Russell Ackoff. Interactive Planning

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CONTENT

1. Introduction

2. Delimitation

3. Three Principles

4. Phases

    1. Idealization

    2. Realization

5. Execution

6. Application and Critique

INTRODUCTION

– Methodology derived by Russel L. Ackoff (1981)

– Future depends on what **actions** and **events** it realizes in the **present**, aiming towards an **ideal future**

– Design a desirable present → **approximate** as good as possible

– Incorporates interdependence of problems into planning

– Based on the ideal of the „Interactivist"

DELIMITATION - REACTIVE PLANNING

Quelle: https://www.canetoadsinoz.com/invasion.html

– **Tactically oriented** and **bottom-up** approach

– **Identify deficiencies** in an organization and eliminate or reduce these one by one

– Two **problems** arise:

  – *„When one gets rid of what one does not want, one does not necessarily get what one does want, and may get something much worse."* [Ackoff, 2001]

  – Problems **viewed in isolation**, even though function of organization is based on **interaction of parts** (System Thinking)

DELIMITATION - PREACTIVE PLANNING

- **Strategically** oriented and **top-down** approach

- Predicting possible futures → control impact of the future on the organization

- Problem:

  - Predictions about the future are rarely correct

  - Plans formulated are based on incorrect assumptions
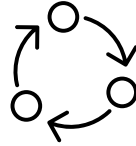
DELIMITATION – OTHER APPROACHES

- Represent **extremes** of a **temporal** orientation of planning

- **Inactivists** → maintain the status quo

- **Interactivists**

    - neither in the past, nor want to accept their future

    - Interactive Planning based on this ideal

THREE PRINCIPLES
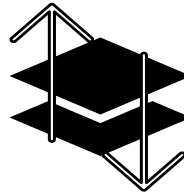
– The Participative Principle

– The Principle of Continuity

– The Holistic Principle

  – Coordination

  – Integration
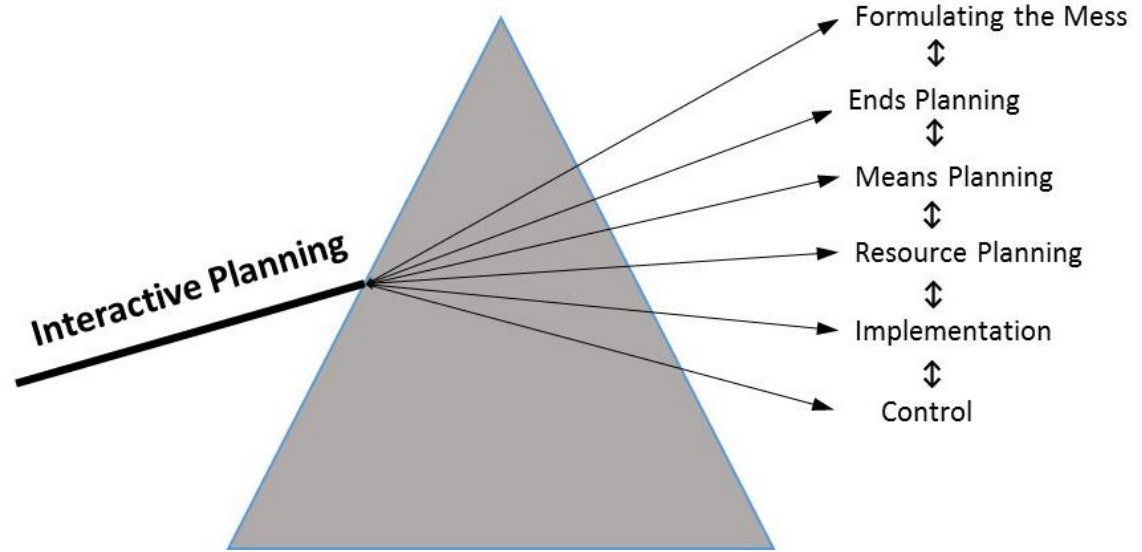
PHASES

1. Idealization

    1. Formulating the Mess

    2. Ends Planning

2. Realization

    1. Means Planning

    2. Resource Planning

    3. Design of Implementation

    4. Design of Controls

Quelle: https://doi.org/10.1016/j.sbspro.2014.02.436
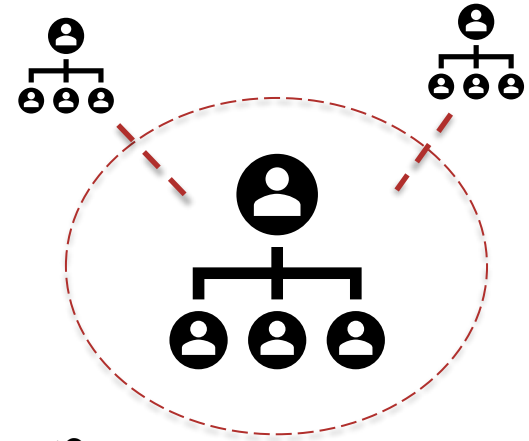
PHASES - IDEALIZATION

FORMULATING THE MESS

- Mess = multiple, **interacting threats** the organization will face in the future

- Goal: Find the **reasons** for the organization's **potential decline**

- Sub activities:

    - System Analysis

    - Obstruction Analysis

    - Reference Projections

    - Reference Scenario
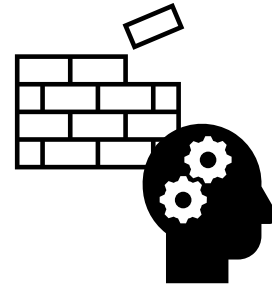
PHASES - IDEALIZATION

FORMULATING THE MESS

– System Analysis: Questions

  – What business or business is the organization in?

  – What are the principal stylistic preferences of management?

  – How has the organization performed in the past and how is it performing now?

  – Who are the organizations' stakeholders?

  – Who are the organizations' competitors?

  – What laws and governmental regulations affect the organization and how?

PHASES - IDEALIZATION

FORMULATING THE MESS

– Obstruction Analysis: Typology

  – Conflicts within individuals who are part of the organization

  – Conflicts between such individuals

  – Conflicts between units at the same level of the organization

  – Conflicts within the organization as a whole

  – Conflicts between the organization and external groups

PHASES - IDEALIZATION

FORMULATING THE MESS

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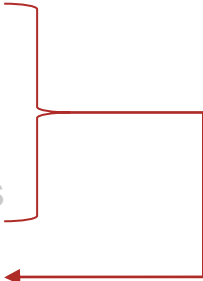
  - Reference Scenario

PHASES - IDEALIZATION

FORMULATING THE MESS

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    – **Reference Scenario**

PHASES - IDEALIZATION

ENDS PLANNING

- **Design** what the organization would like to be at the **present** time

- Identifying **discrepancies** between
  Reference Scenario ←→ Desired Present

- Ends = Goals to be achieved towards the ideal of the organization

- For this purpose: **Idealized Design**

Digression

IDEALIZED DESIGN

„Gentleman, the telephone system of the United States was **destroyed** last night."

- Vice President of Bell Labs, 1951 (according to [Ackoff, 2006])

IDEALIZED DESIGN

– Assumption: **organization** was **destroyed** last night, but its **environment** in which it was **embedded** remains **intact**

– Design to replace **right now**

– Two constrains and one prerequisite:

  – Technological Feasibility

  – Operational Viability

  – Learning and Adaptation

IDEALIZED DESIGN

> *It is neither perfect nor utopian. The design produced should be that of the best ideal-seeking system of which its designers can currently conceive.*
> *(They may, and probably will, be able to conceive of a better one later.)*

- [Ackoff, 2001]

IDEALIZED DESIGN

– Three parts:

1. Formulation of a **mission statement**

2. **Specification of characteristics** the organization should possess

3. **Design** of an organization with these characteristics

IDEALIZED DESIGN

MISSION STATEMENT

– **Reason** for the organization's **existence**

– Ways to be effective and **unique** as an organization

– **Uniting** all of its **stakeholders** under a common purpose, explicitly including **non-executive** employees

– Exciting, challenging and **inspiring**

– Definition of what environment (business) the organization **wants to be in**
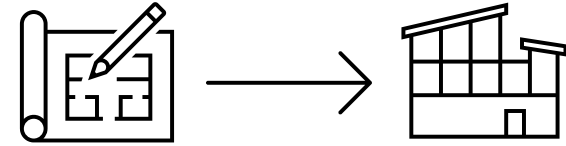
IDEALIZED DESIGN

MISSION STATEMENT

If a mission statement cannot be used in evaluating an organization's performance, it is hollow, at best a piece of propaganda.

- [Ackoff, 2001]

IDEALIZED DESIGN

SPECIFICATION AND DESIGN

– Specification: **properties envisioned** in the idealized organization (**what**)

– Design: **instruction set** for realization (**how**)

– Variety of potential aspects, areas and topics to be included in the specification (and thus the design):

  – Markets:
  What kinds of users of its output does the organization desire?
  How should they be approached?
  Who would the competitors be?

IDEALIZED DESIGN

SPECIFICATION AND DESIGN
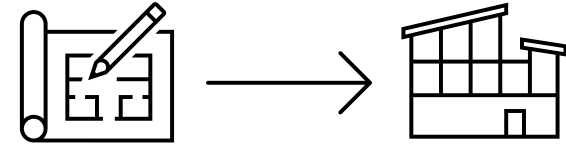
- Aspects, areas and topics to be included in the specification:

    - Services:
      What services should the organization provide?
      How should the quality of the services provided be assured?

    - Organization:
      What functions must the organization perform in order to produce the outputs it desires to produce?
      What organizational units should be created and how should these be related?

    - Facilities and Equipment

IDEALIZED DESIGN

SPECIFICATION AND DESIGN
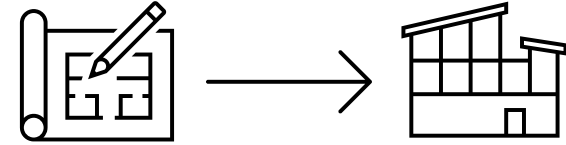
- Aspects, areas and topics to be included in the specification:

    - Management:
    How many levels of management should the organization have?
    What authority and responsibilities should be assigned to managers?
    How should non-managerial personnel be involved in management processes?
    How should managers be evaluated?

    - Personnel:
    How should personnel be recruited, hired, trained, educated,…?
    Who should be responsible for monitoring quality of work life?

    - External Affairs and Relations

IDEALIZED DESIGN

– Result is a product of the **planning group**

→ Decisions should always be made by **consensus** of the group

– Completed draft available for review, comment, and critique to as many stakeholders as possible

→ Who are **not involved** in the development process

– New **input** should always be **incorporated** into the design

→ **Continuous improvement** of the design
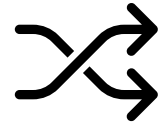
PHASES - REALIZATION

MEANS PLANNING

– Development of means to **close/reduce gaps** identified before

– **Correlation** of the *Reference Scenario* and *Idealized Design*

– Courses of action, projects, programs, and new policies
driving the organization closer to the ideal

– Problems handled by either **resolving**, **solving** or **absolving**

– Several **alternative solutions** to be discussed

  – **prioritized** and selected by means of questioning, experiments, models or
  simulations

PHASES - REALIZATION

RESOURCE PLANNING

– Means considered in the context of **economic** aspects

  – **What** and **how many** resources are needed to implement the Means? **Where** are they needed?

  – **When** will the resources be needed and how much will be available?

  – What should happen in the event of a **shortage** or **surplus** of resources?

– **Categories** of resources for planning:

  → inputs, facilities and equipment, personnel, money, and data

PHASES - REALIZATION

DESIGN OF IMPLEMENTATION AND DESIGN OF CONTROL

- „Determining who is to do what, when and where" [Ackoff, 2001]

- Planning and **executing** the previously developed Means
    - Translated into set of **instructions** and **schedules**

- **Control** and **monitoring** instance
    - Criteria are identified and selected that allow **evaluation of the success**

EXECUTION

All outputs are subject to subsequent revision. Plans are treated as, at best, still photographs taken from a motion picture.

- [Ackoff, 2001]

APPLICATION

- According to Ackoff there are over 300 practical applications of *IP*

- Contrary to Haftor's findings of only a few published, academic case studies

  - E.g. "Implementation Of Interactive Planning" (2011) or "Applications of Interactive Planning Methodology" (2007)

- Chowdhury, 2015:
  Develop a child protection framework for a non-governmental organization (NGO) in India

CRITIQUE

- Contradiction:
  "Formulating the Mess" is process of **holistic** thinking that conceives organizations as **integrated** systems,
  BUT understands this system only through its **analysis**

- Two key issues [Haftor, 2001]:

  - Lack of identification and challenging of existing power structures

  - Not all stakeholders actually get the opportunity to participate

- Ackoff defends his method

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THANK YOU!

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Complex Systems and Co-Operative Action