



**CARICHAM**  
Centre of Excellence



# OPERATIONAL EXCELLENCE

Change Matters  
Points of Leverage

## Why Does Change Matter?

The Greek philosopher Heraclitus is quoted as saying "Change is the only constant in life". As long as our organizations include living beings, operational excellence can only be achieved by examining matters of change.

Operational excellence attempts to eliminate as much change or variation in processes as possible, while systems thinking observes patterns of change over time by looking at the inter-related organization as a whole.

Systems thinking also looks at the points of leverage to identify where small changes can have big outcomes.

In this document we explore how using systems thinking to identify points of leverage can be used towards operational excellence.

Let's set sail!

Consider the following scenario

A group of **strong** people are on a **ship**

The **ship** is moving at a **rapid speed**

A **small boat** appears in the path of the **ship** that's moving at a **rapid speed**

The **small boat** **cannot stop/slow** quickly

The **ship** **cannot stop or slow** quickly



How do the **strong people** get the **ship** to **change** direction?

## Consider an "obvious" solution

Did this image come to mind?



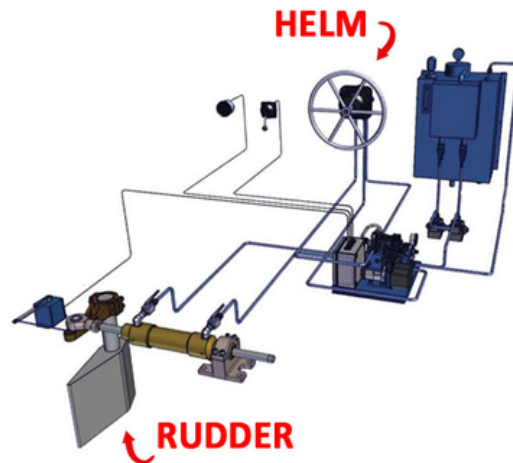
It's appears to be an obvious solution.

The **strong people** run to the front of the ship and put all their energy into turning the **wheel** to avoid the **disaster**.

However, there is a **non-obvious** element that was much more critical to solving the problem.

## Consider non-obvious elements

[Click here if you want to learn more about how rudders work](#)



The **small** rudder at the **back** of the ship/boat which is **unseen** underwater is really a **non-obvious** key to **changing the direction** of the ship/boat by a **small shift** that **changes the direction** and **force** of water moving at **high speed**

**Consider the people or other resources that you consider the strong elements in your organization**

**Now look at your organization as an inter-related system and picture all the parts**

**Ask yourself whether there people or processes that are non-obvious and often go unseen or ignored.**

**Ask yourself what would happen if you made a small change with these people or with the processes.**

**If in your theory, a small change would make a big impact, then you have likely identified a point of leverage.**

**One change in the process does not mean operational excellence will occur. Since one change impacts another, it is useful to first model your theories of change.**