The ecology of relationship: managing in a complex environment

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Local government is a complex environment in which tensions between national policy and local needs overlap with conflicting agendas and contentious decisions. Less focus on policy and procedure and more emphasis on cultivating the relationships between different interest groups would be a more effective way of engaging with this complex reality.

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The implicit promise of an article in a journal like this is often that it will take a manageable issue, and in a few hundred words provide a definitive 'expert' analysis, or propose a solution.

I want to do something different. I want to look at the big picture of local government, and explore some of the dynamics that affect everything that happens in that space, shaping outcomes in both positive and negative ways. And I'd like to sketch a perspective that I believe is central to improving not only the practice of local government, but human endeavour in all complex environments.

Local government is a complex environment. Even informal conversations with those involved, reveal great tensions between national policy and local needs, all sorts of relationship issues at different levels, conflicting agendas (overt and hidden), contentious decisions and so on. And if anything, it's becoming increasingly complex as a more informed public demands value for money, more transparent decision-making, and more professional, responsive and effective local government.

Meanwhile a private sector is waiting in the wings,

open to opportunities created by a resistance to change or the presumption that the provision of services will always be the remit of local authorities, regardless of quality or effectiveness.

Add to this the unprecedented issues that face us as a society: a deepening energy crisis, the impacts of climate change, environmental degradation and the pressure of human development on fragile ecosystems, the need to make a significant shift towards sustainable living, to say nothing of the myriad social issues, all of which impact on the context for local government.

All of these issues have to be addressed at institutional level, and all have enormous implications for policy. Whether local government is capable of responding in a timely and effective way depends almost entirely on the capacity of people to work together collaboratively.

Talking to those who have to make local government work day-to-day, it seems that conflict, rather than collaboration, is embedded in the system design, and this reduces their capacity to deal effectively with complexity. However when you dig beneath the conflict, it becomes clear that the real problem is not complexity itself, but the way we think about and engage with a complex reality.

old thinking

The standard approach to managing most things is mechanistic. It's how we govern organisations and institutions. It's how competency models and performance management systems are designed. It's how we try to bring about change in a cause-and-effect way: if we do this, that will happen.

Organisational charts, the way we plan, 'forecasting' the future, the 'deliverables' we demand to adjudicate performance, the indicators we privilege to judge success or failure, how we relate to other people, departments and organisations, our penchant for analysis, statistics and evidence-based decision-making and much more, are all solid evidence of a particular way of seeing the world.

It's a mechanical mind set, and it leads us to see everything as a machine, so we deal with complex issues by breaking them into their constituent parts, believing that if we change or fix the parts and put it all back together again, the machine will return to perfect working order.

This mind set, which shapes almost everything we do, and fundamentally underpins the practice of modern management, is the legacy of Newtonian science and the assumptions of a three-hundred-year-old world view. And it persists to this day even though scientific understanding has long since moved on.

When Isaac Newton looked into the night sky he saw a vast, infinite space that he believed was empty except for the stars and planets. To Newton, the universe was a clockwork machine in which the physical components interact with each other like billiard balls, in a mechanical, linear, cause-and-effect way.

From this understanding, he constructed a world view in which the physical elements we can touch and see - the mountains, rivers and seas, our bodies, our buildings - were the basic building blocks of existence, and it is this rational, linear way of thinking that dominates western culture today, shaping our approach to absolutely everything from economics to education, from housing to healthcare, including the way we think about and govern organisations, and even nations.

new thinking

Two hundred years later, Albert Einstein explored what Newton couldn't - the space *between* the

physical elements - and he discovered that space isn't empty at all. It is filled with fields of energy that *structure* the space in which the physical world plays out. Einstein's genius was to point us to the power of the invisible. These unseen fields of energy are in fact the real building blocks of life, and the physical stuff we normally focus all our attention on - the phenomena we can see and touch - is actually the secondary effect of these fields of energy.

So Newton only had part of the story. Einstein revealed that what matters most, throughout all of life, is *relationship*: what we experience in material, visible form is the secondary effect of something else that is *invisible*. That 'something else' is the nature and quality of the *relationship* between the components, in other words, what goes on in the relational space makes the physical world what it is.

If we develop this idea a little, we will see that the world is not 'out there' like a set, waiting for us to step into it. We call it forth as we enter into relationship with it, shaping each other and creating the system we're all part of. We are active participants in a world that is evolving *through* us, as our beliefs and values are continually translated into choices and behaviours, and cast in concrete and steel. Life comes to life, in the moment of relationship. Always unfolding, always becoming.

Einstein's lens shows us that far from being cogs in a machine, we are participants in a complex living system. It's complex because we're not connected to each other in neat straight lines, or organisational hierarchies... we're connected up through infinite numbers of relationships that overlap and combine and adapt in unpredictable ways to influence the nature and quality of the world we experience.

I'd like to take a moment here to talk about this important concept. A motor car is a system, however apart from wear and tear, the relationship between the parts remains more or less constant throughout its life. In a *living* system - a plant, an animal, our society - the relationships are constantly changing, adapting, adjusting.

Furthermore, every system is part of a wider system. Our liver or our heart for example, are systems in their own right, but they're also part of the wider system that is our body. In every living system, each component has individual needs as well as responsibilities to the wider system it is part of. And the system's 'management' task is to maintain a dynamic balance between those needs and responsibilities.

management at odds with reality

Our organisations and institutions are complex living systems, but because of the dominant mechanical mind set, organisational life in both the public and private sectors, is predicated on the belief that it's possible to design, control and predict outcomes. Even the language is classic Newtonian: Re-engineering. Downsizing. Relocating. Embedding. Inputs. Outputs. Benchmarking....

One senior HR official I spoke to for this article, having described the performance management system in terms of tasks, objectives, skilling-up, competency, measurement, promotability, and so on, paused and then added: "Sounds a bit clinical, doesn't it?"

This casual but telling remark suggested at least a degree of discomfort with the language of the machine being used to describe the human experience. But its dominance points to a persistent desire for bureaucratic neatness and, above all, control-ability. In a world that can often feel too messy for comfort, it makes sense to classify people and work by predetermined outputs and measurable outcomes. It makes sense to pursue productivity and efficiency by applying uniform solutions and metrics.

It even makes sense to attempt to manoeuvre, manipulate, or coerce people into changing behaviour, instead of truly engaging with them as self-determining human beings who, kept sufficiently informed about a changing environment, are capable of responding appropriately. And of course the instrumental approach to people management can so easily provoke resistance, weaken trust and destroy the cultural ground and relational space in which everything of value is created.

cultivating the garden

In dealing with organisations, a metaphor I prefer is that of a garden. No matter how skilled, a gardener cannot 'grow' a rose. The rose does its own growing in response to the conditions in its environment. All the gardener can do is work to optimise the conditions. It's the same in human systems. All we can do is help to cultivate the conditions in which people can learn, renew and evolve.

Working with organisations as systems, a whole new language is needed, and a more appropriate frame of reference within which to make discerning judgements about strategies and processes, actions and yes, outcomes.

Within a whole-systems world view, the function of management and leadership shifts radically: from designing the future and managing change, to cultivating the relational conditions - the culture - in which development and change become possible. This change of mindset shifts the spotlight from components and tasks towards the relationships and processes that make or break outcomes: relationships between people, between people and projects, between departments, between officials and councillors, between organisations and communities, between local needs and national policy, and so on.

If relationships are the essence of life - the way life organises - any effort to bring about change in the culture and effectiveness of local government will require a change in the nature and pattern of the relationships and processes that define it. A dominant focus on surface mechanics - strategies, policies, procedures, metrics, measures and so on - while ignoring the underlying shaping dynamics of the culture - the relational 'glue' of shared purpose, common vision, shared values and so on - virtually guarantees that the improvements being demanded of local government will always be out of reach.

The recent review of Strategic Policy Committees (SPCs) in this publication noted "an important by-product" of the process was improved relationships between elected members and interest group representatives, and that had led to increased trust and understanding between local government and other community stakeholders. Though this "rather intangible outcome... cannot be measured," the report commented, "the gradual breaking down of invisible walls between "us" and "them" and the potential that brings with it, should not be underestimated." A hint perhaps that things might be changing, if tentatively.

It's good that improved relationships have been noticed, however the analysis suggests that the purpose of the SCPs is action, and improved relationships are simply a by-product. From a systems perspective of culture, I would argue precisely the opposite: that improving relationships is the central task - actions, outcomes and quality of work are the by-product. The nature and quality of the outcomes reflect the nature and quality of the relationships.

The Workplace Foundation recently explored the source of superior performance, and in its report,

'Cracking the Performance Code: How Firms Succeed' (August 2005), it finds that the difference between high and low-performing companies is rooted one hundred per cent in the intangible dimensions of organisational life: Processes that facilitate dialogue and so enable faster decision-making. Open communication between peers and networks of managers that allow the freeflow of timely and relevant information. Leadership that is visible and performing to high expectations. And a focus on culture and employee relations that values quality over quantity, outcomes over activity, and long term over short term.

When it comes to improving performance, 'soft' is most certainly 'hard'. And it seems ironic that the public sector is adopting hard metrics so beloved of the private sector just as the private sector is beginning to realise that there's something more subtle going on, and turning its attention to the invisible, hard-to-measure, but vital cultural space.

learning is the key

Inquire into the source of frustration or the barriers to achieving what they want to achieve and people from different parts of local government inevitably point somewhere else. The County Manager points to over-prescriptive targets and central government decisions that may look good in today's news bulletin, but don't serve the longterm. Councillors point to the reluctance of officials to interface openly with the public and the power of the County Manager in shaping the local agenda. Officials point to the political shorterm-ism of harried councillors, the fickleness of public opinion and reduced participation in community politics. Council staff point to their management, and a lack of involvement in designing initiatives that affect them. Everyone blames someone else.

From a whole-systems perspective, however, blame is fruitless, because there's no single cause. Everyone plays a part in making the system what it is. And everyone has a piece of the truth. In a complex world, whatever we know is at best partial and incomplete. If we think we know the answer - even if we think we're certain of what the problem is - we cannot learn.

Systems that are closed to information from the outside, cannot learn. And if they can't learn they can't evolve, and so they remain 'stuck' and ultimately become irrelevant as the world moves on around them.

Groups and organisations frequently try to reduce

complexity by sidestepping, diluting, co-opting or silencing divergent voices. A systemic sensibility appreciates that there is no single truth, no objective reality, and no simple solution to a complex issue, and that there will be many perspectives on a given situation, all valid, and none frame-neutral.

From within this perspective, making progress towards a better future is understood not as action-oriented planning, but the more subtle process of cultivating the relational territory through communication processes and practices that help people to overcome 'us' and 'them' mental boundaries, genuinely appreciate other perspectives and develop the common ground from which more complex approaches emerge.

Learning is the key to evolution. When issues are complex, *everyone* needs to learn about the situation in which they find themselves, so they can make informed decisions and trade-offs they can live with. It's all about balancing needs and responsibilities.

Genuine participatory processes develop the system's intelligence internally and externally. They're not social niceties or inconvenient brakes on progress, but the only way the whole system can collectively learn and develop solutions that will remain outside the cold grasp of bureaucracy and mechanistic thinking.

cultivating the ecology of relationship

In summary, I believe we need a radical change in thinking about how we manage and run our organisations if we're to improve our institutional responses to a complex and vulnerable ecological and social environment which is inherently unpredictable. Two fundamental shifts are needed in my view, in order to cultivate the ecology of relationship: a shift in the way we think, and a shift in the way we engage with each other and with our work.

The shift in thinking is about developing a more systemic, relational understanding of organisations and issues. The second shift flows from this, because a systemic understanding of reality will open the door to new ways of engaging and relating with others, triggering the cultural changes needed to address the complex dilemmas of our time.

The outcomes most organisations say they want - flexibility, commitment, co-operation, innovation, productivity - and the dramas that soak up so much time and valuable resources, all hinge on the nature

and quality of our human relationships. So the *processes* we adopt as we engage with each other, the *way* things happen, the *intention* behind what we do, all find material form in our final creations.

In our complex social webs, it is the nature and quality of our relationships that ultimately determines the nature and quality of the world we create and experience.

John Schaar, Professor (Emeritus) of Political Philosophy at the University of California, captured it more poetically: "The future is not the result of choices among alternative paths offered by the present, but a place that is created - created first in the mind and will, created next in activity. The future is not some place we are going to, but one we are creating. The paths are not to be found, but made. And the activity of making them, changes both the maker and the destination."

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