



ROAD TO TRANSFORMATION



ASSOCIATES
CONSULTANTS AND TRAINERS



Change



Let's do things
differently!



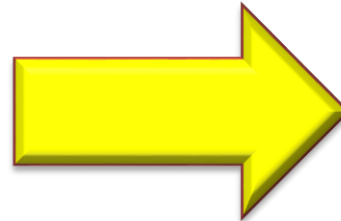
"I want you to do it the bold and innovative way to do everything exact the same way it's been done for 25 years."

- Macroeconomic pressures, technological innovation, international integration and increased competition → **more pressure for change**
- The only constant in today's business environment is "change"
- Higher pressures to reduce costs, improve quality of offerings, locate new opportunities for growth and be more productive.

Change is with us

Causes

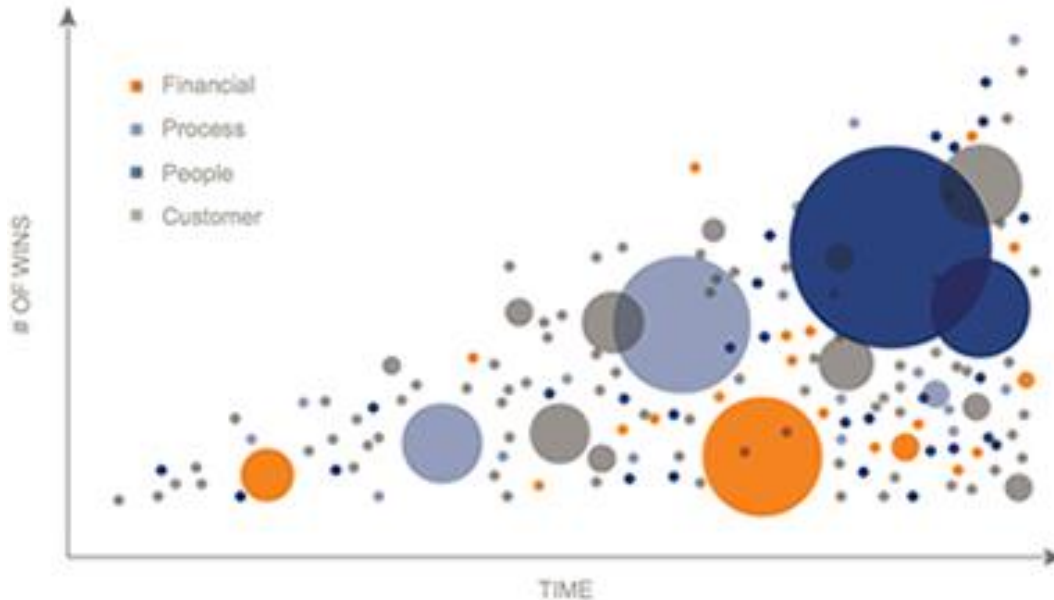
Globalisation
Lowest Country Sourcing
Increased Competition
Speed to Market
Communication
Connectivity
Innovation



Results

Reduced Cost / Outsourcing
Improved Quality and Service
New Opportunities found
New and adjacent markets
Increased Productivity
Increased and faster Innovation

Long term perspective



*“Transformation
is a process,
NOT AN EVENT.”*

Biggest accomplishments are **institutionalized** and **integrated** into daily operations (

For drastic changes, *cultural nurturing* is usually required.

8-stage process for successful long-term transformations.



“Change is the master key. A man can wear out a particular part of his mind by continually using it and tiring it, just the same way he can wear out the elbows of his jacket.”

‘Old Wisdom is not new Wisdom’

Winston Churchill
Statesman

“What is the
number one
leadership failure in
organizations of all
kinds?”

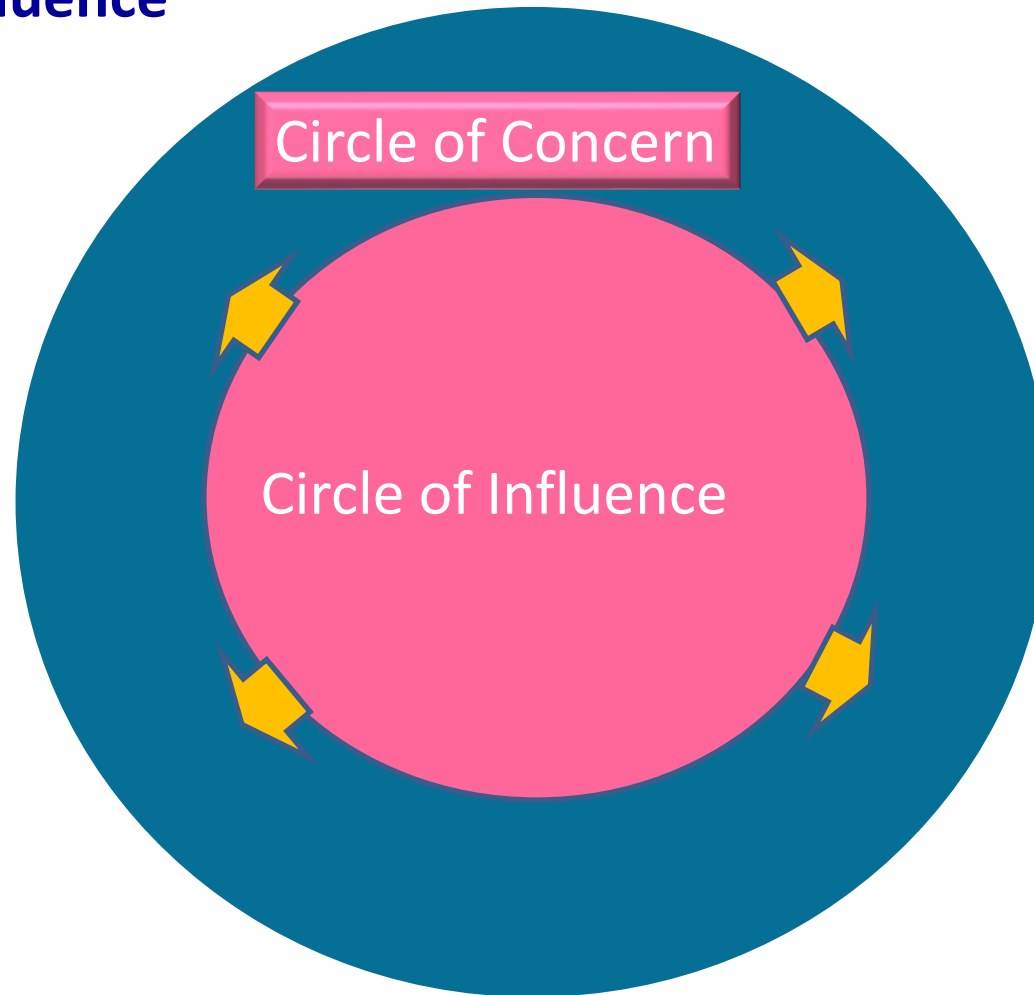


Defining

Reality

“How do I construct a vision to engender hope and motivate people to reach challenging objectives?”

The Circle of Influence



The Change
Process – the 8
principles

1. Uniqueness
2. Purpose
3. Future Back
4. Systems – Content People and Process
5. Relevant Data Gathering
6. People Ownership
7. Improvement Time Line
8. The Customer Principle

1. Uniqueness Principle

Assume initially that the problem, issue or opportunity is different. Don't copy a solution or technique from elsewhere just because the solution may appear similar.

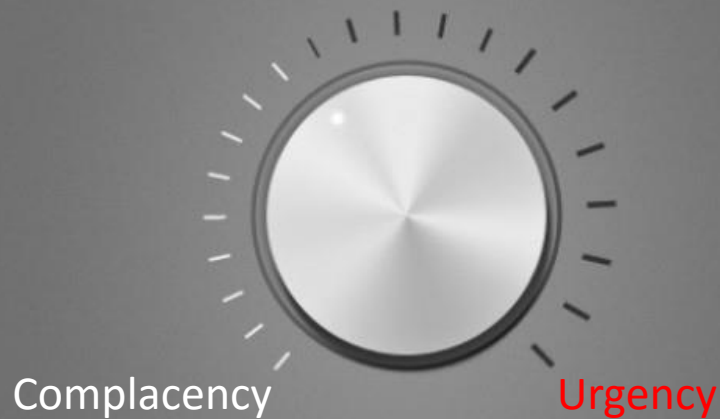
- No 2 situations are alike
- Each problem is embedded in a unique array of related problems
- Our solution will be different to another organisations (for a similar problem)
- Our objective may be very different to a similar organisations

“Discovery consists of seeing what everyone else has seen and thinking what no one else has thought”



Albert Szert Gyorgyi
Hungarian Physiologist
Nobel Winner 1937

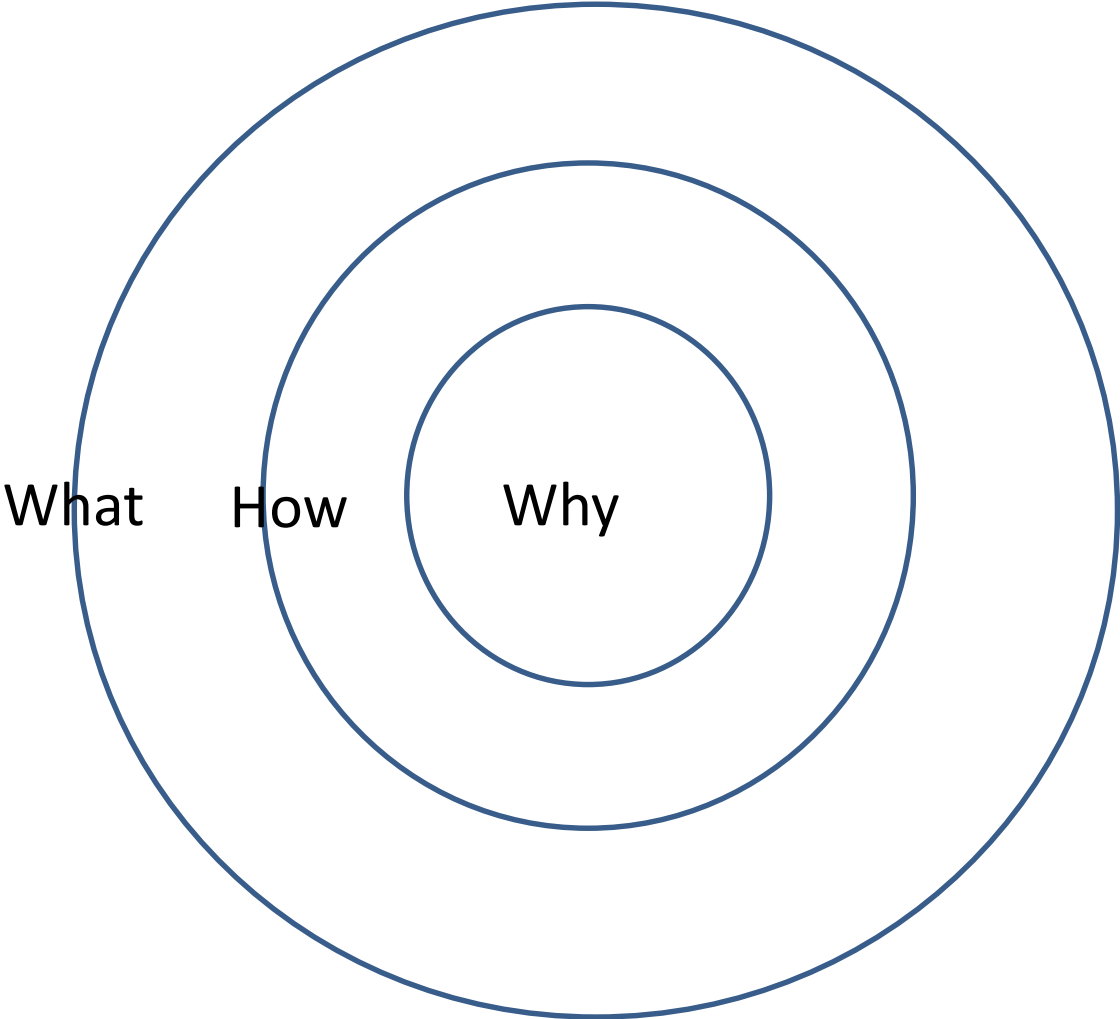
The complacency meter



Where does it sit for
your organisation?

2. Purpose / Objectives Principle

Explore and expand the objective and purpose to understand what really needs to be accomplished.



3. Future Back Principle

Think future solutions for the focus objective / purpose and work backwards. Make changes today for the future you want.

Future Back

Roadmap – Our Imagined Future

Radical shift of strategy, systems and processes

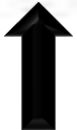
& Culture shift and mindset Change



'Our Imagined Future'



Course corrections along the way



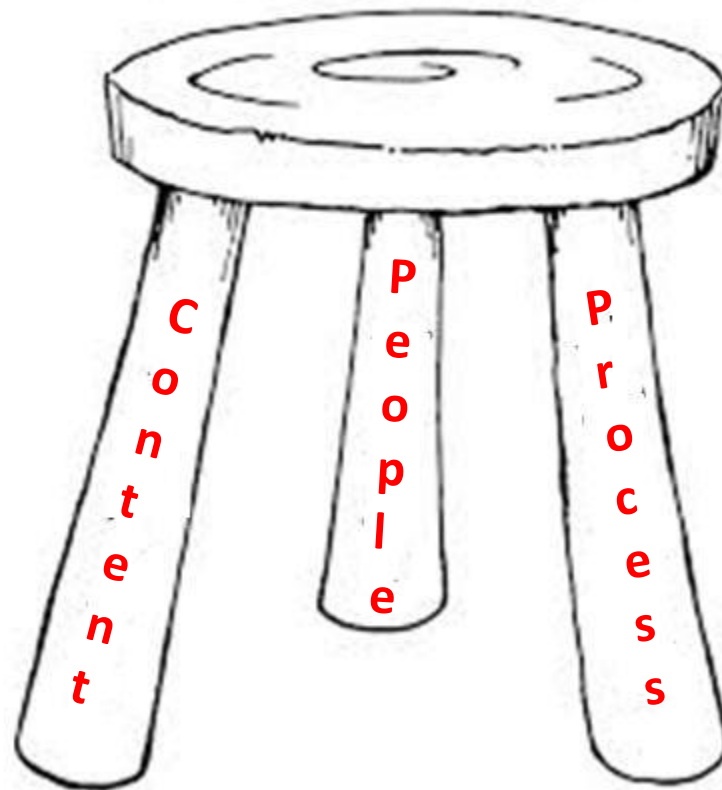
Clarity as we collect facts, initially in a general direction



4. Systems Principle

Everything we seek to create and restructure is a system. Develop and use a solution framework that includes all elements and inter-relationships.

We need 3 things



Content

- Structure
- Systems
- Business Processes
- Technology
- Services/Products

People

- Right people in the right seats on the bus
- Dynamics of change.
- Mindset and Behaviour
- Spirit of urgency
- Collective Culture

Process

- The way content and people changes will be planned, designed and implemented.
- The Company's Core Values
- Future Back Model

Allocate time to Content, People & Process

Potential for owners / leaders to add value

60%

30%

10%



Typical allocation of owner / leaders time

1%

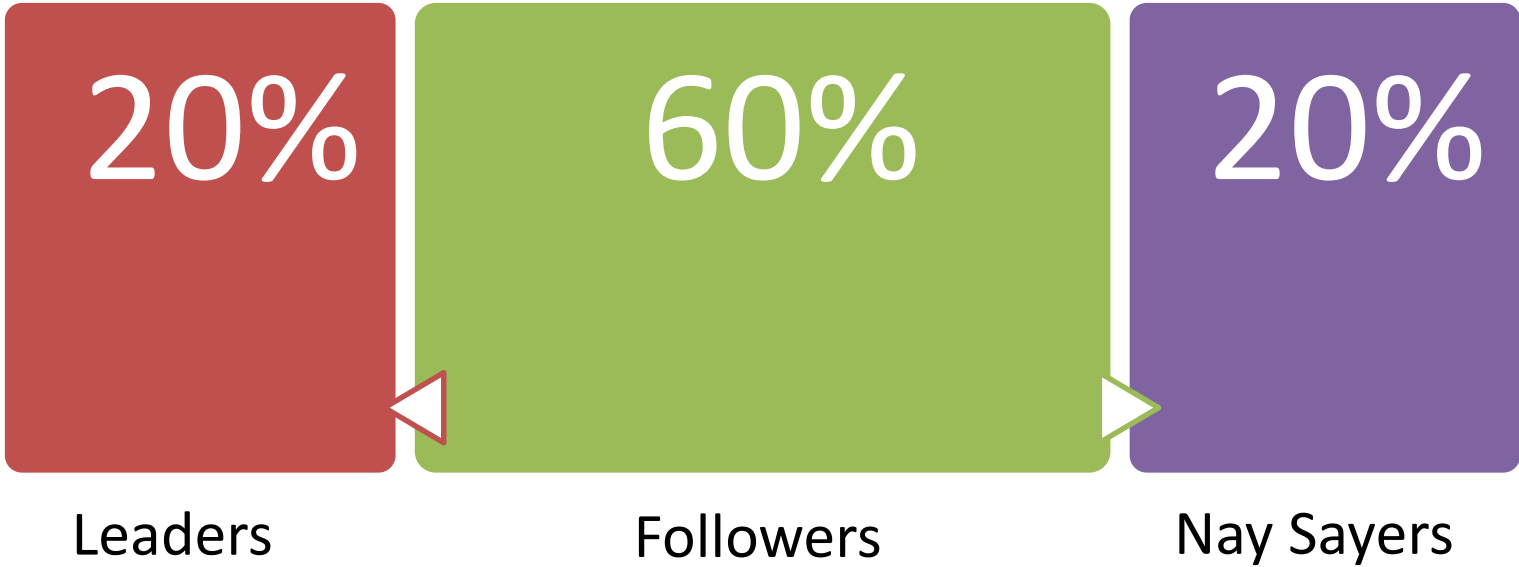
9%

90%



Allocate time to Content, People & Process

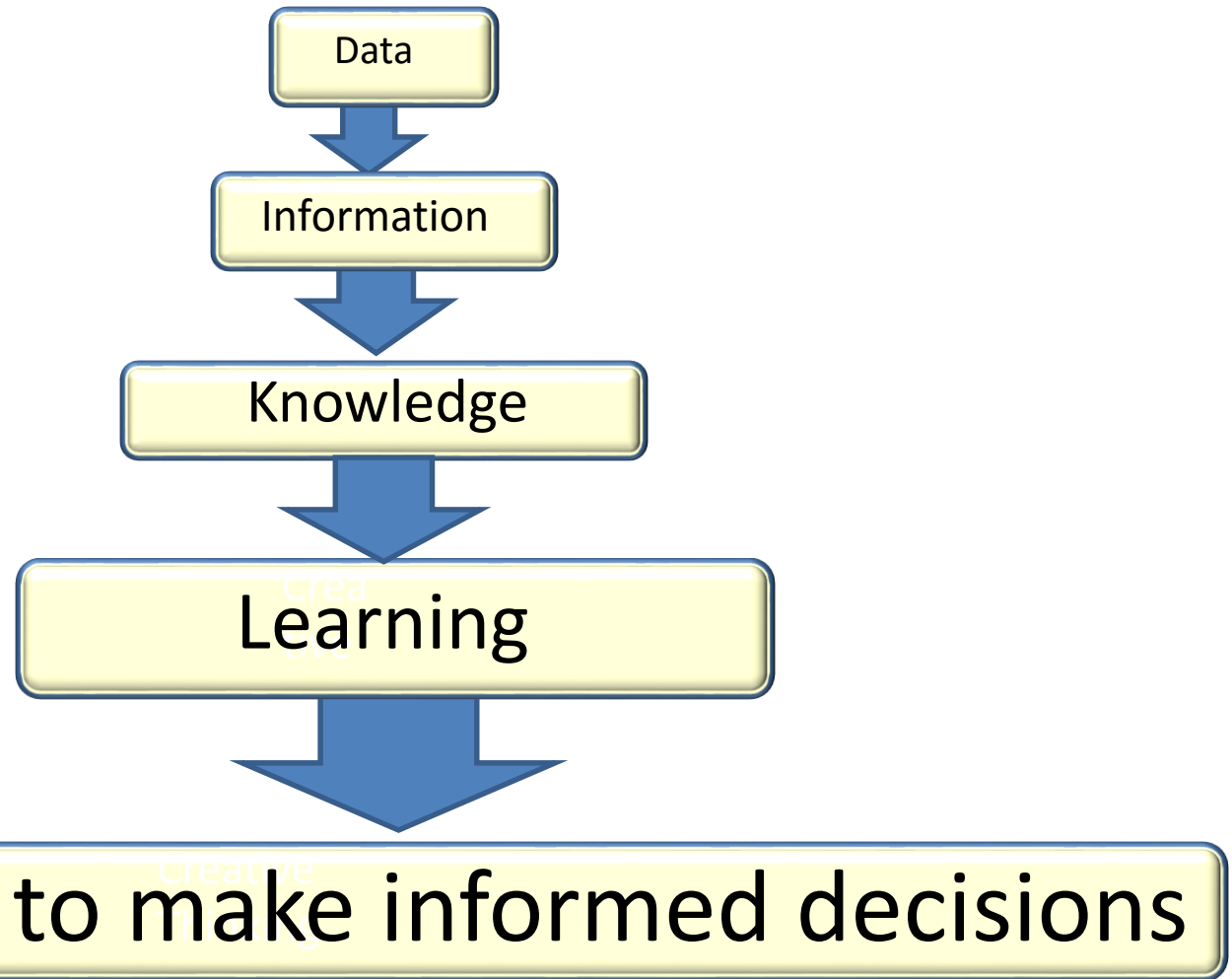
The 20:60:20 Rule



Focus your time on the 60% and get them to follow

5. Relevant Data Collection Principle

Collect only the information that is necessary to continue the solution finding process. Understand and know your purposes for collecting data, study solutions not problems.



6. People Ownership Principle

Give everyone who will be affected by the solution or idea the opportunity to participate throughout the process of its development (in conjunction with the other principles).

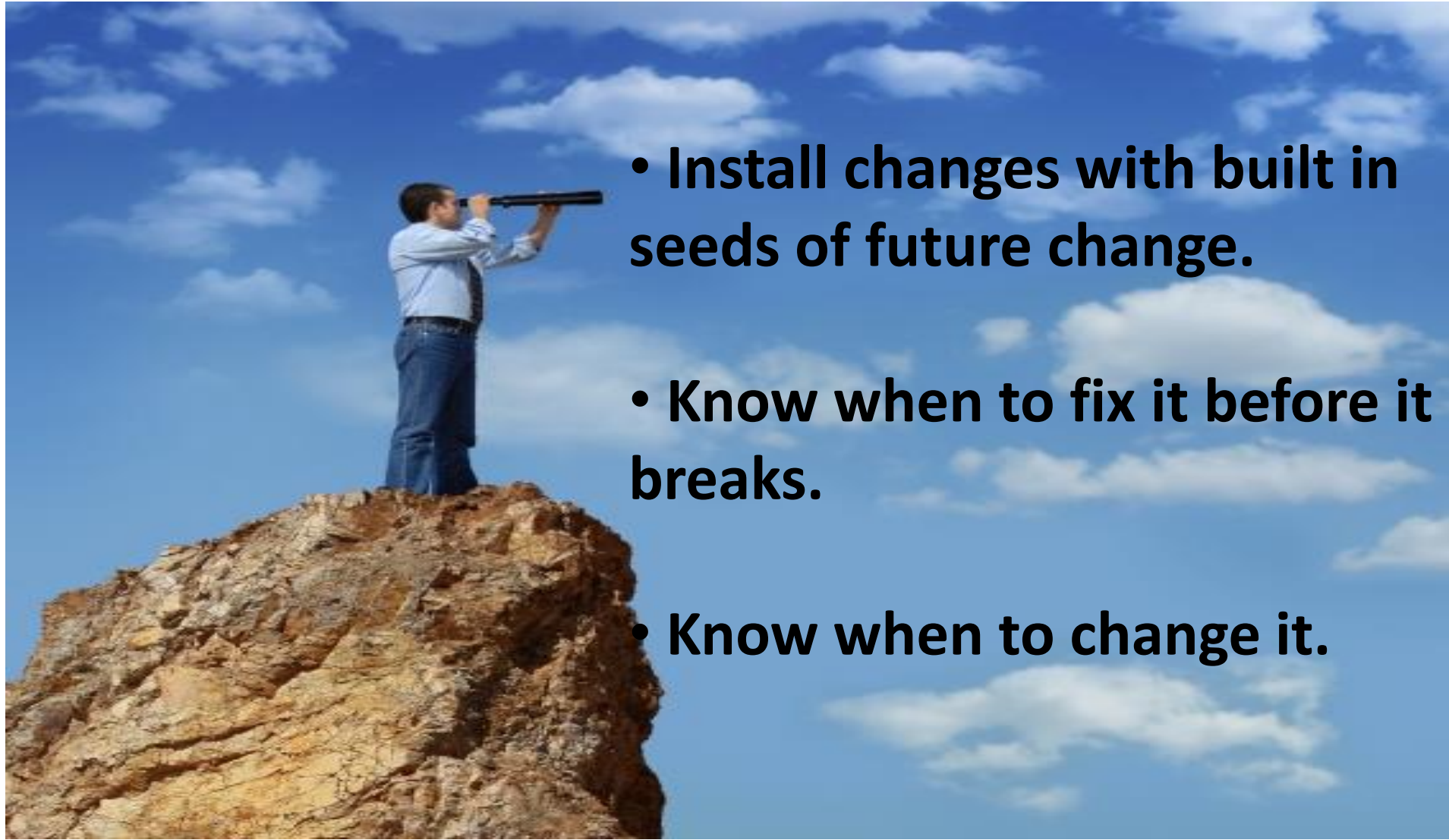
You cannot talk people into accepting the future, if they haven't been there

- Buy in v. Resistance
- Emotional attachment to a future they are helping to create.
- Team spirit
- Together, we reach better solutions

A solution will work only if people know about it and help to develop and improve it.

7. Improvement Timeline Principle





- Install changes with built in seeds of future change.
- Know when to fix it before it breaks.
- Know when to change it.

8. The Customer Principle

How we achieve Transformation

$$C = A + B$$

C = Outcome to the Customer

A = What you do

B = How you do it

1. Uniqueness
2. Purpose
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What prevents change happening!?

- “The Buts”
- Where is the unacceptable performance?
- What are the real issues?
- Complacency / Passive Resistance

Identify them, explore them and tackle them!



When you come to a fork in the road



Take It! The road to success is always under construction

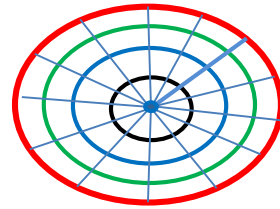
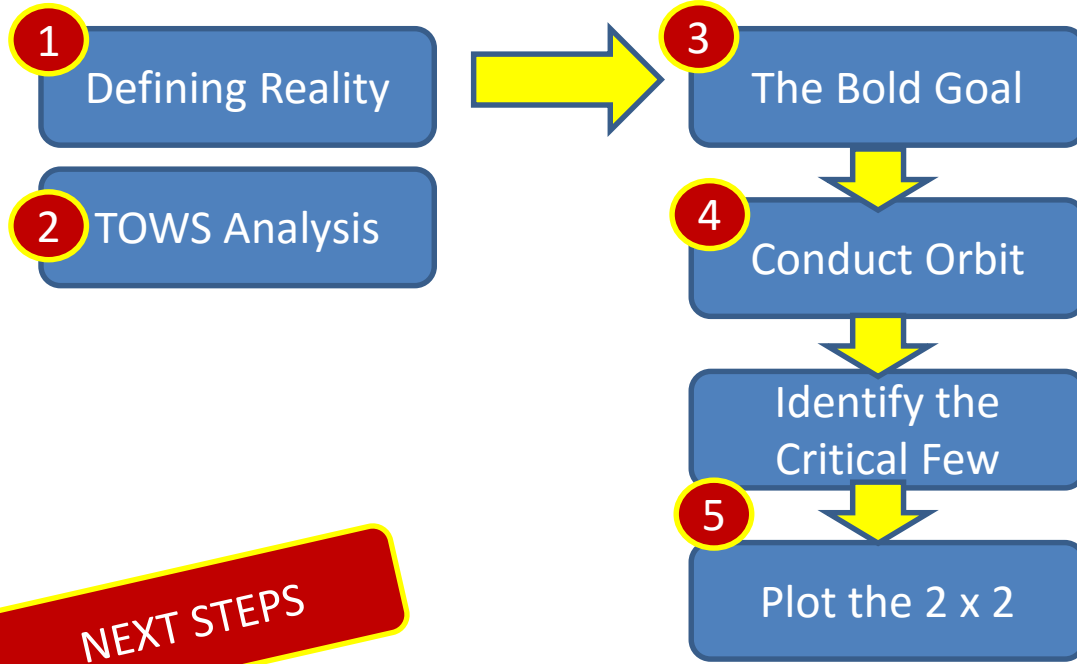
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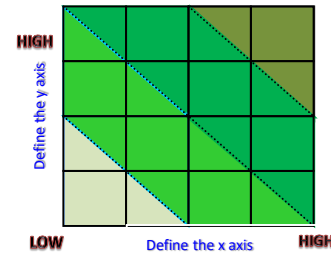
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The Transformation Process Flow: Tools



3 & 1 year



NEXT STEPS

Assign Responsibility & Timeline

Critical Few One Pager "Supporting Hows"

High Level Tracking Tool

Project	Lead	Team	Q1	Q2	Q3	Q4
Win Company X Business	Bill	Tony / Jane /				
Implement a commodity strategy	Andy	Steve / Finance Com.				
Hire 1 sales & 1 R&D person	Bob	HR Dept				
Critical Item 5						
Critical Item 6					C	
Expand distribution capacity						

Single Page Plan for:

SUPPORTING HOWS	By Where									
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P10
VF1										
VF2										
VF3										
VF4										

Completely Relevant
 Contributes
 Leave blank if doesn't contribute

Measure (By when) Performance

Green = On Performance
 Yellow = At Risk
 Red = Off Performance

Orbit Axis	Objective / Target	YTD Actual	Variance	Traffic Light	Comments
Turnover	1.628N Peso				
% Profit	11.3%				
Profit in Pesos	184 MM Pesos				
450 Net Openings by 16	213 stores Gross 150 stores Net				
Reduction of 711 MA	28% in FY14				
Pasalubong Sector	29%				
Closure Prevention	40M				
Alternative Channels	9.3%				
Cost per piece	Target of 4.64 Peso				