

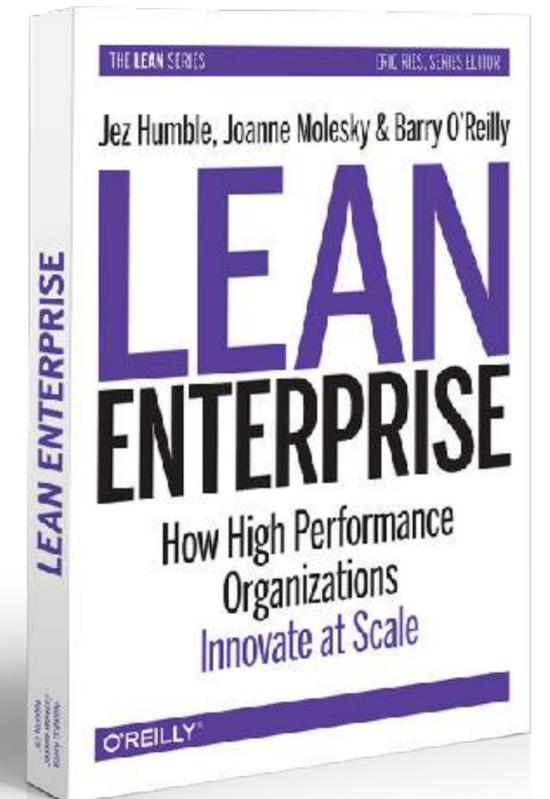


LESSONS DEPLOYING LEAN ENTERPRISE AT SCALE

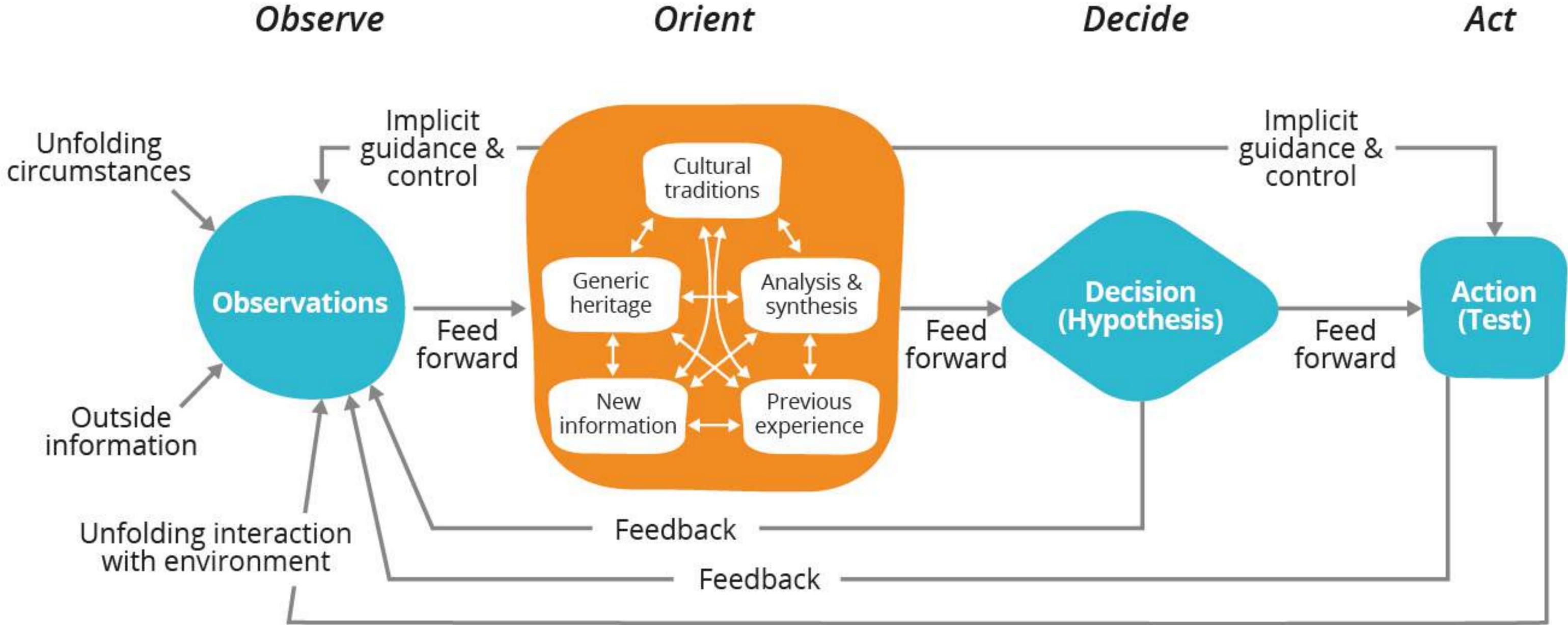
How High Performance Organizations Innovate At Scale



@baryoreilly @execcamp #leanenterprise

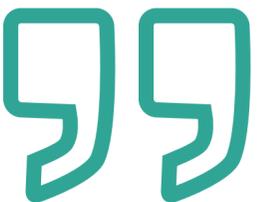


COLONEL JOHN BOYD'S OODA LOOP





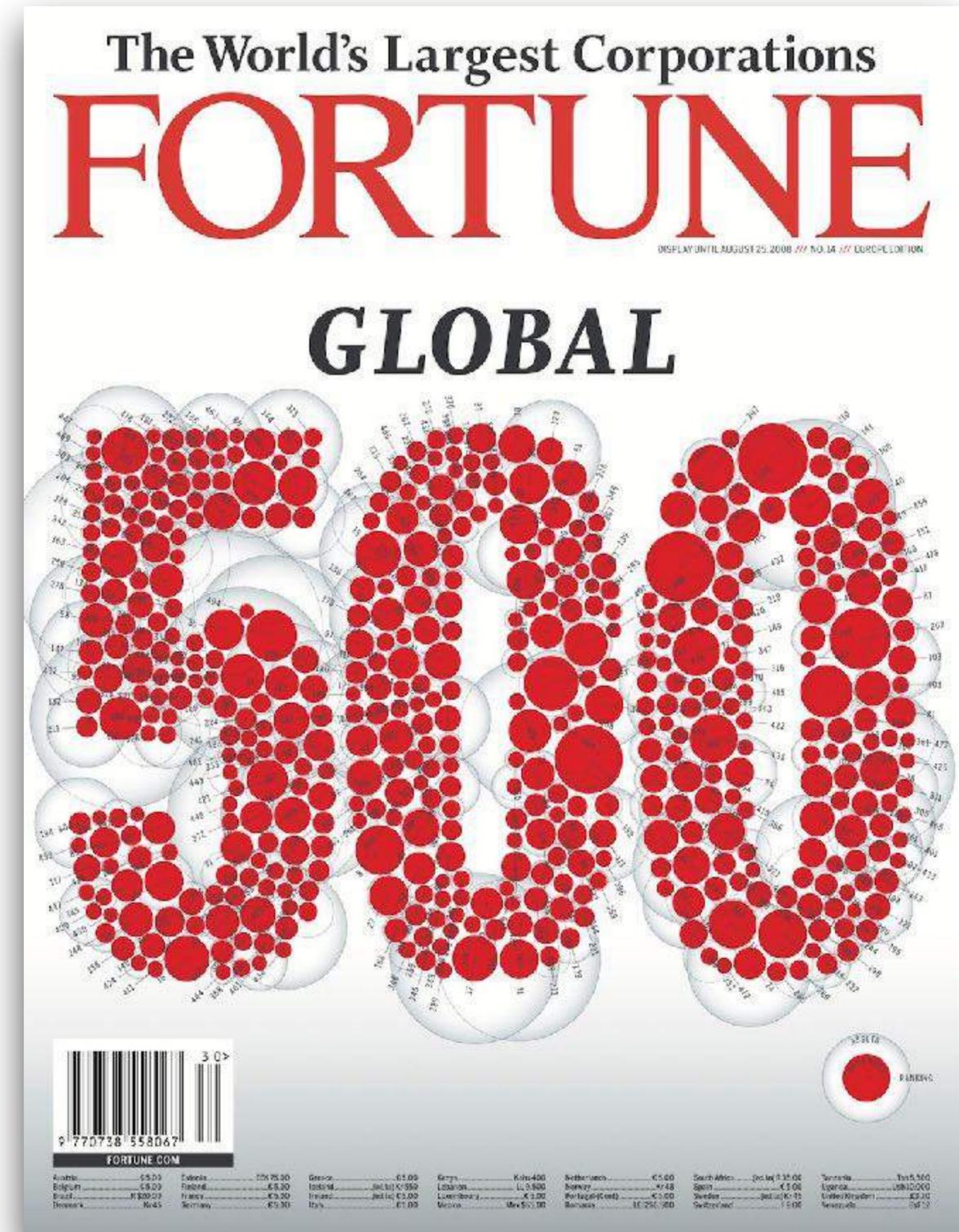
**THE PRIMARY DETERMINANT TO WINNING
DOGFIGHTS WAS OBSERVING, ORIENTING,
PLANNING AND ACTING FASTER. IN OTHER WORDS,
HOW QUICKLY ONE COULD ITERATE.**



Colonel John Boyd

CREATIVE DESTRUCTION

- **57%** of Fortune 500 in 1995 did not make the cut in 2015
- **49%** of organizations have initiatives to grow via *cost reduction*
- **29%** of organizations have initiatives to grow via *new product and services*



CMO TODAY



'Modern Family' Teams Up with National Association of ...



Former Yahoo CMO Kathy Savitt Departing STX Entertainment



Time Inc. to ...



Omnicom Health Group Buys BioPharm Communications



CMO To Media P...

OUR NEW APP WILL SAVE US!

BUSINESS | MEDIA & MARKETING | CMO

Google Tests Feature That Lets Media Companies, Marketers Publish Directly to Search Results

HBO's 'Silicon Valley' put a spotlight on the new feature this week by posting news stories to Google



Jimmy Kimmel Live on Google



Recommended Videos

1. Is Eating the Wrong Kind of Protein Killing You?

2. Humpback Whale Nearly Docks at Alaska Marina

3. Addiction Specialist Sheds Light on Prince's Death

No. Sorry. No one uses APPS anymore.

A man with white hair and glasses, wearing a dark suit, white shirt, and patterned tie, is speaking. He has his right hand raised in a gesture. The background is dark blue with the word "Inspiring" in a large, light blue, cursive font. The overall image has a blue tint.

Right now, your company has 21st century Internet enabled business processes, mid 20th century management processes, all built atop 19th century management principles.

Gary Hamel, American Management Expert

DYNAMICS OF COMPLEX ADAPTIVE SYSTEMS



MEANWHILE BACK AT BASE



How do you expect to enable high performance while individuals, functions and beliefs misaligned?

EMPLOYEE GAP

PRINT

SHARE

Gallup Daily: U.S. Employee Engagement

SUBSCRIBE TO GET THE FULL DAILY TREND.

■ % Engaged at Work



GALLUP DAILY

REAL UNEMPLOYMENT
Department of Labor (U-6)

9.7% -0.1

GALLUP GOOD JOBS
Percent of Adult Population

45.2% +0.1

ENGAGED AT WORK

32.9% -0.9

ECONOMIC CONFIDENCE

-12 -

CONSUMER SPENDING

\$78 -5

OBAMA APPROVAL

50% -

Updates daily at 1 p.m. ET; reflects one-day change.

Percentage of companies

100%

80%

80%

60%

40%

20%

0%

Companies that believe they provide a superior proposition

Companies whose customers agree

8%

"Delivery gap"

WHAT COMPANIES THINK VS. WHAT CUSTOMERS SAY

Cognitive bias impede our ability to identify knowledge gaps

Source: Bain Customer-Led Growth diagnostic questionnaire, n = 362;
Satmetrix Net Promoter database, n = 375

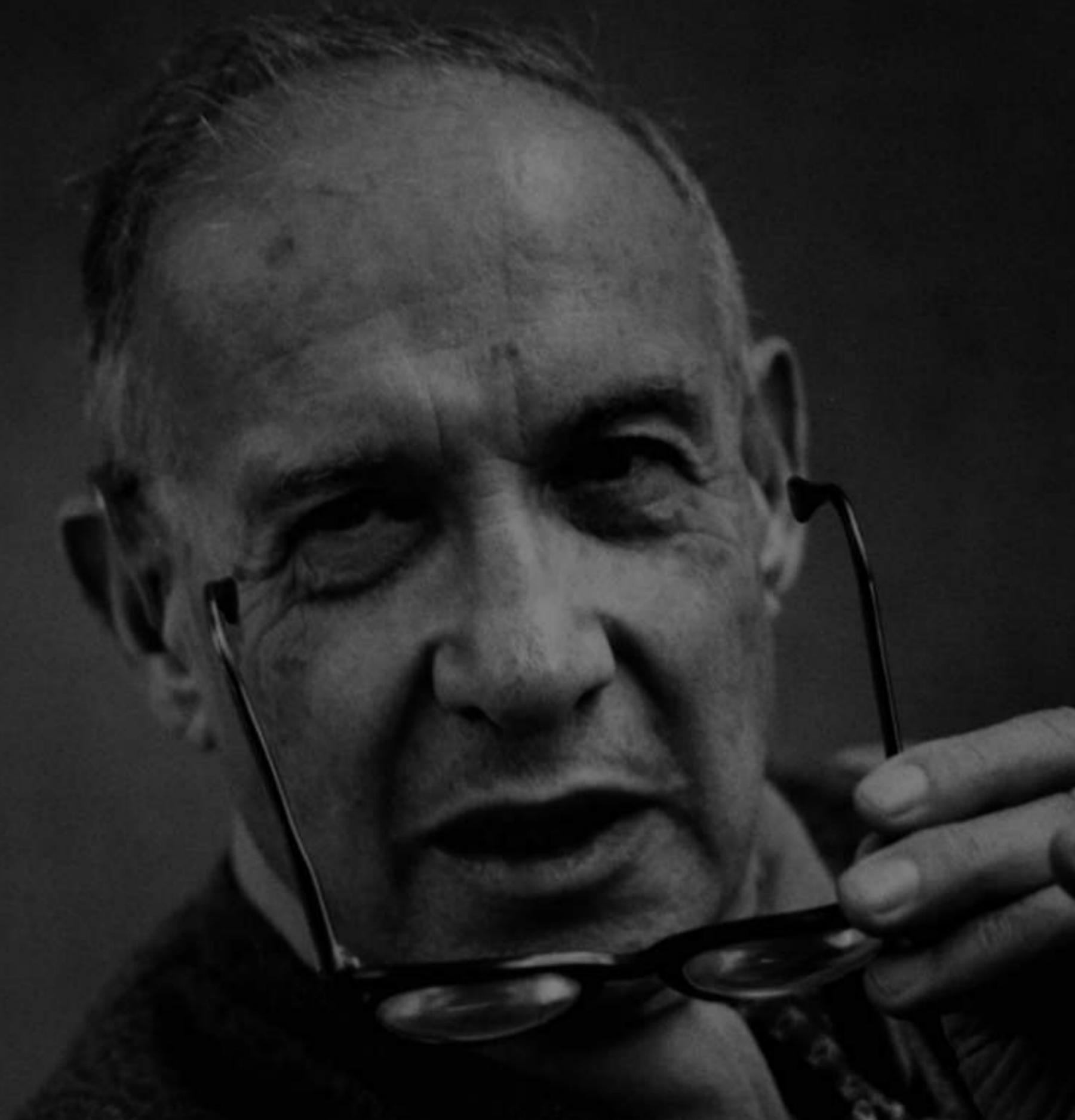
Bain and Company Closing The Delivery Gap
<http://bain.com/bainweb/pdfs/cms/hotTopics/closingdeliverygap.pdf>

USE PURPOSE TO EMPOWER

Purposeful organizations, mission-led and highly aligned at scale

**The purpose of an organization
is to enable ordinary humans
to do extraordinary things**

Peter Drucker, Management Educator, and Author



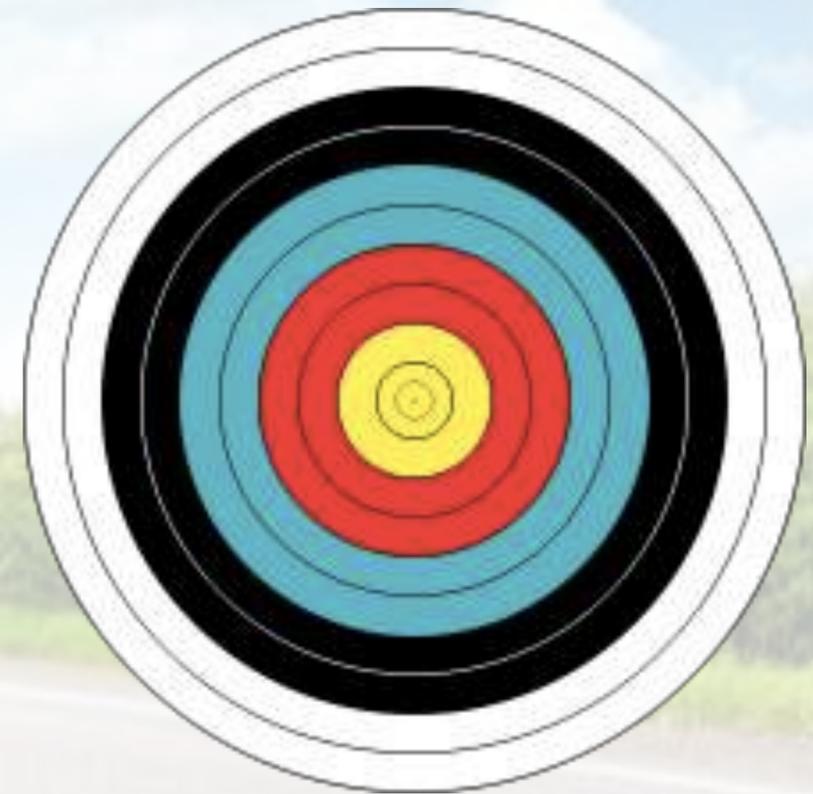
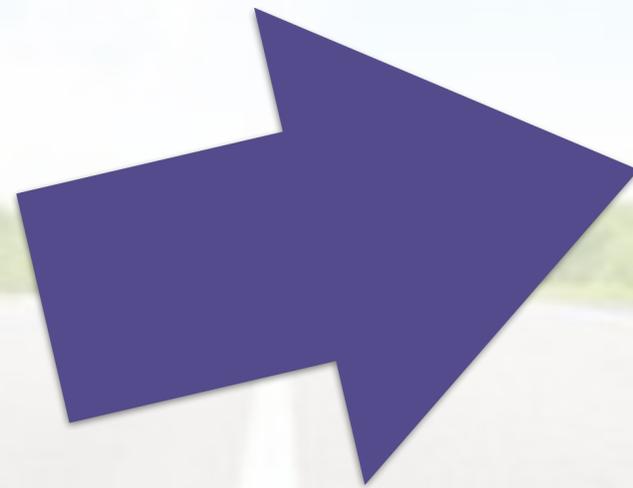
COMMAND AND CONTROL



HOW DO YOU GET ALIGNMENT AT SCALE

Principle of Mission

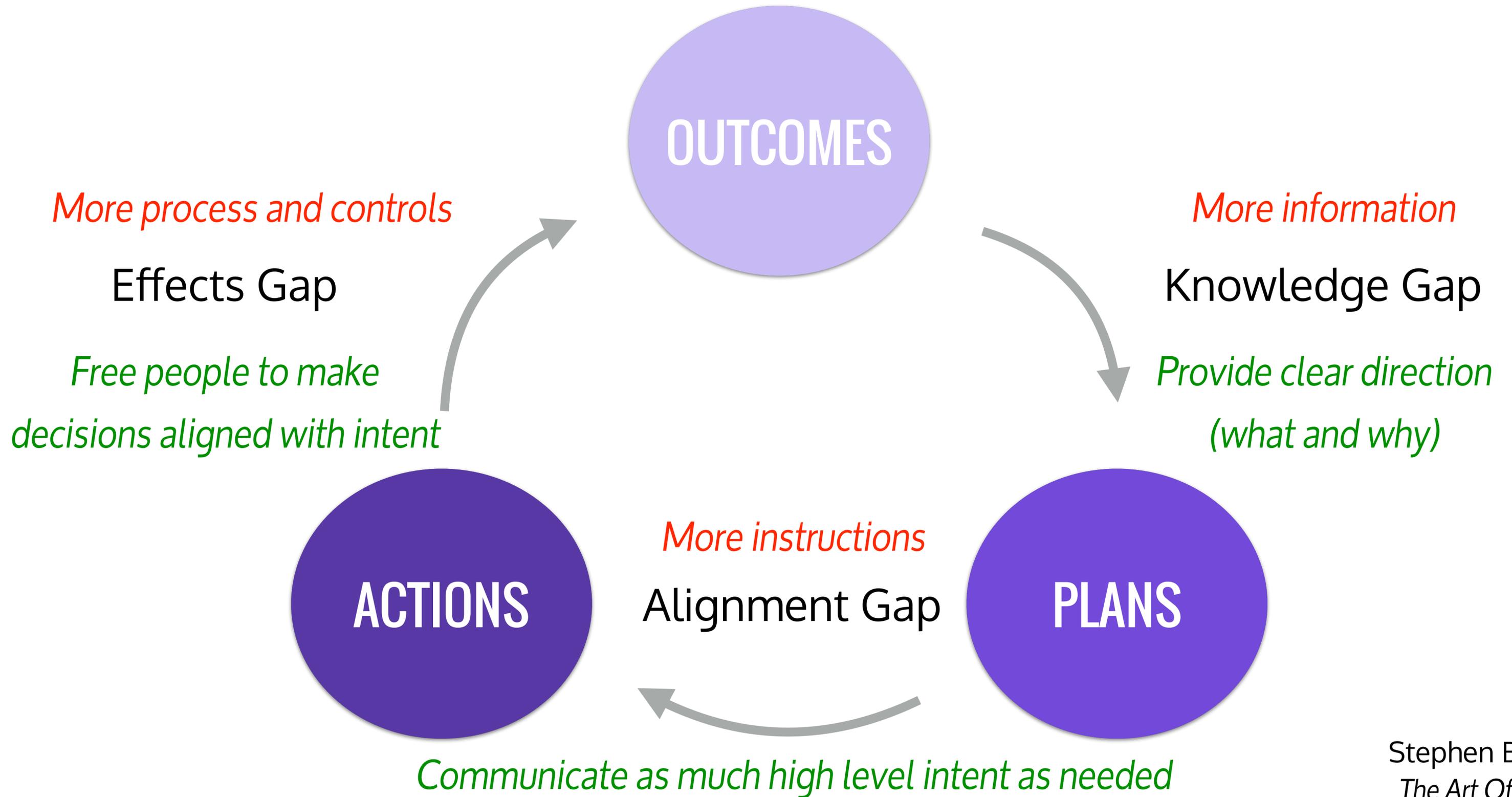
What are we aiming for?



What are we trying to achieve?

Stephen Bungay, *The Art Of Action*

MISSION COMMAND: AN ALTERNATIVE TO COMMAND AND CONTROL



TRANSFORMATIONAL TARGET CONDITIONS

WE BELIEVE THAT < *performing this experiment* >

THEN WE WILL < *achieve this outcome* >

WE WILL KNOW THIS IS TRUE WHEN < *measurable outcomes not outputs* >

TRANSFORMATIONAL TARGET CONDITIONS

WE BELIEVE THAT by leading business agility

THEN WE WILL increase adaptability and resilience

WE WILL KNOW THIS IS TRUE WHEN
CUSTOMER

- ▶ 80% of our customers agree that we have improved our quality of service
- ▶ 80% of our customers agree that we solved their issue first time
- ▶ 80% of our customers score as supporters on Net Promoter Scores

TRANSFORMATIONAL TARGET CONDITIONS

WE BELIEVE THAT by leading business agility

THEN WE WILL increase adaptability and resilience

WE WILL KNOW THIS IS TRUE WHEN

HEALTH

- ▶ 80% of our teams agree collaboration has improved
- ▶ 80% of our teams agree transparency has improved
- ▶ 80% of our teams agree they have all the tools they need to perform their work to a high standard

TRANSFORMATIONAL TARGET CONDITIONS

WE BELIEVE THAT by leading business agility

THEN WE WILL increase adaptability and resilience

WE WILL KNOW THIS IS TRUE WHEN
PERFORMANCE

- ▶ 80% of our teams can demonstrate meaningful progress for feedback in a timely manner
- ▶ 80% of our teams aim to achieve outcomes over output as a measure of progress
- ▶ 80% of a teams customers agree they have increased their effectiveness in serving their needs

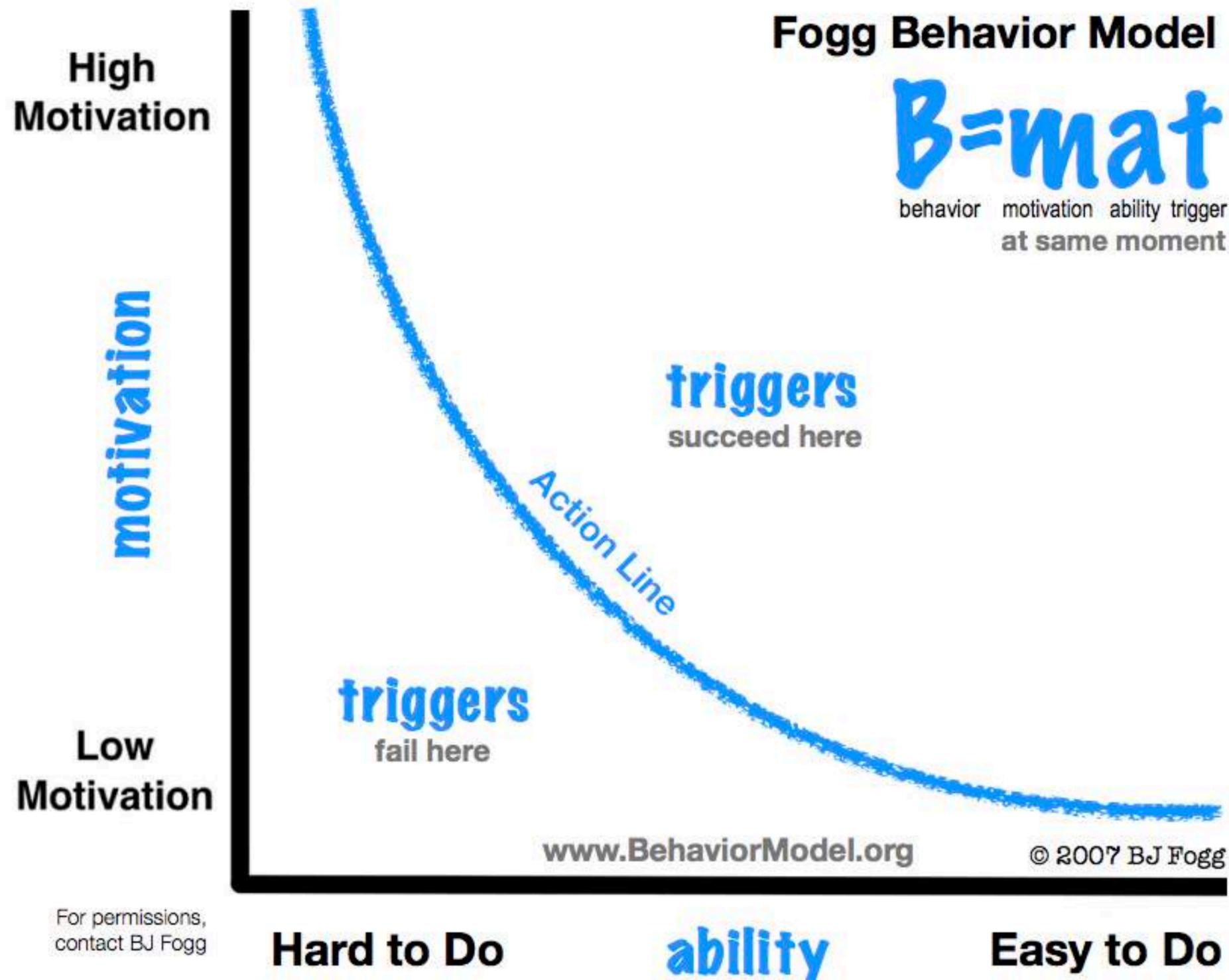
BIG CHANGE START SMALL

Make behavior design a tiny habit, easy to do and safe-to-fail

BJ FOGG BEHAVIOR DESIGN



FOGG BEHAVIOR MODEL



For permissions,
contact BJ Fogg

©2017 BJ Fogg
For permissions, contact BJ
<http://www.behaviormodel.org/>

CHECK THE TRIGGER

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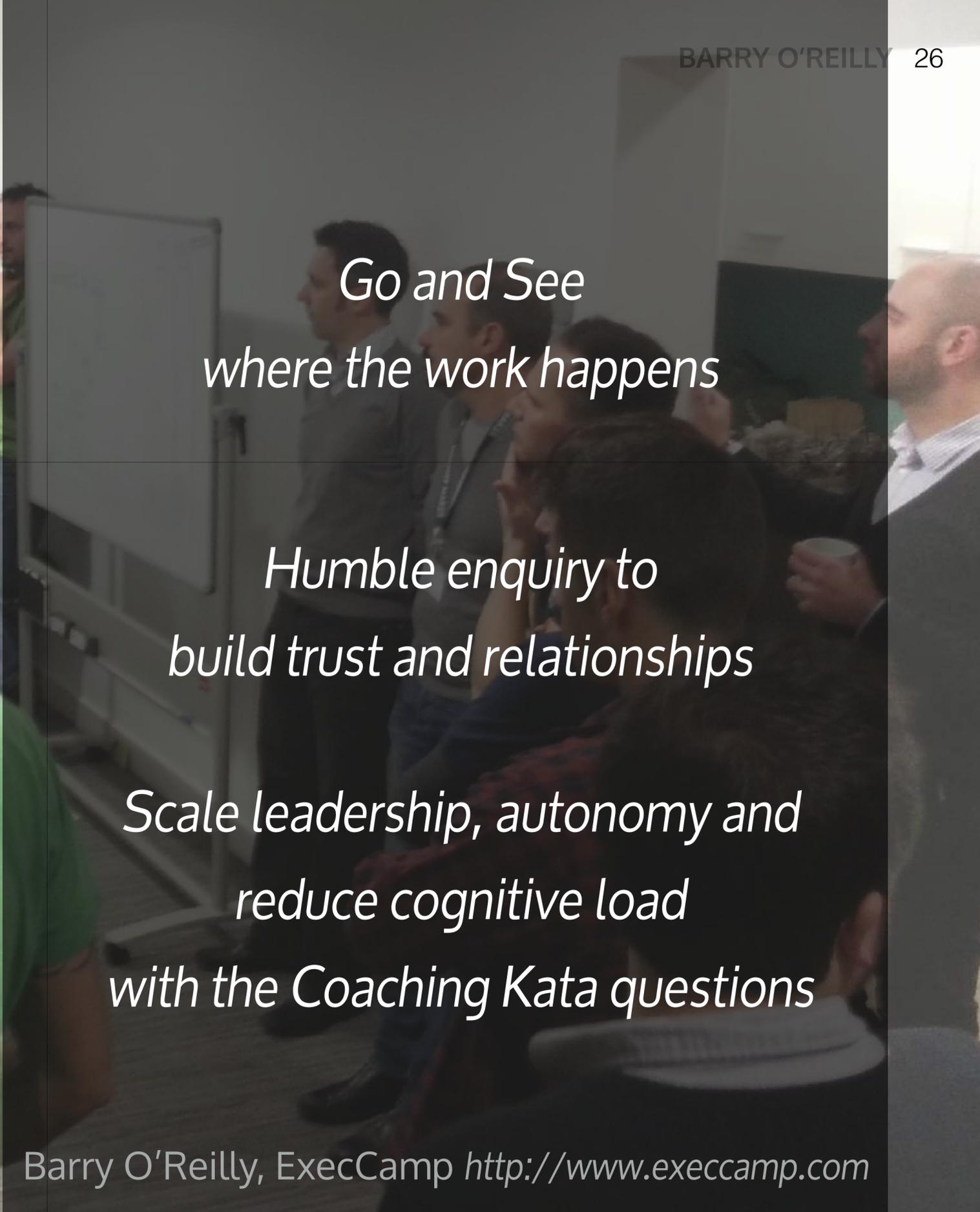
CHECK THE TRIGGER... KEEP CHECKING, AND CHECKING...

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BJ FOGG'S TINY HABITS

AFTER < *this event* >

I WILL < *take this tiny action* >

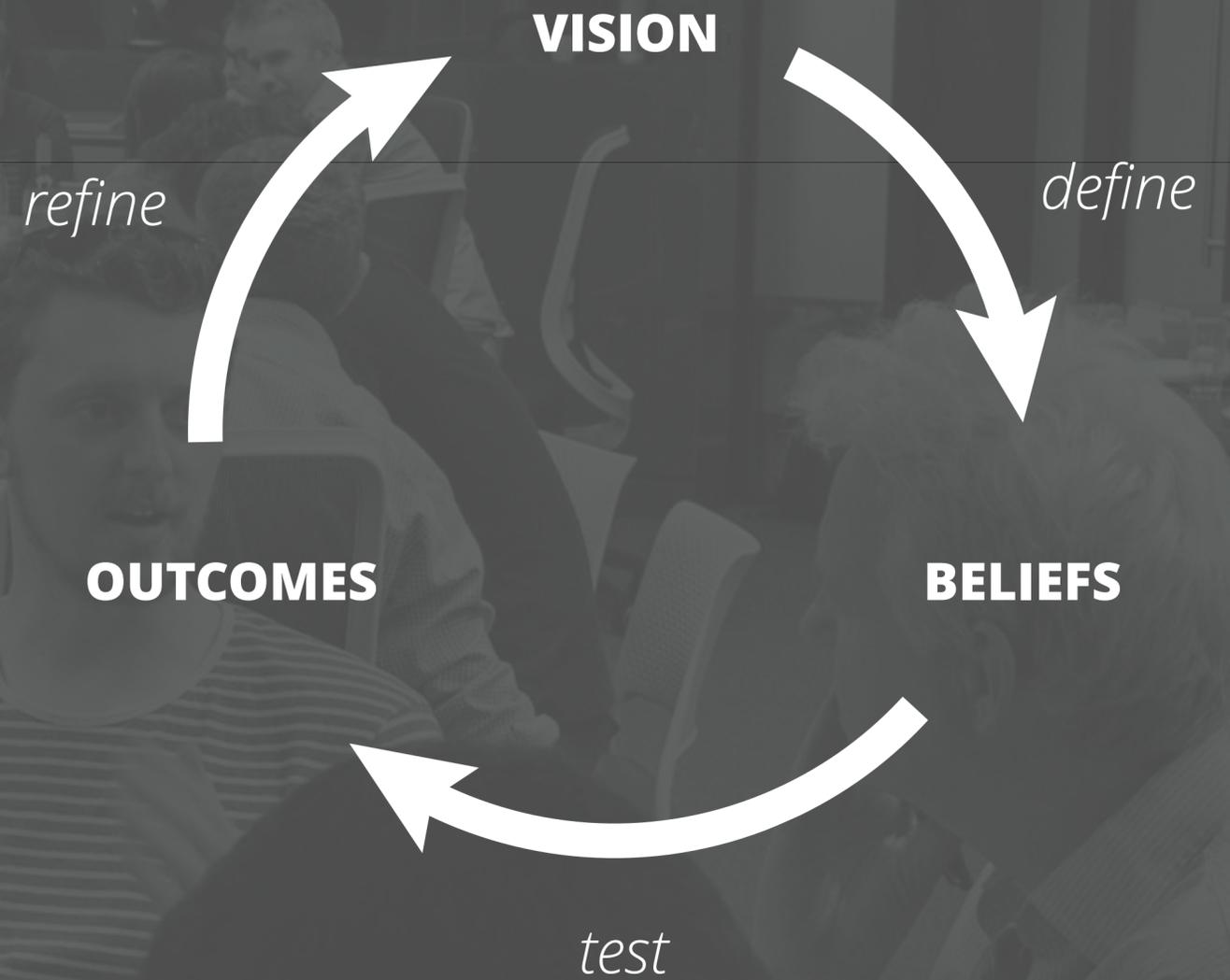


*Go and See
where the work happens*

*Humble enquiry to
build trust and relationships*

*Scale leadership, autonomy and
reduce cognitive load
with the Coaching Kata questions*

SPEAK WITH REAL CUSTOMERS



learn fast, succeed faster

*refine the vision through
validated learning*

TRANSFORM YOURSELF NOT OTHERS

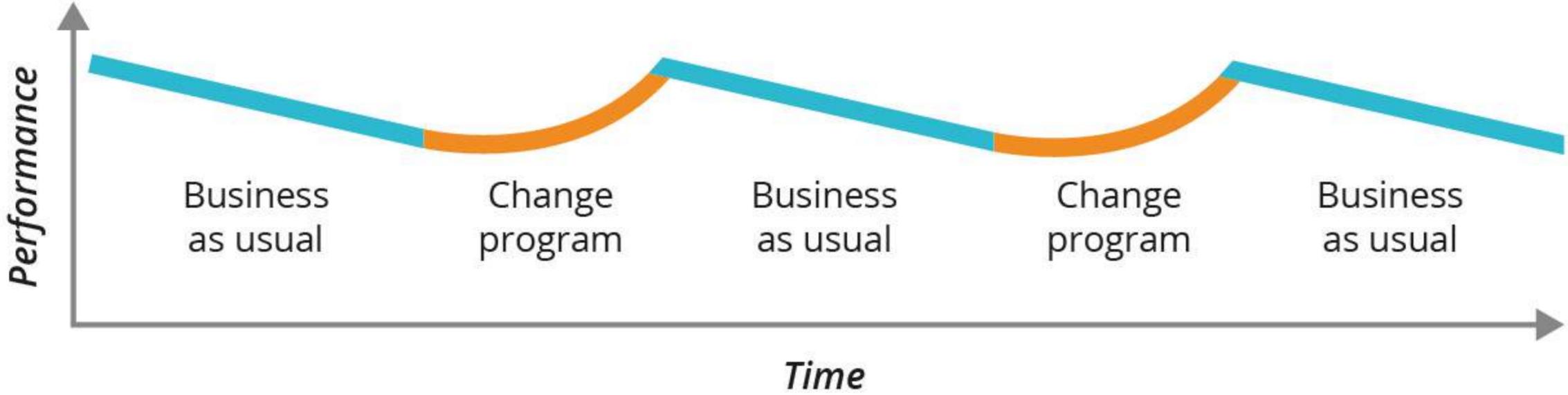
Grow a high velocity organization by creating a culture of experimentation and learning

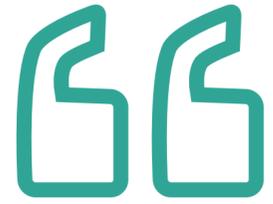
EVERY CXO BRIEFING... EVER

WE NEED TO TRANSFORM

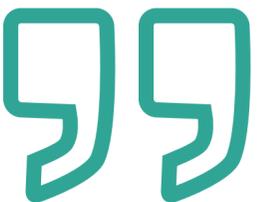
Meaning everyone else needs to transform, not the executive themselves

CHANGE THE SYSTEM OF THINKING





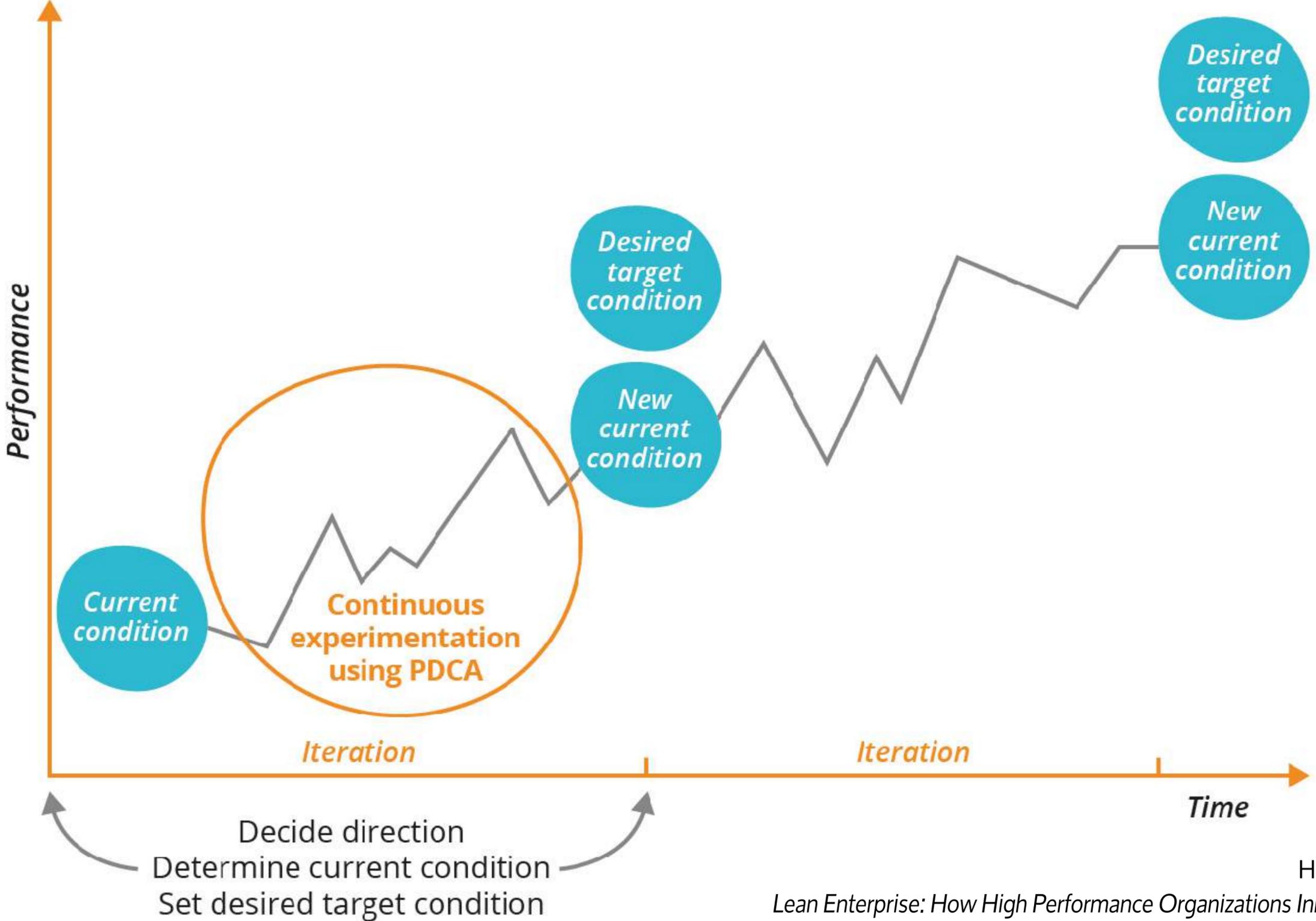
...**agility is hard**...



CEO, of a very big bank



CHANGE THE SYSTEM OF WORK





GREAT LEADERS

DON'T HAVE BETTER ANSWERS...

THEY ASK BETTER QUESTIONS 

@baryoreilly

A purple-tinted photograph of a meeting room. In the foreground, a whiteboard is visible with a hand-drawn diagram titled "GAME PLAN" showing a person and a box. The background features several whiteboards covered in sticky notes and diagrams, with people standing around them in a collaborative setting.

ExecCamp

Break The Model. Reinvent The Business

the world's **5th** *largest airline*

cargo company **\$5B** *annual revenue*

city airport with **56m** *travelers yearly*



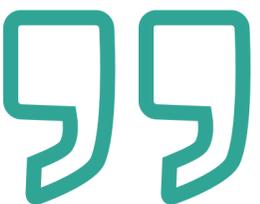
CONCLUSION



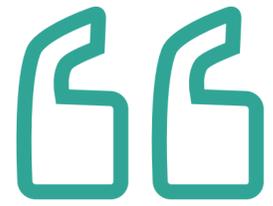
DON'T DO TRANSFORMATIONAL

CHANGE PROGRAMS...

DO CONTINUOUS TRANSFORMATION



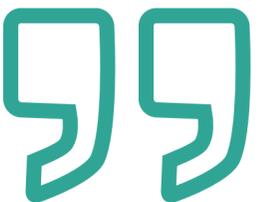
@baryoreilly



USE PURPOSE TO EMPOWER

BIG CHANGE START SMALL

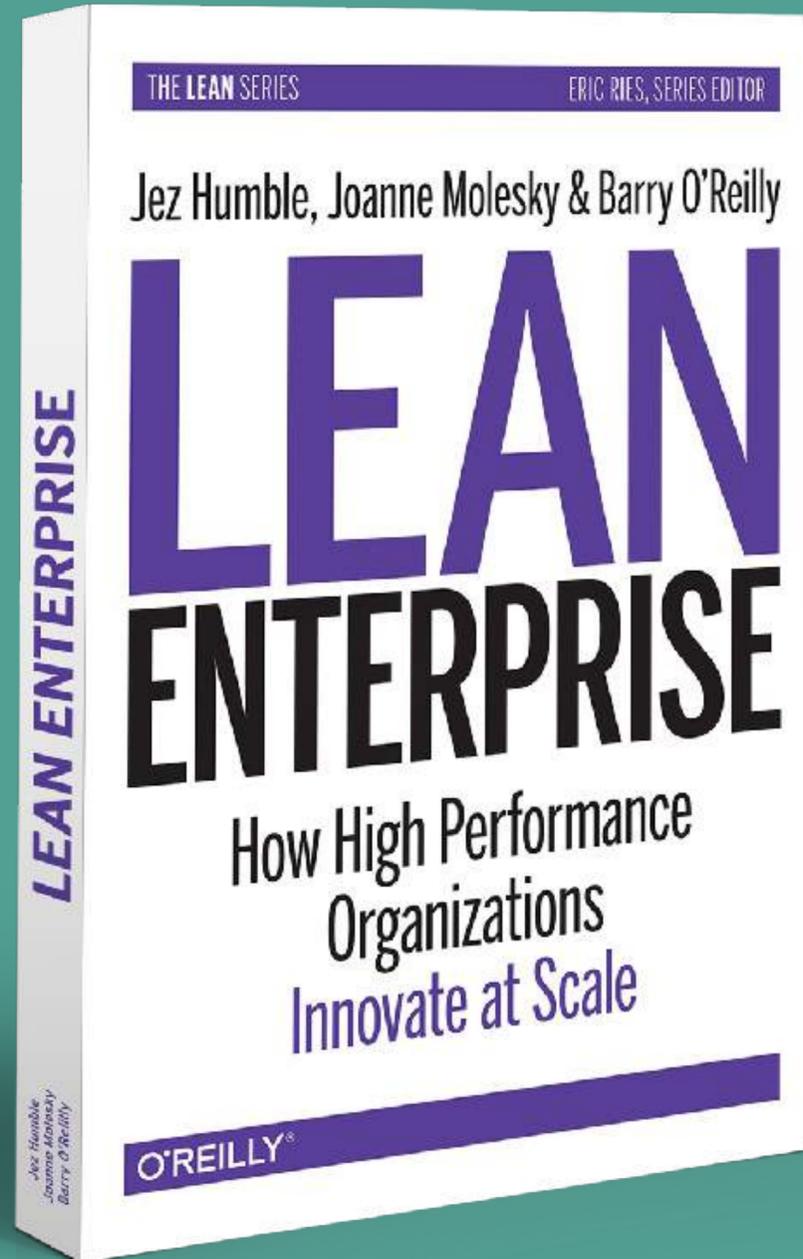
TRANSFORM YOURSELF NOT OTHERS



@barryoreilly



THANK YOU



Barry O'Reilly

Entrepreneur and Business Advisor

Author of Lean Enterprise:

How High Performance Organization Innovate At Scale

barry@barryoreilly.com

CEO and Founder, www.execcamp.com

[linkedin](#) | [twitter](#) | [blog](#)

Email info@execcamp.com for slides and 3 sample chapters of Lean Enterprise