

# Chapter 5.37

## Wise Organizations?

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### ABSTRACT

*In seeking wisdom, the first step is silence; the second, listening; the third, remembering; the fourth, practicing; the fifth teaching others. Solomon Ibn Gabirol, Jewish Poet and Philosopher (c. 1021-1058)*

*“There is no use trying,” said Alice; “one can’t believe impossible things.” “I dare say you haven’t had much practice,” said the Queen. “When I was your age, I always did it for half an hour a day. Why, sometimes I’ve believed as many as six impossible things before breakfast.” Lewis Carroll, Alice in Wonderland*

*This chapter explores the ways that wisdom and wise action appear in the work of organizations and asks how systems can be designed to support that. Building on C. West Churchman’s thought experiment with five philosophers about how to improve the design of systems, the author asks and brings fresh answers to the questions, “What is wisdom?” and “What is wisdom in organizations?”*

*The author offers a series of six brief reflections about foundations that he believes can make the design of systems that support people in acting wisely far easier to do. The chapter concludes with a case example of a system illustrating many of the chapter’s themes and specific recommendations for IT designers about how to think from the chapter’s suggestions. The author hopes to build a richer background for IT designers, leading to systems that do a better job of supporting people in the wise exercise of their responsibilities in all kinds of organizations.*

### INTRODUCTION

In this chapter, I want to help put a richer background in place to support the work of IT designers. I hope that an examination of wisdom may inform those who have the ambition, or are charged with, designing and building software systems, and lead to the development of systems that do a better job of supporting people in the wise exercise of their responsibilities in all kinds

of organizations. The subject is too big for a chapter in a book, but perhaps with the following I can inspire, suggest some foundations, suggest directions for exploration, and, at the same time, point out some goofy interpretations that may be adjusted or altered.

In his exploration of the idea of designing inquiring systems, C. West Churchman (1968) challenged himself to invent a basis for building systems that support human action more effectively:

*“Instead of just asking the traditional questions of how human minds come to learn from experience, [I] asked how one could design a system that would learn from its experience in some ‘optimal fashion.’ My plan was to translate some of the historical texts in the theory of knowledge into modern systems terminology, by assuming that the authors were discussing the components of a system design...I was struck again [while studying Leibniz] by the fact that in his approach to the inquiring system he was insisting that a concept of the whole system was essential in understanding how each ‘part’ worked...Now in these days of rather intense study of systems and their management, few seem in the least concerned about...the characteristics of the whole system in any but a very narrow sense. If Leibniz was right, then modern theories of system design and managerial control are sadly lacking in their reasoning.” (pp. v-vi)*

I am a designer of business habits. I design ways that human beings—in explicit or tacit collaboration with others—do things to shape their futures by adjusting or changing their habits. Mostly, I work in large institutions. In the process of building new working habits in a number of industries over the years, I have designed and led the development of several complex software systems.

We human beings are creatures of habit, and habits are deeply relevant to the question of wisdom. Even before we notice we are doing it, we

act out of structures in which we are predisposed to act in particular ways—ways that are shaped by habits of thought, word, and deed. Most of the time, people pay little attention to the way that acting in habitual and unexamined ways shapes our world. I have for many years been interested in ways of thinking and acting that allow me and my clients to look beneath the world’s neatly ordered stories about why and how people do the things they do. Further, because the construction of new habits always involves breaking or reshaping old habits, I also study how to intervene in old habits. As the reader will see, these matters are deeply relevant to the subject of designing and building systems that support wise action in organizations.

The chapter is organized into five parts followed by a short conclusion.

1. In What is Wisdom? we begin by exploring what we mean by that word and the implications of setting out in pursuit of it.
2. In What About Wisdom in an Organization? we do the same with organizations, asking questions about what happens to people when they work together in organizations.
3. In Churchman’s Gathering of Philosophers, I turn to a series of reflections on the philosophical traditions in which C. West Churchman gathered five philosophers to help him in his work and open an exploration of what those traditions tell us that could be important for the job of IT designers.
4. Preparing the Way for Wisdom in Organizations offers a set of reflections about underpinnings, or conditions, in which wisdom can be cultivated and exercised in organizational settings.
5. A Well-Tooled Investment Management Process sketches a case example of design, implementation, the underlying logic of a set of practices and supporting tools for investment management in large organizations, and makes a series of specific recommendations for systems designers.

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