Leading from a Systems Perspective
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In the complex environment of today's business world, leaders are often called upon to act against their instincts. You lead to enhance the resilience, productivity and health of your organization. You need to know when to share power and when to wield it alone, when to look to the wisdom of the group and when to take your own counsel. Under pressure, how do you best address issues with varying levels of uncertainty and adapt with creative solutions? When you address complex issues with systemic methods you maximize an organization's resilience as it faces the unknown.

What will maximize your leadership and organizational resilience when facing a pile-up of change or the unknown? To support appropriate and distributed decision-making, you need information management. But that's not enough. To operate at ever-higher levels of effectiveness in situations of uncertainty and flux, you need **knowledge development and access**.

A deep understanding of context, the ability to embrace complexity and paradox, and a willingness to flexibly change leadership style will be required for leaders who want to make things happen in a time of increasing uncertainty.
From "***A Leader's Framework for Decision Making***"

What type of issue are you dealing with?

Complexity science and knowledge management research reveal that it is highly useful to distinguish between the types of issues that leaders and organizations face. Routine, complicated, complex, and chaotic issues or situations don't just differ in their characteristics. The type of situation will also dictate different goals and approaches. How do you identify the appropriate goal (e.g. solve the problem, improve the situation, or stabilize the system) and choose an appropriate approach?

Do you know when you are dealing with **complex situations and decisions** in your organization? They often arise with some major change – a bad quarter, a shift in management, a merger or acquisition – that introduces new qualities of unpredictability and flux. **Complex issues** are the most difficult to deal with yet are increasingly the most **pivotal** in determining whether a project or organization will succeed or fail. Unfortunately, leader "recipes" arising from crisis management related to routine, complicated or chaotic issues can actually block effective decision-making and desired improvement. How will you avoid or navigate that mess?

Complex issues are best approached with **systemic methods** because they incorporate a broad diversity of perspective, experience, and dynamic knowledge.

Systemic methods are bound by systemic principles:

- Diversity
- Egalitarian engagement
- Candor
- Trust
- Transparency
- Focus on relationships
- Design for time
- Holistic imaginations
- Clarity of higher purpose

Good leadership requires openness to change on an individual level. Truly adept leaders will know not only how to identify the context they're working in at any given time but also how to change their behavior and their decisions to match that context. They also prepare their organizations to understand the different contexts and the conditions for transition between them. Many leaders lead effectively – though usually in only one or two domains (not in all of them) and few, if any, prepare their organizations for diverse contexts.
From "***A Leader's Framework for Decision Making***"

Below is a table characterizing four types of issues leaders face for decision-making and coordinated action. It summarizes four different goals and approaches, depending on the type of issue. How can this help where you are?

Categorizing Issues

Complex	**Complicated**
• Cause & effect / key variables are only *knowable after the fact.* Variables and relationships between variables always changing. Uncertain causation.	• Cause & effect / key variables are *knowable* but are *not known within* our organization
• Approach: *Explore* – Utilize multiple, diverse perspectives *seeking patterns and emergence*. Design probes to test the system variables. Build promising probes into pilots.	• Approach: *Bring in experts* who have the requisite experience and knowledge. *Shift* to a ROUTINE issue when staff develops knowledge and practices.
• Uncertainty: HIGH / Low	• Uncertainty: High / LOW

• State: Episodic / CHRONIC
   ○ *High* levels of *uncertainty* and many variables out of your control. You still need decisions!
	• State: EPISODIC / Chronic
	   ○ *Limited* levels of *uncertainty* with assurance that with time / acquired expertise, problem can be solved.

• Access *intrinsic, collective resourcefulness*, bound by systemic principles. Experts and hierarchy can block improvement.	• Goal: *Solve the problem*.
• Goal: *Continuously improve* a condition or situation, the position of the organization.	
Cause & effect / key variables are *not knowable*. Variables and relationships between variables always changing. Uncertain causation. *Shift* it into the *Complexity Area*.	• Cause & effect / key variables are known within our organization
• Approach: Apply *rules and constraint*. Observe how *variables respond. Adjust* and repeat.	• Approach: *Bring organization* closer to *best practices.* Correct the process; come within statistical parameters.
• Uncertainty: HIGH / Low	• Uncertainty: High / LOW

• State: EPISODIC / Chronic
   ○ *High* (maybe total) levels of *uncertainty* and many variables out of your control. You still need decisions!
	• State: Episodic / CHRONIC
	   ○ *Limited* levels of *uncertainty*.

• Goal: Re-*stabilize the system* sufficiently.	• Goal: *Solve the problem*.
Chaotic	**Routine/Simple**

Unknown — Uncertainty = HIGH (left side)   **Known — Uncertainty = LOW** (right side)

Adapted from David Snowden & Mary E. Boone, *A Leader's Framework for Decision Making* – Harvard Business Review, Nov 2007 and Future Insight Maps