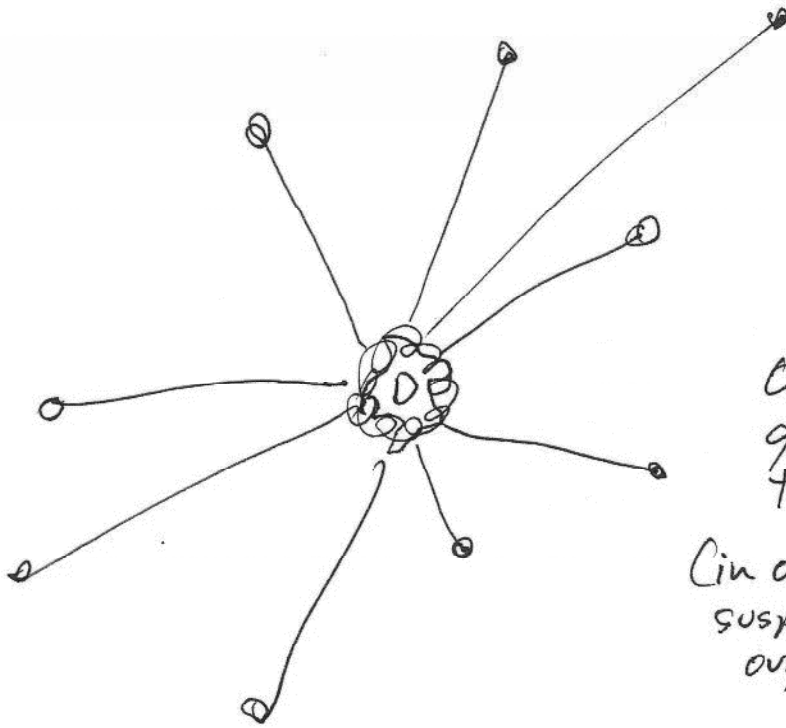# Evolution of how we saw the franchise

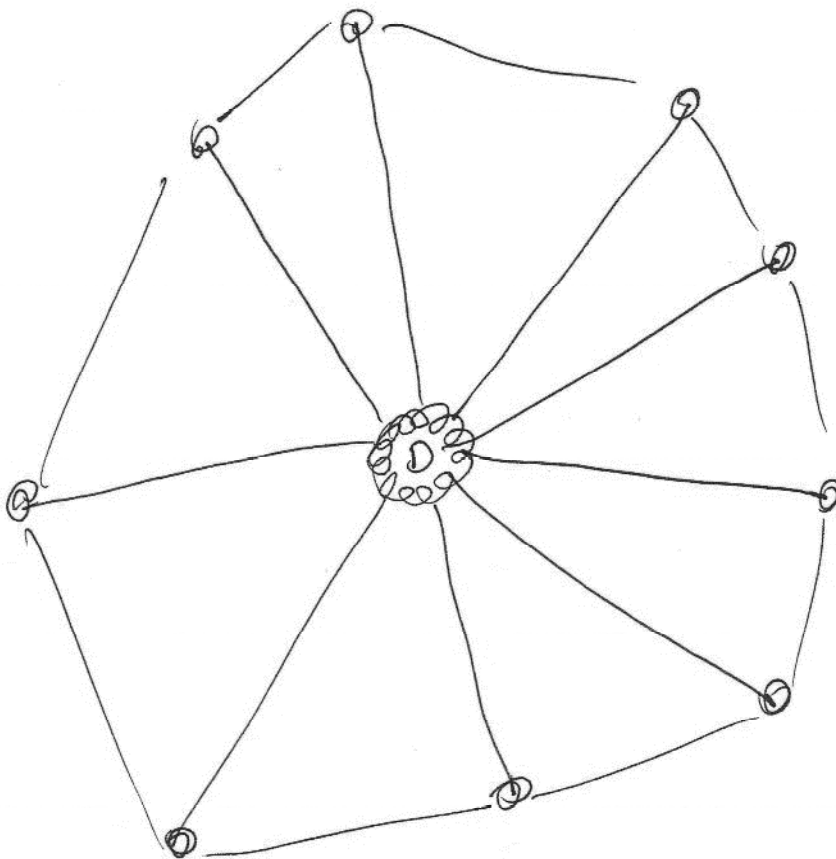~ 5 yrs

① Open & help bakeries
give good service
teach, train

(In other franchises, actual
suspicion of owners
organizing)

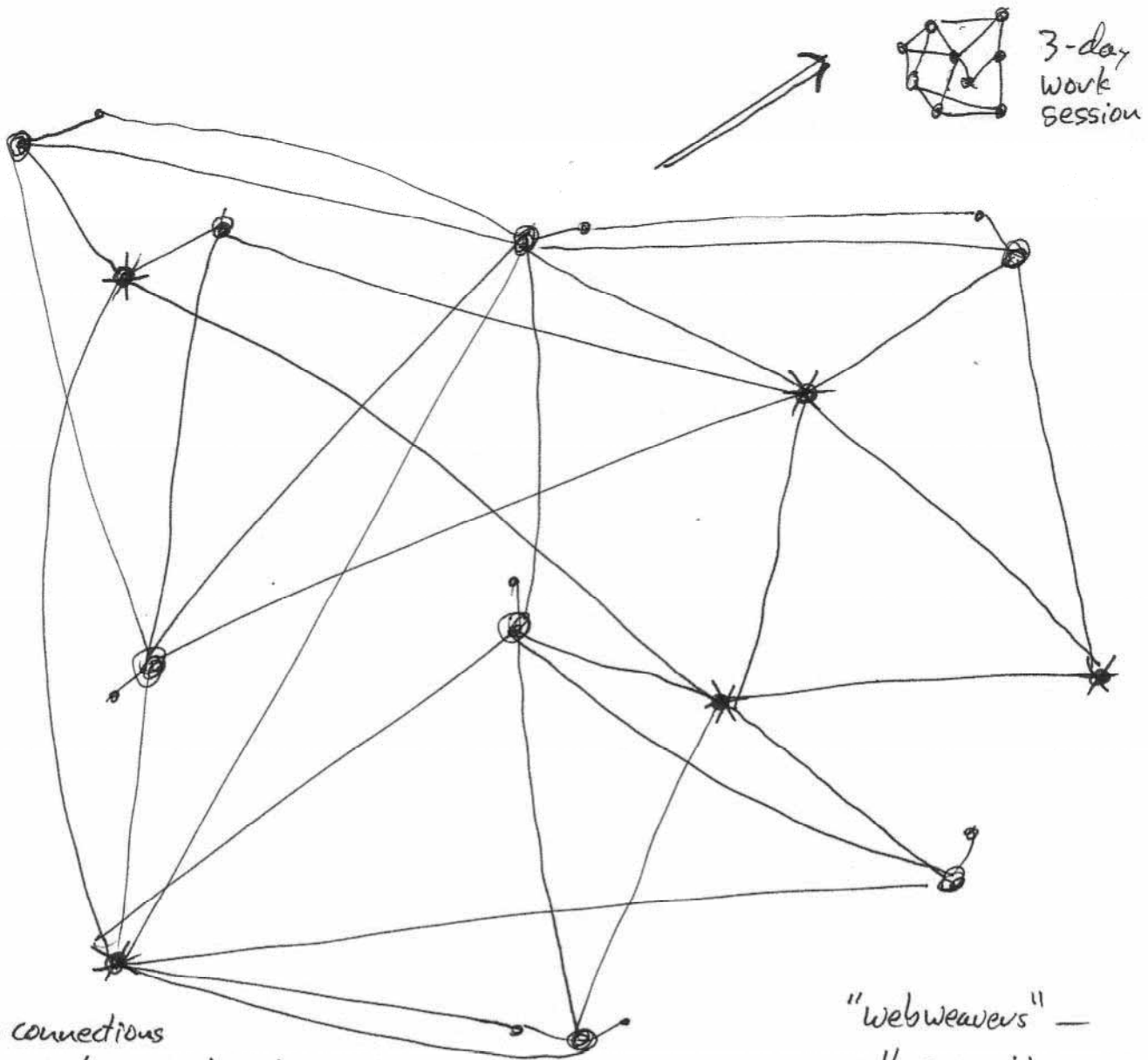② Spoke & rim is
stronger

Involve "rim-staff"

Help owners link
up "out there"
& we'll distill.

Similar to
community (them)
& K-base (us)

~ 5+ yrs

1

3-day work session

3 strong connections + 5-10 weak ones is strongest

Notice the lines that aren't there. Don't try to overconnect.

     ◉ = Bakery Owner   • = employee

     ✱ = Dillon

"webweavers" — all over it.

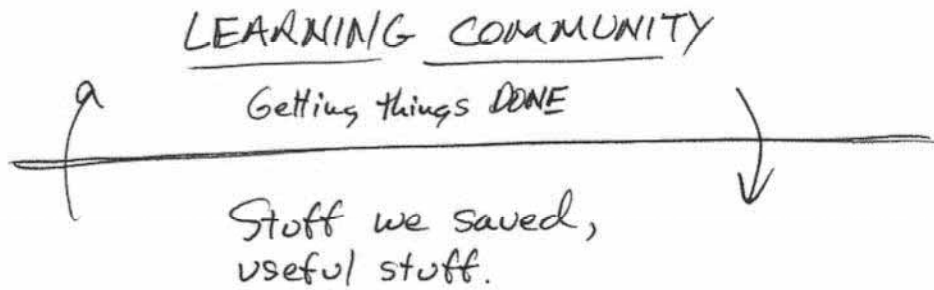or, paid acting troupe on the dance floor, crowd going wild.

"Convention" or "Dance" model — people clump, dillon folks work full time introducing them to new friends, new ideas, new materials or resources. Royalty = energy, but they do it all themselves once started.

Nothing Dillon does they couldn't do themselves — in theory. In practice, the royalty signifies a huge commitment to "make it happen"

KM at it's
most boiled-down:

Tacit

Workgroups,
Projects, meetings,
discussions,
problem-solving
phonecalls, email

Explicit

Saved howtos,
captured discussions,
databases, spreadsheets,
printed stuff, photos,
videos, manuals, websites,
numbers

GH version,
at simplest:

LEARNING COMMUNITY

Getting things DONE

Stuff we saved,
useful stuff.

But more precisely: ⟿

3

DILLON PEOPLE

OWNERS & CREWS

Home-office meetings & friendships, without owners around

Corporate intranet & internal Saved reference, works-in-progress

Loose collaboration between Owners & Dillon

Formal funded Owner-dillon meetings & collaboration to improve GH.

"THE SYSTEM"

Manuals, Howtos, approved recipes, best practices

"THE SYSTEM"

Good stuff not ready for primetime

"Mercado negro" *

Owner & bakery employee projects, friendships, conversations "leaving Dillon out of it"

TACIT — Learning Community

EXPLICIT — Stuff we've saved & stuff we're pushing

Dillon provides the tools, but has zero influence on the context.
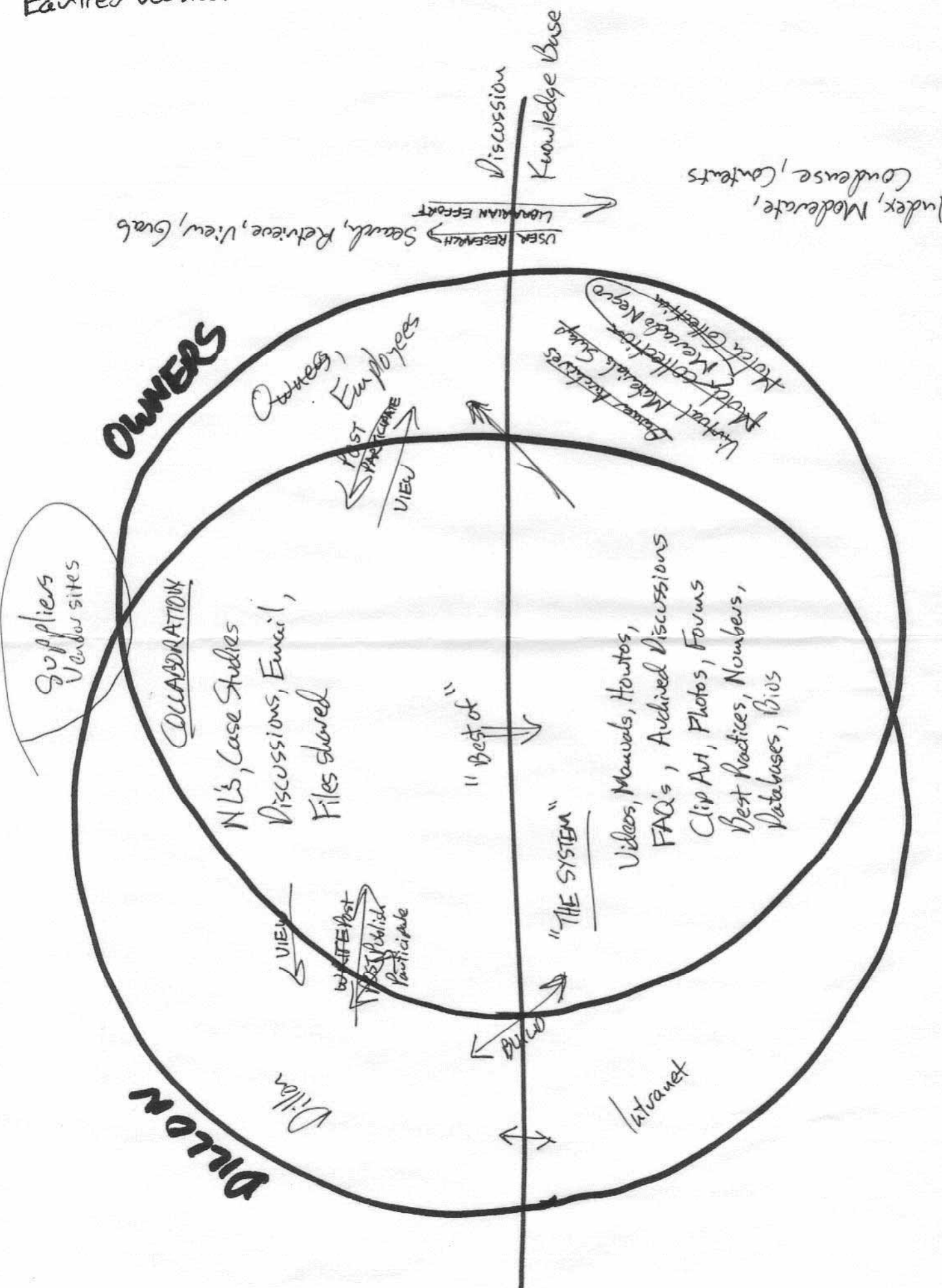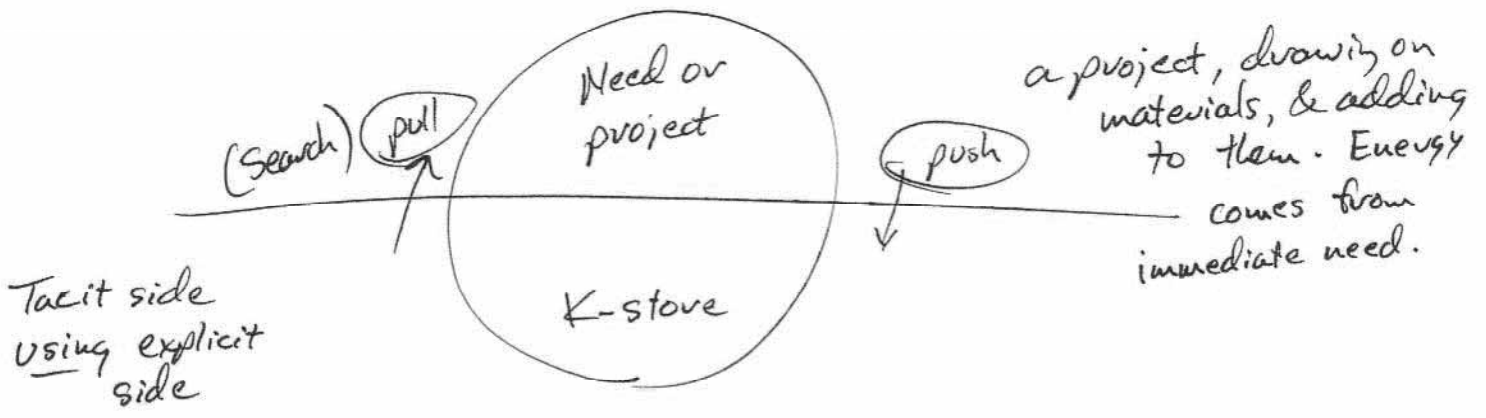
(* In Latin America its common for a town to have a "mercado principal" or main market, and in another part of town a "mercado negro" — sometimes much bigger. Directly translated it would be "black market" but it doesn't have our negative connotation. Its a big, noisy, legitimate place, just a lot looser.)
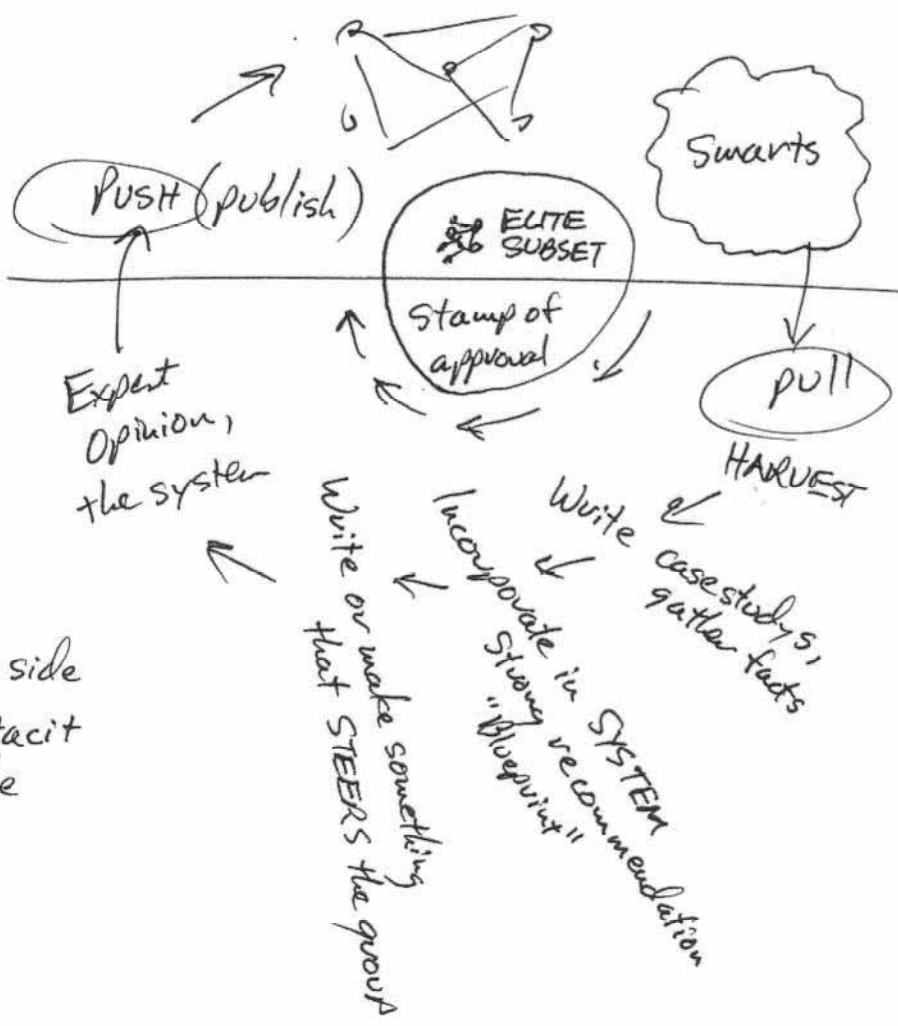
Earlier version

~ 1999?

OWNERS

DILLON

Supplies / Vendor sites

Discussion

Knowledge Base

Search, Retrieve, View, Grab

USER RESEARCH — LIBRARIAN EFFORT

Index, Moderate, Condense, Contexts

Owners, Employees

POST / PARTICIPATE

VIEW

Untitled Materials Sheet

Known Materials Sheet

Hidden Collection

Major Collection Neger

COLLABORATION

N L's, Case Studies

Discussions, Email,

Files shared

" Best of "

"THE SYSTEM"

Videos, Manuals, Howtos,

FAQ's, Archived Discussions

Clip Art, Photos, Forums

Best Practices, Numbers,

Databases, Bios

VIEW

POST / Publish
Participate

BUILD

Dillon

Intranet

MEDIA: HTML, Email, Paper, PDF, Photos, Files (Tool)

Files: Word, Excel, etc.

Top diagram:

(Search) pull — Need or project / K-store — push → a project, drawing on materials, & adding to them. Energy comes from immediate need.

Tacit side using explicit side

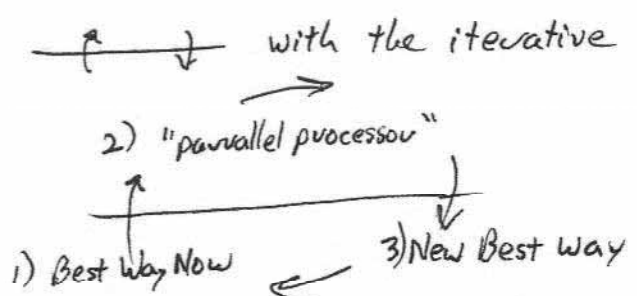**Middle diagram:**

PUSH (publish)

ELITE SUBSET / Stamp of approval

Swarts

pull — HARVEST

"The printing press"

This is how we make a free franchise. Energy is APPLIED to filter out the best, make a strong, coherent recommendation people can be excited about.

Expert Opinion, the system

Explicit side using tacit side

Write case studys, gather facts

Incorporate in SYSTEM Strong recommendation "Blueprint"

Write or make something that STEERS the group

Bottom diagram:

Reconciling this view ⬆⬇ with the iterative learning cycle view:

2) "parrallel processor"

1) Best Way Now → 3) New Best Way

5

"THE LEARNING CYCLE"

RE-SEED
"The Challenge"

CROSS-POLLINATE *
"The Learning Community"

HARVEST
"The Case-Study"

SELECT
"The Round-table"

RESEED = Visualize, Define, Describe, create models, publish blueprints, Challenge, risky rough drafts, R&D suggestions, untested hunches. Published materials to start next cycle. Interim Standards & recommendations - "Editor's Choice" Awards, Commit to a "best"

SELECT = Roundtables, debate, expert opinion. Consumer Reports: which is BEST? Filter, reject, distill, argue.
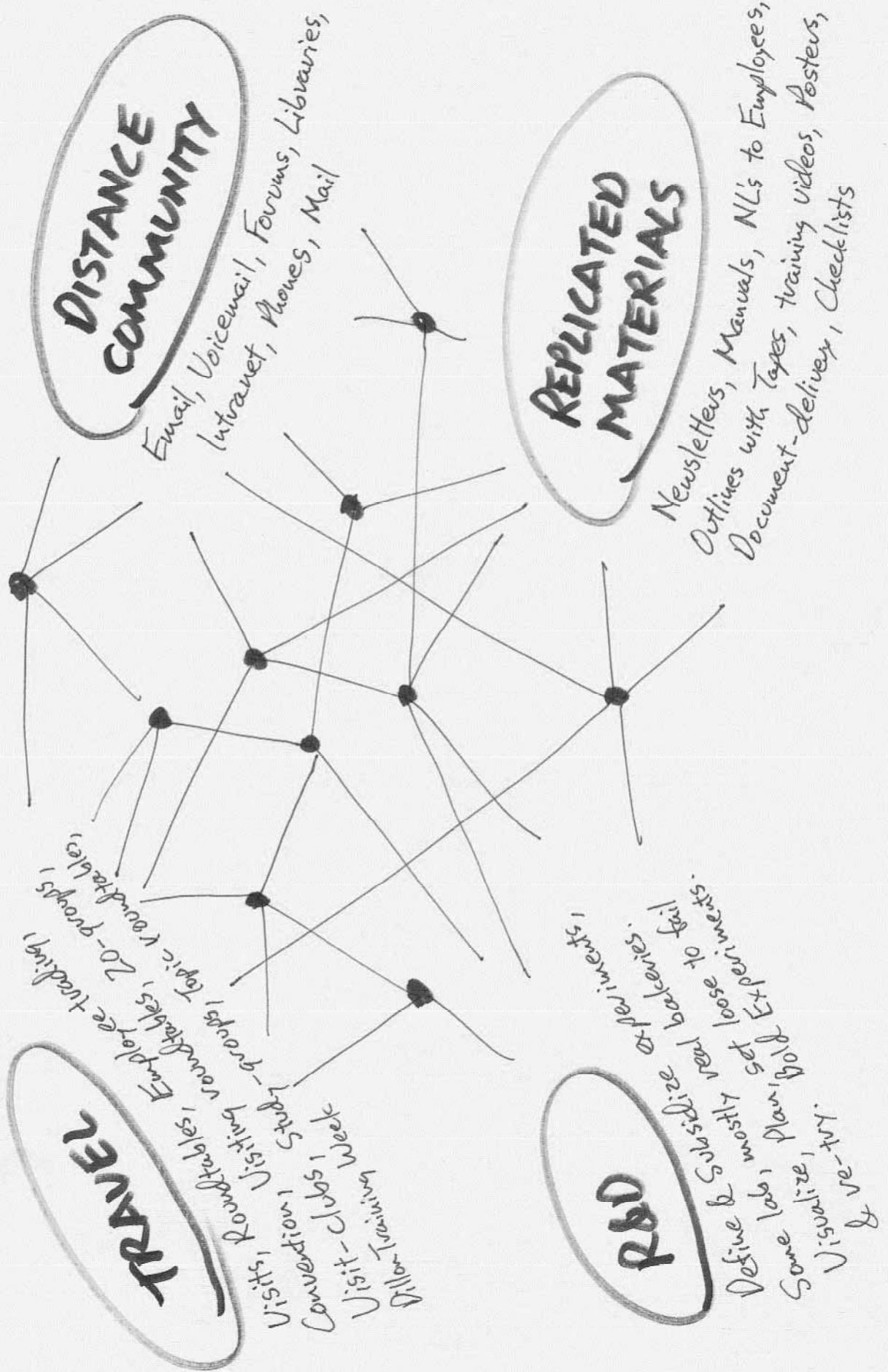
A FULL LEARNING CYCLE NEEDS ALL FOUR PARTS.

HARVEST = No opinion, just the facts. Case Studies & measurements. Unbiased reporting. Journal Articles. Call the experiment done, collect results
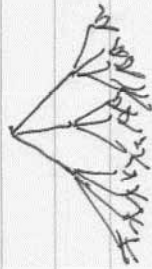
Duct tape & baling wire. Tricks. Learn from each other, try, fail, iterate; Learning Net, with each node only 5-10 connections. Testing in the real world. CROSSPOLLINATE = Learn

* SEE PAGE 2!

4 NEEDS OF A LEARNING COMMUNITY:

DISTANCE COMMUNITY

Email, Voicemail, Forums, Libraries, Intranet, Phones, Mail

REPLICATED MATERIALS

Newsletters, Manuals, NLs to Employees, Outlines with Tapes, training videos, Posters, Document-delivery, Checklists

TRAVEL

Visits, Roundtables, Employee-teaching, Visiting, sometimes 20-groups, Convention, Study groups, topic-roundtable, Visit-clubs, Week, All-Training

R&D

Define & Subsidize real batteries to fail, experiments, mostly loose experiments, Some lab, Plan, bold Experiments, Visualize, & ve-try

Addictive, Superfun Learning Network.

A daring & radical experiment

Cheerfully risk failure to learn, to invent something brand new

Be in love with what we are, who we are, be proud of what we're doing

World's coolest, simplest communications structure

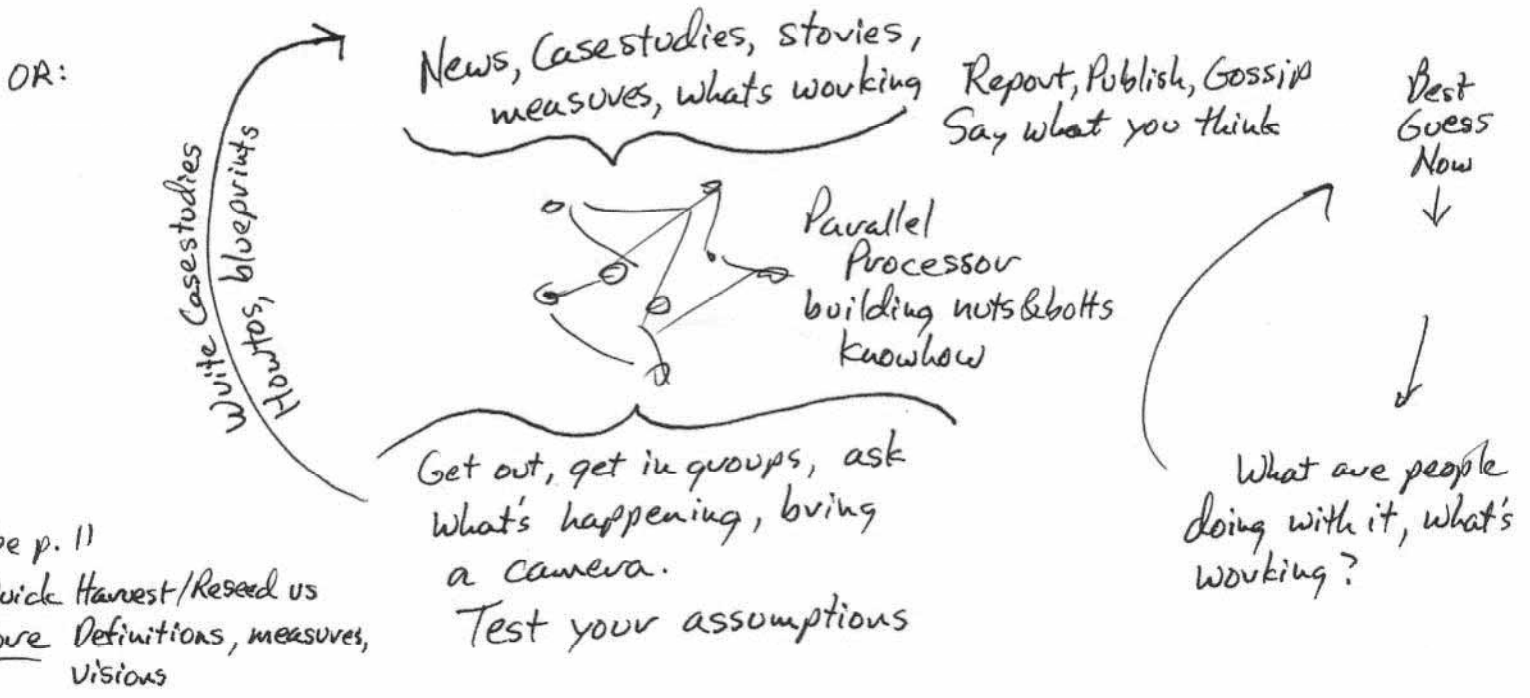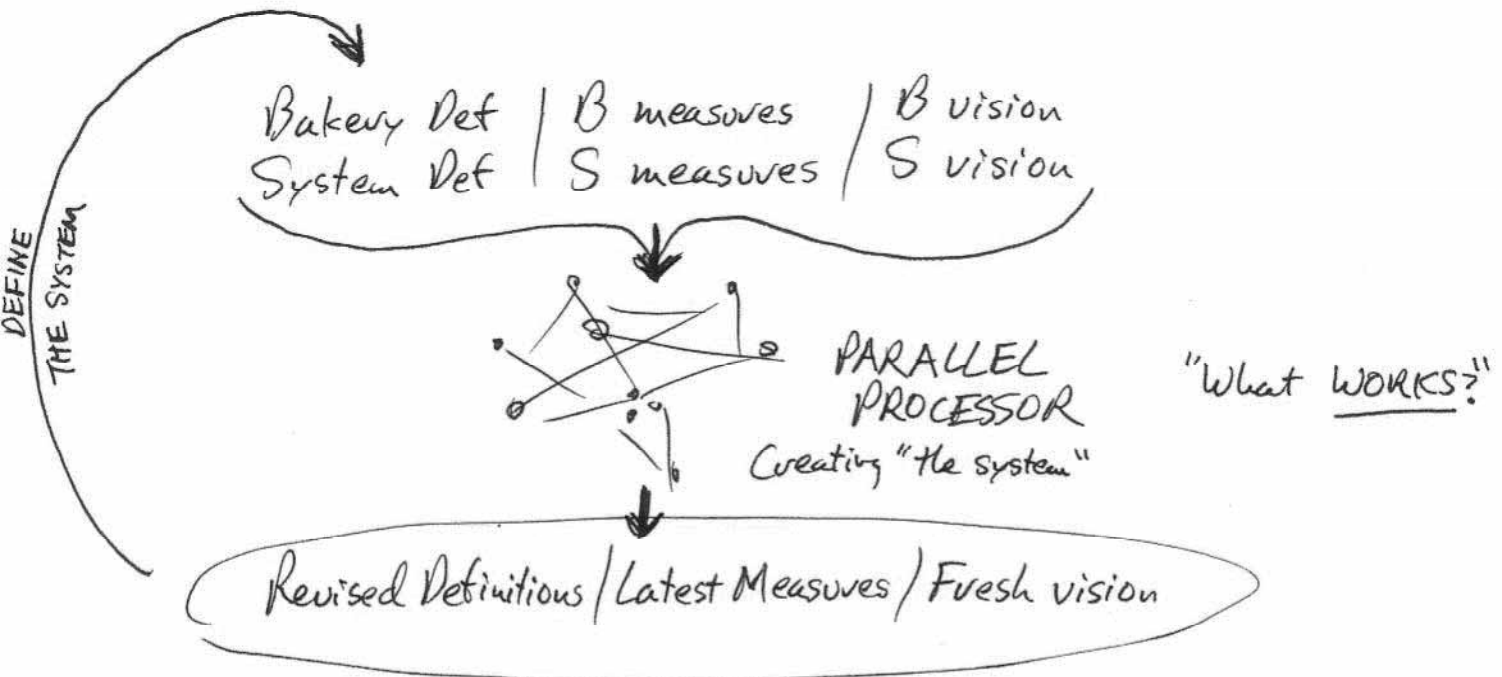Lots of strong leaders & excitement in fresh ideas

| Bakery Def | B-measures | B-vision |
| System Def | S-measures | S-vision |

PARALLEL PROCESSOR

| New Definitions | New Results | Next Vision |

RICHLY CROSSCONNECTED LEARNING COMMUNITY

(NO)

linear, predictable, optimizable, brittle
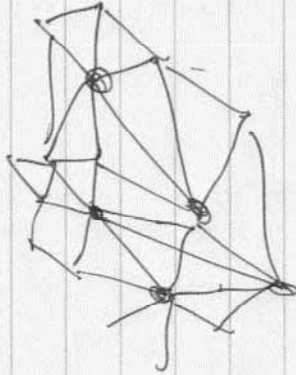
(YES)

redundant, non-optimized, unbureaucratic, self-healing

SSCH's
WTG's
CP cells
Sysops
Regional representation

("Truncate" don't "distill")

I liked this view (1999)

Bakery Def | B measures | B vision
System Def | S measures | S vision

PARALLEL PROCESSOR
Creating "the system"

"What WORKS?"

Revised Definitions / Latest Measures / Fresh vision

OR:

Write Casestudies, Howtos, blueprints

News, Casestudies, stories,
measures, what's working

Report, Publish, Gossip
Say what you think

Best
Guess
Now

Parallel
Processor
building nuts & bolts
knowhow

Get out, get in groups, ask
what's happening, bring
a camera.
Test your assumptions

What are people
doing with it, what's
working?

See p. 11
Quick Harvest/Reseed us
Core Definitions, measures,
visions

Note that half the battle is burying the old "best guesses"
from 3 years back. Good for people to be able to find &
re-read a classic. But overall, what you TRUST is what
you're hearing TODAY, on the grapevine.

6

? Now, how does this apply in non-GH & non-franchise enterprises?

2 views of the <u>SYMBIOSIS</u>:

- Baker, Owner: If Dillon didn't exist, we would need to create it. Royalty, territory, marks, infrastructure, a team apart from the bakeries to energize the dance, and somebody to publish "THIS is what works and THIS is where we're going. Without that energy applied, we would all drift apart in ~~mediar~~ & quit learning.

- Dillon: If we can make them SUPER successful in their bakeries and getting real business & personal value from the community, they'll send us money and we'll thrive. The day we run out of ways to REALLY help, it all goes to hell.

_____

In another organization —

"~~They're the~~ "Home office is the glue that holds us all together & makes us strong"
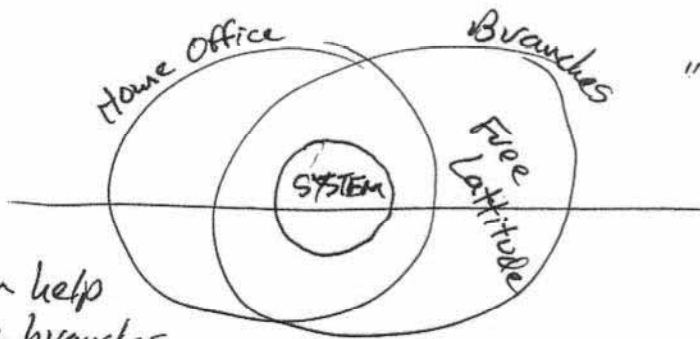
"If we can help make those branches thrive, they'll send us money and we all do great"

Control thru constant learning & evangelizing the SYSTEM. Home office controls the printing press & funds the elite teams.

Association, Facilitator — Loose Small Outposts

CORE "What works"
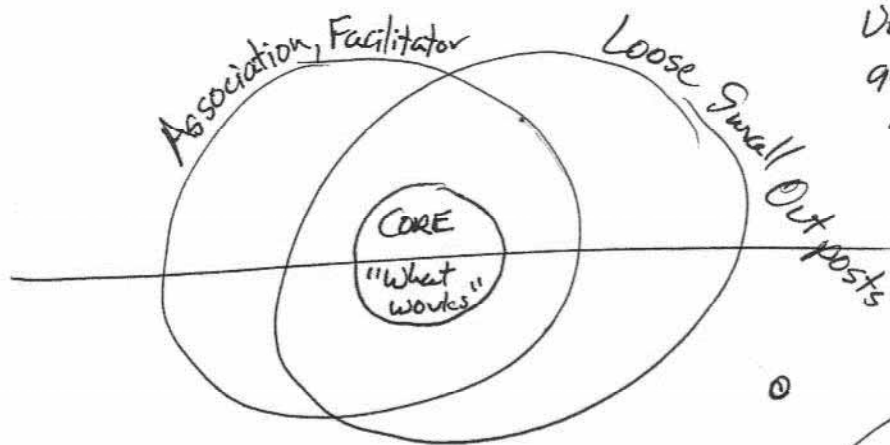
Radio stations, Universities, Research groups, hospitals, Ag research locally, etc
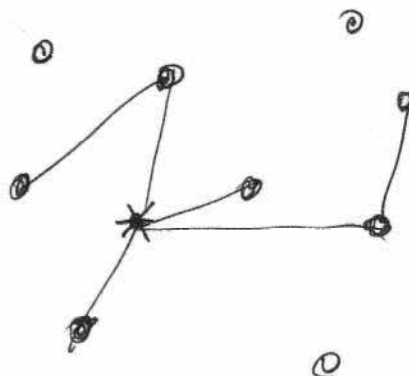
Much less money = fewer connections
Much less travelability
Not really competitors tho, eager to share
Lonely for own kind, excited by their work
Assn gather case studies, seed the group, create a community. Publish.
The basics — somebody to travel & report. A visitor/reporter. Bee.
　　　Distance community — email, blogs or discussions.
　　　Infrastructure to allow easy save-&-retrieve materials

Plan & encourage gatherings & friendships
(You get what you pay for BUT "first convention" effect, steep part
　　of the learning curve, bang-for-buck)

Learning
Community
Tools in hands
Cohesion, solidarity,
　leadership
} is this sufficient as a product or service?

A: Yes because it's necessarily all
about getting things done, solving
real problems, serving real customers,
growing real organizations. Its how
any organization gets built, on knowhow.

8.

What's it FEEL Like?

Individual — all on five to solve a problem, do a new project,
or put together something great. The exact perfect
missing piece (idea, helper, fact, resource) is right
there, 3" away, ready to grab & run. Good things
happen without friction like on ball bearings. You're
like amplified and rocket-powered.

Organization — Huge energy and creativity released by near-total
freedom, a chaotic energetic hum with loose cannons
& rogue activity, yet everybody just naturally
pulling it all together in a harmony around core
beliefs, core goals, core understanding of what works,
agreed on what the organization should look like
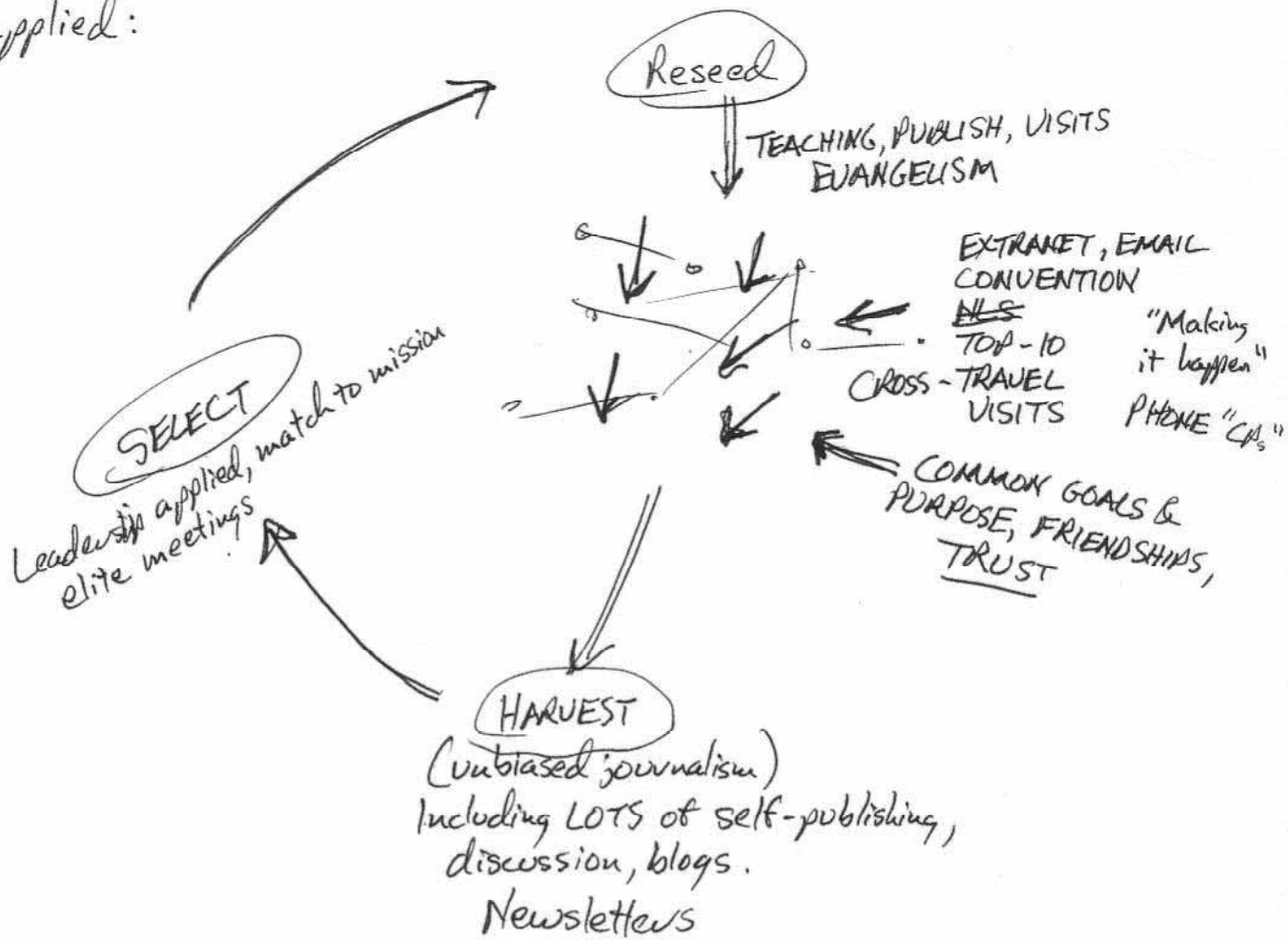and what needs to get done this month to make
that happen.

Quarterly SSCH's

"Let's do it!"

Budget wishlist
& Goals

all up on
board

AC~~oo~~ Advisory
Council

SSCH's

The use of the learning cycle to coalesce a diverse group of
free owners, around one strong "family resemblance"

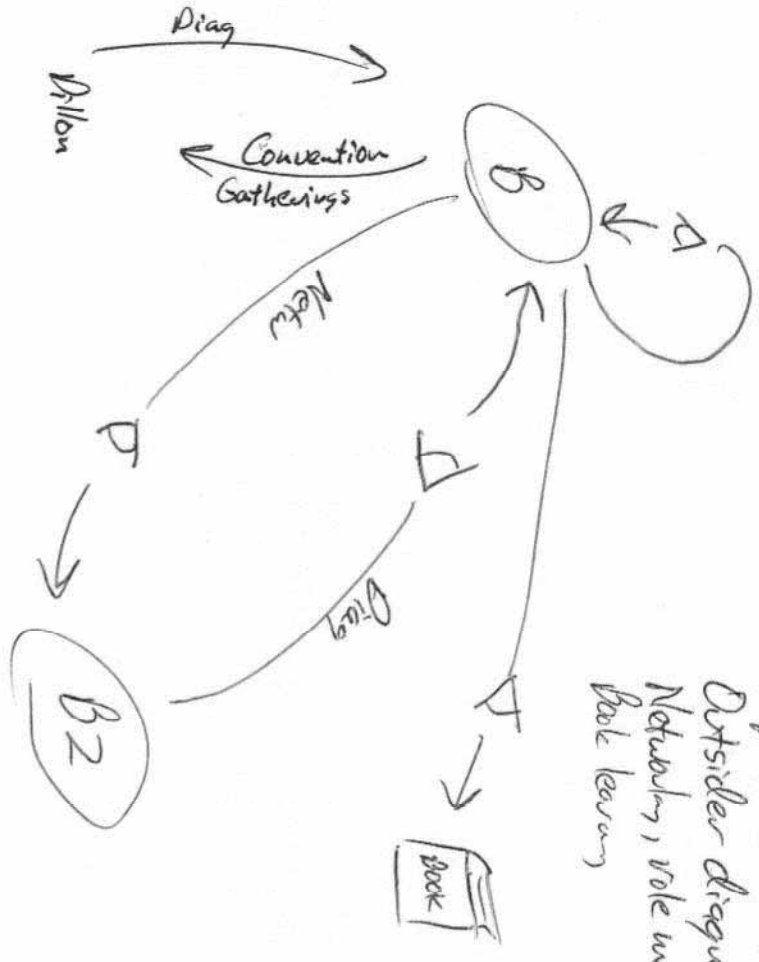It steers itself — although a single strong voice helps.

Energy applied:

We created 130 test-bakeries. Turned "training" into "learning" by nurturing the community ties & tools, making a wide variety of easy options to "catch up with the herd." It's not that you NEED 130 test bakeries (its just bakeries, not germ warfare!) but it was that FREEDOM that turned "training" into "learning" — you didn't have to do it that way. Net was like a sponge — took FORCE to push the knowhow thru it. But that energy 1) cleaned dirt from the sponge at the same time it 2) (paradoxically) freshened the water. I was our WAY to help people get very good at running bakeries. We made them thirsty (and they came to us wanting that) by making the bakery 100% theirs. Then we put all the freshest knowhow (best people, best practices) easy to get at.

How learning happens, from bakery viewpoint.

Situ

(~1999? 600D)

Why Diagnostic

Right Biz ——— mission & market
Right ~~Ratio~~ %'s ——— # goals had target goals. (GH Norms)
Right Balance ——— priorities. (6 fundamental)
"Smart"

Dillon

Diag →

← Convention
Gatherings

β

A

Noth

A

B2

Diag

A

Book

"Stature"

"Mekr"

Travel
Distance
People
R&D

↑
How info travels

Experimentation, Self diagnosis
Outsider diagnosis
Nothulm, role modeling, going to see
Book learning
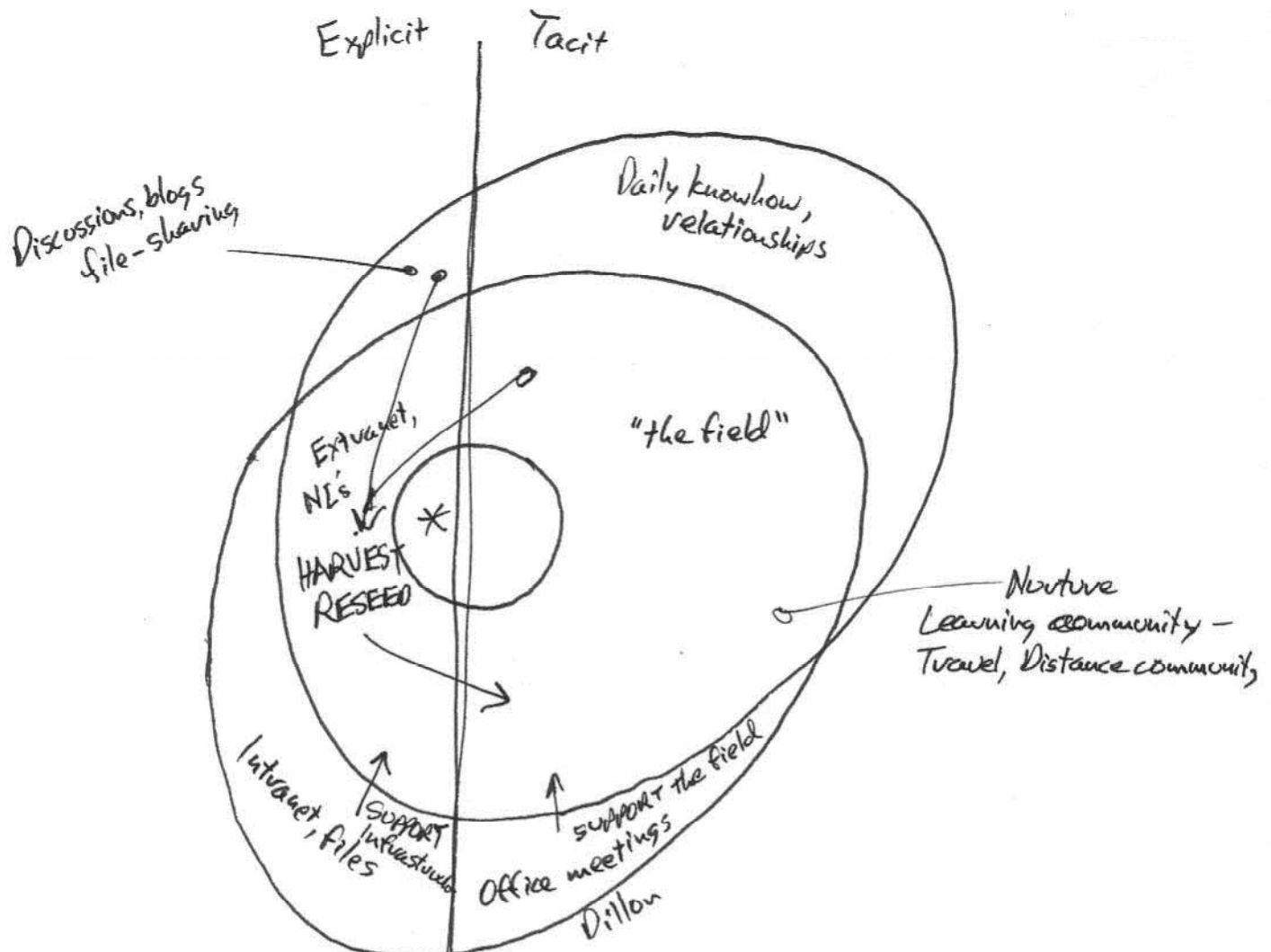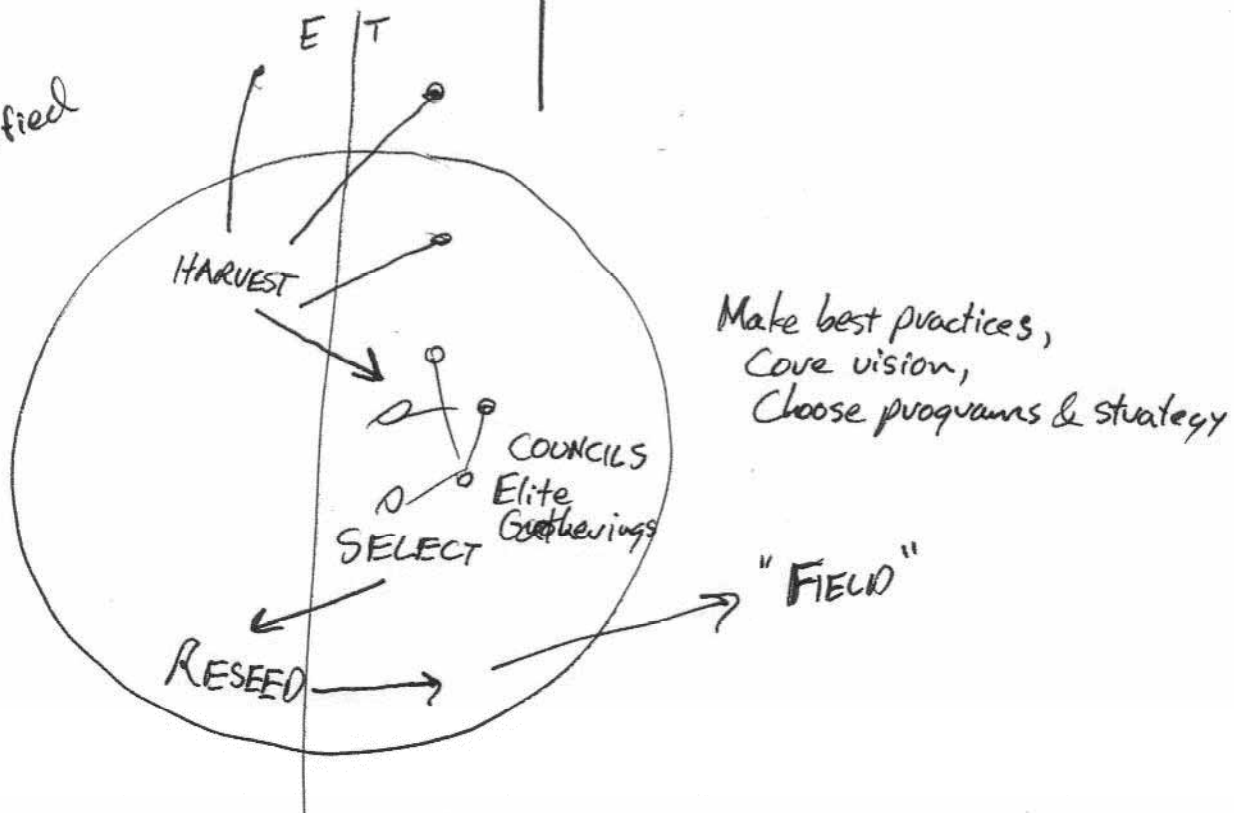
Patient — asks for diagnosis
Student — quietly studying
Tourist — open to other cultures
Scientist — testing theory with experiment
Socializer — networks with friends

"Mindset"

↑
How info is learned

● = Energy applied

Explicit   Tacit

Discussions, blogs file-sharing

Daily knowhow, relationships

Extranet, NI's

"the field"

HARVEST RESEED

*

Nurture Learning community — Travel, Distance community,

Intranet, files

SUPPORT Infrastructure

SUPPORT the field

Office meetings

Dillon

* Core magnified

E | T

HARVEST

COUNCILS
Elite Gatherings

SELECT

Make best practices,
Core vision,
Choose programs & strategy

"FIELD"

RESEED

1C

(Family meeting)

The basic problem-solving process, Decision Process

⊖ State the problem (From P.E.T) no judgement
(important how you state it)

List solutions

Say Pros & Cons with no judgement

Reach Consensus (proportional vote)

Wait... Bugs emerge, it ain't perfect

"TRUST THE PROCESS"
the steps are separate

Seed
Wait, till
Harvest
Select
Reseed

(AG)

(Location Hunting)

State the goal — Defined ideal

Messy part — drive all
over confused

List of prime candidates — DON'T START PICKING

Formal pros & cons, no judgement

Choose

Go for it.

Wait 5 yrs — did it work?

Re-define the ideal

Note: Keep the steps separate

But — these processes are overlapping
constantly

(Evolution:)

- In goes a bluebird

- Big old habitat, lots
  of chicks, all
  versions of the planet

- Out comes several
  birds. No judgement

- Big spike in fox pop'l
  Bad cold snap
  Fresh hatch of hard beetles

- Most die, some live

- In goes a smarter,
  grey-green bluebird

"The professional decision-thinker"

(Mapping models over models
as a cross check)

12