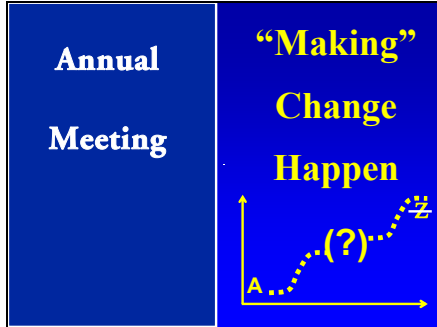
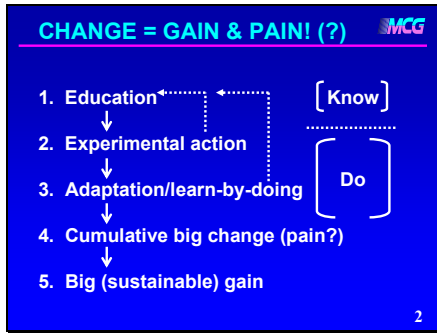


Slide 1



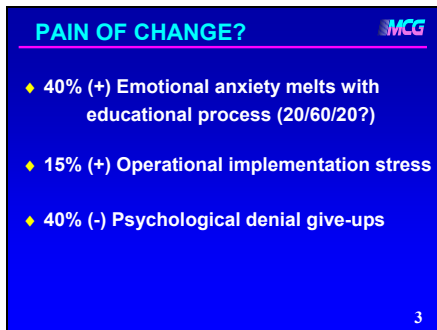
These 24 slides are some highlights from a 118-slide presentation/workshop. If anyone would like the entire handout emailed to them, request it from karen@merrifield.com.

Slide 2



Break the change process into two big parts: knowing more and doing. Then, break those parts down into smaller areas including the “pain of and resistance to change.”

Slide 3



Studies have revealed many contributing elements to the “pain of change; these elements can be summarized into 3 general categories listed here. What are anticipatory strategies for minimizing these elements of resistance in advance?

Slide 4

FEW STRATEGIC ARTISTS! MCG

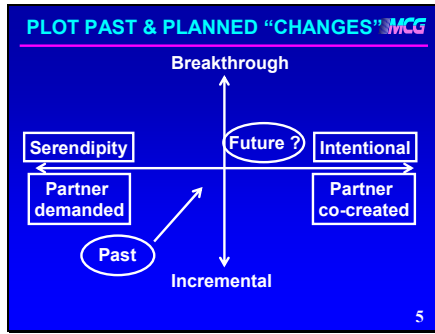
- ◆ Good to great: 11/1435, 11/7000
- ◆ David Birch "gazelles" 3% (20%/yr)
- ◆ Service quality success 5% (-)
- ◆ Top 10% wholesale distributors*
4 - 6X ROI of bottom 90%
2 - 5X industry growth rate

*Improving Distributor Profitability" by Al Bates.
www.nawpubs.org

4

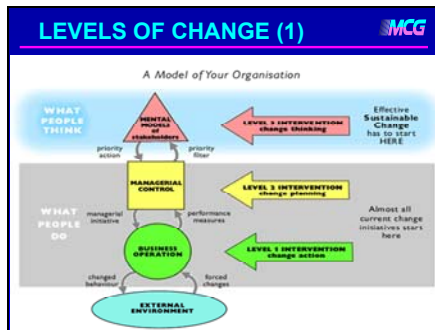
Different sources reveal that only 2 - 3% of mature businesses are perpetual innovators that continually have value and profitability ahead of the pack.

Slide 5



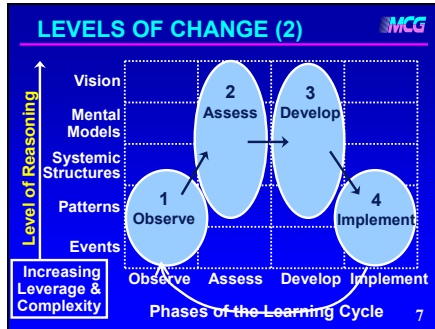
All companies make lots of changes every year, but they are mostly reactive, incremental, adjustments which are trying to insure survival at best. How do we achieve more success in the upper right quadrant?

Slide 6



The big sustainable changes only come from first rethinking how a company competes. This means changing "mental models" and related (unspoken) assumptions of the CEO which are often too simplistic, unaligned and/or out dated. The ego problems of saying things like: "I was wrong; I don't know what the next best way is," etc. are the biggest change challenges.

Slide 7



This slide supports what is covered in the last two from a different perspective.

Slide 8

DO HOLISTIC Δ's; NOT K.I.S.S.

1. Businesses are complex systems that are:
 - Dynamically oscillating & shifting
 - Interdependent & interconnected
 - Within changing ecosystems
 - Populated by impulsive, free-will, sub-consciously driven creations.
2. KISS: Move a table & books fall out
3. Do kinetic chain, re-weaving changes

K.I.S.S. - keep it simple stupid

8

Simple change doesn't work because a business - like a body - is a complex dynamic, adaptable (homeostasis resistance) inter-connected systems that exists within a bigger ecosystem. Simple changes make superficial, linear-thinking sense, but will often have unforeseen side effects and always be overwhelmed by the total body and ecosystem's ability to maintain the status quo.

Slide 9

"KINETIC CHAIN"

→ Sustainable Profit Power


7. Incentives
6. Assets (Tools)
5. Education
4. "Good People"
3. Systems
2. Strategy
1. Great "Leadership" - Management

See Article # 2.1 at www.merrifield.com

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For more on this holistic, change-implementation, checklist model, see Exhibit 16 and Article 2.1 at www.merrifield.com.

Slide 10


SECTION SUMMARY POINTS 

- Today = beginning of a C⁵ path quest?
- Get "META": think about how we think about changing
- But Kinetic chain still misses:
 - Psychology of resistance for all
 - Especially leaders' mental models (+ ego effects)
 - Underlying culture "memes" for Δ

10

On a scale from 1 to 10 how would you rate your company's -- "corporate change capacity (as a) core competence" (5 C's)? What will you do to continuously improve your C 5 score?

Slide 11

CHANGE OR DIE (LITERALLY) 

1) Since 1955 80% of health costs spent for 5 behaviors:


| | |
|--------------------|----------|
| Too much: | Smoking |
| | Drinking |
| | Eating |
| | Stress |
| Too little: | Exercise |

2) Health crisis; 2 yr's later 90% resume

11

If 90% of human's can't sustainably change their health habits after getting to near death, why would corporate statistics be any better? 99% of all businesses that ever existed in US history are extinct today.

Slide 12

CHANGE OR DIE CONCLUSIONS 

1) At personal/micro level:

Re-frame From: Fear-denial-escape-persist
To: Joy of living in holistic new way

2) At corporate/macro level have:

All Kinetic Chain Elements
(+)
Right "psychology of change" moves

12

Self-explanatory

Slide 13

COMMON REASONS FOR RESISTANCE MCG

1. Perceived negative outcome
2. Fear of more work
3. Habits must be broken
4. Lack of communication (by magnitudes)
5. Failure to re-weave & align all
6. Employee rebellion: resist being changed

13

Self-explanatory

Slide 14

BRAIN CHEMISTRY OF HABITS MCG

- Rats learn mazes in 100 reps; for life (200)
- Flute players' hyper-trophied brain spots
- The revised "Lord's Prayer" mental pushback

Solution

1. Positive affirmation statement(s)
2. With positive visualization
3. Tag it with a positive emotional experience
4. Do it at least first & last thing daily →
New neuron development; and
subconscious support

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There is much research and now pop psychology how to books on the mechanisms and power of "positive affirmations", "the law of attraction", "creative visualization". All very woo-woo, but it has been scientifically proven to work.

Slide 15


7 STEPS OF OPENING DOORS MCG

The diagram illustrates a sequence of seven colored door frames (orange, green, blue, orange, orange, orange, green) arranged in a line. Above each door is a label: Knowledge, Desire, Skills, Facilitation, Optimism, Stimulation, and Reinforcement. On the left, three blue stick figures are walking towards the first door. On the right, a blue stick figure is walking away from the last door. A red dashed arrow points from the last door towards the right. The word "educator" is written at the bottom center of the diagram.

Developed by Les Robinson of Social Change Media 15

We can't "make" change happen, we can, however, enable it by "opening doors" that allow people to migrate at different speeds through them.

Slide 16

SOME NEW TERMS: 

"A Corporate Culture":
All of the – values, norms, assumptions, beliefs & ways of living built up by a group & transmitted to next generations

A "MEME":
A unit of cultural information

16

For more on “corporate culture memes” see the following at www.merrifield.com:
Article # 1.16, Slideshow # 18; many of the “exhibits” and all 53 modules of the “High Performance Distribution Ideas for All” education kit.

Slide 17

STRATEGIC-VISION MEMES (A) 

1. People, Service, 4\$\$
2. Inverted, service pyramid
3 – 11 in Appendix
3. Do best, better
4. Customer NPV/PBIT ranking plays*
5. Segment to: re-price, re-term & re-serve
6. Triple nickel (5-5-5), laser-beam marketing
7. Win at the strategic triangle

*NPV – net present value; PBIT – profit before interest & tax

For more on “corporate culture memes” see the following at www.merrifield.com:
Article # 1.16, Slideshow # 18; many of the “exhibits” and all 53 modules of the “High Performance Distribution Ideas for All” education kit.

Slide 18


STRATEGIC-VISION MEMES (B) 

8. Win on (+) turnovers
9. Service = big 8 (+) 4 guidelines
10. Evolve 7 personnel systems
11. Rank, thank & re-synch

18

For more on “corporate culture memes” see the following at www.merrifield.com:
Article # 1.16, Slideshow # 18; many of the “exhibits” and all 53 modules of the “High Performance Distribution Ideas for All” education kit.

Slide 19

MICRO-2-MACRO, MEMES 


1. High performance hexagon (structure → behavior)
2. Jedi mastery path for all
3. Monthly learning statements
4. Push the wheel of learning
5. Make good mistakes (4F's):
6. Questionate, cogitate, activate, innovate
7. Everyone a first-time teacher; rules of 5 - 7 & 1 - 10
8. Cont. broadcasted praising statements (+ celebrations)

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Article # 1.16, Slideshow # 18; many of the “exhibits” and all 53 modules of the “High Performance Distribution Ideas for All” education kit.

Slide 20

NEW MENTAL MODELS INTO ACTION* 

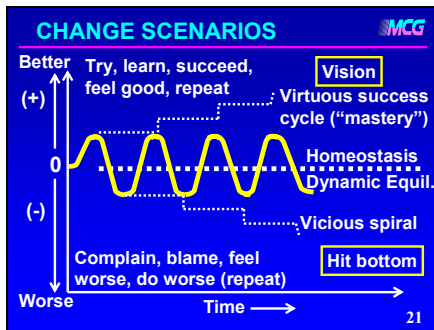
1. **Recognize** the power and limits of mental models
2. **Test** models against changing environment. Generate new ones.
3. **Overcome inhibitors** to change:
-- infrastructure
-- dift. viewpoints
4. **Transform:**
-- new model expts.
-- system reweaving

*Adapted from: “The Power of Impossible Thinking” by Jerry Wind and Colin Crook

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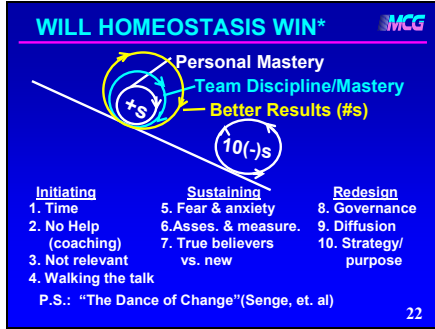
Self-explanatory. Excerpted and modified from an excellent book.

Slide 21



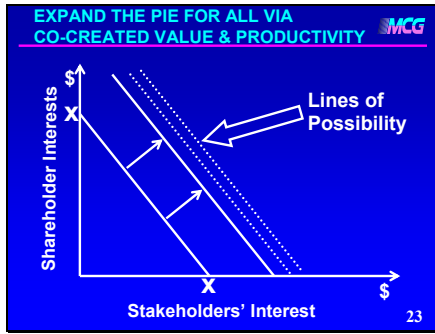
An illustration of homeostasis or dynamic equilibrium which must eventually breakout into a virtuous cycle or change progress or into a downward (vicious) spiral of dysfunctional economics.

Slide 22



This slide summarizes some of the underlying "learning" skills that enable change as well as the resisters to change that happen at each chronological stage of the change process.

Slide 23



Self explanatory

Slide 24

NEW WORLD TAKES NEW THINKING MCG

"One cannot solve a problem with the same kind of thinking that gave rise to that problem."
Albert Einstein

"Our use of old words to describe new things can hide the emerging future from our eyes. "
Charles Handy 1997

"Words enable deeds."
Ludwig Witternstein

24

Self explanatory