

Process Excellence

Clouds - A method for Understanding and Resolving Conflict

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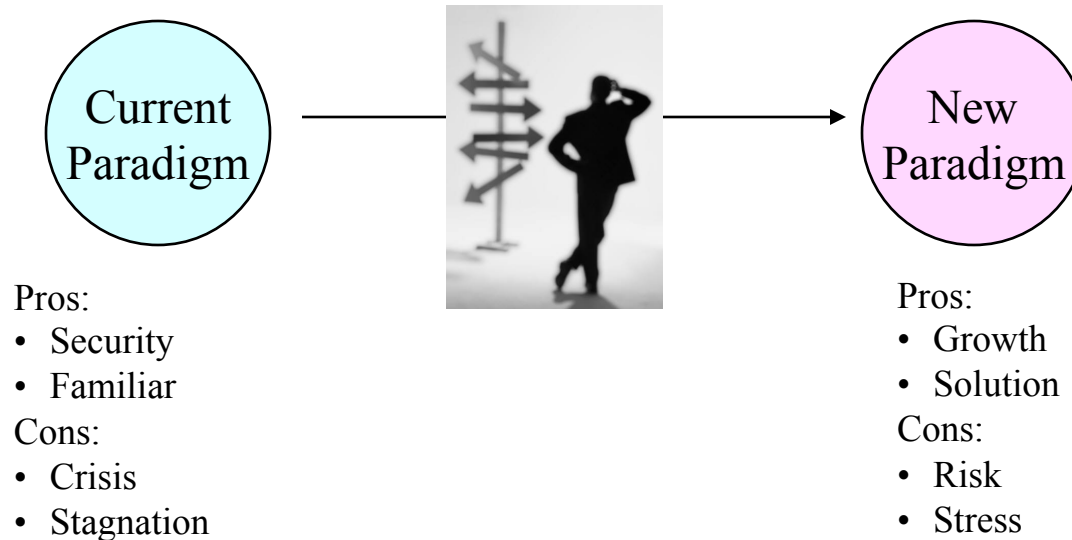
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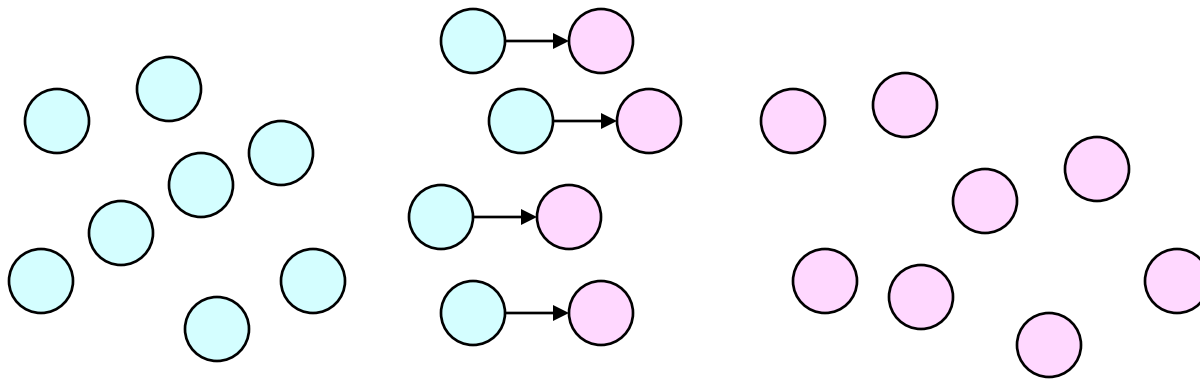
- Change agents, leaders, and innovators are often **frustrated** by their lacking of progress in improving the organization.
 - Can be any method – Lean, Quality, Six Sigma, TOC, etc.
- The easy answer is **blame** the company culture.
- A tougher solution is to **understand the logic** behind this resistance, and work to implement methods to overcome the logical objections raised by this resistance.
- To understand this logical resistance, we must first understand what we are asking for when we demand change – the **conflict** that is caused by a Paradigm Shift.
- Successful conflict resolution is a **critical skill** that both innovators and leaders need in order to be able to gain support for solutions that solve significant problems.



Paradigm - is the set of experiences, beliefs and values that affect the way an individual perceives reality and responds to that perception.

In providing solutions to our targeted group, we must take them through a paradigm shift. They have to abandon current beliefs, and adopt a new ones that they are unfamiliar with. This transition unavoidably causes CONFLICT.

We will fail at that transition if we do not both understand and help resolve the conflict the client is facing.



** - change has resulted in rewards and reinforcement, as well as an obvious lack of punishment.*

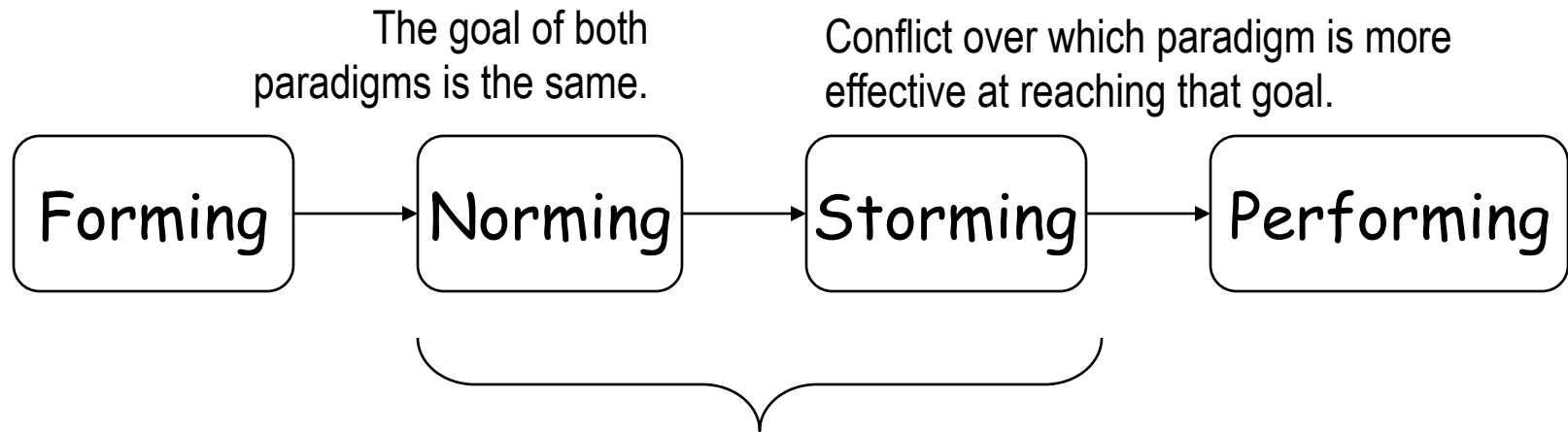
Culture - The set of shared attitudes, values, goals, and practices that characterizes an institution or organization.

We are familiar with corporation cultures, and the desire to have them transition to a new culture. This can be a Lean culture, or a culture of continuous improvement.

This will not occur in a organization until a significant portion of that organization undergoes a successful* paradigm shift. This shift will begin to effect the attitude, values, practices, and the goals of the organization, thus causing a culture shift.

For Change Agents to have a long term impact on their company, they must become adept at handling the conflicts that come with paradigm and culture shifts.

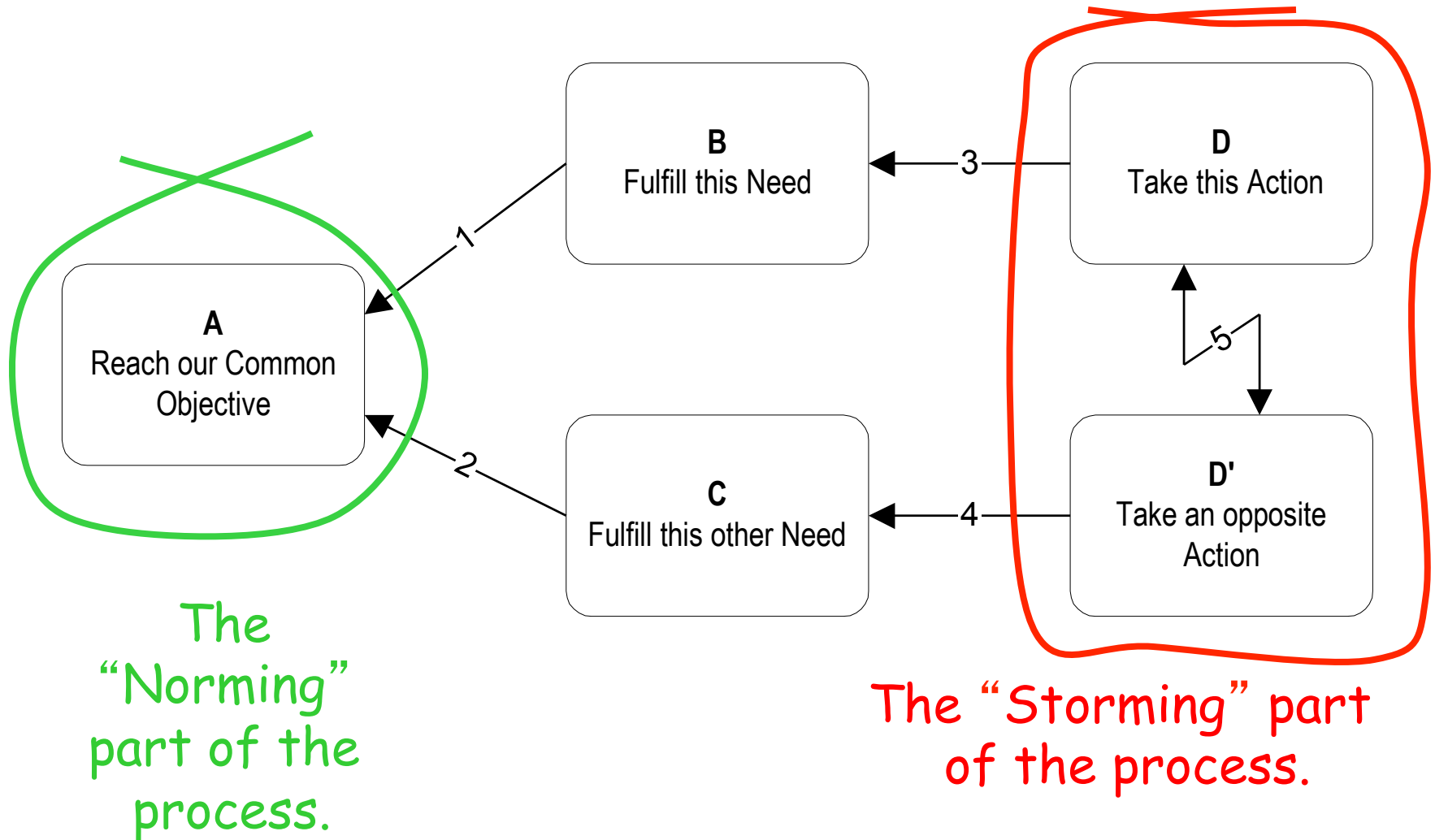
The Steps in Creating a High Performing Team



It's key for a targeted group to get through these steps quickly and consistently.

One solution is the Theory of Constraints Cloud process.

Basic Structure



Norming - Start with the Common Objective

A
Common Objective

Begin with what we have in common
- usually a goal or an objective we
both want to reach.

A.
Improve our
company's
profitability.

A.
Do the right thing for
our family

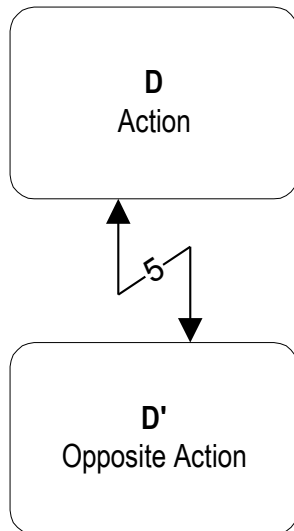
Some common examples of
objectives in working with a client.

A.
Improve On-
Time
performance

A.
Establish a process of
on-going improvement
(POOGI)

Brings out a needed First Step - the
establishment of a simple, common
goal that exist both now and after
we implement a solution.

Examine the Conflict



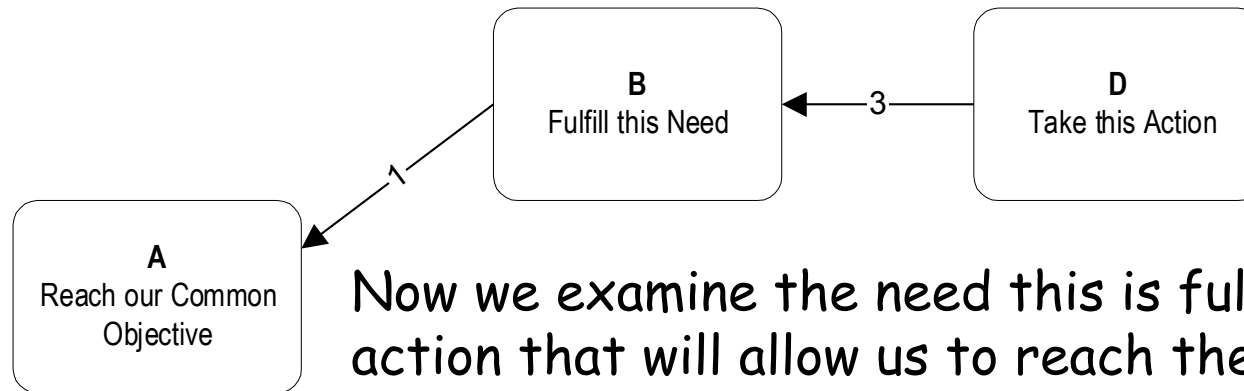
Look at what the two side are deadlocked on, and make sure they are really opposite actions or ones that have no common ground. Examples:

Move to the Tech Center in Warren vs. Stay in Pontiac. (Move/Do Not Move)

Stay with Arena as our Simulation Language vs. Change to Simul8.

Example Conflicts?:

Identify the Need



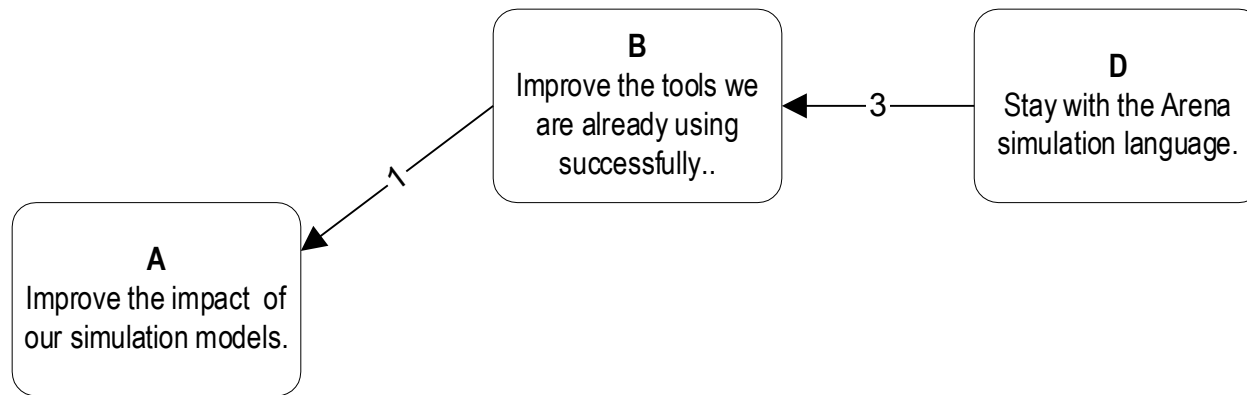
Now we examine the need this is fulfilled by the action that will allow us to reach the common objective.

You fill out this section by reading it in a particular way.

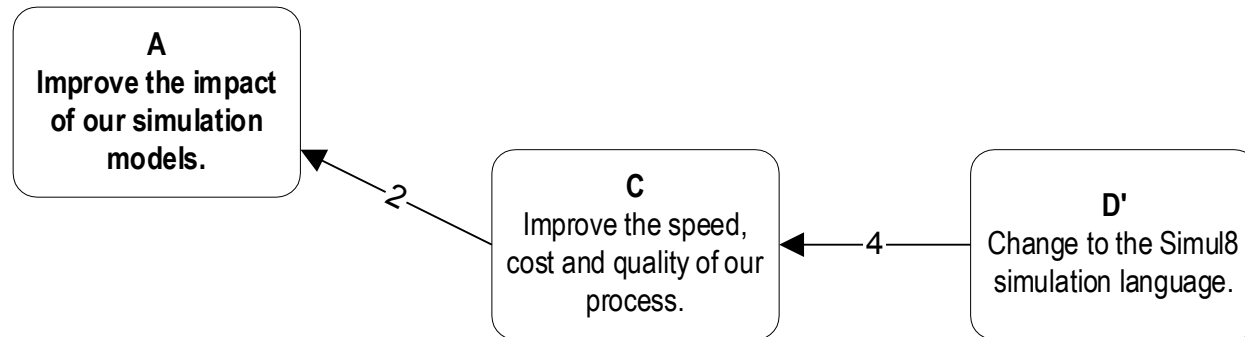
“In order to ‘Reach our Common Objective’ we must ‘fulfill this need.’ In order to ‘fulfill this need’ we must ‘Take this action.’

Do the ‘other’ group’s leg of the cloud first, and strive for understanding. Seeing the other side’s logic is VERY difficult for most of us, and we tend to not try and comprehend the other side’s point of view. A critical management skill, however.

Example



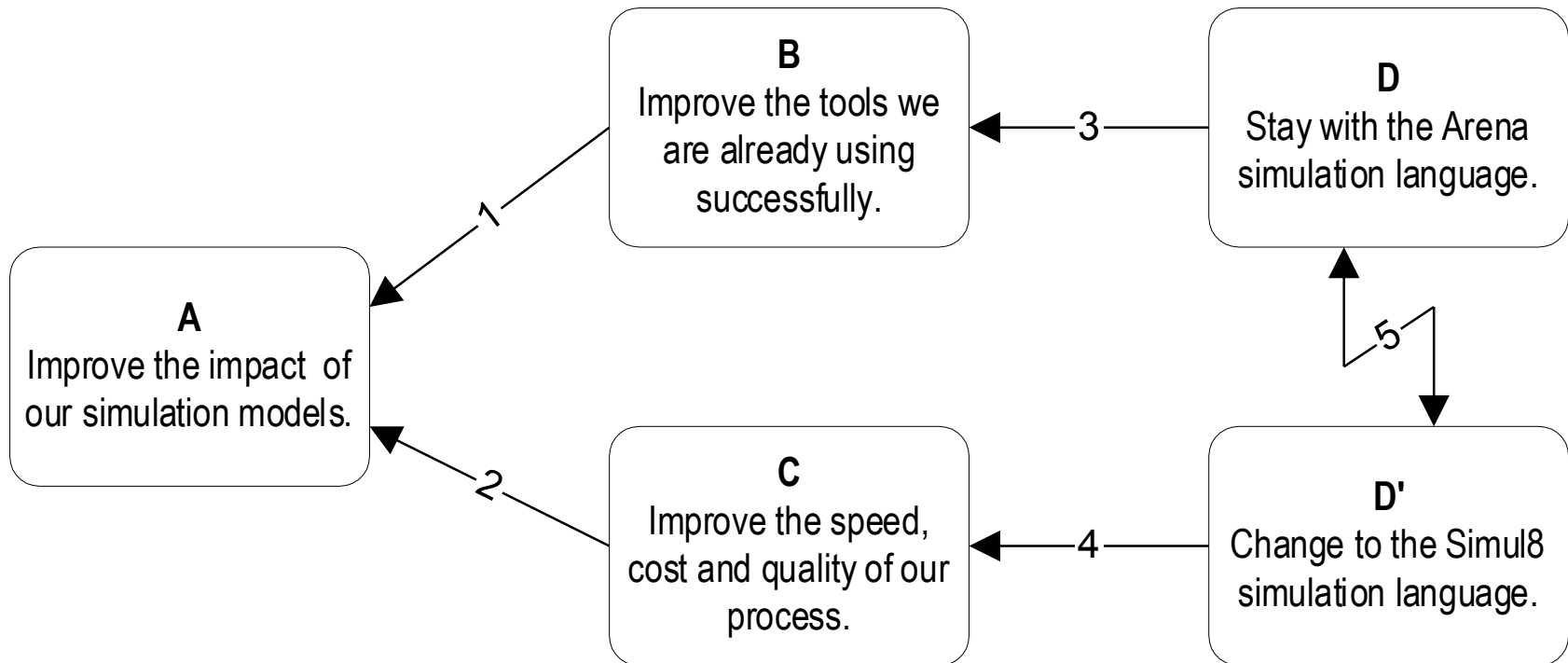
“In order to do ‘Improve the impact of our simulation models’ I must ‘improve the tools we are already using successfully.’ In order to ‘improve the tools we are already using successfully’ I must ‘stay with the Arena simulation language.’



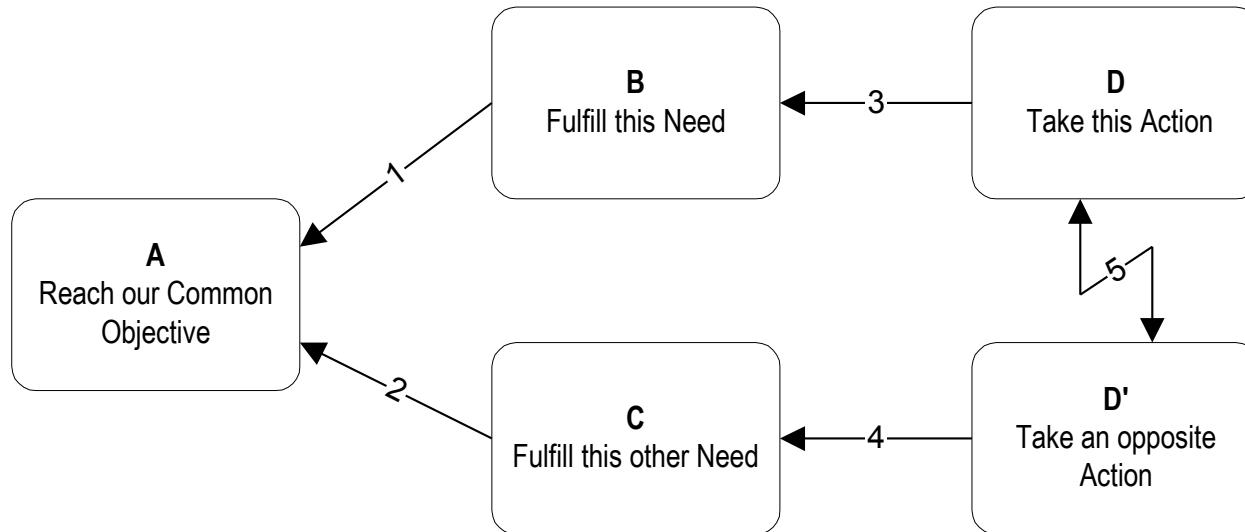
The other leg of the cloud has the same format as you fill in the need for the opposite action. Our example:

“In order to do ‘Improve the impact of our simulation models’ I must ‘improve the speed, cost, and quality of our process.’ In order to ‘improve the speed, cost, and quality of our process’ I must ‘Change to the Simul8 simulation language.’

Basic Cloud Example

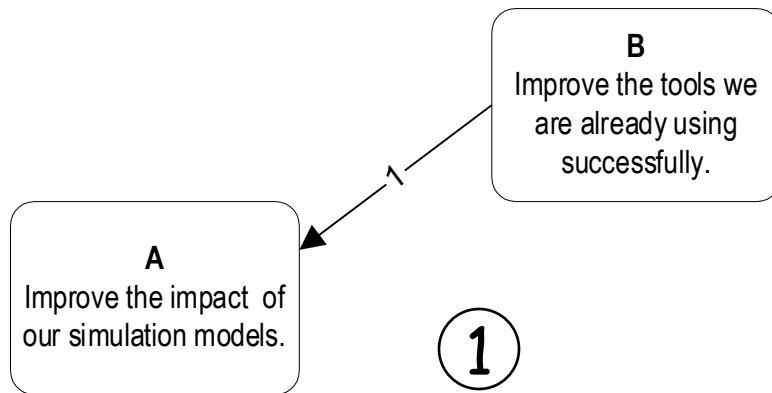


We are just documenting at this point - not challenging what either side has said or believes. The facilitator should check that each side should agree with their “leg” of the cloud.



The cloud process so far has either dispelled the conflict through basic logic, or has generated a cloud that may look impossible to “break.” To do this, we must examine the assumptions that support our logic. The numbered arrows represent how we’ll group our assumptions.

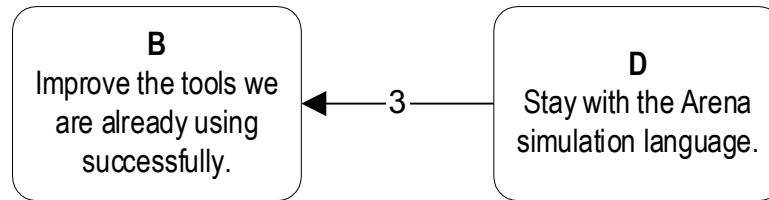
Assumption Example



“In order to do ‘Improve the impact of our simulation models’ I must ‘improve the tools we are already using successfully.’ because....

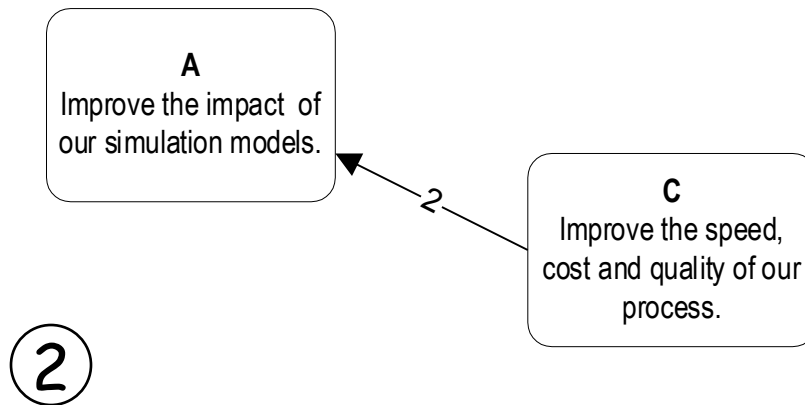
- ①
- We don't have the time or money to learn a new language.
 - Our existing process is satisfying our customers needs.
 - The organization will not want us to change our tools.

Filter only for logic, not content.

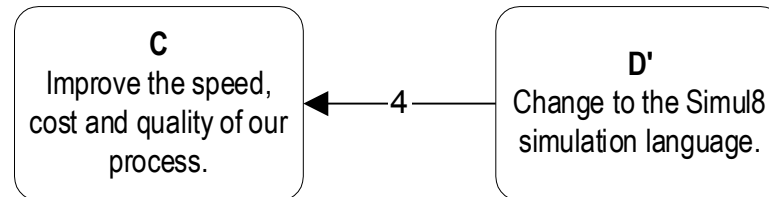


In order to 'improve the tools we are already using successfully' I must 'stay with the Arena simulation language,' because....

- ③ • Arena is the current simulation language we are using in Car & Truck.



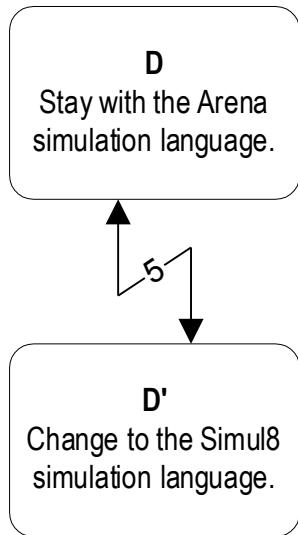
- Improving speed means we can take on more work in the future.
- We should use whatever language gets us the results we need at the lowest overall cost.
- We need to make sure we don't publish any errors in our reports.



④

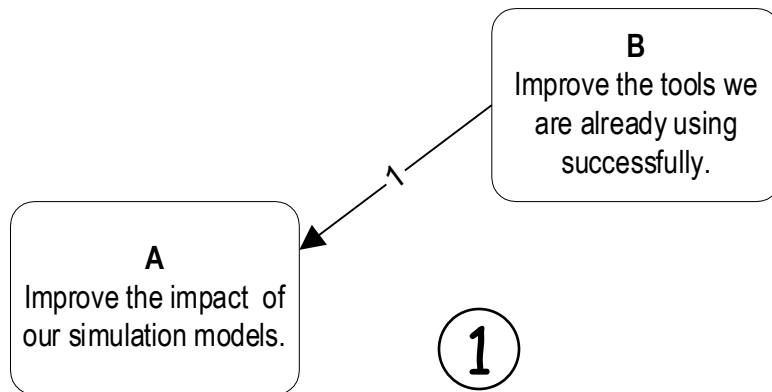
- Simul8 is much cheaper both to buy and maintain.
- We have to change much of what we do to improve the quality of our results by automatically syncing to Visio.
- Simul8 is a faster language to run, according to our benchmarks.

⑤



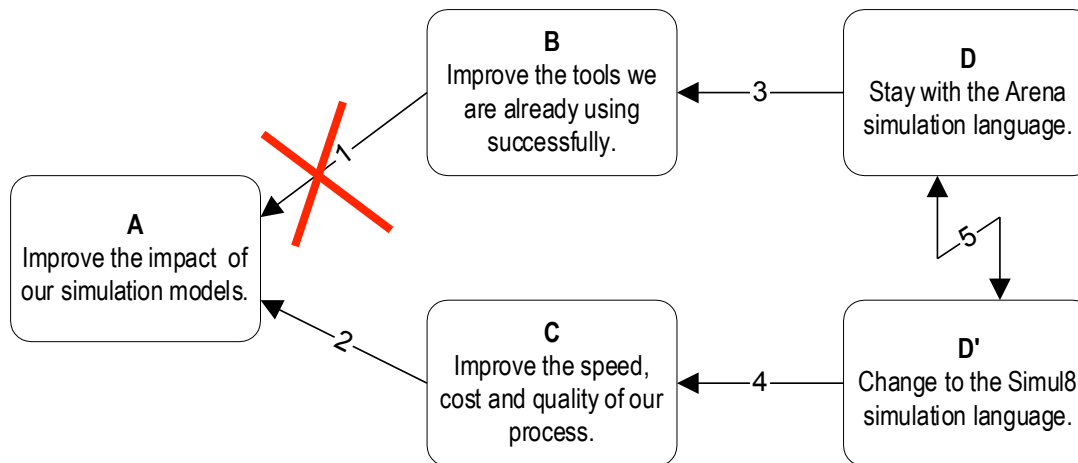
- The “5” assumptions check to make sure they are really opposites or lack common ground. In this case, ‘Stay with the Arena simulation language’ is the opposite of Change to the Simul8 simulation language,’ since ‘staying’ is the opposite of ‘changing.’ You may reword this to ‘Stay with Arena’ vs. ‘Do not stay with Arena’ if it adds to clarity.

- Conflict resolution at this point often comes from understanding the assumptions. As one might surmise, it's the successful challenging of the assumptions that resolves the conflict. This is due to:
 - Lack of communication (usually the biggest reason).
 - Lack of or misunderstand data
 - Lack of understanding of the real issues the other “side” faces
 - Logical “errors” - the reasoning doesn't actually make sense when you put it into this format.
 - The assumptions are not sufficient for the desired result
 - Etc.



For our simple simulation example, we looked at these assumptions in detail for the link “In order to do ‘Improve the impact of our simulation models’ I must ‘improve the tools we are already using successfully.’ because....

- We don't have the time or money to learn a new language.
 - We can phase in the changes over a year with existing resources.
- Our existing process is satisfying our customers needs.
 - The quality problem we know is out there hasn't caused a problem with customers, yet, but we can't successfully recreate models from our documentation.
- The organization will not want us to change our tools.
 - The organization is not that concerned, as long as it has a business case and does not impact their operations.



This change at General Motors was accomplished without notice by the customer, and both the lead time and the quality of the simulation process improved. This could not have been accomplished without the full support of the simulation engineers.

- The clarity that comes from cloud drawing and assumptions checking often solves the problem.
- The party that has their side broken often is still unhappy, but at least they understand the logic. They may come back to clarify their assumptions, which is ok.
- Process focuses on facts and track record, not what we hope to have happen some day.

- The very nature of a Paradigm Shift means that conflict will occur.
- Change agents must understand and overcome these conflicts if they are to succeed.
- Clouds are an excellent method to lay out the logic of a conflict and to reveal the assumptions behind that logic.
- Once all the assumptions are understood, the process of challenging those assumptions can begin.
- Effectively examining these assumptions leads to conflict resolution.