

Second-Order Management

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UK Systems Society Oxford | 01-02 September 2009

Agenda

▶ **Why Second-Order Management?**

30min of presentation: What is Second-Order.. Second-Order Systems Theory.. Picking and Constructing Second-Order Management Tools..

▶ **Round Table Discussions**

40min of separate thematic discussions.. Changing tables after 20min (except table chair)..

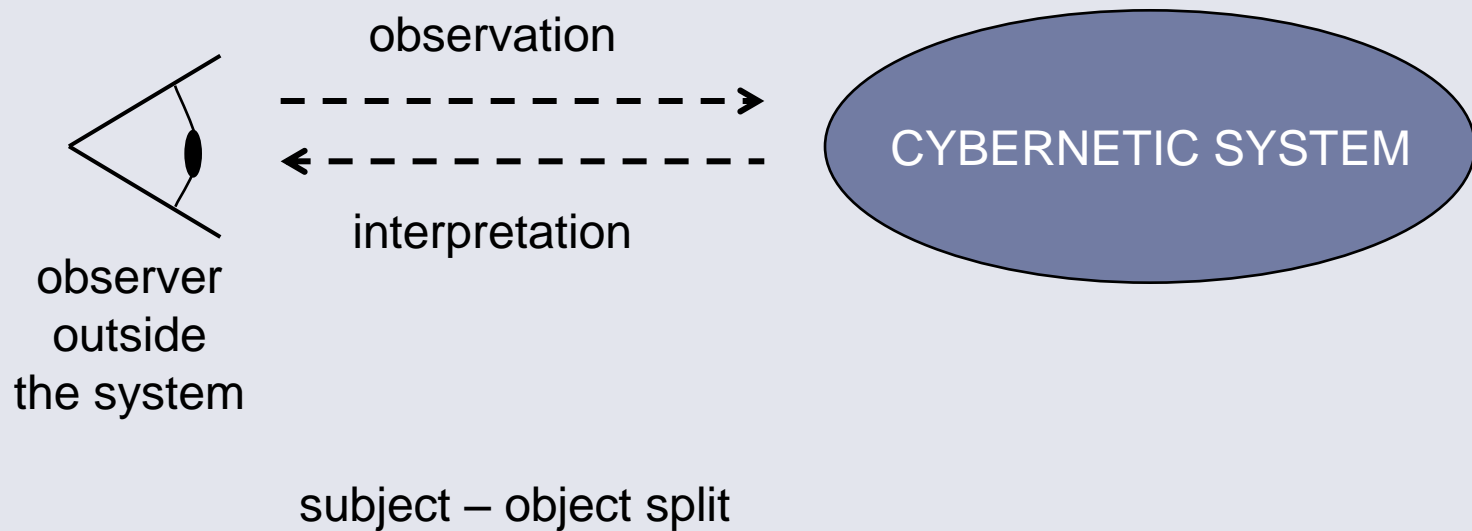
▶ **Presentation of Table Results**

5min each table (by table chair)..

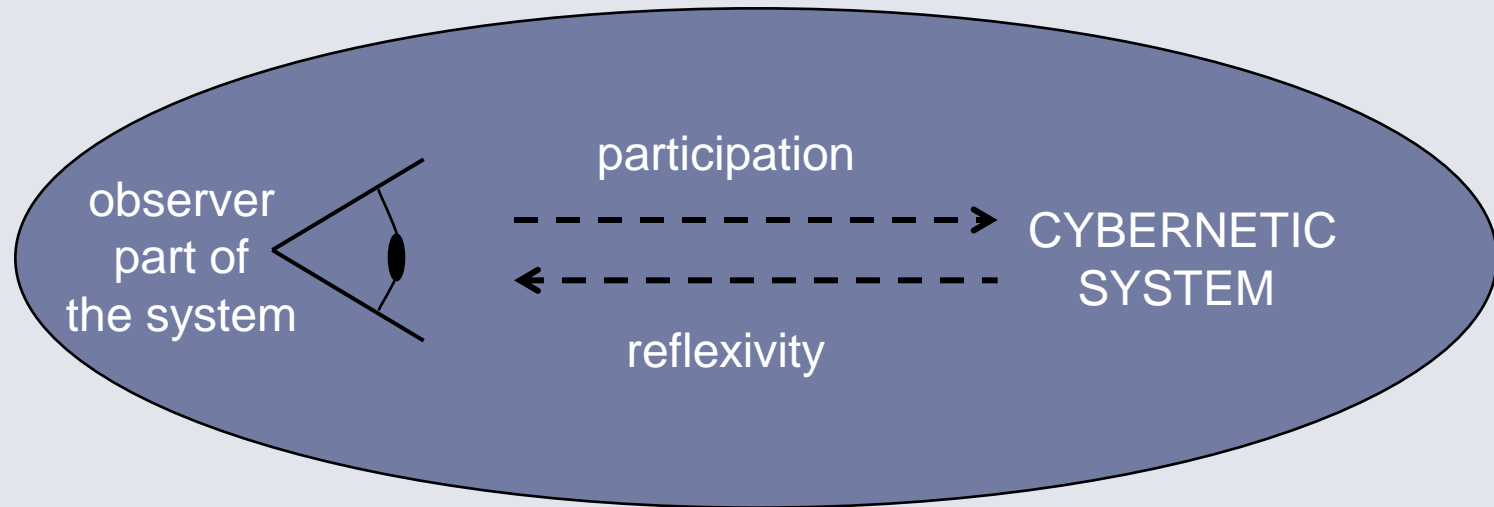
▶ **Discussion and Conversation / Conclusions**

Moderated by Tony and André

1st Order Cybernetic Paradigm

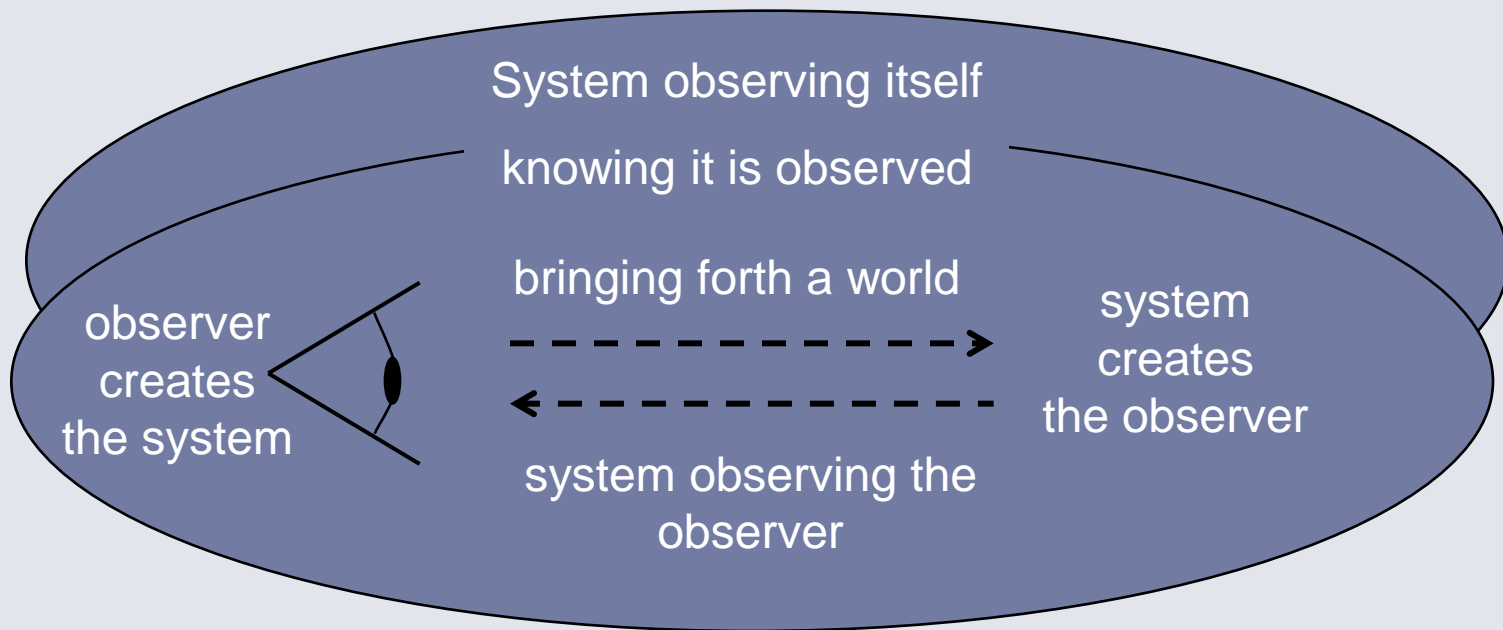


2nd Order Paradigm (weak)



the observer is inseparable from the observation

2nd Order Paradigm (strong)



Second-Order Systems Theory

- ▶ **“Theorie sozialer Systeme”** by Niklas Luhmann as example for a second-order theory for social systems
- ▶ **Difference** as starting point (not unity), reflecting on that difference thus constructing unity
- ▶ **Anti-essentialist language**, focusing not on “things” (ontology) but on “doings” (process)
- ▶ **Evolution** of communication media as drivers of change
- ▶ **Self-reference** as figurative element, capturing oscillation between both sides of the distinction

Constructing a Second-Order View

▶ **Who is observing?**

“Everything said is said by an observer” (*Maturana*): Taking into account “undecidable questions” (*von Foerster*) and the embarrassment that the world is contingent and therefore needs decisions and a decision maker.

▶ **What can be observed?**

Replacing statements about the ontological status of (first order) systems with a strictly empirical and anti-essentialist focus (*Fuchs*).

▶ **What is its function?**

Instead of starting with structure, like first order views, the turn towards “functional-structuralism” (*Luhmann*) focuses on the problem that is solved by a system—in Beer’s words: its purpose.

▶ **How did it become that way?**

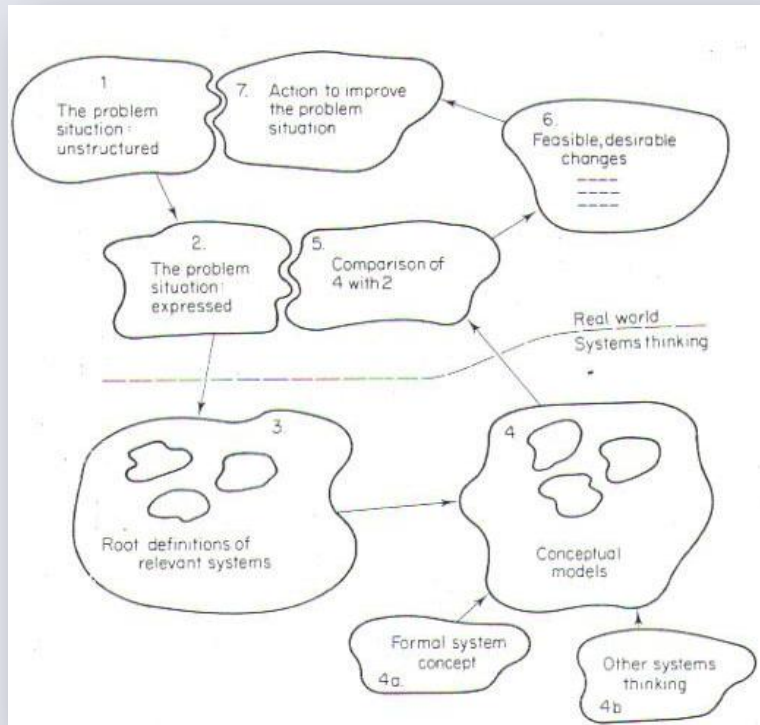
Genealogy (*Nietzsche*) or archeology (*Foucault*) of systems: This is a direct result from the anti-essentialist view that all that can be observed has a past and is subject to evolutionary change.

Second-Order Management Criteria

- ▶ Enable **self-reference** via self-descriptions
- ▶ Focus on **sense** and **sensemaking**
- ▶ Complement hierarchy with **heterarchy**
- ▶ Allow for and rely on **openness**
- ▶ Accept **paradoxes** and **uncertainty**
- ▶ Above all: create and ensure **identity** in the light of fundamental contingency

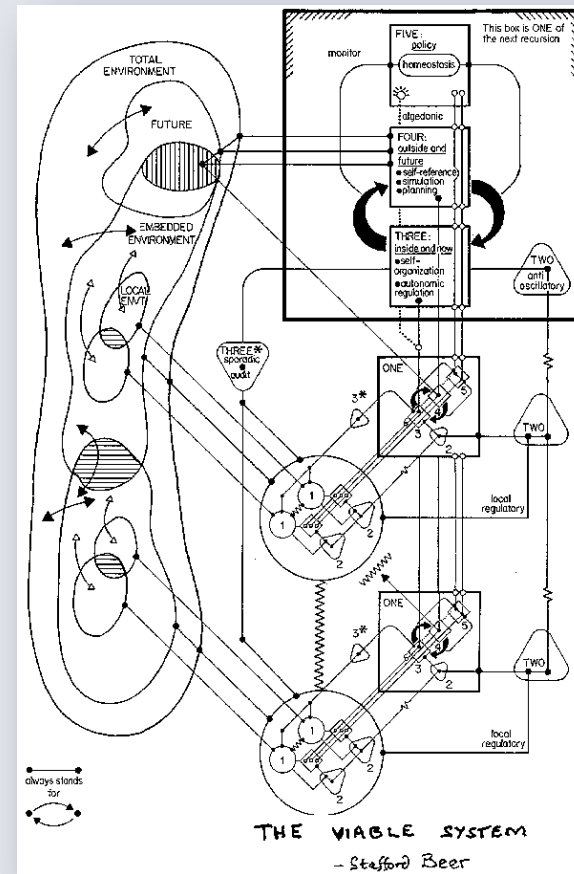
Management Tools for Second-Order?

► Obvious Choices (?)



Soft Systems Methodology

Viable System Model



► Second-Order Management

Discussion on Second-Order Management

- ▶ **How can first-order instruments be turned to second order?**
- ▶ **From rationality to beauty: What doorways does second-order open up for decision making?**
- ▶ **Second-order practice: what real-life examples are there to learn from?**
- ▶ **Implications for second-order research in theory and practice**

Second-Order Management

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