

# Chapter 8

## Fostering Creative Transformations in Organizations with Chaos

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### ABSTRACT

*This chapter introduces the Chaos Theory of Careers (Pryor & Bright, 2003b, 2011) as applied to organizational behavior. The authors argue that organizations and the people within them can be usefully thought of as complex dynamical open systems – or strange attractors. From this perspective, organizational behavior can be understood in chaos terms such as attractors, fractal patterns, non-linearity, emergence, and phase shifts. Understanding organizations in dynamic terms provides a coherent picture of the inherent uncertainty and change that organizations face. This, in turn, has implications for management models that need to move from command, control, and predict, to facilitation and disruption of closed system processes. The difference between organizational anarchy and a principled chaos-based approach are highlighted. A model of organizational and personal creativity is presented and linked to concepts such as fractal behavior, career development and the re-thinking of traditional goal-centered approaches to management and change. For organizations to thrive in a world that is inevitably complex, uncertain, and changing, the authors argue that the Chaos Theory of Careers provides a coherent management framework and suggests approaches that will foster the development of a creative and flexible organization to meet these contemporary challenges.*

### INTRODUCTION

How can organizations function effectively in the twenty-first century world? Probably the most accurate answer that could be given to that question is: not the way they were structured and functioned

in the twentieth century. Fundamentally twentieth century organizations focused on stability. Change was typically perceived as an aberration in the pervasive condition of stability. Organizations were structured essentially to resist change and disruption. The traditional hierarchical structure of organizations was based on an inspirational or at

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least effective leader with a leadership team, who “set the course” for the organization. The policy and implementation strategies were developed at higher levels and gradually filtered down the hierarchy to the production and/or service provision levels.

Of course changes occurred but typically they were perceived to be gradual over time so as avoid disturbing the essential stability of the organization as a whole. In this context there were various forces to inhibit or resist many types of change. These forces included organizational culture and tradition, managerial insecurity, worker intransigence, union power, technological conservatism, risk averse shareholder demands and community expectations of reliability, dependability and just generally feeling comfortable with some products, services, and companies.

Economic depression and two World Wars along with the threat of the Cold War, encouraged people in many parts of the Western World at least, seek a level of stability and security and a longing for a feeling of control. Organizations also often reflected these aspirations as well. However, as the century wore on and even more so, in this century, other potent influences have emerged which have subverted and often rendered obsolete most of these former aspirations. Increasingly the imperatives of globalization, technological advances and the sheer speed and extent of modern communication inter alia, now present to organizations new challenges for which there are no precedents. To quote but one of many examples, we now live in a world that at the time of writing, reportedly has 800 million people registered on Facebook, about 50% of which are daily users. Such a phenomenon was simply inconceivable even ten years ago since the original Facebook website was not even launched until February 2004.

To return to the original question: how can organizations thrive in an environment characterized by such unpredictability and uncertainty; continual and non-linear change across cultures,

time zones, languages and geographical location; with such challenges for risk and failure? Most attempts to deal with these issues are fragmentary, piecemeal, overly specific and lacking the capacity for integration. This new world in which we now work does not appear to fit with traditional models of organizations or their theoretical counterparts.

In this chapter it is proposed that chaos theory can provide a theoretical framework through which a coherent perspective of twenty first century organizational challenges can be understood and effectively met. Specifically the application of fractality to organizations will be adumbrated with respect to vision statements and the development of organizational culture. The limitations of goal setting will be outlined in light of non-linear dynamics of change and an approach to creative development and problem solving will be presented as a strategic way to address the challenges of the inherent properties of strange attractors.

## **THE CHAOS THEORY OF CAREERS**

Pryor and Bright (2011a) provides a comprehensive presentation of the application of Chaos Theory to the working environment. Chaos theory is a scientific conceptualization of reality which emphasizes the complex, interactive and interconnected nature of our world. While recognizing the individual constituents of reality (existents) chaos theory also draws attention to the holistic features of our world. Pryor and Bright (2003a, 2003b) conceptualized these as complex dynamical systems. Such systems are complex in the sense that there may be many influences both within them and impinging upon them. Such systems are dynamical because their complexity renders precise predictability of outcomes impossible and because the nature of the changes within the system are often non-linear (that is, the effects of change can be very disproportionate to the original cause of the change). This is popularly known as “the Butterfly Effect” (Lorenz 1993). The emphasis on

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