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Guest was John Latham

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John Latham on Systems Thinking

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Joe: *Welcome everyone. This is Joe Dager, the host of the Business901 podcast. With me today is John Latham. John is the founder of the Organization Design Studio which is a Digital Learning Center and Application Lab for Organization Architects. His passion is creating frameworks that build bridges between theory and practice to help designers build and transform organizations that create sustainable value. He could be found at organizationdesignstudio.com, which includes a robust side designed for learning. John, I guess the best place to start is thanks for being here and tell us about that organization design community.*

John: *Well, thanks, Joe. It's great to be here; I love your podcast, and it's just an honor to be invited. Organization Design Community is an interesting group because people that use those words – organization design is kind of a fragmented group. There are all kinds of people involved and it's not really well structured and well defined, and I think, part of the issue is that it's cross-disciplinary. Anytime you have a topic that's cross-disciplinary and involves a lot of different things in an organization; there are very few real formal tracks. The community is really a collection of leaders who are trying to change the systems in the organization or their organization and frontline process improvement people who are redesigning some piece of the organization. It includes them all, plus a whole lot of subject matter experts and consultants that help leaders make the changes necessary. It's a crazy, crazy landscape and it includes just a whole lot of different people in it.*

Joe: *I have to tell you, you have several free books on your Website and including the Leadership Framework for Organization Architects. I have to say, and I tweeted this out the other week because I was really disappointed when I downloaded it because you should be making people pay for this stuff. This*

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is pretty good stuff!

John: Thank you, Joe. I'm glad you found value in it, and I hope other people find value in it. It's really a great observation, and I have to tell you, you're not the first one to ask me this question. What's on the website I hope is the essentials or the fundamentals. I am working on other digital products and experiences that will take people further and believe it or not, the studio is a for-profit company, so we are going to have to charge for some things. But, we have a vision of a world where all the leaders have the knowledge, skills, and abilities that they need to re-imagine, and reinvent, and recreate their organization or a piece of their organization so that it creates value for multiple stakeholders, as opposed to taking from one and giving to another one. The word we use is 'sustainable excellence' and trying to achieve sustainable excellence. We view our job as to provide tools, techniques, technologies to help with that journey, but we wanted everybody to have the fundamentals, and those fundamentals, people have been generous with me and the research we've done and the work we've done over the last 25 years. I just wanted to share the essence and the fundamentals of what it is we're about and what the process is about and that way; people can decide for themselves whether this is something they'd like to pursue and go further in the process.

Joe: *What does this framework build upon? I mean, what's the crux of this framework?*

John: There are two frameworks, and one is embedded in the other. There's a leadership framework, that we call the leadership framework for organization architects, just so that it differentiates it from all the other leadership frameworks. But the leadership framework really took shape; it's the culmination of many years, a couple of decades' worth of work, but it really took shape when I conducted a research study with CEOs who led successful transformations resulting in a Baldrige award. I chose that group because the Baldrige criteria require that they create ever improving results across a comprehensive scorecard. They can't be great just based on financials, or they can't be great just based on a great place to work or whatever. They have to be able to create a place that people are doing great work and enjoying their job, serving customers, and customers are delighted. Meaning they come back and spend more money with us, repeat business, they bring their friends, referral business, we grow the top line, and the investors are happy. We also create win-wins with suppliers that help us to do an even better job with customers. And then, we do this in a way that the community loves to have us because we're doing it in a

way that's conscious of the community and the society we're in and ethical, and we're doing it in a way that's good for the natural environment, which is really the future generations and so we avoid stealing from future generations.

That's why I chose the Baldrige group, and we started with CEOs and how they led their transformations over the protracted period of time, because most of their journeys took 5 to 10 years sometimes, to fully transform a company. They made progress and got results along the way, but the full transformation took a while. We studied and we talked to them and inductively built a framework that was common to them; that had the common elements that they used to lead the journey, and that's the genesis of it. It came from that, and then we've infused it with all the application experience that we've had over the years, and now we've continued to develop and refine the application of it.

Joe: *Well, I'd have to ask you, because I always remember Tom Peter's book from years ago and off the top of my head, I forget the name of it, where he picked out the 10 most successful companies.*

John: In Search of Excellence.

Joe: *In Search of Excellence, yes! You go back, and you look at it and a lot of them companies aren't excellent anymore. Is that true with the Baldrige? Have those companies pretty much sustained? Is there a higher level of sustainability in them? Do you know?*

John: Well, we do know there is a higher level of sustainability. There have been a few cases that they didn't do so well after winning the award and weren't able to sustain it. In those cases, when you dig into them, it was almost something was explainable from an external environment perspective. Baldrige award companies are really great at learning, and they're really great at making the system work and getting it all lined up and high performing, but it's not a panacea for external factors that you don't predict. And while Baldrige companies that are doing it well are often better at predicting what's going on in an external environment, there are some that still get surprised and things happen that are beyond their control that has made them lose track.

There's one group, a very small group of a few sensational cases where major market factors, they

declined in performance. There's another group that leadership changed and they stopped pursuing excellence as a conscious effort. In other words, they had these great systems in place, but they stopped pursuing it in creating new goals, and they took their eye off the ball, if you will, and those organizations tended to level off and or decline because you stop pushing the organization to move forward, and entropy takes over, and it declines.

To stay there requires continual learning. While the majority of Baldrige organizations that I'm familiar with have built learning loops into their systems and so it became part of not only their systems, but their culture, and that became something that they continue on. Because the world changes on us, so there is no point where we can say, okay, we know the answer of how this company should run, and we're done. The design is never finished; we're always rethinking the design of the company and reinventing it, because the world around us is changing and in fact, we're facing a really big shift these days with the whole digital aspect of business, which creates great possibilities for us, but also creates great challenges for organizations. If we're not redesigning to take advantage of the technology, you can bet your competitors are. It's a continuous thing. All of them haven't continued. Baldrige is not perfect, and it's not a panacea; it's a great set of questions to help you learn, but if you take your eye off the ball and stop using it to learn, you're going to experience the same kind of decline anybody else would. Baldrige organizations aren't bullet proof. They're just good role models, and they're companies we can learn from, and they're companies that are doing it in a way that creates a balanced set of results. They're not just taking from one, to make something else happen for a short term period of time, which is not sustainable in the just keep it going sense of the word.

Joe: *I'm going to jump into something that I was going to wait until the end, but this is a nice segue into it. We talk about this description of creative tension in your book. And here we are talking about not taking our eye off the ball. How do we continue with excellence, and I think creative tension has some merit to that whole thought process? You start out, though you wait until the end of the book to put it in there, but it's really at the beginning of your book somewhat. Let's explain what creative tension is.*

John: Actually Joe, it's in both places. It's actually the bookends because Step 1, the forces for change, are what is pushing us. Whether we call it creative tension or structural tension, as some of your listeners may be familiar with, regardless, it's tension that causes us to change. We need tension to overcome

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inertia, right? The inertia of status quo will stop up us from changing anything unless we have enough force to overcome it. Part of the force that overcomes it are these dissatisfactions with the status quo or the things pushing us to change. A lot of the change leadership books talk about it as the burning platform, from I think John Kotter's. That was the term he used. That's an essential piece, but a burning platform alone, like a poor customer, bad financials, a regulation that's coming down, and things that are making us unsettled, they often tell us that we're not happy, but they don't tell us which way to go to fix it.

The other side of tension is the pulling side, which is the vision. Where do we want to go? What is the desired reality, versus the current reality? That's a pulling tension. The combination of the pulling forces of the new place that we want to get to, the new reality and the pushing force is our dissatisfaction with where we currently are, have to be greater than the inertia that's keeping us from moving it all. Richard Beckhard came up with a formula and popularized it, and the origins of that formula are actually sketchy, but he basically said that those two things have to be greater than the resistance to change, which is the status quo. Not only do you have to have that, in the beginning, to get going. If that Step 1 is to understand the forces of change and if you don't have enough forces for change, you need to create some dissatisfaction and or a better, more compelling vision, so that you do have the forces for change. Otherwise, you're not going to anywhere.

Once you get going, and you're doing all these things, you start improving. The dissatisfaction goes down because now, we're doing better as we start improving the pieces and parts, and putting all these together and making it work as a system. Once we start improving, the tension decreases. When the tension decreases, we no longer have enough to overcome inertia sometimes. At the end of the book, which is where I talk about maintaining the tension, is critical to keeping the organization moving, because as soon as they're satisfied with where they are, all progress stops pretty much. Unfortunately, the world continues changing. If we're happy with where we are, we're going to be left behind and start declining in performance. It's a great point, and it's really the bookends because, without it, everything is all better off. All other points are moot.

Joe: *When I read the book, will I be in constant tension the whole time?*

John: I have to tell you that this is a really tough sales pitch. If you're not unhappy with your organization, you have to become unhappy, and that's not what most people want to hear. They want to hear, how do I become happy? Of course this is the recipe for becoming happy, but it's not a quick fix. I think another key aspect is the ones that have done this well, and continued on, and continue to improve and redesign so that their organization is relevant to the current market and the current environment, those are organizations that they take a certain amount of pride in their organization and their accomplishments, and they're satisfied, they feel fulfilled with what they've accomplished, and at the very same time, they're not completely satisfied and till they know that there are still things to be done, and they want to go do those things. They're happy with what they've done and they look forward to the future, but they're always living and working new things in the present.

Joe: *I think you emulate what we talk about in the Toyota Kata so well, by Rother. Lean listeners will understand this, in how Mike tries to explain tension and the steps of the Kata of how to get from current state to future state. I think this is a very similar type of concept, and not for you to try to explain Kata or anything like that but there seems to be a lot of similarities over very popular and very useful organizational development methods. Do you see that in your work?*

John: That's a great insight, Joe. I think what we see is often times, the scientific method is at the core of almost all the effective learning models I know of. When you couple that with other creative processes like design thinking and things like that, they often can form a very complimentary combination. I think scientific thinking, so often we have thought about it from a natural science experimentation perspective, which has a very deceptive look and feel to it. You come up with a hypothesis, you test it, you find out how the world works. Well, the scientific method actually doesn't keep you in there. It doesn't force you to be deductive, but it does force you to test the ideas, which is pretty darn important to validate stuff. What often we forget to emphasize is how do you come up with a hypothesis. How do you create that new solution that we think is going to work really well?

That's where I think some of the more, or the other concepts and tools and techniques from design thinking and systems thinking and things like that can be infused and used to come up with better designs. I think one of the big issues that we face with organizations is they really aren't the natural world, the natural environment. Some of the pieces and parts within organizations are the natural world

and follows some immutable natural laws of science, But you have all these people that seem to come in infinite variety and don't obey the immutable natural laws of science all the time, and then you put them in groups and so the permutations are endless. Organizations which some people would say really don't exist, but the organizations as we define them today, we created those. We're humans. We created these organizations. We designed them. When we're applying scientific methods to that, we're applying it to something that doesn't exist in nature. It's something we created. We're evaluating and gaining insights into our own creations and how humans react to those creations.

When we apply the scientific method, we're really trying to gain insights into the organization so that we can recreate it. We can reimagine it. We say this isn't working exactly like we thought it should work; let's come up with a better idea, informed by and turbocharged by our scientific method, and then test it again and see what we get. That whole learning loop of coming up with better ideas, testing them and then learning from them, I think is just in the DNA of so many of the great and working improvement programs that we have and use effectively in organizations.

Joe: *I think Toyota does this well and I talk about them because I'm most familiar with them, but with all this, Toyota knows they can't be copied because just as you mentioned, organizations are all different, and it's the ability to take that information and take some lessons and make them your own, is the basic example, right?*

John: In the design framework, which is embedded in the leadership framework, but it's a separate framework on how to design management systems or organization systems, one of the steps in the framework, one of the pieces I've labeled its inspiring examples, for the very reason you're talking about is that we can learn from others, we can be inspired by others, but if we don't creatively adapt that and create our own custom solution, at best, we're going to be followers to our competitors and at worst, we're going to implement things that simply aren't going to work in our organizations, and the examples of that are legion. I mean we've got lots of examples where people copy stuff from one culture context, put it in another company culture context, and it failed miserably, and they blamed the tool, when in fact, it was the people implementing that tool and not without creatively adapting it, but that was the problem. It is a double-edged sword. It's being inspired by other organizations, but if you're just copying, that's not the same as being inspired to create your own design; that's copying, and at best, you're going to be

following the other people.

Joe: *Well, I'll take this really down to the lowest level versus talking at the organizational level. I always get a kick out of let's say process mapping software or mind mapping software or even marketing plan software. The ability to sell it is based on the templates and plans that you have created already and really; you can't use someone else's marketing plan. But that's the idea, that if I go out, and I buy this software that's got 5 different plumber's plans in it, then I can have a good marketing plan for a plumber. Is that even at that level true?*

John: That's a great example, and I think what I attempt to do is provide enough structure to bound and frame thinking, which is why I call them frameworks. Flexible frameworks and not a perspective model, but a framework to help organize your own thinking around the custom design and solution for your organization. But you know, every organization is different. Some are different in a good way, and some are different and need to be redone because they're toxic, but every organization is unique. And there are a lot of things we can copy. Health care, for example, has made great strides by sharing with each other, because the transfer of knowledge between one surgery procedure and another is not that great as if you're learning from people outside your industry.

But again, it levels all the organizations and few are going beyond that or using that process to go beyond it because they learn from each other, and they all end up being on the same plane. Well, for healthcare and for us, we want that. There is a certain amount of goodness in that, and I don't want to be guilty of hyperbole in saying that's not useful. It's very useful, but it's not going to reinvent us and take us to the next level. Somebody has got to be doing that work that takes us to the next level, that the rest of us can learn from. If you're just learning from and copying, again, you're going to follow, and that may be okay; maybe that's what you want to do. If you want to lead, and you want to create something new, then you've got to take some risks and break some molds and come up with some different solutions and test them.

I think one of the biggest issues we face in our companies today is that we really don't want to take risks. We say we want innovation, but yet we've got an entire system set up to where you have to have predictable results before anybody else spends any time or money on it. Well, if you got predictable

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results, I would content that you're not doing anything innovative. Because if we can predict the results, we already know the answer to, it's not new. The only time you're doing innovation is when you are doing thing that you really don't know. You may have an educated guess, but you really don't know what the result is going to be and how successful it's going to be. Otherwise, it wouldn't be innovation.

Joe: *Well, you have 14 steps in your book. Do you have to use them all? Do you have to go step by step by step? How does someone get started?*

John: That's a great question, Joe and I've got several answers. They're flexible frameworks, but we have organized them into 14 sequenced steps. To say that that's actually how it plays out is really not the case. But that is a logical way to learn about them and even a logical way to do them if it's the first time you're going through that process. In fact, we just went live with more free stuff. We created a whole new section on the Website and went live two days ago really, called blueprints and it's in the main menu of our Website. It's free when you sign up for the free eBooks. There're 4 free eBooks, and you also get this free blueprints. These blueprints take the content from the eBooks and organizes it into those 14 steps, put it online in an afferent way that's searchable and linked and all that. Those 14 steps are a logical way to explore, certainly for the first time. If you're already in the middle of a transformation, and you're already using these kinds of tools, you may enter this and say, hey I need help here, and then you jump to whomever you need help It's a framework that you can enter and exit at any point, but there is a logical sequence for those that are starting out.

The other part of your question was, do you have to do it all? Well, here's the deal... I don't really know. But what I do know is the organizations that have been successful and sustained these games and actually accomplished and achieved sustainable excellence, they do them all. You might find examples where they didn't do one thing or not one thing well, there are no perfect ones, but the reason those elements are there is because there was a high level of consensus across the organizations that have accomplished this and that's the only reason it stayed the model.

I have to tell you, though; I wanted a much simpler model. Almost everybody that looks at it says, hey you've got a lot of stuff here, and I'm like, yes we do. If we could figure out a way to make it simpler, we would, because our goal wasn't to make it complex. But we've gone through a process of testing every

element; should it stay, should it go, is it essential? At the end of the day, the case was, it's pretty much essential. The question, you don't have to do all 14 at one time. You don't have to remember all 14. A lot of the steps are things that you would systemize right down, and they're activities that you would do in a systematic way, it's not something you have to remember. What needs to get embedded are the new ways the leader behaves, and their leadership style, and the culture of the organization.

To get there, the best way to do that is for the leader to personally transform and that's really the way to be authentic is to grow and learn themselves. I think one of the things that all the leaders I've talked to that have led successful transformation's experience was a personal learning experience. They changed from the beginning to the end. The grooves got deeper, and the gray matter got grayer, they were different people at the end, and they continued to be different people. That wasn't us a role modeling thing, although that important. The leaders have to role model what they want to see in the rest of the organization, but it also kept them going because to reinvent their own organization, they had to learn new things and learn how to think about new things in different ways and test their assumptions.

Joe: *They had to be in a little bit of a tension themselves, right?*

John: Absolutely! And the ones that didn't already know that found out along the way. There was one CEO, they've been at this for about a year or so, trying to transform, and their senior team, only about half of them were really doing it, and he talked to us like spies, but you know, informants like hey, find out what's going on. Why aren't they doing this? They age back, and they said, well boss, the answer is they'll change when the CEO changes. And he was like, oh! He was the kind of guy that sat back and reflected on that, and he didn't like that answer, but when he thought about it, he thought, I'm a product of this company, and I've been here over 20 years, I'm embedded in it, I'm part of the current culture and not the one we want, and he goes, you know I really hadn't thought through what I'm going to have to do to emulate and set the example. Once he changed his approach, then he started getting the senior leaders on board because he now had credibility and he was serious.

We launched all these change projects, and we create visions, and we say we want these kinds of values, but people are pretty smart. They watch our behavior, and they figure out what the real values are and what you really think is important by our behavior. It's great to write these things down, and it's

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important to write them down, it's important to design all this and figure it out, but if the leaders aren't behaving in the way that is consistent with that, it's not going to work, or I haven't seen them work, to put it that way.

Joe : *I have to ask you, since we're kind of talking, this tension thing will stay on just slightly here. A consultant, as someone that comes in and helps an organization through these 14 steps, are you behind them pushing them up the hill or are you in front of them pulling them? What's your role as a consultant?*

John: That's a great question. Actually, I would have to sue both ends of that equation from time to time. Sometimes, you create dissatisfaction by showing them what's possible in other situations and they may think they're much better than they really are and if you have examples of how other people have done it and performed much better, then you and create some dissatisfaction. That's often very useful and helpful for them and provides a good service.

I have to tell you that you have to be ready for the conversation and the denial, because when you tell somebody, if you use the dissatisfaction end of the scale, and you tell them they're not as good as they think are, what I found is that almost all humans go through some sort of cycle of the first deny that you know anything and have a clue, or they deny that those people are really producing at or there's something unusual about that organization that got those results. If you stick to our guns and talk about it awhile, eventually they'll say, okay well some of what you're saying we can probably learn from, but the other parts are still not that good. They'll try to bargain with you and eventually if you stick and hang in there, they might get angry. If they finally hang in there with you and you stick together, they eventually are a little bit depressed about the whole thing because they've realized that they aren't as good as they thought they were. It's only once they get past that and get to acceptance that they actually make progress and start moving forward.

Many people recognize that as Elisabeth Kubler-Ross' grieving cycle, and I guess what they're grieving is their former image of themselves is dead, and they're now grieving that and going through the process of denial and bargaining and anger and depression and finally acceptable. The organizations that do this really well, they've learned to get through that cycle really fast because they know that they have to get to the other side. I have to tell you; that's not a good sales pitch either; telling people that they're going

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to experience all these negative things is probably not a great way to sell them on taking on this journey.

The interesting thing is, the organizations that are the highest performing, just a side anecdote here, organizations that are the highest performing have the most problems. When I noticed this, I was like, this is really strange because either low performing organizations, they don't seem to have as many problems as the high performing organizations and that just didn't make sense to me at all.

I thought about it, and I'm a slow learner sometimes, I had to think about it, and when I thought about it, I thought, it's not the number of problems that they have. That's not the variable I'm looking at. I'm looking at the number of problems they're willing to tell somebody about or they think they have. What I found was that the organizations that are low performing, they don't think they have many problems because they don't really know what great performance looks like and if they do know, they deny they have problems. They don't have many problems, and if you don't think you have many problems, well guess what, you're not working and improving very many things because you don't you have problems.

The high performing organizations, the more high-performing they got, the more they understood about what was possible and so, they knew more and more about their organization and how imperfect it was, as the more they learned. They became even more dissatisfied the more they learned, and the further they went, and the higher performing they were, but that was an essential ingredient in getting them to improve because you can't improve something that's not broken. If they don't think it's broken, even though it is, if they don't think it's broken, they won't improve it. But I think the really high performing organizations, they recognize, and Jim Collins I think called this 'the brutal facts of reality.' They were able to face the brutal facts. I think that's what really we're seeing as the same thing that Jim Collin's saw in those organizations he studied was that they were honest with themselves, and that enabled them to work the problem.

Joe: *I think you go into that Lean philosophy that they don't even call things 'solution.' They call things 'countermeasures,' because it's never really fixed. If you don't see problems, that is a problem. I think you said that very well. I have to ask you one last question, and I've taken so much of your time, but you explain systems thinking so well, and it's embedded into your process; I get a natural feeling that the root of most of this and all of this is systems thinking. You seem to be practical about it, which I compliment*

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you on because I think most people when they go into systems thinking, you get off on some tangent. Is that why that it's not so popular? I mean, we talk about it, but there's not a lot of systems thinking companies out there. That concept seems very... I don't know the right word for it, but it always seems out there, but it's not practical for most of us. Do you see that and can you summarize a little bit what I said in better terms?

John: I don't know if I can think of any better terms Joe, but I pondered this question of why it has been slow to be adopted or put into practice. I think there are a few different explanations that are probably all contributing to it. One of them is it's the way we teach people and bring them up. We don't teach people about systems and to think in systems in school. Now in K through 12, we teach individual courses with very little discussion and/or exercises around integrating those courses together into a system. We continue that in business schools for sure. I mean, I'm not sure about the engineering programs, but I know the business schools, not only business schools are organized in silos, I mean so much so that the marketing people, or the finance people, or accountants, they often will know their colleagues around the world and their discipline, better than they know their colleagues in another department down the hall. It's just not a very system-type organization itself, and neither is the curriculum for most business schools.

I am sure there are some that are doing well at this, but most business schools, they train in the pieces and parts and the silos, they give specializations and degrees in the pieces and parts of the silos, and most of them rely on one course called a strategy course to try to bring it all together and by that point, it's usually too late. Then we send them to organizations, and they create siloed functional organizations that they don't look at as systems, and we wonder why. Well, we trained them that way; we get what we deserve, I guess.

I think that's one issue. The other issue is just humans and the limitations of humans and the way we learn and other people have pointed this out all the way back I think to Jay Forrester's work, and Deming's work and Senge's work point out that when the distance between cause and effect is quite large but not immediate, we have difficulty making the connection intellectually between cause and effect. When you're driving the wheel left a little bit and the car makes a change, we learn pretty fast that turning the wheel makes the car move in that different direction; the learning loop is very fast. In other systems, it's not so fast. You have this delay built in between action and the result. Senge uses a few great examples like the

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aspirin, where you take an aspirin, and your headache doesn't go away immediately because there's a delay in the effect, and the same way with hot water in the tap and adjusting it.

When you talk about organizations, you can magnify that issue a thousand times I think, because not only do you have a delay in the policy we create, the change in a process, whatever it is, and the actual results that we're getting are often months later, and if the result is in a different process or a different place in the flow, then the cause is. Because of that difference, I think it becomes very difficult for us to learn. We need really good and explicit models about our organizations, theories about how our organization works in order just to have the conversation. You add into that all the external and internal factors that are impacting those results, we now have not good experiments. They're not controlled experiments. We often can't explain the results completely by what we did three months prior.

But, there is hope. I see a little ray of hope on the horizon, because the unfulfilled promise of big data and the digital processes and how we measure them might help us take a few steps forward in systems thinking because if we can come up with the right mental models and the right structures and a way to think about it, we can then guide the collection of the digital information that now would be much cheaper, free almost after you design it, to collect the data we need to actually analyze the system in a way that's more profound than we currently are doing it.

Not to start a new topic, but I think part of what gets involved in this is Deming's system of profound knowledge, where organizations are this combination of psychology and people, systems, and variations, and statistics, and understanding what variation looks like, and that fourth component that he proposed, you have to have a theory of knowledge to help you understand all that. It's not easy stuff, and I think that's part of what's lagged behind. But, I see hope that with these tools, a lot of times, we just lack the information to even have the conversation in any way that wasn't conceptual. So now, with the data, we may be able to get grounded in data and facts and be able to really fair it out some of the ways these systems work that we haven't been able to do before, but we're going to have to create those models, otherwise big data is just a bunch of data.

Joe: *I think that's a great observation because just as you're talking there I'm sitting here thinking, okay we have all this past data that we're looking at and we can gather current data so quickly now, it's*

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instantaneous, but the promise of big data is predictive analytics. We now have predictive data. That cause and effect, we're shrinking that all into the present moment that we've taken that delay and shrunk that delay a great deal with data.

John: If we can achieve that, big data will fulfill its promise. But right now, haven't seen too many people use the systems thinking structures to combine with big data. There are a few that have, and there are some good examples, but that would have to become widespread. If we can make our organization designs explicit and by designing the systems explicit, not just the hierarchy in structure which is somewhat often what we think of with org design, but the actual how the flows of information and value of work in the organization, I think we have a chance of really leveraging big data to make a big difference.

Joe: *A great conversation. That has to wait for another podcast, probably. What's upcoming for John Latham?*

John: Well, you know I'm attempting to be on a bit of a sabbatical, working on a book that goes into much better depth on those two frameworks and the 14 steps. What you see on the site, we produce out a weekly article that explores different issues, but this book, I'm hoping really will provide people with much more depth on the application and what it really means to organizations and how to do something with that information, even further than what the current information does. At the same time, working on a course to help people with worksheets that actually help them apply these concepts. I can only fly to so many places and get around, I've stopped doing that for the time being, and I'm focusing on trying to reinvent how we get these ideas out to people and not reinvent but adopt really other practices that are digital and to where anybody with an internet connection and probably needs to speak English can get through the course and the book and learn these techniques. We're looking for ways to structure this course where it's not education, as much as it is a workshop where they actually do apply work all the way through it and apply it to their organization. More to come on that, but that's what we see as the future and how to really help the most people we can.

Joe: *What's the best way for someone to connect up with you?*

John: Well, the first way is organizationdesignstudio.com, and there are several ways to connect with us

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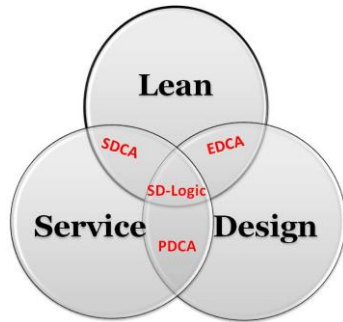
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there. You can contact us through that site, and there are several social media places where we've started putting stuff and were going to attempt to build a conversation and community out there in the social media. But my direct email is john@organizationdesignstudio.com. If you want to email me directly, I answer all my own mail. I don't even have a virtual assistant that does that. When you hear back from me, it's me. It's really me. John@organizationstudio.com is the email.

Joe: *Well, I would like to thank you very much, John. I appreciate it. This podcast would be available on the Business901 iTunes store and the Business901 Website. Thanks everyone for listening.*

John: Thanks, Joe.



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Joe Dager is President of Business901, a firm specializing in bringing the continuous improvement process to the sales and marketing arena. He takes his process thinking of over thirty years in marketing within a wide variety of industries and applies it through Lean Marketing and Lean Service Design.

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