

# The ORGANIC ORGANIZATION

By Yul J Tarr, February-1998

---

This article proposes that a fundamentally new style of company structure, culture and management is needed for the 21<sup>st</sup> century: the Organic Organization.

The **Organic Organization** modeled after nature to evolve, adapt, change, self-optimize and survive. The Organic Organization recognizes that there is no sustainable balance without the equilibrium of opposing forces. Equilibrium is achieved by preserving and regularly renewing internal opposing forces and maintained by balancing the continuous struggle of these forces.

The Organic Organization, like living organisms, has two major tendencies to “develop” itself that are driven by conservative and progressive forces. The first tendency is the process of “**the survival of the fittest**”. Driven by conservative forces, the survival process designed to destroy or suppress individuals and sub-organizations that are not a perfect fit for the existing environment. This tendency serves the short-term interest of the organism or organization by optimizing its operations to maximize short-term gains.

The second tendency is the process of “**evolution**”. Driven by progressive (or opportunistic) forces, the evolution process designed to create individuals and sub-organizations to fit a new or changing environment. Nature achieves this with a regular introduction of **mutants**. If a mutant does not fit the existing environment conservative forces will act to destroy or suppress it. However, if a mutant is a better fit for a new environment, it will reproduce at an increasing rate, eventually becoming the new fittest and the new conservative majority. The process repeats when new environmental changes favor new mutants. Progressive forces serve the long-term interest of the organism or organization, optimizing operations to maximize long-term gains.

The macro economy develops in a similarly organic way. Fit, profitable, rigid organizations disappear and are replaced by new mutant organizations when rapid change occurs. It is a painful and expensive experience for society, when a few large (or many small) organizations collapse in this way.

The goal of Organic Organizations is to distribute the pains of evolution over daily operations. The approach is to maintain the continuity of individual organizations while making them more flexible via continuous and systematic changes. Now days, every company has these words on its flag.

The question is how to really accomplish it?

The Organic answer is to follow nature’s trial and error process with mutations. This process leads to advantages in the long run realized through a chain of short sighted and opportunistic decisions. In organizational terms, with extensive R&D (Exploratory Research) projects in the broadest sense (i.e., not just technical aspects of a business), the scope of R&D (Exploratory Research) should expand from the conventional product and production to include and integrate organizational, operational and marketing R&D projects.

There are two major things to learn from nature here:

1. Organizations need to continually refine and optimize their short-term operations.
2. The same organizations need to routinely generate and preserve their “mutants” in the forms of products, projects, processes, and people's behavior.

# The ORGANIC ORGANIZATION

By Yul J Tarr, February-1998

---

But, who wants to be a mutant in our society? We all want to fit in. Do we not?

The answer is situationally dependent. If the pace of the change is slow, relative to the length of the career of an individual, it is more gainful to be a conservative or conformist. However, if the cycle time of the change is shorter than the active "life span" of an individual, then more mutants will succeed, creating great headlines and motivating others to be one of them. That is to think and behave "out of the box". It also a matter of personality. Some of us are rebels or mutants, no matter what. They (we) are just born to be one.

Computer nerds and hackers are good examples of how mutants create and fertilize an industry. But as they become the standard, demonstrating main stream behavior, organizations need to find (or develop) new kind of nerds and hackers to be ready for the next change.

What will the future bring? Will the pace of change slow down?

One hardly could think so. True diversity is the recipe for the survival of an organization. We need to be able to create, value, maintain, and manage this diversity, not just talk about it. In reality, diversity annoys traditional management.

The trick to be learned is how to manage human resources to not keep too many mutants on the payroll when change is slow, while guarding against having too many conservatives when environments are changing rapidly. The more rapidly environments change, (or are expected to change), the more variety and greater number of mutants are needed in an organization to find the new fittest. On the other hand, too many mutants in a constant environment will degenerate, and ultimately destroy a specie.

*However, in the human society this won't happen. Humans have created and are perfecting medical science and welfare systems. These keep human mutants going and improve their chances to reach their reproductive age, when they can inherit the tendency to produce more number and variety of mutants. More mutants, will induce more and more changes, which will require more mutants to be able to adapt to those changes. More mutants also require more and more doctors and social workers to keep the unfit going... This cycle could go on until genetic engineers take over and create "purpose born", specialized species. These species will have all the typical deficiencies of our current engineered products, so they will malfunction and die for all kind of reasons. If did not, they could create they own "network", "high culture" or "high society" and just use us, "random biological creatures", as subordinates...*

What can an organization do to duplicate the remarkable flexibility of an organism?

The key is BALANCE. None of the internal forces, CONSERVATIVE nor PROGRESSIVE, should win the internal battle in an organization! These terms are relative. That is why they need to coexist, and the best match to the external environment (external to the organization) should dominate, for the appropriate period of time, in order to maximize the gain, which they all benefit from. None of them should be able to take control over the organization for an extended period of time. That would lock-up the whole operation and destroy the organization. However, General Patton once said, "every generation breeds new tyrants" who try to seize the power for life. One potential solution to this is to not give power to one who enjoys it, but to the one who takes it as a burden and as a great responsibility.

# The ORGANIC ORGANIZATION

By Yul J Tarr, February-1998

---

The desire to avoid the operational lock-up requires a parallel, or maybe a time-shared managing process, versus the commonly practiced management (or control) for "life". A kind of Check and Balance process, or term limits for CEOs perhaps.

There is no stable, neutral balance in nature. Natural balance is achieved only in the equilibrium of opposing forces, tensions, arguments, debates, disputes and stresses. Calm society (or organization) is a utopistic dream.

An Organic Organization establishes an appropriate environment to express these different opinions. It creates forums and processes to continuously confront, control, relieve, and harness these tensions to channel controversies into momentary consensus and harmony on the surface.

Tension and Stress are vital elements of an effective Organic Organization for maintaining dynamic balance. The big culprit is that "...tension reduction is the only genuine tendency of the organism" (Sigmund Freud). Humans have a strong tendency to reduce tension by playing politics, lying, ignoring, conforming, falling asleep, concurring, and so on.

The most important function of upper management, within Organic Organizations, is to fight against these tendencies to preserve and maintain a healthy, motivating balance of tensions. The function of guarding and catalyzing should naturally be the responsibility of the owner of the organization, who understands the trade and acts as a great equalizer. In the case of a corporation, a "genetic code" or "constitution" guarded by a "wise" President, who can serve as the "main processor" or controller to initiate and interrupt the parallel or time-shared operating management, could be a partial solution.

Ultimately, a fundamentally new style of company structure, culture and management is needed for the 21st century. A new kind of management is needed that is comfortable giving up total organizational control, able to deal with and maintain ambiguity and diversity, and can serve as a catalyst for a boiling "autoclave" of conservative and progressive forces.

Have these "mutant" top executives been born yet, or do we need to genetically engineer them?

While waiting for the answer, we should work to develop a robust "genetic code" and the network of processes, which could become the statute (Constitution or DNA) of the Organic Organization. Companies need to improve the organizational stability of their business partners too, not just the quality of the products they supply.

## NOTES:

- Recently, the "Organic" and "Natural" words are acquired a meaning of something inherently good or healthy. I just would like to remind everyone that snake venom and many other deadly poisons are Natural and Organic but not good, neither healthy.
- Evolution by mutation is discovered by Austrian monk: Gregor Mendel (1822-1884).
- Stresser is the biological terminology for the new environmental effect, which drives an evolutionary change.