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Systemic Thinking

From the Editor

This summer I attended the *Seagull* at the Shaw festival. Action-packed? No. Thought-provoking? Yes. There was an old, senile man in the play who had the odd habit of dispensing insight at poignant moments. He was a cross between George Carlin and Buddha. Here's one of his lines. *Whether we like or not, we live.*

Gotta love it.

The message is clear. Make the most of life ... turn the page ... get on with it ... live ... grow.

Kitchen table wisdom. It's an appropriate accompaniment to what we've learned from mom and dad — make something of yourself, enjoy what you do, don't give up, have fun, challenge yourself, learn.

At LIVE Consultants we are in the business of *making the most* of the work-life we have by designing learning experiences that challenge us to grow.

Marilyn Baetz, editor

About the Author and the Article

Most of us have had problem solving 101 as part of our development as managers. There we learned to set goals, define problems and opportunities, generate and evaluate alternatives, make decisions, craft plans, and implement. Seems like for some problems that approach works.

Or does it? "Why do the same problems keep occurring over and over again?" the author asks. And why do we often end up with unintended consequences?

In the article, Stephen Baetz suggests that traditional problem-solving processes fail for three related reasons: our goals are too self-serving, we gravitate to cost-efficient, quick fixes, and we focus on immediate, evident impacts. That being the case, he offers seven conclusions about how thinking needs to change relative to the problems we face.



Stephen is a principal partner of LIVE Consultants, the organization sponsoring this publication.

Stephen Baetz

Unintended Consequences

I really don't understand how wishes work.

That may be because when I was growing up I got several distinct pieces of advice. "Watch out what you wish for because it may come true," seemed to be some basic counsel on the self-fulfilling prophecy. A second piece was woefully wary. "If you wish too hard, it will never come true." This axiom often was accompanied by a cautionary tale about protecting oneself against disappointment. When I blew out candles on a birthday cake, I couldn't tell anybody what the wish was or it would never come true. Evidently, wishes required the cover of silence. Disney told me to wish upon a star; the genie only would allow one to make three wishes; wishing wells required pennies to be traded if the wishes were to come true.

Oddly enough, I had this lingering impression that wishing — especially wishing too much — was a candidate for one of the seven deadly sins. Avarice must have had more cachet to the theologians; it made the seven deadly list; wishing was okay as long as you didn't do too much of it or it could come back to haunt you.

And if wishing confused me as a child, it was sin that did it to me as an adult. Sin, I had figured out in my graduate school days, is virtue's unintended consequence.

Shakespeare had a similar insight: the tragic flaw in many of his characters is an overstated strength.

It seems somewhat odd I suppose that we often get the opposite of what we wish for, what we want, or what we intend.

The unintended consequence is certainly true of modern technology. Recycling bins are standard issue in every office, the appropriate, ironic complement to networked computers which had promised a paperless office. Digital-push button technology has made it so easy for everyone to communicate efficiently that we now log into machines that oblige us to punch our way through an automated menu to get to somebody's voice mail where we can leave a message for them to call us back and leave a message on our machine. We thought technology would help us communicate more

effectively and what we got instead are connected machines that capture cryptic one-line pleas from hollow-sounding humans who say plaintively, "Give me a call when you get a chance."

Unintended consequences ... outcomes we couldn't anticipate.

Or Could We?

The longer I live and work in organizations the more I am convinced that our problem-solving and decision-making processes are too short-sighted to serve us well.

Here's what we've been trained to do: define a goal, assess problems and opportunities relative to the goal, determine what a good decision would look like, generate options, assess each option, define actions steps that will move us to the goal or solve the problem we face, implement, and evaluate. And it seems that in many situations that process works.

Except. Why do the same problems keep occurring over and over again? Why the cynical observations about "same pile, different day?" Why do we think that everything old is new again?

The easy answer is that we didn't use the problem-solving process well enough: we should be more rigorous in defining the nature of the problem, evaluating options, doing cost-benefit analysis, or executing the plan. I've been with teams of managers who have felt guilty because they think they might have misused the problem-solving process. And maybe there are times when that has been true. By contrast, my more recent experience tells me that traditional problem-solving processes fail for three related reasons: our goals are too self-serving, we gravitate to cost-efficient, quick fixes, and we focus on immediate, evident impacts. If we understand these reasons, we may choose to think about problem resolution in a different way.

A self-serving goal is one that meets the short-term interest of a single member or team.

For example, a newly-appointed Vice President of Sales sets an aggressive revenue target to make a quick, positive impression. The sales team then develops plans to hit the numbers. To do that, they make excessive promises to customers and expect the production side of the business to deliver anything and everything they've promised. Increase demands on production causes them to take shortcuts on quality which the customer eventually notices. Customers conclude that they aren't getting value and sales drop. The outcome is exactly the opposite of what was intended by Sales.

The quick fix is used to make a problem disappear immediately. The VP of Sales, feeling pressure from the reps to do something, drops prices in an attempt to buy back marketshare. It has a short-term positive impact. The competition catches on and lowers their price and the VP of Sales, still wanting to hit the revenue targets, drops the price even more. Orders increase; production continues to take shortcuts on quality thinking that sales might be right ... price may be more important than quality in the value equation for customers.

A focus on an evident, immediate impact makes us feel like we are making something worthwhile happen. In our example, customers complain that they can't keep track of the new pricing that appears to be coming out weekly, so a small department is created to provide additional sales support — because by this time even the sales reps are confused — and additional customer support.

All of this activity blinds the organization from seeing that the real need of their customers is quality, not price, and steadily sales and revenue drop as the customers have now found new suppliers that will deliver what they need. The end result is an unintended consequence and, in the worse possible case, victims are sought so blame can be placed.

Change the Way We Think

How can we get different outcomes? I've concluded that we must learn to think about the problems and challenges we face in a much

different way from what we have done in the past — especially with those problems which are persistent and recurring.

Here are seven conclusions I've come to about how thinking needs to change.

- The goals we set must serve the total system.
- We have to spend more time in analysis and reflection. The trendy era of ready-shoot-aim has passed. We must dedicate the best minds of our organization to understanding the underlying cycles that support the current outcomes and how we end up with unintended consequences.
- We need to avoid quick fixes, make-do's, and work-arounds. They often become institutionalized as long-term responses that give us the opposite of what we want.
- We must develop the ability to anticipate how a system will respond to a change we make — not just in the immediate term but in the longer term.
- We must understand how we unwittingly support the problems and outcomes we have. This means we have to challenge our mental models, values, beliefs, and behaviours.
- We need to avoid the easy temptation of looking for someone to blame for the outcomes we have. Instead, we need to focus on how the system is designed to give us the outcomes we are getting.
- We must involve the stakeholders in the system, not merely the people who are on our team or in our department. Systemic problems do not respect departmental boundaries.

It does seem odd that we often get the opposite of what we wish for, what we want, or what we intend. However, the problem may not be in the wishing itself or even wishing too hard. The outcomes we get — those unintended consequences — may be a function of how the system works. We do live in a Rube Goldberg world of systems, cycles, triggers, and consequences and it is to our advantage as individuals and organizations to figure out how it's all connected and related.

A Final Check

When developing an education plan, think about the following questions. The more “yes” options you can check, the greater the chance that your plan will meet the needs of your internal business partners.

Does my education plan ...	YES	NO	DON'T KNOW
1. consider current and emerging goals, values, and strategies?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. mesh with the attitudes, skills, and knowledge the organization wants to develop?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. identify all the populations that can benefit from development opportunities?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. meet the needs of the target groups as they have been assessed and detailed?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. include a variety of learning strategies?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. have a set of standards for all the growth and development opportunities?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. have a practical focus to decrease the gap between information and application?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. have an overall theme that will link the ideas and build continuity?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. contain content and delivery techniques geared to the level of each target group?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. have a built-in evaluation process?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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