

Monday 17 May 2021

an introduction to complex challenges

Session 1/2/3

what is complexity?

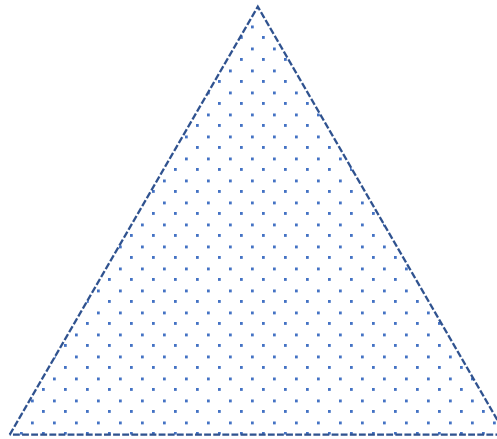
what is complexity?

it's a characteristic of a system

**three characteristics of
complexity**

emergent

adaptation



information

Source: Complexity: A Guided Tour – Melanie Mitchell

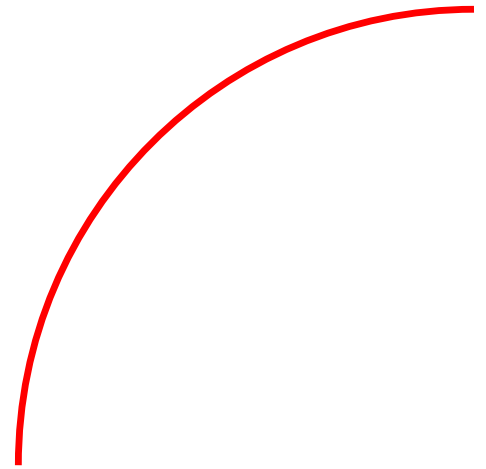
“pigeon”

vs

“rocket”



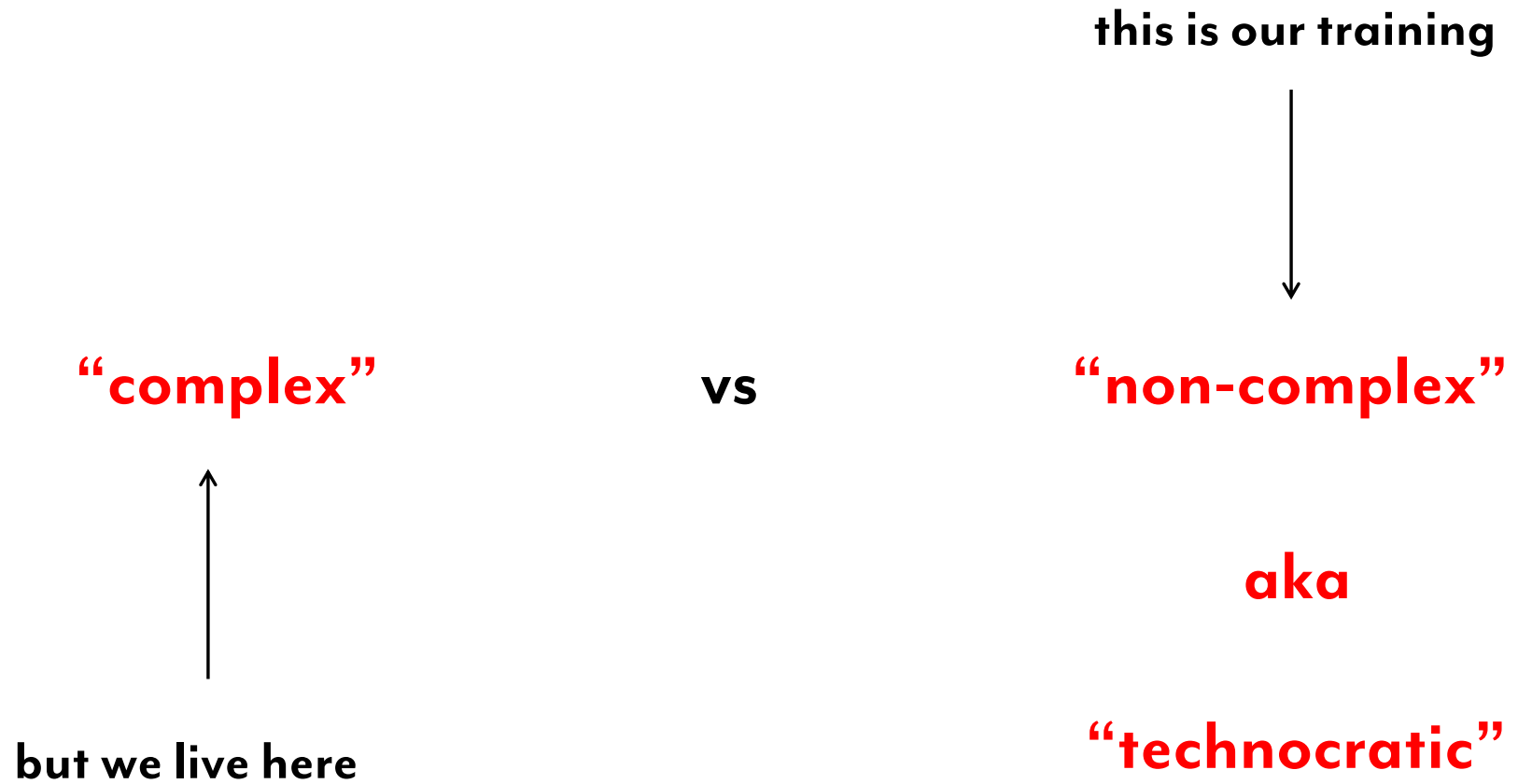
VS



“complex”

vs

“non-complex”





these are two different paradigms for seeing the world







why do the paradigms we believe in matter?



axiom 1

paradigms are built from practices

Source: *The Structure of Scientific Revolutions* – Thomas Kuhn



axiom 1

paradigms are built from practices ;

**practices are built from tools, processes, spaces, ingredients,
and customs**



axiom 2

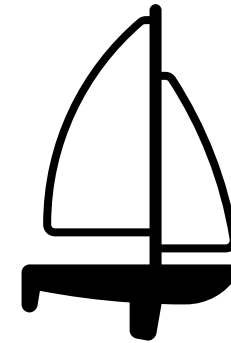
paradigms are incommensurable

you cannot “practice” two contradictory paradigms at the same time ie. the world is both flat and a sphere

Source: *The Structure of Scientific Revolutions* – Thomas Kuhn

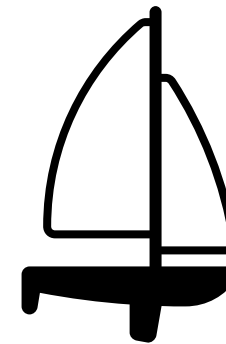


how do I sail a boat?



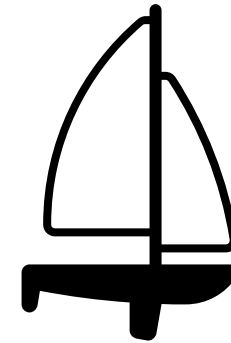


how do I sail a boat?
if I believe the world is flat?





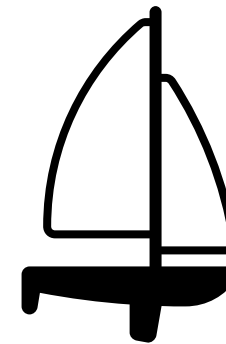
how do I sail a boat?
if I believe the world is a sphere?





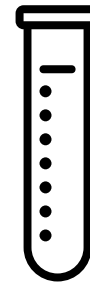
how do I sail a boat?

**your practice is different depending on
the paradigm you believe in**

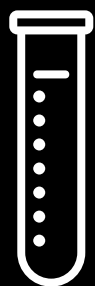




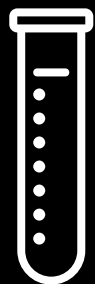
what is a test tube for?



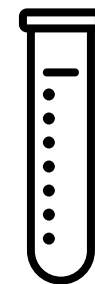
in a chemistry lab?



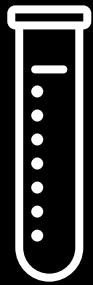
in a chemistry lab?



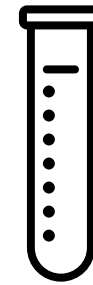
in an alchemist's workshop?



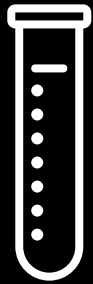
“the world is a sphere”



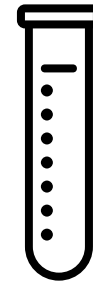
“the world is flat”

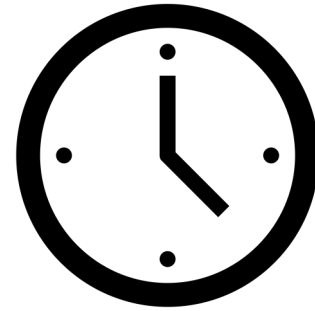
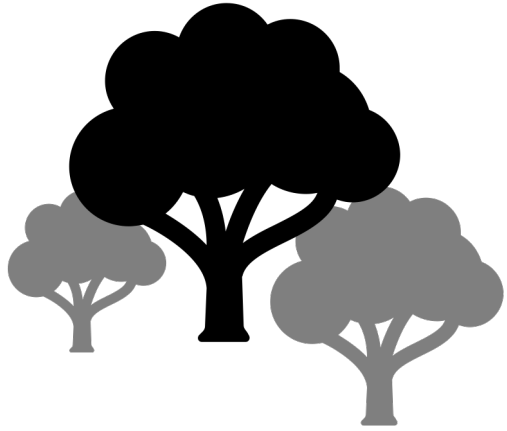


complexity



“clock”





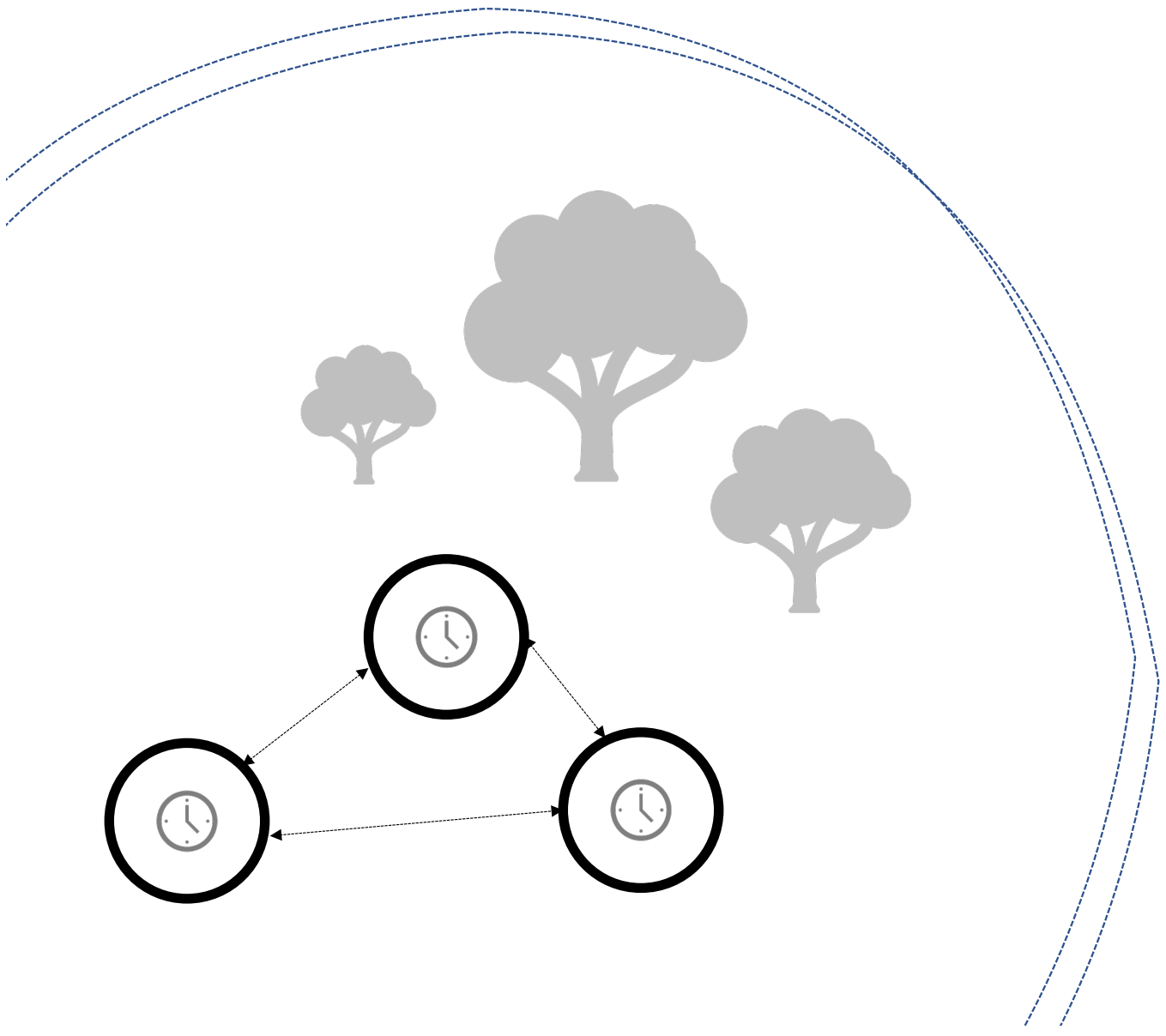
axiom 3

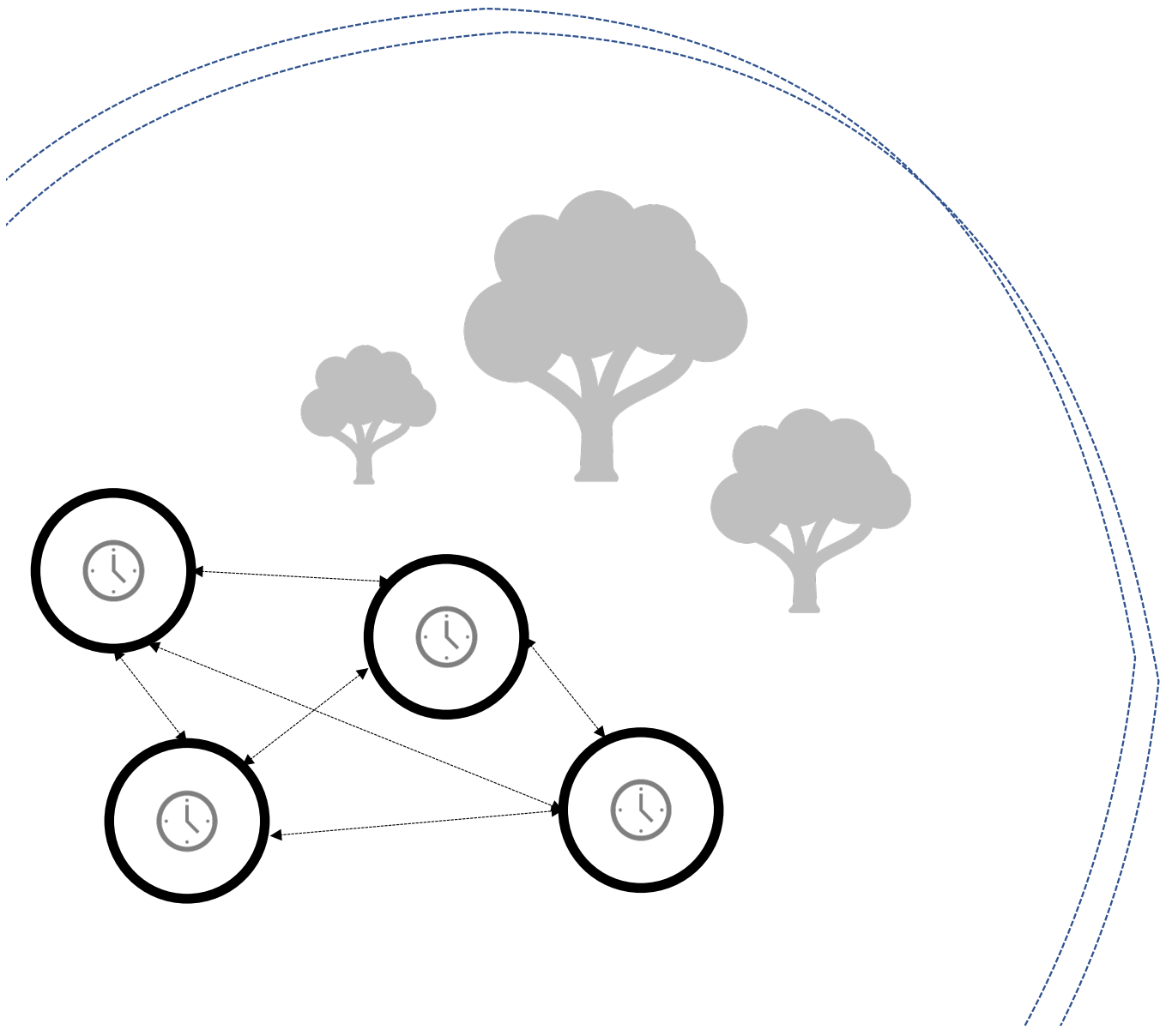
non-complex systems are always part of complex systems

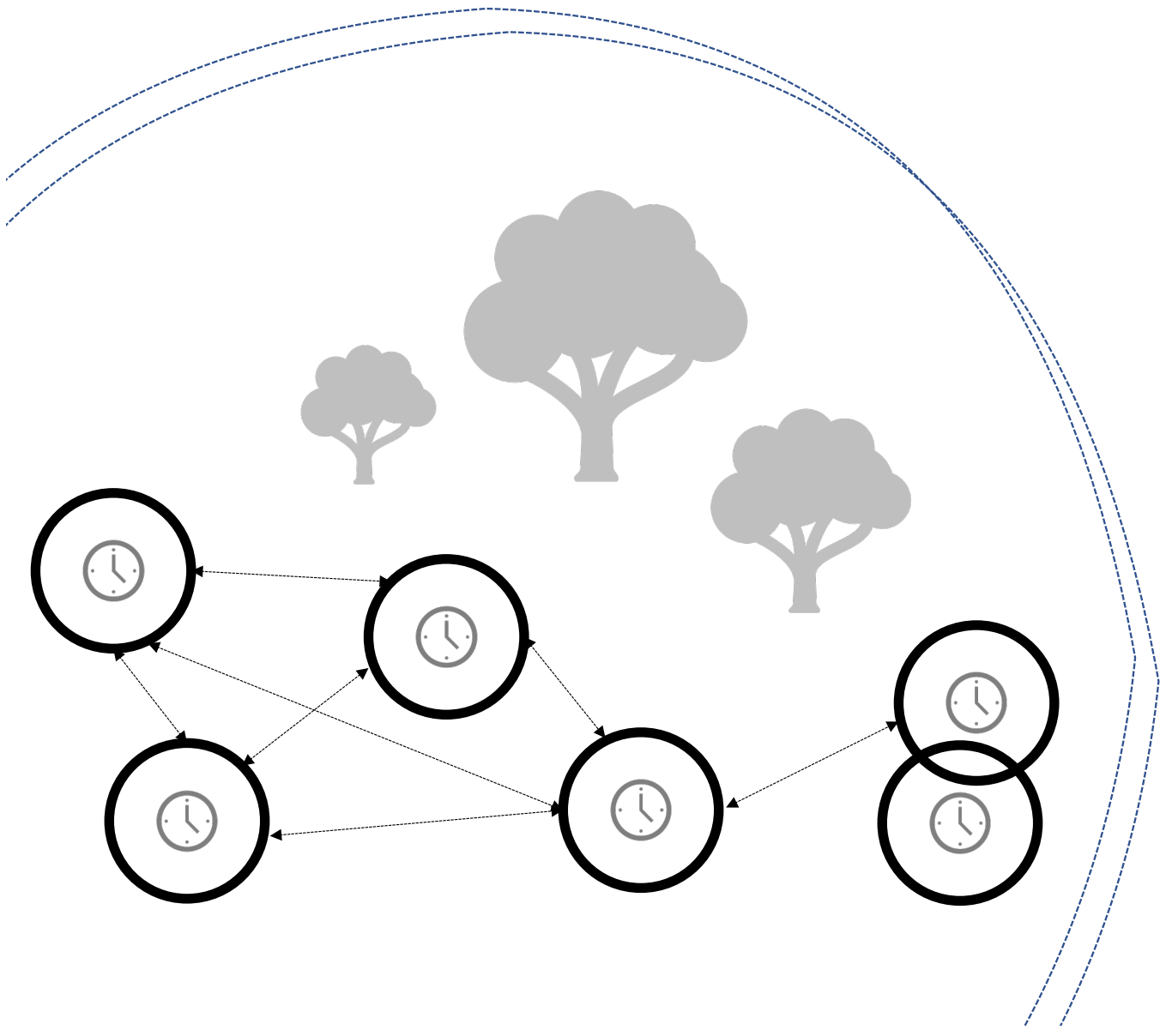


but complexity is increasing

but complexity is increasing as non-complex systems grow







what is does it mean? what is at stake?

what happens when we ignore axiom 1, 2 & 3?

paradigms are built from practices

paradigms are incommensurable

non-complex systems are always part of complex systems

the probability of catastrophic failure grows

Wednesday 19 May 2021

an introduction to complex challenges

Session 1/2/3



axiom 1

paradigms are built from practices ;

**practices are built from tools, processes, spaces, ingredients,
and customs**



axiom 2

paradigms are incommensurable

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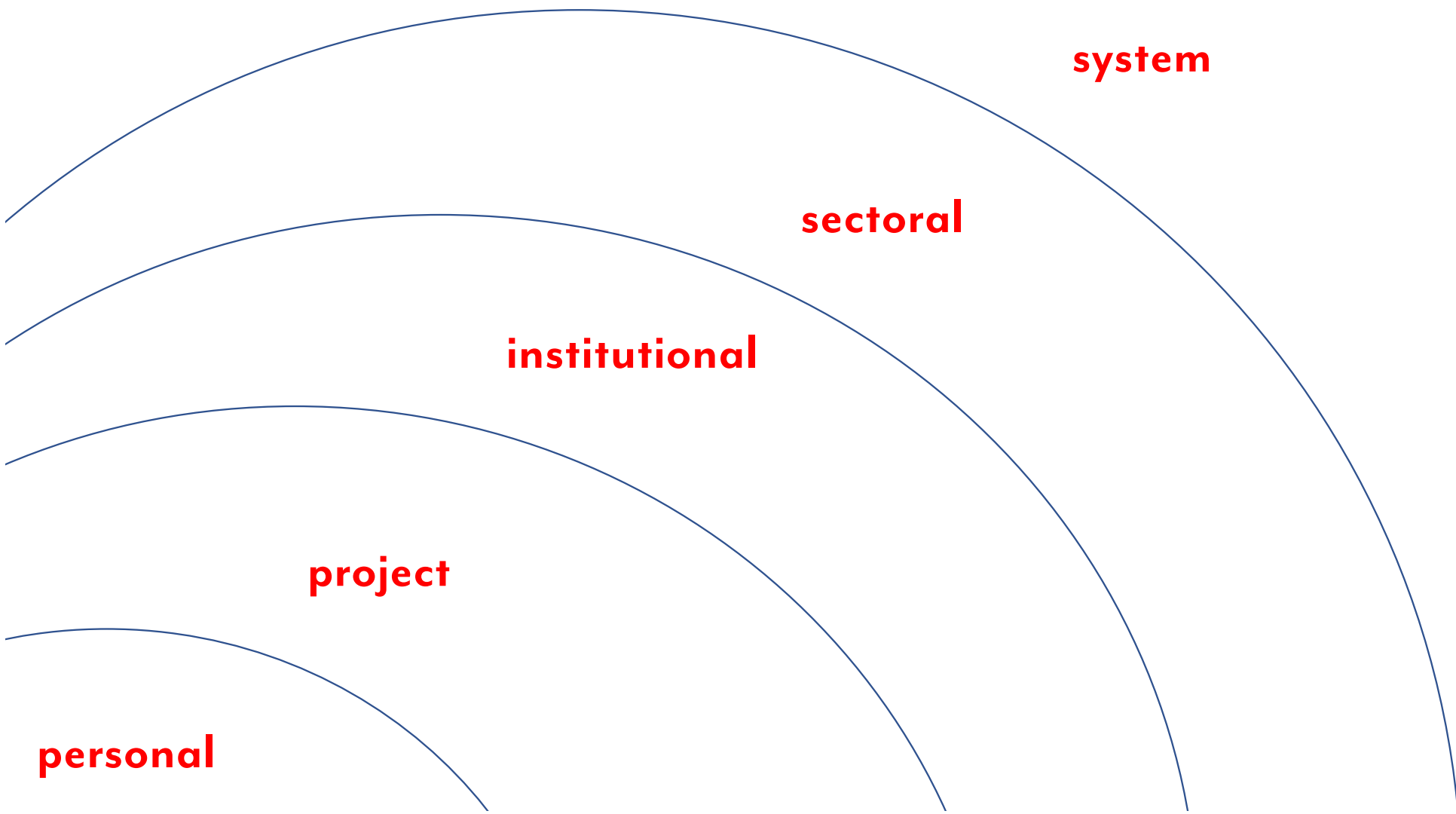
axiom 3

non-complex systems are always part of complex systems
(and you can't hide from complexity)

the probability of catastrophic failure grows
how? why?

**“[In a crisis] We don't rise to the level of our expectations,
we fall to the level of our training.”**

- Archilochus



personal

project

institutional

sectoral

system

personal

project

institutional
ie. organizations

sectoral
ie. conservation

system
ie. biodiversity

axiom 4

we adapt and learn our way into catastrophic failure

Source: Drift Into Failure: From Hunting Broken Components to Understanding Complex Systems by Sidney Dekker

how?

demand for multiple forms of capital **increases**

(natural resources, infrastructure, services)

our ability to supply demand **decreases**

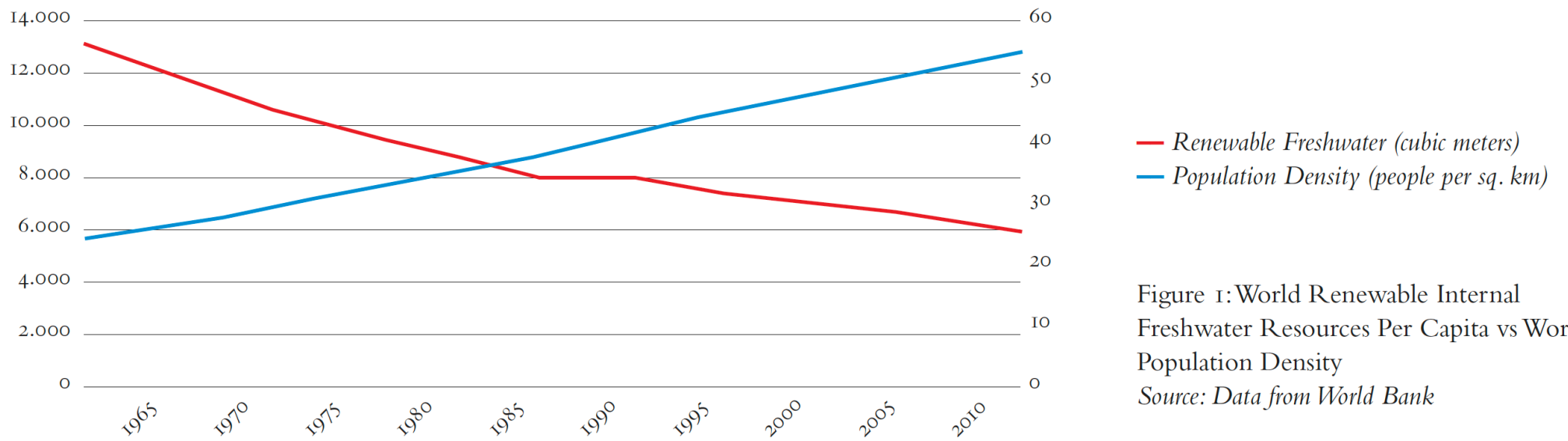
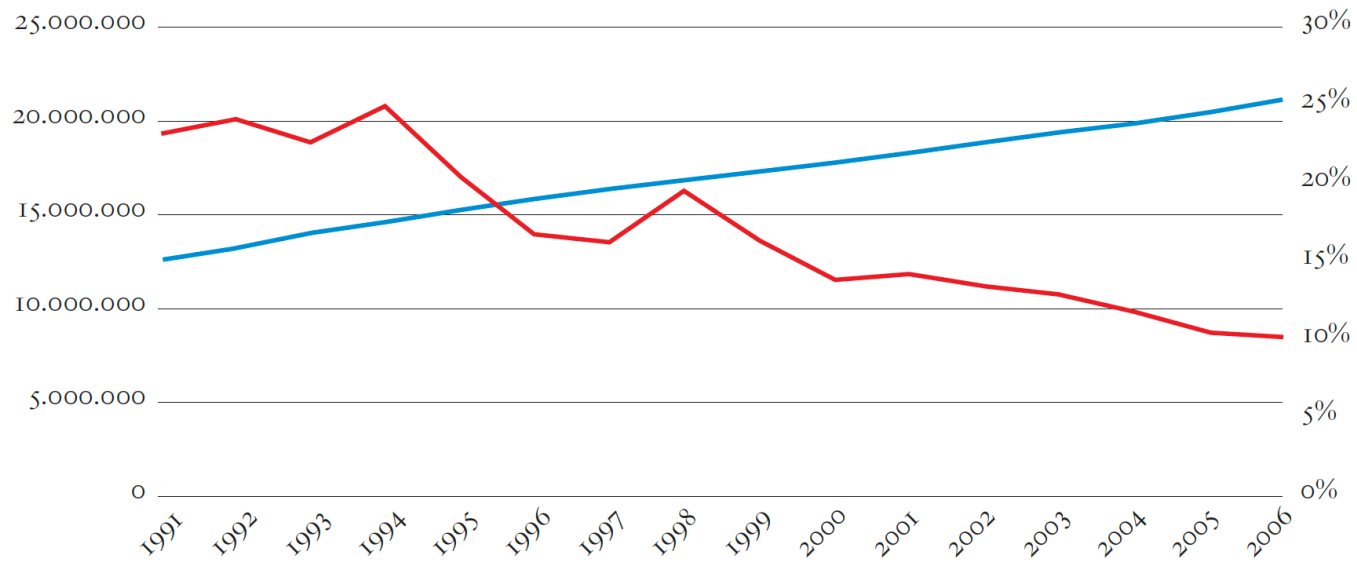


Figure 1: World Renewable Internal Freshwater Resources Per Capita vs World Population Density
 Source: Data from World Bank



— Agriculture, value added (% of GDP)
 — Yemen Population

Figure 2: Yemen Population vs Agriculture Value Added
 Source: Data from World Bank

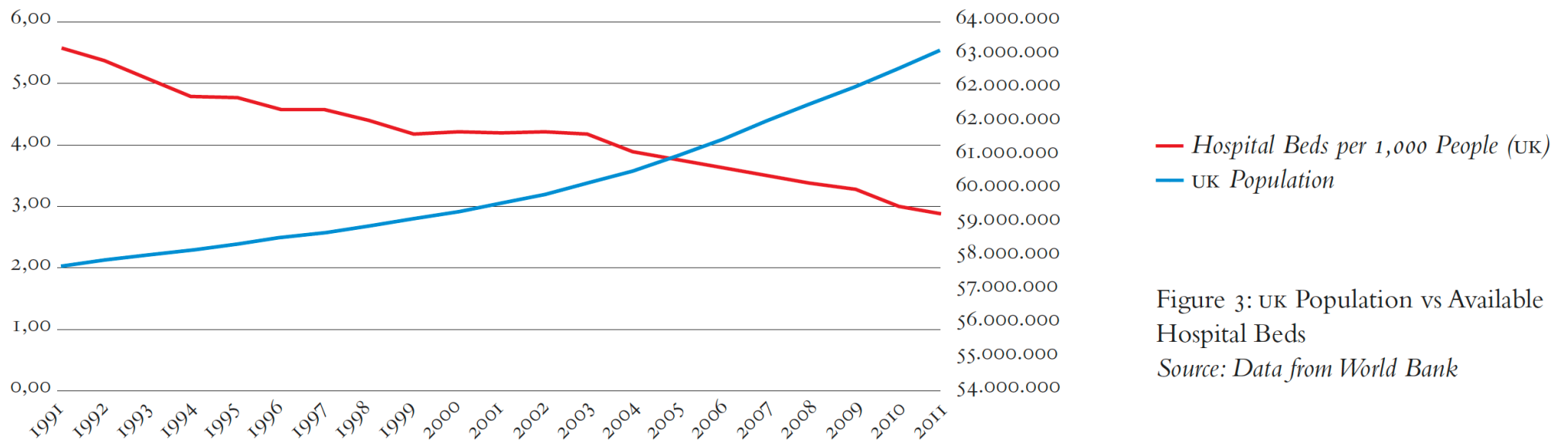


Figure 3: UK Population vs Available Hospital Beds

Source: Data from World Bank

axiom 4

**we adapt and learn our way into catastrophic failure
(by focusing on alleviating symptoms)**

Source: Drift Into Failure: From Hunting Broken Components to Understanding Complex Systems by Sidney Dekker

axiom 5

**if demand is increasing and supply is constant or declining
in a system, it is heading for catastrophic failure**

Discuss in small groups, instances, where you see in systems you're a part of, demand increasing while supply is constant or declining...

avoiding catastrophic failure in complex systems

**desired future
state**

current realities

**undesirable
future state**

**desired future
state**



how do we
get there?

how do we
avoid this?



**undesirable
future state**

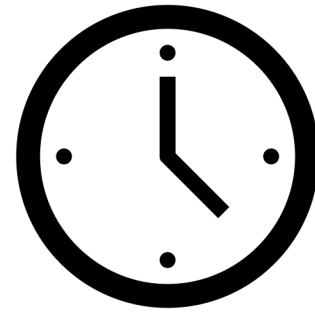
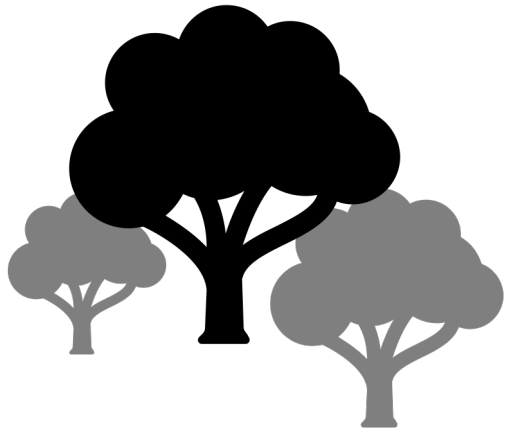
we are here



current realities

how do we get there? how do we avoid the undesirable?

two approaches

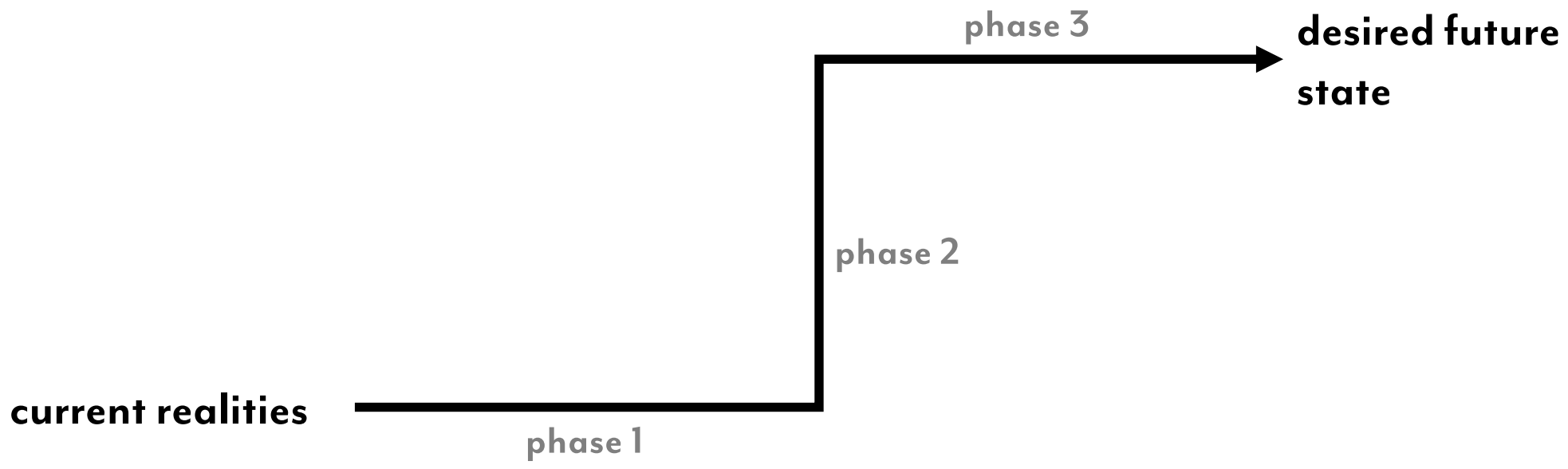


the dominant response = strategic planning 🕒

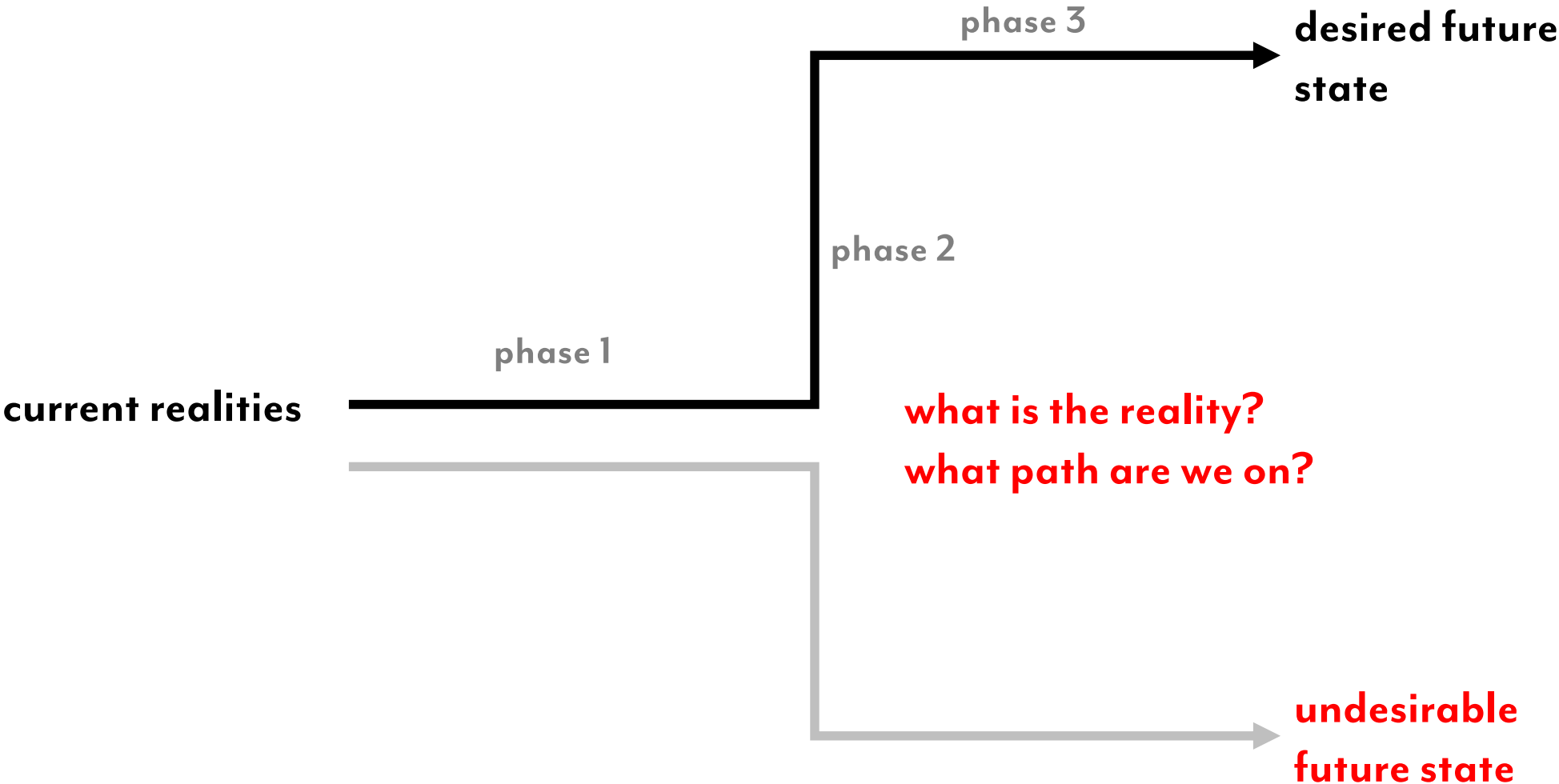
**desired future
state**

current realities

**undesirable
future state**



**undesirable
future state**



strategic planning aims for optimisation

optimisation as a strategy in situations of diverging supply + demand curves does not work



<https://www.youtube.com/watch?v=ScU6W3rUEsI&t=16s>

(if we can get gravity wrong for 20 centuries,
shouldn't we consider possibility that we've gotten
strategic planning wrong?)

the culture of strategic planning is not fit for purpose

strategic planning in complexity is malpractice
just don't do it

what is a better way?

a better response = **the prototyping paradigm**¹

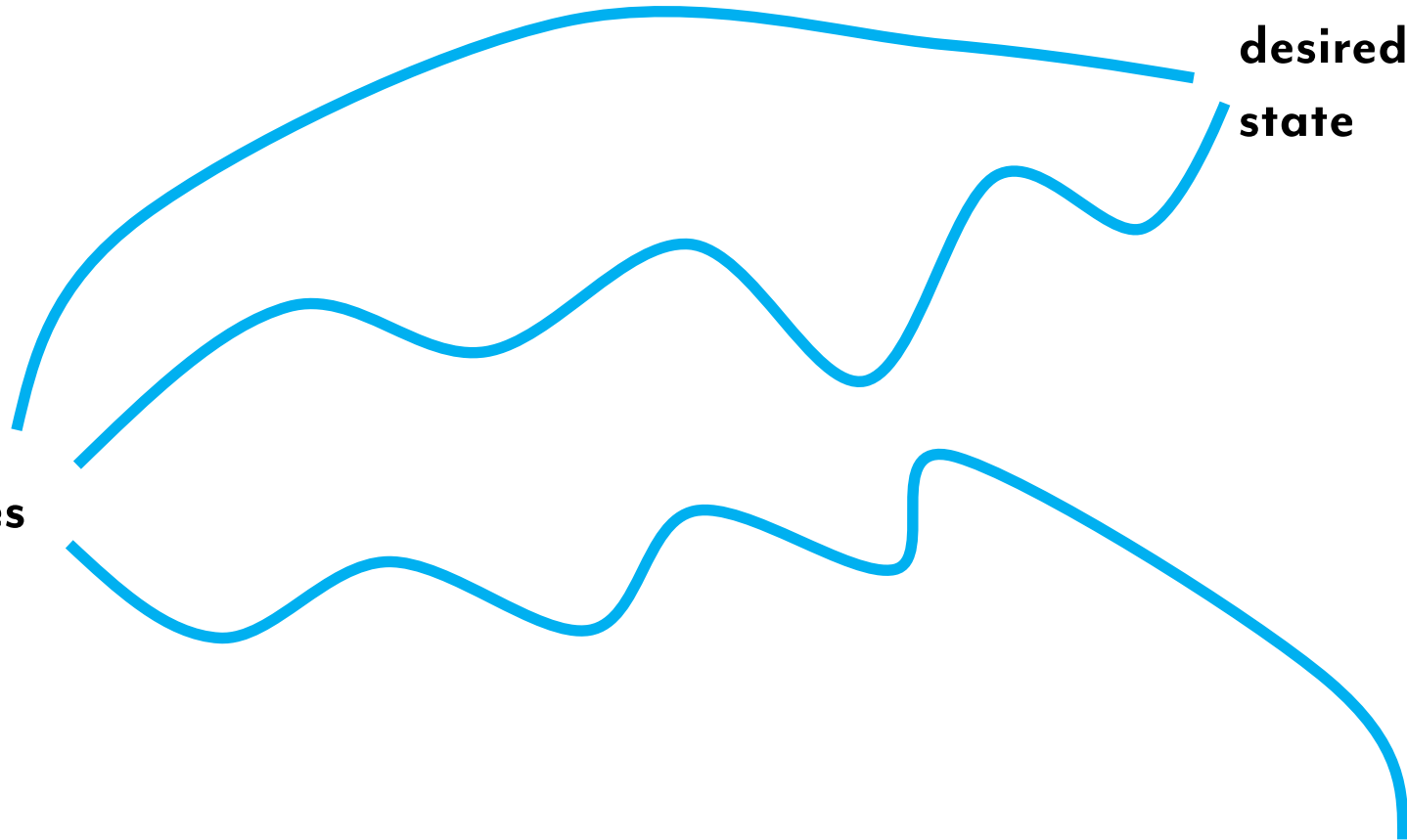


(1) Note the “prototyping paradigm” is different from “prototyping processes”

axiom 6

**there are multiple pathways for avoiding catastrophic failure,
leading us to to desirable future system states but they are all
emergent (unpredictable)**

current realities



**desired future
state**

**undesirable
future state**

axiom 7

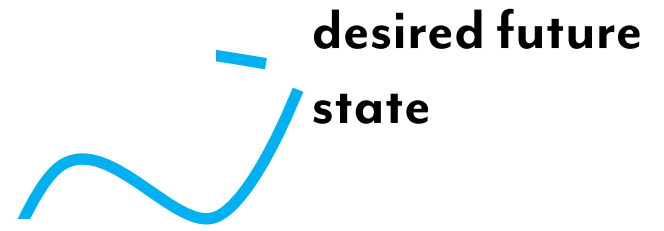
we cannot see very clearly into the future

axiom 7

we cannot see very clearly into the future

(we live in an era of the law of regression to the tail)

current realities



desired future state



undesirable future state

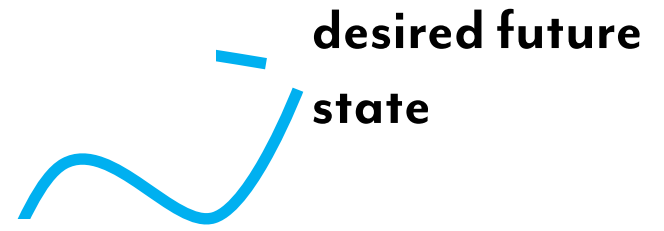
we don't see the pathway as a whole

we don't see the pathway as a whole
we have a very partial view

we don't see the pathway as a whole

we have a very partial view, the journey is unpredictable

current realities



**undesirable
future state**



**think of a good journey you went on, think of a bad journey
what were the differences?**

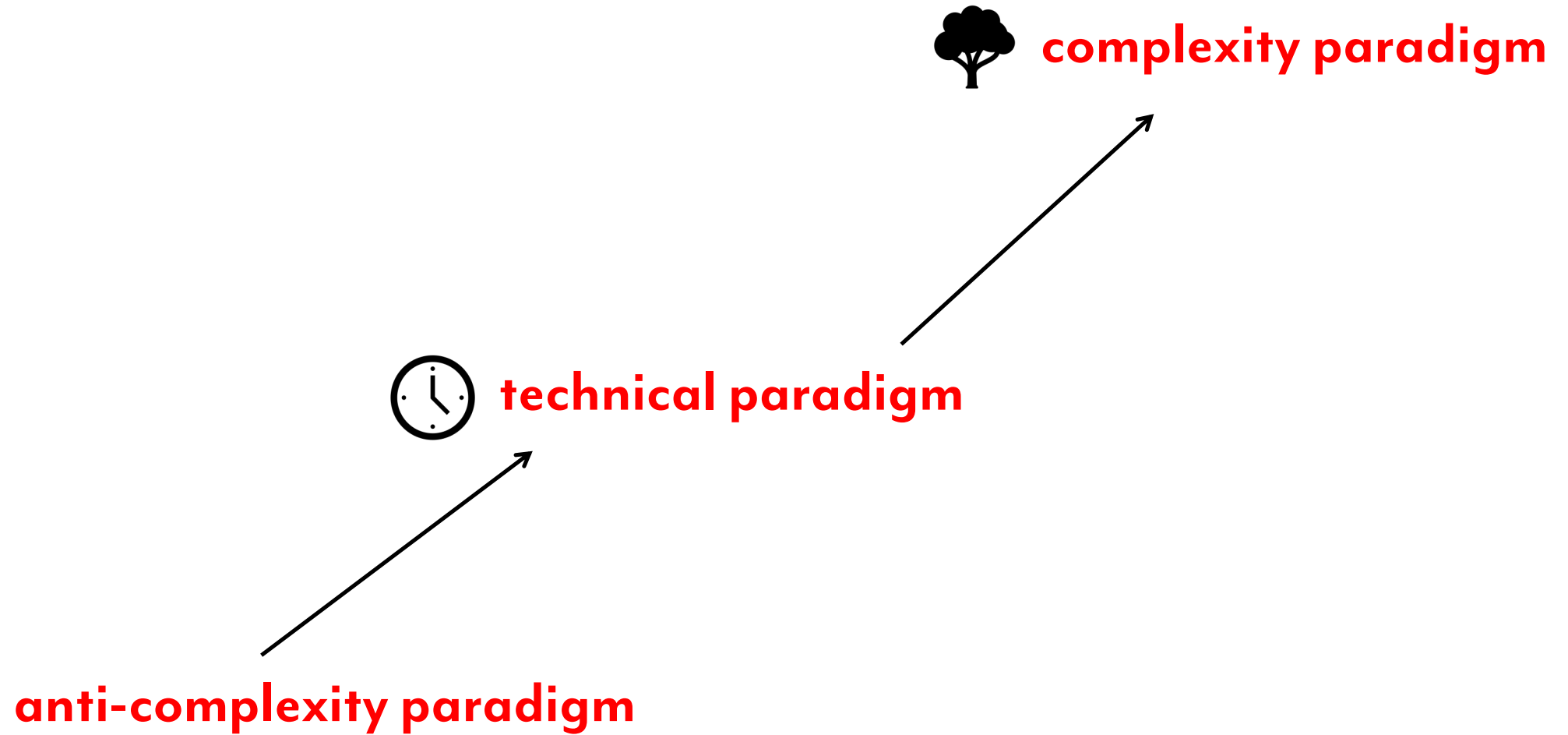
“... the future is a teenage crackhead who makes shit up as he goes along.” – Chuck Klosterman

Friday 21 May 2021

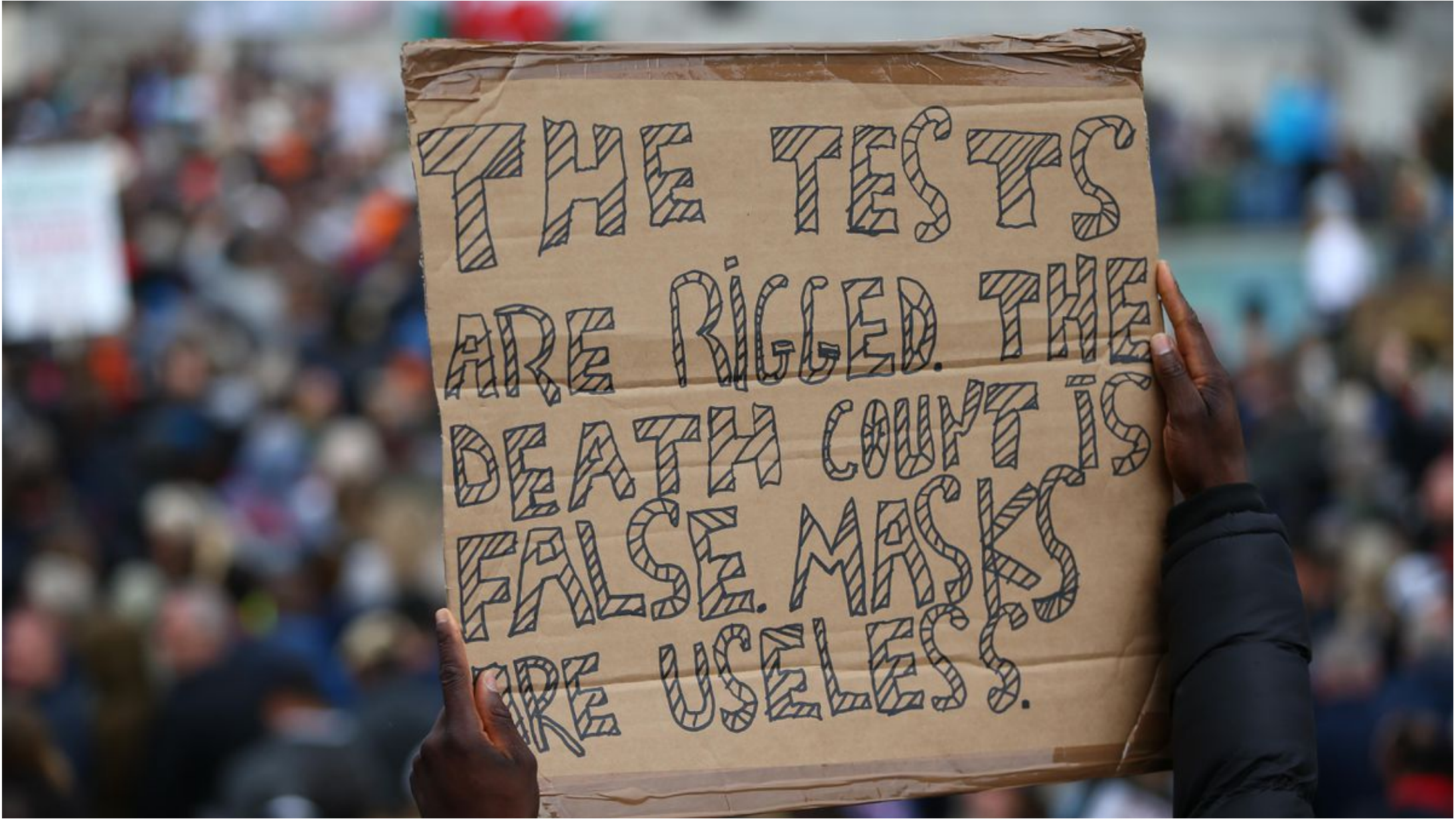
an introduction to complex challenges

Session 1/2/3

complexity versus anti-complexity is a matter of perception
just as seeing the world as flat versus as a sphere is a matter
of perception



THE TESTS
ARE RIGGED. THE
DEATH COURT IS
FALSE. MASKS
ARE USELESS.





imagination

covid

competing strategies

complexity strategy

competing strategies

competing strategies

technical strategy

competing strategies

no strategy

precedent



so what do we do then?

axiom 8

**test as many pathways to desirable systems states
as possible - the more we test, the more likely we are to
find a way through**

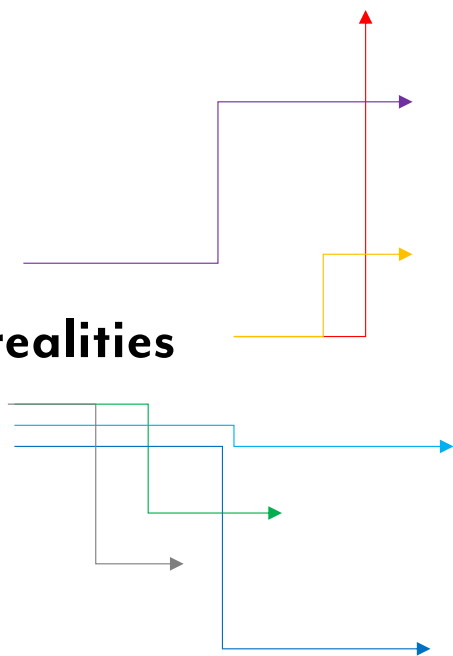
**desired future
state**

current realities

**undesirable
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**desired future
state**

current realities



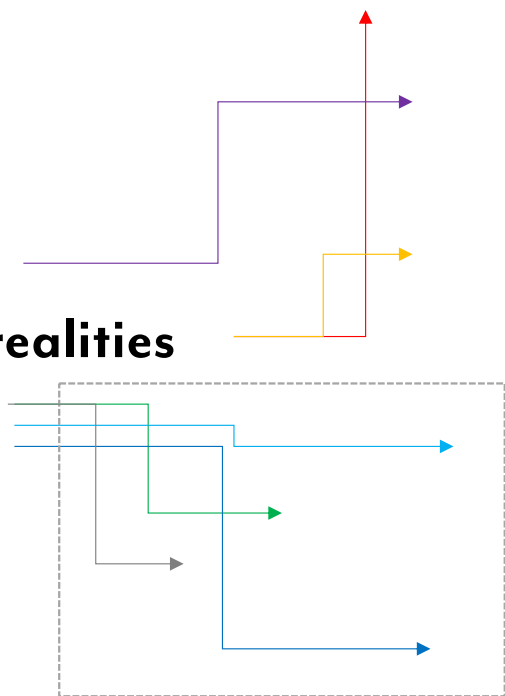
**undesirable
future state**

axiom 9

**be disciplined when testing in complex systems,
draw boundaries (including temporal), be frugal
in testing (jugaad innovation)**

**desired future
state**

current realities



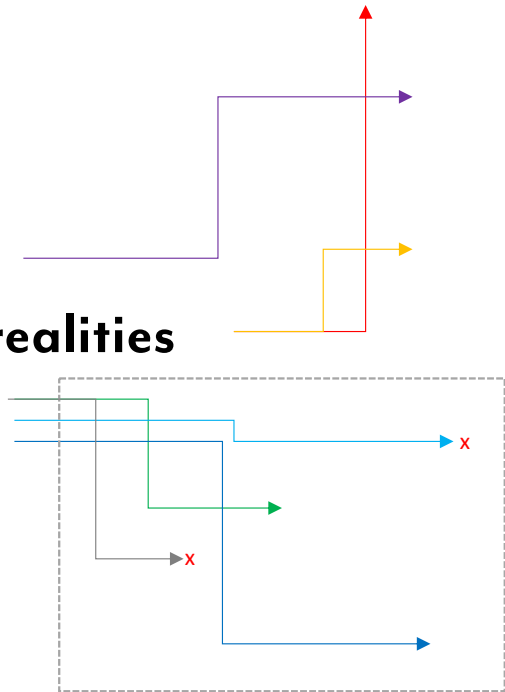
**undesirable
future state**

axiom 10

**“effective” practice in a complex system is reflexive
+ contextual**

**desired future
state**

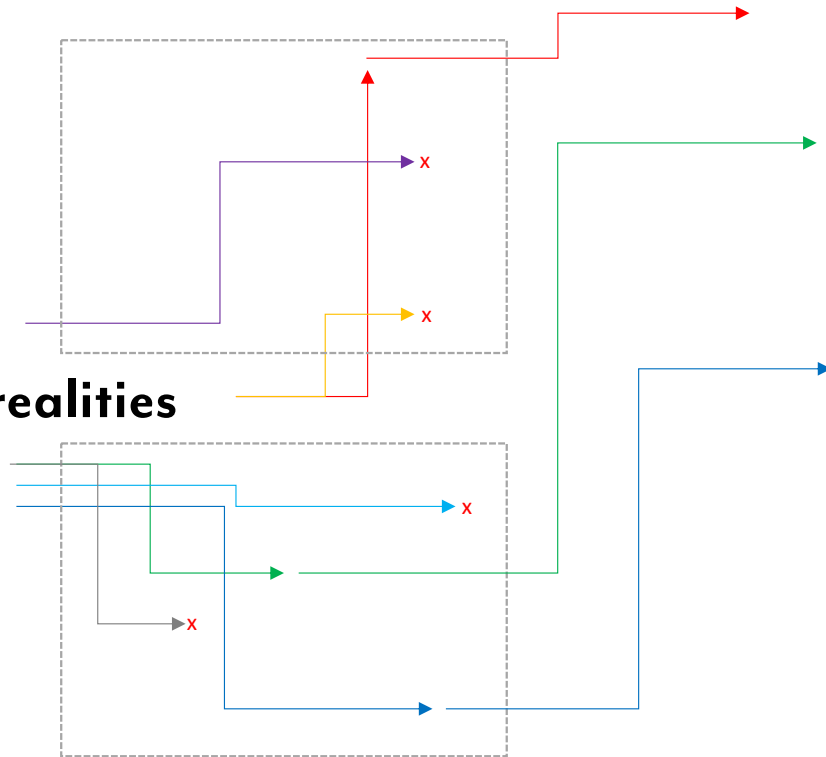
current realities



**undesirable
future state**

**desired future
state**

current realities



**undesirable
future state**

axiom 10

effective practice in complex systems is reflexive + contextual
(“best practice” is an oxy-moron)

axiom 11

the real innovation in complex systems are teams, not plans
(the best teams are the product of reflexive practice)

axiom 12

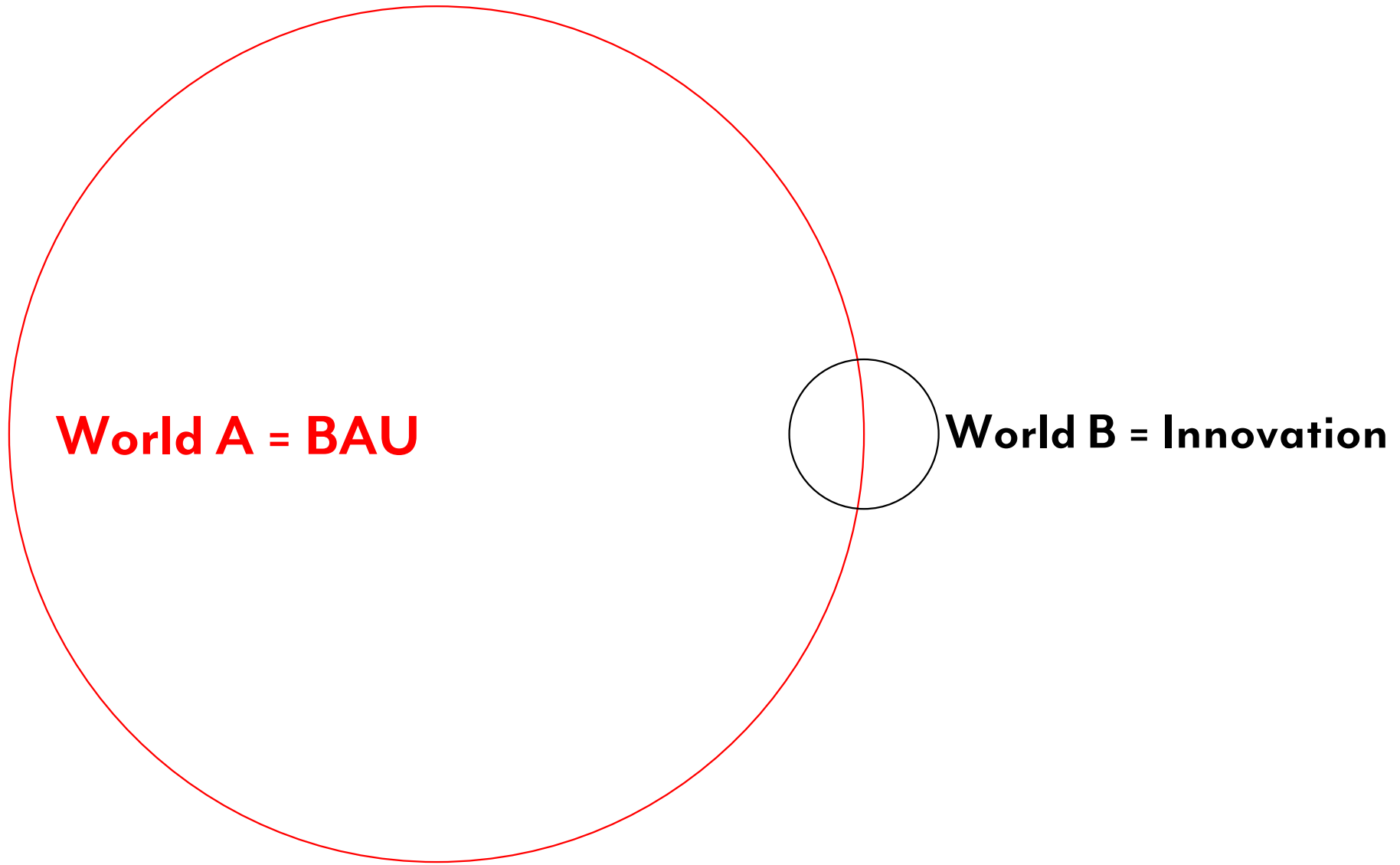
effective strategy in complex systems is a practice

(it is about what you actually do not what you might do)

there is a cultural mismatch between BAU vs complexity



World A = BAU



World A = BAU

World B = Innovation

World A = BAU

imagine business as usual as a movie – describe it

vs

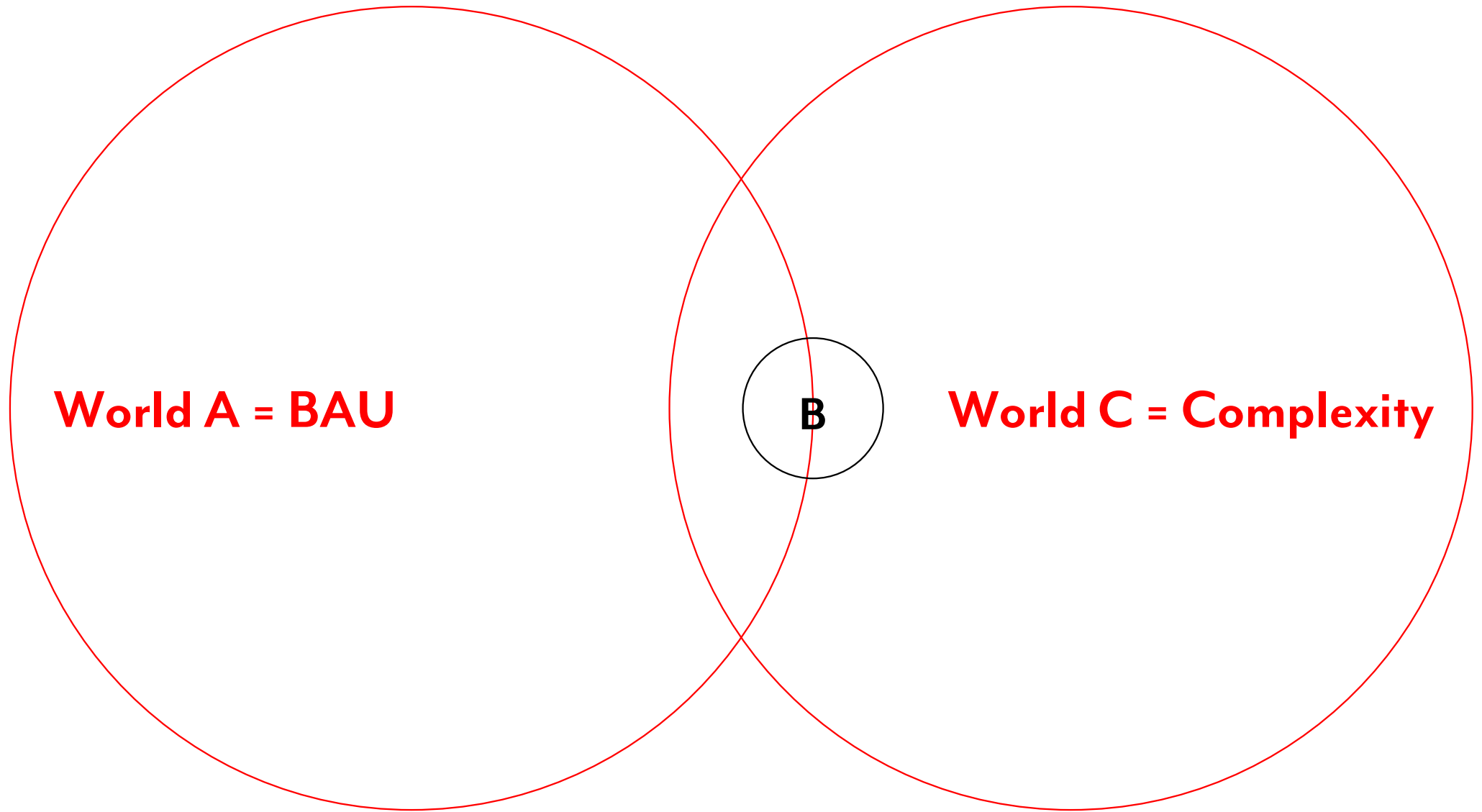
World B = Innovation

World A = BAU

vs

World B = Innovation

imagine “innovation” as a movie – describe it



World A = BAU

B

World C = Complexity

World A = BAU

VS

World B = Innovation = bridge to complexity

imagine “innovation” as a movie – describe it

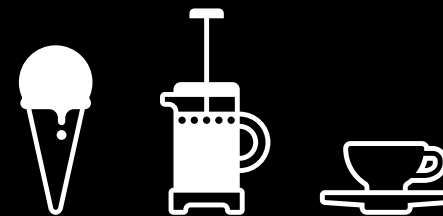
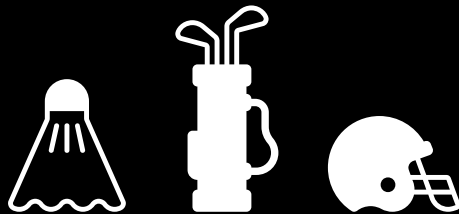
axiom 13

**effective strategy in complex systems is an infinite game
(not a finite game)**



James P Carse

**“A finite game is played for the purpose of winning,
an infinite game for the purpose of continuing the play.”**



A-World

**Technocratic
Hierarchical
Planning
Players vs Counter-players
Management
Finite Games
Flatland
Epistemological
Power Point
Tactical
Short-Term**

**Symptoms
Low ROI
Neo-Soviet
Fear
Silo
Complicated
Technical
Fragile
Linear
Diktat
High Risk**

B-World

Practical

Flexible

Prototyping

Non-Players

Facilitation

Infinite Games

Real World

Phenomenological

Experience

Existential

Strategic / Tactical

Long-Term

Low Risk

Causes

High ROI

Entrepreneurial

Opportunity

Whole

Complex

Adaptive

Anti-Fragile

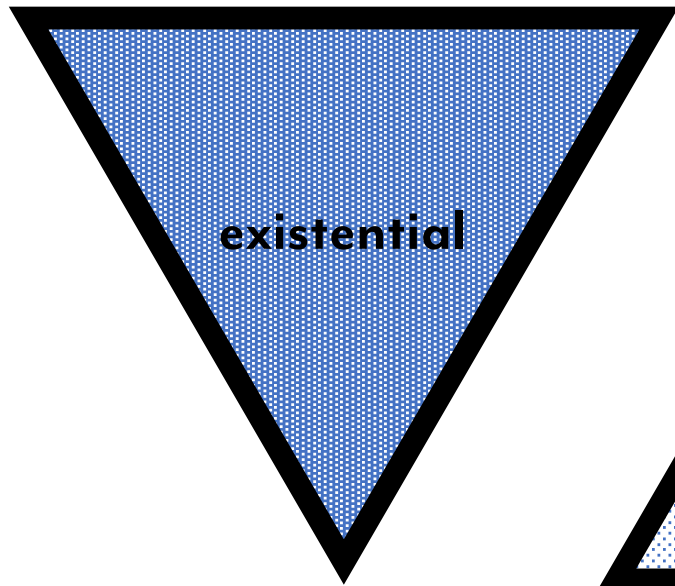
Iterative

Negotiation

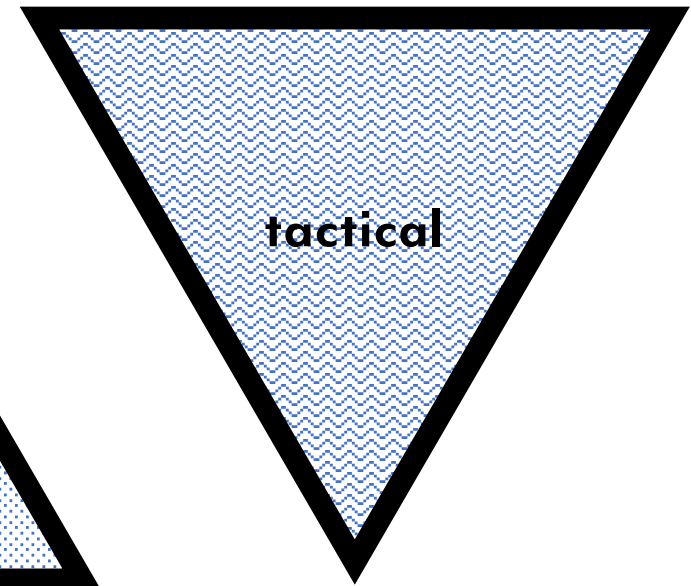
the three practices of effective strategy



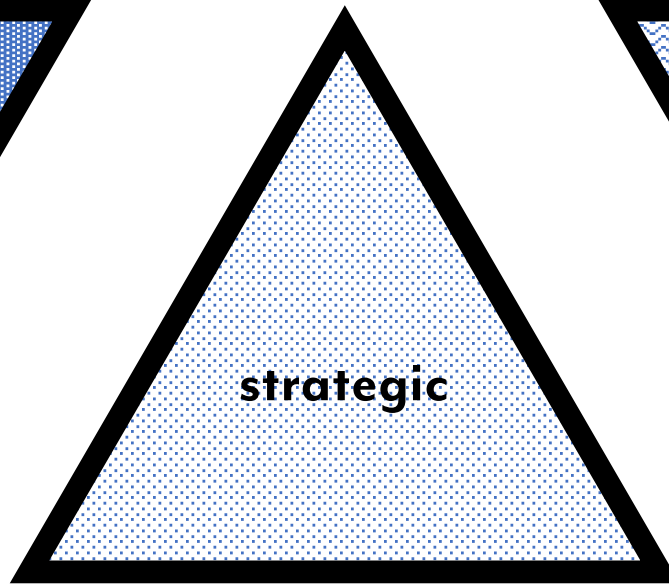
strategy as story-telling



strategy as action



strategy as inner-game





thirteen axioms of complex challenges



axiom 1

paradigms are built from practices ;

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and customs**



axiom 2

you cannot “practice” two contradictory paradigms at the same time ie. the world is both complex and non-complex



axiom 3

**non-complex systems are always part of complex systems
and you can't hide from complexity**



axiom 4

**we adapt and learn our way into catastrophic failure
one day at a time**



axiom 5

**if demand is increasing and supply is constant or declining
in any system, it is heading for catastrophic failure
(which is always complex)**

axiom 6

there are multiple pathways for avoiding catastrophic failure, leading us to to desirable future system states but they are all emergent (unpredictable)



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we live in an era of the law of regression to the tail



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the best teams are the product of reflexive practice



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(not a finite game)**

foundations of complexity

part one / an introduction to complex challenges

part two / an introduction to effective strategy

part three / an introduction to multiple capitals

part four / the architecture of complexity