

# Information

## Information

### *Needs Transformation*

The purpose of this document is to describe the information we collect in business functions, and show how it has to be transformed for decision support. In other words, to estimate the cross-functional impact of business decisions, functional information has to be transformed. We collect information as we do things, and we must transform that information so we can use it.

### **Cross-Functional Impact – “The Big Picture”**

Cross-functional impact requires a “big picture” viewpoint. Because of the timing of the way functional systems collect information, they will never produce this “big picture” view.

The period has to be complete. The transformation has to be done after all the period reports are complete. Here are some examples of the many ways we can combine functional information by strategic entity to better understand our business.

Speaking of period, time is one of the strategic entities. We are combining information by time periods, something that can only be done by a business modeling function. For each time period, we collect everything we know about the people, places, things and events associated with that time period. To get it all, the period has to be complete.

With these time periods, we can create any kind of statistical trends or rates and factors for estimating the cross-functional impact, the view called the big picture.

With these time periods, we can measure the relationships between people including things like: teamwork, leadership, influence, mentorship, and training skills.

With these time periods, we can also measure the relationships between people and all the other strategic entities like: people and facilities or equipment; people and products or services; people and processes or process sequence; people and activity or event; people and contribution; people and profit; people and cost; and people and teamwork.

With these time periods, we can do the same thing with places, things and events; or the same thing with who, what, where, when, why and how. Once this pattern is understood we can relate it to what we already do in our mind when we lead or build teams to do anything.

In other words, we can see how we build the big picture. That is not new. That is business science. But, what is new is getting everyone to see the owner’s picture.

The owners control the big picture. Because the owners always control the functional information they collect, they control that one big picture. Owners control classification which controls the understanding. For example: they control the budget, which can be one of functional reports; so they control how the budget is classified and communicated. They control the financial statements and how accounts are classified. Plus, they control the classification of all entities in business systems like: sales, contracts, production, facilities, activities, equipment, and events.

The trick is getting everyone to share a vision. In the functional reports, the owners already control that big picture. A business model derived from those functional

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reports will produce the owner's vision. The trick is getting everyone to see that vision.

## **Information comes from "Time Limited" Functions**

Business information comes from functional sources. Each function can address something about most of the "strategic entities": who, what, where, and why; or in other words: people, places, things and events. But that something is limited.

Business decisions concern the relationships between these "strategic entities" using everything you know about them; including: confidence, character and vision.

Even though each function may address all the strategic entities, they are limited to a specific time focus: present, past or future; producing confidence, character or vision.

So, we say information comes from "time limited" functions. For example:

### ***Accounting Functions - Past Focus - Profitability***

Information from reporting functions defines our confidence. But to be meaningful, that confidence must be supported by character and vision.

### ***Business Functions - Current Focus - Quality***

Information from business functions defines our character. But to be meaningful, that character is supported by confidence and vision.

### ***Planning Functions - Future Focus - Management***

Information from management functions defines our vision. But to be meaningful, that vision has to be supported by confidence and character.

### ***Internal and External Functions both "Time Limited"***

By the way, this time focused information is collected for both internal and external functions.

External functions supply information like: web sites, brochures; financial reports; industry standards and catalogs; customer requirements; supplier proposals; and competitor requirements and proposals.

At another time we can explain how external information must be modeled because it has this time focus problem also.

## **Cross-Functional Impact requires a Complete View**

Cross functional impact requires we know everything we can know (present, past and future) about the impacted entities. So, our time limited functional system views come up short. For example: business science shows us how to estimate motivational impact, profitability impact, or the quality impact of business decisions. Business science classifies by decision and entity, and each decision requires information from specific entities. To be able to make all the decisions, for each entity we need our profitability, motivational and quality information.

We make business decisions for the future using historical information collected from all functions. Not all functions have an historical focus, but they all produce historical reports concerning their focus.

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For example: from our management systems over time we build a history of our plans all the way down to who worked for whom or who was responsible for what and when. All that management information has a future focus, and we keep a history of that focus.

Similar to management, from all functions, we collect information from periodic historical reports.

In making these decisions, business science teaches us to focus on specific entities and relationships between these entities. Business Science shows us the information requirements for each decision, including information for cross-functional impact.

### Limited Functional Views – Need Transformation

Functions concern either present, past or future views of those entities. If it is one like present it is not either of the others like past or future. So, functional views are limited views.

This specific time focus limits the usefulness of functional information.

So, to understand our strategic business entities, we use standard business relationships to transform our functional information into a more usable form.

For an example of the limited view problem, confidence is rather meaningless without vision and character. We can make a similar statement about character and vision: ability without confidence, or vision without ability for other examples.

Business science shows us how to transform our limited functional information into decision support information.

### One Common Complete View Supported by Facts

In our individual minds we can look at a person and think of their present, past and future all at once. Right or wrong, we evaluate their confidence, character and vision almost subconsciously. In fact, every person has their own personal view of every other person on the team. The same can be said for all the other entities and the relationships between those entities.

Now we can keep an official factual view of all that, available so everyone can see the same vision in multimedia.

For each entity we will have product type advertising, process input and output standards, and activity standards like time and distance, derived from location. Those standards are derived from the history we have collected.

We have queries for all the decision types using relations between entities that business science presents for estimating cross-functional impact. Those queries use can either use those standards or the actual statistics for the relationships between entities.

All a decision maker has to do is filter the queries as required for the specific decision. Because their functional systems have already defined their understanding, their filters are already a part of those queries.

In fact they do not even have to know anything about the queries. They just have to know their way around a general business model. If they don't, the general business model is probably the best way for them to learn. It is the best way because it defines each decision using their business as one of the examples.

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### **Business Science Defines this Transformation**

In summary, information for business decisions concerns relationships between strategic entities. Business science defines (and our TeamsWin thinking tools facilitate) the transformation of functional information into a usable business model. You could say business science is the art of making this transformation. TeamsWin applies business science to the way you control your functions, producing that big picture you want everyone on your teams to share.