

MaCoTra

ORGANISATIONS THAT TRANSFORM

Singing **CHORUS 5:**

Collaborative Designing of Distinctive Value streams



MADZIVIRE CENTRE OF TRANSFORMATION

“Nurturing Lifelong Learning”.

Dr Alex Benjamin MADZIVIRE
(Doctor of Business Leadership – UNISA)



Founder & Inspirational Thought Leader
MaCoTra (Pvt) Ltd & MaCoTra Business Schools

Abstract for Each of the MaCoTra Seven-CHORUS-Article CHAIN

This article has its genesis in my doctoral study with the University of South Africa's (UNISA) School of Business Leadership (SBL) from 2001 to 2003. An electronic version of the thesis is available on the UNISA Institutional Repository. Twelve (12) books have since been self-published – four (4) in 2011, seven (7) in 2012 and one (1) in 2013. Seventeen (17) articles, derived from the study, are available on the University of Zimbabwe Institutional Repository since 2013.

*The overarching lens for all works is the Madzivire Collaborative Transformation (MaCoTra) model developed during my UNISA study. The MaCoTra model is based on the metaphor of **seven** (7) CHORUSES. Each of the model CHORUSES constitutes one (1) book of the MaCoTra Seven-CHORUS-Book CHAIN, self-published in 2012, and an article forming the MaCoTra Seven-CHORUS-Article CHAIN. The structure of each of the 7 articles is meant to ease referencing across the Seven-CHORUS-Article CHAIN. Article 1 covers new insights on CHORUS 1, Article 2 on CHORUS 2, Article 3 on CHORUS 3, Article 4 on CHORUS 4, Article 5 on CHORUS 5, Article 6 on CHORUS 6 and Article 7 on CHORUS 7.*

Having made a random selection of thirteen (13) private sector, eleven (11) public sector and eleven (11) civic sector organisations for inclusion in the Seven-CHORUS-Article CHAIN and Seven-CHORUS-Book CHAIN, I documented my experiences in applying each CHORUS in these organisations from 2003 to 2012. I relied heavily on documents that I accessed and/or created during my consulting assignments. After a sector based analysis, I have included major reflections that I consider relevant in understanding the dynamics at play for each CHORUS. In some cases, I have also leaned on 'words of wisdom' from thought leaders to spice the reflections.

I believe that the organisations sampled reflected polar types in the way they engaged in CHORUS 5. Of course, there have been discords particularly when some organisational members did not fully cuddle in CHOIR or CHORUS practice.

*I trust that the Seven-CHORUS-Article CHAIN will energise those scholars/practitioners who have been questioning how to apply the MaCoTra model. This preface is a MODIFIED MELODY to suit each of the 7 articles, **much like a CHORUS!!!***

This article features new insights on; and a generic framework for SINGING; MaCoTra CHORUS 5: Collaborative Designing of Distinctive Value Streams.

1.0 Introduction

The overarching frame for this article is the Madzivire Collaborative Transformation (MaCoTra) model (Exhibit 1). The MaCoTra model is also reflected in my 2011 book publication entitled *MaCoTra Singing ORGANISATIONS THAT TRANSFORM: ADDRESSING THE CHALLENGES in the Emerging Economy of Zimbabwe* and each book of the Seven-CHORUS-Book CHAIN self-published in 2012.

Outlining the CHORUS-based MaCoTra model differentiating features, I indicate:

The MaCoTra model encapsulates the transformation song composed of seven CHORUSES for the organizational choir.

Each CHORUS may be sung on its own and also in combination with any one or more of the other CHORUSES. This means an organization may transform as a result of work on one or more CHORUSES.

Further, from a systems perspective, each CHORUS is a subsystem of suprasystem - the total MaCoTra model. In this regard, whatever is done to any one of the CHORUS subsystems affects the other subsystems and has an effect on the suprasystem.

What the MaCoTra model advocates is for each organizational member to go beyond singing individual CHORUSES. MaCoTra invites all organizational members to synchronize the CHORUSES resulting in a melodious overarching organizational choir – the transformation itself.

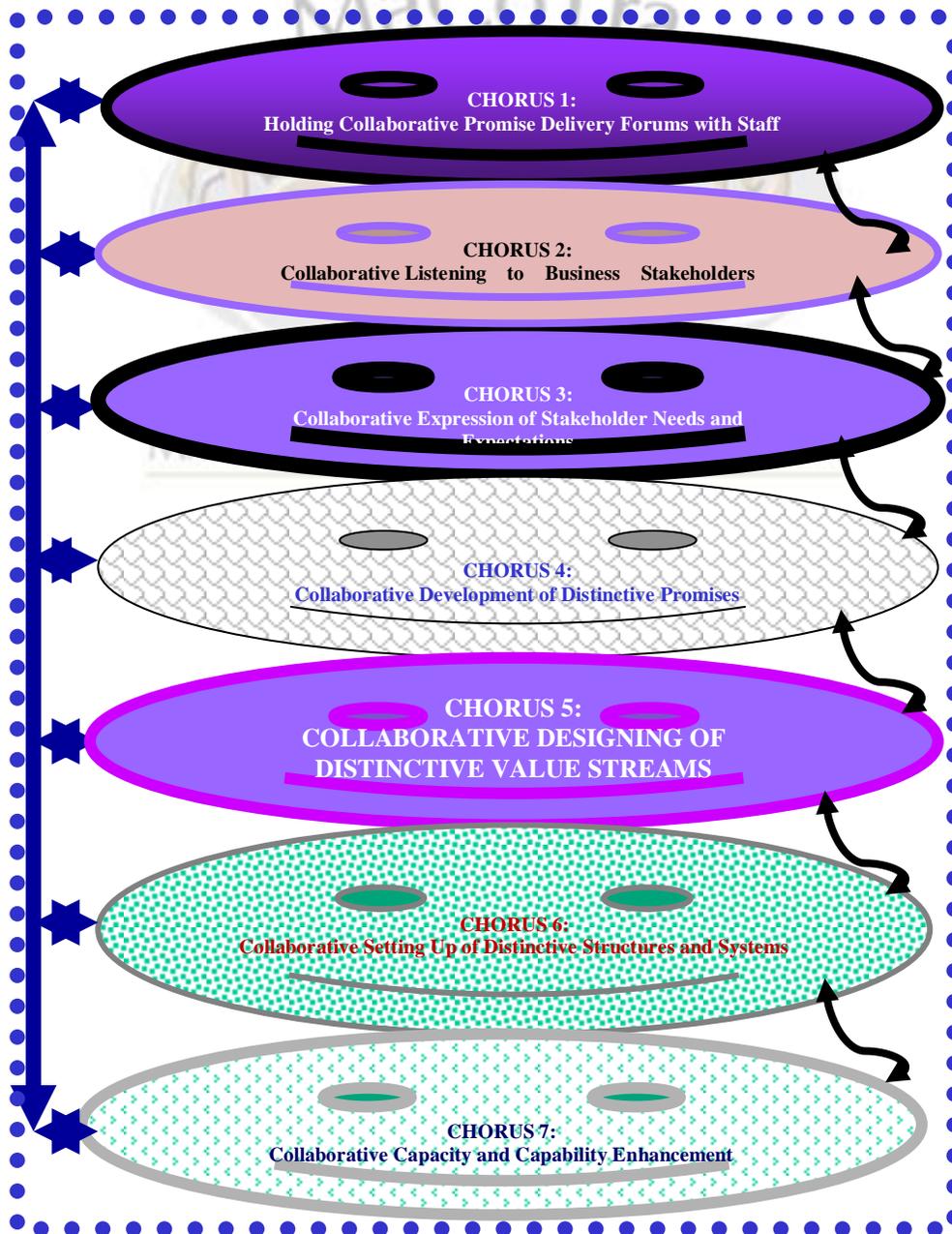
The MaCoTra colour coding stresses that diversity has to be celebrated as part of organizational transformation.

What a way to celebrate it through any combination of the seven MaCoTra song CHORUSES, and dance!

I also prescribe the MaCoTra Model for companies in Zimbabwe.

Sources: Madzivire (2003) & Madzivire (2011:76)

Exhibit 1: The Madzivire Collaborative Transformation (MaCoTra) Model



Sources: Madzivire (2003) & Madzivire (2011:74)

This article is the FIFTH of a Seven-CHORUS-Article CHAIN (Exhibit 2), related to **MaCoTra CHORUS 5: COLLABORATIVE DESIGNING OF DISTINCTIVE VALUE STREAMS.**

Exhibit 2: The MaCoTra Seven-CHORUS-Article Chain



Source: Nyashadzashe Benjamin Madzivire's 2012 Artistic Impressions

The article is a 'Symphony of the **MaCoTra CHORUS 5 Experiences in the Three Sectors** from 2003 to 2012' in which I summarise the major experiences I had applying MaCoTra CHORUS 5. In this CHORUS 5 article, I provide further insights on this CHORUS given what I covered in my doctoral thesis and subsequent publications. Organisations, some places/features/products/services and participants have been code-named

for anonymity. Where experiences have been drawn from the same organisation, its code name has been retained throughout the Seven-CHORUS-Article CHAIN. This is meant for those readers who are interested in appreciating the interfaces in experiences in that organisation across some or all of the seven (7) MaCoTra CHORUSES.

1.1 An Overview of CHORUS 5

Explaining the seven (7) MaCoTra model CHORUSES, I captured, in my earlier work, ideas from thought leaders that had a bearing on CHORUS 5.

Concerning CHORUS 5 elevating flowcharts into blueprints and processes into value streams, this is what I indicated:

Lovelock (1996:331) argues:

To design a service requires a more sophisticated version of flowcharting known as ‘blueprinting’, which considers every activity needed to create and deliver a service, as well as specifying the linkages between these activities. Services can be reverse engineered by documenting existing service procedures in flowchart form.

Lovelock (1996:331) proceeds to indicate:

A blueprint of an existing service may also suggest new product development opportunities, resulting from reconfiguring delivery systems, adding or deleting specific elements, and repositioning the resulting service product to appeal to other segments.

Martin’s (1995:104) conceptualization of a value stream is “an end to end collection of activities that creates a result for a ‘customer’, who may be the ultimate customer or an internal ‘end user’ of the value stream. The value stream has a clear goal: to satisfy or better to delight the customer”.

My suggestion is that organizations that transform need to go beyond flowcharting processes to blueprinting value streams.

A typical example of a value stream would be order fulfillment. In this case, the order is input and the result is the delivery of the ordered good. There is a collection of activities (one being order entry) that constitute order fulfillment.

From this example, it is evident that if one has to clarify what a value stream is, its start and finish activities can be named. In the example of order fulfillment the start is ‘customer order’ and the finish is ‘delivery’. The ‘delivery’ in a ‘win-win’ situation concerns the receipt of the order on one hand and receipt of payment on the other. This is popularly called ‘cash-on-delivery’.

Organizational leaders are reminded to remember the difference between Michael Porter’s value chain (Grant 1995) and the concept of a value stream. As Martin (1995:106) points out:

A value stream is much simpler than Porter’s value chain. Porter’s value chain relates to the enterprise as a whole, whereas value streams relate to a set of activities that satisfy a particular type of customer (internal or external). The value chain perspective is driven by a functional business view evaluating costs and margins as a basis for competitive comparisons. The value stream perspective is based on streams of activities in every enterprise that deliver a particular result for a particular type of customer or user.

The implication is that redesigning value streams is relatively straightforward since each value stream should have a clear customer and the goal is to satisfy this customer in the simplest and most direct way.

Simple questions that may be asked to integrate the different CHORUSES in the elaborated MaCoTra model are:

- i. *What are the value streams for the organization?*
- ii. *Who are the customers of each of the value streams?*
- iii. *What are the needs and expectations of the customers?*
- iv. *What would delight the customer?*
- v. *How can the value stream be reinvented to meet and exceed the needs and expectations of the customers as simply and directly as possible?*
- vi. *What are the most appropriate technology and information systems to minimizing the costs of doing business and costs to the customer?*

A selected few of the value stream customers need to give feedback on the designed value streams to foster ongoing co-creation of value.

Sources: Madzivire (2003) & Madzivire (2011:82-83)

1.2 Analytical Matrix

I have used the value stream assessment matrix (Table 1) to get an impression of the distribution of organisations across what Mbigi (2000) has classified as generic value streams. The key I have employed is: Few=Less than 4, Several=From 4 to 7, Many=More than 7.

Table 1: Value Stream Assessment Matrix

VALUE STREAM	ORDEER WINNERS	CORE COMPETENCIES	VALUE-ADDED SERVICES	PRIVATE SECTOR ORGANISATIONS	PUBLIC SECTOR ORGANISATIONS	CIVIC SECTOR ORGANISATIONS
Predictive (Utility) Value Stream	<ul style="list-style-type: none"> • Availability • Price 	<ul style="list-style-type: none"> • Low-cost supplier 	<ul style="list-style-type: none"> • Matching demand & capacity management • Downtime & yield management 	<ul style="list-style-type: none"> • Many 	<ul style="list-style-type: none"> • Many 	<ul style="list-style-type: none"> • Few
Project Value Stream	<ul style="list-style-type: none"> • Expertise • Capacity • Lead time 	<ul style="list-style-type: none"> • Conversion management to leverage expertise • Management of allowables 	<ul style="list-style-type: none"> • Quick customization • Customer coproduction • Quick response with expertise • Expert location with the customer 	<ul style="list-style-type: none"> • Many 	<ul style="list-style-type: none"> • Many 	<ul style="list-style-type: none"> • Few
Performance (Assembly) Value Stream	<ul style="list-style-type: none"> • Price • Predictability • Product performance 	<ul style="list-style-type: none"> • Conversion management to leverage price, predictability & product performance 	<ul style="list-style-type: none"> • Process management • Equipment management • Product-based research & development 	<ul style="list-style-type: none"> • Many 	<ul style="list-style-type: none"> • Several 	<ul style="list-style-type: none"> • Few
Diagnostic Value Stream	<ul style="list-style-type: none"> • Problem solving • Field support 	<ul style="list-style-type: none"> • Category management around product management 	<ul style="list-style-type: none"> • Technical training for staff • Consumer education • Centralized distribution • Shop within shop • Field service support • Hotline support 	<ul style="list-style-type: none"> • Many 	<ul style="list-style-type: none"> • Many 	<ul style="list-style-type: none"> • Few

Table 1: Value Stream Assessment Matrix (Continued)

VALUE STREAM	ORDEER WINNERS	CORE COMPETENCIES	VALUE-ADDED SERVICES	PRIVATE SECTOR ORGANISATIONS	PUBLIC SECTOR ORGANISATIONS	CIVIC SECTOR ORGANISATIONS
Designer Value Stream	<ul style="list-style-type: none"> • Expertise • Creativity 	<ul style="list-style-type: none"> • Category management around expertise for the range of supply 	<ul style="list-style-type: none"> • Quick customization • Customer coproduction in design • Quick response with expertise • Expert location in the customer organisation • Self-promotion (the expert is the product) 	<ul style="list-style-type: none"> • Many 	<ul style="list-style-type: none"> • Several 	<ul style="list-style-type: none"> • Few
Convenience Value Stream	<ul style="list-style-type: none"> • Promotion • Price 	<ul style="list-style-type: none"> • Category management aimed at maximizing return on shelf space 	<ul style="list-style-type: none"> • Merchandizing • Regular delivery • Market & demand management • Promotion • Excellent creation 	<ul style="list-style-type: none"> • Many 	<ul style="list-style-type: none"> • Several 	<ul style="list-style-type: none"> • Few

Source: Adapted from Mbigi (2000:134-5)

1.3 Rhythm of the MaCoTra CHORUS 5 Experiences in Private Sector Organisations

The nature of the work in private sector organisations had a strong influence on the number of organisations whose work on value streams would cover the spectrum provided by Mbigi (2000). Many organisations had tit-bits of the six generic value streams.

What was apparent was that almost all platforms for the collaborative designing of distinctive value streams were framed from service scorecards and/or strategy maps. From 2009, some organisations started reflecting strategic themes with one theme per scorecard perspective. The themes guided the development of supportive key result areas (KRAs) and activities. In some cases, the blue ocean four actions framework was used to sharpen insights into what entities needed to create/raise/reduce/eliminate to get into uncontested market spaces.

1.4 Rhythm of the MaCoTra CHORUS 5 Experiences in Public Sector Organisations

The descriptors against each generic value stream have restricted the number of organisations whose work on value streams would have qualified across the spectrum. The range was from several to many. What was fulfilling was that all organisations whose mandates were given by the appointing authority/Acts of Parliament related the collaborative designing of distinctive value streams to their mandates. There was earlier adoption of strategic themes and blue ocean strategy approaches in public sector organisations when compared to the response in the other two sectors. Engagement of multi-stakeholder forums was most pronounced in public sector organisations.

1.5 Rhythm of the MaCoTra CHORUS 5 Experiences in Civic Sector Organisations

I consulted in a few organisations whose work required an infusion of CHORUS 5. Therefore, only the rating of *few* is under civic sector organisations. One organisation had detailed material on KRAs and activities down to unit level. This organisation also deployed the blue ocean four actions framework. However, none had conversations around perspective-based strategic themes. One might argue that the programme/aim/issue areas were taken as strategic themes as well as value streams. I suggest that this has to be unpacked as will be shown in the section below.

2.0 Singing MaCoTra CHORUS 5

Mbigi (2000:135) suggests that “the advantage of the value-stream framework is that it covers both manufacturing and service industries.” The implication of this suggestion is that Mbigi’s generic value stream framework largely covers private and public sector organisations. The assessment in Table 1 confirms this as only a few civic sector organisations had their work reflecting the generic value streams. Several to many organisations in the public sector, in one way or the other, took slices out of the generic value streams. However, many private sector organisations had impressions of the generic value streams.

Given the manner in which organisations across the sectors engaged in CHORUS 5, I propose a generic framework for singing CHORUS 5 (Exhibit 3).

Exhibit 3: MaCoTra CHORUS 5 Generic Framework – Values-Based Collaborative Designing of Distinctive Value Streams



Source: Madzivire (2012:67)

Exhibit 3 is based on the four scorecard/strategy map perspectives. From the outcomes of MaCoTra multiple lens analysis covering organisational story line, stakeholder analysis, cross-casted internal and external scans and blue ocean strategy frameworks, KRAs should be clustered in the four perspectives. The KRAs in each perspective will dictate a strategic theme for the perspective. The outcomes from the MaCoTra multiple lens analysis will then guide organisations into activities for each value stream. Thus, each KRA should be such that it qualifies as a value stream.

Alternatively, organisations may come up with strategic themes from the MaCoTra multiple lens analysis and then proceed to create KRAs/value streams, each with high level end to end activities.

Using a service scorecard or strategy map approach to collaboratively design value streams will then cover all organisations irrespective of sector and not be restricted by/to the six generic value streams outlined by Mbigi.

The framework I have suggested will feed from and feed the rest of the MaCoTra CHORUSES.

Feed from the swim in distinctive value streams.

Just like me!!!

REFERENCES

Madzivire, A. B. (2012). *MaCoTra ORGANISATIONS THAT TRANSFORM Singing CHORUS 1: Holding Collaborative Promise Delivery Forums with Staff*. Harare: MaCoTra Publications.

Madzivire, A. B. (2012). *MaCoTra ORGANISATIONS THAT TRANSFORM Singing CHORUS 2: Collaborative Listening to Business Stakeholders*. Harare: MaCoTra Publications.

Madzivire, A. B. (2012). *MaCoTra ORGANISATIONS THAT TRANSFORM Singing CHORUS 3: Collaborative Expression of Stakeholder Needs and Expectations*. Harare: MaCoTra Publications.

Madzivire, A. B. (2012). *MaCoTra ORGANISATIONS THAT TRANSFORM Singing CHORUS 4: Collaborative Development of Distinctive Promises*. Harare: MaCoTra Publications.

Madzivire, A. B. (2012). *MaCoTra ORGANISATIONS THAT TRANSFORM Singing CHORUS 5: Collaborative Designing of Distinctive Value Streams*. Harare: MaCoTra Publications.

Madzivire, A. B. (2012). *MaCoTra ORGANISATIONS THAT TRANSFORM Singing CHORUS 6: Collaborative Setting Up of Distinctive Structures and Systems*. Harare: MaCoTra Publications.

Madzivire, A. B. (2012). *MaCoTra ORGANISATIONS THAT TRANSFORM Singing CHORUS 7: Collaborative Capacity and Capability Enhancement*. Harare: MaCoTra Publications.

Madzivire, A. B. (2011). *MaCoTra Singing ORGANISATIONS THAT TRANSFORM: ADDRESSING THE CHALLENGES in the Emerging Economy of Zimbabwe*. Harare: MaCoTra Publications.

Madzivire, A. B. (2011). *MaCoTra Singing ORGANISATIONS THAT TRANSFORM: EXPLORING THE CHALLENGES in the Emerging Economy of Zimbabwe*. Harare: MaCoTra Publications.

Madzivire, A. B. (2011). *MaCoTra Singing ORGANISATIONS THAT TRANSFORM: Teaching/Learning Case Histories from Zimbabwe*. Harare: MaCoTra Publications.

Madzivire, A. B. (2011). *MaCoTra Singing ORGANISATIONS THAT TRANSFORM: Teaching/Leraning Case Histories from Zimbabwe (Second Edition)*. Harare: MaCoTra Publications.

Madzivire, A. B. (2003). *Organisations that Transform: Exploring the Challenges in the Emerging Economy of Zimbabwe*. Harare: Unpublished Doctoral Thesis.

Mbigi, L. (2000). *In Search of the AFRICAN BUSINESS RENAISSANCE: AN AFRICAN CULTURAL PERSPECTIVE*. Randburg: Knowledge Resources (Pty) Ltd.

FOR FURTHER READING

Charan, R. (2008). *Leaders at All Levels: Deepening Your Talent Pool to Solve the SUCCESSION Crisis*. San Francisco: John Wiley & Sons, Inc.

Kaplan, R. S., & Norton, D. P. (2001). *THE STRATEGY-FOCUSED ORGANIZATION: How Balanced Scorecard Companies Thrive in the New Business Environment*. Boston, Massachusetts: Harvard Business School Press.

Kim, W. C., & Mauborgne, R. (2005). *Blue Ocean Strategy: How to Create Uncontested Market Space and Make the Competition Irrelevant*. Boston: Harvard Business School Press.

Schmitz, P. (2012). *Everyone Leads: Building Leadership from the Community Up*. San Francisco: Jossey-Bass.

Spears, L. C. (1995). *REFLECTIONS ON LEADERSHIP: How Robert K. Greenleaf's Theory of Servant-Leadership Influenced Today's Top Management Thinkers*. New York: John Wiley & Sons, Inc.

Thurbin, P. (1998). *The Influential Strategist: Using the Power of Paradox in Strategic Thinking*. London: Financial Times Pitman Publishing.

Veldsman, T. H. (2002). *INTO THE PEOPLE EFFECTIVENESS ARENA: Navigating Between Chaos and Order*. Randburg: Knowledge Resources (Pty) Ltd.