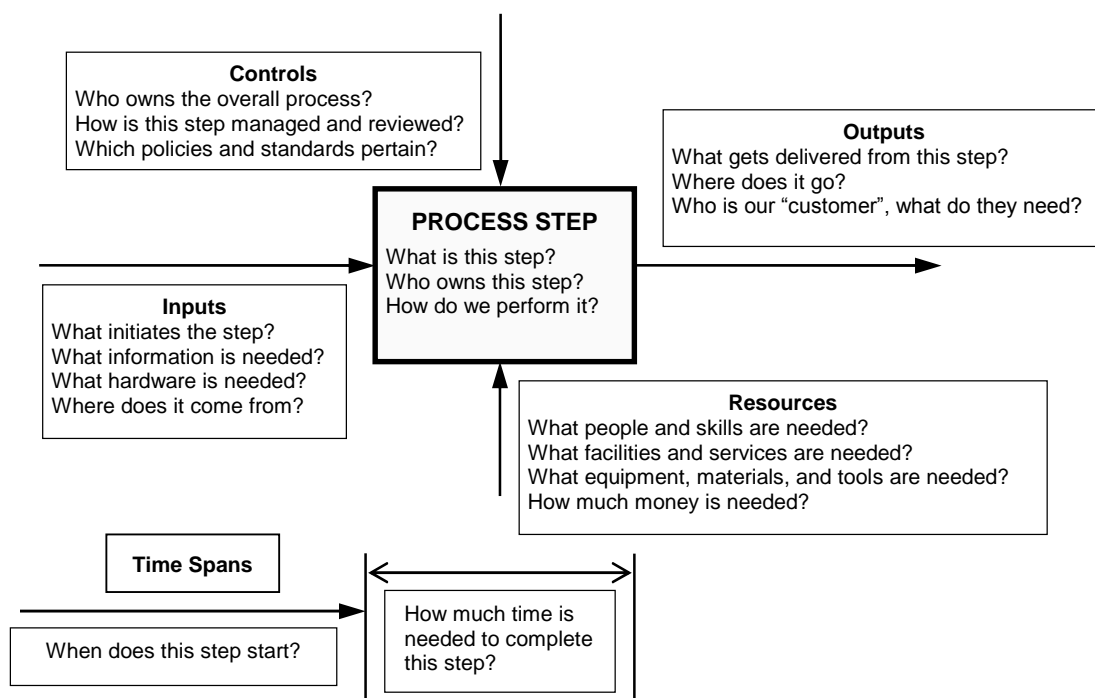
Clearly understanding our operating processes—PROCESS MODELING

The speed and quality of our decisions and results are highly dependent on a clear understanding of our means for achieving our overall objectives. How do we deliver our end results? How does our work and information start, flow, and end? Within this, what are our individual roles and responsibilities? Who are our internal and external customers? What do they need and when? How can we achieve this rapidly, economically, and with high quality?

Operational process mapping is a graphical means to help us understand how our work and goals get accomplished, and within that, our individual roles and responsibilities.



Process Step Assessment

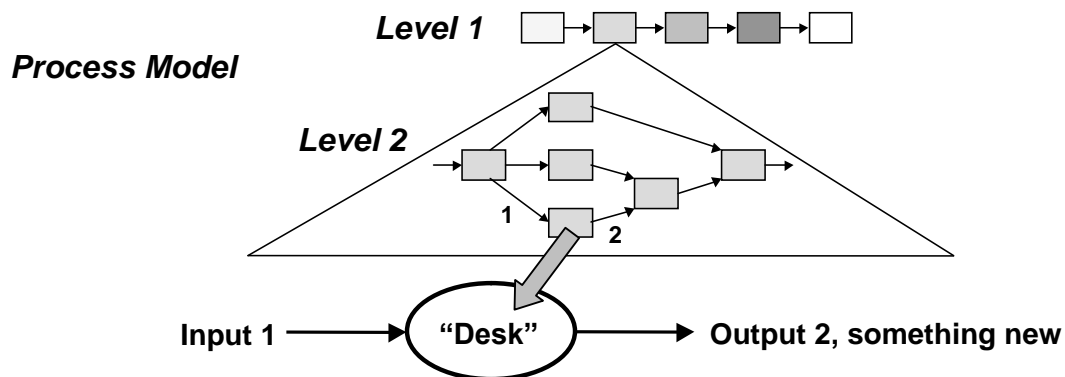


Clearly understand our operating processes—“Assess the Desk”

Help people fulfill their roles quickly and correctly

At each process step there is usually a team or a person responsible for accepting the input, creating something new, and providing the output. In addition to assessing and improving the process, we also have to look at the overall workload on the people in each process step—we have to “assess the desk”. Do we understand the actual demands on this individual (or team)? Instead of a single input and output, that “desk” often has multiple demands on it: more than one project, or several different roles in the organization, or projects and proposals, etc. Unless these factors are considered, the time span for each step will not be realistic. Process improvements in schedules and performance must consider individual workloads.

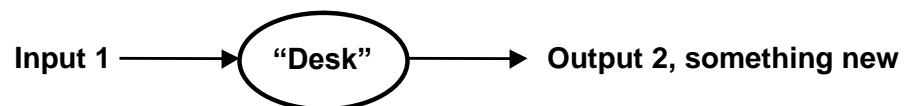
In addition to assessing and improving the process, also “assess the desk”.



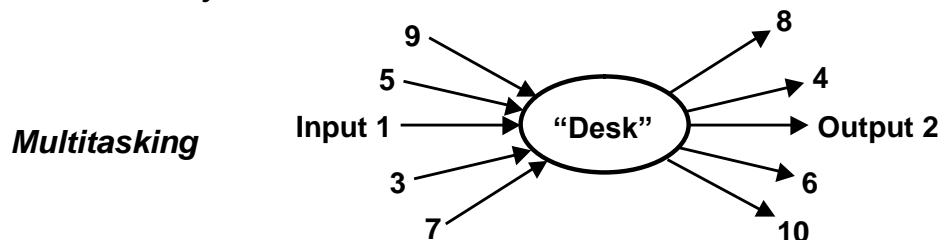
At some level in the process there is a “desk”, i.e., an actual individual (or team) that creates something new

Do we understand the actual demands on this individual (or team)?

We think we have:



We often actually have:



THE CREATIVE THRESHOLD MODEL

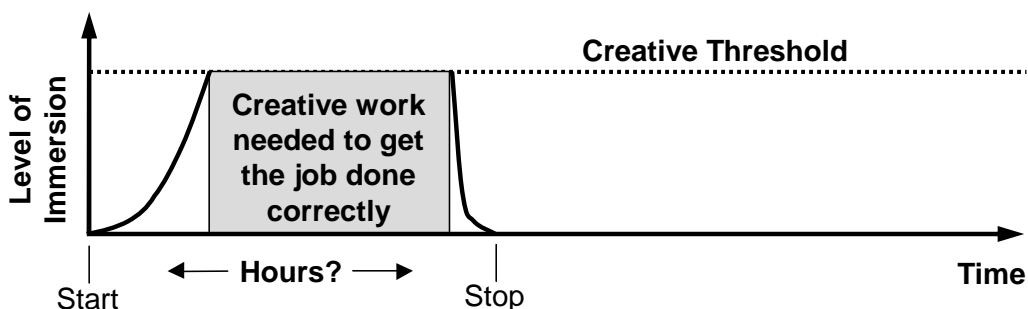
Does the creative person (or team) have sufficient immersion time to do the job quickly and correctly? Are interruptions and multi-tasking causing serious delays in critical work?

“But isn’t multitasking beneficial?” asked a participant. “I can do more than one thing at a time.”

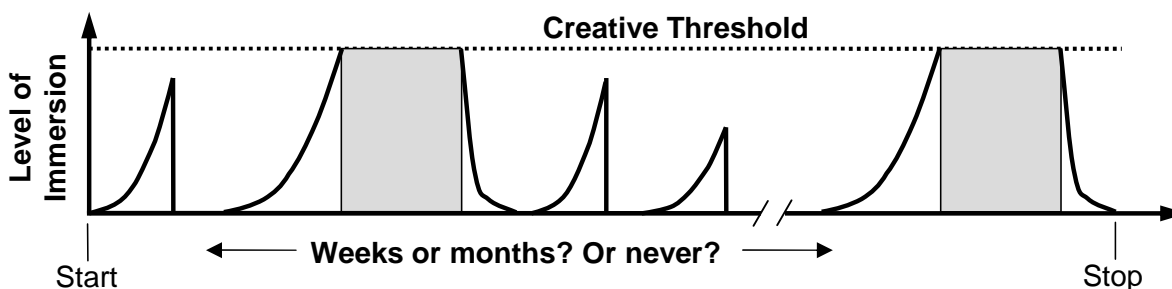
“It depends on what you mean by multitasking” I replied. “Of course you can make a salad while the roast is in the oven—perhaps an example of “good” multitasking. But if you switch attention in the middle of a creative activity (“bad” multitasking), the total time to completion can increase considerably. We significantly shortened schedules by finding ways to spend a continuous block of time above the “creative threshold”. We did this by eliminating or reducing such time killers as: starting without all the necessary information, materials, or resources; late changes in requirements; ‘reinventing the wheel’; answering phones, e-mails and text messages; reactive responses to multiple assignments; reassignments to problems from prior projects and other emergencies; and delays while pursuing approvals.”

What is the “creative threshold”? In my own work, and in the work of others, I observed that it takes time to become immersed in the task and cross into a creative zone. As shown in my Creative Threshold Model (see below), we finish quickly if we can continuously stay in that creative zone until completion. The creative threshold is that level of immersion in the task where the activity starts to be fully productive and innovative. The “area under the curve” is the total creative work needed to get the job done correctly. If the work is interrupted, the unfinished work (area under the curve) has to be completed later, along with the startup and shutdown activities that you need to get into and out of the creative zone.

With a continuous block of immersion time:



Without a continuous block (multitasking, interruptions, insufficient information, etc.):



A team approach to solving problems—THE LEADER/ADVISORS MODEL

The Leader/Advisors Model is a team approach to problem solving. The owner of the issue (the Leader) is clearly identified, and supported by a team of Advisors with expertise and responsibilities in the areas that bear on the problem. This process is particularly applicable to decisions involving complex situations with serious consequences. It is summarized as follows:

- The Leader “owns” the issue or problem, and the final decision. There is no “voting”.
- The team members are valued Advisors (“Consultants”) to the Leader (“the Client”).
- **The goal: help the Leader achieve fast, high quality decisions and results (without negative consequences later).**

Leader/Advisors process steps

| Steps | Leader of the Team (“Client”) | Advisors – Team Members (“Consultants”) |
|---|-------------------------------|---|
| 1. State the problem or define the mission Problem definition, including goals of the solution Customer needs and requirements Internal needs and requirements Product goals, profit targets, etc. | ✓ | |
| 2. Provide background information History Market needs Prior results, etc. | ✓ | (✓) |
| 3. Generate ideas Brainstorming Preliminary solution concepts Preliminary trade-offs Suggestions and alternatives | | ✓ |
| 4. Select the preferred approach | ✓ | |
| 5. Express benefits and concerns about the selected approach | | ✓ |
| 6. Respond to the concerns (with the option to adjust the decision) | ✓ | |
| 7. Make the final decision | ✓ | |
| 8. Indicate the next steps (“whats”) | ✓ | |
| 9. Develop and implement the details (“hows”) | | ✓ |
| 10. Monitor and report progress and results To management To the customer | ✓ | (✓) |
| 11. Reinforce a sense of urgency and consistent focus, and lead the action to meaningful closure | ✓ | (✓) |

The benefits of this technique include clear ownership of the issue, participation by relevant experts, a broader range of information and ideas for the Leader, and a better understanding of the decision (and thus a better ability to implement the decision) by the Team Members.

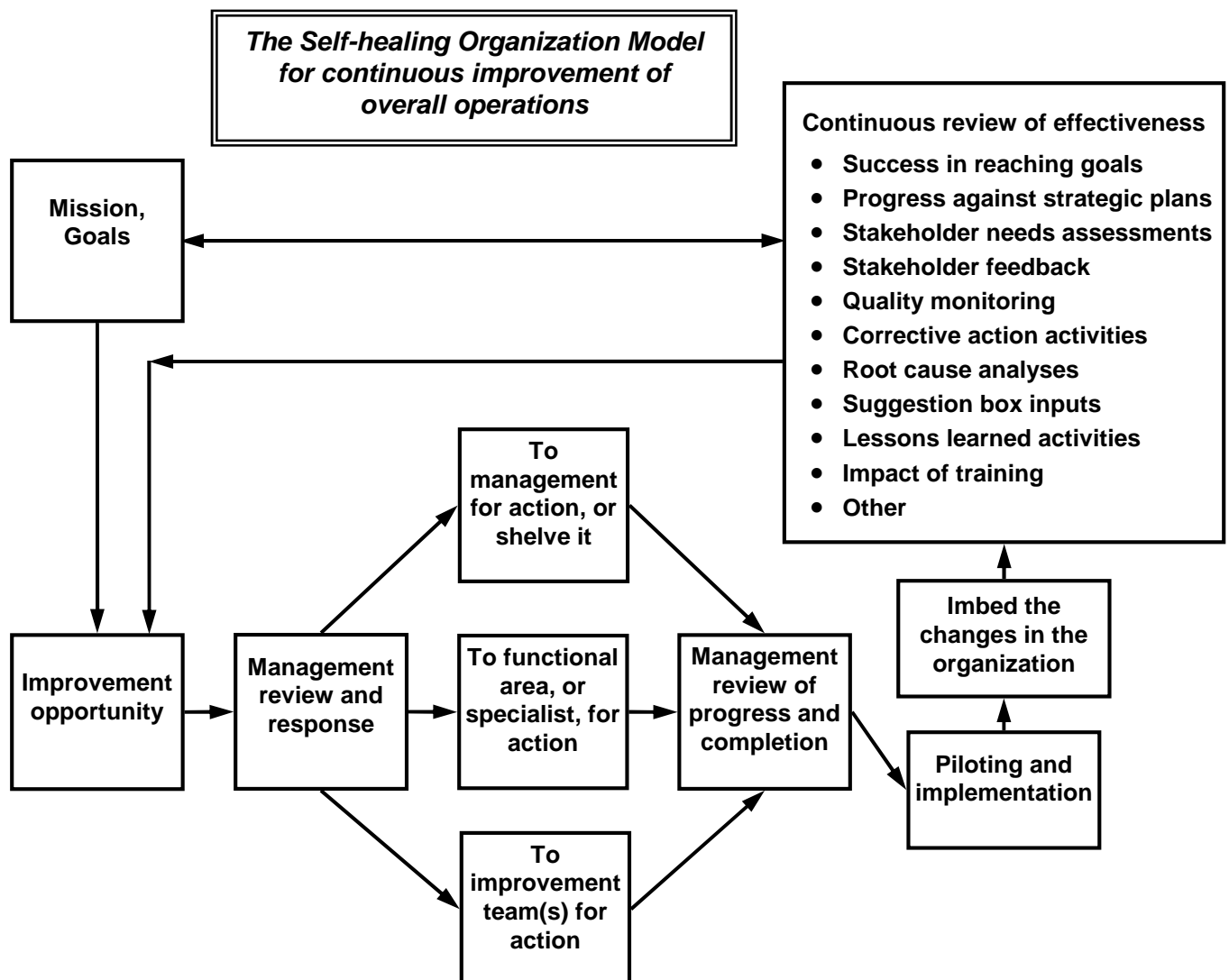
Continuous improvement—THE SELF-HEALING ORGANIZATION MODEL

The figure below is an overview of the structure used for continuous systematic improvement of overall operations. Actions on specific needs and opportunities become the responsibility of management, or specialists, or improvement teams, as decided by management.

As part of your improvement process, I transferred skills and trained your people. I also return for periodic reviews. The model shown below provides us with a context for specific improvements and a framework for continuous improvement to achieve our goals and satisfy the needs of our stakeholders. We continue to evolve the details of the model based on experience and in response to our ever-changing business environment.

“Couldn’t we automate a lot more of our work?” asked one of the participants. “What if we expanded the details of our process maps, and automated and computerized the workflow more? Then I could work at home and submit my results online.”

“Yes, there are important benefits in automation and detailed checklists to make sure we do not miss anything important” I replied. “However, the lessons learned, as stated by one of your own implementation teams, are: **Keep it simple—reality gets complicated enough. We still have to think. We still have to talk with each other.**”



George M. Pomonik

Background and Experience

George Pomonik is an independent consultant (since 1983), helping companies improve their costs, speed, quality, and customer satisfaction. He has assisted a wide range of organizations, including such fields as aerospace and defense, technical services, construction, electronics and instrumentation, law enforcement, industrial products, offshore oil and gas, and ocean systems. His tag line is *Chaos Removal ServicesSM*.

He works with his clients to increase their focus on defining and achieving key goals. He has even helped develop solutions when prior internal attempts had not worked. He tailors his support to the organization's needs, including:

- Assessment of issues and root causes
- Development of goals, strategies, tactics, and plans
- Team building, communications improvements, facilitation of change, coaching, and counseling
- Process mapping and improvement, and the development of implementation plans and cost benefits
- Hands-on implementation of improvements

Examples of some successful assignments:

- Organized and facilitated process improvement and team building sessions for a unit of a major crime lab, as part of a rapid renewal program. Resulted in a practical road map for achieving significant operating improvements while balancing quality, speed, and economy.
- Reduced new product release time from 18-24 months to less than 10 months for a telecommunications equipment company. Also implemented effective teamwork, process mapping, and other techniques that resulted in permanent improvements in workflow, communications, and meetings.
- Resolved ambiguities in manufacturing and production test specifications for a defense electronics company. Suggested modifications to meet the same needs at lower costs, and supported the implementation of the changes. Program saved over \$8 million.
- Developed, facilitated and followed up on strategic planning sessions for a branch of a government agency. Helped the participants define and align on well-focused goals and pragmatic strategies.
- Helped a small start-up company define their workflow, structure, and individual roles and responsibilities for their industrial products development, production and marketing. Improved internal communications and increased the speed of task completion.
- Supported a billion-dollar aerospace program, including integration with the procedures of a new parent company, best practices assessment, cycle time improvement efforts, improvements in communications, teamwork and alignment, and other means for achieving fast, high quality decisions and results.

Prior to consulting, his background included roles as VP of Engineering, VP of R&D, Marketing Manager, Program Manager, and Engineer. His hands-on management and engineering experience adds practical insights to his operational support and improvement work. He has a degree in Mechanical Engineering, and postgraduate training in management, systems engineering, marketing, finance, and communications. His technical work includes five patents.

For more information, see www.pomonik.com