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Guest Editor: Julie Allan



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Wisdom in a time of systemic change

Barbara Heinzen



The Industrial Revolution was an amazing transformation, with a fatal flaw. Here I explore six skills that are central to successfully travelling our current transformational times, to making beginnings instead of bemoaning collapse. I argue that these practices, perhaps wise in themselves, will help individuals and organisations surface the wisdom to create resilience and sustainability. I give a practical example of the Barbets Duet, a long-term project drawing on Western and African knowledge in service of new futures.

Keywords

wisdom, ecosystem, systemic change, adaptive cycle, resilience, Barbets Duet

The compelling need for Wisdom

Between 1100 and 1300 AD, the English population grew from two million to six million people. By 1400 AD, the population was down to two million again. It did not return to its peak until 1750 AD – four hundred and fifty years later. During those centuries there was a comprehensive reordering of society's rules and relationship to the natural world. What emerged and spread – more by accident than design – was the Industrial Revolution, a local English evolution that became a global ambition.

Despite its huge successes, there was a major flaw in the Industrial Revolution: it assumed that the natural world would always support us. This was never true. Now we must learn to include ecosystems in our economy and restore the natural wealth on which human societies depend. This will not be easy. Not only have we de-stabilised the ecosystems around us, but our human systems are also more crisis-prone as recent financial instabilities and terrorist attacks have shown. Recurrent crises are likely as we make an uncomfortable, unpredictable and at times exhilarating transition to a new social-economic system. To survive this period, companies and other organisations will need wisdom as well as the skills of resilience and systemic invention. Six of these transformational skills are described here.

- 1. Understand the limits of control
- 2. Discover new management norms
- 3. Create and tolerate experimental spaces
- 4. Expect unexpected competition
- 5. Learn through radical engagement
- Develop new habits of mind

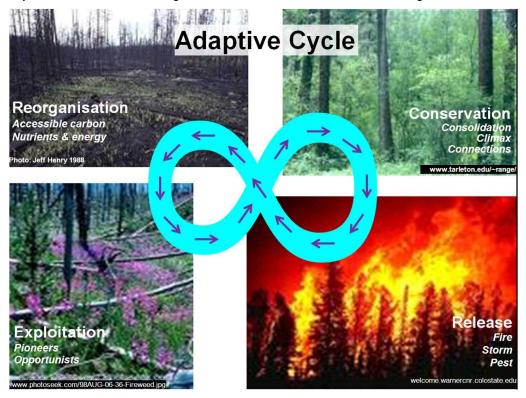


Skill #1: Understand the limits of control

The first skill is one that many would recognise as wisdom: understanding the limits of control. This skill was dramatically illustrated in Wyoming's Yellowstone Park where small fires were suppressed for many years. In fact, fire is a normal feature of Yellowstone's ecology. After a fire, weedy pioneering species return first and wildflowers bloom in the sunlight. As the forest grows back, more plants, animals, birds and insects move in. Slowly, over decades, all the nutrients and energy of the landscape are bound up in the tightly connected web of a new mature forest. Eventually, another fire strikes or a pest attacks or a storm blows down the weakest trees. The intricate connections are broken and the stored energy of the system is released. The opportunity for a new, reorganised collection of plants, animals, insects and birds emerges, fed by the nutrients released during the crisis of destruction. With each local fire and reorganisation, a diverse forest mosaic is created.

Although this dynamic is normal, for many years the United States Forest Service quickly put out every small fire in Yellowstone, allowing a flammable stockpile of litter to accumulate over a wide area. When huge fires exploded in 1988, they burned for months until cooler, wetter weather arrived. Instead of increasing protection, the Forest Service's policy of control had increased the danger of widespread conflagration.

The 1988 fires illustrate the paradox of control: preventing small crises increases the risk of larger ones later. This is the Rigidity Trap described by the Resilience Alliance, people who study the dynamics of social-ecological systems. They use the figure of a 'lazy-eight' to illustrate the Adaptive Cycle of complex systems¹. They also describe the Poverty Trap, where it is impossible to move forward because conditions are chronically unstable, thanks to disagreements or indecision or constant change.

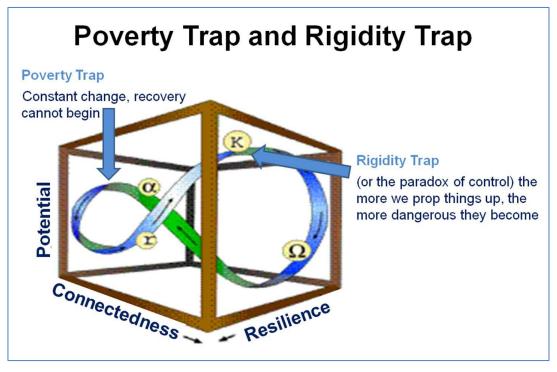


Adapted from: What Barriers? What Bridges? by C.S. Hollings in Barriers and Bridges, editors: Lance H. Gunderson, et al. 1995, p.22

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¹ For an expanded description on the Resilience Alliance's cycle, see http://www.ecologyandsociety.org/vol17/iss1/art26/figure2.html





Central diagram can be found at http://www.ecologyandsociety.org/vol17/iss1/art26/figure2.html

Organisations today face an unenviable conundrum: if uncertainty is normal and crisis is both necessary and inevitable, what can and should be controlled? What, as a member of the Resilience Alliance once asked, is enough stability to remain effective and enough instability to remain relevant? Answering this question is a challenge for the wisest of organisations, but will help to develop *Skill #1: an active understanding of the uses and limits of control.*

Skill #2: Discover new management norms

When an organisation's context is stable and predictable, the managerial rules can be simple and firm. However, what happens in a time of systemic change, when crises and unpredictable conditions are chronic? It requires the greatest wisdom to understand what rules are still important when such conditions prevail.

Clearly, where operations are risky (as in oil refineries or shipping) the rules still need to be strict and clear. However, in a time of change, 'rules of thumb' shaped by values and guiding principles become more important precisely because there is no clear answer. With core values in mind, rapid learning becomes the key to survival. When things inevitably go wrong, instead of blame, it is wiser to ask: "What worked, what did not, and what is the way forward?" The wisdom here resides in knowing when to apply strict rules and when to be guided by rules of thumb based on values and principles.

The management of information also needs to be redefined. Sharing information at a time of confusion helps to interpret the information we have. Frances Wesley and her colleagues report that among the herding peoples of Ethiopia *dagu* is the courtesy of sharing information about rainfall, vegetation, water and

^{3 &#}x27;Error-embracing' was a favourite phrase of Don Michael, who wrote 'Learning to Plan and Planning to Learn.' (Second edition with new Forward from Miles River Press, Alexandria, Virginia, 1997). The question used here comes from an interview with Rose Fenton and Lucy Neal, the founders of the London International Festival of Theatre which routinely brought experimental productions to London's streets, warehouses and theatres.



² This thought came from Professor Stephen Carpenter, who was speaking at the 2008 Resilience Conference in Stockholm. See www.resalliance.org/1.php for more information about the Resilience Alliance. Professor Carpenter was also responsible for the Millennium Ecosystem Assessment global scenarios. See www.millenniumassessment.org/en/Scenarios.aspx

disease (all highly unpredictable in arid lands) in order to discover any patterns. When paths cross and people meet, they sit down to share information, creating a collective wisdom from all the evidence available. This custom is so important that *dagu* is one of the first courtesies children learn.⁴ Corporate confidentiality and patent protection are still needed, but in a time of change, the ability to know when and how to share information is also essential.

Another management norm that will change in a period of transition is the definition of achievement. Most corporations reward production and profits. In a time of change, however, managers who increase the organisation's long term survival and resilience also need to be recognised even though the importance of their decisions may not be apparent until a crisis hits or circumstances change.

These are three examples of the kind of internal rules needed to encourage resilience, innovation and alertness. They define wisdom in the most practical terms and are the essence of *Skill #2*, *discover new management norms*.

Skill #3: Create and Tolerate Experimental Spaces

In the late 1990s, an executive and his team from a large and successful multinational began an experiment to invent new environmental business models. After two or three years, this executive was offered promotion, but asked to stay with his team a while longer as his experiment was still young. His request was refused and his initiative soon died, not for lack of interest, but because it conflicted with the established rules of promotion.

This story points up the need to protect experimental spaces and encourage the people who create them. In his book, *The Living Company*, Arie de Geus talks about the need to tolerate experiments at the edges of a company's core businesses. These are often based on the perceptions of staff close to the frontlines of the business.

Companies which had managed to survive for a long time ... had done so by letting things happen in the margin ... by not coming down like a ton of bricks on every diversion in which local people seem to believe fervently.⁵

Arie de Geus describes this as 'the tolerant company'. These experiments can in time become mainstream activities, but need enough support to prove their worth and enough time to learn what is required for them to succeed.

Once again, the skill required is one of wise judgment: when should an experiment be allowed to fail? When should it expand? How can experimental spaces be protected from internal opponents threatened by new activities? How can those who attempt such experiments be rewarded in the mainstream system? All these are aspects of *Skill 3: Create and tolerate experimental spaces*.

Skill #4: Expect Unexpected Competition

One of the reasons such experiments are needed is that in a time of systemic change, competition comes from unexpected directions. The makers of buggy whips may not have seen Henry Ford as a competitor, but the Model-T car put the whip-makers out of business.

^{5 &#}x27;The Living Company' by Arie de Geus, Nicholas Brealey Publishing, London 1997, p. 172. See also his 1988 Harvard Business Review article, "Planning as Learning" http://www.sims.monash.edu.au/subjects/ims5042/stuff/readings/de%20geus.pdf.



⁴ The custom of dagu is reported in 'Getting to Maybe: how the world is changed', by Frances Wesley, Brenda Zimmerman, Michael Patton, Vintage Canada Edition, 2007. This group is also part of the Resilience Alliance.

Today's oil companies are in a similar position. For the most part, they rightly see other hydrocarbon energy companies as their principal competitors. However, they also face broader long-term competition from new industries like wind and solar. The Emissions Trading System in Europe and other carbon trading systems are also competitors as they reshape demand for hydrocarbon products. Even more broadly, there is a popular Transition movement in the United Kingdom where local people identify what each person and group can do to reduce the community's dependence on oil and exposure to the risks of climate change. Their efforts are adaptive, innovative and unpredictable, like the small mammals that replaced the dinosaurs 65 million years ago.⁶

The most radical competition comes from groups such as indigenous peoples on lands with high-value resources. For example, First Nations peoples living at Deline on Great Bear Lake in Canada's Northwest Territories greatly influenced the final Watershed Management Plan agreed with the Canadian government agencies, environmental organisations and extractive companies. The Deline leaders did not offer a competing business or business model, but a competing world view of the relationship between people and the lake.

At a time of systemic change, competitors will be arising from unexpected directions, requiring the wisdom to look around widely, beyond the usual boundaries. Those who question current values and goals are among the most significant competitors facing today's established businesses. This is *Skill #4: Expect Unexpected Competition*.

Skill #5: Learn through radical engagement

Perhaps the greatest potential for learning how to include the logic of ecosystems in our economic behaviour lies in radical engagement with non-European peoples, many of whom are credited with superior environmental wisdom after living close to the land for thousands of years. The Great Bear Lake Watershed Management plan in Canada is a good example of this potential, but it only emerged from a slow process lasting several years. As the Deline leaders met with individuals from organisations and agencies dominated by Western assumptions, the Deline introduced ideas, metaphors and concepts that had previously been hidden or ignored in negotiations. In this more radical engagement, individuals on all sides had to learn what watershed management meant for others at the table. They often encountered concepts and beliefs that were strange or practices that were highly relevant, but needed translation and explanation. Metaphors and stories became as useful as scientific analysis in understanding what management of the lake and its watershed required, thereby creating a new definition of wisdom in resource management.

Less formally, in 2008, six people, including myself, set up the Barbets Duet in East Africa, an experiment in systemic invention named after tropical birds that sing in duet.⁸ This experiment is organised around learning sites to test new ways to manage the land, increase incomes, and join or create markets that will reward people who restore or maintain healthy habitats and high biodiversity.

⁸ See www.barbaraheinzen.com→ Barbets or go to www.barbetsduet.com.



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⁶ See, for example, the Chicago Climate Exchange website is at www.chicagocllimatechange.com. The Transition Towns website is at http://www.transitionnetwork.org/.

⁷ These comments are drawn from the unpublished PhD Thesis by Ken J. Caine, 'Waterhearts and Cultural Landscapes', 2008, University of Alberta, Edmonton. The Great Bear Lake negotiation was reported by Ken Caine at the Resilience Conference in Stockholm, May 2008.

BOX 1: BARBETS DUET

Founding Principles & Partners

A mature oak tree can support 284 species of insect, provide food and nests for birds, acorns for mice and squirrels, and habitat for fungi. Its 'life' value is very high; its economic value is only realised once it is dead. Today's environmental crisis is the consequence of this paradox.

In 2009, the founding partners of the Barbets Duet met on the coast of Tanzania to create an experiment in systemic invention. They wanted to overcome the oak tree paradox by creating new economic systems that would reward people who supported the abundance and diversity of life. To achieve this goal, each partner agreed to create a 'learning site' working with his/her own land, resources, family and community. Each site would be open to anyone who wanted to learn from it and would test ways to increase biodiversity while also developing better incomes and resources.



The partners named their experiment after barbets, topical birds that sing in duet. This reflects their belief that the oak tree paradox can best be resolved by drawing on the knowledge of different cultures – in this case both African and Western.

In 2009, the first UK site joined the Barbets Duet and, in 2010, I bought land on the Hudson River to create the first North American learning site (see Box 1). All of the Barbet learning sites draw on both modern and traditional knowledge from African and Western societies, including different definitions of property rights and land ownership (see Box 2). The partners are effectively expanding their access to cultural wisdom by learning from more than one tradition.

The Barbets Duet experiment has been started by a committed group of experienced individuals who are also creating opportunities to engage with more established institutions⁹. As happened at Great Bear Lake, as they work with the Barbets Duet, the older institutions will be expanding their access to a wider pool of wisdom while also developing *Skill #5: Learning through radical engagement*.

⁹ For a more detailed illustrated introduction to the Barbets Duet, follow the link to the graphical introduction at http://www.barbaraheinzen.com/site/barbara.php?catId=37



BOX 2: MOSAIC RIGHTS v COLUMN RIGHTS

Legacies of Two Cultures in the Barbets Duet

The founding partners of the Barbets Duet make a distinction between 'Mosaic Rights' and 'Column Rights'. Under a mosaic rights system, no one owns the land, but everyone has rights to some benefit of the land under specified conditions. Throughout Africa, different areas have had different systems of mosaic rights depending on the local ecology and the culture that lives there.



Mosaic rights can be contrasted with "column rights" which are most radical in the United States. Here, whoever owns an acre of land owns the air rights and the mineral rights underground as well as everything in between – a 'column' of rights. These 'exclusive' rights use fences to keep others out. In contrast, a mosaic rights landscape is crisscrossed by footpaths, because these rights are 'inclusive', offering everyone some share in the land's wealth.

The Barbet partners believe that mosaic rights have been better at maintaining high social equity and high biodiversity while column rights have been better at supporting successful markets.

Skill #6: Discover new habits of mind

The history of pre-industrial England allows us to see what followed the 14th century's collapse and led to the Industrial Revolution. This history shows that extremity, experiment and engagement all contributed to the invention of the Industrial Revolution in England. Today we are facing new extremities of hunger, climate change and energy shortage. People are already experimenting in their own towns and businesses and there are opportunities for radical engagement wherever people with different beliefs and understandings meet. However, these 'fringes' are a long way away from the efficiency, economy and expertise that dominate management practice today. That is why the last skill to discuss is: discover new habits of mind.

One of the first new habits is another attribute of wisdom: *letting go*, especially of mental models and goals that are no longer useful. Why, for example, should a corporation be more respected for its rapid growth than

¹⁰ This distinction between inclusive and exclusive rights was pointed out to the author by Calestous Juma, Harvard University, during a personal conversation in 2009.



because it has maintained the biological wealth of a healthy watershed?¹¹ A second new habit of mind is to shift from *answers to questions*. After years of chasing certainty, we need to live with those questions that encourage exploration and experiment. A third new habit of mind is to accept the unpredictable consequences of engagement rather than the managerial certainties of tight control. By opening to the insights of those who differ with us, we can increase our inventive capacity. In doing so, however, we need to accept (as Frances Wesley puts it) that, "*Maybe is the best we have*" because we cannot always know the outcome of our actions; the world is too complex and too changeable for that. Each time we try something, learn to agree something, it is always with a tacit prayer that 'maybe this will work for a while'.¹²

These are all wiser, but often uncomfortable habits of mind required by the transition we face. That is why the last skill of systemic change is: *Skill 6: Develop new habits of mind.*

Conclusion

There is a growing number of books describing different forms of collapse. ¹³ Their authors are all writing about endings. In this article, I have written instead about the skills and wisdom required to make a healthy beginning.

There is skill involved in developing new habits of mind, in learning how to let go, how to redefine worth, prestige and value, how to be comfortable with ambiguity and uncertainty.



Photo by kind permission of Andrea Gewessler

There is also the skill of experimenting, both internally and through engagement with very different peoples and organisations on terms of equality and mutual respect. There is skill in recognising new competitors who are testing innovative business ideas and philosophies. More mundanely, there is the skill of defining new management norms suited to surviving systemic change, including the skill of learning how to share information



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in order to perceive new patterns and opportunities. Finally, there is the skill of understanding the limits – and uses – of control.

There are probably many more than six skills for managing systemic change. Not all will be needed at all times, but without them, long-term organisational survival is likely to be a more complicated affair. With them, something close to wisdom may begin to emerge.¹⁴

¹³ Collapse: how societies choose to fail or succeed' by Jared Diamond, 2005. 'A World Made by Hand' by James Howard Kunstler, 2008. 'Reinventing Collapse: the Soviet example and American prospects' by Dimitry Orlov, 2008, available at www.newsociety.com/bookid/3991



¹¹ In a 2009 interview with the Sloan Review, Jay Forrester said: "I think one of the biggest management problems is going to be to understand how to manage a successful nongrowing company — and how to get out of the frame of mind that success is measured only by growth." http://sloanreview.mit.edu/the-magazine/articles/2009/winter/50201/the-loop-you-cant-get-out-of/

^{12&#}x27;Getting to Maybe: how the world is changed, by Frances Wesley, Brenda Zimmerman, Michael Patton, Vintage Canada Edition, 2007.

About the author

Barbara Heinzen is a leading long-term strategist and scenario planner with a successful 25-year practice working with corporations, government departments and voluntary organisations in Asia, Africa, Latin America, Europe and the USA. Beginning in 1998, Barbara has designed and facilitated complex public interest scenario processes in very different parts of the world, starting in Kenya and most recently in Houston, Texas. Since the mid-1980s, she has been preoccupied with understanding the systemic change involved in shifting from agricultural and industrial societies to ecological societies. She is Coordinator of the Barbets Duet, an experiment in systemic invention, created with East African colleagues.

Barbara's website, <u>www.barbaraheinzen.com</u> offers a collection of her articles and presentations and hosts the first Barbets Duet website. A new Barbets Duet website is being developed at <u>www.barbetsduet.com</u>.



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A note about AMED

AMED stands for the Association for Management Education and Development, www.amed.org.uk. We are a long-established membership organisation and educational charity devoted to developing people and organisations. Our purpose is to serve as a forum for people who want to share, learn and experiment, and find support, encouragement, and innovative ways of communicating. Our conversations are open, constructive, and facilitated.

At AMED, we strive to benefit our members and the wider society. Exclusive Member benefits include excellent professional indemnity cover, free copies of the quarterly journal *e-O&P*, and discounted fees for participation in a range of face-to-face events, special interest groups, and our interactive website. We aim to build on our three cornerstones of *knowledge*, *innovation* and *networking* in the digital age. Wherever we can, AMED Members, Networkers and Guests seek to work with likeminded individuals and organisations, to generate synergy and critical mass for change.

To find out more about us, you are welcome to visit our website www.amed.org.uk, or contact Linda Williams, our Membership Administrator, E: amed.org.uk, T: 0300 365 1247

Invitations and notices

Happenings

Here is a selection of just a few AMED events and other milestones that occur between now and the publication of the Autumn 2012 issue of e-O&P. Everyone is welcome to come along, read or browse.

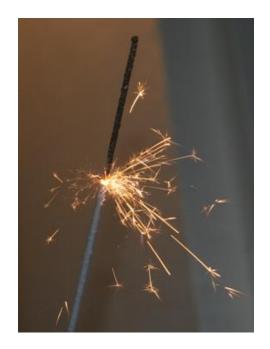
15 June - AMED Writers' Group, Exploring work-life balance, with Shelagh Doonan,	
20-22 June – Tomorrow's Leadership Conference, Buckland Hall, Brecon Beacons, <u>www.tomorrowsleadership.org</u>	TOMORROWS' LEADERSHIP
17 August - AMED Writers' Group, Developing leadership and knowledge through the social process of writing', with Rob Warwick	@
(25 July – 12 August: The 2012 Olympic and Paralympic Games) Plan your commitments to avoid the crush!	Innidon .
24 August – Publication of the Autumn edition of e-O&P: Wisdom in Organisations, Part 2 www.amed.org.uk	e- - -

For more information, visit www.amed.org.uk.

You and AMED

What's in it for you?

- Belonging to a committed team/community, having fun, and engaging with an interesting, creative, committed, diverse network of people.
- Experiencing the joy of contributing to leading edge thinking about personal, management, leadership and organisational development.
- Finding friendly support for your own personal and professional learning and development.
- Having opportunities to put into practice your insights into emergent, networked organisations.
- Experimenting with new ways of doing things.
- Gaining recognition for belonging to an outstanding community of practice – being asked to write for our journal and other publications, speak at conferences and facilitate seminars and workshops.
- Finding new business opportunities and connections through AMED connections.



What's in it for AMED?

- Lending your support for our commitment to co-creating knowledge, innovation and networking (KIN).
- Nurturing partnerships and collaborations with other like-minded organisations and networks.
- Introducing our quarterly journal e-Organisations and People to wider readerships.
- Seeking opportunities and facilitating activities for the benefit of our community.

Voluntary roles you might play

- For AMED Council, becoming:
 - A Trustee/Director if you are a full AMED Member, or
 - A Council Supporter if you are an AMED Networker.
- For e-Organisations and People, contributing as:
 - A member of the Editorial Board
 - Guest Editor
 - Author or Book Reviewer
 - Critical Friend
- Becoming Convenor of an AMED Special Interest, Local or Online Group
- Becoming an AMED Event Organiser, Facilitator or Speaker.
- Starting up and/or moderating an online Discussion Forum on the AMED website via NING.
- Initiating posts on AMED's Twitter and LinkedIn spaces.
- Becoming a contributor to AMED's 'think tank' conversations.

To find out more, you only have to ask.

Contact Linda at the AMED Office:

0300 365 1247; amedoffice@amed.org.uk; PO BOX 7578, Dorchester, DT1 9GD

