

PREFACE

Why Another Improvement Framework?

The Search for a Simpler Way to See What Matters

Most organizations are not struggling because they lack intelligent people, effort, goals, or ambition. In fact, most organizations are filled with hardworking individuals who genuinely want to succeed. Employees want to do good work. Managers want their teams to perform well. Executives want the business to grow. Customers want reliable products and services.

Every day, organizations make hundreds or thousands of decisions. Some are large and strategic. Others are small and operational. A new policy is introduced. A process is modified. A report is requested. A supplier is selected. A meeting is scheduled. A software system is implemented. An approval requirement is added.

Some decisions improve performance. Others create unintended consequences. Controls can create more burden than benefit, while shortcuts can save time today and create larger problems tomorrow. Organizations become the cumulative result of these choices.

Across manufacturing, accounting, technology, logistics, quality, safety, customer service, leadership, and management, I kept returning to the same question:

What does improvement actually mean?

Few organizations can answer that question clearly.

The answers often vary depending on who is asked. Operations teams emphasize productivity. Quality teams emphasize consistency. Finance emphasizes cost. Safety professionals emphasize risk reduction. Sales teams emphasize responsiveness. Human Resources emphasizes employee experience. Each answer contains truth, but none is complete on its own.

Throughout my career, I repeatedly observed organizations pursuing improvement while simultaneously creating new problems. Policies designed to reduce risk created unnecessary bureaucracy. Controls intended to improve

accuracy slowed decision-making. Cost-reduction initiatives generated quality problems. Efforts to increase speed created rework and frustration.

The pattern appeared so consistently that it became impossible to ignore.

The central premise of this book is simple: improvement should be evaluated holistically. Decisions should not be judged solely by the benefits they promise, but also by the unintended friction they create. A proposal that reduces cost while increasing defects may not represent genuine improvement. A control that reduces risk while creating excessive delays may not represent progress.

If this book accomplishes anything, I hope it encourages readers to think more critically about decisions, tradeoffs, friction, and improvement. The concepts are intentionally straightforward, but their application can fundamentally change the way organizations evaluate opportunities, solve problems, and make decisions.

INTRODUCTION

The Improvement Problem

Why Good Intentions Do Not Always Create Better Outcomes

Every organization wants improvement. Yet organizations routinely implement changes that make things worse.

Costs are reduced and quality declines. Controls are added and responsiveness suffers. Technology is implemented and frustration increases. Productivity improves in one department while problems appear elsewhere. Decisions that seemed reasonable at the time often produce disappointing results later.

The problem is not a lack of effort. The problem is that organizations often lack a common definition of improvement.

Businesses want higher sales, stronger profits, better quality, faster delivery, lower costs, safer operations, happier customers, and more engaged employees. Governments seek better services, improved efficiency, greater accountability, and stronger outcomes for citizens. Nonprofits strive to expand their impact while making the best use of limited resources. Schools want improved educational outcomes. Hospitals seek better patient care. Regardless of industry, size, geography, or mission, organizations share a common desire: they want tomorrow to be better than today.

Most worthwhile improvements move organizations toward one or more of six desirable outcomes:

MORE • BETTER • FASTER • CHEAPER • SAFER • HAPPIER

At the same time, most organizational problems can be traced to one or more forms of friction:

WASTE • DEFECTS • DELAYS • EXCESS COST • RISK • FRUSTRATION

Together, these two groups form the foundation of MBFC + SH.

The framework is based on a simple idea: organizations improve when they create more value while reducing friction.

MBFC + SH can be applied to strategic planning, process improvement, leadership decisions, capital investments, policy development, technology implementation, and organizational design. The framework does not replace specialized methodologies such as Lean, Six Sigma, Theory of Constraints, project management, strategic planning, or safety systems. Instead, it provides a common language through which those methodologies can be understood and evaluated.

Many improvement efforts fail because organizations become overly focused on methods. Teams debate tools, processes, systems, and techniques while losing sight of the outcomes those methods are intended to achieve. The result is often confusion, competing priorities, and fragmented decision-making.

MBFC + SH shifts the discussion from methods to outcomes.

Rather than asking whether a proposal aligns with a particular methodology, leaders can ask a simpler and more useful question:

Does this move the organization toward More, Better, Faster, Cheaper, Safer, and Happier while reducing Waste, Defects, Delays, Excess Cost, Risk, and Frustration?

That question provides a practical way to evaluate decisions, identify friction, improve performance, and build stronger organizations.

How to Use This Book

The book begins by establishing the concepts behind MBFC + SH, then turns to their practical application. The appendices provide worksheets, reference tools, reflection questions, and implementation resources that can be used individually or as part of team discussions.

Companion Resources

Full-color versions of the illustrations and downloadable tools referenced throughout this book are available at **MBFCSH.com**.



PART I

UNDERSTANDING IMPROVEMENT

What Improvement Actually Means

“Learning is not compulsory; it’s voluntary. Improvement is not compulsory; it’s voluntary. But to survive, we must learn.”

— W. Edwards Deming

“Where there is no standard, there can be no kaizen.”

— Taiichi Ohno

New products are introduced. Processes are modified. Equipment is replaced. Software systems are upgraded. Policies are revised. Employees are trained. Managers launch initiatives. Leaders establish new goals.

Many organizations invest substantial time, money, and effort into changes that produce little meaningful benefit. Some initiatives solve one problem while creating several new ones. Others improve local performance while weakening the overall system. Still others generate excitement, meetings, reports, and measurable activity without creating measurable value.

The discussion begins with the forms of friction that prevent organizations from moving toward better outcomes, why those sources of friction often persist, and how leaders can evaluate tradeoffs when improvement and friction coexist.



Chapter 1

The Million-Dollar Question

The Denver Airport Lesson

In the early 1990s, Denver International Airport embarked on one of the most ambitious airport projects ever attempted. Among its many innovations was a fully automated baggage handling system designed to revolutionize airport operations. The vision was compelling. Computers would control thousands of baggage carts traveling through miles of track. Bags would move rapidly and automatically throughout the airport with minimal human intervention. The system promised faster operations, lower labor requirements, fewer handling errors, and a superior passenger experience.

Airport leaders wanted more capacity, better service, faster baggage handling, lower operating costs, and a more efficient airport overall.

The system experienced repeated technical problems. Bags were misrouted. Equipment malfunctioned. Delays mounted. Costs escalated dramatically. The airport opening was postponed for months. What was intended to be a showcase of innovation became an example of complexity, unintended consequences, and implementation failure. Eventually, large portions of the automated system were abandoned in favor of more conventional baggage handling methods.

The anticipated benefits received considerable attention. The risks, complexity, operational challenges, and potential points of failure received less attention. A project intended to create improvement ultimately generated many of the very problems it was supposed to eliminate.

The Challenge of Defining Improvement

Organizations frequently pursue improvement without a shared definition of what improvement means.

A cost-reduction initiative may negatively affect quality. A quality initiative may increase delays. A safety requirement may introduce administrative burden. A

productivity initiative may increase employee frustration. Decisions that appear beneficial within one department can create unintended consequences elsewhere.

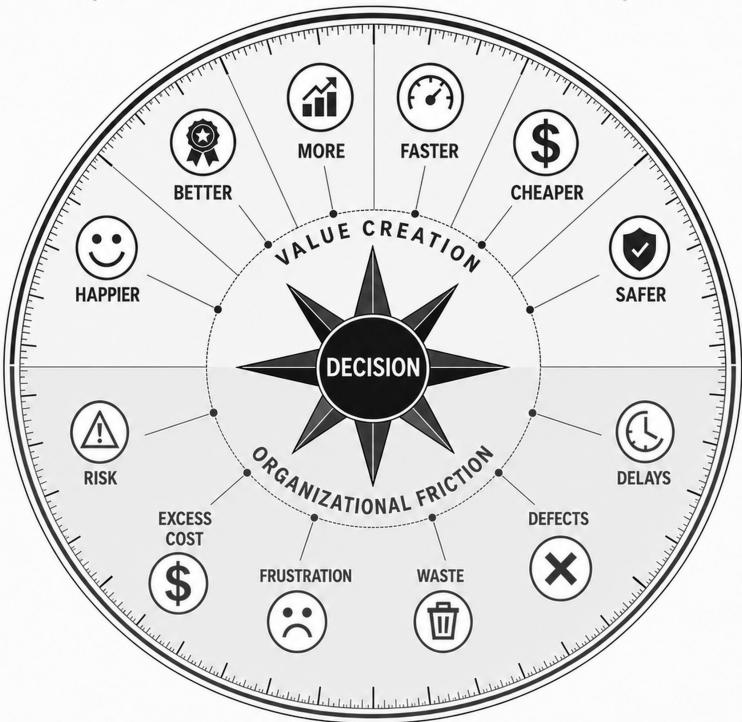
Different groups naturally prioritize speed, quality, cost, or safety. Each perspective may be valid, yet the organization still needs a way to determine the best overall path forward.

Organizations need a common language capable of bridging departmental priorities and evaluating decisions from a broader perspective.

That common language must do more than identify what a decision is intended to improve. It must also reveal what the decision may make worse. Genuine improvement requires considering both sides of the equation: the value an action creates and the friction it introduces.

THE MBFC + SH FRAMEWORK

A Compass for Better Decisions and Continuous Improvement



Every decision moves an organization somewhere.
The question is whether it creates net improvement.
More. Better. Faster. Cheaper. Safer. Happier.
Or Waste. Defects. Delays. Excess Cost. Risk. Frustration.

MBFC + SH

A FRAMEWORK FOR DECISION-MAKING AND CONTINUOUS IMPROVEMENT

VALUE CREATION		ORGANIZATIONAL FRICTION	
CREATE MORE		REDUCE	
	More Increase output, capacity, productivity, or customer value.		Waste Unnecessary consumption of time, labor, materials, money, or resources.
	Better Improve quality, consistency, accuracy, and customer satisfaction.		Defects Errors, quality issues, rework, scrap, and customer dissatisfaction.
	Faster Reduce lead times, delays, waiting, and response times.		Delays Waiting, bottlenecks, extended lead times, and missed opportunities.
	Cheaper Reduce costs and resource consumption while maintaining or improving value.		Excess Cost Expense resulting from inefficiency, poor decisions, or avoidable activities.
	Safer Reduce risk, injuries, errors, and operational hazards.		Risk Increased likelihood of injury, accidents, compliance issues, or operational disruption.
	Happier Improve the experience of customers, employees, suppliers, and stakeholders.		Frustration Reduced morale, customer dissatisfaction, confusion, and unnecessary stress.

Move toward More, Better, Faster, Cheaper, Safer, and Happier
by reducing Waste, Defects, Delays, Excess Cost, Risk, and Frustration.

Improvement as Direction

Many leaders treat improvement as a destination rather than a direction. A project is launched, a process is redesigned, a system is implemented, and once the work concludes, improvement is considered finished.

Customer expectations, markets, technology, competitors, employees, and processes change. Organizations that stop improving eventually begin moving backward. The most successful organizations treat improvement as a continuing process of moving toward better outcomes while reducing friction.

Direction also changes how improvement is evaluated. No organization becomes More, Better, Faster, Cheaper, Safer, and Happier all at once. Progress usually occurs through a series of decisions that move the organization incrementally toward better outcomes. The important question is not whether every measure improves simultaneously, but whether the organization is moving in a better overall direction.

Activity Versus Improvement

Meetings are held. Reports are created. Policies are written. Projects are launched. Software packages are purchased.

Rather than asking, "What are we doing?" leaders should ask, "What outcomes are we creating?" Some of that activity creates value. Some creates friction.

Consider a company that adds three additional approval steps to reduce the likelihood of errors. The controls may successfully reduce risk. They may also increase delays, frustrate employees, slow customer responsiveness, and consume management time. Whether the change represents genuine improvement depends on its overall effect on the organization.

Organizations can become less effective precisely because they add too much activity in pursuit of improvement. Effective leaders instead ask whether the activity improves overall organizational performance. Does the initiative create more value than friction?

Improvement begins with direction, not activity.