## The Way Forward in 2015

As a part of our Counselor work with clients, I have been asked to define what I think is the **Way Forward** in 2015. I will answer this question from a **structural** view in order to avoid the polarized debates and conflict associated with political or cultural explanations. I hope this helps.

#### "We can't do things differently until we see thing differently."

- A Different Star began to shine its light on the World in 1987. It was described in Stanley Davis's book, Future Perfect as the potential to do business Any Place, Any Time, No Matter and Mass Customized. It is now the economic reality of the Mass Customization business model.
- 2. *Mass Customization* is a totally new form of *Capitalism*. It is impacting every human system: *education*, healthcare, business -- to name a few.
- 3. There is nothing "linear" about *Mass Customization*. It is "Out-of-the Box" in every way: *Timeless, Spaceless, Causeless,* and *Matterless*. This is very confusing to the Industrial Mind. .
- The need to be Global (massive) and Local (customized) is by definition Mass Customization.
- There are four forms of Mass Customization: Collaborative, Adaptive, Cosmetic and Transparent. Every business will need to embrace at least two of these forms to be successful.
- **6.** The Industrial Mind believes that mass customization is merely another term for "lean" manufacturing. *Mass Customization* is not only a manufacturing strategy. It is a complete new *Business Model* requiring a totally new and different form of Leadership
- 7. The *Different Star* signaled the beginning of what will someday be called the *Energy Age*.
- 8. We are in the bifurcation from the *Industrial Age* to the *Energy Age*. Any bifurcation requires the ability *to "see" things differently before we can "do" thing differently.*Contextual blindness will be common.
- **9.** The light of this *Star* was obscured by the brilliance of the *Mass Production Star* of the Industrial Age.
- 10. The "cause" that produced the "effect" called the recession was the "burn-out" of the Industrial Age business model. Mr. Davis states, "We have industrially modeled organizations running post-industrial businesses. It is no wonder that we managed our way to economic decline."
- 11. After 100 years, the Industrial Age is now over!
- 12. The "burn-out" happened in the mid 1980's but like a star in the Galaxy we continued to see the light for another 20 years. In 1996 Fred Smith, Founder Federal Express stated, "Over the past twenty years, apart from the medical revolution and the micro-processor, the most significant thing to happen to the world has been the ability to take mass out of production. The inventory to sales ratio of the whole industrial world has dropped like a stone in the last two decades."
- **13.** It was during those 20 years that the technology revolution enabled a totally different paradigm of business to emerge.
- 14. The recession reflected a permanent Contextual change. Mr. Davis stated, "Our managerial models, the context in which we manage, don't suit the content of today's business."
- **15.** The *Business of every BUSINESS* must now revolve around the Customer. The Industrial Mind called it "customer centric" but every attempt to change the Industrial Age business model failed.
- **16.** Because it is a permanent *Contextual* change, companies can not wait for "*things*" to return to normal.
- 17. Contextual change is very different from content change. Manipulating content hoping to find the "solution" will not work. Defining the right Context is the single biggest Leadership challenge of our times.
- **18.** Fixing is the wrong work. Many people will continue to try to "fix" or "solve" the problems confronting the economy and every business in it. The "effects" of the

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- recession will linger on and there will be many explanations as to the "cause", but the future can not be realized by "fixing" and "solving" a "burned-out" business model.
- **19.** What is "burned-out" can not be Re-Ignited, Re-Energized, Re-Engineered, Re-Vitalized, Re-Organized or any other Re-Anything. Waiting for the Industrial Age "light" to shine again is an illusion.
- **20.** This is an unprecedented experience. It has never happened before in our life time. It is a totally different Leadership experience for everyone.
- 21. All the *Trend Lines* from the past will not predict the *Way Forward*. Leaders must avoid what is called the *Tyranny of Trends*. Linear extrapolations from the past can not predict the exponential growth that is being experienced by *Mass Customized Businesses* today. *Market share* is a meaningless measure.
- **22.** The Future can not be Planned, Organized and Controlled. The new Leadership approach is Visualize, Enroll and Align.
- 23. Many products, tools and services will continue to be "mass produced" but somewhere between the Factory and the Customer "customization" will be required.
- **24.** Many *Management* practices of the past will become obsolete. To think of "people" as "resources" is an illusion. *People are People.*
- **25.** The answer to **what's the difference** is the shift from the **mechanistic** Industrial Age business model to the **biological** business model of the **Energy Age.** Our cars are fast becoming **biological**. Someday they will drive to work on time and leave you home.
- **26.** The mechanistic model is "linear." Anything that is linear reaches "limits to growth." The Industrial Economy will not continue to grow. *Industrial Age jobs will vanish.*
- 27. It is impossible to exceed linear limits "bigger is better" -- without creating friction. Friction between people caused the "burn-out." Extreme friction will continue as many people are not aware of the real "cause" of the recession. Fiction will not be eliminated by working "smarter not harder." It will require a Structural change to "create" peace.
- **28.** The mechanistic system is "dualistic." There is a "right way" and a "wrong way." The Management System is designed to define the "right way" and "organize and control" everything to prevent the "wrong way" from happening.
- 29. Managers "prevent" -- Leaders "enable."
- **30.** For the past ten years many managers have been searching for a *Different Way* as they tried to ignite a journey to the **Next Level**. Vague definitions of *Next* and *Level* could not change the underlying *Structure* of the Industrial Age business model.
- 31. Leaders must declare that the organization must now become **biological** not "smarter." Biological organizations are **effortless and effective**.
- **32.** In biological systems, the *Whole* must be in every part. This is not new as our Country The United States of America -- is based on a biological model.
- **33.** Biological organizations operate with an invisible "energy" field called "alignment" -- "Liberty and Justice for All." It "allows" not provides -- economic opportunity for All.
- **34.** Biological systems *metabolize* time -- not defeat time. Trying to defeat time caused the friction that caused the "burn-out." Biological systems operate in "real time." Slow down: you can not defeat linear time by being "more efficient." *Master Real Time.*
- 35. Real Time Mastery begins by accepting that this moment --- right NOW -- simply IS as it should be. There is nothing right or wrong with the way it IS. Remove all judgment as to the "linear" inadequacy of the way it IS right NOW. There is a World of Abundance out there today.
- **36.** *Masters of Real Time* accept that "what IS" *current reality* contains enormous *Potential* that can be released if it is nurtured within the right environment. Creating the new environment that "allows" a new *collective intelligence* to emerge will be an outgrowth of the *Leader-ment System*™.
- 37. The Energy Field that is required to execute this business model is called Alignment.
- **38.** *Alignment* is intrinsic to economic interdependent relationships called *Partnerships*. Partners are "*invested*" together financially, physically, emotionally, and intellectually.
- **39.** The Leadership challenge is to create alignment in the internal environment of the Business, Organization or City. Biological organizations need to learn how to breath, how

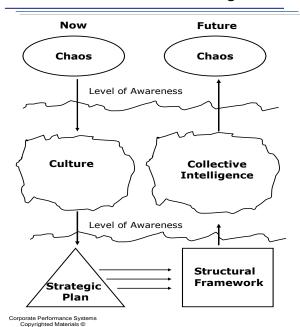
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- to eat, how to metabolize time, how to feel and how to rest. All of these skills were not necessary in the mechanistic organization and need to be developed.
- 40. Welcome uncertainty in the external world. Certainty and predictability are the "prisons" of the past. *Technological obsolescence* will make everything uncertain within "days" in the external world. Metabolize / digest uncertainty. *That is the way it will be. This requires a totally new Leadership System called Leader-ment*™.
- **41.** Every entity must run its business with a total *Focus on the Customer*. Consumers have learned painful lessons during the "burn-out" and they will not forget. *No Trust* will be a massive barrier to selling anything in the future.
- **42. Integrity** will be the new criteria for success. Many will suggest that greed caused the recession, and that is partially true as greed was the friction inherent in the Industrial Age business model. There will be tough days ahead for those who **Over-Promise and Under Deliver.**
- **43.** We are confronted with a **Future Worth Creating** and People and Companies and Cities that know how to create will thrive. **Creating technology** will open the path to the **Way Forward.** The antecedents for creating are **Vision** and **Purpose.**
- **44.** A new Business Model must be created. **Business modeling** must be **simulated** in order to prove **sustainability**.
- **45.** *Creating* and *creativity* are not the same things. Creativity is not a prerequisite for creating. The potential to create does exist within all people. Operative people were often not allowed to develop their creativity just do their jobs -- therefore creativity needs to be developed.
- **46.** In the Industrial Age business model the creative talent was confined to the engineering and research functions and was engaged in "solving problems." That was incremental and called continuous improvement. It reached the point of "friction" with Six Sigma.
- 47. Creative talent needs to be *Creating* not *Solving* -- in order for the *potential* within to *emerge*. Nothing has ever been "solved" into existence. Emerging potential is often innovative.
- **48.** The **Customer Experience** (not customer service) will become the new **Brand** (Image) of every Company, City or Organization. No Company, City, or Organization will be forgiven a poor Customer Experience. (**What is Experience Columbus?**)
- 49. The orchestration of a Customer Experience requires a process dynamic called *Wholeness*. Wholeness means that "*United we stand, divided we fall.*" Our great Country was built on wholeness. Wholeness is not the same as teamwork or cross functional cooperation. *Wholeness* requires permanent *alignment*, not situational cooperation. Alignment is an awareness issue, not an intelligence issue.
- **50.** *Alignment* must stretch beyond the boundaries of the organization and include every economic entity associated with the Company. Partnerships are critical to creating alignment. This is a massive agenda within the new *Energy Age*.
- 51. The Whole of any Company or Organization must be in Every Part. It is like DNA in the body. The Teller is the Bank. The Waitress is the Restaurant. The Sales Person is the Company. The Cab Driver is the City. Any person representing the company is "The Company" to the customer. This will require a massive investment in order to enroll everyone in the Vision and Purpose of the Business.
- **52.** The *Way Forward* is an *Economics* not Social -- issue. There are many Social issues within the *Economics* of the *Way Froward*.
- 53. The *Economics of Scale* no longer apply to the Mass Customization business model. The *Economics of Responsiveness* apply. The economics of responsiveness are within the domain of *Networks*. Networks operate with *the economics of increasing returns* where "the rich get richer." This is now a Global reality.
- **54.** The *Competitive Advantage* of every Company and City will be a function of *Responsiveness in Real Time.* There is *No Float* in money, technology, information, and culture. The *Way Forward* is to *Master Real Time*.

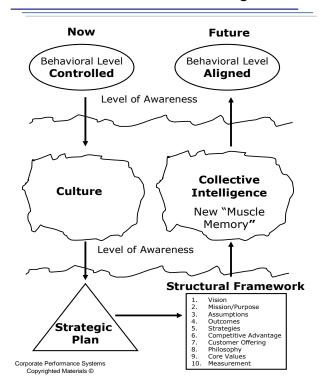
# The Way Forward in 2015

These are a few of the *structural* truths about the new business environment. Since *structural* awareness is often very confusing, the following diagrams from my book *Transformational Change* (see Amazon.com) define the different levels of awareness. It applies to both private and public organizations.

### Transformational Change



## Transformational Change



# Different Has Arrived TM The Way Forward in 2015

#### Structural Framework for Change

Structural Element	Question
Vision	"What do we want to BE?"
Mission/Purpose	"Why do we exist?"
Assumptions	"What demands that we change?"
Outcomes	"What do we need to create?"
Strategies	"How will we deploy resources?"
Competitive Advantage	"What makes us different from the competition?"
Customer Offering	"What is the scope of our offering?"
Philosophy	"What guides development?"
Core Values	"How will we treat each other?"
Measurement	"How do we measure success?"
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Answering all 10 Questions in the **Structural Framework** is similar to creating the Constitution of the United States of America. The **Structural Framework** becomes a dynamic document that serves as the underlying **Structure** within the **Leader-ment System**™.

While creating a **Leader-ment System™** appears simple, it is a very difficult undertaking. In order for it to be effective in activating a creating orientation, the **Structural Framework** must have the proper antecedents of **Vision** and **Purpose**. Also, it is important that every person in the organization be enrolled in creating the Framework. "**People who create the rules will live by the rules.**"

In order to visualize the **effects** of releasing the **potential** that would come from this totally new and different approach to leading any business, we use the **Different Has Arrived Simulation and Leadership Workshop**. A YouTube video about the **Simulation** is available on www.transchange.com

May the effects of releasing the potential of your people be with you in 2015.

Respectfully Submitted,

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