**Introduction to Systems Thinking - D372**

Task 3

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**Iceberg Tool – Scenario 1**

1. What happened?

For Jaechap, the CEO mandated a new tool in order to keep up with the competition. Middle management passed this along to the team.

* What did people do?
  + - The data analysts are resisting due to the time it takes to learn new software, based on experience, and the thinking that service quality will decline.
    - The CEO still wants to make this happen or fears that the company will fall behind.

1. What changed or stayed the same?

Currently, there is resistance to the new software. The data analysts will keep using it.

* + Anticipate
    - It is expected that the service quality will suffer in the long run do to limiting factors that prevent the use of new features from new software that customers will begin to appreciate. Thus, the competition will start to pull away.

1. What patterns are present?

There is a reinforcement pattern of proficiency with the old software that is hard for the data analysts to stop using, because they handle customer requests very efficiently today. Because the CEO sees the bigger picture, he knows that the competition will soon pull away as the software being used today is dated. As time goes on, there will be a problem maintaining service quality with the current toolset.

* + Possible Solutions
    - Bring the data analysts into the process for choosing the new tool.
    - Use it yourself and showcase the possibilities.
    - Communicate the serious need for this. Show them it is an investment in themselves as well.

**Behavior Over Time Graph**

**Time**

**Behavior**

**Analysis**

Using the iceberg tool and behavior over time graph, gave both reveal dysfunctional patterns of business for Wilde’s Bramble. The iceberg tool revealed a lot of information about what went wrong and the structure that is causing the issues. In this case, the cause is a structure of a cycle of customer demand, produce, borrow, customer demand, produce, borrow, ad nauseum.

Looking at the behavior over time graph reveals the patterns clearing affecting sales and profits. It also documents a time when profits outperformed both sales and profits. It is worth noting this, as scaling back to this, if possible, would be ideal.

Going back to the iceberg tool, we find that there was a smart investment by Wilde’s Bramble using their savings. With no high interest debt to pay down, profits soared. This is likely the middle portion of the behavior over time graph where you see profits above sales and debt before debt rises above sales.

Looking further down the timeline, we can see the business appears to be doomed as debt outpaces revenue by a large margin. Soon, if not already, Wilde’s Bramble will be insolvent.

### References

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