
COMPASS PERFORMANCE, INC.
CHANGE & TRANSFORM™

Facilitator & Practitioner Guide

From selected work to sustained operating reality



PURPOSE

Teach leaders and practitioners how to apply the Compass Change & Transform™ Phase One operating sequence with clarity, discipline and appropriate rigor.

PHASE ONE RELEASE | EXECUTIVE LEARNING SYSTEM
FOUNDATION™ | SIMPLIFY™ | LEAD™ | GROW™ | ARC™

DOCUMENT CONTROL

Field	Definition
Document	Compass Change & Transform™ Facilitator & Practitioner Guide — Phase One
Release	Phase One
Primary use	Executive briefings, leadership workshops, transformation kickoff, practitioner development
Companion material	Compass Change & Transform™ Phase One Release PowerPoint
Core sequence	Select → Charter → Prepare → Execute → Sustain
Operating disciplines	FOUNDATION™ → SIMPLIFY™ → LEAD™ → GROW™, powered by ARC™

How to use this guide

This guide is designed to teach the PowerPoint as an operating methodology—not as a presentation to be read slide by slide. It gives the facilitator enough rigor to explain the logic, lead discussion, select the appropriate working instruments and protect the simplicity of the executive message.

FACILITATOR STANDARD

Teach the sequence. Preserve the decision logic. Add detail only when the audience needs it to make or govern a real decision.

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EXECUTIVE OVERVIEW

The core proposition

Transformation succeeds when the right work is selected, governed, adopted and institutionalized as one integrated operating system.

Compass Change & Transform™ is the horizontal value stream that moves work from strategic intent to sustained operating reality. The Compass Operating System provides the disciplines; the eight working instruments provide the management rigor; ARC™ provides the recurring learning and decision engine.

THE COMPASS OPERATING SYSTEM

Operating disciplines, transformation value stream and continuous-improvement engine

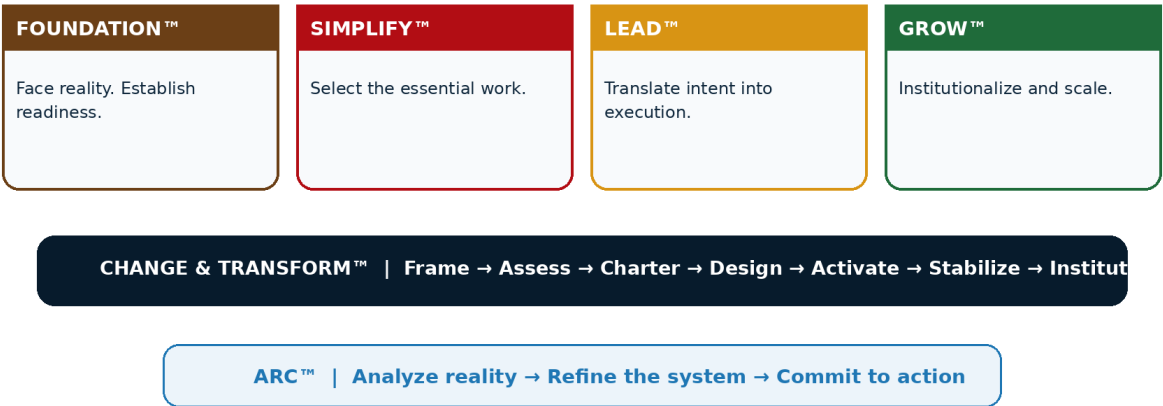


Figure 1. The Compass Operating System architecture.

WHAT THIS IS	A scalable governance and execution system for improvements, projects, initiatives and enterprise transformations.
WHAT THIS IS NOT	A collection of disconnected templates, a project plan, or a communication-only change-management program.

LEARNING OBJECTIVES

By the end of the learning experience, participants will be able to:

- Explain how the Compass Operating System™, Change & Transform™ and ARC™ work together.
- Determine which work deserves to be prioritized and chartered.
- Apply the seven-stage transformation value stream at the appropriate level of rigor.
- Use the eight working instruments as one integrated management sequence.
- Govern adoption, execution, value realization and institutionalization through one operating view.

Recommended audiences

Audience	Learning emphasis
Board / executive team	Understand the architecture, governance decisions, risks and measures.
Executive sponsor	Own strategic value, capacity, decisions and benefit realization.
Initiative owner	Maintain charter integrity, cross-functional alignment and ARC cadence.
Project or process lead	Use the instruments, evidence and operating rhythm to drive execution.
People manager	Build local adoption, capability and reinforcement.
Compass practitioner	Architect the system while keeping ownership with leaders.

HOW TO NAVIGATE THE GUIDE

One architecture. Four levels of detail.

The guide separates the enterprise system from the work flow, the management decisions and the instruments used to create required outputs. This hierarchy should remain consistent in every briefing and workshop.

Architecture layer	Role in the system
Compass Operating System™	FOUNDATION™, SIMPLIFY™, LEAD™ and GROW™ are the enterprise operating disciplines.
Change & Transform™ Value Stream	Frame → Assess → Charter → Design → Activate → Stabilize → Institutionalize.
Executive Management Gates	Select → Charter → Prepare → Execute → Sustain.
Working Instruments	The eight instruments create evidence, decisions, ownership and measurable outputs.
ARC™	Analyze → Refine → Commit is the recurring learning and decision engine beneath the work.

NAVIGATION RULE

Start with the executive decision. Introduce the instrument only when it is needed to make, govern or verify that decision.

FACILITATION ARCHITECTURE

Three delivery formats

Format	Use
45-minute executive briefing	Slides 1–5, 7–8, 12–15. Focus on architecture, gates, governance and board measures.
Half-day leadership workshop	Full deck plus initiative-selection exercise, charter review and readiness discussion.
One-day practitioner session	Full deck plus working-instrument practice, case application, ARC simulation and institutionalization planning.

The narrative spine

Step	Decision	Meaning
1	SELECT	Choose the work that creates the greatest strategic and economic value.
2	CHARTER	Define the value, boundaries, ownership and measures.
3	PREPARE	Assess readiness and design adoption before accelerating activity.
4	EXECUTE	Use ARC™ and Gemba to convert evidence into decisions and action.
5	SUSTAIN	Measure adoption and value; embed the result into the operating system.

The system before the instruments

The Compass Operating System provides the disciplines. Change & Transform™ provides the value stream. The management gates govern decisions. The working instruments create rigor. ARC™ keeps execution connected to reality.

EXECUTIVE THESIS	Transformation succeeds when the right work is selected, chartered, adopted and institutionalized as one integrated operating system.
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MODULE 1 | THE EXECUTIVE PREMISE

Teach the system before the tools

KEY MESSAGE

The quality of execution is determined long before execution begins. The first leadership decision is what work deserves organizational capacity.

What to emphasize

- Change & Transform™ is a horizontal value stream—not a sixth Compass pillar.
- The four Compass pillars are the operating disciplines.
- ARC™ is the continuous-improvement and decision engine beneath the work.
- The working instruments create rigor, but leaders own the decisions and outcomes.

Facilitator language

“We are not adding another methodology. We are connecting the disciplines the organization already needs—strategy, prioritization, chartering, adoption, execution, learning and institutionalization—into one governed sequence.”

Discussion questions

- Where does transformation work currently become fragmented?
- Which handoffs create ambiguity between strategy, project delivery and adoption?
- Where does the organization confuse activity with progress?

MODULE 2 | SELECT THE RIGHT WORK

SIMPLIFY™ is the initiative-selection discipline

FOUNDATION™ reveals present reality, risk and opportunity. SIMPLIFY™ determines which work deserves scarce organizational capacity. LEAD™ should not charter work until the selection decision is explicit.

Selection test	Executive question
Present Reality	What facts, risks, customer needs or strategic gaps demand attention?
Strategic Fit	How directly does the work support enterprise priorities and intended customer value?
Economic Value	What growth, margin, capacity, risk reduction or performance value can be created?
Complexity & Capacity	What effort, disruption, dependencies and leadership capacity are required?
Portfolio Decision	Should the work be prioritized, deferred, stopped, delegated, standardized or chartered?

COMPASS PRINCIPLE

Not every problem deserves a project. Some work should be stopped, simplified, delegated or converted to standard work.

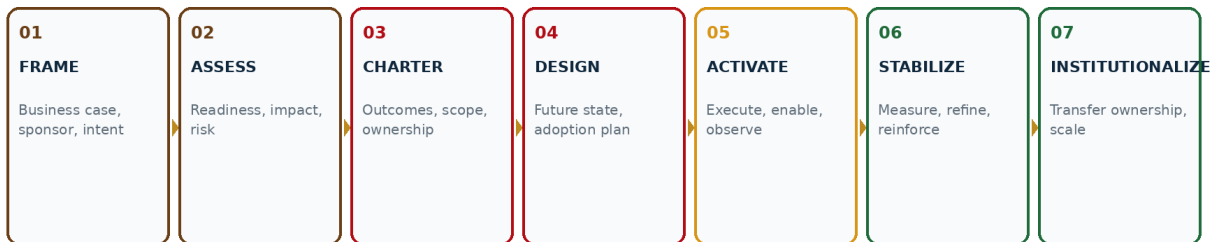
Exercise: Initiative intake funnel

Ask participants to select one proposed initiative and score it against strategic fit, economic value, complexity, risk and capacity. The output is not a ranking alone; it is an explicit decision about whether the work should be chartered.

MODULE 3 | THE TRANSFORMATION VALUE STREAM

Seven stages. One repeatable path.

CHANGE & TRANSFORM™ VALUE STREAM



The method remains consistent. Scope, governance and the number of ARC cycles expand.

Figure 2. Change & Transform™ value stream.

Stage	Primary output
Frame	Define the business case, sponsor and strategic intent.
Assess	Evaluate readiness, impact, capacity, dependencies and risk.
Charter	Confirm outcomes, scope, ownership, governance and measures.
Design	Translate intent into future-state processes, roles and adoption plans.
Activate	Launch, enable, observe and resolve barriers through disciplined execution.
Stabilize	Measure adoption and performance; refine standard work and reinforcement.
Institutionalize	Transfer ownership, capability and governance into the operating system.

MODULE 4 | EIGHT WORKING INSTRUMENTS

Use the instruments as one sequence

ENTRY GATE — INITIATIVE INTAKE & PRIORITIZATION

SIMPLIFY™ determines whether the work should be chartered. The eight working instruments begin only after that portfolio decision is explicit.

EIGHT WORKING INSTRUMENTS — ONE MANAGEMENT SEQUENCE

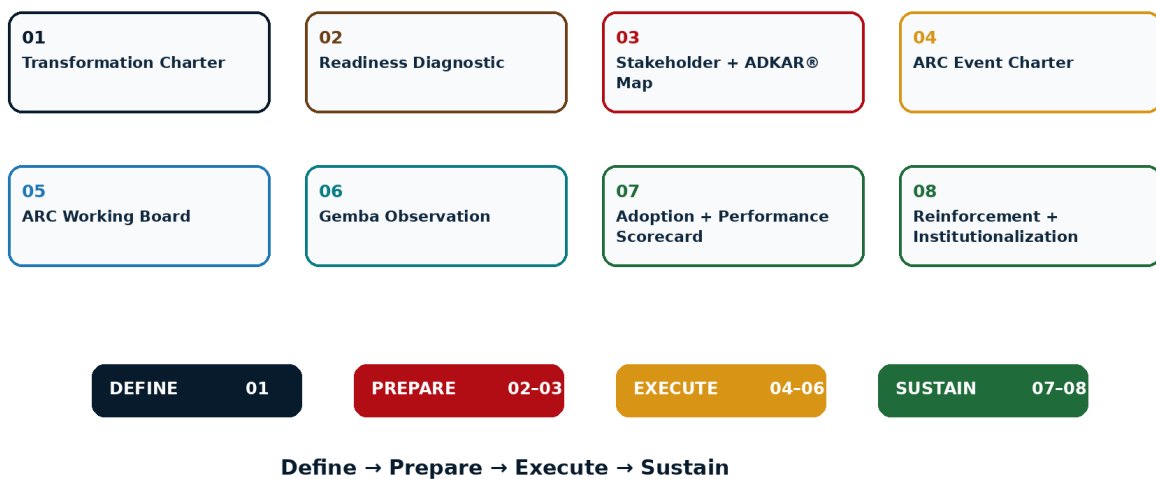


Figure 3. Eight working instruments organized through four management gates.

Management gate	Working instruments and purpose
DEFINE Instrument 01	Transformation Charter™ — define value, boundaries, ownership, measures and the initial ARC question.
PREPARE Instruments 02–03	Readiness Diagnostic™ and Stakeholder + ADKAR® Map — determine whether the organization can absorb and adopt the work.
EXECUTE Instruments 04–06	ARC Event Charter™, ARC Working Board™ and Gemba Observation Tool™ — turn evidence into decisions and action.
SUSTAIN Instruments 07–08	Adoption + Performance Scorecard™ and Reinforcement + Institutionalization Plan™ — prove value and transfer ownership.

Choose the right work before executing the work right

FOUNDATION™ exposes reality. SIMPLIFY™ selects the essential work. The Transformation Charter then converts the approved priority into a governed body of work.

MODULE 5 | CHARTER THE WORK

Working Instrument 01 — Compass Transformation Charter™

PURPOSE

The charter is the control document linking selected work to strategy, governance, adoption and ARC™.

Charter element	Facilitator question
Present Reality	What is happening now? What evidence supports the need?
Strategic Intent	Why does the work matter to the enterprise?
Future State	What must be observably different?
Essential Outcomes	Which few measurable results define success?
Scope + Boundaries	What is included, excluded and dependent on other work?
Sponsor + Owner	Who has authority? Who owns the result?
Decision Rights	Which decisions belong where?
Measures + Risks	How will progress, value, adoption and risk be monitored?
Initial ARC Question	What focused question should the first ARC event resolve?

Optional boundary-clarification instrument — SIPOC

Use SIPOC when the work crosses functional boundaries, when process scope is disputed, or when teams lack a shared understanding of suppliers, inputs, process boundaries, outputs and customers. SIPOC should clarify the system before detailed mapping—not become a documentation exercise.

SIPOC DECISION RULE

Use it when it resolves boundary ambiguity.
Skip it when the process and customer are already unambiguous.

Scaled chartering

Scale	Required rigor
ARC Sprint	One-page charter; focused problem, owner, measure and ARC question.
ARC Project	Standard charter; outcomes, scope, roles, risks, milestones and governance.
ARC Initiative	Initiative charter plus subordinate project charters and dependency governance.
ARC Transformation	Enterprise transformation charter, portfolio governance, adoption architecture and benefit realization.

Design readiness before accelerating activity

Preparation is not a communication step. It is the management discipline that verifies sponsorship, capacity, process readiness and individual adoption before execution scales.

MODULE 6 | PREPARE THE ORGANIZATION

Readiness and adoption are designed into the work

Do not wait for implementation to discover that sponsors are misaligned, managers are unprepared, capacity is constrained or the future-state process is unclear. The preparation gate identifies these conditions before acceleration.

Working Instrument 02 — Change Readiness Diagnostic™

- Leadership alignment and sponsor behavior
- Clarity of the case for change
- Capacity and competing priorities
- Process and technology readiness
- Manager preparedness
- Trust, fatigue and prior change experience
- Reinforcement infrastructure

Working Instrument 03 — Stakeholder + ADKAR® Map

ADKAR outcome	Diagnostic question
Awareness	Do people understand why the change is necessary?
Desire	Are they willing to participate and support it?
Knowledge	Do they know what must change and how?
Ability	Can they perform successfully in the actual work environment?
Reinforcement	Will leadership systems sustain the new behavior?

COMPASS INTERPRETATION

Resistance is operating data. Ask what condition in the system is making adoption difficult before labeling the individual.

ADKAR® is a registered trademark of Prosci, Inc. It is used here as an attributed model for individual adoption.

Charter. Learn. Decide. Repeat.

ARC™ converts operating evidence into owned decisions and action. It is not a meeting cadence alone; it is the decision logic that keeps the work connected to reality.

ARC step	Required discipline
Analyze	Validate facts, current performance, stakeholder experience, root causes, risks and constraints.
Refine	Improve scope, future-state design, process, adoption actions, experiments and countermeasures.
Commit	Make explicit decisions, assign owners, commit resources, set measures and establish the next review.

Working Instrument 04 — ARC Event Charter™

Defines the ARC question, evidence, scope, participants, decisions required, decision authority, expected outputs and measures of success.

Working Instrument 05 — ARC Working Board™

Creates one visible management space for Analyze, Refine and Commit. It should show evidence, choices, decisions, owners, dates, measures and unresolved risks.

Working Instrument 06 — Gemba Observation Tool™

Gemba provides direct evidence from where the work occurs. Leaders observe the actual process, workarounds, delays, decisions and adoption barriers, then feed those observations into the next ARC cycle.

FACILITATOR WARNING

Do not allow ARC to become status reporting. Every cycle must resolve a meaningful question, improve the system or secure an explicit commitment.

Prove value. Transfer ownership.

Institutionalize capability.

Transformation is not complete at technical go-live or project closure. It is complete when the new way produces value and can be sustained through the operating system without project-team dependence.

Adoption and performance must be visible together

A project can be technically complete while the organization has not adopted the new way. The scorecard prevents leaders from mistaking milestone completion for transformation success.

Measure family	Examples
Adoption	Awareness, support, proficiency, usage, workarounds and confidence.
Execution	Milestones, decisions, actions, resource health and escalations.
Performance	Quality, cost, delivery, throughput and customer impact.
Leadership	Sponsor actions, manager reinforcement, decision discipline and cadence.
Benefits	Savings, margin, capacity, risk reduction and growth contribution.

BOARD STANDARD	The board should see one integrated truth: adoption, execution and value realization—not separate project and change reports.
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Facilitator question

Which measure would show that the organization is using the new system before lagging financial outcomes appear?

MODULE 9 | INSTITUTIONALIZE THE RESULT

Project closure is not the finish line

The work is complete only when ownership, capability, standards, measures and governance move into the operating system. Institutionalization is a design decision, not a final communication activity.

Institutionalization layer	Required evidence
Operating System	Standard work, measures, governance cadence and ARC triggers.
Leadership System	Leadership routines, expectations, accountability and recognition.
Capability System	Training, coaching, onboarding and proficiency validation.
Ownership Transfer	Named process owner, clear decision rights and support model.
Final Decision	Scale, refine, transfer, sustain or stop.

COMPASS STANDARD	The result must endure without project-team dependence.
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MODULE 10 | GOVERNANCE AND LEADERSHIP OWNERSHIP

Leaders own the decisions. The instruments create visibility.

Role	Non-delegable accountability
Executive Sponsor	Owns strategic value, priority, capacity, escalated decisions and benefit realization.
Initiative Owner	Maintains charter integrity, cross-functional alignment, outcome ownership and ARC cadence.
Process / Project Lead	Owns execution planning, evidence, measures, issues and working-instrument discipline.
People Managers	Build local adoption, capability, feedback and reinforcement.
Compass Practitioner	Architects the system, facilitates disciplined decisions and transfers capability without creating dependency.

GOVERNANCE PRINCIPLE

The advisor may architect the system. Leaders must own the decisions, behaviors and results.

Gate decisions

Gate	Executive decision
Define	Is the work worth doing, strategically clear and properly owned?
Prepare	Can the organization absorb and adopt it?
Execute	Are decisions becoming operating reality?
Sustain	Will the result endure without project dependence?

Teach the decision logic—not the slide count

Use the deck to create executive alignment and the guide to deepen understanding only where a real decision, risk or governance requirement demands additional rigor.

SLIDE-BY-SLIDE TEACHING GUIDE

How to teach the Phase One deck

Slide	Purpose	Teach	Watch
1	Opening	Establish the promise: selected work becomes sustained operating reality.	Do not explain every tool.
2	Executive premise	Frame Select–Execute–Sustain as one system.	Ask where fragmentation occurs today.
3	Compass Operating System	Clarify pillars, value stream and ARC roles.	Prevent “sixth pillar” confusion.
4	Select the right work	Make SIMPLIFY™ the portfolio decision discipline.	Not every issue becomes a project.
5	Value stream	Teach the seven stages and stage outputs.	Keep the focus on decisions, not activity.
6	Scale	Show one method at different levels of rigor.	Do not over-govern small improvements.
7	Eight instruments	Present one sequence, not eight templates.	Explain that outputs feed the next instrument.
8	Four gates	Reduce complexity to four executive decisions.	Use this slide to anchor governance.
9	Transformation Charter	Show the charter as the control document.	Introduce SIPOC only when boundaries are unclear.
10	Readiness + ADKAR	Design adoption before execution accelerates.	Treat resistance as data.
11	ARC execution	Move from evidence to decisions and commitments.	Do not allow status-report behavior.
12	Scorecard	Integrate adoption, execution and value.	Avoid separate change and project dashboards.
13	Institutionalization	Define completion as operating-system transfer.	Project closure is not enough.
14	Governance	Clarify non-delegable leadership ownership.	Advisor ownership is a failure mode.
15	Close	Reinforce the Compass	End with the decision the

Slide	Purpose	Teach	Watch
		standard and sequence.	audience must make next.

FACILITATION PLANS

45-minute executive briefing

Time	Focus
0–5 min	Context and executive premise
5–12 min	Compass Operating System architecture
12–20 min	Selection and value stream
20–28 min	Eight instruments and four gates
28–36 min	ARC, measures and institutionalization
36–43 min	Application to one enterprise initiative
43–45 min	Decision and next step

Half-day leadership workshop

Block	Output
Opening	Present reality and transformation challenge
Architecture	Compass Operating System and value stream
Selection exercise	Prioritize one initiative using the Compass tests
Charter exercise	Draft strategic intent, outcomes, scope, owner and ARC question
Readiness exercise	Identify adoption and capacity risks
Governance	Confirm sponsor, owner, cadence and gate decisions
Close	Commit next actions and first ARC event

APPLICATION CASE

Case: Multi-site ERP and operating-model transformation

A multi-site manufacturing company is preparing to implement a new ERP system while standardizing core processes across recently acquired facilities. Executive leaders agree on the need, but sites use different processes, managers fear loss of autonomy, data quality varies and the organization has several competing initiatives.

Participant task

- Determine whether the work is ready to be chartered or requires additional SIMPLIFY™ decisions.
- Draft the essential elements of the Transformation Charter.
- Identify where SIPOC would clarify process boundaries.
- Name the highest-risk readiness and ADKAR conditions.
- Define the first ARC question and required participants.
- Propose one adoption measure, one execution measure and one value measure.
- Define what institutionalization would look like twelve months after go-live.

DEBRIEF STANDARD

A strong answer connects business value, process architecture, leadership ownership, individual adoption and recurring ARC learning.

GLOSSARY

Term	Definition
ARC™	Analyze → Refine → Commit; the recurring continuous-improvement and decision engine.
Change & Transform™	The horizontal value stream moving selected work from strategic intent to institutionalized capability.
Compass Operating System™	The integrated architecture of FOUNDATION™, SIMPLIFY™, LEAD™, GROW™ and ARC™.
Gemba	Leadership observation at the place where work occurs, used to understand reality and develop people.
Institutionalization	The transfer of new practices into standards, governance, measures, leadership routines and capability systems.
SIPOC	A high-level process-boundary tool: Suppliers, Inputs, Process, Outputs and Customers.
Transformation Charter™	The control document defining value, outcomes, boundaries, ownership, measures, risks and the initial ARC question.
Working Instrument	A disciplined Compass tool used at a defined point in the sequence to produce a required management output.

FACILITATOR CHECKLIST

Before the session

- Confirm audience, decision objective and selected initiative or case.
- Choose the delivery format and slides required.
- Identify where the audience may confuse pillars, value stream, ARC and working instruments.
- Prepare one relevant example of prioritization, chartering, adoption and institutionalization.
- Confirm terminology: Analyze—not Assess—in ARC™.

During the session

- Keep one idea per discussion segment.
- Return repeatedly to the Select → Charter → Prepare → Execute → Sustain sequence.
- Ask for evidence and decisions, not opinions alone.
- Use SIPOC only when it clarifies boundaries.
- Treat resistance and workarounds as operating data.
- Protect leadership ownership; do not let the facilitator become the project owner.

After the session

- Document decisions, owners and next review.
- Confirm whether the work advances to the next gate.
- Schedule the first or next ARC event.
- Identify which working instrument must be completed next.
- Capture learning that should refine the guide or deck.

FINAL STANDARD

Simple enough to understand. Rigorous enough to govern transformation at scale.

Change must become operating reality.

Select the right work. Charter it with discipline. Prepare the organization.
Execute through ARC™. Institutionalize what works.

FOUNDATION™ | SIMPLIFY™ | LEAD™ | GROW™ | ARC™