Systems Thinking: Help Your Giving Create Greater Change

Presented by David Peter Stroh
For Today’s Session, we will be focusing on:

Understanding what systems thinking is and why it is important

Introducing basic systems thinking principles and tools

Sharing examples of systems thinking in action

Applying systems thinking to your own work

Learning how to take systems thinking “home”
WHAT IS SYSTEMS THINKING AND WHY IS IT IMPORTANT?
Getting Started: Definitions

**System**

an interconnected set of elements that is coherently organized in a way that achieves something

(Donella Meadows)

**Systems Thinking**

the ability to understand these interconnections in such a way as to achieve a desired purpose
In the News

- Food aid leads to increased starvation
- Drug busts increase drug-related crime
- Homeless shelters perpetuate homelessness
- “Get tough” prison sentences fail to reduce fear of violent crime
- Job training programs increase unemployment
- Job training programs increase unemployment
What do these stories have in common?
Failed Solutions have Common Characteristics

Address symptoms vs. underlying problems

Obvious and often succeed in the short run

Short-term gains undermined by long-term impacts

Negative consequences are unintentional

If the problem recurs, we do not see our responsibility
This is Our Philanthropic Challenge:

Fixing It Now vs.
Helping Over Time
The Philanthropic Challenge: Fixing Now vs. Helping Over Time

*When you are confronted by any complex social system ... with things about it that you’re dissatisfied with and anxious to fix, you cannot just step in and set about fixing with much hope of helping. This is one of the sore discouragements of our time.*

*If you want to fix something you are first obliged to understand ... the whole system.*

Lewis Thomas
Two Types of Thinking

Conventional
appropriate for simple problems

Systems
appropriate for chronic, complex problems
## Conventional vs. Systems Thinking at Work

<table>
<thead>
<tr>
<th>Conventional Thinking</th>
<th>Systems Thinking</th>
</tr>
</thead>
<tbody>
<tr>
<td>The connection between problems and their causes is obvious and easy to trace.</td>
<td>The relationship between problems and their causes is indirect and not obvious.</td>
</tr>
<tr>
<td>Others, either within or outside our organization, are to blame for our problems and must be the ones to change.</td>
<td>We unwittingly create our own problems and have significant control or influence in solving them through changing our own behavior.</td>
</tr>
<tr>
<td>A policy designed to achieve short term success will also assure long term success.</td>
<td>Most quick fixes have unintended consequences: they make no difference or make matters worse in the long run.</td>
</tr>
<tr>
<td>In order to optimize the whole, we must optimize the parts.</td>
<td>In order to optimize the whole, we must improve relationships among the parts.</td>
</tr>
<tr>
<td>Aggressively tackle many independent initiatives simultaneously.</td>
<td>Only a few key coordinated changes sustained over time will produce large systems change.</td>
</tr>
</tbody>
</table>
Why Do People Get Caught in the Dominoes?

Solving the immediate problem is rewarding

Many stakeholders are involved

There can be a long time delay before the last domino falls

It is easy to blame a new problem on the last domino that falls

We don’t see the dominoes circling back
The Tip of the Iceberg

The Iceberg
The Complete Iceberg
Deepening Our Understanding of Problems: The Iceberg

<table>
<thead>
<tr>
<th>QUESTIONS</th>
<th>FOCUS</th>
<th>ACTION OR RESPONSE</th>
</tr>
</thead>
<tbody>
<tr>
<td>What happened?</td>
<td>EVENTS</td>
<td>React Firefight</td>
</tr>
<tr>
<td>What’s been happening?</td>
<td>TRENDS &amp; PATTERNS</td>
<td>Anticipate Forecast</td>
</tr>
<tr>
<td>Why?</td>
<td>STRUCTURE (Forces and Pressures)</td>
<td>Change Create</td>
</tr>
</tbody>
</table>

[Diagram showing the iceberg model with questions, focus areas, and actions]

- Events
- Trends & Patterns
- Structure (Forces and Pressures)
- Problems or Crises
- Actions or Interventions
- Unintended and Delayed Consequences
- Mental Models
- Purpose

www.bridgewaypartners.com ©2013
The Iceberg: Focus on Structure

EVENTS

TRENDS & PATTERNS

STRUCTURE
(Forces and Pressures)

- Problems or Crises
- Actions or Interventions
- Unintended and Delayed Consequences

Mental Models

Purpose
TRENDS & PATTERNS

EVENTS

STRUCTURE
(Forces and Pressures)

Problems or Crises
Actions or Interventions
Unintended and Delayed Consequences

Mental Models
Purpose
Calhoun County, MI: estimated 250-500 people homelessness among population of 100,000

Homeless Coalition meetings again fail to deal with the problem: disagreements, competition, and lack of knowledge cited

Opportunity to receive funding to develop ten-year plan to end homelessness

Systems thinking integrated with community building process – involving political and business leaders, service providers, and homeless people – to produce the plan
TRENDS & PATTERNS

EVENTS

STRUCTURE
(Forces and Pressures)

Problems or Crises

Actions or Interventions

Unintended and Delayed Consequences

Mental Models

Purpose
Ending Homelessness: Trends

- Estimated # Homeless
- Efforts to Reduce Homelessness
- Visibility of the Problem

Time

Numbers
TRENDS & PATTERNS

STRUCTURE
(Forces and Pressures)

Events

Problems or Crises
Actions or Interventions

Unintended and Delayed Consequences

Mental Models
Purpose
Ending Homelessness: Unintended Consequences of Temporary Shelters

PROBLEM: Homeless People

Willingness, Time & Funding to Innovate and Collaborate

TIME DELAY

Permanent Housing with Critical Services

QUICK FIX: Temporary Shelters & Supports

Donor Desire For Short-Term Results

Funding to Individual Organizations
TRENDS & PATTERNS

EVENTS

STRUCTURE
(Forces and Pressures)

Problems or Crises → Actions or Interventions → Unintended and Delayed Consequences

Mental Models

Purpose
Ending Homelessness: Surfacing Mental Models

**PROBLEM:** Homeless People

- Service Providers: *We have to help people now.*
- Permanent Housing with Critical Services
  - Willingness, Time & Funding to Innovate and Collaborate
  - Service Providers: *We have to protect our own funding.*

**QUICK FIX:** Temporary Shelters & Supports

- Funding to Individual Organizations
  - Donor Desire For Short-Term Results
  - Funders: *Contributing to tangible results now is rewarding.*

**TIME DELAY**

- Public Officials: *This is too hard, takes too long, and is too expensive.*
Mental Models in Your Own Iceberg—
A Chance to Reflect

1

Find a partner and discuss the following question:

Can you see how mental models play out in philanthropy?
Mental Models in Your Own Iceberg—
A Chance to Reflect

2

Take a moment to personally reflect and jot down an issue where you are not making as much progress as you think you should be.

As your reflect on this issue, make note of any mental models that you (and your colleagues) have that might be impeding your effectiveness.
Mental Models in Your Own Iceberg—
A Chance to Reflect

3

Reconnect with your partner

Share your issue and mental models with one another
TRENDS & PATTERNS

EVENTS

STRUCTURE
(Forces and Pressures)

Problems or Crises

Actions or Interventions

Unintended and Delayed Consequences

Mental Models

Purpose
Ending Homelessness: Choosing the Purpose

**Current Benefits**
- Feel good about helping people *cope* with homelessness
- Reduce *visibility* of problem
- Reduce *severity* of problem
- Receive *funding* for current work

**Espoused Purpose**

*End* homelessness
Ending Homelessness: Results

Plan funded: Leverage points identified by a shared understanding of why homelessness persisted became the basis for state approved plan.

Collaborative breakthrough: Homeless Coalition voted unanimously to reallocate HUD funding from one service provider’s transitional housing program to permanent supportive housing program run by another provider.

Quantitative results: In the plan’s first three years of operation (2007-2009), the county reported the following results:

- Homelessness decreased by 13% (from 1658 to 1437) and eviction rates declined by 3% … despite a 70% increase in unemployment and a 15% increase in bankruptcy filings.
3 WHEN AND HOW TO USE SYSTEMS THINKING
When to Use a Systems Approach

- The problem is chronic and has defied people’s best intentions to solve it.
- Diverse stakeholders find it difficult to align their efforts despite shared intentions.
- They try to optimize their part of the system without understanding their impact on the whole.
- Stakeholders’ short-term efforts might actually undermine their intentions to solve the problem.
- People are working on a large number of disparate initiatives at the same time.
- Promoting particular solutions (e.g. best practices) comes at the expense of engaging in continuous learning.
How to Use Systems Thinking

Use it early to diagnose why a problem persists

Use systems thinking to invite others in

Look for unintended consequences, mental models and underlying purpose

Be patient and persistent in working towards the long-term

Create small successes within the long-term context

Ask systemic questions
Ask Systemic Questions

Why have we been unable to solve this problem despite our best efforts?

How might we be partly responsible, albeit unwittingly, for the problem?

What might be unintended consequences of our proposed solutions?

What might we have to give up for the whole to succeed?
Resources

Articles, Papers, and Blogs


• Articles applying a systems approach to social issues, e.g. homelessness, urban crime, economic crisis, identity-based conflicts: http://www.bridgewaypartners.com/OurPublications/Articles/SocialChange.aspx.

• Blogs on such topics as “Thinking AND Acting Systemically” and “The Ironic Addictions of Policy Makers”: http://www.bridgewaypartners.com/Blog.aspx.

Books

• The Fifth Discipline, Peter Senge
• The Fifth Discipline Fieldbook, Peter Senge et al
• Thinking in Systems, Donnella Meadows

Websites

• Bridgeway Partners (www.bridgewaypartners.com)
• Pegasus Communications (www.solonline.org)
• Applied Systems Thinking (www.appliedsystemsthinking.com)