ICMIF Advanced Management Course

Friday
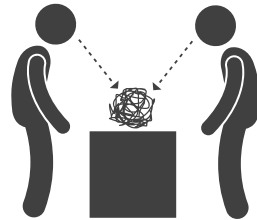## Translating Learning into Value

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Building a Purpose-driven Learning System

17. Can't Forecast Complex Systems

"Every strategy is an intervention in a complex system which inevitably delivers unintended consequences

18. We Confuse Failure With Fault

We can confuse the preventable deviation from agreed processes with the inevitable failure when innovating

19. Chimps Grow to Fear Debriefs

Chimps fear debriefs if Computer entries include prior blame for the inevitable failure from innovation

20. Resilience Has Too Clear a Cost

Resilience comes from diversity and redundancy. These carry clear costs, but uncertain and distant returns.

Lead a Portfolio of Experiments

"Think of strategy as a portfolio of experiments, rather than a single plan built on predictions of the future"

Psychologically Safe Experiments

Build psychological safety by approaching failure differently for innovative versus repetitive tasks

Lead Chimp Friendly Debriefs

Make debriefing routine, hold nameless & rankless debriefs for active participants only

Resilience Drives Eternal Renewal

To lead with an Infinite Mindset prioritize resilience in your strategy just as much as cost and efficiency

Developing a Learning Culture

	Repetitive	Innovative
Diagnosis: identify failure archetype		
The correct action is	Known	Discovered
Failures are	Preventable process deviations	Inevitable consequence of uncertainty and complexity
Common causes	Behaviour, skill and attention deficiencies	Novel factors in familiar situations; experimentation
Treatment: build psychological safety		
Re-program the Computer	The mantra "good catch" embeds that "voice" is welcome	The mantra "good learning" uncouples fear and failure
Lead the Chimp	Link vigilance to good teamwork and the higher purpose	Destigmatize failure: blame the plan and not the people
Manage the Human	Praise reporting deviations; sanction clear violations	Run small tests and measure the metrics that matter

Four Ways to Reduce Risk
When Intervening in a Complex System

For the Human

Run small tests

Measure the metrics that matter

Plan the governance for course corrections

For the Chimp

Accept all changes are speculative

The Purpose of Debriefs

Enable learning from a complex system

Unlock the root causes of success and failure

Reveal bright spots and improvement opportunities

Share lessons learned

To build a learning organisation with a learning mindset

Four Plays for Chimp-Friendly Debriefs

Start by debriefing successes

Active participants only

Nameless, rankless debriefs (leave your P-E-S-T at the door)
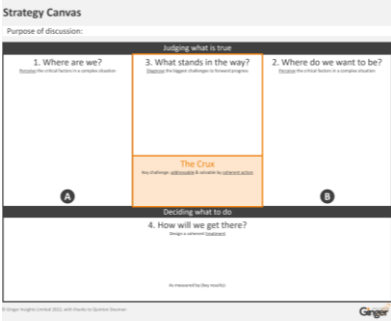
Make debriefing routine

Debrief Canvas

Action to debrief:

Reveal bright spots and improvement opportunities

1. What did we plan to do?
A

3. What did we learn?
Diagnose the root causes

2. How did we do?
B

Share lessons learned

4. How will we do better next time?

Ginger INSIGHTS

An Interlocking Framework To Build a Purpose-driven Learning System

Plan
Do the right things

Do
Do things right

Technical	Complex

If Repetitive   **If Innovative**

"Good catch"   *"Good learning"*
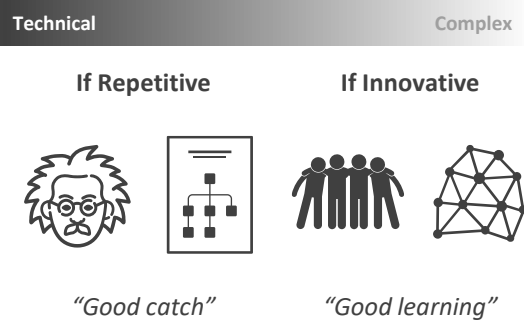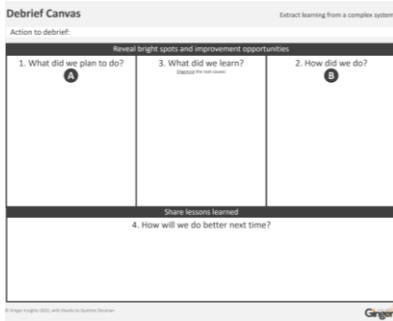
Review
Discover what works (and where)

To Build A **Purpose-Driven** Learning System And a **Resilient** Organization

For every case your approach should have **three** goals:
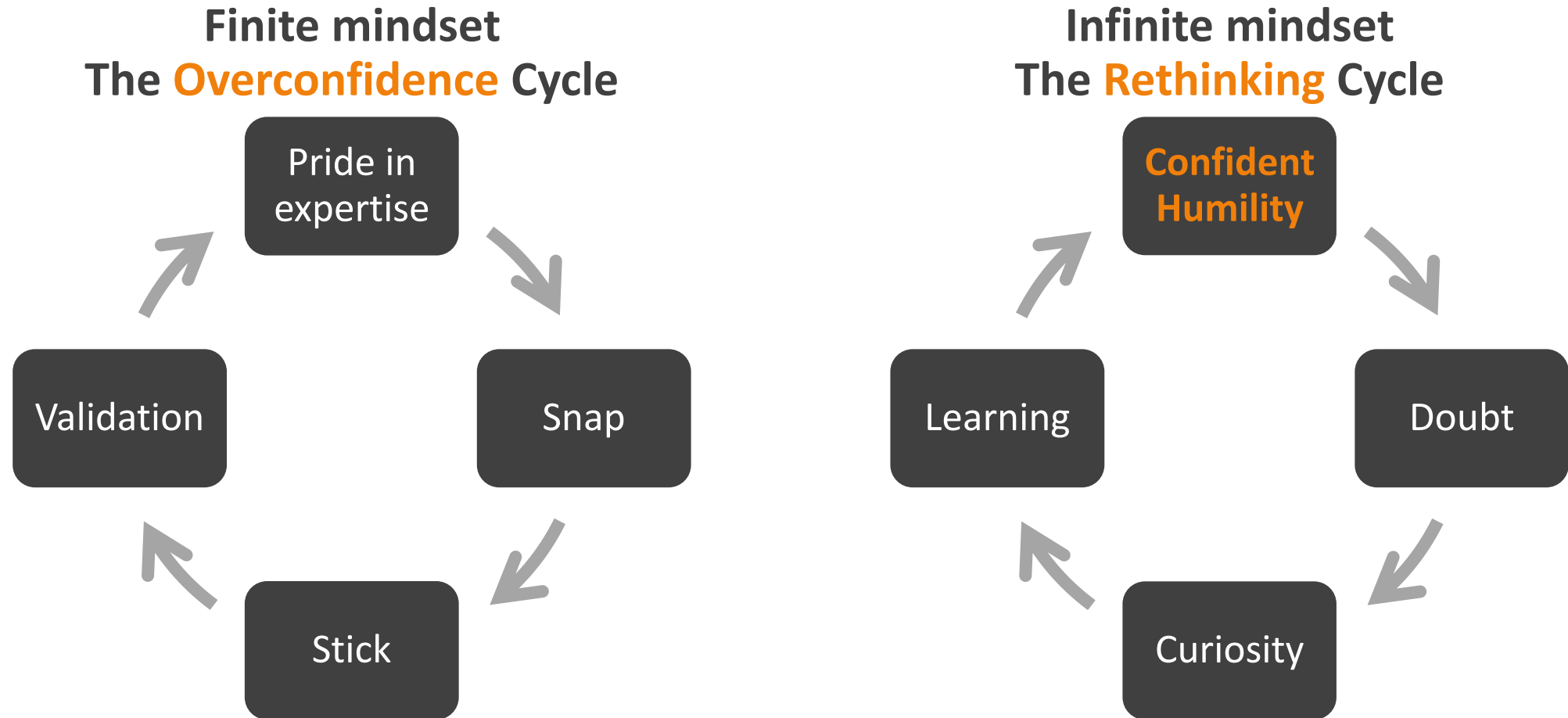   1. move you closer to your goal
   2. **train and test your machine** (i.e., your people and your design)
   3. **reinforce your purpose**

The second and third steps are more important than the first

They build a resilient organization focused on eternal renewal

Most people focus more on the first purpose, which is a big mistake

Adapted from Principles by Ray Dalio

As a Leader, Role Model Confident Humility

Finite mindset
The Overconfidence Cycle

Infinite mindset
The Rethinking Cycle

Pride in expertise

Snap

Stick

Validation

Confident Humility

Doubt

Curiosity

Learning

Adapted from: Think Again by Adam Grant

Add Resilience to Agendas
To Make Increasing Resilience a Keystone Habit

Structure Your Agendas Using the Three Box Framework

1. Manage the present
2. Selectively forget the past
3. Create the right future **and increasing resilience**

Structure Your Agendas Using the Challenge-Based Strategic Framework

1. Where are we?
2. Where do we want to be?
3. What stands in the way?
4. What's the Crux?
5. How will we get there? Including increasing resilience

Using Habit to Make Behavioural Change Easier

21. Habit Loop Drives Our Lives

Craving for tingling sensation

Habits follow a habit loop: a cue triggers a craving which triggers a routine response in pursuit of a goal

22. Habits Arise From Prior Goals
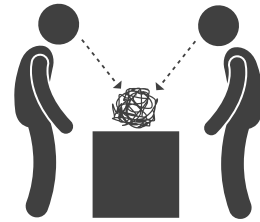
"Habits are the legacies of prior goals which were once useful, but may persist until they are unhelpful."

23. Willpower Is Not Sufficient

Change requires willpower, which is a scarce resource and typically insufficient to override existing habits

24. We Focus On Dreams Not Steps

"Winners and losers have the same goals." You don't rise to your goals' level, you fall to your systems' level."

Make it Obvious

Clearly identify the cues, routines and rewards of the current behaviour to avoid & new one you wish to adopt

Make it Attractive

Motivate your Chimp by making explicit the contrast between life before and after the change

Make it Easy

Plan: if [cue] then [desired behaviour] Stack: after [current habit] I will [new habit]. Shrink the change.

Make it Satisfying

Work with a partner. Together celebrate progress and success for your Chimp; mastery for your Human

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To Change a Habit

	Make the **current** behaviour	Make the **desired** behaviour
1. Cue	Invisible	Obvious
2. Craving	Unattractive	Attractive
3. Response	Difficult	Easy
4. Reward	Unsatisfying	Satisfying

Adapted from Atomic Habits, Clear

Make it Easy By

A. Shrinking the Change

If I aim to read before bed each night   Start by aiming to read just one page

B. Using a Habit Implementation Plan

If   Then

Cue   Desired response

C. Habit Stacking

After Current Habit   … I Will Desired Habit

Habit Canvas

Focus:

Make it **Obvious**

Current behaviours	Desired behaviours

Make it **Attractive**: How life will be better when I consistently exhibit this behaviour

For me	For "us"

Make it **Easy**: Shrink the change, use an implementation plan and use habit stacking

If	Then

Make it **Satisfying**: How I will work with my partner to maintain focus and celebrate achievement

"Stepladders isn't a formula for accomplishing dreams. It's a formula for keeping you on path.
To change behaviour focus on the day to day process, rather than the outcome."
Sean Young, Stick With It

Hands of Purpose

Purpose

Your **fist** represents the eternal **purpose**

Reprogram the Computer
to make it **easy**
to act

Drive

Your **thumb links**
the **current objective**
to the eternal **purpose**

Lead the Chimp
to provide the **motivation**
to act

Organisation

Fingers describe the
key moves required
to deliver the objective

Direct the Human
to provide the
capability and opportunity
to act

Inspired by Founders Mentality, Bain and Company