

Adaptive Design

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In the last quarter of the 20th century, organizations of all sizes and types engaged in strategic planning. Groups of stakeholders were brought together to develop intricate plans that outlined the organization's strategic work over the coming three to five years. Each strategic plan established a long-term mission, named objectives to measure success, and outlined action plans to accomplish the work. This process effectively separated strategic work from operational work, allowing an organization to step out of its day-to-day work to focus on innovation and change, as represented in the strategic plan.

This was a highly effective way to structure organizational work and planning in times that were more stable. Workplaces were less diverse. Technology of the times helped accomplish the work without the massive availability of information and expectation that technology brings today. While the world was changing, it was at a slower, more predictable pace. Local or national markets were much simpler to understand and manage. This is not to say there were no challenges and or that organizational life was easy. It was, however, less complex.

Today's organizations—blessed with amazing technology, burgeoning world-wide markets, highly diverse workforces and customer bases, and change at the speed of tomorrow—can no longer rely on 3-5 year planning cycles. The world is too complex. Organizations are wide open to influences from multiple sources at any given moment. No part of a system can be closed off entirely and held separate for any amount of time. Additionally, these complex systems are non-linear. What happens today feeds tomorrow's knowledge and actions in ways that traditional strategic planning can't consider. There is no "root cause" to address in challenges faced by organizations today. The challenges emerge from the interaction of multiple forces working at different scales across space and time. What is an outcome today is the cause for something new tomorrow.

So in these complex systems, how can we plan to move into a future that unknown and unpredictable? How can we develop plans that are resilient in the face changing forces and events of our time? HSD offers an approach we call Adaptive Design. It offers a number of benefits that leverage the challenges of today's complexity. It is different from traditional strategic planning in a number of ways.

Traditional Strategic Planning	Adaptive Design
Provides a path that is definitive and set	Provides a path that shifts as needed to respond and adapt to environmental changes
Assigns small number of goals at top; unlimited activities at worker level	Offers general organizational direction, with opportunities for decision making open at the worker level
Separates long-range planning and strategic work from daily routine	Integrates organizational strategic work into daily routine
Works from a "snapshot" of the organization at a point of time that is frozen in the plan	Works from a "video" perspective of organizational needs and action over time
Assumes little or no change in the local or larger environment	Adapts to significant change in both the local and larger environment
Assumes forces for change can be itemized and managed	Assumes forces for change must be met and considered as they emerge

In this new model of organizational planning and design, the overarching goal is for each segment—department, individual, division—across the organization to

- Understand the system's overall direction,
- Take accountability for their roles in contributing to that direction

- Build capacity to move toward that direction through their daily work
- Make decisions that are coherent with and supportive of the organization's sustainability and success.

At the heart of **Adaptive Design** are two theories about how people bring about change in a system:

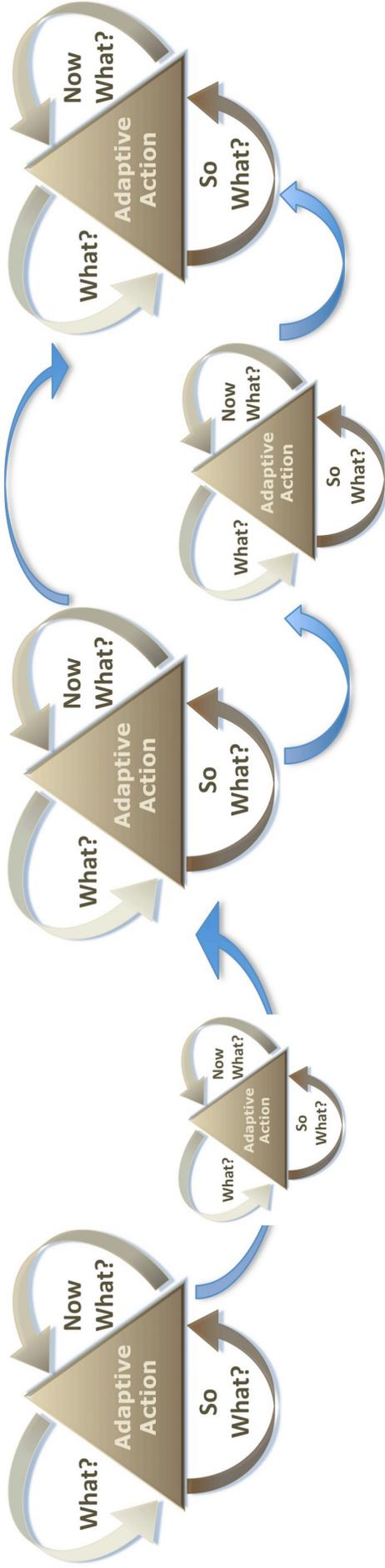
- The **Theory of Change** says, "Individuals, standing in inquiry, use Human Systems Dynamics models and methods to see, understand, and shift the patterns of interaction and decision making that shape the context of their work." This means that individuals, working independently or together, can bring about change by shifting the underlying patterns that make up their work. When their work is tightly aligned across an organization, their work is coherent and contributes to the overall outcomes of the system.
- The **Theory of Action** says, "Individuals transform their lives when they take action in iterative cycles as they 1) stand in inquiry to observe the patterns of their work, 2) Use the clarity of their understanding to design their work, and 3) act with courage to influence the patterns in their work toward increased fitness and adaptability.

When an organization engages in Adaptive Design, it uses the iterative cycle of questioning we call Adaptive Action to plan for moving forward at the individual, group, and organizational levels. Individuals have skills they need to work independently and in teams to develop and carry out ongoing Adaptive Action planning. Departments, divisions, and whole organizations rely on Adaptive Action planning to gather information and formulate overall strategies for sustaining and thriving. People understand and embrace their accountabilities for working together and contributing to the greater whole through their work in the parts.

We believe Adaptive Design offers a viable and productive alternative to strategic planning. Functioning at all levels of an organization, Adaptive Design engages people in contributing to the overall success and sustainability of the whole. It invites individuals and groups to step into their day-to-day work in innovative and creative ways to address the challenges of living and working in the richly diverse, continuously changing, and fast moving world of the 21st century.

Adaptive Design

The organization sets system-wide direction and measures of success.



Each segment of the organization engages in ongoing iterative cycles of Adaptive Action, taking accountability to contribute to the sustainability and success of the organization. Coherence across the system emerges as segments use a short list of simple rules as they design their work to see, understand, and influence patterns of interaction and decision making that move the system toward success and sustainability.