

BAU ORG VERSUS COMPLEX SYSTEMS MISMATCH

Two paradigms, each comprised of different set of practices and require different muscles. They are incommensurable (See *The Structure of Scientific Revolutions* — THOMAS KUHN).

BAU ORGANIZATION REQUIREMENT	COMPLEX SYSTEMS REQUIREMENT
<p>NEWTONIAN-CARTESIAN “CLOCK” LOGIC</p>	<p>COMPLEXITY “FOREST” LOGIC</p>
<p>OUTPUTS 2-DIMENSIONAL, REPORTS, POWERPOINT</p> <p>The Cognitive Style of PowerPoint: Pitching Out Corrupts Within — Edward R. Tufte</p>	<p>OUTPUTS 3-DIMENSIONAL, MULTIPLE FORMS OF CAPITAL (<i>Human, Social, Financial, Information, Physical, Natural</i>)</p> <p>Real actual people who can speak of the benefits of your work.</p>
<p>STRATEGY AS PLANNING</p> <p>What you say you will do</p> <p>Planning as work avoidance. Strategy as contained in a powerpoint deck. Delay intervening as long as possible.</p> <p>“The brain is a bloodless organ.”</p>	<p>STRATEGY AS ACTION</p> <p>What you actually do</p> <p>Action is messy. Strategy is uncontained, sprawling across multiple domains.</p> <p>“The work is bloody.”</p>
<p>INTERNAL TIME</p> <p>Disconnected from the temporality of external trends.</p> <p>For example, emissions reduction is on a timetable set by science. Action on climate issues must be time bound. Similarly for any trend that is devolving over time.</p> <p>Internal clock means that grant cycles and internal culture determine when things happen not a connection to context.</p> <p>Constantly suffering “jet-lag”</p> <p>Internal orientation.</p>	<p>EXTERNAL TIME</p> <p>Profoundly connected to the temporality of external trends.</p> <p>For example, when working on climate change, the timetable is set by the science which means that strategic action must take place at a pace aligned with the science.</p> <p>Internal clocks are aligned to external events through agile action cycles and a sensitivity to context.</p> <p>Operating in multiple “time zones”</p> <p>External orientation.</p>

<p>EPISTEMOLOGICAL SKILLS</p> <p>Hire for epistemological & technical skills</p> <p>i.e. credentials as an indication of experience</p> <p>Bias toward conventional education path</p> <p>Business-As-Usual HR modalities.</p>	<p>PHENOMENOLOGICAL SKILLS</p> <p>Hire for phenomenological skills</p> <p>ie. experience as demonstrated capability, phronesis - practical wisdom</p> <p>Invest in the development of phenomenological skills.</p> <p>Practice orientated (“How many hours of practice?”)</p>
<p>SIMPLE CAUSALITY</p>	<p>COMPLEX CAUSALITY</p>
<p>OUTPUTS “KNOWN” IN ADVANCE</p> <p>Ex-Ante “knowability”</p> <p>Inability to be with ambiguity and uncertainty</p>	<p>OUTPUTS EMERGENT - CANNOT BE KNOWN IN ADVANCE</p> <p>Embracing ex-post “knowability”</p> <p>Ex-post is another word for actual returns and is Latin for “after the fact.” The use of historical returns has customarily been the most well-known approach to forecast the probability of incurring a loss on an investment on any given day. Ex-post is the opposite of ex-ante, which means “before the event.”</p> <p>“Negative capability” is required.</p>
<p>MINIMIZING RISK TO INSTITUTION</p> <p>Minimum investment size unconnected to challenge.</p> <p>“What is this going to cost us?”</p>	<p>EMBRACING RISK TO SYSTEM</p> <p>Investments commensurate to and a function of the challenge (or/and vice-versa).</p> <p>“What is this costing the system?”</p>
<p>NUMBERS DON’T ADD UP (UPON EXAMINATION)</p> <p>Relationship between inputs and desired output unclear. Strategic arithmetic requires</p>	<p>NUMBERS ADD UP (TRANSPARENTLY)</p> <p>Relationship between inputs and desired outputs clear. Strategic arithmetic adds up.</p>

the “magical thinking” of “scaling” to add up.

Scaling As Myth and Magical Thinking

What is actually driving risk-minimisation behavior? Incentives?

Do comparative analysis of spending. What is the internal “gold standard” of a good investment? What’s the one to beat?

The standard is “Efficacy As Comparing Inputs”

In order to understand if one strategy is more effective than another you need to compare what inputs buy what outputs.

Focus on inputs

Comparing inputs to inputs tells you nothing ie “\$225k is a lot of money” - begs the questions, “if you’re buying a pair of shoes yes.”

Looking for “cost effectiveness” ie saving money

Operate At scale. Realist.

Create A Business Case. Run the numbers.

Link the numbers to strategic decisions.

Understand different types of risks.

The standard is “Efficacy as an ROI calculation”

Inputs + Process = Outputs (What’s the ROI?)

Focus on outputs

\$225k is not a lot of money if you’re repairing the social fabric of a country.

Looking for ROI

HIERARCHICAL RESPONSE

Siloed - “Chain of Command” Individual Response

Rigid Role Definition – Fixed Teams

Making Decisions Through A Straw.
Decisions made at various points along the “chain of command” by Tops, Middles and Bottoms.

WHOLE TEAM

“Collective Intelligence” Response

Fluid Role Definition - Task Orientation – Flexible Teams

Decisions are made through “whole team” making sense of the situation and arriving at best course of action.

The Discipline of Teams (Harvard Business Review Classics) by Jon R Katzenbach

<p>SET GOALS/TARGETS AND PLAN FOR FAILURE</p> <p>Weak intentionality “let’s see,” “what if it doesn’t work?”</p>	<p>SET INTENTION/GOALS & ITERATE TOWARDS SUCCESS</p> <p>Strong intentionality “let’s make it work because we have to.”</p> <p>Entrepreneurial mindset. <i>The Art of The Start & Reality Check</i> — Guy Kawasaki</p>
<p>TACTICAL RIGIDITY</p> <p>Doctrine. Countless military blunders. Core inability to face reality.</p> <p>“A Bright Shining Lie” — Neil Sheenan</p>	<p>RADICAL TACTICAL FLEXIBILITY</p> <p>Tactical genius is present to reality and shifts with it as needed.</p>
<p>SKIN IN SOMEONE ELSE'S GAME</p> <p>Option of pulling out or failing without real consequences</p>	<p>SKIN IN THE GAME</p> <p>Meaningful consequences of pulling out or failing</p> <p><u>The Skin In The Game Heuristic for Protection Against Tail Events</u> — Nassim N. Taleb and Constantine Sandis ^(www)</p>
<p>FORMAL RESPONSES</p> <p>Objective, Prescriptive & Predictive</p>	<p>FORMAL & INFORMAL RESPONSES</p> <p>Subjective, Intuitive & Experimental</p>
<p>WEAK FEEDBACK LOOPS</p> <p>Removed from what’s happening on the ground - no “footprint”</p>	<p>STRONG FEEDBACK LOOPS</p> <p>Need to be connected to the ground and tree-line (strategic & tactical)</p>
<p>LINEAR MULTI-YEAR PLANS</p> <p>Annual Funding Cycles, No or Single Pivots</p>	<p>ITERATIVE CYCLES</p> <p>24:00/Weekly/Monthly/Quarterly/Annual Pivots</p>
<p>PLANNING CULTURE</p> <p>Disembodied (ie, PowerPoint), Waterfall</p>	<p>PROTOTYPING CULTURE</p> <p>Embodied (ie talking), Scrum</p>

Technique orientation.	Don't use scrum as technique. Have to adapt to each context. Make exceptions.
The Technological Society by Jacques Ellul	Scrum: a Breathtakingly Brief and Agile Introduction — Chris Sims
PROGRAMMATIC	PRACTICE
More work = breakdown (fragile)	More work = strong muscles (anti-fragile)
EXPERT ORIENTATION	DIVERSE STAKEHOLDER ORIENTATION
Programme Officers & Staff As Expert Source Of Solutions	Stakeholders (context) as your team, source of “small bets”
Experts as a source of expert solutions	Stakeholders as a source of solutions.
COMPLIANCE TO DOMINANT VIEW	EMBRACING MINORITY WISDOM
Crushing minority wisdom, throwing it under the bus.	Embracing minority wisdom despite intrinsic impulse to reject, keeping it on the bus.
Fear.	Hospitality
Normative preferences.	Context rules. Test all normative preferences against context & minority view.
“Right” answers driven by ideology.	Spread betting in a learning environment.
Knowing.	Unlearning.
PROJECT ORIENTATION	OPEN ENDED VALUE CREATION ORIENTATION
“When will you be done?”	“As long as we’re creating ‘value’ why stop?”
FINANCIAL CAPITAL	MULTIPLE CAPITALS
Financial capital flowing to “investors”	Capital flowing into the commons
	“On the Commons and the Transformation of Postcapitalism” — Massimo De Angelis

THEORY OF CHANGE

‘Theory’ as having predictive value.

Most theories of change are not theories but just a hypothesis or guess at best.

Theories.

Resilience Is Futile: How Well-Meaning Nonprofits Perpetuate Poverty ^(www)

Theory Of Change as fashion.

PRACTICAL WISDOM

‘Theory’ in complex social systems has no predictive value

Experience gives us ideas of what might or might not work (cooking, helix sports etc.).

Heuristics.

Phronesis is practical wisdom, how do we know how long something takes to cook? Practice. Experience. No TOC.

POSITIVIST STANCE TO EVIDENCE

Data viewed as independent of processes, having objective value.

A touching belief that “evidence” cannot be (and is not being) gamed. Essentialist view.

A-Historical View

Essentialist. Things just are.

STORYTELLING STANCE TO DATA

Data is the product of processes, having no value until part of a story, subjective value.

Data is produced through social processes. Ask why a story is being told. Apply common sense.

Historical View

Process orientation. Things are the product of historical processes.

ASYMMETRICAL IMPACT

The “problem” is located outside of the organization.

The donor is not part of the problem and doesn’t impact the situation other than instrumentally.

For example the stated goals or strategy of the donor are unrelated to commitment of local actors and the behavior of local actors.

SYMMETRICAL IMPACT

We’re all part of the system therefore part of the “problem.”

All actors impact the situation in multiple ways.

Broadcasting intention (or not) impacts the situation on the ground.

Lack of appreciation for the relationship between inner game and outer game.

Modernist paradigm.

The work on the ground – learning and lessons are seen to have no relevance to the organizational culture.

Trickle-up shift versus top-down diktat

Cultivate a “feel” for the inner and outer game.

All work is an opportunity for adapting org culture to be “fit for purpose.”

The messy work of changing an org to be fit for purpose in ongoing. Currency is attention.

TWO WORLDS OF POWER

People are generally classed as being either powerful or powerless. Instrumental view.

MANY WORLDS OF POWER

Power is relational and situational. Everyone has power (or not) depending on the context.

Rationality and Power: Democracy in Practice – Bent Flyvbjerg

PARTS

“Build a team by hiring the parts.”

Authentic and Counterfeit Wholes, The Wholeness of Nature – Henri Bortoft

WHOLES

“Build a team through feel for the game.”

See “Feel for the game”, Chap 4 Belief and The Body, The Logic of Practice – Pierre Bourdieu