Creating and Leading Adaptive Organisations:

The nature and practice of emergent logic

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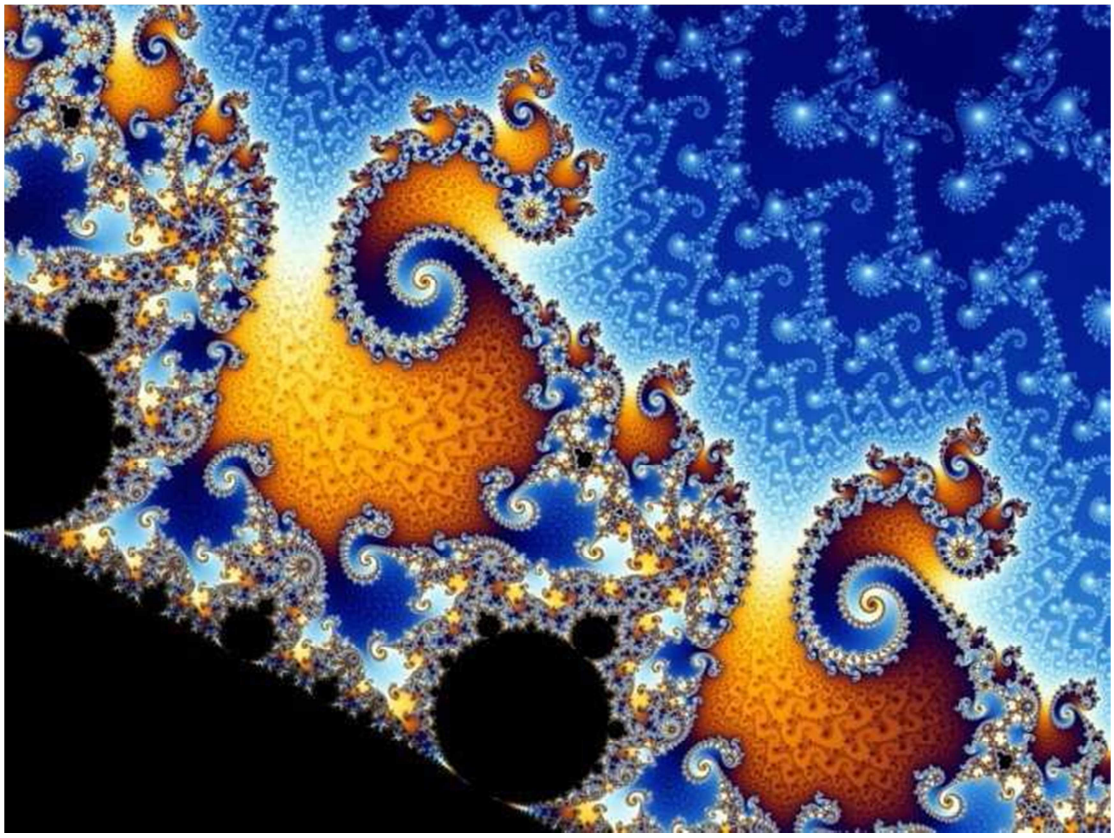

"The effective leader is someone who searches for the better question, accepts inexperience, stays in motion, channels decisions to those with the best knowledge of the matter at hand, crafts good stories, is obsessed with updating, encourages improvisation, and is deeply aware of personal ignorance."

Karl E. Weick

Abstract

This study examines how leaders enable their organisations to adapt and succeed in complex environments. Through the joint lenses of complexity theory and the cognition and social neuroscience of leadership it focuses on how leadership directly influences the creation and ongoing function of an adaptive organisation. The study includes the comparison of four leaders through embedded case studies as an abductive approach to initial theory building, and the follow up of two of them as a comparative method of analysis, and it generates a substantive theory of leadership cognition called emergent logic. This leadership approach is especially relevant to leading complex human systems in emergent environments, the scenario for the majority of organisations in the present day.

This thesis addresses two questions: How do leaders of adaptive organisations think? And what do leaders of adaptive organisations do?

Among the major findings the study reveals that a critical success factor is the leader's capacity to create and guide a complex human system by establishing and maintaining a shared mental model of its collective purpose, guided by deeply held and articulated values. The cognitive constructs of complexity and emergent logic have a direct and indirect effect on individuals and the organisation, and facilitate the creation of an adaptive operational culture and organisational mind, and the complementary enabling structures that allow for ongoing evolution through emergence, transformation and diffusion as required. Thus the organisation and its people can progressively build more complex emergent mental models and solutions in the face of increasingly common unpredictable situations, leading to the capability for organisational adaption and evolution over time.

In contributing to the theory of creating and leading adaptive organisations, supported by empirical research, this study has improved our understanding of the effect of the leader's cognitive capacity on organisational adaptability and the level of entanglement; revealed the links between the creation of adaptive organisational structures and their culture; examined the growth of individual and collective capability to manage the increasing complexity and emergence created by successful adaption and evolution; identified the common elements of various types of complex systems that are relevant to adaptive change; presented a model of emergent logic and described the empirical use of that model over time.

Acknowledgements

This thesis has been a journey as emergent as those to which it refers. It meant stepping out of my business of twenty years and life as I knew it to enter the world of academia. Travelling the path would not have been possible without the help and encouragement of many people who accompanied me along the way.

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Thesis Declaration

This work contains no material which has been accepted for the award of any other degree or diploma in any university or other tertiary institution to Fiona Kerr and, to the best of my knowledge and belief, contains no material previously published or written by another person, except where due reference has been made in the text.

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Signed..... (Fiona Kerr)

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