

Chaordic Organizations

Oscar Motomura*

How natural are the organizational structures with which we attempt to order our social lives? Put differently, the question is even more to the point: how unnatural, artificial, and forced are these structures? To what degree does this unnaturalness end up significantly compromising the effectiveness of organizations and affecting motivation? To what degree do our attempts to “create order” or “guarantee order and prevent chaos” obstruct the fullest expression of the human spirit?

To what degree do mechanical structures (that presuppose that an organization is a machine and not a living organism) box people in, fragmenting relations, putting walls between people, and limiting the actions and the greater purposes of business and governmental organizations.

To what degree in schools and universities is the development of children and young people “unnatural” and below their full potential due to archaic, limited, and ineffective organizational structures.

In raising these and other similarly fundamental questions for debate in our programs for high-level executives in public and private organizations at Amana-Key, our objective is to make our participants think, and think profoundly, going to the heart of these questions, not merely settling for superficial or peripheral answers.

We don't give recipes in our programs. On the contrary, our objective is to recover or awaken people's capacity to think for themselves, to develop custom solutions, to grow constantly, to look for solutions that really work, and not to become prisoners of simplistic ideas about right and wrong, in outmoded conceptual frameworks.

In this context, we use the concept of “chaords” with our executive participants to develop their thinking about organizational structure and its relationship to the art of making things happen. We ask our participants to reflect on their own assumptions over against the principles of chaordic organizations. We ask them to identify what they like and what they don't like, what they would use in their own organizations and what they would not use, what resistances their present cultures would have to the concept. It stimulates a lot of dialogue, a lot of debate, some of it fairly heated. In these discussions, the assumptions, beliefs, and “theories” of each participant come to the surface, without dissimulation. Everyone is thinking...

We have translated Dee Hock's book, *The Dawn of the Chaordic Age*, into Portuguese, and our participants take

the book and the debate back to their organizations. Given that our programs on innovation in management reach roughly 100 high-level executives and 500 middle managers per month, reaching upwards of 5 to 6 thousand executives per year from all 27 states in Brazil, no small number of executives have debated the concept of chaordic organizations in their respective private enterprises and government agencies.

In March, 2001, we invited Tom Hurley to speak with about 300 executives in the annual conference we hold for alumni of our flagship program, APG. Tom spoke about the potential of chaordic organizations for the future. The receptivity to his ideas was considerable. And we continue to develop this great debate. No program on innovation in management can leave out the concept of chaords.

Why are chaordic organizations important today?

In our opinion as specialists in management innovation, organizations must give priority to the concept of the chaordic organization for the following reasons:

1. Scale

Given that we have now reached a world population of six billion people in a world that is ever more interconnected, it becomes more and more clear that no mechanical, top-down organizational structure based on control can be effective. On this scale, the only effective organizations imaginable are those that are biological, guided by organizing principles, and that count on the full potential of people to think, to create, and to self-organize.

2. Complete democracy

As with nations, so too in companies, the concept of democracy develops step by step with the evolution of technology. Organizations that are responsible for themselves, societies that are responsible for themselves, equality, an emphasis on cooperation, everyone serving and everyone served—the concept of chaordic organizations has everything to do with these ideas. It is a means to make the ideals of democracy and humanity tangible, for the first time in history ...

3. Human expression

Mechanical, standardized, and limiting organizational structures will never succeed in dealing adequately with questions of human motivation. In principle, there are always fundamental limitations. The most legitimate source of motivation—space for creativity—is always controlled, limited, and subject to imposed, unnatural standards.

Chaordic organizations have great potential for enabling human creativity to go beyond its current limits. In fact, if we don't contaminate chaordic principles with the fears inherent in management processes based on control, there will be no limit to what human beings can create.

4. Essential values, today

Autonomy, freedom, respect – values that people more and more genuinely value – real freedom, real human respect are much more in line with chaordic principles than with the more traditional forms of organizational structure.

In traditional organizations, these values are always “under pressure,” given little quarter, limited. This occurs naturally, on the one hand, given that control is, by definition, the limitation of the space for free action. On the other hand, such values are also limited through abuse of power, creating “underworlds” in the organization, organizational politics, unethical agreements, the absence of transparency, etc.

5. The Age of Knowledge

In an age in which all human knowledge will be available to whomever needs it, it is fundamental that space for people be available, that it exist. Not to provide such a space would be an enormous waste of human potential.

The principles of chaordic organizations ensure the existence of such spaces. Traditional organizational structures that fragment work in principle limit space, and thereby reduce the area available for action (on the presumption that its employees don't have the necessary knowledge, or sufficient potential to create what is needed). The assumption is that their employees are not capable of thinking, and that they are there to carry out what has been thought of by others, their “superiors.”

Chaordic organizations honor people who think. In fact, they honor and respect everyone.

The potential of chaordic organizations in the future

Given our work with concepts of chaordic organizations in our advanced management programs, and in our work applying these ideas in both public and private organizations, we see the following challenges ahead:

1. Resistance to the “radicalism” of chaords

In principle, the majority of executives see in the concept of chaords an enormous amount of good sense and pragmatism. However, they are also afraid of the inherent radicalism of the idea, and try to soften the principles by introducing phrases such as “whenever possible” (instead of “always”) or “avoid when possible” (instead of “never”).

A big challenge ahead will be to maintain the purity of the concept, and to be sure that the principles do not become contaminated with “cautions” typical of the “old system” based on control. To implement the concept in its

entirety, without alterations or concessions, requires great courage.

2. The capability for abstraction

To define principles that truly represent the essence of an organization requires an exceptional refinement of the capability for abstraction. In addition, those who define principles must do so in a way that those who are to implement them (“ordinary” people, regular employees) will understand them, especially in their spirit even more than in the letter of the principles.

The challenge ahead is going to be to find enough people in our organizations, as well as in society, capable of the necessary level of abstraction. Given the type of education that people in leadership positions tend to receive (little attention to philosophy, for example), the number of people capable of working with essential principles is not going to be sufficient. The challenge is going to be to transform minds trained to deal with procedures into minds capable of creating principles.

3. Ego and reductionist purposes

There are principles, and there are principles... Some are aimed at realizing egoic and individualistic purposes, others are aimed at realizing purposes for the common good, from which everyone benefits.

In a world replete with contradictions, paradoxes, and imbalances – a world today that is chaotic – the application of the concept of the chaord requires that we define what kind of order we want to create. The desired order is one that benefits all, without exception.

And this defines another challenge: lasting, universal chaords require an advanced level of consciousness. In other words, a partial chaord, built on a low level of consciousness, can work, for a while. But even in the short term, anything it succeeds in doing will be shortsighted, illusory, fleeting, and ultimately will only contribute to the chaos of the whole rather than to a new and greater order.

4. Universal principles

Ultimately, those principles that serve as the basis for chaordic systems must be universal in character, and, as such, based on that which is truly universal.

In this sense, the greatest challenge in the future will continue to be our eternal quest for greater truths, in fact, for Truth itself, those great principles that govern everything around us, the Truth that governs both the macrocosm and the microcosm. The greatest challenge is for everyone together, humanity as a whole, to seek this great Truth. Science, metaphysics, and all the paths of knowledge are united in this process.

Only the capability for abstraction will enable us to translate these great principles for use in organizations, companies, nations, and all of society. It is in this coherence that the order we all seek resides.

5. The chaord as fad

The concept of the chaord must not become fragmented. Such would be nonsense, a paradox, an oxymoron. More than a formula, a recipe, a “fad,” chaords must be seen as a new way of living—freer, more genuine, more truthful.

This is another great challenge for the future: to keep the mere idea of the chaord from becoming more powerful than its essence. Because in terms of essences, it is the ideal of life that we seek that inspires us, and not merely its appearances.

In our vision, chaos is the fragmented vision of the world. Humanity has no other recourse than to adapt to the inherent order of the Universe. We must create ways of life based on integration and the harmony of all things. This order is dynamic, in constant evolution, and always realizing higher levels of consciousness.

In this vision, isn't the concept of the chaordic an extraordinary invitation for all of us to plunge more deeply into the creation of this ideal society for all? Isn't that the purpose of life for every one of us?

**Oscar Motomura is the CEO of the Amana-Key Group, an international clearinghouse for radical innovation in management. The purpose of Amana-Key is to place all its creative potential in management in service to fostering the highest level of consciousness in leaders in all areas of activity. Amana-Key's intention is to enable conscious leaders to create together the conditions that ensure a life of dignity and harmony for all.*

Formation of a Chaordic Organization. Our current forms of organization are almost universally based on compelled behavior "on tyranny, for that is what compelled behavior is, no matter how benign it may appear or how carefully disguised and exercised." Formation of a chaordic organization is a difficult, often painful process, but one also filled with joy and humor. Entirely different dynamics of judgment, behavior, capacity, and ingenuity can evolve. A Chaordic Organization is a form of organization formulated by Dee Hock and others in forming the VISA organization (Hock, 1999). The term 'chaord' is formed from the words 'chaos' and 'order'. In the formation of the VISA organization, a means was designed to allow for the simultaneous cooperation and competition of the member banks of the VISA issuing network. This was necessary for the scale and universality needed to make credit cards usable in any geography and to provide low costs of processing. His chaordic concepts of organization have had immeasurable importance to my work in organizational governance, as a CEO, as an organizational consultant, and as a university instructor. Having the insight and tools to bring unity and a sense of oneness into the workplace and into daily practice is nothing short of mandatory. A chaordic organization refers to a system of organization that blends characteristics of chaos and order. The term was coined by Dee Hock, the founder and former CEO of the VISA credit card association.

• TEDxSoMa - Mike Dahn - Chaordic Design & Community.

• Chaordic Stepping Stones by Chris Corrigan.

• Chaordic way and Four-fold practice by Chris Corrigan. Transcription. See also.