THE ME, WE, ALL APPROACH

Circular resilience

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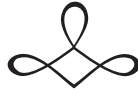
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Foreword

A human being is a part of the whole called by us universe, a part limited in time and space. He experiences himself, his thoughts and feeling as something separated from the rest, a kind of optical delusion of his consciousness. This delusion is a kind of prison for us, restricting us to our personal desires and to affection for a few persons nearest to us. Our task must be to free ourselves from this prison by widening our circle of compassion to embrace all living creatures and the whole of nature in its beauty.

Albert Einstein

From 2020 on, it once again has become obvious that change and dynamics rule our lives. In an unpredictable and unplannable environment, organisations must adapt to changes and handle them with resilience. Unexpected and undreamt challenges occur rapidly and have an even more profound impact. Problems are becoming increasingly complex. Equilibriums have evolved fragile and perplexed quicker and more radically. Changes and disturbances of this century require adequate responses from organisations whether private, public, for profit or non-profit, their management and the people and from us all who share the world.

The continuous research of the two main authors on organisational and societal change in the past few years has resulted in the 'Me-We-All' approach, which this book concludes. The same types of problems occur to individuals, organisationsand society in most cases. High competence in management within humans and organisations is crucial for our success.

Management and people, in general, operate alongside known facts and norms; conversely, innovation is the response to the unexpected and unthought. Knowledge and innovation generated further developments resulting in an ever-changing speedy world. But do such actions guarantee continuity or sustainability? We are increasingly facing the dark sides of our developed societies, bearing risks for the near future generations.

Believing in rights for welfare (health, education, job and home) for everyone ('All'), consisting of individuals ('Me') gathering in any form of an organisation ('We') have the duty to respect each other and the mother nature ('All').

Many years of searching for the secrets to the sustainable success of any organisation made us conclude that no innovation, sales, services, or technology make any sense without humans. So, reaching success is in the right skilled professionals with the right attitude. And what is 'right' depends on our goals and initiatives, but one thing seems clear: We cannot afford not to respect others and our surroundings.
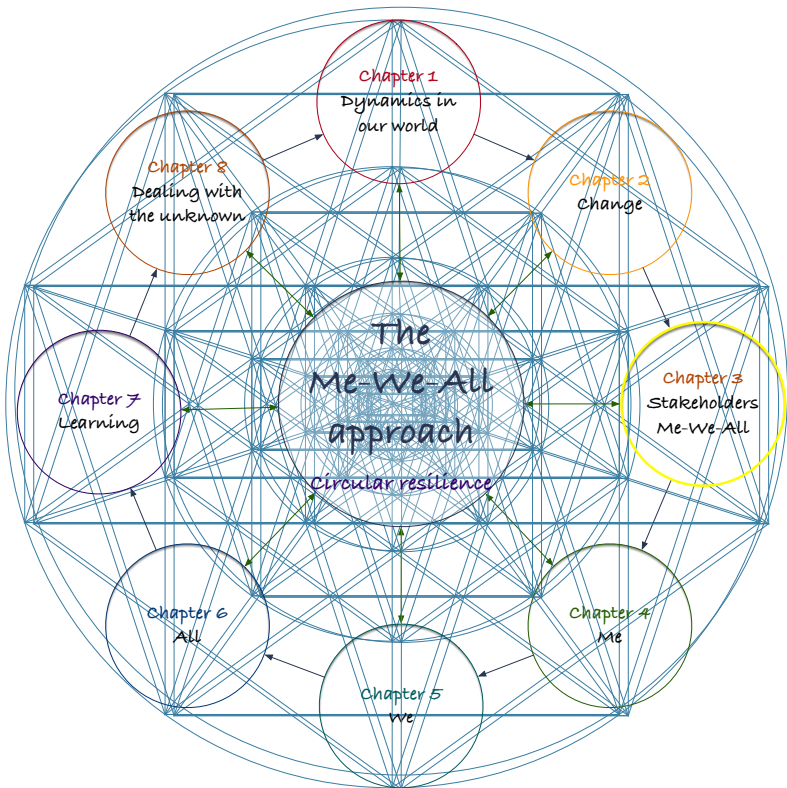

Figure 1: The structure of the book

In this book, we start to investigate dynamics and the changes carrying risks and opportunities for our present and futures from an individual,

an organisational and a societal perspective. We give scientific reasons and explanations for what is happening in our world, how we can handle them and what tools may be helpful in dealing with the necessary changes.

Even though there are many scientific wordings of the problem and just as many offered tools to solve them, still, we are unable to predict what the future brings. In chapter 1, we realise that the real challenge is not only what methods to use to be resilient, open, acceptant, and reactive to the coming changes, but also to be aware that many of the changes are unpredictable. These insights underpin that the current societal developments require a growing need for adaptivity and resilience, as explained in chapter 2. We, therefore, introduce the Adaptive Cycle of Resilience (ACoR) model that plays a central role in the rest of the book. The traditional approach of building knowledge and skills, to better deal with organisational issues, does not work well any longer in our dynamic world. The growing needs in a complex (or even chaotic) setting we are in, require the ability to answer questions we do not know yet.

Dynamic developments within and in the vicinity of organisations demand significantly more attention as they influence at the organisational level. These developments also have an immense or even disruptive effect on individuals participating in the organisation. And finally, the interaction of organisations has emerging impacts on society. In chapter 3, we are dealing with these developments on the three identified levels, which we cannot elucidate with a single and unified answer. We are in the middle of a paradigm shift from a 'Me-We' perspective, as was common the last couple of decades, to a 'We-All' perspective with growing attention to sustainability and circularity, which is a necessity on a physically finite planet.

We need to deal with the 'Me' perspective, even when talking about organisations and society. Chapter 4 is about human development and working styles. 'We' is the central instrument between 'Me' and 'All'. To make the shift from the 'Me-We' paradigm to the 'We-All' paradigm, we need to re-identify and redefine 'We', as seen in chapter

5. Defining the 'We-All' paradigm highlights the importance of ecosystem and cooperation, as described in chapter 6.

The 'Me, We and All' perspectives shed a different light on the current learning and education mechanisms. Adaptivity and resilience are not only a 'Me' and 'We' problem anymore. Global issues, wide reach, transnational magnitude, objectives and responsibility are more and more unclear. This requires us to think about future learning mechanisms. Chapter 7 introduces an integral life-long learning approach based on motivation, de-linearised learning, cooperative learning and the eight ways of learning. Using the Adaptive Cycle of Resilience model as a central mechanism, learning is key for resilience and adaptivity.

The Authors wish you an enjoyable voyage discovering the 'Me', the 'We' and the 'All' for a brighter future for the three!

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Chapter 1

Dynamics

"The Law of Accelerating Returns; according to which the rate of change in a wide variety of evolutionary systems (including but not limited to the growth of technologies) tends to increase exponentially."

Ray Kurzweil

1.1 The changing world

Kurzweil argues exponential growth of diverse forms of technological progress. Whenever a technology approaches some kind of a barrier, according to Kurzweil, a new technology will be invented to allow us to cross that barrier. He predicts that such paradigm shifts have and will continue to become increasingly common, leading to "technological change so rapid and profound it represents a rupture in the fabric of human history". He believes the Law of Accelerating Returns implies that a technological singularity will occur before the end of the 21st century, around 2045, which may suggest faster and more profound change in the future and may be accompanied by equally profound social and cultural change.

We know, change is of all times and the implicit need of people striving for a new equilibrium is also of all times. However, we have to realise that the last decades modern technology indefinitely is speeding up this process and does not stop on a certain moment. It is really a continuous process. Reaching for a new equilibrium after a specific challenge also immediately plants the seed for the next challenge. More important, the challenges we face in this speeding up are unpredictable and new. So they need anew thinking and anew approaches.

Beck (2002), an often-cited author on unpredictable change, describes the world as a system that no longer can control or even tell the risks it is facing. "World risk society" results from the speeding modernisation. Individuals, organisations and the whole society keep experiencing the influences of modernisation in many fields of actual life.

Peter Singer (2002) describes globalisation as an important cause of uncertainty and risk. Globalisation has created one world where long and short-term local events and behaviours have severe effects on people, organisations and societies everywhere on the globe and organisations become more and more intertwined with their environment. This broad focus on all levels and interactions of our current life made us decide to introduce the 'Me-We-All' trinity to represent the individual, organisational and societal issues we face in contemporary times.

Figure 1.1: Me-We-All: People-Organisations-Society

Global (external) events influence us all and the risks they may face. Adam Rose (2007) described unexpected events as of today's dangers or disasters. Recently we were confronted with examples of these events like the Coronavirus, the Asian Tsunami, or the World Trade Centre attacks. He states that we cannot predict disasters in current reality because of their unexpected form, magnitude and location. Barnett (2001) says that the effectiveness of proposed prevention measures and solutions is also uncertain ('uncertainty of effective solutions') due to the uncertainty of occurrence and magnitude of the disasters ('uncertainty of impact'). We need to be aware that unexpected events on a global level do not cause all the changes. They may also arise on an individual level, within the organisation or from the outside world.

Some events and factors are visible from an *internal* perspective, and we may experience them in our internal environment. They appear in the mission statements, culture, and leadership style, which influence corporate and societal activities and the decisions, behaviour and attitudes of the people, systems, structures and conditions inside the organisations and societies. These internal factors deal with the cooperation of individuals in any form of system. They should be

under organisational or societal control because any change to the elements affects the system.

External challenges are factors that occur outside of the individual or organisation. Such factors are, for example, customers, economy, competition, technology, political, social and environmental conditions, and resources that influence the organisation/society and may cause change within it. These challenges are often beyond the control of the individuals (or management within an organisation). Ignoring external factors may cause severe damages. Therefore, the people's role in monitoring and adapting to the external environment is significant. Proactivity is then a must, so intervening earlier may be more efficient than having a reactivate approach that can have a vastly different outcome.

By adapting modern risk management approaches, people will try to be prepared to deal with risks, disasters, crises, etc. In the last decades, there has been increasing attention towards risk management to deal with dynamic developments that take long enough to affect some of the actions and activities that follow (Hollnagel, 2014). The source of these developments is not always apparent. Therefore, further attention is necessary to predict the changes. These challenges often have an immense or even disruptive effect on how we cooperate. An important reason for this is that it becomes increasingly clear that we can no longer assume that current successes will be sustainable in the future. Looking at modern organisations, we can see that they confront with this development more frequently. Dealing with changes is not simple, and it cannot elucidate with a unified and straightforward answer. Information is the critical resource with which we can better understand the developments inside and around us. Information management is thus of growing importance for many systems.

Indeed, in larger, information-intensive organisations, information management lies at various levels: system administering, database consistency, guiding methods for developments and translating the entity's information needs into applicable systems. These crucial elements for effective change management should be arranged at departmental or unit level. Overall, good availability of information is vital.

These insights are incredibly relevant in the light of general assignments for both commercial enterprises and governmental organisations. The primary objective is often to create a setting where any participant feels represented and bound by shared values and norms within the organisation or the society. We should order them so that cooperation flourishes towards reaching shared objectives. Such intervention will result in a setting of proportional giving and taking, and thoughtfully balanced, not only materialistic interests. Cooperation brings better results where the involved individuals feel more committed. Commitment supposes involvement and sharing of knowledge. Dealing with change means dealing with knowledge and information and involving all relevant stakeholders in the process.

1.2 Preparing for the change

Preparing for unpredictability

The fact that contemporary developments are highly dynamic and changeable is broadly recognised. Professional literature provides us with countless references to this. There is no doubt that people find it very difficult to cope with changes, which are unpredictable on many occasions. But unpredictability does not only threaten but at the same time bring new opportunities.

Figure 1.2: Perceptions of change

Scharmer (2007) observes that we live in an era of *intense conflicts and massive institutional failures* that may result in unforeseen disasters and hopeful innovations. Beer (2003) notices that "it is hardly news that in this environment, firms will have to possess the capacity to adapt or suffer the consequences – low performance and ultimately death and

destruction". These examples point out that everyone should pay serious attention to developments to live with the opportunities that unpredictability offers. The complexity of these issues has received more and more attention for quite some time (see a.o. Allen and Varga (2006); Anderson (1999); Benbya and McKelvey (2006); Kauffman (1995)).

Globalisation, competition and non-linear changes characterise the environment in which systems function, according to Maula (2006), and they are unpredictable. Just as well, the speed of these changes may vary. However, given the unexpected changes and the frequency they occur, recognises a specific cyclical characteristic of the development. Perez (2002) distinguishes five major revolutions in the past few centuries. Starting with the industrial revolution in 1771, then the steam revolution (1829), electricity (1875), oil (1908) and, last, the revolution of information technology (1971). All revolutions have developed identically, although nobody could predict them. Van Praag (1986) describes a general view of these developments. He distinguishes five phases that characterise cataclysmic events. In the first methodological phase of the revolution, new ideas arise that are the basis for the development. In time, these ideas are adopted by science, which examines the development thoroughly and ultimately. Then the binding experiments (and failures) translate them into technological progress. The implementation of this progress leads to a social phase, clarifying the impact of the development. The ultimate incorporation of the change in the economic and cultural system completes the revolution and marks the moment nobody can withdraw from this development. Both Perez and van Praag observe that this cultural phase is ultimately followed by a methodological period that heralds a new revolution. The cycle will be completed at this stage, and a new one will start to evolve.

Based on the reasoning above, Land (2003) indicates that organisations as open systems are going through cyclical learning processes. They successively find themselves in a relatively *stable* situation alternating with phases of instability and facing *dilemmas*. Mind that this also counts for individuals as well as on a societal level. When systems are in dynamic contexts, these dilemmas may appear everywhere, and in

many cases, they form severe problems (Kahane, 2004) for which no solutions exist. Johnson (2014) identifies this thinking as Polarity management when there is no best way to organise the solution searching process and dynamics put the organisations in a permanent mode of change. Abcouwer et al. (2006) call it 'thinking in polarities' or metamorphosis, characterised as:

- A permanent state of balancing between polarities where the domination of a pole changes in time without losing contact with the other pole,
- stepwise and sudden development to higher levels may lead to alternating states of challenges and equilibrium,
- a continuous change of attention between inside versus outside the organisation, such that periods of accelerated and delayed transformation alternate with each other,
- the presence of interlocking but qualitatively different life rhythms.

The questions we face in these dynamics are how people will govern developments in such complex situations to make the necessary adjustments. In this situation, one often links to the product life cycle in which the successive phases of introduction, growth, maturity and decline occur (Abcouwer, Truijens, et al., 2006; Porter, 1980), and recognising it can help predict and prepare for changes. In the different stages of this life cycle, other imperatives are used. We can identify this in the accompanying figure, where we focus on the behaviour of any form of system, both on an individual, organisational or societal level.

In the introduction phase in the cycle, a forced focus on the *customer* is leading, in the next phase the imperative comes from *stakeholders* to facilitate the growth. When becoming successful, the focus moves to the *competition* that comes in to take their part of the market potential. In these three imperatives, our priority is externally oriented.
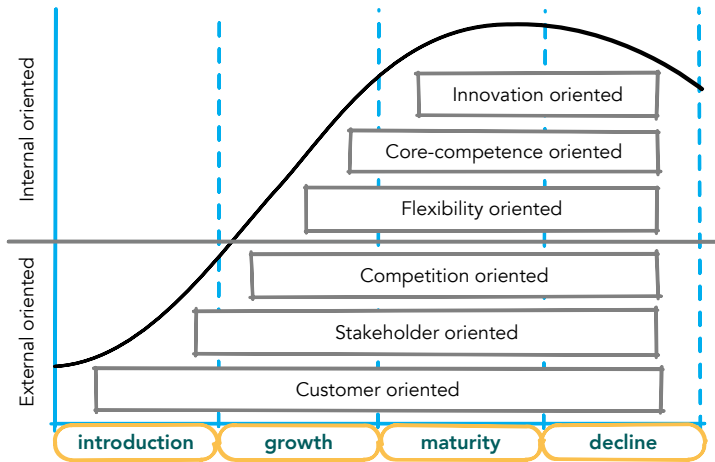
Figure 1.3: Product life cycle

However, to survive, the internal structure of the system must be well organised. *Flexibility* to build *core competencies* will be essential to make the system *innovative* to survive the coming disruptive change.

To overcome unpredictable disturbances and further develop the system, we need to *initiate a new introduction phase,* preferably at the end of the maturity phase or as early as the decline with its chaos or crisis already begun or recognised as a threat. It is not a natural development for the management. They reckon with variables within the reference framework and time frame they use. In this regard, past decisions influence now and the future to a high degree. We denote this phenomenon as 'path dependency', see a.o. Pierson (2000).

Fiske and Taylor (1991) regard these developments within the ruling worldview and call it framing. In practice, a manager will usually embroider on the experience accumulated in the past. A proven solution in the past cannot guarantee earlier success when the context changes. The same operation cannot be efficient in the new situation. Taking the past for granted can have an even more negative impact on the overall functioning of the system.
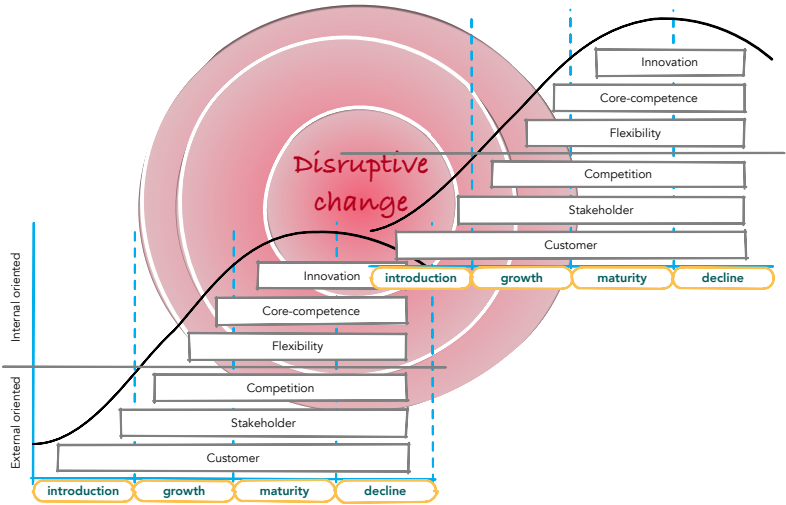
Figure 1.4: Growth in a changing environment

Not being cautious and prepared for future developments in society, and in the meantime, trusting upon old abilities and skills will lead to a growing risk of decline. Miller (1990) observed that 'success leads to specialisation and exaggeration, confidence and complacency to dogma and ritual.' Furthermore, 'strength so often seduces us into the excesses that cause our downfall.' Gunderson and Holling (2002) point out that from the rigidity created by past behaviour, systems and organisations inevitably face accidents to come. Finally, Christensen (1997) observes that the 'better' the management was in the past, the more chance that disrupting developments will not be recognised. He calls this situation the "Innovators' Dilemma". Incremental improvements in general work well within normal sustaining or strengthening actions. Still, these are often missed or overlooked from an evolutionary perspective in the cases of real threatening challenges. From that perspective, we may expect that the solutions based on incremental improvements will not lead to a durable solution. Predictably, we can expect changes and/or crises to appear.

The other problem with unpredictability is the number of variables that a system can process without becoming unstable. According to the

Law of Requisite Variety, "control can only be obtained if the variety of the controller is at least as great as the variety of the situation to be controlled" (Ashby's Law, Lewis and Stewart (2003)). According to Beer (1981), to maintain security and equilibrium, the organisation needs to have more variables/variations than its competitors and/or the environment in which it finds itself. In practice, when dealing with so many variables, management strives to keep developments manageable by utilising *standardisation and specialisation*. It may result in a reduction in the number of variations that may leave important ones behind. On the other hand, in practice, this is considered good management. Christensen (1997) and Miller (1990) observe that this is where the inability of the management lies regard to dealing with disrupting developments that may lead to crisis. In such a situation, "good" management leads to increased vulnerability with all its risks. Is the Law of Requisite Variety still relevant in a setting that deals with challenges? This law focuses on controlling the events and disruptive change, but we also should consider non-linear developments and growing vulnerabilities. Taleb (2010) states that systems become more fragile under the influence of two factors: specialisation of the system itself, resulting in less flexibility to respond to developments and the increasing complexity of the environment. Later, this increases the need to react to - often unforeseen - consequences. The results are external disruptions that we can foresee to a fewer degree, and usually counterbalanced. Combining these two tendencies makes the system more vulnerable to future challenges.

Predictability and unpredictability

Predictability is a consistent repetition of a state, a course of action, behaviour, or alike, making it possible to know in advance what to expect. It is also the quality of being regarded as likely to happen, as a behaviour or an event. In change management, predictability in both senses is crucial: it is easier to formulate a set of actions (a strategy) for predictable changes than for random, unpredictable ones. Predictability is about forecasting. Forecasting is about planning. But not all developments in and in the vicinity of the organisations are anticipated. Preparing for the changes requires goals, confidence and objectives. However, it is sometimes impossible to predict changes when they come out of the blind. Therefore, systems prepare

themselves by identifying their goals and how to reach them. Designing a strategy is about planning to forecast and deal with predictable and unpredictable events and how the organisation should behave on certain occasions, whether they are foreseeable. Such a strategy establishes a framework and alignment and focuses on all persons involved, letting them know their roles and how they can support the systems' objectives. Devoting employees can ensure more efficient operation. Regular teamwork and examining colleagues' forecasts can create a platform that captures and aggregates goal likelihood and quality ratings. All these enable managers to quickly spot the objectives in jeopardy and intervene to keep them on track. Implementing such a cooperation system requires strong leadership from the management and organisational culture of trust. Confidence and regular communication can expand predictability beyond subordinates and their superiors. Managers who embrace such an inclusive system will be much more successful. This approach will merely be successful in a predictable setting. Dealing with unpredictability requires a different approach, of which several are available and practised in real life.
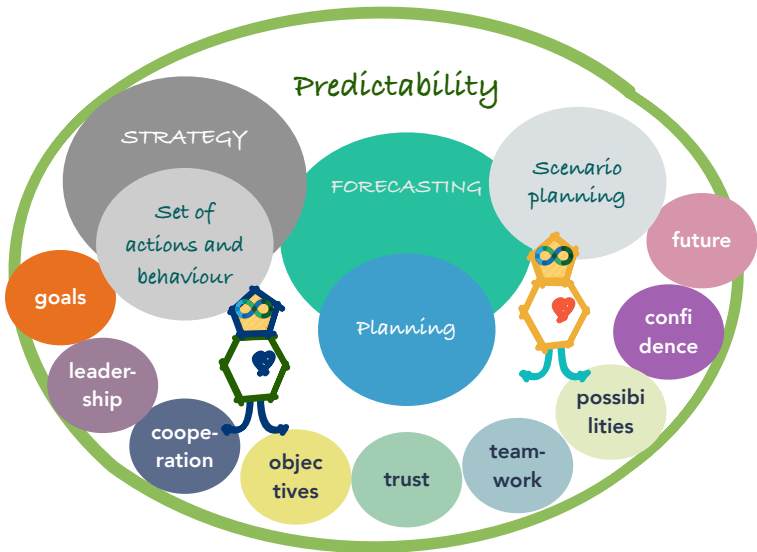

Figure 1.5: Predictability

Scenario planning

In the article by Lawrence Wilkinson (1995), *Planning for long fuse big bang - problems in an era of uncertainty* describes scenario planning. Given the impossibility of knowing precisely how the future will play out, a good decision or strategy to adopt plays out well across several possible futures. We draw scenarios to find that 'robust' strategy, and each scenario must diverge notably from the others. They are essential, specially constructed stories about the future, each modelling a distinct, plausible world in which we might someday have to live and work. Scenario planning aims not to pinpoint future events but to highlight large-scale forces that push the future in different directions. It is about making these forces visible so the planner will at least recognise them if they happen. It is about helping make better decisions today.

Scenario planning helps to find a wide range of possibilities and build a set of scenarios to compensate for mistakes in decision making that may arise from the practices in the past. The basis is identifying trends and uncertainties, requiring ideas, knowledge and experiences from every level of the organisation. It starts by identifying and defining the scope and timeframe, the relevant stakeholders, the trends with impacts on the extent of the range, and the key uncertainties (events, developments and their relations). Based on these pieces of information, building the initial scenario subjects by dividing the positive and the negative or harmful elements or choosing the most threatening and important ones. Double-checking consistency is crucial for receiving a more precise picture. We must see whether the trends are compatible with the identified timeframe, how we combine the chosen scenarios with the outcomes of the uncertainties, and if the stakeholders are the real ones, which with we may reach results in case of changes happen. This first test will highlight some subjects you did not think about earlier and some irrelevant issues you should remove. We may weigh the importance of the elements of your drafted scenario to have a better view of relevance and the field you need to have more in-depth research and learning. After each further development of the options, a check on internal consistency is a must and where possible formalising a quantitative model for the interactions and consequences. The last step will be the development of decision