

A photograph of a dark, winding asphalt road through a dense forest. The road has a double yellow line in the center and white lines on the edges. The scene is shrouded in thick fog, making the distant trees and road curves disappear into a grey haze. The word "Uncertainty" is written in a large, white, sans-serif font in the center of the image.

Uncertainty

machine learning

Traditional Management
principles don't work.

digitalization

Customer Expectations
rise and grow.

big data

AI

Need for Speed
in Innovation!

singularity

Legacy Structures
hinder progress.

New enabling
technologies.

lean startup

blockchain

GDPR

robotics

responsive organization





Bankruptcy

Social distancing

Social problems

Crisis management

COVID-19

New business?

Closed borders

Restrictions
on businesses

Economic recession

A photograph of a dark, winding asphalt road through a dense forest. The road has a white line on the left edge and a double yellow line in the center. The road curves into the distance, disappearing into a thick fog or mist. Tall evergreen trees line both sides of the road, their details softened by the haze. The overall atmosphere is mysterious and somber.

Uncertainty

Traditional management principles no longer work





**100+ years of
managing for **predictability**
where the causality of decisions
has been **relatively certain**.**

ORGANIZATION CHART of

THE TABULATING MACHINE CO.

BOARD OF DIRECTORS - C-T-R-CO.

Alfred DeBuys
George W. Fairchild
Charles R. Flint
A. Ward Ford
Oscar L. Gubelman
Samuel M. Hastings
John W. Herbert
Joel S. Coffin
Clarence P. King
Stacy C. Richmond
Joseph E. Rogers
Christopher D. Smithers
Thomas J. Watson
George I. Wilber
Rollin S. Woodruff

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Thomas J. Watson

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- ENDICOTT, N.Y.
- DAYTON, O.

THOMAS J. WATSON *President*
R.L. Houston *General Manager*

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R.L. Houston - Treasurer
W.D. Jones - Asst. Treasurer
James S. Ogsbury - Secretary
O.E. Braitmayer - Asst. Secretary

MANUFACTURING

O.E. Braitmayer
Swift Boykin - Chief Clerk

SYSTEMS

Gershom Smith
Pierre Bontecou

SALES

G.W. Spahr

OFFICE

W.D. Jones
Wm. MacLardy

ADMINISTRATION
R.L. Houston
O. Braitmayer

Production
Operating
Machines

L. O'Brien
mer Oldroyd

Production
Cards

J.E. Braitmayer

Maintenance
Machines

Taylor Garrett

Plant
Maintenance

J.E. Braitmayer

Purchasing

O.E. Braitmayer

INVESTIGATION
and RESEARCH

Survey and study of industries not using machines at present.
Study of present uses of machines.
Distribution of information to field force.

SCHOOLS

Training of new men in classes

GENERAL
EDUCATION

BOSTON
DISTRICT

Boston Office
Springfield Office
Worcester Office
Providence Office

NEW YORK
DISTRICT

New York Office
Syracuse Office
Buffalo Office
Hartford Office
Bridgeport Office
Rochester Office

PHILADELPHIA
DISTRICT

Philadelphia Office
Scranton Office
Altoona Office

CLEVELAND
DISTRICT

P.D. Merrill
Cleveland Office
Detroit Office
Cincinnati Office
Pittsburg Office
Pittsburgh Office

ADVERTISING

General Publicity
House Organs
Booklets
Pamphlets
Circulars
Catalogs
Layouts
Copy Cuts
Illustrations

ACCOUNTING

Billing
Cost Accts.
Collections
Accts. Payable
Cashier
General Books
Financial Reports

ORDERS

Examination of specifications
Recording of orders
Filing of contracts

COSTS

Producing Machines
Maintaining machines
Producing cards
Selling cards

SALES RECORDS

Statements
Comparisons

MAILING
& FILING

Mailing
Filing
Inquiries
Messengers
Advertisers Lists
Users Lists

FINANCIAL

Legal

ENGINEERING

C.D. Lake
F.M. Carroll
A. Knistrom

Patents

CHICAGO
DISTRICT

C.L. Hayes
Chicago Office
Des Moines Office

WASHINGTON
DISTRICT

M.W. Sheldon
Washington Office
Baltimore Office

ST. LOUIS
DISTRICT

E.C. Richter
St. Louis Office


SAN FRANCISCO
DISTRICT

C.W. Stoddard
San Francisco Office

SPECIAL

H.D. Coates
C.I. Quackenbush

AUDITING MACHINE CO.
Thos. J. Watson - President

A group of business professionals in an office setting. A woman with curly hair is seated on the left, looking towards the right. A man with glasses and a beard is seated on the right, looking down at a document. In the background, two other people are standing. A large white speech bubble is positioned in the center, containing text. A laptop is open on the table in front of the woman.

So this live data comes from
the drones flying and all the
mobile payments made by our
Twitter bots to generate a
blockchain platform for selling
kids more fidget spinners?

**New
Emerging
Technologies**

**The Need for
Speed in
Innovation**

**...to rapidly
respond to
uncertainties.**



The Need for Speed in Innovation

...to rapidly
respond to
uncertainties.



Legacy structures





**Why were some
governments'
responses to COVID-
19 so slow?**

Legacy structures?

What is slowing down big old organizations?

Physical Assets

Lack of Competence

Laws & regulations

Chain of Command

Legacy IT

Organizational Silos

Things are still good.

Existing Contracts

A century of thinking the same way

Top-down Leadership

10 000s employees to care about

Customers' Expectations Change




```
C:\>TYPE AUTOEXEC.BAT

@ECHO OFF
SETI PROMPT $P$G
SETI DIRCMD=/P /A
SETI PATH=C:\DOS
SETI SOUND=C:\SB16
SETI BLASTER=A220 I5 D1 H5 P330 T6
LH C:\MOUSE\MOUSE.COM
LH C:\DOS\MSCDEx.EXE /D:123
CLS

C:\>TYPE CONFIG.SYS

FILES=40
FCBS=10
BUFFERS=20
LASTDRIVE=J
COUNTRY=045,865,C:\DOS\COUNTRY.SYS
DEVICE=C:\DOS\HIMEM.SYS
DEVICE=C:\DOS\EMM386.EXE NOEMS
DOS=HIGH,UMB
DEVICEHIGH=C:\DOS\ANSI.SYS
DEVICEHIGH=C:\CDROM\CDROM.SYS


C:\>
```

Service Experience at Work

vs.

Service Experience
as a Consumer



A photograph of a winding asphalt road through a dense forest. The road has a white line on the left edge and a double yellow line in the center. The trees are tall and dark, and the air is thick with fog, creating a mysterious and somewhat somber atmosphere.

Customer Expectations
rise and grow.

Traditional Management
principles don't work.

Need for Speed
in Innovation!

Legacy Structures
hinder progress.

New enabling
technologies.

How to lead?
How to organise?
What to do?

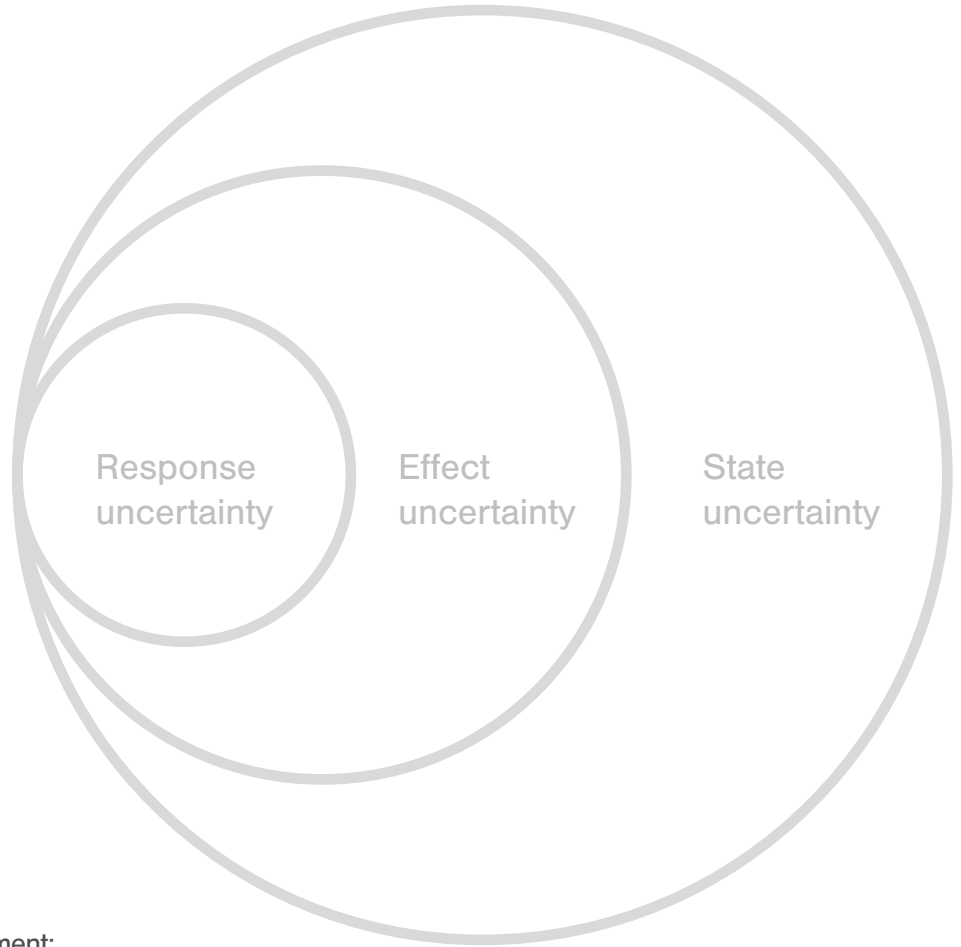
So is this all new under the sun?

No.

**Handling strategic uncertainty
is well known and studied.**

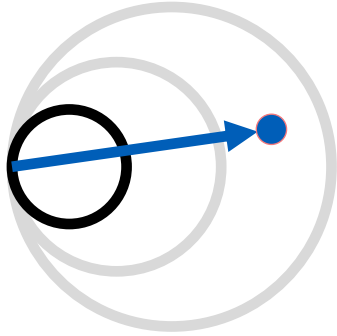
Three Types of Uncertainty*

Check out in the reading material!

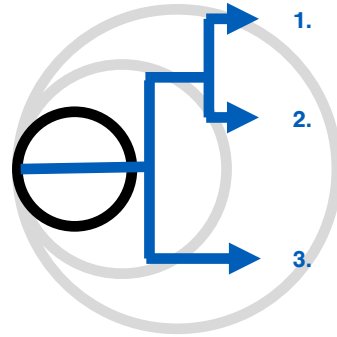


*Milliken (1987), Three Types of Perceived Uncertainty about the Environment: State, Effect, and Response Uncertainty, The Academy of Management Review, 12 (1).

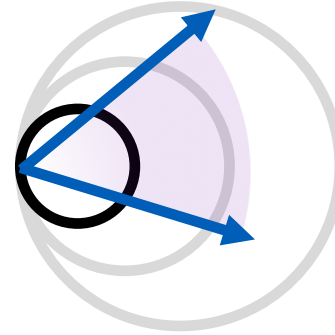
Four different levels for uncertainty*



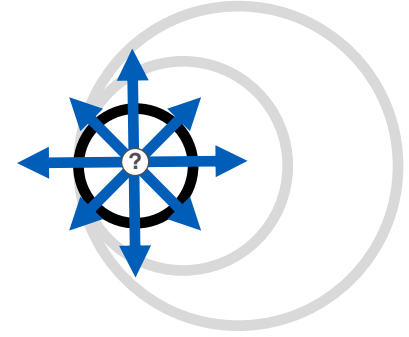
Level 1
A clear-enough future
(single scenario)



Level 2
Alternate futures
(few scenarios)



Level 3
A range of futures
(limited number of
numerous scenarios)



Level 4
True ambiguity
(no limits for scenarios)

Check out in the reading material!

*Courtney et al. (1997), *Strategy under uncertainty*,
Harvard Business Review November-December 1997.



Corporate Awakenings

(even before COVID-19)

Awakening #1

**ORGANIZATION'S OWN CULTURE
IS THE KEY TO CHANGE.**



Ghost of
Taylorism

The Old Culture

Top-down Control
Processes
Rigid Structure
Chain of Command
Strong Silos

The Principles of Scientific Management

BY

FREDERICK WINSLOW TAYLOR, M.E., Sc.D.

PAST PRESIDENT OF THE AMERICAN SOCIETY OF
MECHANICAL ENGINEERS



HARPER & BROTHERS PUBLISHERS

NEW YORK AND LONDON

1919

Taylorism & 19th century science

- We can model the organization.
- The leader is the rational observer.
- We can build and run it like a machine.

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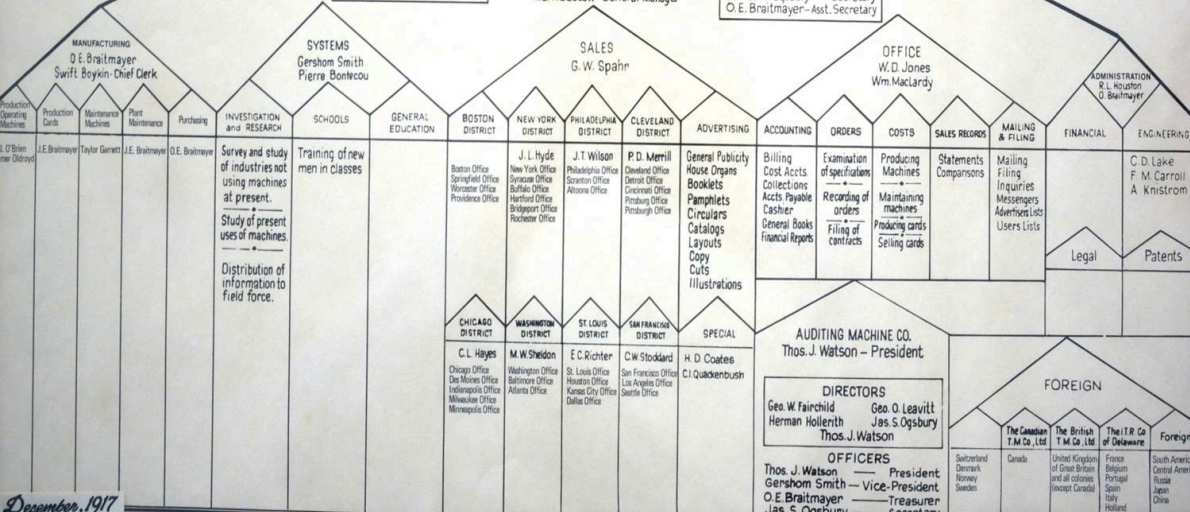
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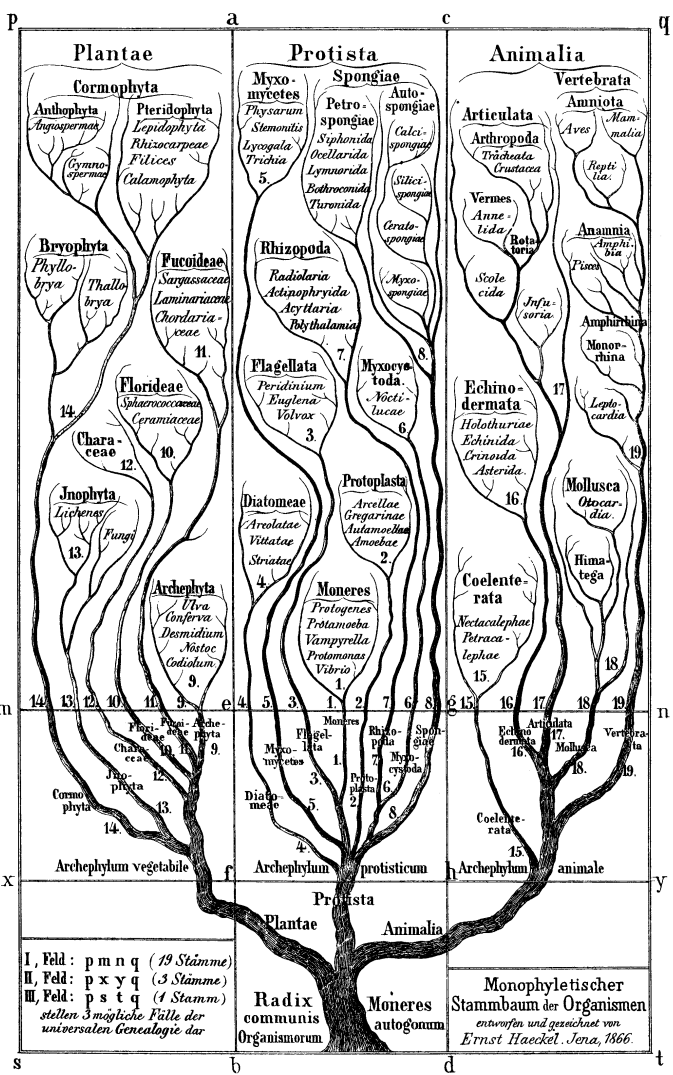
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December, 1917



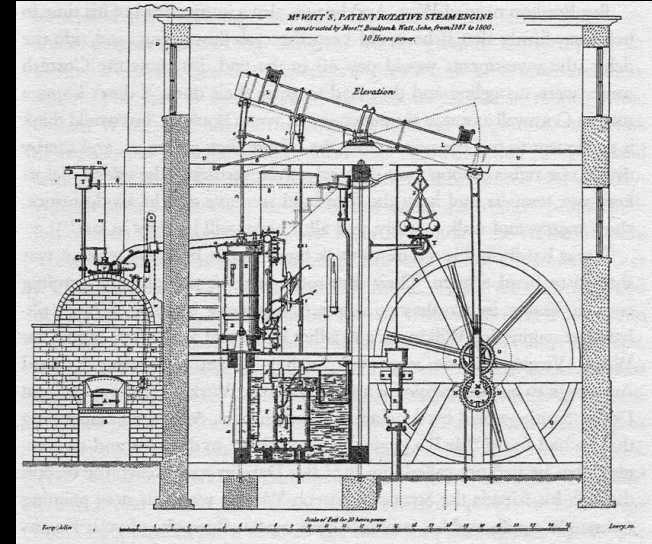
Organization as "a scientific machine"

Hierarchy = taxonomy of functions.

Bureaucracy = causalities, rules.

Top-down control = management as a rational observer.

"Management as science" =
the correct theory that is predictable.



(Thanks to Esko Kilpi in "Itseohjautuvuus", Alma Talent 2017)

Agile Manifesto (and its ilk)

- Anti-hierarchy
(self-leadership)
- Anti-control (autonomy)
- Anti-bureaucracy
(working software)
- Anti-predictability (agility)
- ANTI-TAYLORISM!

Manifesto for Agile Software

We are uncovering better ways of
software by doing it and helping
Through this work we have con

Individuals and interactions over
Working software over comprehen
Customer collaboration over c
Responding to change over

That is, while there is value in t
the right, we value the items on t

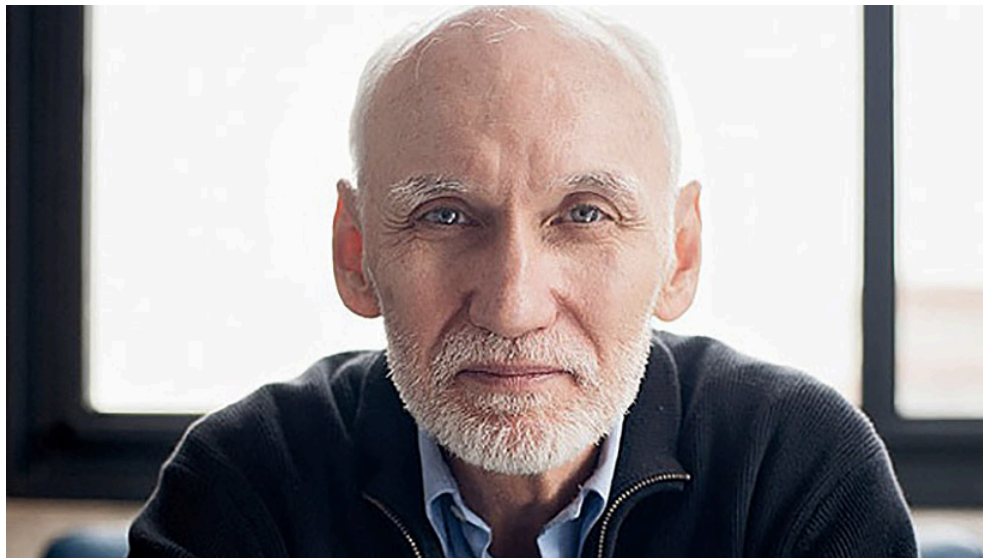
A group of people are silhouetted against a bright sunset over a city skyline. The sun is low on the horizon, creating a strong glow and long shadows. The city skyline is visible in the middle ground, with various buildings and structures. In the background, there are mountains and hills. The people in the foreground are looking out over the city, some standing and some sitting. The overall atmosphere is peaceful and scenic.

The *Lean* New Culture
Grassroots take Responsibility
Grassroots make Decisions
Transparency of Information
Focus on The End Result
Happy, Creative, Talented People.

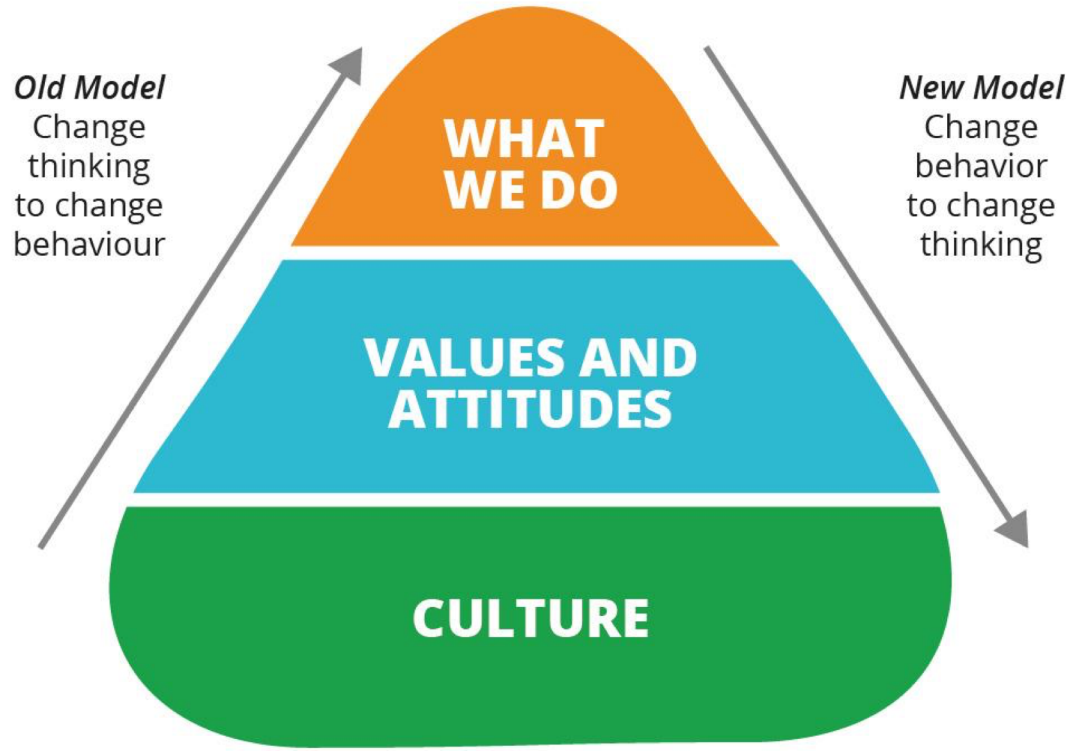
Awakening #2

**“WE MUST CHANGE BY DOING,
NOT THROUGH POWERPOINTS!”**





John Shook



UNCERTAINTY?

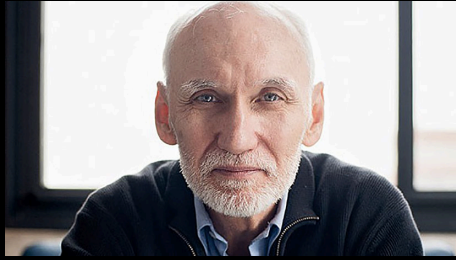
Can't Plan it.

Must build

“responsive culture”.

CULTURE, WTF?

CULTURE = DOING



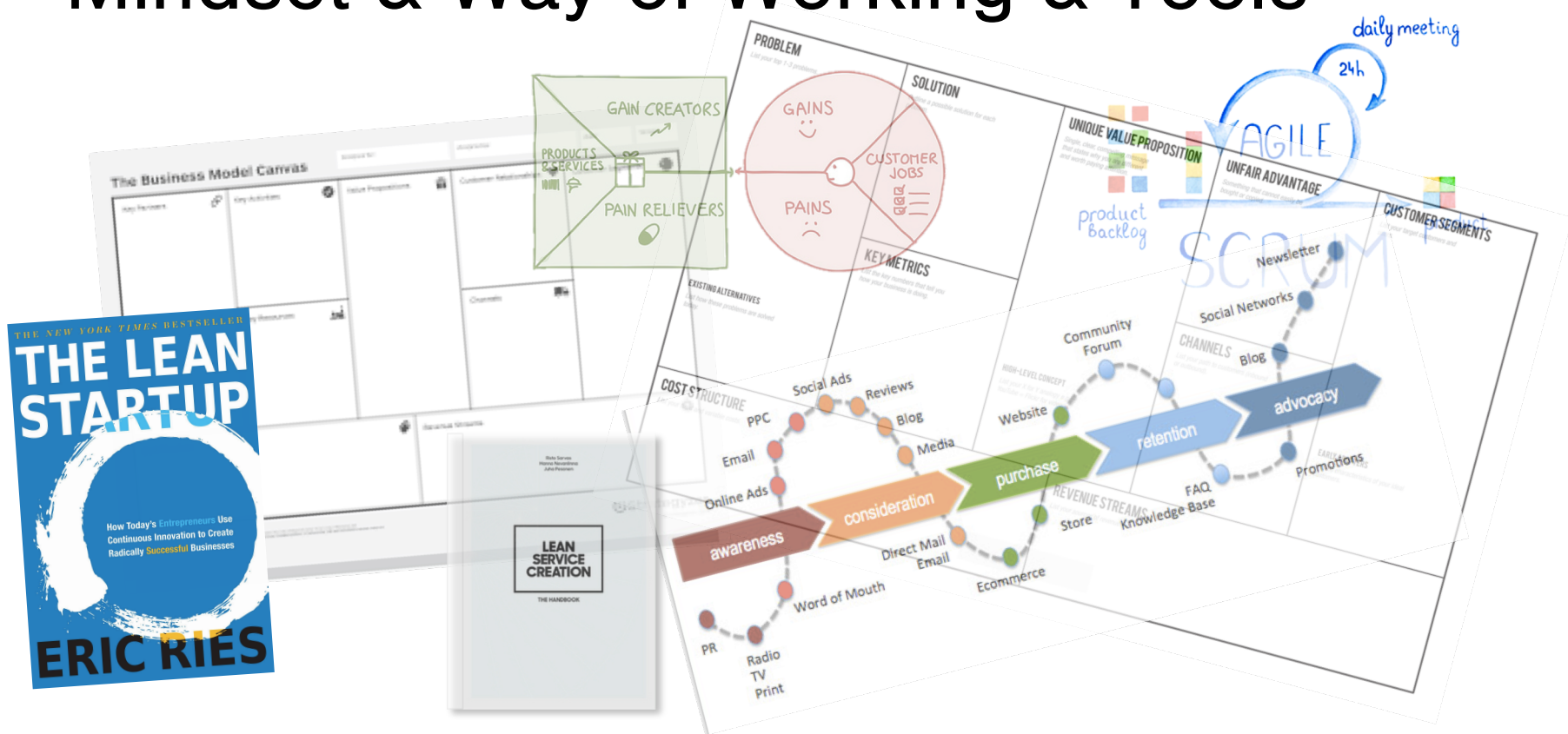
**DOING =
ROUTINES & TOOLS**

ROUTINES & TOOLS

=

**lean startup
+ design + agile...**

Mindset & Way of Working & Tools



Business Model Canvas, Lean Canvas, Value Proposition Canvas, ARRRR, Customer Journey Canvas, Kanban Board, Lean S

Uncertainty

Responsive culture

Culture = doing

Routines, tools,
practices.

Weeklys, canvases,
retros, workshops,
kanbans...

Competitive advantage
in uncertainty.

Autonomous, responsive,
shared culture.

Shared thinking, values, meanings,
collective experience.

Behavior, actions,
tangibility.

...and that is why we have canvases to tackle uncertainty 😊



Exercise #1

Asking/drawing/understanding the Big Picture



Outside world

Our company

How we organise?

How do we work

What does
our team do?

**Working in uncertainty is
all about
understanding your
context.**

Whatever you are doing,
there is always a larger context.

A diagram consisting of four concentric circles of increasing size, drawn with thin white lines on a black background. The circles are positioned on the right side of the frame. The text 'You doing' is centered within the smallest circle.

**You
doing**



Whole Company

Organization

Team

Individual

Whatever you are doing,
there is always a larger context.



...by market

...by whole company

...by organization

**Success
defined
by team**

Your success is defined
from the outside.

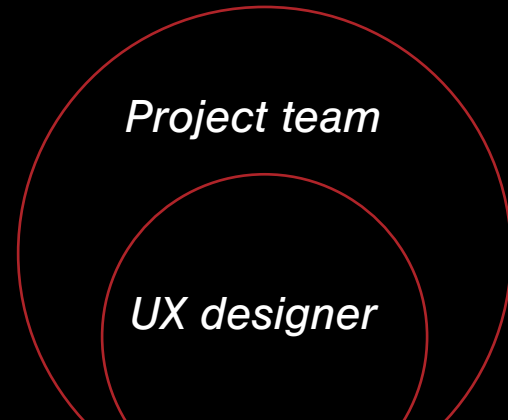
**An example,
Grassroots change.**

UX designer: “I want to learn new agile & lean ways!”

You as a facilitator/coach: “Ok. I’ll coach you.”

(Learns tools, thinking, and skills)

UX designer: “Aaargh. No one in my team gets it!!!”

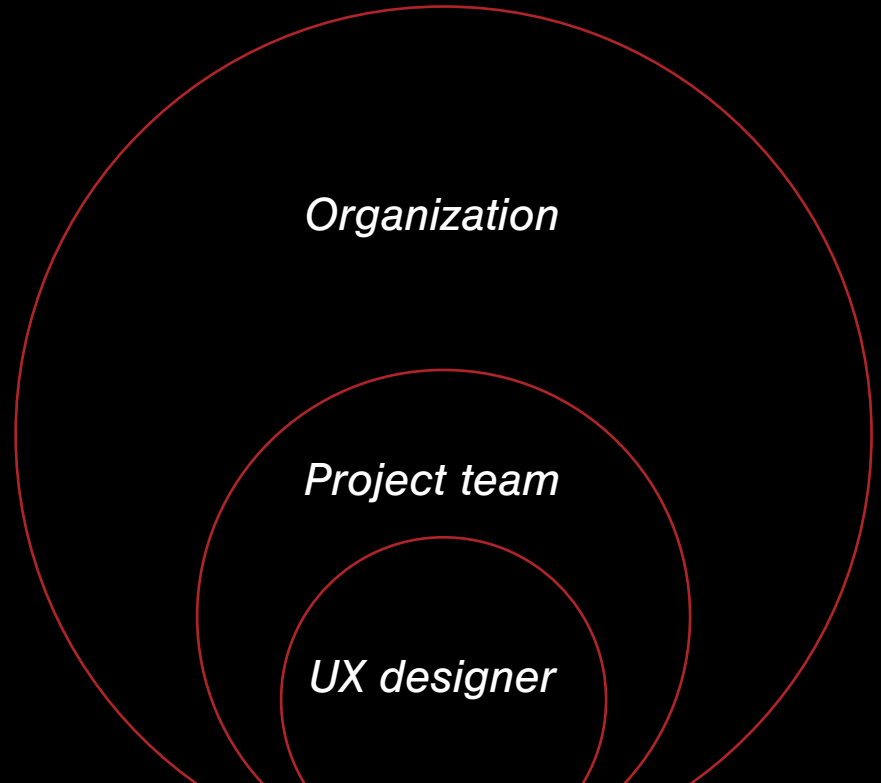


UX designer: “Can you coach our team?”

You: “Ok. I’ll coach your team.”

(Team learns tools, thinking, and skills)

UX designer: “Aaargh. Our boss and our governance model doesn’t get it!”



CEO and top execs

UX designer: “Can you coach
all our teams and our directors?”

You: “Ok. I’ll coach them all.”

(Teams, directors and PMO learn tools,
thinking, and skills)

Organization

Project team

UX designer: “Aaargh. Our company
strategy and executives don’t get it!”

UX designer

The background image shows a group of people silhouetted against a vibrant sunset sky over a body of water. The people are standing on a dark, rocky outcrop. One person on the left is crouching and using a camera on a tripod. Another person stands next to them holding a flag. The rest of the group is standing and looking towards the horizon. Overlaid on the right side of the image are three concentric red circles. The largest circle is labeled 'CEO and top execs', the middle circle is labeled 'Organization', and the smallest circle is labeled 'UX designer'.

CEO and top execs

Organization

Project team

UX designer

**“If you want to go fast, go alone.
If you want to go far, go together.”**

Role of a facilitator?



Larger context.

“People don't want to buy a
quarter-inch drill,
they want a quarter-inch hole.”

*Theodore Levitt, Harvard Business
Professor*



Once you clarify the context...

- You make the success criteria visible.
- You make your part help the larger whole.
- You engage others, especially decision-makers.
- Your work is strategic.
- Your work is inspirational.
- Your work is meaningful for others.
- Your work is motivated.
- Your work is about impact and change.



Week #1 exercise:

Draw the context of your pair's work.

- What is their current project?
- What is the organization they do the project for?
- Draw the “onion”!
- Switch roles.
- NOTE! The person drawing is the one who is asking.
- Make sure **you** understand what you are drawing.
- Reflect together 5-10 min what you learned and how would you apply the learnings.
- Return your drawings and reflection bullet points to facilitating@aalto.fi .