# ODC Conference: Building ODC as an Academic Discipline

**April 7, 2006** 

Russell L. Ackoff
University of Pennsylvania



### THE MAJOR EVIDENCE OF THE STRENGTH OF THE U.S. ECONOMY

#### IS THAT

NO OTHER ECONOMY IN THE WORLD COULD SURVIVE AS MUCH INEFFICIENCY AND INEFFECTIVENESS AS OURS.

# ORGANIZATIONS ARE DEVELOPING AND WHAT CHANGES THERE ARE ARE NOT TOWARD DEVELOPMENT

# CONTRARY TO COMMON USAGE DEVELOPMENT AND GROWTH ARE NOT THE SAME THING

## EITHER CAN OCCUR WITHOUT THE OTHER

#### **DEVELOPMENT**

# IS AN INCREASE IN ONE'S ABILITY AND DESIRE TO SATISFY ONE'S NEEDS AND LEGITIMATE DESIRES, AND THOSE OF OTHERS—

THAT IS,

AN INCREASE IN COMPETENCE

#### A LEGITIMATE DESIRE IS ONE THE SATISFACTION OF WHICH **DEPRIVES NO ONE** OF THE OPPORTUNITY TO **DEVELOP**

#### **EARNING PRODUCES GROWTH:**

AN INCREASE IN SIZE OR NUMBER.

STANDARD OF LIVING IS THE MOST

COMMON INDEX OF GROWTH

#### **LEARNING**

#### IS WHAT PRODUCES DEVELOPMENT.

#### QUALITY OF LIFE IS THE MOST

**COMMONLY USED** 

INDEX OF DEVELOPMENT

# SOME OF THE MAJOR CHANGES THAT

CAN LEAD TO DEVELOPMENT

1.

#### A RE-ORIENTATION

**TOWARD** 

**MISTAKES** 

## ONE NEVER LEARNS BY DOING THINGS RIGHT — ONLY FROM MISTAKES

TWO TYPES OF MISTAKES:

**ACCOUNTING DEFICIENCY** 

EFFECT = ORGANIZATIONAL PARALYSIS

2.

# COVER ALL TYPES OF CONTENT OF THE MIND:

DATA, INFORMATION, KNOWLEDGE,
UNDERSTANDING AND WISDOM

#### DATA = SYMBOLS THAT REPRESENT

#### INFORMATION = CONTENT OF DESCRIPTIONS

KNOWLEDGE = CONTENT OF INSTRUCTIONS

UNDERSTANDING = CONTENT OF EXPLANATIONS

WISDOM = CONTENT OF EVALUATIONS

#### DATA TO UNDERSTANDING NEEDED FOR EFFICIENCY =

**Doing things right** 

WISOM NEEDED FOR EFFECTIVENESS =

Doing the right things

### REPLACE POWER OVER (AUTHORITY)

WITH

POWER TO: (INFLUENCE)

I.E., DEMOCRATIZE

#### THE MORE HIGHLY EDUCATED A WORKFORCE

THE LESS EFFECTIVE IS

#### THE EXERCISE OF AUTHORITY OVER THEM

& the less likely it is to encourage them to use all they know that is relevant to their jobs.

4.

**INSTALL A LEARNING AND ADAPTATION SUPPORT SYSTEM** 

#### SUCH A SYSTEM

- produces a record of each important decision including expected effects
- monitors to determine if expectations are fulfilled
- diagnoses and corrects failures, and monitors correction decisions

and

4.

**INSTALL A LEARNING AND ADAPTATION SUPPORT SYSTEM**  The knowledge that
anyone in the organization has
that is relevant to the work of another
in the organization
is available to him/her.

# DEVELOP AN INSPIRING VISION THROUGH STAKEHOLDER IDEALIZED DESIGN.

## AN IDEALIZED DESIGN OF AN ORGANIZATION

Is that design its designers would have if they were free to have any design they wanted right now.

## PLANNING BACKWARDS FROM THIS DESIGN TO THE CLOSEST FEASIBLE APPROXIMATION TO IT

simplifies planning by an order of magnitude

increases the designers' concept of what is feasible, and

increases creativity significantly.

Man has been able to grow enthusiastic over his vision of unconvincing enterprises. He has put himself to work for the sake of an idea, seeking by magnificent exertions to arrive at the incredible. And in the end, he has arrived there. Beyond all doubt it is one of the vital sources of man's power to be thus able to kindle enthusiasm from the mere glimmer of something improbable, difficult, remote.

Jose Ortega y Gosset, 1956.