

Points and Lines

Everyone Understands Points and Lines:

Purpose- Explain Language Integration

The purpose of this document is to use a common concept (points and lines) to explain how the language of business brings other languages together. It will show how languages provide definition (or meaning) and the language of business integrates those definitions. It is called Points and Lines because I will use the idea of points and lines in my explanation. Everyone understands points and lines.

TeamsWin Integrations

Our TeamsWin Template recognizes nine integrations. It works from an understanding of each of those integrations. Keeping those integrations separate, it is a thinking tool for general business understanding. It is supported by an outline of Business Science that also keeps those integrations separate. In other words, the way business education has always been (and always will be) organized neatly fits into our model.

For Example: Design Build Integration

Design and Build are two of the nine cells of our TeamsWin template (Product and Process). They are separate lines of order. They are separate integrations: meaning they operate under a separate set of rules that control activity for their unique objectives. For our points and lines example, they are separate sets of lines.

Business Science and Education

Business education teaches business science by teaching the integrations then asking people to make decisions by integrating those integrations. For example: questions like discuss the quality, profitability and management aspects of a specific business decision. The answer to that type of question is an integration of integrations like our TeamsWin Template and Design Build Integration.

Points and Lines

The idea of points and lines may help us understand how Business Science can help us make better decisions.

Every decision has a focal point. A specific business decision (like price or how much to spend on the Christmas Party) has a specific point of reference within a specific integration. Business decisions impact other (or all) integrations. They should consider those other relationships.

Business Science shows us how to see that focal point in the “Big Picture”. It shows us how to relate a focal point to other points in other integrations, even points beyond the market for our goods and services.

Using our points and lines example that everyone understands, a point of reference is on at least one line of order. A “Christmas Party” concerns a specific group of people, a

Points and Lines

point in the org chart. It could be the highest point in the org chart, the top line of order. A “price” could be any point in order of products from a specific product or service, (the bottom line) to a point on any specific level (or line) of that order. Pricing and organizational development decisions affect the whole business (quality, profitability and management). Business Science helps us understand and measure that impact. It helps us integrate those integrations.

Design Build Integration Example

Business Models provide design build integration. They simply show the design engineer the manufacturing engineer view, and they show the manufacturing engineer customer requirements through the design engineer’s view. Therefore, design engineers are able to design manufacturing efficiencies into their design, and manufacturing engineers are able to understand customer values.

The original integrations do not change. In fact, they unlock understanding. They show general and specific relationships. Design is meaningless without design integration. Manufacturing integration gives meaning to (models) manufacturing. The design build integration is a business model showing those two as part of a whole business.

Point to Point

Business science shows us how to navigate from a point to point across integrations. Integrations do not share points. Their meaning is not directly connected.

Integrations do not share points

Integrations are not connected for understanding. They may be connected functionally (but only at a few points) for the functional benefit of the receiving system. In fact it is meaningless to connect them for understanding. Besides strategic planning and decision standards, no common language or no common dictionary has meaning across integrations. Even common words (like department) have no common meaning across integrations.

Avoid the Trap

It may seem like they share points. It may seem like they are directly connected for understanding also, but you do not want to fall into that trap.

You want to be able to relate your history to your future without directly connecting your history to your future. You want to keep your understanding of your current character independent of your vision and your confidence. You need to understand where you are going, where you are, and how you got to where you are. To get to where you want to go, you have to keep these separated.

Direct relationships are harder to maintain, and not very realistic. Direct relationships within the integrations are very realistic and easy to maintain. For example: who you work for, which accounts are expense accounts, where you are located, and what you do. Across integrations we are talking about cause and effect relationships. For example: your resume may get you the job, but you may not perform up to it. The

Points and Lines

relationship between cost, volume and profit basically assumes nothing else changes. Business science allows you to measure how close to direct are your indirect relationships.

Things change. To react to change with confidence, you need to use business science to keep your confidence. Business Education keeps these integrations separate, and by measuring how closely they relate, Business Science is the tool that brings them together.

Points and Lines

Now I will go back to points and lines. Lines are formed by points. Lines combine to form areas. Points are directly and indirectly associated with areas. Business Science develops standards (statistics, trends, ratios, rates and factors) for the areas.

Business education teaches us how and why to relate points across the integrations. These standards look across the integrations. They are integrated by the decisions using them. In other words, decision standards demonstrate how to see the business for each decision.

General business concepts order the decisions. Together these decision types are how we see the business. Because they affect the whole, these business decisions are above and across integrations. They are ordered by decision type. They pull information for various areas from across the integrations. To do this, business science uses the general order found with the integrations to define the information requirements for business decisions. Those general concepts are easy to identify.

Business Science uses standard business decisions to integrate areas across integrations. A decision reference point is a point on a reference line, so it is in an area. Even though that point is not directly related to any other point, the general areas it is related to can be related to general areas in the other integrations. For example: areas of responsibility can be related to product lines, work sites, accounts, and processes. There is a good reason why they are not directly related. There is a good reason why responsibility is not defined by account, product, process, and location. Standard requirements for business decisions, what you need to consider for those decisions, show you what points from what areas are needed for the decision. Besides your focus point, the others will be estimated rates and factors.

Business science is the tool that relates points and lines, creating estimated points we call rates and factors.

For Example: Questionable Character Action

For example: To see who was responsible for a specific character action in history, you need to use business science to integrate several integrations.

Points and Lines

Area of Responsibility - Organization History

Let's say the organization chart formally communicates areas of responsibility and authority. Then, you need the history of the org chart and you need to know the meaning of the areas of responsibility in relation to the character of the business at the time of the action.

Deviations in responsibility

The history of the org chart includes the history of people changing across responsibility organization. It can include people jumping over from one job (or machine or project) to another. The org chart keeps track of areas of responsibility and authority. If it changes, the change is focused on the future.

Area of Business - Character History

You need to know the character of the business at the time of the questionable character action. Reports from business systems reveal that character over time. Each (dated) report includes that order.

Area Definitions

All this information is available in common business reports. They record the areas: the lines of business, organization and profitability.

Specific Point of reference

Our questionable business character action is our specific point of reference. If that point has a location, it is a business activity in a specific business facility at a specific time. Otherwise, that point is in an area of the business defined by product or services lines, or even customer lines.

Area to Area Associations

To determine profitability aspects of that action, we must consider areas of financial integration. Profitability by definition means a balance between the three main views of financial information. Financial integration produces a model in the form of common business reports (Balance Sheet, Income Statement and Flow Statement) that measure (long term) profitability. Those views include views by department and any combination of anything else available in the financial transaction charge lines in the form of these reports. The end result will always be areas of profitability.

Association

To see the profitability aspects of the questionable character action, we need to associate areas of profitability with the areas of the action. The key here is the word association. We can associate a point of profitability to our point of reference, but we do not want to or need to more closely link them. Direct relationships across integrations are not realistic, because cause and effect relationships are not direct.

Points and Lines

Conclusion: Point to Point

Business science shows relationships between the relevant areas. These relationships are associations, and not characteristics. Characteristics are the more direct relationships. For example: business character defines one and only one business. However, the order of that unique character can be understood as lines of business or locations or business areas that can easily be associated with points from various areas of profitability and organization over time. In our example, we start with one specific point of reference from which we can associate points, lines and areas in the other integrations.

PS: No need to Expand Systems

Businesses have all the relationships they need in their reports. The information we need should be stored in only one place. We can navigate point to point with the simple systems we already have. As soon as we try to show responsibility in a business system for example, we are trying to control that information in more than one place.