

THE LIMITATIONS OF THINKING

TOCICO-
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*Let us assume we don't know each other's
assumptions*

1!
solve

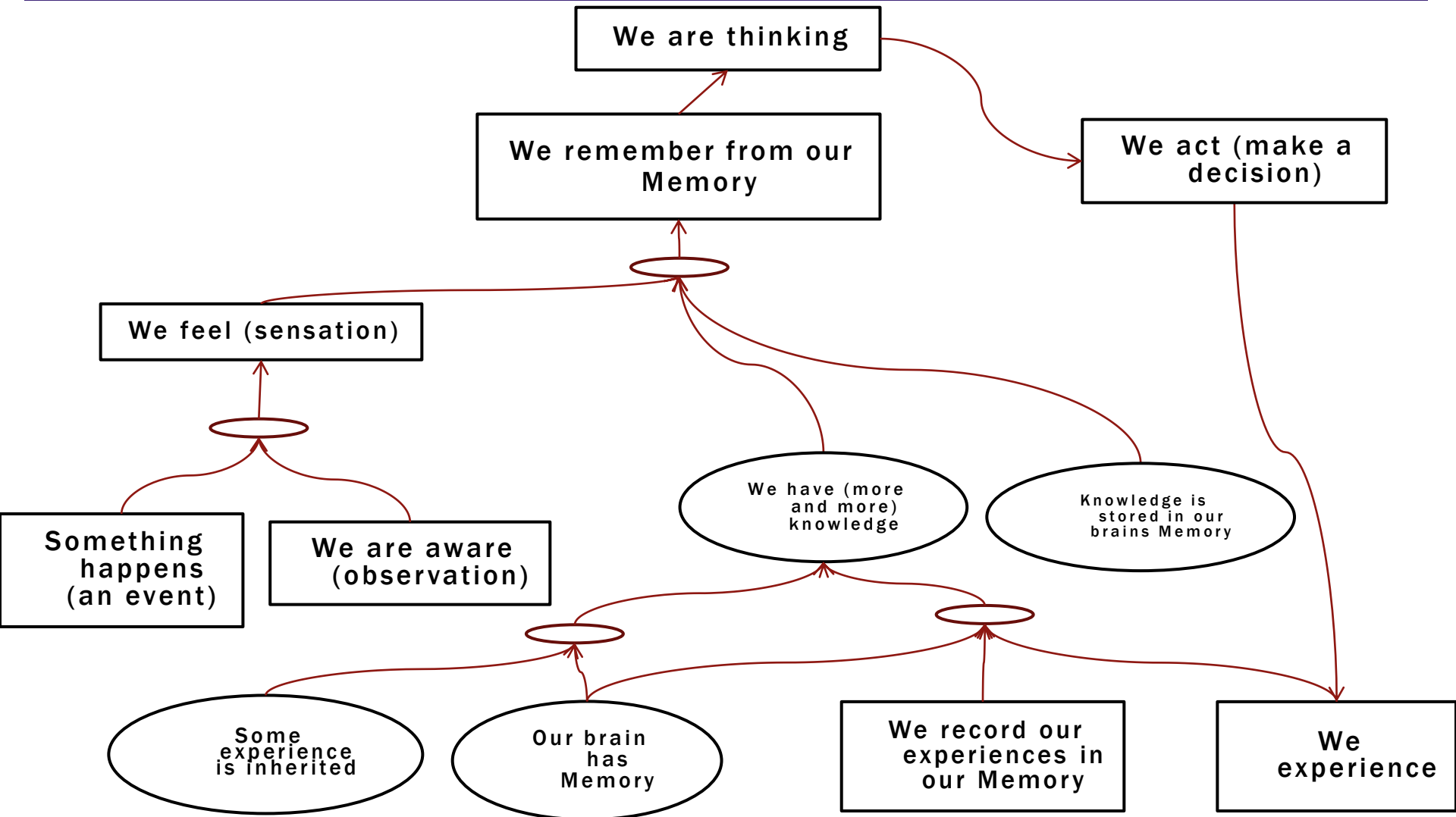
SOME FACTS

- We are all human beings that ...

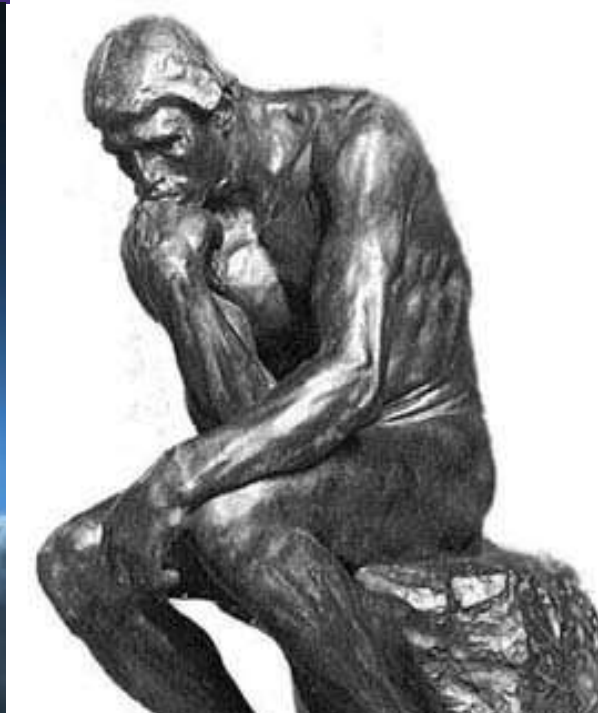


- The result of our acting is reflected in our relationships, the organizations, , the communities, the society, the world we create around us
- People, most of the time, think before they act
- The quality of our thinking differs, and is a cause for the quality of our decisions and therefore reflects itself in the quality of our actions
- Most of our actions are a consequence of our decisions produced by thought
- We are sentient beings that are able to think
- Leveraging of thoughts, the responsibility of leadership

WHAT IS THINKING? IT IS A MOVEMENT, A PROCESS



WHAT IS THINKING?



Clear
Observation
(listening,
seeing)

Feel
(sensations)

Clear
Thinking

Clear Acting

Creative

WHAT IS THINKING?

- Influenced by our emotions (sensation)
- A physical process in our brain -> takes energy
- Based on the past
- Uses our recordings of the past (past experiences stored as knowledge)

WHAT IS THINKING?

- Difference in quality of our thinking -> the difference of the quality of our decisions.
There is thinking based on
 - Wrong assumptions, paradigms, beliefs, conclusions, ideas, ideologies, theories and on 'iffing-up'
 - Facts/observations + illogical
 - Facts/observations + logic
 - Facts/observations + logic + probabilities
- First used for practical, physical matters
- Then found its way to the 'soft sciences'

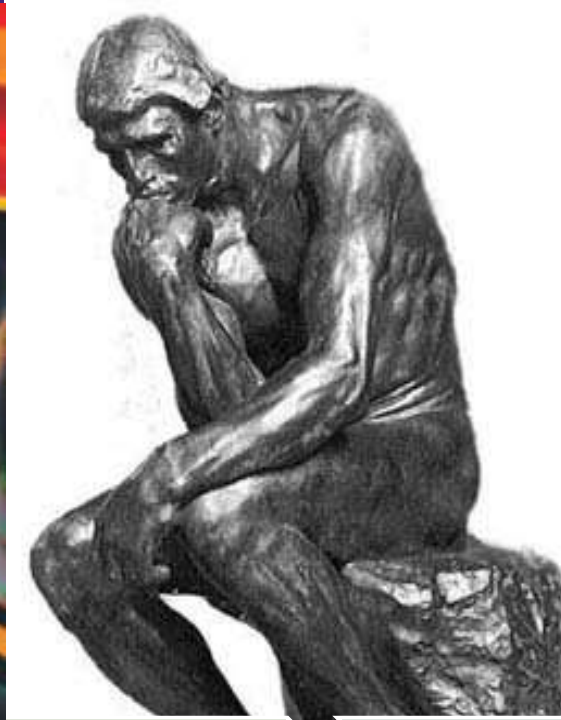
THE LIMITATIONS OF THINKING

- Are infinite
- By its very nature, based on the past
- Based on assumptions which either or
 - Factual
 - Highly probable (based on scientific insights)
 - Wrong/Invalid/ Wishful (eg. ideologies)
- Self-centered
- Can't capture the immeasurable (also called, Truth, The All, God, the unknown...) (the map is not the terrain)

THE LIMITATIONS OF THINKING

- As sentient beings we seem to be biased in our thinking towards pain avoidance
- Each reaction has its source in one's conditioning
- We tend to forget that first there is both observation and emotions that influence/distort/blur our thinking, depending on the matter and the quality of these processes

WHY CHANGE?



Un-clear Observation
(what could be, what
should be, what
might be..)

Feel
(sensations)

Un-clear
Thinking

Destructive
Acting

Destructive

WHY CHANGE?

- Worshipping the products of thought to solve the problems thought created is not a good idea
- We have great difficulty with managing uncertainty – The ‘Normalcy Bias’
 - Smart people tend to underestimate the possibility of a disaster and its effects
- No model, no theory can possibly include everything (eg. Nature)
- Resulting destructive actions



WHY CHANGE?

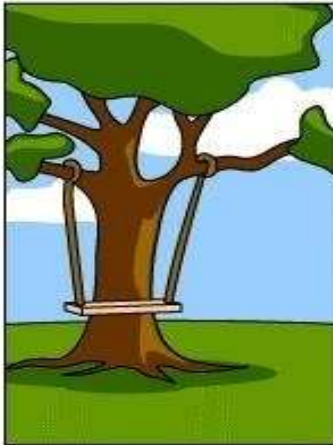
- Thinking when applied wrongly and/or from the wrong perspective, creates more division, more conflict and as a consequence could eventually destroy more than what we've meant to create (eg. Physical security) (good intentions resulting in the opposite)
- Actions resulting from our ineffective thinking affect our relationships in our family, organization, community and society in a negative way (we are responsible for what we create around us – the inner is reflected in the outer)



WHY CHANGE?



How the customer explained it



How the Project Leader understood it



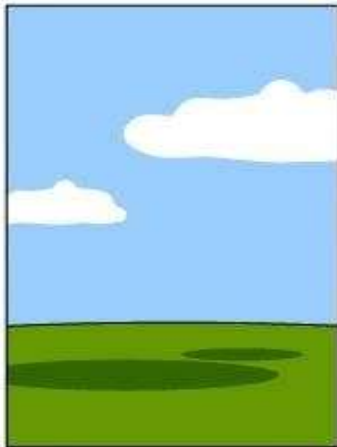
How the Analyst designed it



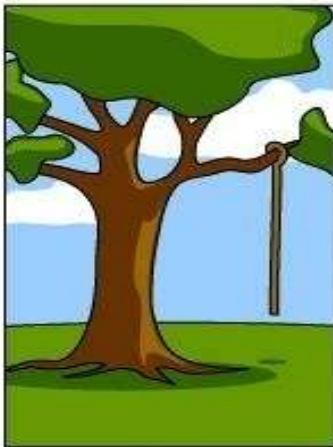
How the Programmer wrote it



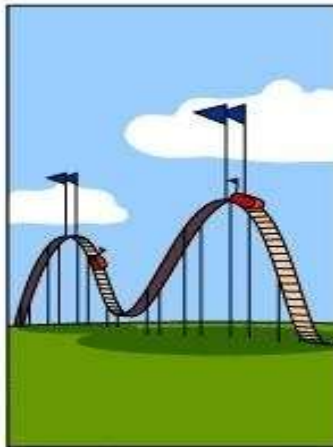
How the Business Consultant described it



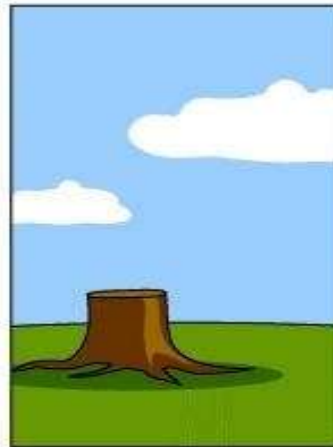
How the project was documented



What operations installed



How the customer was billed

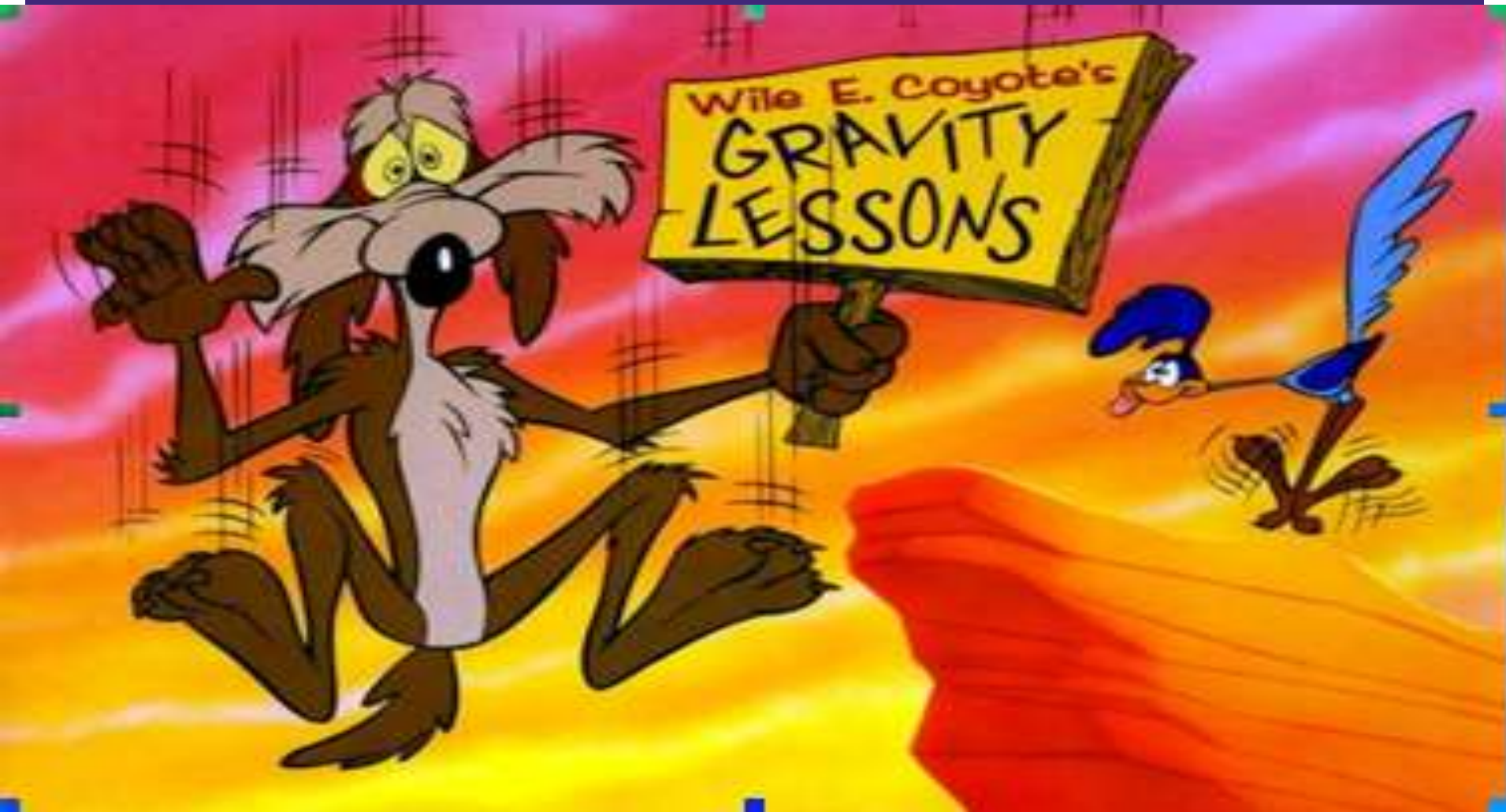


How it was supported



What the customer really needed

SOME EXAMPLES OF WHY TO CHANGE



WHY CHANGE?

- Examples of where the results were not as forecasted, with a tremendous impact (wrong tools applied in risk management)
 - The disappearance of Britain as the world's reserve currency since the 1970's
 - Yugoslavia's hyper-inflation in the 1990's
 - Zimbabwe
 - Argentina
 - The bankruptcy of LTCPM (Long Term Capital Management) (2 Nobel Prize winners)
 - Sub-Prime mortgage crisis
 - The fall of German Weimar republic
 - Half of the S&P500's performance over the last 50 years was made by the 10 days with the biggest performance
 - All companies that missed their forecasted predictions to stakeholders

WHY CHANGE?

"When anyone asks how I can best describe my experience in nearly 40 years at sea, I merely say, uneventful. Of course there have been winter gales, and storms and fog the like, but in all my experience, I have never been in any accident of any sort worth speaking about. I never saw a wreck and never have been wrecked, nor was I ever in any predicament that threatened to end in disaster of any sort. You see, I am not very good material for a story"

-Captain Smith, Commander of Titanic

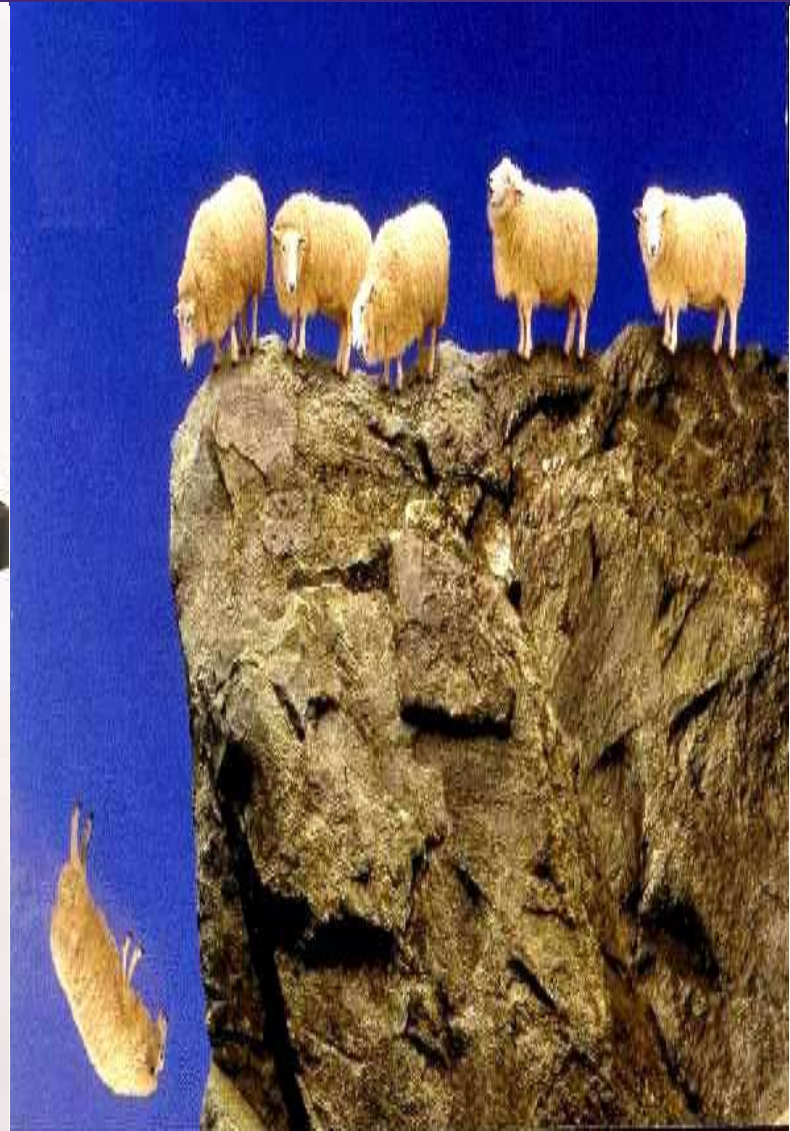
POSSIBLE FUTURE EXAMPLES AS A RESULT OF USING THE WRONG TOOLS BASED ON WRONG ASSUMPTIONS

- What may be next, but impossible for those that neglect and/or deny the existence of outliers in nature, reality?
 - Sovereign debt defaults?
 - Demise of some currencies?
 - Devaluation of some currencies? (USD?)
 - Food shortages?
 - Social unrest?
 - Hyper-inflation in some asset classes?
 - Additional bankruptcies of non-protected, non-prepared people, companies, communities, nations?

WHAT TO CHANGE? PRAYER APPROACH - SUFFICIENT?



WHAT TO CHANGE? – DENIAL APPROACH



WHAT TO CHANGE? - THE OSTRICH APPROACH – SUFFICIENT?



WHAT TO CHANGE TO?

- When a crisis/ambitious target manifests itself there seem to be 3 main paradigms
 1. We are able to act responsibly, together, as individuals: Human beings can radically change -> society changes for the better of humanity
 2. We as individuals can't act responsibly, society (the outer) has to change first -> We need to be told what to do and how to behave -> Society can be changed by imposing a new social structure to which people need to adjust (fit in) -> Change of leadership and impose new rules and regulations for humanity to conform to
 3. Nor humans, nor society can be changed -> We gradually will evolve into angels

WHAT TO CHANGE TO?

- What have we done so far?
 - ‘Social sciences’ in practice (several -isms)
 - Many ideologies, religions have tried to achieve a fair, equal, just, compassionate, harmonious, loving and caring society
- What are the results that we can observe?
- Need for a change?

WHAT TO CHANGE TO?

- What would we like to see in our world?
 - Ever flourishing companies
 - More respect, understanding, caring, compassion, beauty
 - Peace for our children and grand-children
 - Food, shelter and clothing for everyone
 - Joy and happiness
- Inner order / Peace of mind
- Self-imposed discipline
- Self reliance, Self resilience
- ‘Response ability’
- More joyful moments
- A collaborative society of human beings
- ‘Wha’ in our personal relationships, family, community, organizations, society

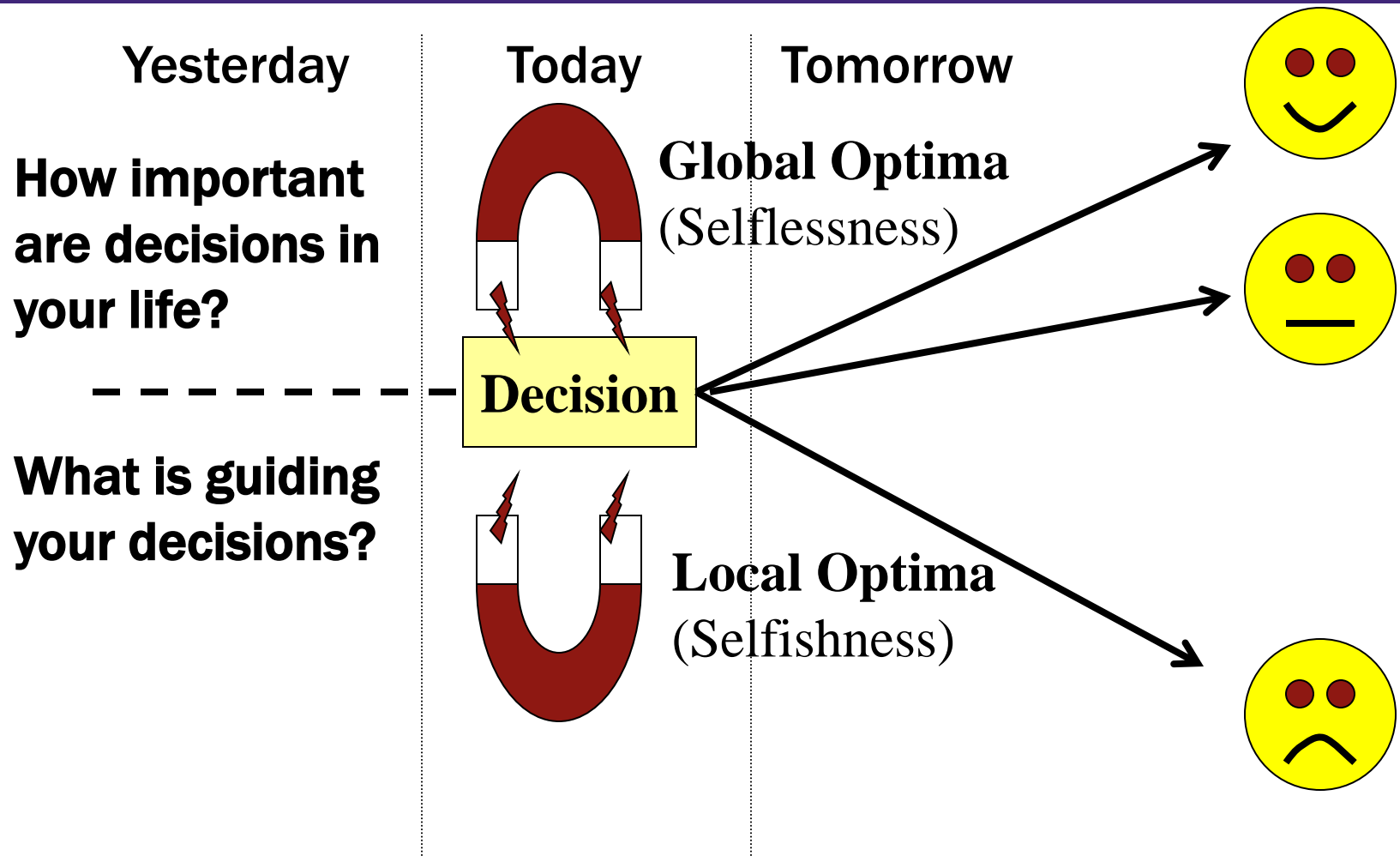


TO WHAT TO CHANGE?

■ Injection

- Clear thinking for a change
- Use our clear thinking where it matters in the most effective and efficient way
- Learn everyday
- Think together
- Challenge all assumptions that matter, even your own
- Take our response-ability as grown up human beings

SOME SIMPLE TRUTHS



HOW TO CAUSE THE CHANGE? – SETTING GOALS IN PHYSICAL MATTERS

Traditional View



TOC View



3 Common causes of poor performance / unhappiness...

1. **Not having a Goal** / **Not** making your Goal **ambitious enough** (i.e. setting “realistic” goals)
2. Thinking that most of the things you need to achieve your goal is **“Out of your control”**
3. Thinking that there is **no way** to address those things “Within your control” **without significant negative consequences...**

HOW TO CAUSE THE CHANGE?

■ Set ambitious targets

1. The choice - Meaningful or easy? Decide what we want to live for
2. What is blocking us right now from achieving more of what we want to do every day in leading a meaningful life?
3. Decide how to most effectively deal with our few blocking challenge(s)
4. Adjust our behavior to fully address our constraint of being the best version of 'me'
5. Be compassionate and understanding, showing respect for others struggling with their own blockages/ignorance
6. Don't let inertia kick in

HOW TO CAUSE THE CHANGE?

- Does finger-pointing, blaming put you in control of the challenge?
- When should one not use comparison?
- Should one compromise when no amicable and sustainable compromise is possible towards the common goal?
- Should one be prepared for the 'unforeseen', Murphy, outliers or should we ignore the unknown unknowns?
- Is it meaningful to take our responsibility, our ability to respond, our freedom?
- With regards to our emotions, should we run a way, control, suppress, fight or divide ourselves from them?

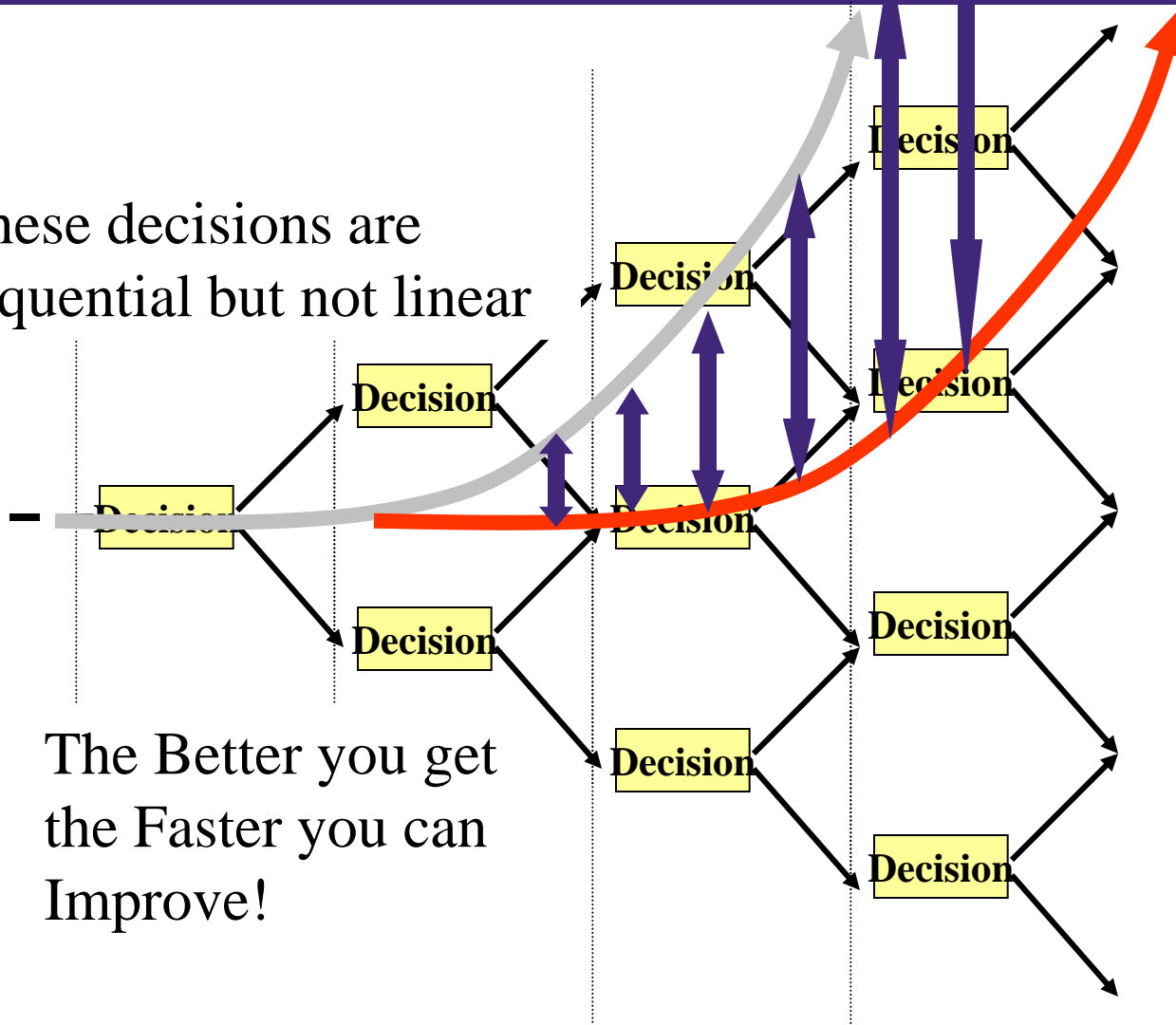
HOW TO CAUSE THE CHANGE?

- Realizing that life is one unitary movement
- Live in the present and take it for what it is
- Understanding oneself (Nosce te autum – Socrates) (our common thinking – observation of our emotions)
- Observe that what we know, dwarfs by what we don't know
- Observe 'what is' (don't deny Gravity)
- Enquire and challenge assumptions
- Welcome reservations -> thinking together makes our solutions more logically robust
- 'Using the TOC thinking processes once a day, keeps many 'unforeseen' problems away'

EVERY DECISION MATTERS, EVERY SECOND MATTERS



These decisions are sequential but not linear



The Better you get
the Faster you can
Improve!



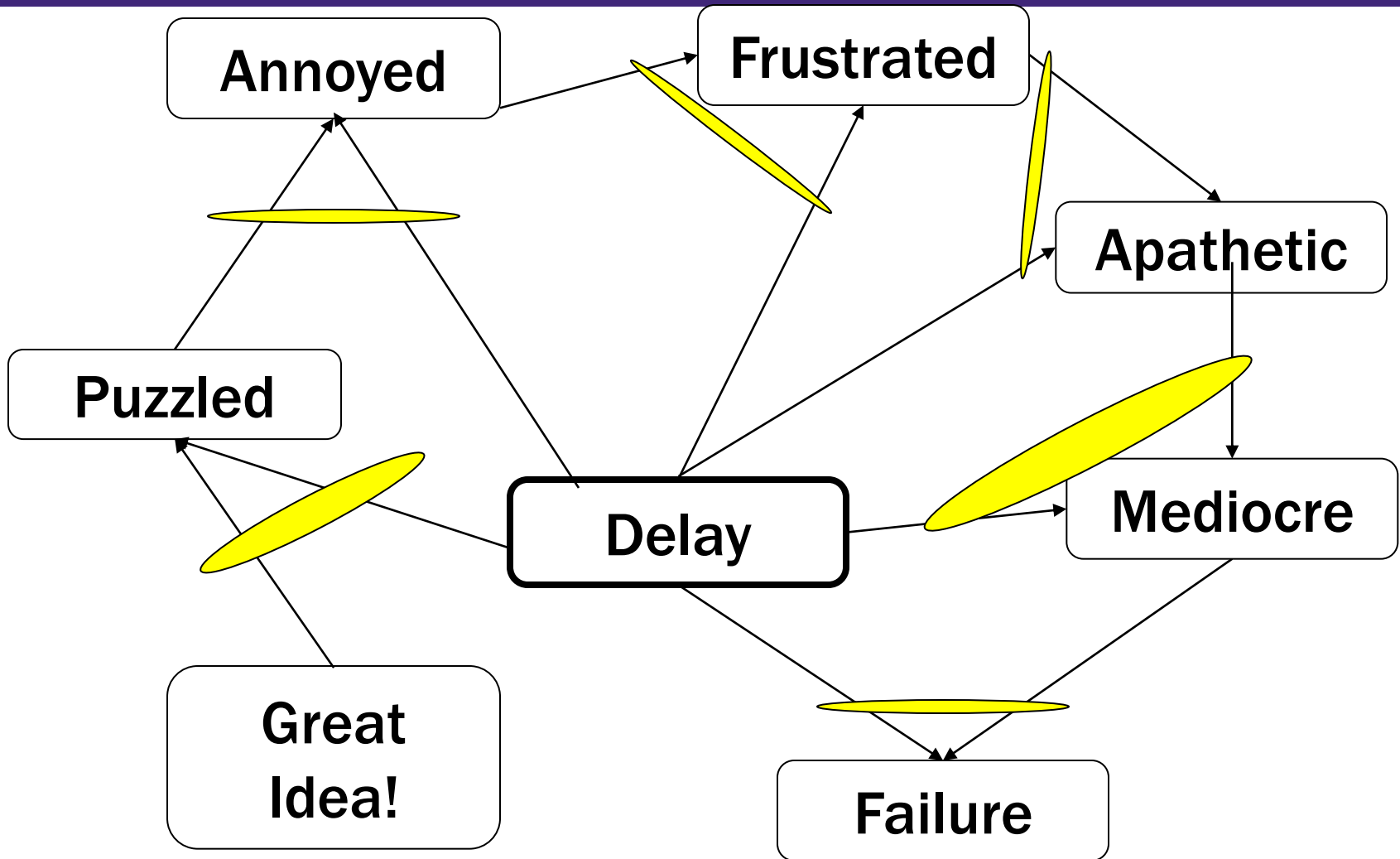
THINKING CLEARLY

- For all practical, physical matters matters we can put our thinking to work
- Is there a deeper cause that links the symptoms?
- Avoid multi-processing (work on one thing till it is finished before switching to another idea/project/...)
- Give your mind rest
- Use the right tools for the right challenges

THINKING CLEARLY

- We assume that people are good
- When we find the root cause of conflicts manifested in the outer world that are produced by our inner conflicts, our inner fragmentary mind, our inner divisions, then, we can dispel these conflicts and all the undesirable effects came with that conflict
- Similar to new breakthrough inventions, we must let go of the known to come about the new. Nothing new is being created based on the past, past knowledge, stored in our memory. Nor, is using the wrong tools more, harder, faster going to create something totally different, a new insight (cfr. Einstein)

WHEN TO CHANGE?



SHOULD WE USE THINKING ABOUT PSYCHOLOGICAL CHALLENGES AS A WAY OUT OF OUR INNER CONFLICTS?

- Peace comes from understanding. Can there be outer order when there is no inner order?
- Fear – What creates it? When one understands the movement of fear, see what happens. But merely intellectual understanding is not sufficient. Actually do it, observe the movement and find the causes (not in past experience but in the now, while it is happening, observe clearly)
- Action without thought or low quality thinking is perilous, thought without action is a waste

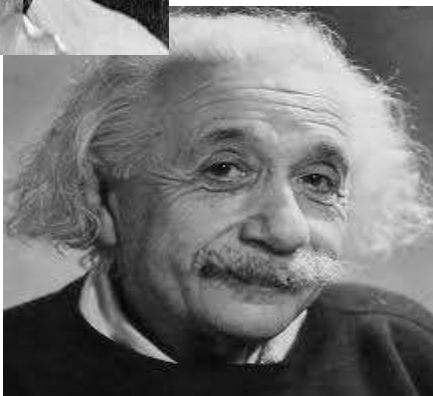
Q&A



An expert is not someone who gives you an answer, it is someone who asks you the right questions – Eliyahu Goldratt



‘There is beauty, compassion, intelligence, love when the self is not’ - Jiddu Krishnamurti



"Any intelligent fool can make things bigger, more complex, and more violent. It takes a touch of genius -- and a lot of courage -- to move in the opposite direction." - Einstein

OUR CHALLENGE



SOURCES

- Listening, Observing, Thinking
- The Choice – Dr Eli Goldratt
- Dr David Bohm (theoretical physics, nature of consciousness)
http://en.wikipedia.org/wiki/David_Bohm
- Dr Rupert Sheldrake (biologist)
<http://www.sheldrake.org/About/biography/>
- Dr John Hidley (pscyhiatrist)
- ‘The Black Swan’ - Nassim Nicholas Taleb
- Dr James Holt (applying TOC to one’s personal life)
- www.trendsresearch.com



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