9 komplexithoden for agility to succeed in complex environments

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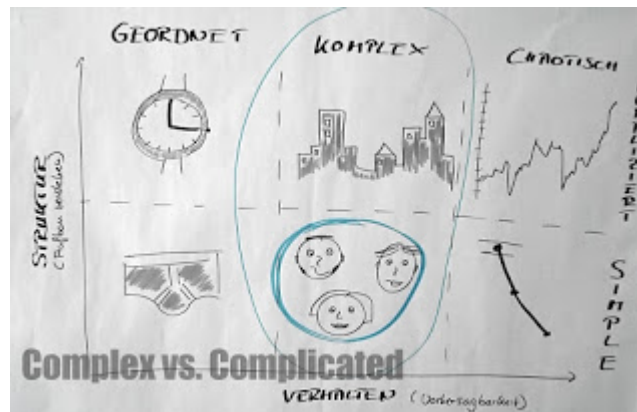
This post is part two to summarize methods to be used when working in complex environments and outlines 9 komplexithoden for agility.

By reading you get an impression what is necessary to support agility in complex environments… in my opinion an important learning to further improve the way our organizations are structured beyond just having local optimizations using agile methods..

I recommend to read part one and part three too, to get the background based on Nils Pfläging's books Organize for complexity and Komplexithoden (written together with Silke Hermann).

A short recap of "Komplexithoden" aka complexitools

Update:2015-11-09 just learned the new term complexitools as the translation for Komplexithoden 😉

Nils created the new term complexitools for methods to be used in complex environments (in addition to methods to be used in environments that are not complex).

Characteristics of complexitools
- are strongly connected with human interaction
- integrate thinking and doing
- tight relations are more important than the tool itself – complexitools increase social density

Komplexitoden for Agility

The next chapters summarize different complexitools. By reading I hope you'll get an impression and maybe feel inspired to drill down and maybe start applying it in your environment too. Read on to learn more about:

- Consultative Individual Decision
- Complexymeetings
- Internal markets
- "Wertschöpfungsrechnung" – Calculation based on value creation
- Open books
- Teams – Innovation and a categorization of groups vs. teams plus recommendations for team compositions
- Sensemaking
- Organization hygiene
- Preparation wheels
- Red fire brigade

#1 Consultative Individual Decision

Let's start with the first complexitool of this post – the consultative individual decision

It is about:
- fast decision making using a maximum of individual and collective intelligence
- Asking – What is the problem? Do we really understand it? Who is the decider?
- Options and solutions are created by consultation.
- Creates collegiality, valuation and entrepreneurial thinking and implicit collective responsibility by consultation

The role of the **Decider**
The decision is made by the explicitly announced decider. In her role, she has to ask:
- Who has to be consulted (knowledge bearer, competence)?
- What are the alternatives to consider? Pro/Cons for all alternatives?

- She has to acquire the best expertise!
- Consults and afterwards decide
- Take the responsibility

Instead of delegating decision making through the hierarchy or by committee.

#2 Complexymeetings

Complexymeetings address missing speed, quality and results of the "default" meeting usage in organizations based on too many participants discussing about detail focussed daily business decisions.
Guiding principles of complexymeetings
- Participation on free choice
- Decision making afterwards using consultative individual decision making (see previous point)
- No meeting without a topic or problem – agenda shows the problem but does not suggest solutions or wishes

- Agenda is defined together in the beginning by all available participants
- All documentation and necessary material is shared in advance, Participants are prepared.

#3 Internal markets

- with absence of central coordination the business impulse of teams gets fostered
- one needs to connect the individual efforts and results with the companies results
- replace the „upwards" orientation (please the boss) with looking forward and to the outside (to the market)
- these markets are virtual
- cells in the periphery use services from the center (they are free to use other services from outside the company if they need a better fitting service)
- financial data is known in every cell, cells can compare each other
- center cells work for peripheral cells (and do not manage them)

„Wertschöpfungsrechnung" – calculation based on value creation

- create overview of the offers of every cell building catalogs
  - created by the cells
  - simple, just describing the main offers
- give every offer a price (not aiming for creating profits in the center, just to cover costs)

  used to check the offers and really used services (and e.g. compare it to market offers)
- categorize offers
  - foreign, third party offers (e.g. electricity, insurances, rents,…)
  - offers of other teams (before yourself) (e.g. info shops, org shops, logistics)

    shows dependencies on other cells
  - and authentic cell offers (e.g. employee income, taxes, investments, …)
- improve the flow of offers (and do not manage costs)

  e.g. IT does not produce costs but addresses needs raised in other cells in the company

#4 Open books

- are a precondition for transparency in the organization
- support self control
- foster common action and taking responsibility
- provide easy to access and united information related to specific contexts like teams, markets, products
- open for everyone

- still rarely used in today company landscape (caused by mistrust regarding misusage of that information)
    - in comparison to the damages caused by hidden manipulation, information hierarchy power, intransparency
- „Transparency is like switching the light on so that everyone can see. Open books mean to provide light that is shining from the market to the periphery AND center"

#5 Teams – A short excursion on innovation and teams

Innovation

- Ideas are not rarely. They start with a question. But they are just a potential.
- Creativity is the social process to transform an idea to an innovation. Innovation is a team activity.
- An innovation is directly value generating and the product of a long chain of defeats.

Team vs. Groups

Group
- specialization by function
- members work beside each other, parallel but not together
- similarities of group members is acceptable
- distributed positions
- individual goals, reachable individually
- external steering and control is necessary
- can work additively
- concurrency possible
- hierarchical pressure
- rules and directives
- metaphor: swarm, crowd

Team

- functional integration
- team member diversity is necessary
- team members work together and for each other
- common goals, reachable in common
- self organization and control is possible
- have to agree
- discussion and agreements
- social team pressure
- transparency and principles as guiding frame
- metaphor: ensamble, jazz band, string quartet

Team composition

- red needs teams

- requirements beside just having a group of (intelligent) people
    - diversity – everyone adds a special perspective with her experience
    - no stars – having people in a team that are much stronger creates imbalances in communication and interaction (some team members could get isolated and cannot contribute)
    - no hierarchy – formal structure and power positions reduce interaction
    - freedom to decide – common responsibility increases quality of contributions
    - face-2-face communication – not just by phone, mail … plain virtual teams will very likely not become high performance teams
    - multiple and tight coupling to the „outside" – creating impulses and bringing ideas for ones own work

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#6 Sensemaking

- a symptom is the shape of a problem, the surface
- working on symptom will not solve the cause (the problem itself) – it leads to actionism and shortness of breath
- even worse – to combine symptom with blaming … this way one even gets more far away from the problem and a solution
- one has to find the root cause of a problem
- e.g. by using the 5 x Why method
- don't make assumptions too early (leading to wrong conclusions and won't solve the problem)
- use reverse questioning: If you apply your solution will the problem disappear?

#7 Organization hygiene

- be aware of slowly but steadily increasing over-regulations caused by:
    - rules that were created to stop bad behavior (often caused by just addressing symptoms rather than the underlying problems)
    - leading to more complicated environments followed by lower performance
- complexity needs less but strong principles instead of many methods and rules
    rather that having a 10 pages traveling policy just create the principle: we carefully work with our resources
- it means – to systematically clean up the organization, to remove unnecessary rules, methods, rituals, instruments
- just by observing the environment carefully
    - What works or just is an old habit?
    - X or Y picture?
    - What hinders instead of being energizing?

#8 Preparation wheels

- ongoing preparation for the future (a wheel that never stops)
- plan-do-check-act cycle
- thinking in iterations to improve the system – better many small and likely improvements, steadily than one unlikely huge improvement
- don't try to predict the weather but be prepared for different weather conditions
- numbers can be part of the analysis and help for having a dialogue but are not the result
- create a document that explains the necessary change, ideas and concrete next steps + expectation and requirements to the organization
- replace planning by continuous preparation

#9 Red fire brigade

- in case of danger the periphery can call the fire brigade
- it's a special task force of real experts on the problem domain to help solving problems outside the daily routine
    - roles and rules can be voided temporarily … to get topic matter experts together to solve the problem
- but not by damaging the decentralized authority of a cell
- it needs proper ways to communicate between periphery and center to organize a red fire brigade mission in a fast way

I hope you have got a rough overview about "komplexithoden" for agility and got inspired to start exploring more in the area of complexity.

Are you already using it?

Just share your insights or a note on your next step by your comment 😉