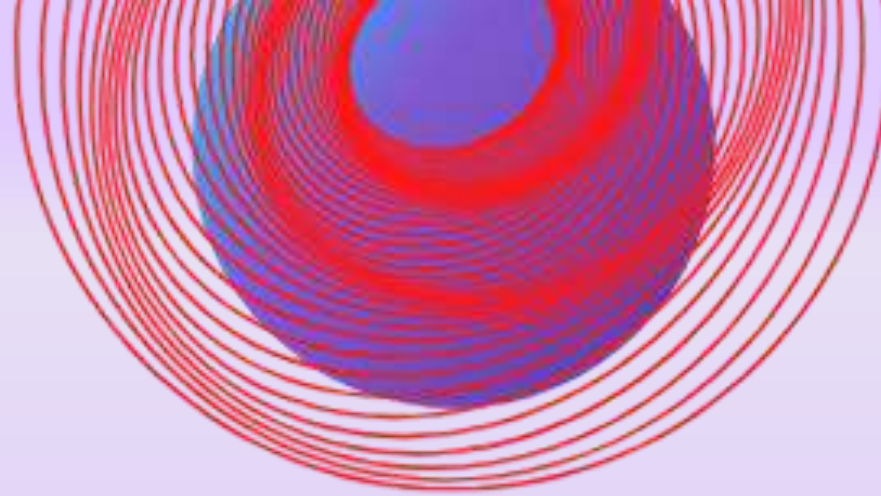




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CONSULTANT TRAINING TOOLKIT

CHAPTER 1

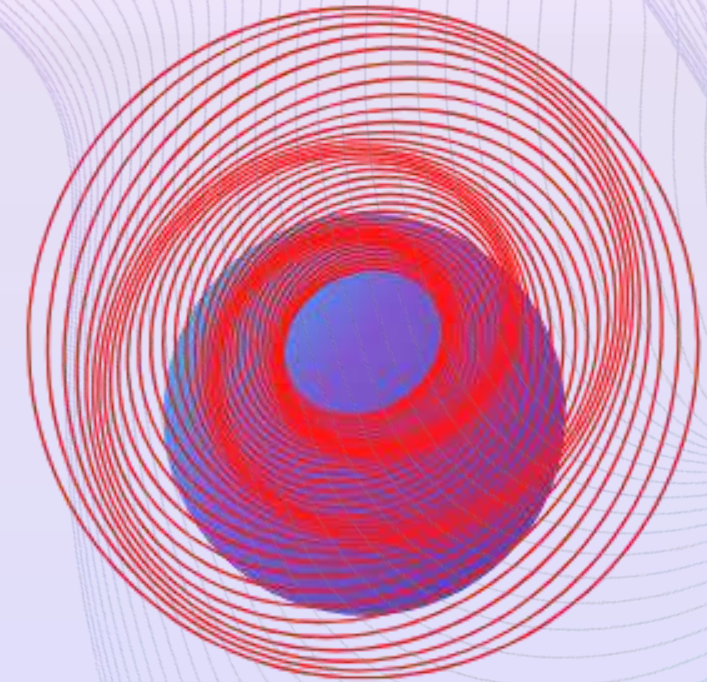
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CONSULTANT TRAINING TOOLKIT

CHAPTER 1

Overcoming mental barriers

“My business must stay what it always was”



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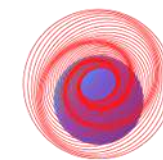
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Focus on the following competencies:
change management, flexibility adaptability and creativity

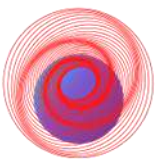


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Overcoming mental barriers

*The need to overcome mental barriers
through change of mindset in SMEs*



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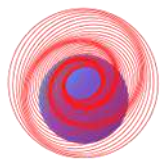
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Overcoming mental barriers

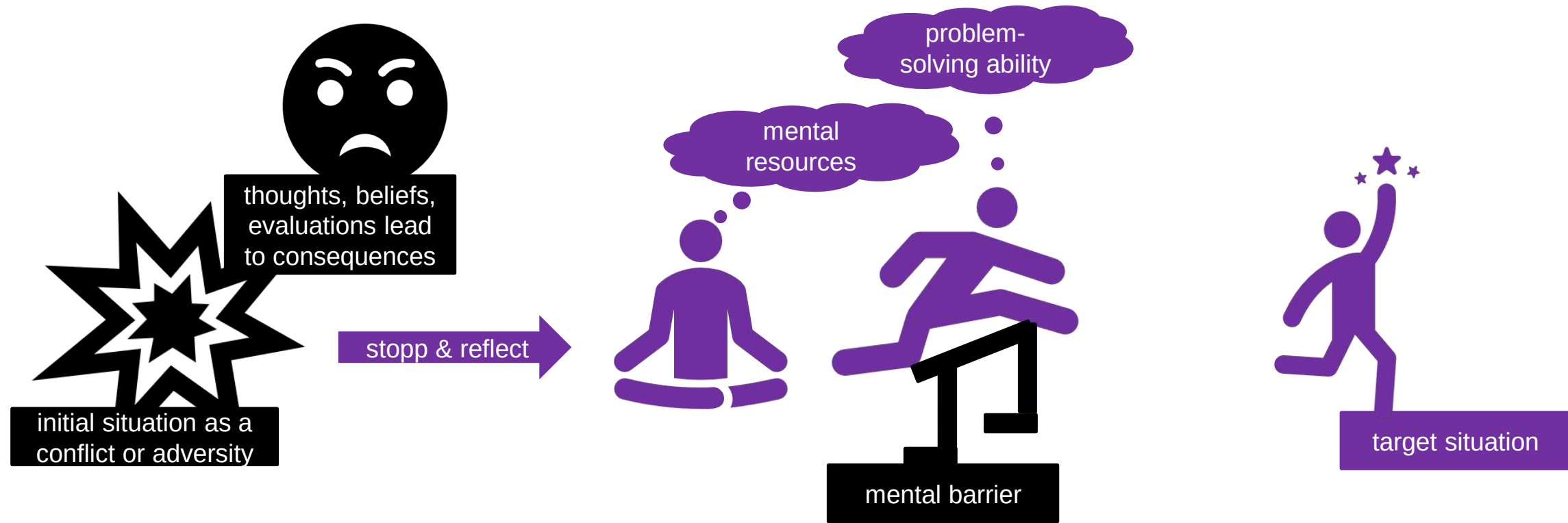
What is a mental barrier?

Mental barriers arise when there is a problem by implementing a task. Here, problem means a question that is difficult to answer, as a result of which the actual task fulfillment cannot be achieved despite considerable efforts. The obstacle here is often mental barriers that make it difficult for the individual to move toward the desired, positive target situation.

The solution of the actual problem is accompanied by overcoming the mental barrier. This requires mental resources and problem-solving ability.



Overcoming mental barriers



1. *Mental barriers in digital transformation*

What are typical mental barriers (“killer phrases”) in digital transformation?

My business must stay what it always was.

- “We have always done it that way.”
- “We have seen many trends before and survived them all.”
- “It won't work for US.”
- “It doesn't suit our company.”
- “It won't work, others have failed before.”
- “But we are not the others, for us it will not work.”
- “It's all happening too fast for me.”
- “There are more important things to do.”
- “So far we've managed quite well.”
- “It's all just grey theory.”
- ...

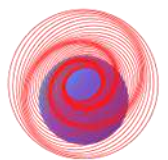


Overcoming mental barriers

What are mental resources and problem-solving ability?

Mental resources are my abilities of thinking, such as optimism, gratitude, acceptance, compassion etc.

Problem-solving ability means to identify needs and problems, and to resolve conceptual problems and problem situations in digital environments. To use digital tools to innovate processes and products. To keep up-to-date with the digital evolution.



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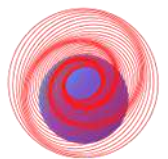
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Change of mindset

What is a digital mindset?

Digital mindset is a basis for digital transformation and has a positive impact on the company's success as well as the satisfaction of the members of the organization. The following aspects were identified with the “digital competence indicator”:

- openness and agility
- proactivity
- creativity and design motivation
- customer centricity
- critical faculties
- open-mindedness in dealing with failure

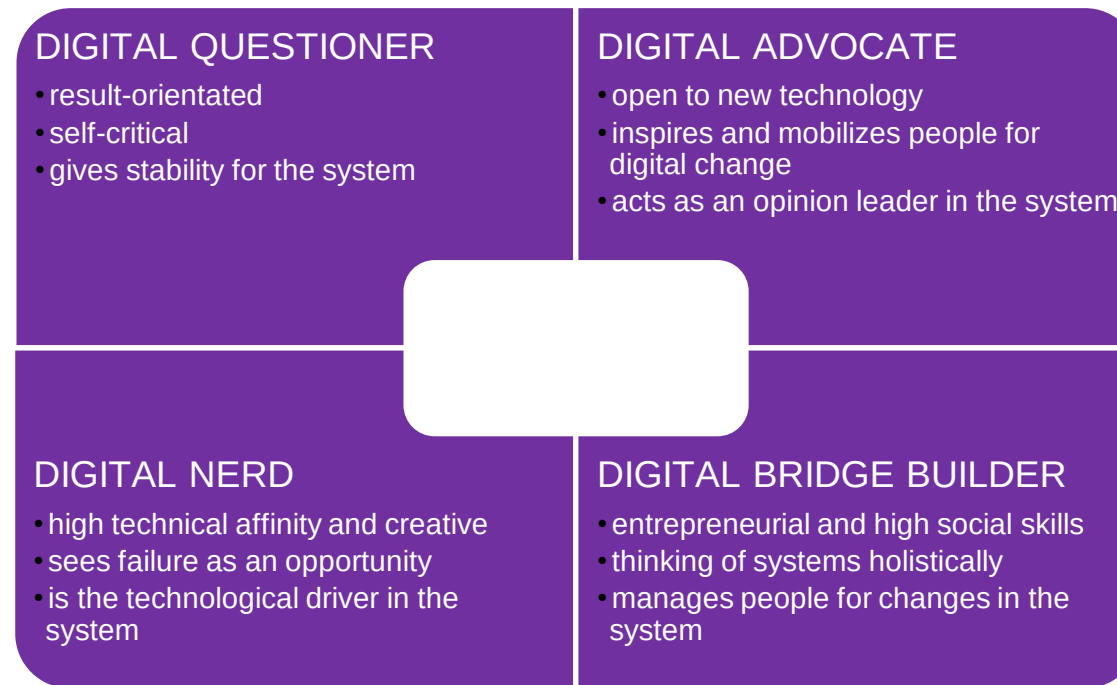


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Change of mindset

Digital competence indicator and digital roles

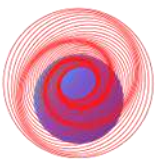


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Overcoming mental barriers

What is change management?



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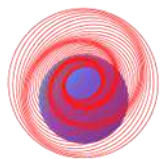
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2. Change Management

What is change management?

Change management comprises all managerial tasks and **personnel development measures** of an operational change with the aim of implementing new strategies and developing behavioral routines as well as optimizing structures and processes. The following steps include change management:

1. **aware initialization:** determining the need for change and activating people
2. **desired conception:** setting desirable goals and developing a participatory change program
3. **informed mobilization:** communicating change program, collaborating and encouraging for change
4. **empowered implementation:** implementing tasks and projects by participation and reflected practice
5. **continues change:** anchoring the results of change, reinforcing and securing willingness and ability to change

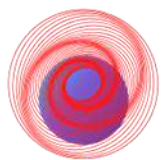
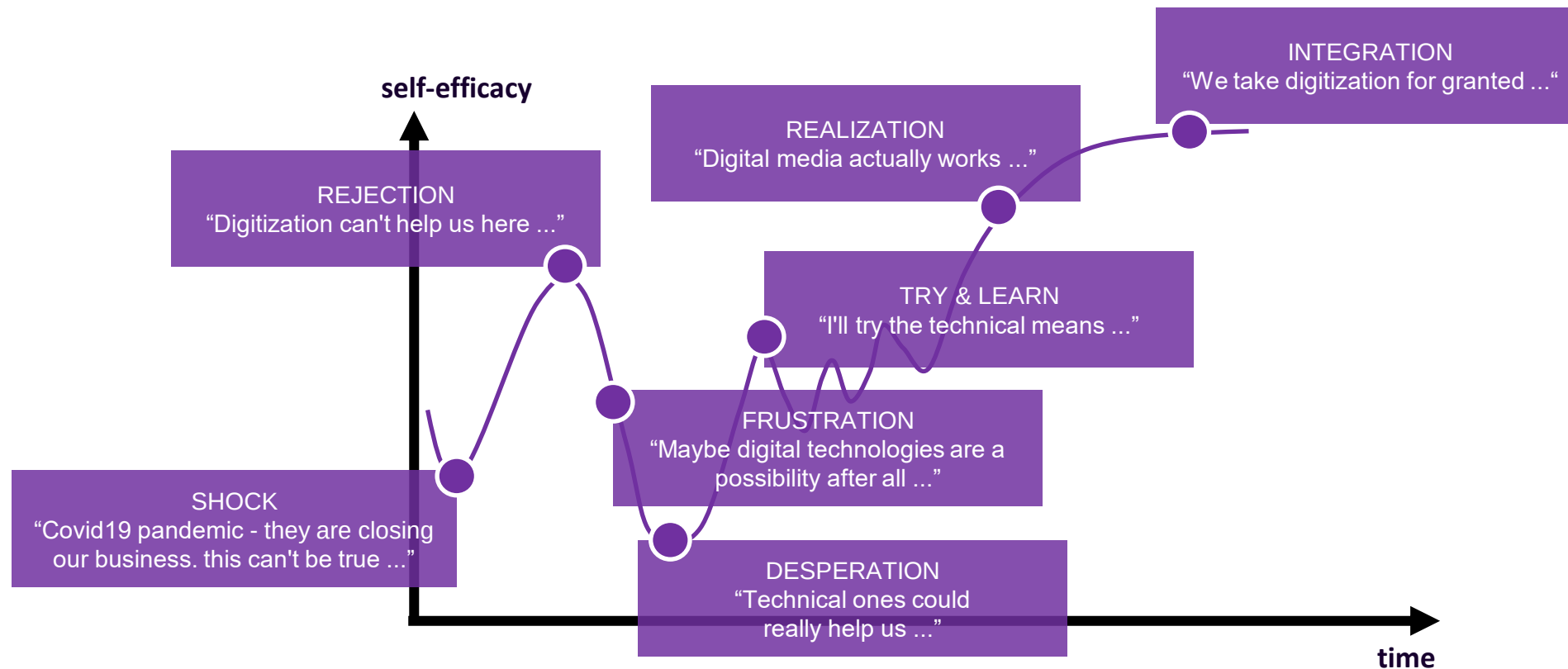


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Change Management

Emotional reactions because of digital transformation

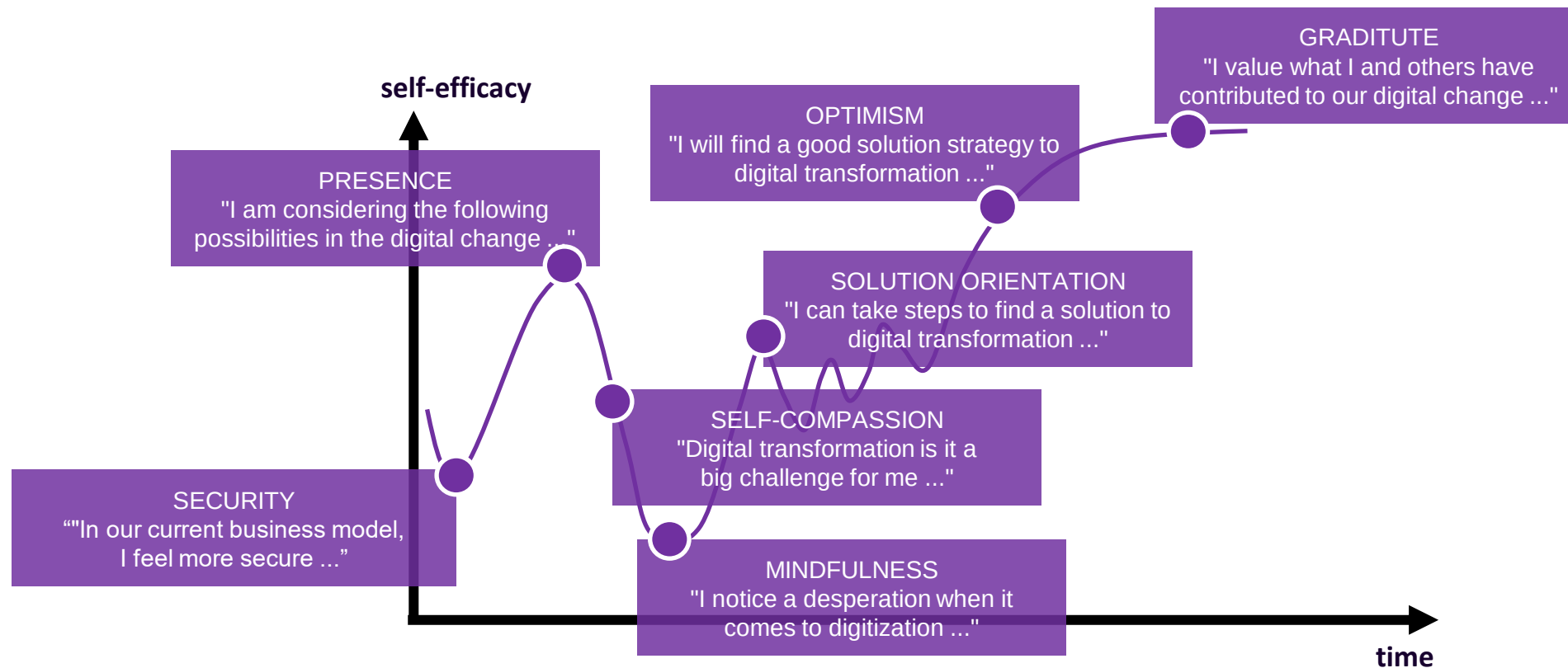


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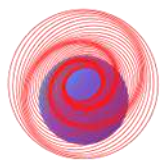
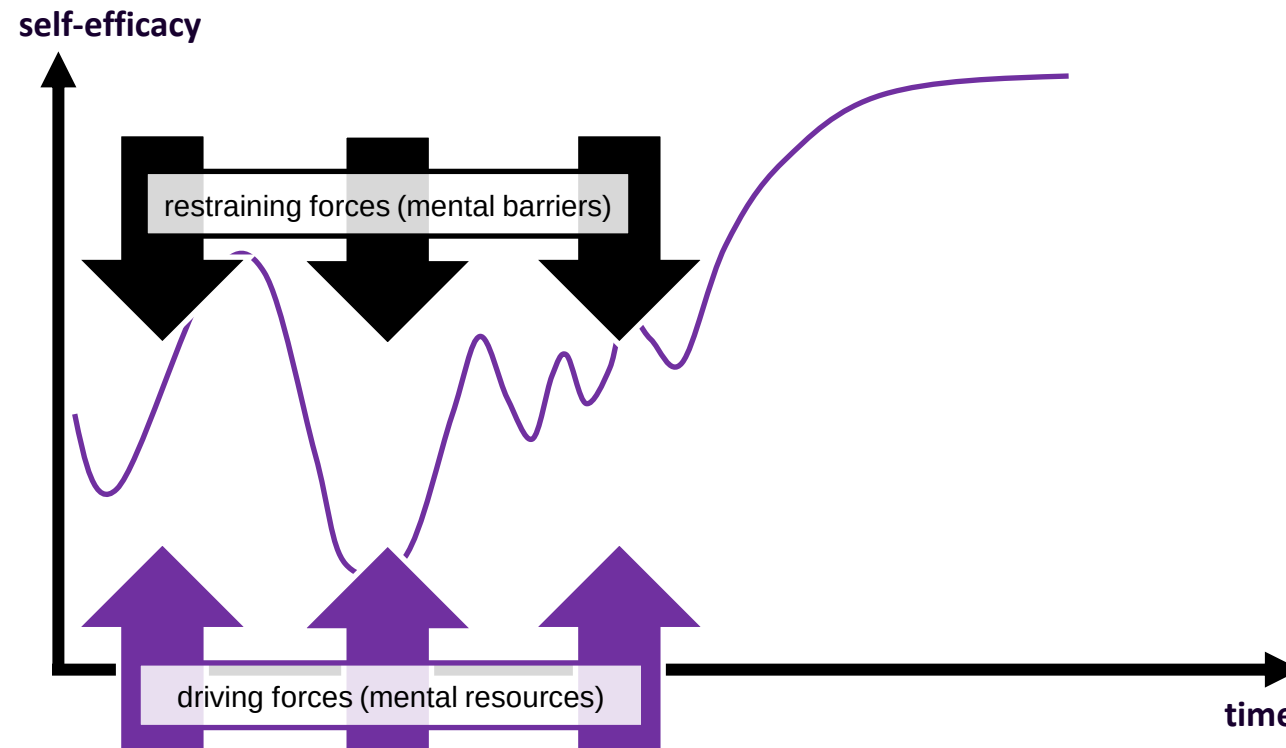
Change Management

Mental resources in times of digital transformation



Change Management

Mental resources can drive digital transformation



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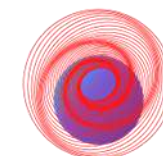
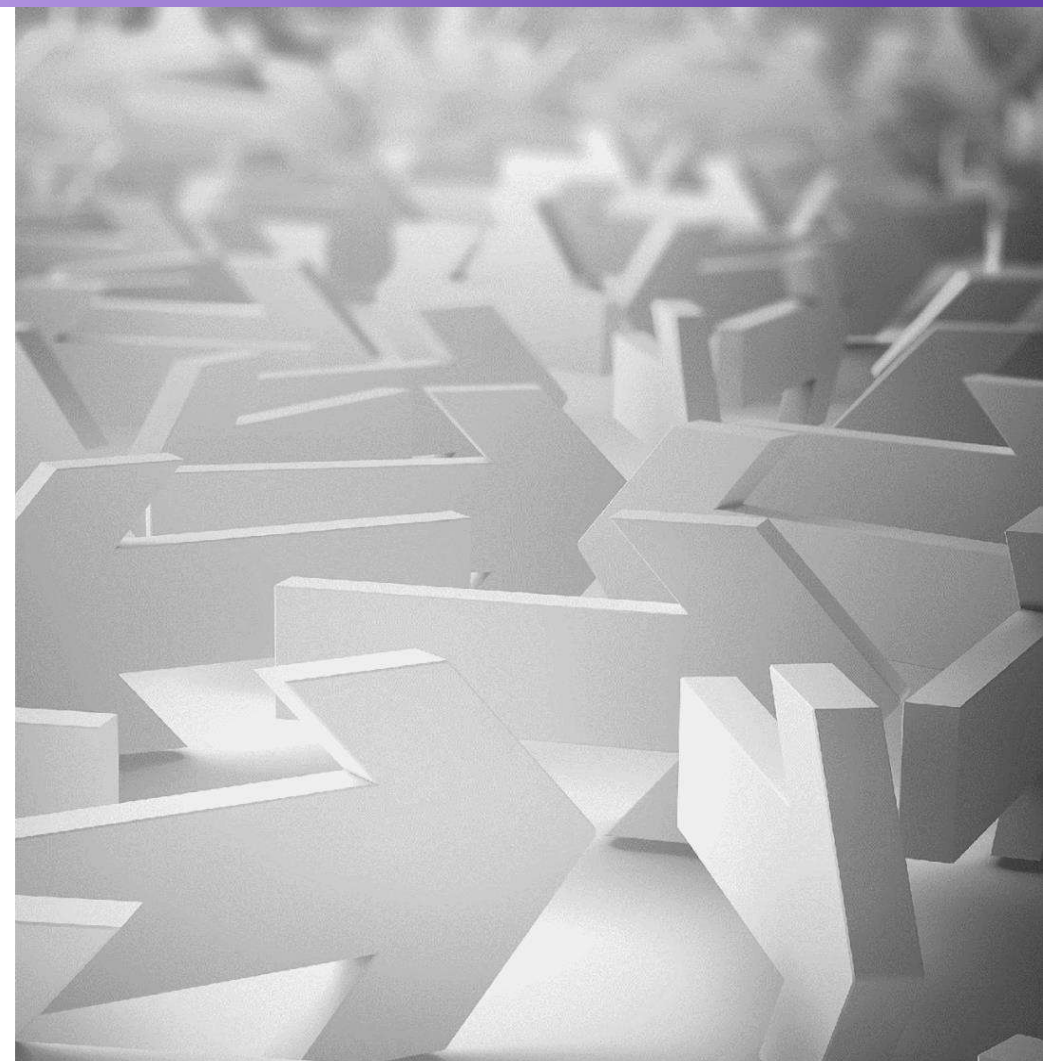
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Reflective exercise

Mental resources & digital mindset

Answer the following questions for yourself:

- What mental barriers and killer phrases do I observe in my own thoughts?
- What about my mental resources, especially my capacity for optimism, acceptance and self-compassion?
- How do I assess my digital mindset? Which digital role can I identify with? How can I use this role in the sense of our digital transformation?
- Which emotional reaction phase of the digital transformation am I in? What mental resources can carry me through this phase?

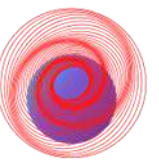


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Overcoming mental barriers

New strategies in change management



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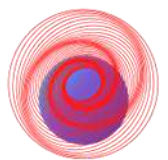
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3. *New strategies in change management*

How to foster change in organisation?

Organizational resilience enables SMEs to anticipate and adapt to fundamental change and sudden disruptions in order to keep the business going. There are two approaches of organizational resilience which can be categorized into **defensive** (“stopping bad things happen”) and **progressive** organizational resilience (“making good things happen”). Organizational resilience requires:

- **control** (risk management) and **compliance** (standard operating procedures)
- **proactive management** that is focused on noticing and responding to threats and opportunities
- **improvement**, refinement, extension and exploitation of existing assets and paradigms
- **changing** before the cost of not changing becomes too great
- **learning** new things by changing underlying values and assumptions

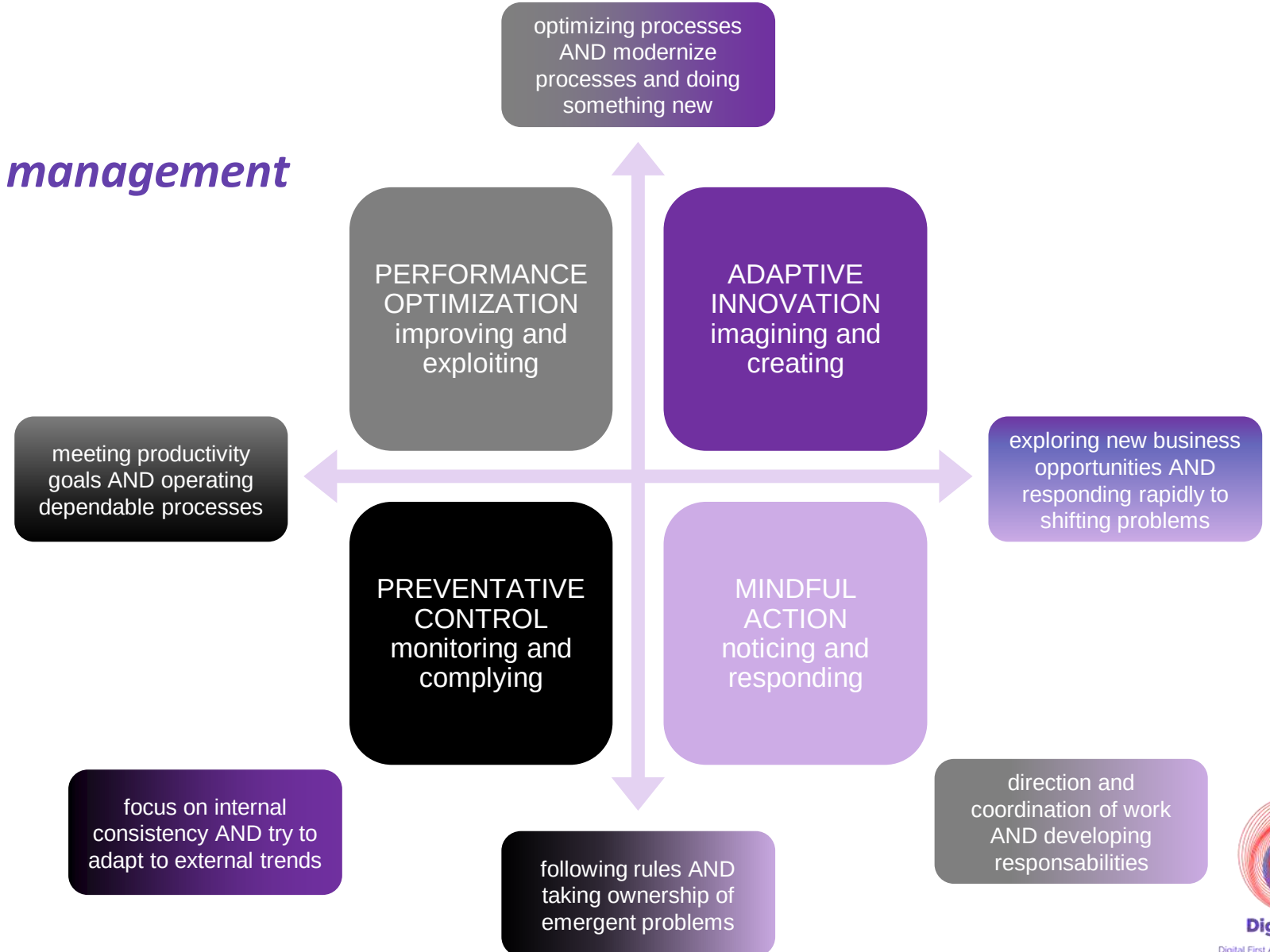


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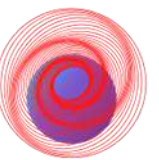
New strategies in change management

Organizational resilience



Overcoming mental barriers

*The concept of lean management & establishing
a successful lean culture at SMEs: pros n cons*



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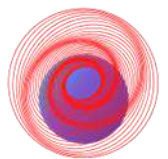
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4. Concept of lean management

Lean Management principles

Lean management is a corporate philosophy for the effective ("doing the right things"), efficient ("doing things right") **customer-centric design** and **continuous improvement** of the value chain including its processes, workforce and purpose. The Japanese management approach focus on avoiding “**waste**” (activities without any customer value) including by reducing of errors. Lean Management includes a **set of tools**, such as Kanban, Kaizen, Six Sigma etc. based on the following lean principles are:

- understand and define customer value (“everything that your customer is willing to pay for”)
- identify and map the value stream by using the customer’s value as a reference point
- identify waste, eliminate and reduce unnecessary processes and create a flow with value-adding activities
- adopt and transform to a pull-based system for inventory
- **continuous improvement** by pursuing perfection



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Concept of lean management

Waste and customer's value

Lean management is based on the consistent elimination of waste and focuses on three aspects:

- **Muda:** all activities that do not create value are considered as “wasteful activities”
- **Muri:** losses caused by unevenness during the work processes, such as stress, are called „overuse“
- **Mura:** losses due to missing or incomplete harmonization of capacities are identified as „overburden or imbalance“



transportation, e.g. moving resources and materials



waiting time, e.g. goods waiting for delivered or to be fixed



inventory or overstock to meet unexpected demands often go along with quality degradation



overproduction exceeds customer's demands which leads to additional costs



defects causes rework and resources loss



over-processing, e.g. extra features given to a product but customers have not required



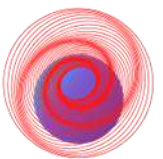
motion means unnecessary movement of resources which extends the production time



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Overcoming mental barriers

Planning future actions for applying change



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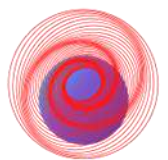
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5. Planning future action for applying change

Four Sight Method

Change Management involves a leadership agenda for organizational resilience, especially for complex problems and critical business cases. The difficult thing about such challenges is that many stakeholders often must be involved, there are gaps in knowledge and at the same time many opinions are circulating. Rather, such situations require a change in behavior, a change in values and re-prioritization. To mobilize people, you need to respond and creation disruptions and opportunities:

- **foresight:** anticipate and prepare for future
- **insight:** interpret and respond to your present conditions
- **oversight:** monitor and review what has happened and assess change
- **hindsight:** learn the right lessons from your experience



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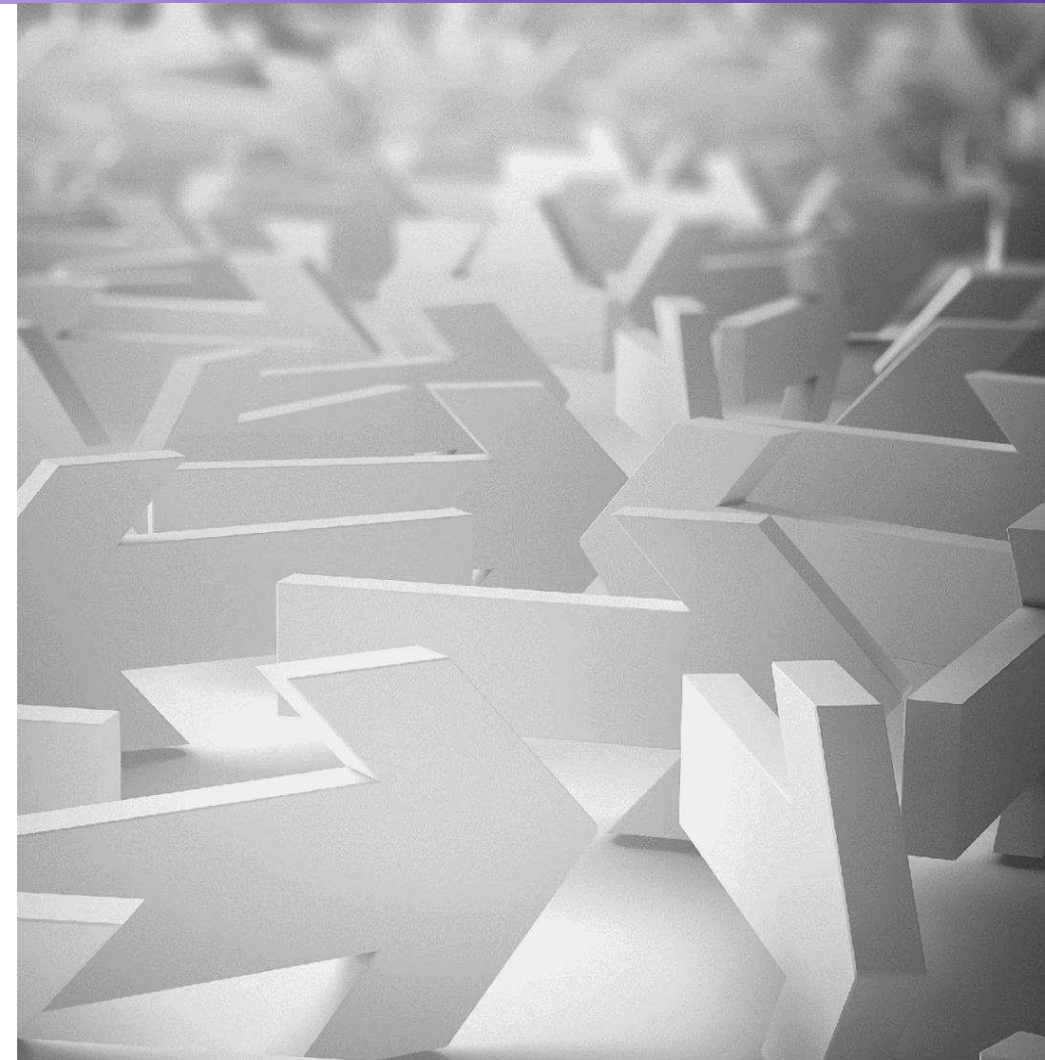
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Reflective exercise

New change strategies & planning future actions

Answer the following questions for yourself:

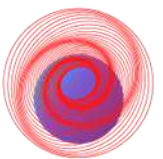
- What about our organizational resilience? Are we more of a defensive or a progressive organization?
- To what extent do we have risk management and standardized process flows? To what extent do we use opportunities proactively or are we able to react abruptly to threats? To what extent do we learn from our actions and change?
- What are our activities that create customer value? To what extent do we live a continuous improvement process and try to reduce or eliminate processes without customer benefit?
- How prepared are we for trends in our industry? How do we assess the current framework conditions? What evaluation methods do we use to accompany the digital transformation? What are our empirical values?



Overcoming mental barriers

Success stories of SMEs

that were able to overcome mental barriers

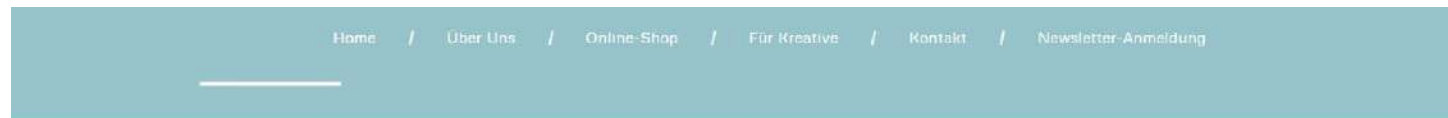


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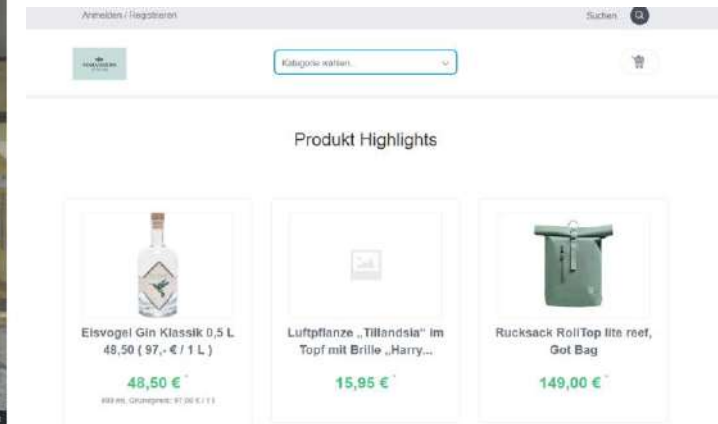
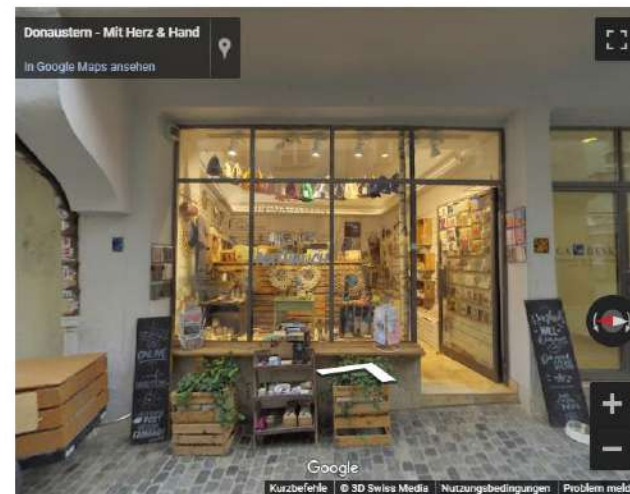
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6. Successful stories of SME during Covid-19 pandemic

“Donaustern” integrated online shopping and virtual tour through the store



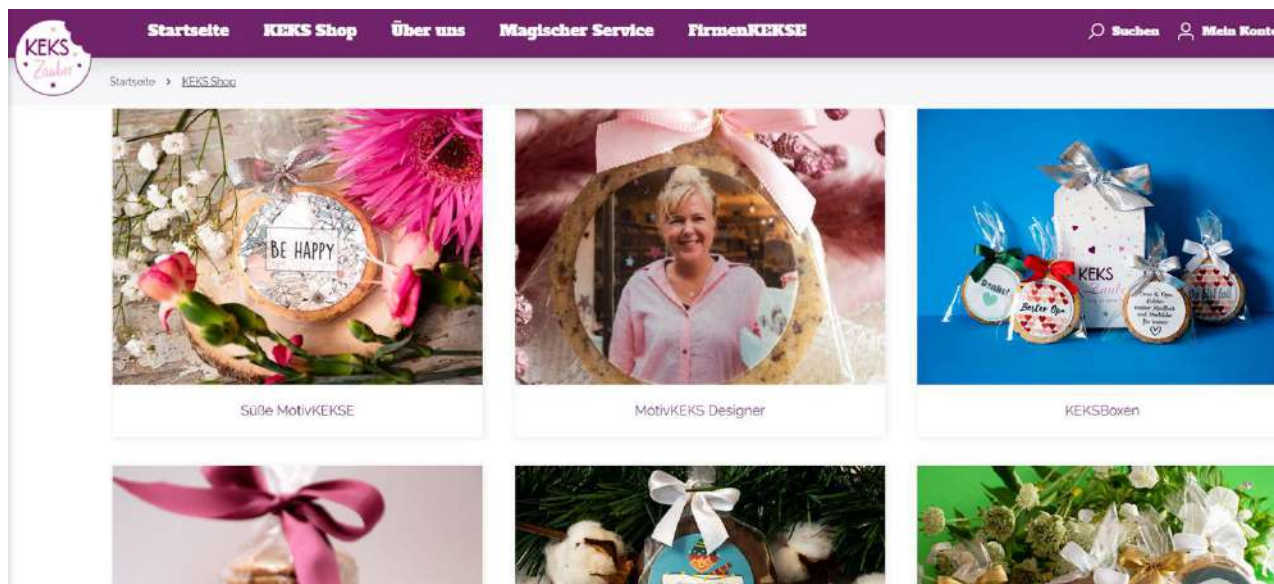
Hier kannst du einen Rundgang vor und nach dem Umbau, durch unseren Laden machen



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7. Successful stories of SME during Covid-19 pandemic

“Kekszauber” uses social media for customer acquisition and retention

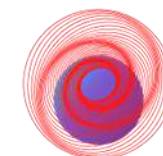
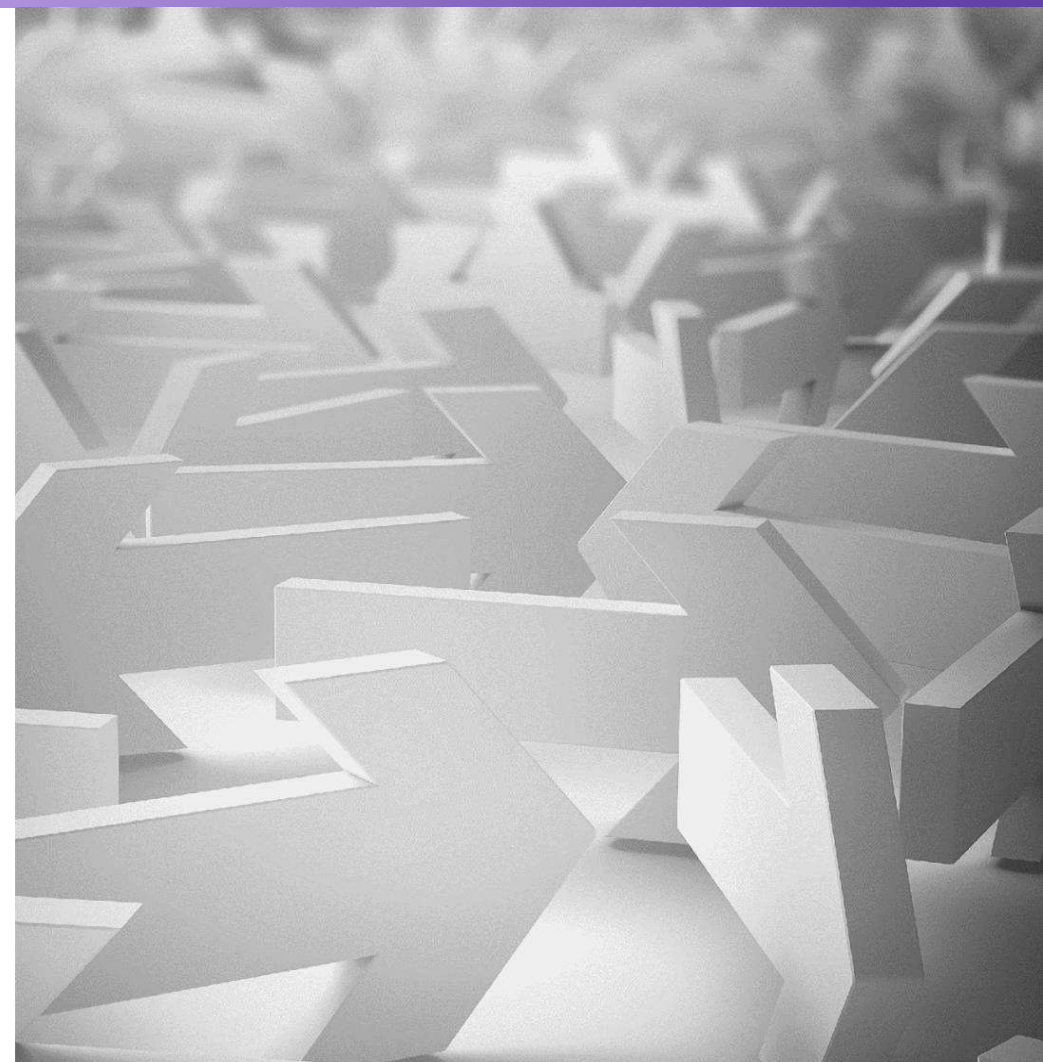


Reflective exercise

Successful stories

Answer the following questions for yourself:

- What impresses me about these examples? What are their success factors? How can these be transferred to my company?
- What good examples do I know? What do I take away from it? How can this help me in my current situation?



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