



## **The Goldilocks Equation:**

### **Getting “Just the Right” Stability Within Your Organization**

Dealing with change and uncertainty in our lives is much like “The Story of the Three Bears,” in which Goldilocks tests the porridge, chairs and beds, until she finds the one that is “just right.”

An environment with too little change or difference can lead to stagnation. This can hinder innovation or put constraints on a system, so that nothing ever improves. No effective action is ever taken.

While too little change can lead to stagnation, introducing too much change or difference into an organization can lead to chaos and instability. This leads to an environment where there is too much uncertainty, where things happen randomly, and people aren’t sure what big surprise is coming next.

Adaptive Action is a proven process that helps people and organizations build agreement and certainty in a way that is “just right” for those involved. In this state you have enough agreement for fruitful, but unpredictable, engagement among participants. There is enough certainty to inspire action, but not in the old way that tries to repeat yesterday’s successful practices or more of the same old, same old.

Sometimes in your work you find yourself in situations you know need to change, but you cannot find the path. The “old” rules or tricks that used to work don’t seem to be effective anymore. People are just not behaving or responding in the ways you have come to expect.

Sometimes things seem out of control or skate along the edge of uncertainty.

- Meetings have gone awry—unpredictable questions, too much data, or too many opinions for real discussion.
- Your customer base is bringing new expectations that threaten the responsiveness of current service policies.
- New ideas and opportunities emerge so quickly you don’t have time to explore them to make good decisions.
- Employees’ needs and skills are so diverse that they stretch the capacity of your organization to support your staff.
- Your industry is undergoing turbulent change as technologies change the foundations of your system.

On the other hand, sometimes things can be too predictable and tightly held. Everything or everyone around you seems stuck, and you are unable to move.

- Your policies and procedures hold you stuck in the past.
- You recognize changes require re-tooling, yet you question employees’ abilities to make such radical changes.
- Your board wants to “hold the line” and monitor performance against time-

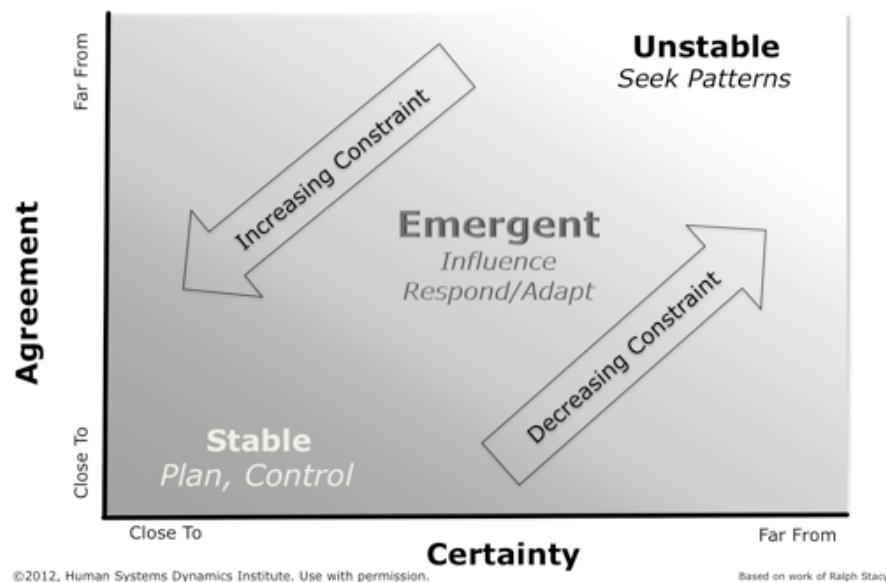
honored expectations of the past.

- Traditional approaches to problem solving no longer bring about the changes you need across the organization.
- You know you need to support innovation and new thinking, but you just can't seem to get people to go there.

Each of these challenges results from a miss-match between the *constraints* that exist in an environment and the degree of *constraint* that is necessary for finding the best fit. Constraint is the degree to which a system is limited or restricted by its own internal agreements and expectations, policies and procedures, or traditions and culture.

In any organization or environment some activities need to be constrained and controlled, while at the same time, some activities require less constraint to allow for diverse and creative responses to challenges. The key is to know how much is too much constraint, and how much is too little constraint.

The following tool will help you determine the amount of constraint in your organization.



The two axes in this diagram represent critical dimensions of interaction, (see the figure above).

- The “X” or horizontal axis represents **certainty** in the system, and describes a continuum from “Close To” certainty (high degree of certainty), to “Far From” certainty (little or no certainty) among the agents in a system.
- The “Y” or vertical axis represents **agreement** in the system, describing a continuum from “Close To” agreement (strong agreement) to “Far From” agreement (little or no agreement).

Using the above chart, assign activities and interactions you are interested in to one of three zones. We use this process for many different things, including projects, processes, questions, challenges, opportunities, and stakeholder groups. Choose the zone that best fits the description of your current situation:

**Stable Zone** – Activities and interactions are ruled by procedure, rules, and policies. Things are highly predictable and constrained, and there is little to no unpredictable change.

**Emergent Zone** – Activities and interactions are patterned, but not predictable. You can anticipate what might happen, but prediction isn't possible. The environment fosters learning, relationships, creativity and innovation.

**Unstable Zone** – Activities and interactions are ruled by unconnected events that have no meaning. There is a lot of random activity, unpredictability, and surprise.

After you've identified what zone best fits your current situation, answer the following questions to recognize your opportunities for action:

*Where is your current location on the diagram? Think about your current situation to answer why you are here.*

*Where do you want to be? Think about the future changes you want to take place to fit the needs of our clients and their environments.*

*How can you shift your location on the diagram? Think about the actions you can take to increase agreement and certainty for more constraint or to decrease agreement and certainty for more freedom.*

This diagram is a useful tool to help you see your current situation better and show how your actions influence the patterns in your organization. It also helps you see the ways in which your own actions and decisions create constraints to shape patterns at all levels where you live, work and play.

**Interested in starting better conversations within your organization?**

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