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SYSTEMS THINKING-- THE FIFTH DISCIPLINE FOR YOUNG MANAGERS

- ⇒ In a hilarious sequence in one of his immortal films Charlie Chaplin ambles into a shipyard and finds himself right next to a big ship with no one around. He cannot resist fiddling with the ship. He notices that the ship has been tethered with ropes. In his inimitable bumbling way Chaplin loosens just one knot and to his horror finds the ship sailing away. Chaplin runs for his life before the workers catch up on him.
- ⇒ Ashok, a young management graduate from a prestigious school settles down in his new assignment full of confidence in his ability to make a difference in his new job. He initiates what he thinks are much needed changes, sure to propel the organization to stratospheric levels. Soon he meets with what he thinks is irrational resistance. Pulled up by top management he resigns.

Most young managers and often even experienced ones find it difficult to understand why people are not able to accept the simplest of changes which are in fact 'in their interest'. They conclude that they are surrounded by bad colleagues, by incompetent executives. This diagnosis is not always correct. The fact is that many of us do not have an understanding of the concept of systems.

Almost anything we can think of is a system or part of a system. Our body is a system that we can understand. Each person is part of a system—the family, community. Organization etc. Simply speaking a system is a number of parts acting as a single entity. Technically a system is an entity that maintains its existence and functions as a whole through the interactions of its parts. These parts are interconnected and work together and the behavior of the system depends on the total structure. Change the system structure and you change the behavior.

There are two issues of significance here.

Firstly, systems function as a whole so they have properties above and beyond the properties of the parts that comprise them. These are known as ‘ Emergent properties’. These properties cannot be predicted by analyzing the parts in isolation. Thus the expected performance of a team is not just the sum of the individual capabilities of the members of the team.

Secondly and conversely if you take the system apart these properties are lost. Analytical thinking sometimes does not work because of this second feature of systems. Thus analyzing the individual performance of the executives in a failed department may not reveal the correct reasons for nonperformance—the problem may be of the lack of teamwork and coordination.

Dynamic complexity is a concept young managers may not be familiar with. Consider a business team. Each member of the team has his or her moods and these can vary moment to moment. There are many ways in which these members can relate with each other. So even if the team is small in size it may have a great deal of dynamic complexity. Problems that seem to be simple on the surface may be having a great deal of complexity when probed further. Every new connection to the system—the addition of one more person for example—increases complexity, not by one, but exponentially. To understand the ‘ exponential’ bit you have only to realize that managing two people is more than twice as hard as managing one person!

In a complex system like a company or even a department in an organization it is useful to remember the following

- ⇒ The relationship between the different parts of the system determines how it works, so each part, however small, can affect the behavior of the whole. The humble peon for example can have a big effect on the working of a department as some of us may have experienced.
- ⇒ All parts of a system are interdependent, they all interact. How they relate to each other gives them the power to influence systems.
- ⇒ Arising from the above we have a useful tip on how Ashok our young management graduate, referred to in the start of this article, could have handled his situation better. The more connections he would have made the more possible influence he could have exercised. Networking, for this is what this rule amounts to, brings influence. Research suggests that successful managers spend four times as much time networking as their less successful colleagues. {Paul Luthans in ‘Real manager’ 1988}

⇒ Different parts can combine to affect the whole—a phenomenon we often dismiss as ‘ cliques’.

Any system is a web. The many links in a system make it stable. Any change in one part will, by the very nature of the interconnectedness of its parts, affect changes in the rest of the system. The other parts will also resist change because it means they will have to change too. Complex systems like organizations resist change. The vast bureaucracy in an organization is notoriously change resistant.

New business practices are resisted as people feel comfortable with the old ways of doing things—something that Ashok discovered to his cost. Systems do however change and sometimes very fast in some circumstances. Ashok could have succeeded if he knew another aspect of systems—*the principle of leverage*.

Imagine a system as a web with many parts connected. Suppose you want to change the position of one part. When you pull on it directly, it seems to resist. Really it is the whole system that resists. However cutting a small link in another place may free this piece. Like undoing a crucial knot in a tangle of string. You have to know how the system is made up to know which knot to undo. Once this is understood even major changes can be achieved with little effort.

In Ashok’s case he was not aware, that he had only to win the confidence of the PA to the CEO and he would have had no problem in initiating change!! Change can happen if you identify the right connections. This phenomenon, whereby a small effort can get a huge result, is the principle of leverage, a feature of systems. Charlie Chaplin had quite by accident pressed the right ‘lever’.

How does one apply this principle? Ask the key question ‘ What stops the change?’ Look at the connections that are holding the part you want to change, in place. Cut or weaken these and the change may be easy.

As for Ashok, did his business school education prove inadequate? Maybe yes maybe no. You gain knowledge through analytical thinking. You gain understanding through systems thinking.