

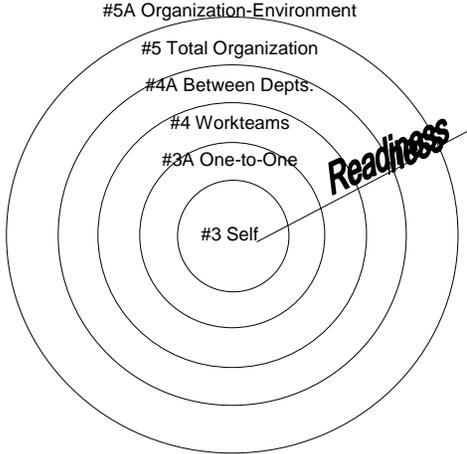
# THE SYSTEMS THINKING APPROACH®

Systems: Systems are made up of a set of components that work together for the overall objective of the whole (output).

**CONCEPT #1: Seven Levels of Living (Open) Systems**

<p><b>Hierarchy</b></p> <ol style="list-style-type: none"> <li>1. Cell</li> <li>2. Organ</li> <li style="border: 1px solid black; padding: 5px;">3. Organism/Individual</li> <li>4. Group/Team</li> <li>5. Organization</li> <li style="border: 1px solid black; padding: 5px;">6. Society/Community</li> <li>7. Supranational System/Earth</li> </ol>	<p>Levels of Thinking</p> <p>“Problems that are created by our current level of thinking can’t be solved by that same level of thinking.” - <i>Albert Einstein</i></p> <p>“So... if we generally use analytical thinking, we now need real “Systems Thinking” to resolve our issues.” - <i>Stephen G. Haines</i></p>
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**Six Rings of Focus and Readiness**



#5A Organization-Environment  
#5 Total Organization  
#4A Between Depts.  
#4 Workteams  
#3A One-to-One  
#3 Self

**Increased:**

- Complexity/chaos
- Readiness/willingness
- Skills growth

**Note:** Rings 3-4-5 are 3 of the “Seven Levels of Living Systems”  
Rings 3A-4A-5A are “Collisions of Systems” with other systems

**CONCEPT #2: Laws of Natural Systems (Standard Systems Dynamics)**

Natural Laws/Desired State	Vs. Experienced Dynamics
1. Holism – Overall Purpose-Focused Synergy/Transformational	1. Parts/Activity Focused/Suboptimal Results
2. Open Systems – Open to Environment	2. Closed Systems/Low Environmental Scan
3. Boundaries – Integrated/Collaborative	3. Fragmented/Turf Battles/Separate/Parochial
4. Input/Output – How Natural Systems Operate	4. Piecemeal/Analytic/Sequential and Narrow View
5. Feedback – on Effectiveness/Root Causes	5. Low Feedback/Financial Only
6. Multiple Outcomes – Goals	6. Artificial Either/Or Thinking
7. Equifinality – Flexibility and Agility	7. Direct Cause-Effect/One Best Way
8. Entropy – Follow-up/Inputs of Energy/Renewal	8. Decline/Rigidity/Obsolete/and Death
9. Hierarchy – Flatter Organization/Self Organizing	9. Hierarchy/Bureaucracy/Command and Control
10. Interrelated Parts – Relationships/Involvement and Participation	10. Separate Parts/Components/Entities/Solos
11. Dynamic Equilibrium – Stability and Balance/Culture	11. Short-Term Myopic View/Ruts/ Resistance to Change
12. Internal Elaboration – Details and Sophistication	12. Complexity and Confusion
12A. Cycles of Change – Chaos and then Elegant Simplicity	12A. Individual/Sequential Change/New Problems Created

Adapted from General Systems Theory and Haines Associates 1978.  
Based on 1984 and 1995 literature searches and subsequent client feedback ever since.  
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# THE SYSTEMS THINKING APPROACH<sup>SM</sup>

Systems Thinking<sup>SM</sup> ... is finding patterns and relationships, and learning to reinforce or change these patterns to fulfill your vision and mission.

**CONCEPT #3: A-B-C-D Systems Model**

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    graph LR
      C[C Input] --> D[THE SYSTEM]
      D --> A[FUTURE]
      A --> B[FEEDBACK LOOP]
      B --> C
      E[ENVIRONMENT] --> A
  
```

**Four Questions in Sequence**

- Where do we want to be? (i.e., our ends, outcomes, purposes, goals, holistic vision)
- How will we know when we get there? (i.e., the customer's needs connected into a quantifiable feedback system)
- Where are we now? (i.e., today's issues and problems)
- How do we get there? (i.e., close the gap from C → A in a complete and holistic way)

**Why Thinking Matters**

The way you think creates the results you get.  
The most powerful way to impact the quality of your results  
Is to improve the ways you think.

*"How you think ... is how you act ... is how you are."*

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**CONCEPT #4: Changing Systems  
(The Natural Cycles of Life and Change)**

**#2 Depression/Anger (Chaos)**  
Acknowledge Thru:

- Listening
- Empathizing
- Explaining Why

**#3 Hope/Acceptance (Systems)**  
Readjust Thru:

- Involvement
- Participation in the new vision
- Showing WIIFM
- Learning

**Thruout:**

- Articulate the vision
- Provide rewards/reinforcement
- Set up Change structures
- Integration

**Major Questions**

- Not if, but when to go through shock?
- How deep is the trough?
- How long will it take?
- Will we get up the right side and rebuild?
- At what level will we rebuild?
- How many different rollercoasters will we experience?
- Are there other changes occurring?
- Will we hang-in and persevere?
- How do we deal with normal resistance?
- How do we create a critical mass for change?

**Major Uses**

- Personal transitions
- Employee self-management
- Stages of learning – all types
- Interpersonal relationships
- Coaching sequence
- Dialogue and discovery
- Conflict Management
- Situational leadership tasks
- Teams, groups, meetings
- Strategic Planning
- Core Strategies (cutting/building)
- Overall Change Management

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# THE NATURAL LAWS OF ALL LIVING SYSTEMS (The Unity of Science)

## I. THE WHOLE SYSTEM (Six Natural Laws)

Twelve Natural Systems Laws	vs. Typical Analytical Dynamics	Systems Principles	Systems Questions	Example
1. <b>Holism</b> – Overall Purpose-Focused Synergy	1. <b>Parts Focused</b> – Suboptimal Results	Problems cannot be solved at the level they were created.	<ul style="list-style-type: none"> <li>What is our common higher-level (superordinate) goal?</li> </ul>	<p>Union-management fights and strikes over pay tend to amount to a win-lose game. By moving to the higher-level goal of competing and producing more profitably, both sides can make more money (increase the size of the pie)</p> <p>In your day-to-day life, do you think about your future vision and your higher-level goals?</p>
2. <b>Open Systems</b> – Open to the Environment	2. <b>Closed Systems</b> – Low Environmental Scan	Systems first require work and alignment from the outside in, not the inside out.	<ul style="list-style-type: none"> <li>What is changing in the environment that we need to consider?</li> <li>Is it relatively open or closed in its environmental interactions?</li> </ul>	<p>In organizational terms, this means we must keep scanning the environment for changes in anything from our competition to the political scene. At minimum there are 8 areas we need to keep an eye on. They can be remembered by the acronym SKEPTIC.</p> <p><b>S</b>ocio-demographics      <b>T</b>echnology  <b>K</b>ompetition              <b>I</b>ndustry  <b>E</b>conomics/Environment   <b>C</b>ustomers  <b>P</b>olitics</p>
3. <b>Boundaries</b> – Open – Integrated/ Collaborative	3. <b>Fragmented</b> – Closed – Turf Battles	The entity to be changed must be clear.	<ul style="list-style-type: none"> <li>What entity (system or “collision of systems”) are we dealing with, and</li> <li>What are its boundaries?</li> <li>What levels of the overall entity do we want to change?</li> </ul>	Are you trying to change yourself, your department, a business process, a partnership, or the entire organization?

Twelve Natural Systems Laws	vs. Typical Analytical Dynamics	Systems Principles	Systems Questions	Example
4. <b>Input/Output</b> – How Natural Systems Operate	4. <b>Sequential</b> – Piecemeal/ Analytic	Focus on the multiple future outcomes first, then “ <i>work backwards</i> ” to today in order to move forward to this future.	<ul style="list-style-type: none"> <li>• Are we dealing with the ends (the <i>what</i>) or with the means (the <i>how</i>)?</li> </ul>	What is the difference between teaching and learning? Teaching is one key way to accomplish learning; it is a set of means. Learning is the outcome; it is the end-goal of teaching. Schools often focus too much on teachers and teaching; they need to keep in mind the desired outcome – the student’s actual learning. Teachers and trainers of all types should ask themselves how do students best learn, not just how to teach.
5. <b>Feedback</b> – on Effectiveness/ Root Causes from the Environment	5. <b>Low Feedback</b> – Financial Only, Direct Cause/Effect Feedback only	As an input, feedback requires receptivity; it calls for us to be flexible and adaptable.	<ul style="list-style-type: none"> <li>• How will we know we have achieved the desired outcomes?</li> <li>• What are our outcome performance measures?</li> </ul>	Look at feedback as a gift – be open and receptive to it; even encourage it. Ask for feedback from all your customers, your employees, your direct reports and peers, and anyone who can help you learn and grow as a person, as a professional, as a leader of your organization.
6. <b>Multiple Outcomes</b> - Goals	6. <b>Conflict</b> – Artificial Either/Or Thinking	Systems are naturally goal-seeking and will self-organize to do so.	<ul style="list-style-type: none"> <li>• What are the desired outcomes? (That is, <i>Where do we want to be in the future?</i>)</li> </ul>	Organizational outcomes often include the needs of customers, employees, and stockholders, as well as the community, suppliers, etc. Asking this question sends us into “ <i>backwards thinking</i> ,” which keeps us from focusing on only isolated events.  The question “ <i>Is it x or y?</i> ” is usually based on an incorrect assumption: that there is only one

				answer in every case. This mistaken assumption occurs in organizations, teams, families, and interpersonal relationships. This often results in needless conflict, differences of opinions, and hard feelings.
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## II. THE INNER WORKINGS (Six More Natural Laws)

<b>Twelve Natural Systems Laws</b>	<b>vs.</b>	<b>Typical Analytical Dynamics</b>	<b>Systems Principles</b>	<b>Systems Questions</b>	<b>Example</b>
7. <b>Equifinality</b> – Flexibility and Agility		7. <b>Direct Cause-Effect</b> – One Best Way	There are many different ways to achieve the same desired outcomes. Principle: People support what they help create.	<ul style="list-style-type: none"> <li>• What should we centralize, and</li> <li>• What should we decentralize?</li> </ul>	Today's leadership paradigm calls for a new way of looking at organizations. It requires a much higher level of maturity and wisdom – a middle ground between abdicating responsibility and being “ <i>all controlling</i> ” – with a focus on <b>interdependence</b> .
8. <b>Entropy</b> – Follow-up/ Inputs of Energy/Renewal		8. <b>Decline</b> – Rigidity and Death	If entropy is not reversed (by follow-up/input of more energy) the system will die. (So will the change project.)	<ul style="list-style-type: none"> <li>• What must we do to ensure buy-in and stay-in over time (perseverance), and thus avoid entropy?</li> </ul>	While human beings obviously have a finite life cycle, it doesn't have to be this way for neighborhoods, communities, and organizations. For them, the renewal process that reverses the entropy is key to long-term success.
9. <b>Hierarchy</b> – Flatter Organization/ Self Organizing		9. <b>Bureaucracy</b> – Command and Control	All systems are linked to other systems (some larger, some smaller)	<ul style="list-style-type: none"> <li>• How can we move from complexity to simplicity, and from rigidity to flexibility, in the</li> </ul>	Large-company divisions often do not know the multiple outcomes of the overall system. This is why such divisions tend to be perplexed by “higher-up” decisions and vice-versa.  Simplicity is needed: the application of

		<p>in the hierarchy.</p> <p>Multilevel systems are too complex to fully understand and manage centrally.</p>	<p>solutions we devise?</p> <ul style="list-style-type: none"> <li>• What levels of the overall entity do we want to change?</li> </ul>	<p>the Rule of Three, i.e.</p> <ul style="list-style-type: none"> <li>– Individual: Body, mind, spirit</li> <li>– Learning: Skills, knowledge, feeling/attitude</li> <li>– Human Realities of Interactions: Structure, content, process</li> </ul>
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<b>Twelve Natural Systems Laws</b>	<b>Typical Analytical Dynamics</b>	<b>Systems Principles</b>	<b>Systems Questions</b>	<b>Example</b>
<p>10. <b>Interrelated or Sub-Component Parts</b> – Relationships/ Involvement and Participation</p>	<p>10. <b>Separate Parts</b> – Components/ Entities/Silos</p>	<p>The whole is more important than the parts; relationships and processes are key.</p>	<ul style="list-style-type: none"> <li>• What is the relationship of x to y and z?</li> </ul>	<p>In organizations, the question is not, <i>How can I maximize my job or department's impact?</i>; it is, <i>How can we all work and fit together in support of the overall objectives of the organization?</i> To that end, each year all major departments need to share their annual plans with senior executives and middle managers and other professionals to ensure everyone knows what everyone else is doing, and to give others a chance to critique those plans. This is actually a large group team-building process.</p>
<p>11. <b>Dynamic Equilibrium</b> – Stability and Balance/Culture</p> <p>– or –</p> <p>disequilibrium at the edge of the</p>	<p>11. <b>Resistance to Change</b> – Myopic View/ Ruts</p>	<p>The steady-state equilibrium, however much we want it, can be dangerous in a changing world.</p> <p>If you are doing things the same way you did five</p>	<ul style="list-style-type: none"> <li>• What new processes and structures are we using to ensure successful change?</li> </ul>	<p>Designing, building, and sustaining a customer-focused high-performance learning organization for the 21<sup>st</sup> century requires a balance in how organizations spend their time and energy among content, processes, and structure. Above all, what we need to avoid is <i>content myopia</i>.</p> <p>Content Myopia – The Failure to Focus on Processes and Structures</p>

polarities/ extremes		years ago, it's probably wrong.		<i>Remember: Change is dependent on process and structures!</i>
12. <b>Internal Elaboration</b> – Details and Sophistication	12. <b>Complexity</b> – and Confusion	Root causes and their effects are usually not linked closely in time and space.	<ul style="list-style-type: none"> <li>• What multiple causes lie at the root of our problem or concern? (That is, <i>What are the root causes?</i>)</li> </ul>	On the organizational problem-solving front, such thinking leads to the search for fast, convenient solutions – quick fixes – as if we were dealing with simple mechanical objects, not unwanted outcomes in a system within systems.