



T H R E E

Systems Thinking and *GoInnovate!*

Every system exists for a purpose.

In the preceding chapters we discussed the value of innovation and the myths surrounding innovation. It is important to understand systems thinking before we explain the *GoInnovate! System* and its effectiveness when applied as a complete system.

What is a System?

We hear it all the time: "*What we need here is a system,*" or "*The system is broken...*" Systems are the framework of our lives, even of the universe itself.

There are many different types of systems: mechanical, electronic, ecological, biological and living systems. A tree is a network of life, expanding



A system is a group of
interdependent and
interacting components
forming a unified whole
working towards a
common purpose.

Goinnovate!

in all directions from its center, the trunk. Cities, as seen from an aerial view, become sprawling systems of interconnecting centers and pathways, main arteries connecting with side streets. Our global telecommunication system and the solar system are similarly linked networks.

The human body consists of many complex systems, e.g. the nervous system, the circulatory system, and the digestive system. These systems can't operate on their own, they must all work together in order to fulfill the main purpose of keeping the body alive.

What is Systems Thinking?

Systems thinking is transformational. It is also strategic. More importantly, systems thinking provides a holistic way of viewing individuals, teams and organizations.

The purpose/outcome-oriented approach towards thinking is very different from the piecemeal and fragmented approach we often use. Our universe is actually “held together” by systems, and yet ironically, we tend to break things apart, to look at the pieces and not the whole. That process is known as Analytical Thinking in which the parts are primary and the whole is secondary. In Systems Thinking, the whole is primary and the parts secondary.

Systems Thinking vs. Analytical Thinking - focusing on the whole vs. the parts

In the beginning, human beings experienced themselves as one with nature. To survive they needed to understand and control the world. This kind of thinking soon became predominant, and the experience of ‘oneness’ was lost. Breaking things down into parts, analytical thinking became “how” people thought.

Mass production is a great example of analytical thinking. Eli Whitney, best known for his invention of the cotton gin, pioneered the concept of mass production. His proposal to mass-produce muskets for the Army with such precision that all of the parts could be used interchangeably in any of their muskets was revolutionary. The individual craftsmanship of the prior era now gave way to efficient, fast, reliable, and repeatable mass production.

Brilliant engineers like Eli Whitney literally changed the world and



To innovate, we need to think
more like gardeners than
mechanics, nurturing a whole
system rather than just
fixing parts.

how people viewed their place in it. As people left the farm and went to work in the factory, they learned to do isolated tasks the way the engineers wanted them done. The engineers' superior education and their fascination with machines and mass production required no intellectual input from the factory workers. The workers job was merely to do as they were told. Working conditions in the factory were questionable, not because managers were "bad people" but because the focus of the factory was not on the people, but on developing new methods for producing goods. The focus of the industrial revolution was to use workers to help machines produce goods.

Today we still employ this “machine-like” mentality of breaking things apart, understanding them, fixing or replacing them to manage our organizations. We still think in terms of building, fixing and controlling people and organizations.

In truth, organizations are living systems, not machines, because they are made up of people. As innovators in a living system, we must learn to think more like gardeners than mechanics. When we view the organization as a living system, our perspective becomes one of how to provide the right environment or context for the organization to fulfill its purpose.

Analytical Thinking & Systems Thinking

Analytic Thinking	Systems Thinking
The parts are primary and the whole is secondary.	The whole is primary and the parts are secondary.
<ul style="list-style-type: none"> • What is our goal? • What’s the problem? • Is it “X” or “Y”? • Department goals • Silo mentality • Separate issues 	<ul style="list-style-type: none"> • What are our goals? • What are the problems? • What are the causes? • Shared core strategies • Cross-functional teamwork • Related issues

The essence of systems thinking is to focus on the whole. The parts are no longer the primary focus. The parts are essential, but what is more important is the interrelationship between the parts as they work together to fulfill the purpose of the whole system.

Working with the organization as a living system will allow every person in the organization to participate in swift and continual innovation

GoInnovate!

without the chaos that would surely erupt if everyone were simply left to pursue his or her own vision of the “next thing.” Using a system for innovation allows the potential in each person to be unleashed and focused in a productive manner. Today more than ever, we must cultivate the creative and innovative potential of every employee in the organization. Everyone in the organization must be capable of thinking creatively and be willing to try new approaches which transcend their own roles, departments and processes.

Three Levels of Living Systems in the Organization

Organizations, as living systems, are interconnected, highly interactive, and constantly changing. Living systems are open—they receive external inputs and/or influence the external environment through their outputs. Their value comes from the ongoing interaction of their parts, yet they are more than the sum of these parts. Within an organization there are primarily three levels of living systems: individual, team and organizational.

Why a *System* for Innovation?

As we have discussed previously, business and government leaders at all levels are challenged to do more with the same or fewer resources. And, there seems to be no relief in sight! The best solution to this dilemma is increasing productivity through innovation. But suddenly requiring or telling your employees to be more creative and innovative won't work. They need an innovation system to help them do it—one that works swiftly and effectively. That's where the *GoInnovate! System* comes in.

Even though innovation is key to improving processes, eliminating waste, improving productivity, and increasing employee satisfaction, in our consulting work we routinely find that few organizations have a complete system for achieving results through innovation. While in most organizations there are systems for all the other important functions, there usually is no system in place for innovation. Yet innovation can stimulate improvements in all of the functions in the organization.

The need for transforming the way we work is a fact of life and in order to do it we must make innovation a way of life.

The Uniqueness of The *GoInnovate! System*

The *GoInnovate! System* provides a complete and comprehensive



In order to
effectively transform
the way we work,
we must make
innovation a way of life.

methodology for producing swift and continual innovations of any size and complexity within a department or across an entire organization. The power of *GoInnovate!* is twofold. First, it changes the way people view themselves and their organizations. Our experience has been that *GoInnovate!* stimulates people not only to accept change but to be a part of it, thus opening the door for the innovative process to work effectively. And secondly, *GoInnovate!* provides a complete system as well as the necessary tools to actually make innovations happen.

The goal of the *GoInnovate! System* is to help organizations to innovate swiftly, continually and effectively—that is, to develop innovation as a core competency. Innovation is the engine that drives success in today's economy and must be institutionalized throughout an organization so that it can meet the demands of today as well as the demands of the future.

GoInnovate! develops the values and competencies that generate, accelerate and sustain innovation. It also provides people with the right tools that will lead them through the process from beginning to end. Though the actual system will be explained in subsequent chapters, here is an overview of its three major components.

Component #1: Generators

The generators are the personal qualities that foster innovation. These include a *ValueSet* (*Openness, Intention, Courage, Integrity* and *Calmness*) and three core *Competencies* (*Creativity, Collaboration* and *Leadership*) that generate, accelerate and sustain innovation. These *Generators* (*Values* and *Competencies*) serve to jumpstart the innovation process and are applied throughout the innovation *Cycle* to improve the final results.

Component #2: Cycle

The cycle consists of five phases: *Visualizing, Measuring, Strategizing, Projectizing* and *Orchestrating*. Teams who utilize the *Cycle* framework consistently produce better-quality results.

Component #3: Context

The context includes the *People, Structures, Processes* and *Technology* that affect innovations. It is important to understand that other systems within the organization either enable or inhibit the innovations we decide to implement. These forces must be managed by the leadership of the organization so they will enable innovation.

You and your business opportunities and challenges provide the content for the system of innovation. A viable knowledge base is vital. People in the organization must have the required technical skills; they must know their

GoInnovate!

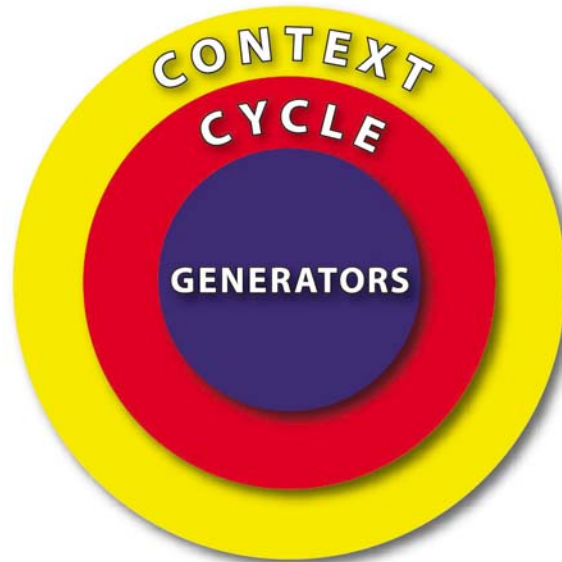
customers and their competitive environment as well as the system for innovation. Quality content is an essential ingredient for the system to produce a quality innovation. How do all those elements combine to produce innovation? Well, let's compare it to the process of baking a cake.

- First, the chef has learned and practiced specialized baking skills over a period of time (Personal Skills and Values = *Generators*)
- He/she has a fool-proof recipe for producing outstanding results every time (Process = *Cycle*)
- Good kitchen equipment is essential to getting a consistently good product (Culture or Environment = *Context*)
- The ingredients must be the finest (Ingredients = *Content*)

A Note on External Forces

The current economic conditions, changes in government regulations and emerging technology are all examples of external forces, which can have a dramatic impact on an organization's innovations. Leaders must continually scan the external environment for events and trends that are likely to influence the organization's future. External forces such as the economy cannot be controlled, but their impact on innovation often can be minimized if identified early. These forces may also provide an impetus for new, innovative thinking.

Golnnovate! System Components



Generators

Personal qualities that foster innovation

Cycle

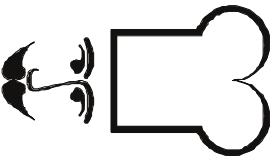
The phases an idea goes through to become an innovation

Context

Forces that either enable or hinder innovation

Innovation is Like Baking a Cake

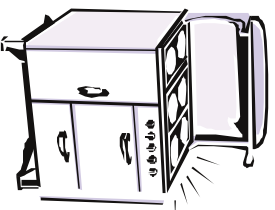
Skills



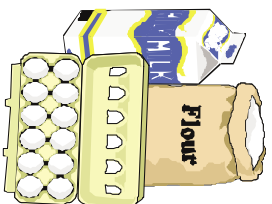
Process



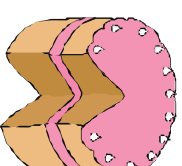
Environment



Content



Results



Generators

+

Cycle

+

Context

+

Content

=

Innovation

Synopsis

- The primary obstacles of innovation lie in our most basic ways of thinking. If these do not change, any new "input" will end up producing fundamentally the same results.
 - Systems thinking is strategic thinking.
 - Systems thinking is transformational thinking.
 - Innovation can be generated, accelerated and sustained by using a complete innovation system.
 - Innovation is the answer; *GoInnovate!* makes it happen.
-

*"Problems cannot be solved at the same level of
thinking that created them."
~ Albert Einstein*