

Bill Synnot and Associates

Change Management Consultants

Po

INTRODUCTION

- Po is an acronym for Provocation Operation which asks “Suppose....?” and “What if....?”. It is a Provocation like impossible, contradictory, absurd or nonsensical
- *Po* involves a deliberate leap out of the logical sequence. It is associated with
 - hypothesis (brings new possibilities to perception)
 - suppose (let’s suppose....)
 - possible (the status quo is not the only way a situation has to be)
 - poetry (for the movement value of its imagery, provoking new thoughts)
- *Po* is placed in front of the provocative, sometimes absurd proposition, which pushes our perceptions out of the dominant track into an as-yet unassociated side-track. Furthermore, *Po* has no value in itself; its importance is where it leads. Its purpose is movement, ie treat these exercises like stepping stones used to cross a river
- The *Po* technique requires that something is put forward directly as a provocation. When using *Po*, everyone knows that the provocation is unreasonable and contrary to experience; however, the bolder the provocation, the greater the chance of good and unusual ideas being generated. A provocation is not for judgement but for “movement”. We move forward from the provocation to new ideas. There is a demonstrated need for provocation in any self-organising information system like the human brain. It is more than “what if” or “suppose” as this implies a limited range of possibilities. Provocation goes beyond that.
- There are 2 elements involved in *Po*, ie the setting up and delivering of ideas
- Furthermore, there is a need to recognize the difference between creating a provocation and movement, ie extracting an idea from provocation (using imagination), and to resist the urge to do the 2 things at the same time
- This technique needs plenty of practice; then fluency, skills and confidence will feed off one another

SIX TYPES OF PO

i) Arise	iv) Exaggeration
ii) Escape	v) Distortion
iii) Reversal	vi) Wishful Thinking

i) ARISE (CRAZY IDEA)

eg *Po* - radio beam used to shoot down aeroplanesdevelopment of radar

Po - plane should fly upside down...pilots have a better view, especially when landing

Po - letters should be closed after they are posted.... direct mailers put in advertising and pay postage

Po - to sleep and not sleep at the same time.....a Russian prisoner drew pupils on a piece of paper and stuck the paper on his eye lids with spit; consequently, when the guard came to check if he had fallen to sleep, it appeared that he was awake

Po – using a TV mini-series (Sigrid Thornton factor) to create a demographic boom.....demographic booms occurred in Echuca – Moama after the TV mini-series “All the Rivers Run” was shown; similarly, for Barwon Heads after “Sea Change”. Both series starred Sigrid Thornton. These series popularised life-styles and regions which then attracted visitors and new residents; furthermore, they stimulated the local communities to develop the regions

Bill Synnot and Associates

Change Management Consultants

Po – come and visit the Red Centre.....traditionally tourists did not visit Central Australia during the hot time of the year, ie summer with high temperatures. The NT Tourist Authority started a successful advertising campaign urging a visit to Central Australian during the summer, with the advertising slogan - come and see the “Red Centre”

Po – a car as a shopping basket/trolley.....when the VW beetle was introduced into the American market after the second World War, it did not sell well until it was advertised as the housewife’s shopping basket. (NB This was when large “gas guzzlers” vehicles were popular in USA)

Po – approach the wives of shift workers to reduce labour costs.....a power utility was suffering from excess labour costs, ie overtime associated with shift work. Many wives were upset as their partners were never home, especially during the week-ends. Thus, the wives were informed that a change in shift work would mean that their partners would be home most week-ends. The union leadership opposed the changes but the pressure from the wives won the day. The firm changed the shift work schedule and reduced its labour costs by 20%.

Po - pollution is a commodity.....futures trading in pollution so that a firm that had a good pollution record could “trade” or sell its surplus allocation to a firm that was a heavy polluter

Po – old automobile tyres as footwear.....in developing countries old automobile tyres are made into sandals and shoes for people to wear

Po – use books to sell cars.....after writing a book on how to buy a second-hand car, the author ended up with a garage full of books. In an attempt to sell his book, he starting advertising on the Internet and was swamped with the demand. Then he approached car dealerships about purchasing his list of book buyers. As they have large advertising budgets, they were very keen to have the names of potential car buyers

Po – legalising abortions reduces crime.....since the 1990s the fall in the USA crime rate has been statistically linked with abortion being legalised in 1973. As a result of that legislative change, 20 years later the pool of potential criminals was smaller as unwanted children are more likely to become criminals than children who are wanted by their parents!!!!!! Furthermore, unwanted children are more likely to grow up in a single-parent household and poverty. Studies have shown that growing up in a single parent home, especially with a teenage mother who has a low level of education, and living in poverty are very powerful factors leading to criminality. The fall in crime was not due to prosperity or better policing or more imprisonment or shortage of drugs

Po – legalise pornography.....Hugh Hefner created “Playboy” magazine which legalised pornography because it was placed it in the context of an urbane bachelor lifestyle that included music (jazz, etc), fine wine, literature, elegant manners, etc.

Po – limited choice.....Aldi discount supermarket chain has a very limited range of products to sell when compared with its competitors. They carry the most popular grocery items, stocking between 600 to 800 different items compared with the 30,000 on offer at a typically large supermarket. The chain embodies the concept that consumers need only everyday basics as cheaply as possible (“bare-bones” model) and practises hard discounting, ie by selling a small range of goods, mostly under house brands (almost 90% of their stock is sold under house brands), they are able to deal directly with suppliers and drive extremely hard bargains. Choice is severely limited, eg there are just 2 varieties of toilet paper, one kind of toothpaste, etc. Limiting the range in this way means Aldi has an enormous purchasing power, estimated at around 20 times that of world leader Wal-Mart. This is reflected in its prices. Further costs reductions are achieved by having products displayed on shipping pallets straight from the warehouse, or in ripped-open cardboard boxes; there are limited checkouts with customers bagging their own groceries, bare-boned displays, etc

Po – sell something that was free.....Nike took something everyone already had for free, gave it neat-looking packaging, bought celebrity endorsement for it and sold it for a premium. What they sold was air. Niki air cushion system was a triumph of technology and marketing. Assisted by a basketball player named Michael Jordan, Niki grew from car boot sales to by far the largest seller of sports/fashion shoes in the world

Po – use computer games to increase intelligence.....research over 30 years has found an average 3% increase in IQ per decade. This has been explained by exposure to computer games and internet. Interactive media involves making decisions; thinking and evaluating; learning and detecting patterns. It is a wonderful exercise of the mind, ie a cognitive workout, that is exercising parts of the mind that give you techniques that can be applied to real world problems, such as multi-tasking, handling virtual relationships, problem-solving in the abstract, juggling and shifting between priorities, etc

Po – swimming pools to reduce infection.....in remote areas of Australia where skin, chest, eye and ear infections are life threatening and in epidemic proportions among Indigenous youth. The use of chlorine in the swimming pool water is significantly reducing (has more than halved) the incidence of these infections in the population; similarly, a reduction in the use of antibiotics and clinical workload has occurred. In addition, the pools have become a social hub for the community.

Po – aircrews are sales staff.....low-cost air carriers have a minimum ticket charge with an extra charge for ancillary service. This means every movie, food, etc sold adds to the bottom line. Ryanair generates 13% of its revenue from ancillary items. Thus means that the aircrews have to be motivated to sell and are partly paid on a commission basis

Bill Synnot and Associates

Change Management Consultants

Po – selling haircare by promoting nutrition.....by appealing to the maternal instinct of women, Proctor and Gamble sell one of its most successful hair-care lines (Pantene) by promoting nutrition, ie women need to feed and nurture their hair

Po – entertainment (films and TV shows) to bring about positive social change in a community's attitudes and behaviours.....most of us feel that TV and films encourage anti-social attitudes and behaviours. Yet Jay Winsten of Harvard University organised the media to bring about social changes on a large-scale in relationship to drink driving and teenage violence. He convinced the producers of around 160 leading television shows and mass-market films makers that they could include redeeming social messages. These messages would not be intrusive and did not impact negatively on the thrust of the entertainment. Furthermore, the major TV networks followed up with public service announcements reinforcing these messages. As a result, rates of death and injuries from drink driving have dropped significantly in the USA and the practice of assigning a designated driver, who does not drink, has become increasingly routine. For teenage violence, he developed a campaign called "Squash it" based on research that showed teenagers privately admitted that it showed strength and self-respect to move away from an altercation rather than resort to fighting. Furthermore, he is also increasing adult mentoring of disadvantaged youth. These campaigns are based upon TV and film programs that involve

"...social marketing uses the disciplined, iterative methods perfected by high-end advertisers to promote socially desirable ends..."

Howard Gardner, 2006

Po – Trojan horse concept used in medicine.....One of the challenges with new medical drugs is getting them to where they are needed. In particular, the brain where blood vessel walls are tightly knitted can create a formidable obstacle to delivering treatments for neurological diseases. Some viruses that specialize in infecting the nervous system, such as rabies and herpes, are able to penetrate the blood-brain barrier. Some scientists have exploited this capability by disguising a drug with a small protein normally found on the surface of the rabies virus. This protein unlocks a passageway through the blood vessel walls and allows the drug to penetrate the brain.

.....A similar example involves a biopolymer cage that can protect or conceal a variety of substances until their release is desirable; both the cage material and the trigger to discharge its contents can be tailored to specific situations, such as germ killing plastic wrap for meat by encapsulating a bactericidal enzyme inside woven cages of cross-linked starch molecules, then coating the plastic with them. The starch cages remain inert unless bacteria are present, which then start eating the starch, thus degrading the cage until the killer enzyme is released

Po - look beyond the individual in health.....traditionally medicine looks at health as an individual issue, ie what we eat, how much exercise, etc. Two researchers, Wolf and Bruhn, convinced the medical establishment to think about health in terms of community, ie what culture he or she is part of, who are their families and friends, and what towns their families come from

II) ESCAPE (REVERSE THINGS THAT ARE TAKEN FOR GRANTED)

eg **Po – restaurants do not charge for food**.....Diners Club card, ie eat now, pay later. Frank McNamara, entrepreneur who started Diners, was "caught short" at a restaurant and had to phone his wife to get her to drive in with the cash as he had left his wallet at home

Po - refrigeration to warm food.....selling refrigerators to Eskimos to warm-up their food

Po – we sell products to our competitors....change usual method of product distribution

Po - cost comes after revenue.....travellers' cheques (pay money upfront before going on trip or holiday, thus allowing the issuer of the cheques to have use of your money)

.....Starbucks debit cards (within 60 days of its launch, some 2.3 million cards sold and the company had a \$US32 million cash float. About \$US1 billion has been loaded on to Starbucks cards in the US over the first 3 years)

.....to generate cash flow to start Virgin records, Richard Branson received cash from customers when they ordered; he had negotiated to pay the record companies and advertisers 1 month in arrears.

.....many entrepreneurs, such as Peter Holmes L'Court, are using debt on their credit cards to finance their businesses.

.....telephone firms using pre-pay facilities on phones. Younger people and people in developing world prefer this option.

Po – take a contrary view of globalising.....GE focussed on areas of the world that were either in transition or out of favour with investors, eg Europe and Mexico in the mid-1990s

Po - forwards need to play like backs.....Australian Wallabies (rugby union team) achieved a win % of 81 with Rod Macqueen as a coach (1997-2001)

Po – don't pay full price upfront.....use of instalment payments

Bill Synnot and Associates

Change Management Consultants

Po – no pure cattle breeds.....mixed or composite herd (increased reproductive performance by around 25%). Some operators were so proud of their pure breeds and so against the idea of a composite breed that they left the organisation

Po - use a criminal to catch a criminal.....FBI pardoned a criminal (fraud) on the basis that he used his skills to catch others involved in fraud. The film "Catch Me If You Can" is based on this story

Po – taxi drivers are nice to each other.....initially a taxi driver allowed his competitors to "steal" his work. After 6 months of being laughed at by other taxi drivers, they started to push surplus business his way

Po – to grow, don't go overseas.....Wesfarmers has grown laterally inside Australia by broadening its base into new sectors, from retail to coal mining, rather than going overseas to invest

.....Amancio Ortega who operates the third largest fashion retailing empire in the world (Inditex), decided that manufacturing everything offshore was too time-consuming, and involved significant hassles with production, quality control and timeframes. Instead developed a home-grown system that, although 10 to 15% more expensive because around 2/3 of production done in Europe and only 1/3 done in Asia, has delivered great value to the company

Po – banks have no branches.....banking done by telephone and Internet with large savings to banks, ie some estimates for changing to Internet banking has reduced the cost of handling each transaction from over \$US 1.00 to a couple of cents

Po – airlines do not pay landing rights.....Ryanair (low cost airline) gets the local authorities to pay the landing rights at the local airport as Ryanair brings visitors (thus money) to local areas

Po – a disease to control a disease.....deal with life-threatening cancer in humans by using another disease to control it. For example, the use of modified herpes virus to infect and destroy tumour cells in the brain

Po – hunters become conservationists.....in Cambodia, the previous hunters of rare animals are now scouts for locating and recording details of these species

Po – don't employ skilled people.....employ people on the criteria of work attitude, aptitude and cultural fit with the organisation, with on-the-job training to give them the necessary skills to handle the job. In one firm this has helped reduce absenteeism to near zero while the rest of the industry has up to 50 %

Po – plastic as conductors.....development of plastic electronic products (semi-conductors), such as information displays for appliances and computers, electronic paper, radio-frequency identification tags, wearable electronics, chemical sensors and pressure-sensitive skin for robots

Po – make your enemies into friends.....2 traditional adversaries (conservationists and farmers) became partners in the very successful Landcare movement in Australia

Po – stricter environmental rules and regulation increases profitability.....

the stricter environmental rules and regulations have encouraged innovation and development of more sustainable forms of energy, agriculture, construction, mobility, forestry, etc. The concept of eco-efficiency has already persuaded companies to make radical shifts and innovation. This has resulted in improved financial performance and reputation by easier hiring of the best talent, higher retention of top talent, higher employee productivity, reduced expenses in manufacturing, reduced expenses, increased revenue/marketshare, reduced risk, easier financing, improved company reputation and brand equity

Po – competitiveness created by high wages and shortage of labour..... traditional competitiveness was created by "cheap and abundant labour" but Germany, Switzerland and Scandinavian countries have succeeded for decades with high wages and shortages of labour. This has increased the incentive for innovation, etc

Po – competitiveness comes from high interest rates, high government deficits and appreciating exchange rates.....many nations have enjoyed rising living standards with budget deficits (Korea, Italy & Japan), appreciating currencies (Germany & Switzerland) and high interest rates (Italy & Korea) over the last 30 years. This is the reverse of what traditional economic practice recommends.

Po – resource-poor nations out-perform resource-rich nations...from the 1970s to the 1990, the resource-poor nations like Singapore, Japan, Korea, Switzerland & Germany prospered; eg, Singapore achieved a rise in per capita GDP from 1980 to 1995 (15 years) that took resource-rich USA 50 years to accomplish.

Po – fast food outlets don't need staff.....using new technology (computers and Internet) and vending machines to replace staff in fast food outlets, such as "easyInternet" cafes in shared premises with the likes of McDonalds

Po – the poor to help themselves.....micro-enterprise development (micro-credit to assist rural entrepreneurs to start various self-employed businesses). Starting in Moslem-dominated, rural Bangladesh in 1970s, the Grameen Bank (whose founder, Muhammad Yunus, won the 2006 Nobel Peace prize for it) began lending small amounts of money to the landless poor. The concept

Mobile phone: 0418 196 707 - Mobile phone: (intl) +61 418 196 07 - Fax: +61 (07) 3399 7041

Email: info@billsynnotandassociates.com.au

Web page: www.billsynnotandassociates.com.au

Level 18, 300 Queen St., Brisbane, QLD, 4000

Bill Synnot and Associates

Change Management Consultants

was very successful, with over 90% repaying their loans. Most clients were women who formed groups of around 25 to receive small business loans and mentoring. They guaranteed each other's loan. Many international organisations are now following this model to help alleviate poverty as simply giving people hand-outs does not result in sustainable poverty alleviation; entrepreneurialism, rather than charity, is the solution. This is now a \$9 billion industry in micro-lending which is hinged on the belief that people do not need the threat of seized assets as an incentive to pay back loans.

Furthermore, to handle the lack of access to other resources, such as technology and information, Grameen has established a cellular village telephone service in urban and rural areas. As a result, the businesses are performing better.

Po – don't sell through stores.....Avon's initial success was by selling its affordable fragrances through a network of representatives, (ding dong! Avon calling!) rather than stores. Avon has around 4.4 million representatives in 143 countries

Po – reverse accepted management practices.....Revlon's Charles Revson, a malevolent dictator, who stated that as he had built his business by being a bastard, he would continue to run it by being a bastard: "I'll always be a bastard and do not try to change me"

Po – sell products at cost.....HP makes little out of selling printers but makes "bucketloads" from selling the ink cartridges for the printers

Po – give things away free.....this has resulted in "collaborative innovation" whereby giving away anything free results in a "bigger pie" for everyone. This trend is evident in Blogs and the Wikipedia online encyclopedia. IBM has embraced the concept as well, giving away intellectual property and expertise to open source software groups, universities, customers, and other IT companies, etc. Furthermore, it has found that these "freebies" are a potent weapon in handling the likes of Microsoft who are selling expensive products, etc. For example, IBM has 600 programmers working on Linux; it is estimated that by working on an open system, IBM is getting a world-class operating system that satisfies customers' needs for a small fraction it would cost to develop it themselves. Furthermore, the freebies are helping open doors internationally, such as in China where a system based on Linux will be used to connect all libraries. Openness is a great strategy so long as you keep inventing products needed by the market.

Po – sell both premier and private label products together.....profits have increased with manufacturers advertising premium-priced brands while encouraging private-label versions. Big brands have maintained or improved their margins even as their private brands proliferate. The rationale for this is that there are 2 types of buyers: brand seekers (who only buy branded products) and private label seekers (who only buy private label products)

Po – take the bank to the customer..... with the high transport costs in Fiji (it can be up to 10% of average weekly earnings), ANZ has taken the bank to the customers: with United Nations Development Plan's help, it has outfitted 6 mobile banks to visit 300 villages a month.

Po – "welfare" nations out-perform "free-market" nations.....traditional supply-side economists claim that the best way to achieve well-being for the poor is by rapid economic growth; while the higher taxes to fund social insurance will cripple prosperity. But despite higher taxes and social outlays, the social welfare nations in the Nordic area out-perform the Anglo-Saxon "free marketer" nations on the economic indicators, such as poverty rates, national income per working-age population, greater budget surpluses as a share of DGP, etc. One of the reasons for this is the focus on R & D and higher education by the Nordic nations plus encouraging low-skilled people to work in the key quality of life areas such as child care, health and as carers for the elderly and disabled

Po – work from home.....call centers are finding it harder to recruit staff and staff are leaving at unsustainable rates. Also, many of the call centers have unacceptable management practices, such as timed toilet breaks and excessive pressure on the call times. Consequently, some operators are encouraging people to work from home; all they need is a suitable computer, a headset and access to broadband. Furthermore, the happiest and most stable call agents are likely to be women older than 40 years. Older people have more empathy when dealing with people who are experiencing problems with a service or product. An interesting example of this is an aged care facility being used as a backup call center.

.....one organisation found that productivity increased by 25 percent when people work from home. Increasingly, more of the home-based workforce is highly qualified, very professional and committed.

.....a 14 person hedge fund found that its staff could work from home using the latest technology and did not need to be on Wall St

.....one of Australia's largest cattle companies operates its administrative office in "dismountables" behind a public "dog hotel" in a coastal rural village that is 100s of kms away from any regional centre or capital city or cattle station. Modern technology, especially in communications, allows this to happen and allows staff to pursue their preferred life-style away from the city.

(NB In addition, this has resulted in significant cost savings, eg office rental, etc.)

Po – treat customers like staff.....Microsoft used many thousands of its customers to help develop and test new products. Thus, for some products, Microsoft's customers pay more towards the development of products than the company itself.

Bill Synnot and Associates

Change Management Consultants

Po – focus on staff.....traditional firms focus on the customer first, while South West Airlines focussed on staff first. If you have the right staff, they are customer-oriented.

Po – use alcohol to improve productivity and reduce health problems.....In Kenya beer is very popular and Kenyans like it cheap - this has encouraged illegal home brewing with no government taxes, no standards or inspections and with contamination from water supplies. Thus, alcohol has become a serious health problem causing blindness, problematic hangovers and related illnesses that routinely lowers productivity in Kenya's labour-intense industries. A multinational corporation (Diageo) that sells premium alcohol beverages saw an opportunity by focusing on the best outcomes for society. They started dialogue with the National Government on producing a low-cost, "healthy" beer that would be widely available and give the buyers of the illicit beer a reasonable alternative. The government agreed to reduce the surcharge on this beer as it realized it would collect greater revenue with more taxable beer being consumed. Furthermore, it would reduce the serious health problem that was lowering industrial productivity. The company selected responsible community leaders who would sell their beer and gave them the appropriate training and equipment - thus encouraging new small-businesses to flourish

Po – customers determine the price they pay.....in the music industry the business model has changed from selling LPs and CDs in large numbers so just recover the manufacturing, printing, shipping and retail costs plus royalties. With digitisation and Internet, there is now no need for the expensive recording studios, etc as top-quality albums can be made on a decent laptop and the Internet is used to distribute the album. Consequently, the current cost of manufacturing and distributing is minimal. As a result, in 2007 an English band released an album entitled "In Rainbows" as a pay-what-you-like digital download. Many experienced operators in the music industry thought that they were mad. It was successful because

"... 40 percent of fans paid an average of 3 UK pounds each for the album, making the band nearly 1.5 million UK pounds.....they had licensed the music and it went on sale as a CD too..."

Richard Branson, 2008

Po – put passenger, not cabin crew in control.....traditionally, services on airplanes, such as meals, movies, etc are free and only available at specific times during the flight. This has resulted in low quality food and customers having low expectations. On the other hand, for a fee Virgin America offers movies, food, etc when passengers want them. This reverses the traditional role and puts the passengers in control rather than the cabin crew.

Po - employees first, customers second.....traditionally organisations focus on customers first. On the other hand, some very successful companies, such as Southwest Airlines, HCL Technologies Ltd (an Indian IT services company), focus on hiring, training and retaining top-quality staff. They treat their staff like customers to increase their desire to stay with the firm, and find that the positive staff attitude automatically filters on to the customers.

Po - no budgeting.....for a wealth management group, rather than comparing the performance of the bank's client advisers with a budget number, they were evaluated monthly on the criteria, such as revenues, new net money, cost/income ratio, return on investment, etc against their own previous year's results and against their peers. The results were published as performance league tables. Net profits increased by 50% in 2 years.

Po – no link between IQ and achievement.....a high IQ does not guarantee success. There are many people with a high IQ who are less successful than those with a lower IQ. Other factors are involved in achieving success, such as EQ, personality, timing, creativity, etc.

Po – people are prisoners of their past.....if you want to understand how a culture or ethnical group will react to particular situation, you need to understand how they have handled this in the past, ie cultural legacies or social inheritance. For example, in some groups, a "culture of honour" goes back generations and does not disappear when these people migrate to new geographical areas, eg Mafia from Italy to USA.

Po – sustainability drives better investment returns..... sustainability issues around environment, social, governance, long-term economic challenges, etc are not necessarily line items on the balance sheet. On the other hand, they are fundamental to how a business operates as they can reflect and determine the corporate culture that drives business strategies, etc. The non-traditional or more-difficult-to-quantify factors, such as sustainability, are just as important as traditional factors in analysing the performance of the business and/or management team. Sustainability issues include how to attract and retain staff, integrity, the culture of the organisation, how you operate in your community, how you think about operating in the environment, governance, ethics, etc. Over 4 years, the London-based "Generation" (a investment management group which has incorporated sustainability as a core investment criteria) has significantly outperformed the traditional investment management groups. The key people behind "Generation" are Al Gore (climate change advocate and ex-Vice President of USA) and David Blood (investment banker). This focus on sustainability in investment criteria probably is regarded as having a greater potential to effect the transition to a low carbon economy than all government policy.

Bill Synnot and Associates

Change Management Consultants

III) REVERSAL (TAKE OPPOSITE DIRECTION)

eg **Po – cars have square wheels**..... as a result of this idea, an intelligent suspension system was designed, based on a jockey wheel travelling in front of the main chassis wheel that senses differences in terrain so that the suspension system adjusts itself (Lotus)

Po – no wars..... resulted in a global firm, which specialised in providing equipment for defence forces, looking outside to other industries to utilise its core competencies

Po – you are paid not to work.....make your hobbies into your business

Po - reverse roles.....mining analysts become agri-business analysts and vice versa when the research departments of Australian Mining and Agriculture were joined

Po – costs should be reduced by spending more money..... spending more money on fewer vendors gave Dupont leverage to obtain greater discounts

Po – no money for advertising.....attract the attention of the news media by conducting outlandish activities (Greenpeace)

.....using a film called “Crackerjack” to increase youth participation in lawn bowling in Australia

.....initially Google relied on word of mouth. Furthermore, Google gained revenue by selling its search results to other search engines (including Yahoo), and from allowing advertising (text only) to be linked to search terms. Ads are limited to a handful at the top of the page and advertisers bid for the best position

Po – made good eyes bad..... developing artificial eyes, which are distortions, for use in theatres and movies

Po – reverse traditional way of filleting fish.....traditional method was to pull the meat from the bone; this was changed to pulling the bones from the meat and is now standard practice

Po – both parties in a legal dispute use the same lawyer.....in a divorce case both parties used the same lawyer in the hope of achieving a fair decision quicker and cheaper

Po – sporting events are entertainment (TV).....Peter Ueberroth made the LA Olympic Games (1984) the first profitable (\$225 million) Games in modern times by concentrating on selling TV rights, ie the big money came from TV. Previously, it was thought that television coverage undermined stadium attendance figures. In fact, the stadia audiences are now required to make the event look good for TV and now every country wants to host the Olympic Games!!!! (NB Montreal lost \$US1 billion in hosting the Olympic Games in 1976, and the 1980 Games held in Moscow had a different accounting system in those days!!!!)

NB Peter Ueberroth attended a talk by Edward deBono on lateral thinking techniques in 1975

.....Bernie Ecclestone realised that the real money for Formula One races lay in TV rights, and since 1982 every race has been televised. This has created a reliable source of income for the racing teams who could now guarantee their sponsors a large television audience. By the 1990s, Formula One races were drawing an audience of 200 million; it is now the third most-watched sport worldwide, after the Olympic Games and the soccer World Cup

Po - no funds are available for new school buildings.....have 2 shifts of students per school day so that the buildings are used more intensively

Po – cars have engines on the roof this would result in easy access for maintenance; decrease risks of engine damage from collisions; equal weight distribution on both axles; more space in car; more airflow for cooling; trouble with transmission; higher centre of gravity (more unstable)

(This leads in turn to the idea of situating the engine centrally underneath the passenger)

Po – fuel discount from any petrol station.....certain supermarkets allow a discount from specific petrol stations if you spend over a certain amount at their store. A competitor encourages buyers to bring any recent fuel receipt to their store and will give them the equivalent discount on any purchase

Po – target passengers who book directly with airlines.....Flight Centre (FCM) decided to target the 25% of passengers who book directly with airlines rather than compete with the 4,000 Australian travel agents who control 75% of the retail travel business. This firm has grown at more than 20% per year

Po – strong unions increase competitiveness and profitability.....strong unions (including representation by law in management – Germany, - and on Boards - Sweden) have not restricted the prosperity of Sweden and Germany

Bill Synnot and Associates

Change Management Consultants

Po – use computers to reduce costs.....initially computers were used to increase processing power and speed. Furthermore, access to the Internet was restricted by the cost of computers. In Brazil, a group of computer scientists was hired to construct a cheap computer, ie around \$US300. It was developed in 2 months

Po – wireless Internet access.....usual access to the Internet requires a modem and expensive copper phone lines. The wireless technology developed in India eliminated the modem and phone lines; it is faster and cheaper than the traditional method of accessing the Internet

Po – everybody has access to the Internet.....the internet and computers are too expensive for the vast majority of people in the developing world. The development of a portable, hand-held device (less than \$US 200) called the Simputer with Multiple connectivity options based on free Linux software is making internet and computers accessible to most people

Po – racism is a white person's problem.....this led to non-Indigenous people realising the need to change their mindset so that they see themselves as part of the problem rather than just part of the solution. This and the concept of the need “to walk in the shoes of others” to get an understanding and appreciation of others’ viewpoints, lifestyles, beliefs, values, etc, resulted in the introduction of a strategic cultural awareness programme for schools whose student population is predominantly non-Indigenous. The programme includes

- an interactive workshop that puts teenage students in the “shoes of Indigenous people” for one day. After assigning them into tribal groups and explaining how Indigenous communities survived for over 40,000 years, the students are asked to role-play the traditional society. Then, they are exposed to what has happened since European settlement/occupation.

- it also offers a follow-up session to reinforce the learning from the workshop, accompanied by the introduction of an “Indigenous Elder-in-residence” concept for the school

- an annual award for students who most enacts the values of Indigenous people, ie “caring, sharing and respecting our land, our people and our environment”.

Po – lead the customer.....Sony's approach is to lead the customer with new products rather than ask them what kinds of products they want, as customers do not know what is technically possible. An example of this is the Walkman which did not take-off until its high-quality stereo sound combined with the privacy provided via its headphones was demonstrated

Po – study unsuccessful change attempts in organisations.....this resulted in the development of a framework by John Kotter to help organisations handle change

Po – sex workers run the HIV programs themselves.....in India, a Delhi-based public health scientist (Smarajit Jana) organised a project in Kolkata (formerly Calcutta) that involved sex workers recognising that they are selling a service and forming a collective to ensure condom use. Rural poverty forces millions of Indian men to migrate to urban centres in search of a livelihood; there they visit brothels, get infected with AIDS virus and take it back to their wives in the villages. After South Africa, India has the second-largest number of HIV cases in the world, ie at least 5 million. But India is too poor and health infrastructure is too weak to permit reliance on drugs. Only if prostitutes cease to acquire and transmit the virus can the epidemic be contained. Initially the project approached individual sex workers. Most were reluctant to insist on condom use as customers would go elsewhere. Unlike AIDS, starvation posed an immediate threat and the program seemed doomed. Treating AIDS as an occupational hazard resulted in the solution: a workers’ cooperative. There are now 60,000 members pledged to the condom use. The collective offers bank loans, schooling for children, literacy training for adults, reproductive healthcare and cheap condoms. This has led to virtual elimination of trafficking in women to brothels; additionally, it has kept the HIV prevalence rate down to 5% (whereas neighbouring areas without the cooperative have a prevalence rate of around 60%). Furthermore, other sexually transmitted diseases are down to 1%.

Po – use youth to mentor elders.....Jack Welch (ex CEO of GE) used young computer specialists to train and mentor his senior managers in the use of Internet, ie reverse mentoring

Po – India outsourcing to Western firmsthe traditional pattern is for Western firms to outsource activities to India. Sunil Mittal (CEO of India's leading wireless telecommunication company, Bharti Tele-Ventures) has outsourced its entire phone operations to Western firms like Sweden's Ericsson, Germany's Siemens, Finland's Nokia and American's IBM. This has resulted in Bharti Tele-Ventures remaining India's number 1 mobile provider.

Po – every member of staff as an individual.....many HR professionals look at the management of human resources as a procedural thing and a matter of achieving maximum efficiency in the management of people. This results in many forms, policies, procedures and rules. On the other hand, Gadens law firm, for example, treats each staff member as a complete individual who needs to be managed as an individual. This means that there are few rules, etc; with considerable emphasis on individuals taking responsibility to manage themselves and their career development. In some ways this approach is more challenging than setting rules that everyone has to follow

Bill Synnot and Associates

Change Management Consultants

Po – making a bad reference good.....a senior manager lost his job. When he applied for another job, the selection committee wanted to contact his previous employer. Knowing that he would not get a favourable response, he advised the committee about this. Some members of the selection committee made contact with his previous boss and his predictions about what his previous boss would say were accurate. Despite this, he was offered the job (NB there were over 100 applicants for the position)

Po – thinking inside the box.....normal creative thinking is associated with “thinking outside the box”. By reversing the traditional creative thinking approach and thinking about existing products rather than the customer, 5 useful techniques were developed (subtraction, multiplication, division, task unification and attribute dependency). Some products developed using these techniques include Gillette’s double bladed razor, the defrosting filament in an automobile windscreen was enhanced to additionally be the radio antenna, suitcases with wheels, sun-sensitive eye glasses, etc

Po – pay for the privilege to live like a local.....on Lord Howe Island, visitors pay luxury hotel rates to live like the locals, ie no-frills vacation.

Po – measure luxury by environmental rather than financial credentials environmental credentials are redefining luxury as consumers prefer to buy environmentally-friendly products. An example is La Prairie’s launch of its advanced marine biology cream (\$260): arguably one of the world’s most prestigious and traditional skin care companies went into partnership with the not-for-profit Ocean Future Society (run by environmental activist, Celine Cousteau, a relative of the famous underwater explorer Jacques Cousteau). Even though Celine is not a celebrity or a conventional beauty, La Prairie is able to capitalize on the Cousteau name and the Society gains access to La Prairie’s vast worldwide publicity machine to promote the marine conservation work plus royalties on product sales

Po – don’t have a core business.....Richard Branson’s group of companies, under the Virgin brand, have diversified into a range of business activities that includes airlines, trains, tourism (holidays, leisure etc), communications (including mobile phones and Internet) and media (including music, television, radio and cable), Internet, financial services, health-care, space travel, renewable energy, environment, etc.. The criteria applied prior to investing in a new industry include understanding the challenges of the particular industry, assessing whether the industry be turned on its head and ascertaining if there is a need for a consumer champion. In fact, Virgin’s focus is on “branded venture capital”, with each company being self-contained like the Japanese “keiretsu” which are held together by cross-shareholding and governed by a strong group of professional managers. The bonding power between the different groups is the Virgin brand whose mission is to provide superior customer service. The protection of the brand’s reputation is paramount

Po – give China what it wants.....the Chinese are very keen to secure their long-term supply of natural resources, such as coal, iron ore, etc. Most resource-base firms supplying China are only willing to give limited time contracts and discourage investment in equity and/or infrastructure. On the other hand, one Australian (Clive Palmer), who lived in China in his youth, has given the Chinese long-term contracts and encourages investment in equity and infrastructure in Australia (estimated to be more than \$10 billion; this includes buying minerals upfront). This has resulted in Clive Palmer becoming one of Australia’s wealthiest men in less than 5 years

IV) EXAGGERATION (DIRECTLY RELATED TO MEASUREMENTS AND DIMENSIONS)

eg **Po – policeman has many eyes**.....establishment of neighbourhood watch

Po – play test cricket like one-day matches.....Australian cricketers are playing test cricket like one-day players and breaking records, ie won 21 one day internationals, 17 test matches and 5 test series in one year

Po – watches are fashion statements.....Swatch changed the concept of watches from a time piece to a thing of fashion, and aided the recovery of the Swiss watch industry after the decimation of the industry by the quartz movement technology

Po - eliminate the engineering department.....better integration and link up between departments that saved millions of dollars (Dupont)

V) DISTORTION (DISTORT “NORMAL” THINGS – TIME SEQUENCE AND RELATIONSHIPS)

eg **Po – you die before you die**.....living benefits re insurance, ie if you have a terminal illness you can benefit from 75% of the insurance money before you die (Prudential Insurance)

Po - use tax office to handle fraud.....inform tax office that a certain person, who has "stolen" some money, is living beyond their taxable income, ie means. They will chase up the person

Po – school uniforms are status symbols.....re-introduction of school uniforms at a high school as dress for prefects only; soon other students wanted to wear the uniform

Bill Synnot and Associates

Change Management Consultants

Po – medicine as status symbol.....to handle scurvy, Captain Cook made sauerkraut (pickled cabbage) compulsory at the officers' table; soon the crew wanted the same as the officers

Po – use filter trap to treat allergies.....a filter designed to trap allergenic particles for scientific research that are inhaled through the nose is now used to treat the allergy, ie the filter traps the particles but does not impede airflow through the nose

Po – equipment that can be continuously upgraded.....GE in the medical business built a CT scanner that could handle upgrades (hardware and software) for a fraction of the price of buying new equipment. This kept GE at the top of the industry for around 20 years

Po – the whole is greater than the sum of the parts.....the whole system design means optimising the entire system, not just the components. By breaking the whole system into parts, the synergies and integration of the whole is lost. Keeping the system whole can result in systematically combining a series of successive improvements or savings. This has the effect of compounding benefits/savings through the whole system and multiplying them. Refrigerators today can save around 98-99% of the energy used by refrigerators in 1972. These massive advances in refrigerator efficiency have come through whole system design.

Po – treat fashion garments like perishables.....Amancio Ortega, who operates the third largest fashion retailing empire in the world (Inditex), runs his business as if it is selling perishables, ie new stock arrives in store twice a week, as opposed to his competitors offering 4 collections per year. Furthermore, if a garment is not selling, it will not last more than a week in the store. This helps explain why the average customer visits his stores (Zara) around 17 times per year, as opposed to the average number of 4 customers visits in fashion retailing. Furthermore, his company has the ability to take a design from a sketchbook to the store in 15 days. This has resulted in 80 percent of his stock being sold at full price, compared with an industry average of 60 percent. This means that he nets, after tax, 10% of sales turnover compared with his average competitor's 6.4%

Po - advertising is a pointless distraction.....Amancio Ortega prefers to use prime retail sites, in-store imagery and carefully controlled window displays to tempt customers. The company spends less than 0.3% of revenue on advertising, compared with an average of 3.5% of revenue in other fashion houses

vi) WISHFUL THINKING (WOULDN'T IT BE NICE)

eg **Po – riverside polluting factories were downstream of themselves**.....outlet pipes upstream of inlet pipes so that the factory is the first to get a sample of its pollution and is keen to clean the pollution up

Po – cars should limit their own parking.....leave car headlights on

Po – make public secret information.....a journalist infiltrated the Ku Klux Klan and made its secrets into a children's game. This trivialised the Klan and its secrets, and the Klan has never recovered its former glory

Po – if nature creates no waste, we should do the same.....a team at Xerox pioneered design innovations that resulted in a product with only around 200 parts, compared with its predecessor having 2,000. Furthermore, the product could be disassembled easily as clips and screws held it together; around 92% of the parts could be re-manufactured and 96% recycled

Po – give away free samples of products.....instead of signing with distributors and spending money on advertising, id Software (computer gaming) gave part of its product (Wolfenstein) to gamers for free on floppy disc, called shareware. If consumers liked it enough, they could purchase the rest. When id launched Doom in 1994, they gave away around 15 million free demo copies, but since then Doom has generated more than \$100 million

Po – stamps never change.....the Post Office in the UK does not put prices on stamps. The stamps just carry an indication of grade, ie first-class, etc. So when a stamp is purchased the prevailing price is paid for the grade of stamp purchased

Po – prostitutes have good bedside manners.....prostitutes are being taken off the streets and re-trained as care workers for elderly people in Germany as nursing homes are grossly understaffed. Prostitutes make good carers as they have good people skills, are not easily disgusted and have no fear of physical contact.

Po – create inland seas.....seawater handles deforestation and climate by transforming barren deserts into arable land. A canal is dug inland from the ocean, fills with water, attracting fish and molluscs whose biological waste makes the seawater nutrient-rich. The water fills the earth's aquifers and replenishes wetlands, which in turn attracts wildlife. This has been successfully done along the coast of Sonoran (Mexico) and sandy areas of Eritrea

Po – combining low fares and outstanding service.....Southwest Airlines started in the 1970s as a no-frills airline and has been one of the most successful players in the industry. It has continually increased its profits while competitors have been bankrupted and/or require government assistance to remain in business. From the first day, the airline concentrated on developing the firm's culture - a way of doing things that would sustain its founding values as the years went by, ie

- staff are No. 1 - the way you treat your staff is the way they will treat your customers

Bill Synnot and Associates

Change Management Consultants

- think small to grow big
- save in good times for the bad times
- irreverence is OK
- have fun at work
- take the competition seriously, but not yourself
- think of the company as a service organisation that happens to be in the airline industry
- do whatever it takes
- always practise what you preach

Southwest has understood that employee satisfaction and customer service are linked.

"...they have maintained their culture of customer service by employing people who are right for the business, and by giving them the tools and incentives to do their work well..."

Richard Branson, 2008

Po – anyone can become the President of USA.....traditionally potential candidates for the U.S. President had to be extremely wealthy and/or have wealthy backers, such as industry/lobby groups, to fund their campaigns to win the appropriate party's (Democratic or Republican) nomination. Barack Obama's campaign activated young e-communicators who effectively used blogs and social networking sites to generate excitement, encourage people to vote, increase political awareness and raise money (including many "small" contributions from "Moms and Dads" and "poor"). They raised around \$US500 million in on-line donations and encouraged many of his supporters to become active campaigners. This use of the Internet formed the basis of his campaign "to come from behind" and win the Democratic nomination from Hillary Clinton (who was the Democratic "machine's" preferred candidate and wife of a former President). Then he went on to become the first non-white President of USA (2008).

Po – Trogan horse concept used in medicine.....one of the challenges with new medical drugs is getting them to where they are needed. In particular, the brain where blood vessel walls are tightly knitted and create a formidable obstacle to delivering treatments for neurological diseases. Some viruses that specialize in infecting the nervous system, such as rabies and herpes, are able to penetrate the blood-brain barrier. Some scientists have exploited this capability by disguising a drug with a small protein normally found on the surface of the rabies virus. This protein unlocks a passageway through the blood vessel walls and allows the drug to penetrate the brain.

.....A similar example involves a biopolymer cage that can protect or conceal a variety of substances until their release is desirable; with both the cage material and the trigger to discharge its contents can be tailored to specific situations, such as germ killing plastic wrap for meat by encapsulating a bactericidal enzyme inside woven cages of cross-linked starch molecules, then coating the plastic with them. The starch cages remain inert unless bacteria are present and start eating the starch, thus degrading the cage until the killer enzyme is released

Po – people self-organise.....traditionally, planners carefully design town centers. Most times this ends up in gridlock as planners have tried to impose order on the various requirements of the vehicles, bicycles, pedestrians, etc. Planners try to balance the needs of freedom of movement, efficient throughput and safety but end up creating complicated systems that please no one. Recently, in The Netherlands, the city planners have taken away traffic lights, pedestrian barriers, the road markings, cycle lines, etc and created a shared space for all users. In other words, self-organizing has taken over from direct bureaucratic control. The result is a continuing good safety record and faster speed of movement.

Po - employ no staff..... traditionally, organisations employ full-time staff. Some consultancy organisations do not employ full-time consultants but have a pool of carefully selected freelance consultants who are available to work on assignments. When clients approach these organisations about particular requirements, they are able to select the most suitable consultants for the project. This means that a consultant organisation is not restricted in its selection of consultants to its own staff; the client gets the most suitable consultants to work on the project and reduces the administrative procedures and costs within the consultancy organisation.

Po - staff decided the values.....in late 2003, IBM via the Internet (concept of a 72 hour on-line "value jam") allowed all its staff to have input into developing its values which are

- dedication to every client's success
- innovation that matters (for the company and for the world)
- trust
- personal responsibility in all relationships.

This resulted in staff having ownership and "emotional buy-in" of the values as they were instrumental in choosing them

Bill Synnot and Associates

Change Management Consultants

Po – everything is free.....this has led to the concept of "freeconomics", ie giving away something free as a proxy to make money some other way, eg Google provides information free but charges for advertising via Ad words (the system is a logging mechanism that counts clicks, add up micro sums that are deducted from clients' accounts each month).

Po – pornography is innovative.....the pornography industry has driven the development of micro-payment models and technologies by innovatively developing workable ways to make payment on-line. This industry accounts for 40% of the global download traffic. Some of the innovative payment methods include secure online credits-card payment gateways; third-party payment gateway solutions; affiliate model of Web marketing with different sites promoting others, offering payments for traffic; setting up premium dial-up Internet gateway phone lines to pay for content on a per-view basis; payments via mobile phone accounts.

Po - connecting one customer to another..... connecting one customer to another is what PayPal (system of payment), Amazon (book seller), etc did. While the preferred decision-making approach to marketing of traditional players, like Amex, Barnes & Noble, etc, was top-down and centralized and they could not see the advantage of growing by connecting one customer to another.

Po - we sell intellectual capital, not time..... traditionally the professional business model (such as legal, consultant, marketing, accountants, advertising, etc) is based on billable hours, ie charging for time spent and tracking inputs (which has led to photocopying and faxing becoming profit centers!!!!!!) This was reinforced by the entrenched partnership approach and resultant time related compensation concepts. This has resulted in chasing "cents rather than dollars" and has at least 6 drawbacks. It measures effort, not outputs and results; its misaligns interests and encourages unnecessarily prolonging tasks; requires constant addition of staff to increased profitability; it burns out people and destroys innovation; it encouraged possessive client ownership by individual professionals; it creates friction with clients who want value for money, ie focus on outputs, rather than pay for inputs. Recently some professional firms are now upfront about fees by communicating value and setting fixed prices. This has discouraged the concept of client ownership and focuses on collective performance and collective rewards rather than individual financial performance; align the reward system with the wants of needs of clients and staff. This increases the focus on effectiveness (doing the right things) and reduces the focus on efficiency (doing things right) and increases creativity as clients pay on performance.

Po – every customer is a design.....Threadless.com is a T-shirt silk screening company that was founded in 2001 and by 2005 had sold around \$US 6 million worth of T-shirts. Normally a T-shirt-printing company would focus on printing shirts fast and cheap and/or aggressive advertising with licenses, retail deals, etc. Threadless only sells on their web site; they do not advertise. They print designs created by the customers; all designs are available for purchase. They regularly hold design contests. Generally nascent designer promotes the designs to their friends and encourage them to buy. It is like pyramid selling.

- **Not all the above examples knowingly used the Po technique**
- **Remember: the more extreme the Po is, the more powerful it can be in creating new thoughts**
- **One way to start the process when in groups is to ask each member of the group to come up with his/her thoughts on the Po, ie run around the table**

(Sources: Edward deBono, 1992; Cait Murphy, 2002; Peter Drucker, 2002; John Lyons, 2002c; Brian Fischer, 2002; Jacob Goldenberg et al, 2003; Jack Welch et al, 2001; Dava Sobel, 1998; Ernie Christie, 2001; Leon Gettler, 2002a; Piers Dudgeon, 2001; Bill Perryman, 2003; Gary Hamel et al, 2003; Bernard Salt, 2003; Nolan Meats, 2001; Catherine Fox, 2004; Xerox Business Centre, 2004; Graham Collins, 2004; Neil Shoebridge, 2004; Jill Margo, 2005; Harry Osman, 2004d; Abe Simpson, 2005; Mandy Johnson, 2005; Karlson Hargroves et al, 2005; Steven Levitt, et al 2005; Peter Senge et al, 2005; Emily Ross et al, 2004; Edward deBono, 2005; David Kirkpatrick, 2005; Fiona Smith, 2005d; James Hall, 2006; Jill Margo, 2006; Madhusree Mukerjee, 2006; Fiona Smith, 2006; Philip Parker, 2006; Brad Howarth, 2006; Jeffrey Sachs, 2006; Clay Chandler, 2007; Sheridan Prasso, 2007; Howard Gardner, 2006; Fiona Smith, 2007c; Brad Hatch et al, 2007; Marion Hume, 2008; Nikki Goldstein, 2008; Richard Branson, 2008; Julian Birkinshaw, 2009; Malcolm Gladwell, 2008; The Economist, 2009; Narelle Hooper, 2009; Mike Hanley, 2009; Angus Grigg, 2009; Seth Godin, 2007; Brad Hatch, 2009)

© 2012, Bill Synnot and Associates

Extracted from: Organisational Change Management 50+ Frameworks and 200+ Techniques

For more information go to:

<http://www.billsynnotandassociates.com.au/centre-of-excellence/organisational-change-management-cd.html>