
European Systemics Seminars

The post-industrial societies dealing with complexity: knowledge to manage the knowledge society.

“How to manage the development of complex organizations...and beyond”

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Organization:
“ the action of organizing something ”

The traditional view of organization

(in few words)

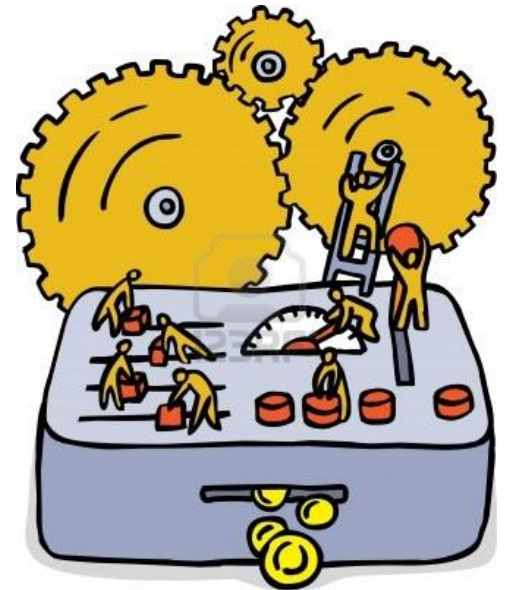
The traditional view of organization: A STRUCTURE

A metaphorical synthesis:
“ Organization as a machine ”

The characteristics of a machine must be designed
to optimize the execution of the strategy

The traditional view of organization: KEY WORDS

- Instrumentality
- Purpose
- Rationality
- Regularity



Organization as a mechanical instrument

To manage organization it is necessary to use a

Directive Command and Control Management

The traditional view of an organization: COMMAND AND CONTROL MANAGEMENT

The *Direct Command and Control Management* is based on

- **Analysis of organization**
- Programming (*methods, time of operations and results*)
- Communication (*expressing the tasks to be performed to function*)
- Control





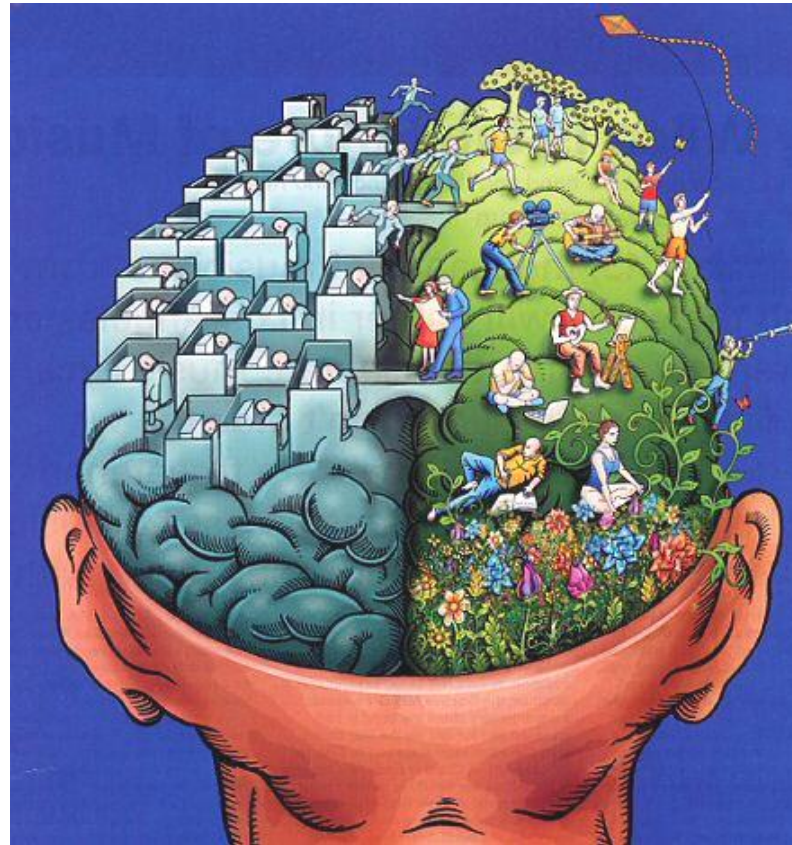
Well and... what about people???

The traditional view of organization: PEOPLE as GEARS



People are considered as systems of operative skills,
which can be **analyzed**, **used** and **improved**

“Unfortunately”



*people do not have just operating skills...
they also have emotions and cognitive systems*

“Unfortunately”

It is absolutely impossible to design procedures
that prescribe all the behaviours

People have inevitably many areas of freedom
that they can and must "fill-in"

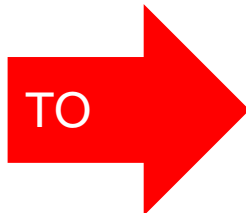
It's possible to write an “equation”

$$\begin{aligned} &\text{areas of freedom} \\ &= \\ &\text{areas of responsibility} \end{aligned}$$

PEOPLE



**Operating skills
to be used**



**ACTIVE "ACTORS"
of Organization**

It's a matter of fact!

- **People apply their own interpretation to the roles they are asked to perform**
- **People create self-evolving social networks**
(groups of people, systems of relationships)
from which behaviours emerge

First Consequence

People generate what we call

Informal Organization

Dimensions of Informal Organization are:

- Rational dimension
- Emotional dimension
- Social dimension and the system of relationships
- Anthropological dimension

Second Consequence

The **informal organization** is characterized by a **self-evolution process**

This **self evolution** process cannot be directly managed and controlled. If it is managed directly instead of just governed, its “natural destiny” is to become **self-referential**

Third Consequence concerning Command and control management

$$\lim_{n \rightarrow \infty} \left(1 + \frac{1}{n}\right)^n$$

The measurement process changes informal organization

That means that even if we could have the necessary resources to collect a complete analysis, we would not get usable results (*as the results would be directly affected by the process of measurement its-self*).

Saying in other words...

it is impossible to make an analysis of informal organization because the analysis process disturbs the analyzed object.

***To avoid the self-referential degeneration
of the self-evolution process of informal organization
it is necessary to create and to use a
New Governance Process***

The managerial challenge changes completely

“To Manage”

does not mean to make an organization function,
It means to manage the evolution process its-self

We developed a new

“GOVERNANCE” PROCESS

- To avoid self referential degeneration of informal organization
- To restart the self evolution process of informal organization

The methodology: Case Study

Tenaris Dalmine, one of the major Italian metallurgical companies, use our methodology *to reduce* the frequency and severity of on-the-job accidents and to induce a commitment to safety.

The name of the project is
“A Safety-Building Community”

The process of self change is divided into three main phases:

- 1. Setting-up the safety-building community**
- 2. Making a community emerge**
- 3. A never ending story**



First main phase

Setting the safety-building community

This phase is divided into two sub-phases:

- *Choice of an organizational issue.* In this case was the improvement of safety behaviors.
- *Choice of suitable cognitive resources.* In this case the cognitive resource was a specific model of informal organization.



Second main phase

How to make a community emerge

This phase is structured in three sub-phases:

- The Cognitive defreezing
- The social choice of useful and desired behaviours
- The Celebration

Cognitive Defreezing

To create an effective safety building community, it's necessary that people build a common view of risks and opportunities using the chosen model of informal organization.

In details ...

it's possible to manage and to build a common view of risks through two steps:

- 1. Unlocking cognitive systems of the participants**
- 2. Creating a common risk map**

The social choice of useful and desired behaviors

Starting from the map of risks and opportunities, participants **choose behaviours** that they believe to be useful to avoid risks and to exploit opportunities.

Than they make a pact to follow that behaviours

The social pact must be formalized in a public document.

The Celebration

Actually people, become protagonists of their future.

To complete the process it's necessary to socially communicate their commitment to respect pacts.

In specific it's necessary to organize an event where participants present to management and to the whole organization, the document containing pacts



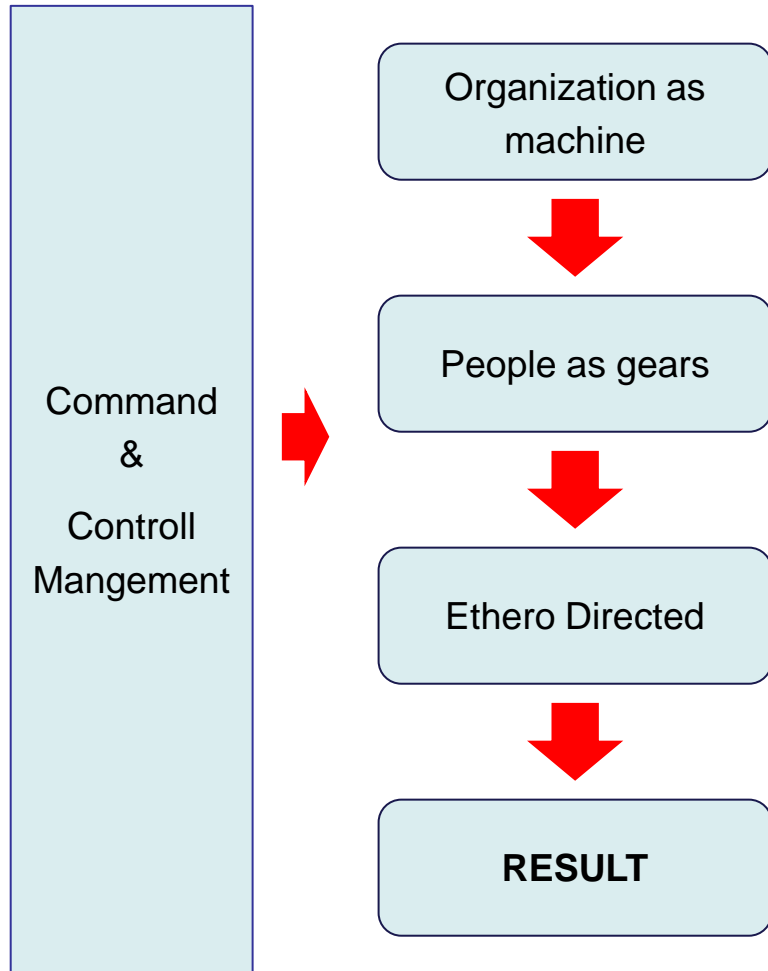
Third main phase

“Never ending story”

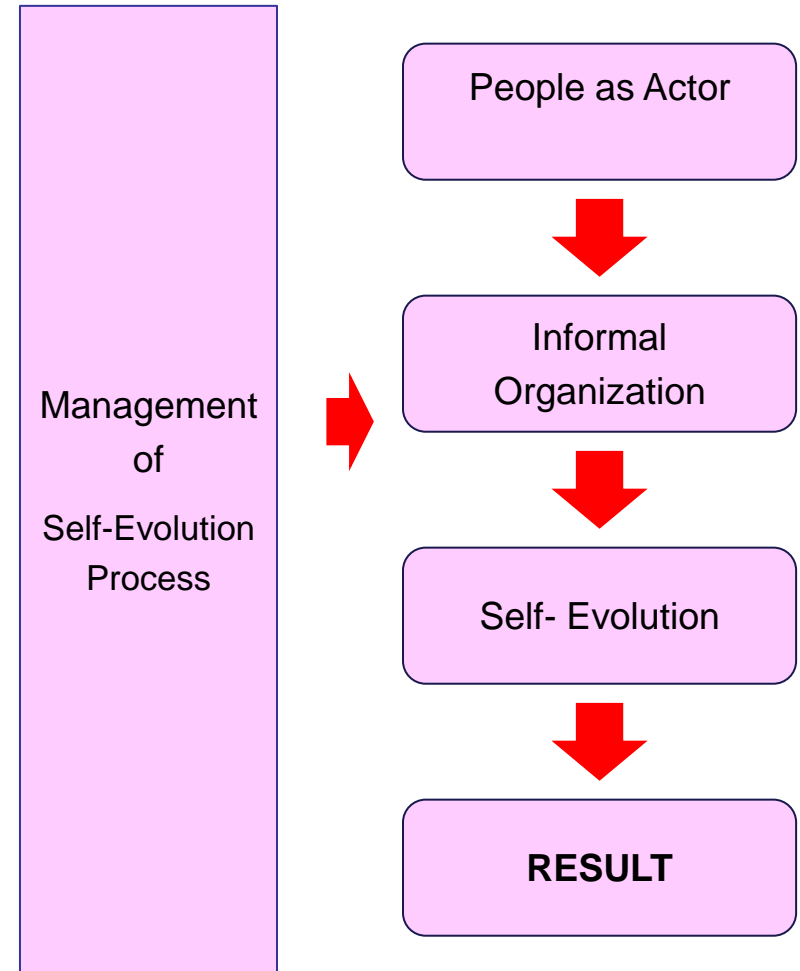
The process of self motivation and self design of the informal organization must become a never ending story.

The never ending story is made up by punctual meetings where from time to time participants and their squad chief reproduce the entire process of the previous phases

Traditional Approach



New Approach



Conclusion

The Method of governace that we have described can be generalized to the governace of development of any type of human system.





Thank You

... for your kind attention