



## CHAPTER SEVEN

### **NOW WHAT?**

**Y**ou have learned about the Improvement Paradigm, the Abyss, and the performance improvement specialties. Now what? How do you put this information to work? This is the perfect time to remember Axioms #4 and #7; “Action breeds action” and “Be the change you want to see in the world.”

The beauty of this body of knowledge we have presented is it can be put to use by anyone, anywhere for immediate benefit without an in-depth training program or company-wide initiative. This may be the most important point of the entire book. This is not a new initiative or a new methodology. It doesn't replace anything you are currently doing. It is not done in lieu of Lean or Six Sigma. The Improvement Paradigm and all that it represents can be applied anywhere regardless of what currently exists. And while it is best when the entire organization understands these ideas and embraces them, it is not required everyone completely buys into them. You can utilize this information immediately to some degree. And most of all, while it may represent a different way of thinking, try as best as possible to incorporate this information into your existing culture. Do not fight battles that are not necessary.

You will see people and situations differently. The choices you make, the goals you set, the way you react to various behaviors, the way you manage communications will become more effective simply due to your heightened awareness. As a way to get started, even today, think about projects you have been involved with, both past and present, and relate them to this body of knowledge.

## CROSSING THE CORPORATE ABYSS

1. Let's start with the past. Think of a project that has fallen victim to the Abyss.
  - a. Looking back, did the project go through both a Visionary and Exploratory Phase? Did it make it to Implementation? When did it fall into the Abyss?
  - b. Consider the people involved. In retrospect, can you see them as Visionaries, Explorers, Implementers, and Sustainers? Were the roles they played in the project aligned with their respective specialties in this regard?
  - c. Are you having some aha moments as you think through this?
2. Think of a project you are currently involved with.
  - a. Can you map the project on the Improvement Paradigm? What phase is it currently in?
  - b. Are the appropriate specialties involved in the appropriate roles?
  - c. Can you do a quick hit Abyss Analysis? Is the project at risk? What gaps do you see? Is there anything you can do to help? If yes, do it.

Now, think about yourself. What are your strengths? Are you a Visionary? Are you a Sustainer? Remember, people can wear more than one hat. Maybe you are an Explorer with Implementer tendencies. Figure out what you are so you can be of most value to the next project that comes along.

If you have the opportunity to be involved at the beginning of a performance improvement project, use this information to set it up right from the start. Be generous with your knowledge and before you know it, everyone will speak your language.

Does this guarantee success in every project? No, unfortunately not. Some people need practice. Sometimes the negative forces are just too strong. Some projects are not in the best interest of the organization and really shouldn't go forward. It does, however, greatly increase your probability of success with a promising vision.

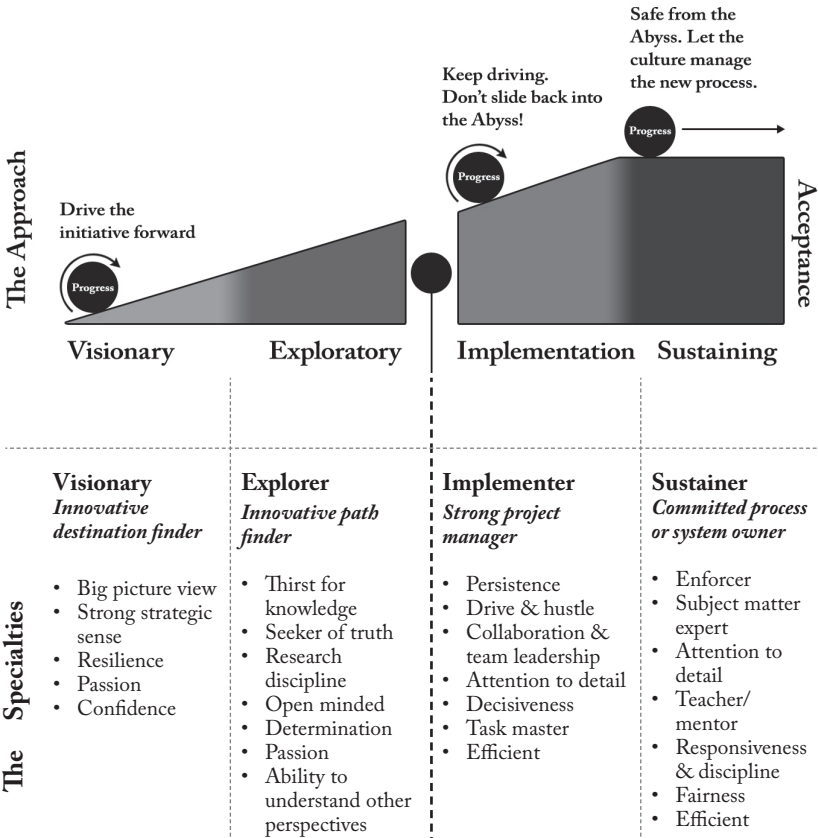
Do we believe there is value in teaching this body of knowledge to the entire organization? Absolutely! Just remember, the magic can happen from smaller beginnings as well. What's really important is that the magic happens at all.

# REFERENCE GUIDE

## The Approach, the Specialties, and the Abyss

### The Case for Structure

- *A structured approach is imperative to project success.*
- *Not all structured approaches are created equal.*
- *The wrong structure can become your greatest obstacle.*

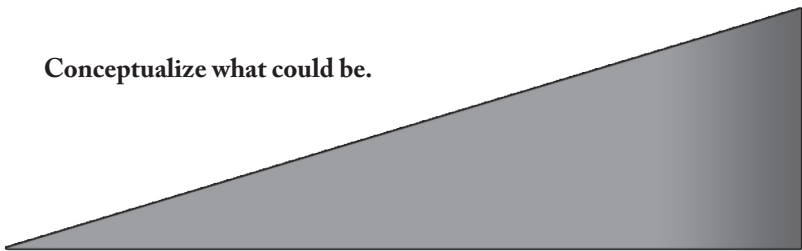


### The Abyss!

The project netherworld. The place where good ideas/initiatives go, never to be heard from again. Conquer this!

## Visionary Phase

<i>People/Specialties Involved</i>
Dominant role: <i>Visionary</i> Supporting role: <i>Explorer, Management, Stakeholders</i>



### Value Formula

Use the Value Formula to establish and articulate the value of pursuing a given vision. How will the effort benefit the ultimate success of the business?

$$S = \frac{QV}{CT} \quad \text{where} \quad \left. \begin{array}{l} S = \text{Success} \\ Q = \text{Quality} \\ V = \text{Volume of Sales} \\ C = \text{Cost} \\ T = \text{Time} \end{array} \right\} \begin{array}{l} \text{Variables} \\ \text{are subject} \\ \text{to company} \\ \text{preference} \end{array}$$

### Project Charter

This is a one-page, living document that defines the boundaries of a performance improvement initiative and should reflect, at any given time, the high level status of the effort.

## Project Charter

<b>Champion</b>	<i>Identify the person or persons who will champion this effort.</i>
<b>Sponsor:</b>	<i>Identify someone, preferably in management, who is willing to support this effort. (Note: a sponsor is not necessarily required until the end of the Exploratory Phase.)</i>

### Value/Benefit/Metrics

- State the benefit you hope to achieve. Specifically identify which factors in the Value Formula you intend to improve along with an estimated level of improvement. This will establish your initial set of metrics to be used throughout your project. Also identify the potential impact on the other factors. Ensure the net result of your effort will increase “S”.
- Define your current state, or the baseline from which you will measure your improvement. This should be defined in the same terms, or metrics, as those identified above.

### Budget

Identify as accurately as possible what the cost will be to conduct this project. As with resources, there will be many unknowns early in the project, so focus primarily on the cost to complete the next phase.

### Resources

Identify as clearly as possible the people you will require for this effort. It is common to have unknowns this early in the project, so focus primarily on what it will take to get through the next phase.

### Milestones/Dates

While you may not have a formal schedule or Gantt chart at this point, try to identify a few key steps that will demonstrate progress toward achieving value, i.e., positive impact on the success factors, and estimate dates for these steps.

## Exploratory Phase

### People/Specialties Involved

Dominant role: *Explorer, Project Manager*  
Supporting role: *Visionary, Management, Core Team, Stakeholders, Implementer, Sustainer*

**Identify issues,  
evaluate options,  
and develop plans.**



### Beginnings

Going into and throughout the Exploratory Phase, the team will face different challenges depending on whether the vision comes from a senior manager (top down) or from someone in the trenches (bottom up). Neither guarantees safety from the Abyss and the Exploratory Phase must be given due diligence in both cases.

### Goals

- Profound understanding of the source problem or inefficiency and the impact it is having on the business (use the Value Formula).
- An elegant solution that will contribute to the success of the business (again, use the Value Formula).
- A comprehensive Abyss analysis.
- A clear and detailed project plan to implement and sustain the solution.
- An accurate estimate of the resources and funding required to execute the plan.

### ***Abyss Analysis***

This is the performance improvement version of a project risk analysis. Use this to identify all of the things that could prevent you from crossing the Abyss or cause you to fall back into it from the Implementation Phase. The robustness of this analysis will correlate directly to the team's ability to conquer the Abyss. A quick hit starter list of areas to think about is shown below:

- Conflicting voices
- Accountabilities
- Flexibility of Visionary
- Management and stakeholder support of the Exploratory process
- Risk of premature shutdown
- Obsolescence of existing system or process?
- Root issue not fully understood
- Lack of honesty among stakeholders?
- Competing initiatives
- Barriers to implementation
- Is the value real?

## CROSSING THE CORPORATE ABYSS

### Star Chart

The Star Chart is a great tool to ensure alignment and coordination of initiatives, thereby protecting the organization from issues associated with competing initiatives.

**Vision:** Defined in terms of the business drivers in the Value Formula.



**Strategy:** Identify specific initiatives that will drive you towards your vision. These must be directly linked to the business drivers.



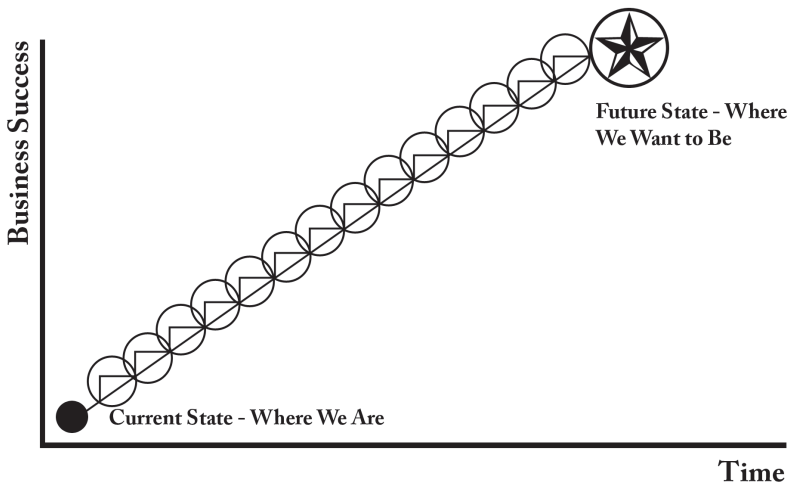
**Objective:** Define tangible milestones that will ensure you follow your strategy and maintain alignment with your business drivers.



**Task:** List specific actions for your team to ensure you meet your objectives.



### The Star Chart



## REFERENCE GUIDE

### Project Charter

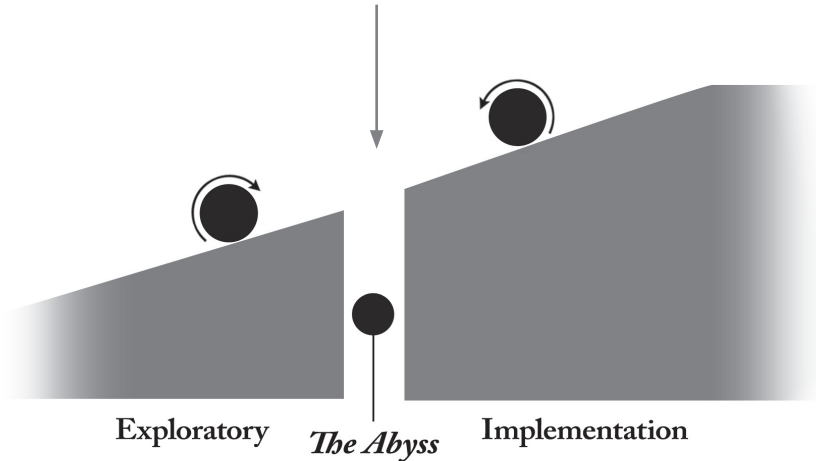
The Project Charter should be updated in preparation to crossing the Abyss and entering the Implementation Phase. This should now include clear values for metrics that will be used to measure success.

<b>Project Charter</b>	
<b>Project Manager:</b>	<i>This may be the same person that was identified as the Champion in the previous phase, but this is now a formally assigned responsibility.</i>
<b>Sponsor:</b>	<i>A person in management who is accountable for this effort and who is committed to supporting the team.</i>
<b>Objective/Metrics</b> <ol style="list-style-type: none"><li>1. Briefly state the intended impact on the factors in the Value Formula as this will always serve as the foundation of the project.</li><li>2. Add specific, measurable objectives you expect to achieve in the Implementation Phase.</li><li>3. Identify specific values for each of the metrics listed in the previous Project Charter. You may even want to add new metrics at this point. Be sure that the desired improvement is clearly defined and measurable.</li></ol>	<b>Budget</b> Define and document a budget and include a detailed spend plan.
<b>Resources</b> Unknowns should be minimal at this time. Define a specific team as well as any other resources that may be required for support. If the appropriate resources are not available, identify this gap along with the potential consequences of not having the desired resource.	<b>Milestones/Dates</b> A detailed schedule is essential at this point. We prefer a standard Gantt chart, but any method is acceptable provided it has sufficient detail to manage the project and track the status.

## CROSSING THE CORPORATE ABYSS

### The Abyss

Remember, the initiative can fall into the Abyss from both the Exploratory and Implementation Phases.



#### *Typical Behaviors*

- Supporters want to drive the project. Naysayers want to stop it. Neither have sufficient data so both rely on emotion.
- Management is afraid of the project. Want to support good idea but are distracted by the naysayers. Looking for way to help but want to avoid later accountability if it fails.
- Becomes heavily political. Upper management for the first time starts to realize they need to provide funding and resources.
- Anxieties drive people to seek more data, look at other alternatives, look for leaner approach. In general, either prove it is nearly perfect or stop doing it. But they will not try to kill it. That will happen naturally as a result of their anxieties.
- Even champion and team can lose confidence. They see other initiatives with more support (at least it appears so), wonder why this one is not being accepted, afraid of making career-limiting moves. They won't kill it, but often find it easier and more acceptable to let it die.

## REFERENCE GUIDE

### *Things that Change at this Point about the Project*

- It typically requires significant levels of funding.
- It typically requires resources.
- It becomes highly visible to everyone, making not only the team but the management involved apprehensive at best and anxiety ridden at worst.
- It becomes real, actually impacting the business. The value may not be easily measurable yet, but the funds being requested for implementation are visible to everyone.
- It can, and often does, compete with other projects that may be considered higher value.
- In effect, the accountabilities can be extremely frightening.

### *Escape Plan*

Escaping the Abyss will be most probable when a team finds a way to give due diligence to the Visionary and Exploratory Phases and the initiative has a champion who can be described as follows:

- Strong, committed.
- Passionate with passion that is properly directed, i.e., the reason for the passion links to the value, not to his/her emotions.
- Viewed as credible by management and peers, but mostly management.
- Willing to accept ultimate accountability (and hopefully enjoy doing so).
- Willing to forgo accolades and recognition for the success. He/she must embrace the offensive lineman mentality where the job is done without fanfare.