Complex Responsive Process Thinking

A post-systems model of governance for worker cooperatives

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Workers Cooperative

Suma   www.suma.coop

- founded 1977 in a house in Leeds
- £33 million turnover
- 140 worker members
- unbroken growth & profits
- 100% self-financed
- Premium wages/job security
- no MD, no Chief Exec,

Suma Wholefoods

is a wholefoods Co-operative,

We promote a **healthier lifestyle**

by supplying fairtrade, vegetarian and organic products of the

highest quality

Our Customers

- Independent retailers
- Community groups
- Supermarkets
- Schools, Hospitals, Prisons and institutions
- Food manufacturers
- Export worldwide (13% of turnover)
- 3000 active accounts
- 700 deliveries weekly - 100% successful

*Suma is a workers'
co-operative – a radical
business managed
and owned by its workers*

Consensual Management

1. Open Book Management
2. Network communications.
3. Management as function not status
4. Collective good not private interest
5. Agreed rules and processes
6. Rights AND Responsibilities
7. Dis-empower the executive
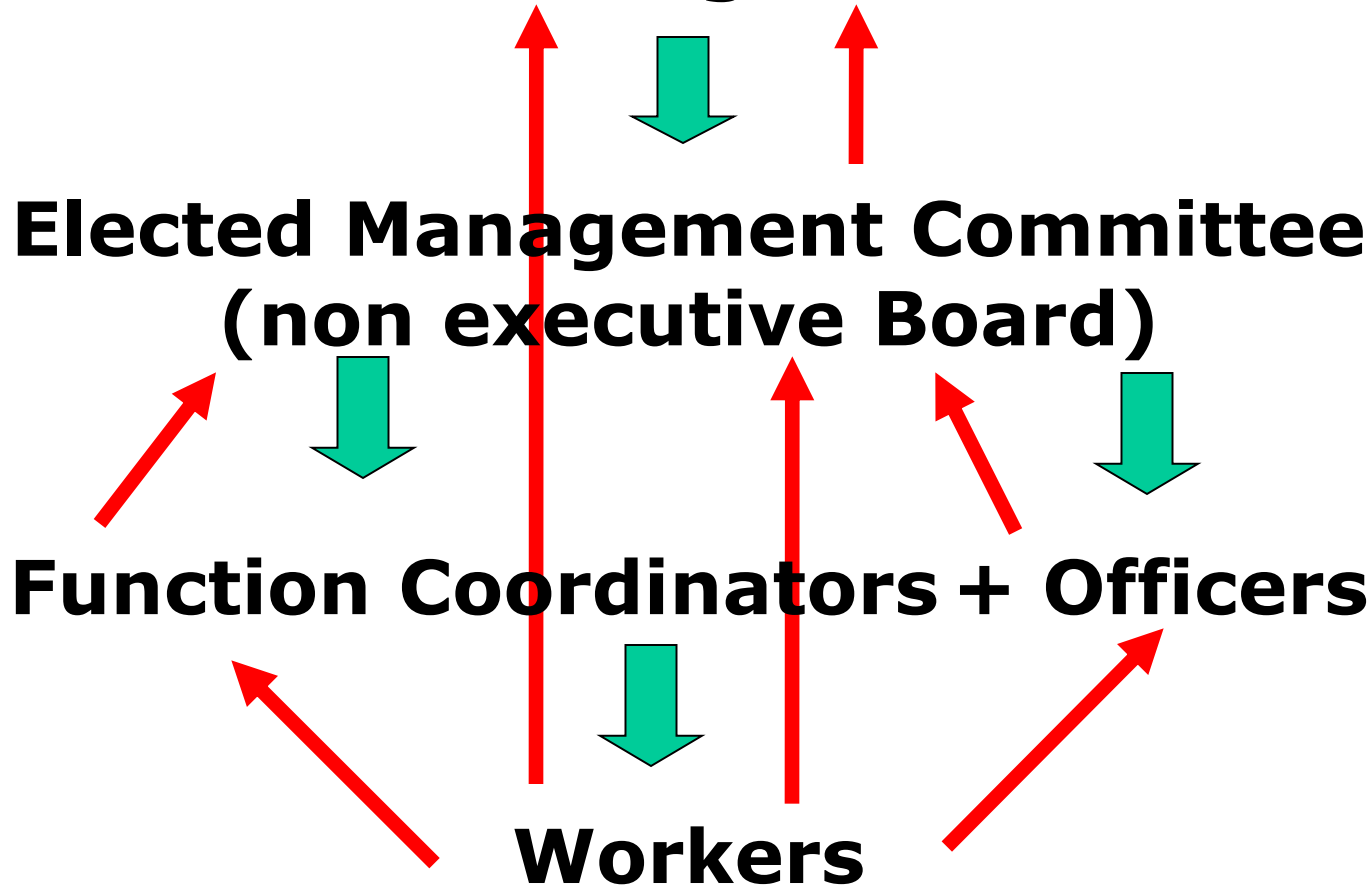
Network Governance

General Meetings of Members

Elected Management Committee (non executive Board)

Function Coordinators + Officers

Workers

(Members ⟷ Contracted Employees ⟷ Casuals)

So far so good

Keeping order as Personnel Officer

Policies and systems

Why do they feel oppressive?

Why is it so difficult to manage a worker coop?

Why do strategic plans fail repeatedly?

Are we just a bad organisation?

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Prof. Ralph D Stacey

Complexity and Management Centre

University of Hertfordshire, UK

"Strategic Management and Organisational Dynamics"

Light bulb moment

It's not our fault, the available management tools are fundamentally inadequate.

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Post-systems theory management thinking

Complex Responsive Processes thinking

Thinking about organisations – wrong turn 18th C

Alternative to divine control, invented the concept of systems. Collections of active things bound by discoverable inherent rules.

Kant said don't use with people – free will – in the political economic interest to ignore him.

Error – humans are just like ants, fish, birds

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Systems suits the elite

It says you need a controller and the controlled.

Even the most sophisticated new models – learning organisation theory, communities of practice.

Including many democratic management models – where the coop is dominant to its members

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Novelty

Stacey's key question. Can the management theory adequately explain how novelty arises?

Most methods are normative.

Many assume the source of novelty.

Novelty is the key requirement for innovation.

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Complexity (systems style)

Managers told to drive organisations into crisis

Sweet spot on 'the edge of chaos' where 'novelty happens'

Social capital destroyed,

Evidence is of business collapse.

Ethically repulsive

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Non-system theory

Organisations are the communications relationships between the humans in them

We make gestures to each other and our responses are modified by the gestures we receive back.

Words, thoughts, facial expression, report, text, tweet, video etc.

Complex Responsive Processes of Relating

Not systems which dominate the individuals

All the people create and are created by the organisation

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No separation

Not spatial systems (head office, shop floor)
Controller and controlled

Complex temporal processes with all
  participants involved and constant change

Consequences for the validity of 'external'
  assessment and research reports

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Significance for worker coops

A theory of organisation and management based on real time communication and cooperation.

Flimsy?

Novelty – arises from imperfect replication of information, by mutation.

The conversation in our heads is the same, hence 'Eureka' moments.

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What should CRP managers do?

Encourage responsive and interactive communications

Make resources available

Be responsive not controlling

Allow emergent action, not predictive planning

Manage anxiety, fight or flight

Allow change as patterns of talk change

Permit self-organisation

Discourage submission (repetitive stuck talk)

Discourage rebellion (aggressive disintegration of talk)

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Role of power

Negative – obstructing conversation

Restricting time and space

Excluding some and privileging others

Creating/upholding ideology to ridicule and undermine deviant thought

Using cult power to punish and exclude deviancy

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Power of Systems Ideology

An example -

A worker coop democratically decides they don't want to work with an employee member.

Unlawful dismissal

Compensation

Further compensation if refusal to reinstate

The systems ideology predominates over the active relationship

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CRP friendly techniques

	Systems Based	CRP friendly
Project Management	PRINCE2	AGILE
Decision making	Representative democracy	Consensus
Organisation	Hierarchy horizontal integration	Network vertical integration
Financial Management	Management by Objectives , Budgeting	Mgt. by Margins
HRM	Human Resources Management	Human Relations Management
Marketing	Passive, campaign	Active, CRM

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Strategy – systems graveyard

Strategic management shows the failure of systems theory to manage change (excepting autocracies)

Analysis stage is ok

Huge waste of resources in failed implementation

Most change emerges from worker self-organisation

Exports at Suma not from plan but from experience

Weight of ideology of systems business school strategy experts

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Obsolete 20thC technology

Systems theory is telephones and filing cabinets

CRP (new name please!) is cloud data, web2, social media

Corporate executive privilege prevents change

Worker coops can adopt these new techniques and models and forge ahead

Can we?

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All Together Better