

Systems Theory is not enough

You have to look at things systemically nowadays, everybody agrees on that. The times of easy explanations are gone, even if newspapers still throw them at us: „The Dow Jones falls because the Dollar falls.“ „Mario Draghi saves the Euro!“. Nonsense, the connections are much more complex. But let's not blame the media for their reducing headlines; they must follow their own rules, and a complex headline isn't a headline anymore, after all.

Companies are complex, too: The behaviour and performance of people in organizations is determined much more by structural conditions than it is by the character or skills of the individuals. Structure determines which part of the individual's repertoire will flourish, and which will shrivel. That's why it is futile to replace employees when problems arise – structural changes are much more effective, system people say, and they're right. The solution oriented might claim that moreover this is easy, and, by your leave, are wrong. Why else would still seventy percent of the change projects fail?

But what makes it so difficult? I don't think that systems are to be blamed – simply because systems are not blamable. I think there are other causes:

On the one hand there is a considerable residual risk: By definition, you can't foresee the effect of interventions in complex systems. There are interventions with a good chance of success, but even these remain experiments – which basically can fail. If a systemic consultant excepts himself from the famous „radical not-knowing“, and pretends to know exactly what you have to do, he either doesn't take his own theory seriously, or he thinks he is Gandalf. In both cases I advice you to ask for the final settlement – or ask yourself wheather he just appears so confident because you want him to...

On the other hand, according to Luhmann's theory, a system does not possess consciousness. I cannot to a system, I always talk to people. And, by the way, a system doesn't talk to me – another common false statement in the media: „Markets react nervously“. Nonsense, the traders do.

A system does not decide, only people do. The consequence: on the crucial questions, it's not systems: you deal with individual leaders and their way to see the world, or with the group dynamics of management teams whith their own culture and their constellation of forces.

And therefore systems theory is not enough. In it's pure form it takes people out of the equation. I find it somehow comforting that this doesn't work. Individuals and systems remain closely intertwined: the latter contain the strong levers, but only the former can apply them. If you don't know your way around on both levels, one of it will keep preventing you from succeeding.

My suggestion for change projects: benefit from systemic approaches to derive courses of action with a high probability for success. Then reflect how you judge the probability that key leaders or teams will make corresponding decisions. Your next job is then to make this psychologically easy for them, to support them, win them over, and to pave the way for them. This is much about individual psychological factors.

And of course these individual factors are themselves intertwined with structural conditions...I will never claim that it's all easy – but sure it is worthwhile.