

'Managing networkorganisations: A practitioners view.'

Herman ROOSE – Oranje Belgium

Preamble

Every company or organisation is confronted with changes that are continuously faster and more complex. To navigate an organisation through a turbulent sea requires a lot of steersmanship. The design of the organisation requires an adapted organisational design. Unsinkable ships don't exist but still the question emerges which organisational design keeps the ship floating. Furthermore, how can we use the high waves as motor and guideline for the own organisational evolution?

In order to make the organisation fit and to keep it fit for tomorrow, one has to start today with the planning and implementation of the necessary adjustments. The experience learns that coping with fast and complex alterations (fluctuations and even avalanches) is impossible unless a 'horizontal' organisational design based on 'network-thinking' is used. In this design the company is considered as a social eco-system where stimulating self-organisation is of primordial importance to increase the vitality, the adaptive capacity and thus the competitive fitness.

'Oranje' as a natural experiment.

Oranje is a social-profit organisation in the sector of the service to disabled people in Flanders (Be). It forms a network of about 50 small-scaled projects.

In the last 5 years Oranje dealt with a rapid growth (more than 100 %) and fast changing lawmaking. The core-issue was: how to absorb the fast pacing scaling-up and how to cope with the new regulatory framework in a beneficial way. We were in search of an organisation design that is both robust and flexible at the same time. Eventually we decided to implement a networked design. This rebuilding process was a rather drastic process. We had to deal with all kinds of paradoxes. For example: how to distribute information but avoid overload, how to empower co-workers and nevertheless have a strong management, how to take account of the hyperconnectivity and interdependence but not allow it to have a paralysing effect, etc. To cope with this overall change process we were inspired by an emergent synthesis of general systems theory, complexity-theory, business administration, and profound management experience.

Key issues

In the seminar Herman will try to exemplify how some very important and recognisable key issues arose during the implementation of the turn-around during which the organisation was remodelled to a networkorganisation.

We will elaborate on a few important complexity related concepts and apply them in practice. Below we list a few issues from which we can make a selection during the workshop:

- **From a symbiotic coagulated structure to a liquid co-creative structure.**

In the previous phase of the organisational development of Oranje, much energy was invested in aligning the different units. *'Noses facing the same direction'*. However, we experienced that with increasing tuning in, the inertia and path-dependence increased too. The creativity and innovative power declined. The aim was to take countermeasures against inertia and path-dependence by avoiding **symbiotic/aligning processes** (cf. broadband – continuous connections) in favour of **cross-pollination/ diversifying processes** (cf. broadband – pulsating connections).

Instead of facing them to each other, the different units were directed towards their own relevant and local environment. In that way every unit had to develop their own micro-strategy. Units were from then on positioned 'back-to-back' to each other. By doing so the **co-creative and co-evolutionary capacity** of the different units was maximised.

- **Generating a 'space of consultative possibilities'.**

For this purpose the extent of 'coagulated' consultative groups (cf. **coagulated connections – Push principle**) was cut back. The formal consultative structure was dismantled to a considerable extent. The structure was replaced by a 'space of consultative possibilities' (cf. **'liquid' connections – Call principle**). An 'ad hoc consultative structure' followed in an organic way. This new consultative structure seems to be more capable to cope with the constant and rapid changing environment we are dealing with.

- **Provoking new emergent synthesis by reassembling unit-teams.**

An internal 'professional mobility plan' stimulates job-rotations and job-mutations. This recombination of co-workers not only leads to the sharing of knowledge, but also leads to new, unpredictable and sometimes surprising problem solving or team-solutions.

- **Constantly pushing teams far from equilibrium.**

Teams have the tendency to gravitate to homeostasis when 'left alone'. The downstream evolutionary trajectory of teams is towards homeostasis and petrification. To oppose this, we foster upstream processes such as pushing them far from equilibrium. We will illustrate this with everyday situations.

- **The distributive tensions and paradoxes**

Collateral areas of tension in network-organising are the distribution of **information**, (cf. overload vs selection) the distribution of **steering**, (cf. from self-steering teams to 360° - oriented teams) and the distribution of **control** or power of decision. (cf. the maximum 1 – step decision rule). Herman will illustrate how Oranje wrestled with this paradoxes and how it led to a specific consultative methodology.

- **In conclusion: an alternative organisational chart.**

In conclusion we will discuss an alternative organisational chart that at the same time is a useful metaphor to elucidate the distributive nature of networkorganisation.

Exchange of ideas.

Due to time limitations, not all above-mentioned topics will (or can) be developed in depth, for there has to be plenty of time to exchange ideas and opinions. We are sure that from the discussion there will emerge new perspectives and inspiration.

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He has a degree in business administration, HRM and advanced management.

Herman is CEO of Oranje. Oranje is a networkorganisation in the field of social services to disabled people and their families in Flanders (Belgium).

He is also author of the book **“Managing networkorganisations”**. (*in Dutch – not translated yet*). He collaborated with the department of organisational psychology of the University of Louvain concerning the issue of **multi-organisational partnerships and co-operative strategy**.