Eli Goldratt's Legacy in the World

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Rob Newbold

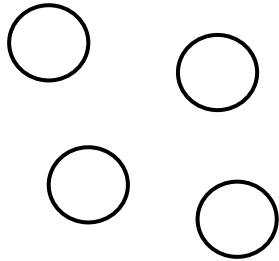**USA, ProChain Solutions, https://www.prochain.com**
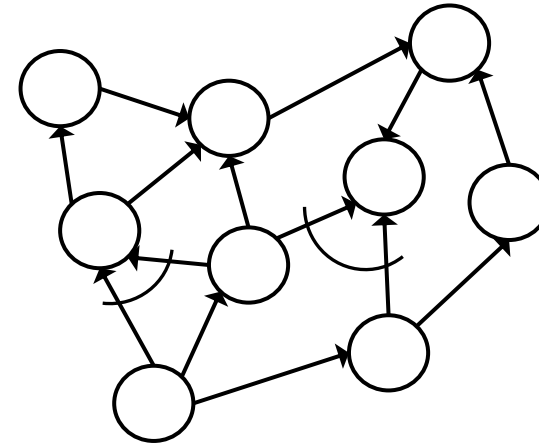
Agenda

➢ Data versus Information

➢ Decision processes

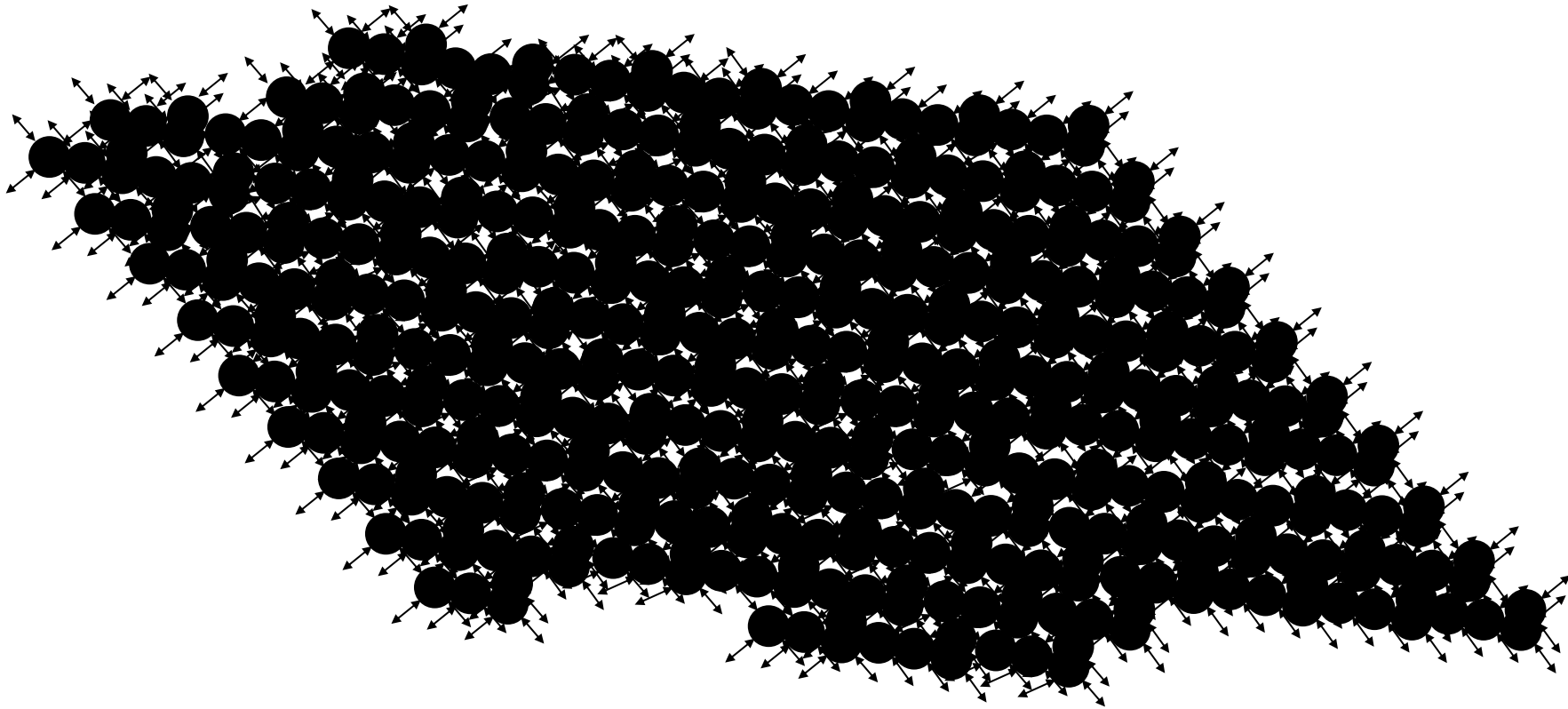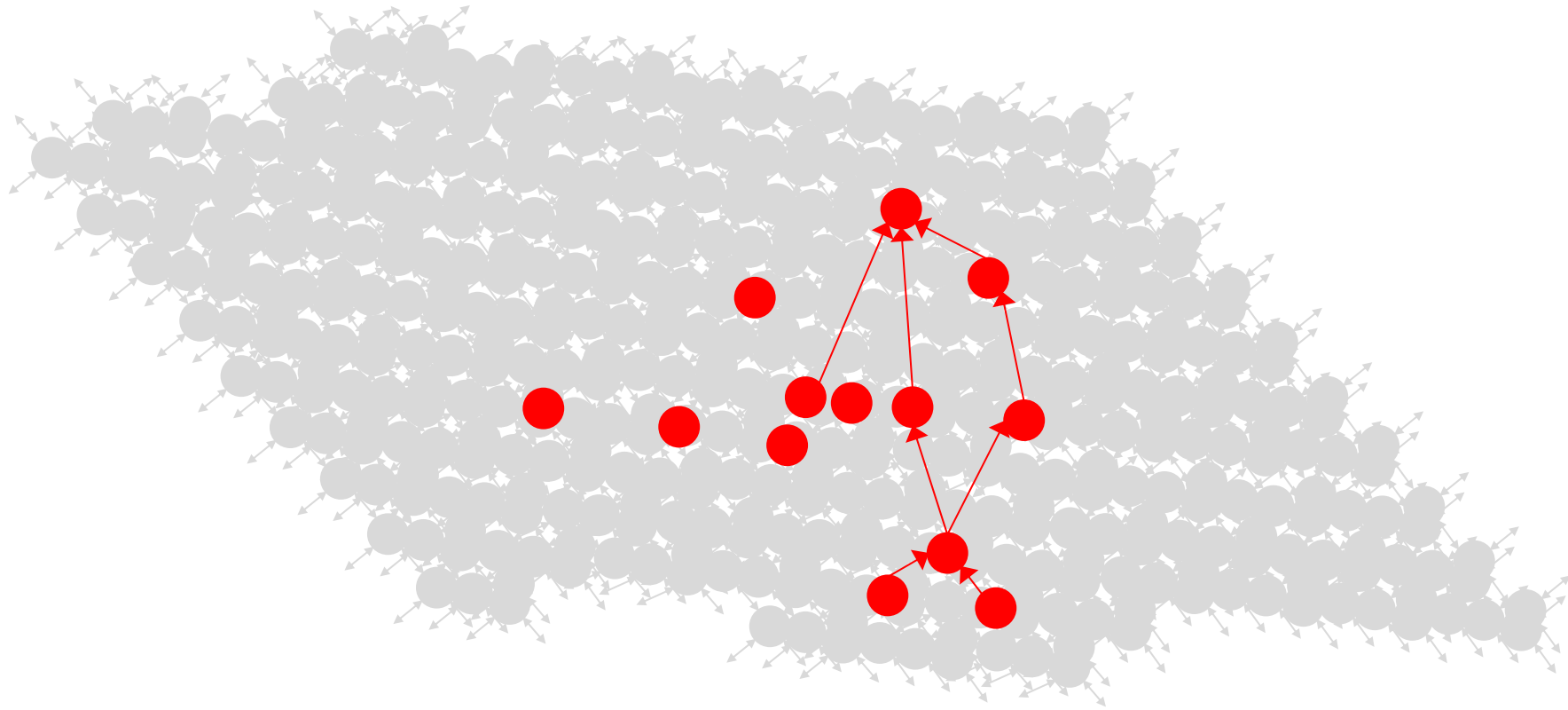# Which System is Simpler?

System A

System B

E. Goldratt, *The Choice*, p.40

Data

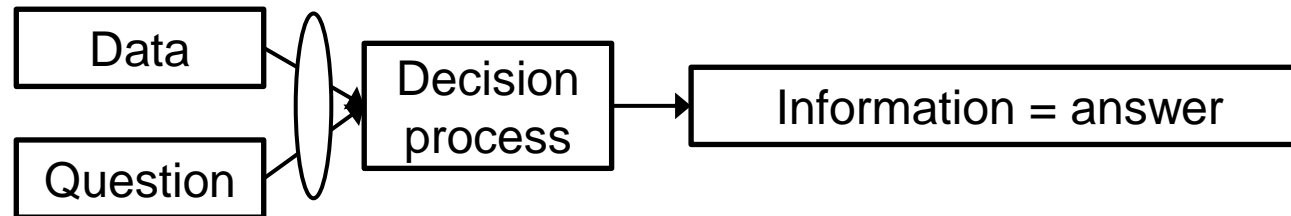# Information

Data v. Information

- Data = anything that describes our reality
- Information = the answer to the question asked

Decision Processes
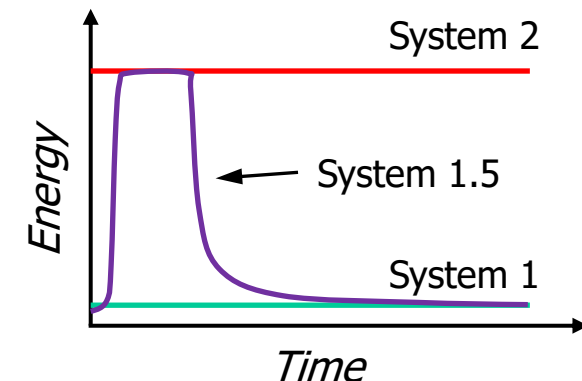
System 1 (less energy and time)
- Brain hardware/software
- Emotions
- Instincts
- Intuition
- Classification
- Reinforcements

System 2 (more energy and time)
- Creativity
- Planning and analysis
  - Correlation thinking
  - Cause-and-effect thinking
  - TOC planning
- Challenges

System 1.5 (bump, then low energy and time)
- Habits
- Rules and processes
- Partnership
- Computer systems
- Trust

Observations

- ➤ Without goals, none of this makes sense.
  - ▪ "There is no favorable wind for the sailor who doesn't know where to go." (Seneca)
  - ▪ Don't search for goals, narrow them down.
  - ▪ Information = data that (apparently) moves us towards our goal(s).
  - ▪ Inherent simplicity means, even with a lot of data, there is relatively little information, and …
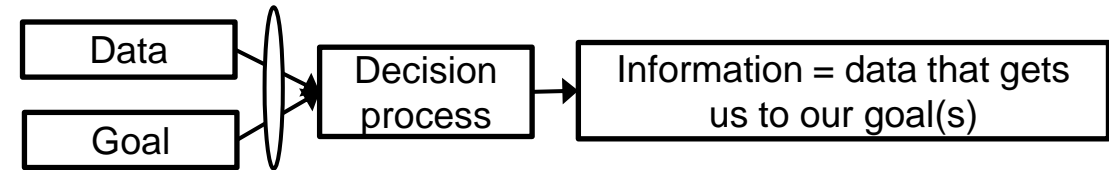
- ➤ In today's world, for Systems 1 and 1.5, feedback loops are required if you want to keep improving.

- ➤ People may accept system 2 to get to 1.5 and 1.
  - ▪ We search for lower-energy states
  - ▪ Therefore: it's very rare for people to inhabit System 2. (Is System 2 really System 1.5?)
  - ▪ Camp's Law: "When in doubt, choose the less efficient route."
  - ▪ This is why TOC is difficult to sell.

- ➤ Other questions:
  - ▪ Was Eli smarter than other people?
  - ▪ How do you construct measurements?
  - ▪ What habits have you built? What important data do you ignore? What habits should you build?
  - ▪ **Teaching** to think … or **getting** to think?