



Symbiotic Ephemeralization (SE)

Proposing a scaleable innovation methodology with substantially linear IP generation and amplification characteristics to replace outmoded lever-based mechanisms.

Author: J.Jeltes,
Enterprise Strategic ICT Architect
<http://www.ipresources.com/symeph/>



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Principal author:

Mr J. Jeltres Strategic ICT/Business Architect,
N.Tea Pty Ltd
GPO Box 1148
Melbourne Victoria 3001
Australia

<http://www.ipresources.com>

<http://www.jeltres.com.au>

Signed contributions welcome

Revision History

<i>Version</i>	<i>Status</i>	<i>Date</i>	<i>Comments</i>
pre 0.1	Pre-release		
0.1a	Draft for Review	8 Sep 2003	
0.1b	Draft for Review	11 March 2004	Information, diagrams added
0.2	Draft for Review	24 March 2004	Additional background info, tidied up
0.2a	Draft for Review	24 March 2004	Minor corrections
0.2b	Draft for Review	25 March 2004	New material added
0.2c	Draft for Review	27 March 2004	New material added

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Symbiotic Ephemeralization

The term “Symbiotic” refers to the cohabitation of dissimilar organisms, whilst the term “Ephemeralization” is attributed to Buckminster Fuller (http://www.bfi.org/introduction_to_bmf.htm) and is applied in the context of this paper to the competitive cycle of effective effort reduction for a given output.

Introduction

The choice of the term “Symbiotic Ephemeralization” for the principles outlined in this document need some clarification. Clearly some symbiotic contexts are inappropriate; for example the concept of transport symbiosis does not fit the model well from an ideological perspective. It is appropriate to briefly identify the appropriate symbiotic context to ensure that this underlying intent is properly communicated.

Symbiosis between participants engenders the following possible scenarios:

- 1) *to mutual benefit*
- 2) *to the benefit of one party, neutral to the other*
- 3) *to the benefit of one party, to the detriment of the other*
- 4) *neutral to one party, to the detriment of the other*
- 5) *neutral to both parties*
- 6) *to the detriment of both parties*

The symbiotic efforts described herein would ideally have a mutually beneficial impact, but certain unresolvable scenarios do arise. One of the key drivers for the creation of an innovation hypercycle is the manufacture of value-adding noetic product. It is realistic to expect that some symbiotic participants will be adversely affected by the relationship in the longer term. It is therefore important to accurately contextualise the fundamental symbiotic premise that forms the platform for this concept to provide an umbrella template to which unknown scenarios may be tested.

A most appropriate alignment is found in pollination symbiosis which delivers a mutually beneficial collaborative framework that is distinctly matched in one way, yet highly fragmented from a more abstract perspective. Substantial feats are accomplished at the individual level but results are strongly amplified well beyond individual accomplishments. All this readily occurs as an atomic effort within a deregulated chaotic macro environment, despite key resources being deprived of global communications, collaboration tools and other facilitation mechanisms that would support collaboration on intent and innovation.

The net effect that the provisioning of appropriate tools would have in the abovementioned scenario is open to further evaluation and may be the subject of a future paper, but the author is – at present – not appropriately qualified to speculate on such abstruse scenarios.

Why Symbiotic Ephemeralization?

Competitive advantages for the enterprise are often sought via cost cutting and the application of other management mechanisms at the human resource stratum (often referred to as “medium term strategic levers”) with the results proudly masqueraded as productivity gains and strong competitive positioning by accomplished executives and reputable analysts alike.

It is argued here that this is an erroneous viewpoint. A reduction in HR expenditure, as a representative sample of the broader application of one of the more popular strategic levers, does not automatically equate to an improvement in profits as is evidenced by the fact that a net increase in operating expenses is often observable as a symptomatic effect to HR cost rationalisation. Whilst such an exercise may result in a marginal improvement in base cost at best, it more often than not culminates in a loss of confidence and strategic advantage. This occurs when the realisation dawns that very expensive or irreplaceable volatile innovation attributes in the form of undocumented IP and critical corporate memory have been put beyond reach.

There is a widely held perception that cost cutting through HR levers will, by some magic osmotic process result in sustainable gains in competitive positioning, but the cold hard reality is that this is often surprisingly futile. It is acknowledged that several arguments work against this proposition including the argument that such plans are medium-term strategies and benefits are not readily recognised, measured or realised at any given point. Another argument relies on the proposition that human resource rationalisation in underperforming divisions will deliver resource diversions towards critical growth areas. Whilst there may be marginal scope for highly selective rationalisation, it must be recognised that human resources live in a highly complex symbiotic web with their peers, subordinates and managers. They deliver a very complex value proposition that cannot be identified with existing tools and transposed onto a spreadsheet for clear objective analysis.



Any severe disruption of the symbiotic webs that presently exist between employees, subordinates, managers and executives would not pass standard enterprise risk management practices if these were applied.

The marketspace is a global environment and the marketplace will follow. This leads the enquiring mind to the conclusion that there will be a sustainable increase for the foreseeable future in the value of intellectual property. It is my view that the value of IP is exponentially proportional to the scale of its context but even if a far more simple linear relationship exists, it cannot be escaped that a unique value proposition is developing as a function of relationships in addition to the intrinsic value of the resources themselves. This fact alone substantially invalidates all but a few traditional strategic HR levers.

There is another and far-reaching layer to this argument.

Currently the building of strategic advantages anywhere in Porter's five forces model tends to rely on the "roll of the dice" effect; efforts resembling near unobservable deterministic chaos¹.

Whilst it is readily argued that the application of strategic levers offers the desired effect, especially those that build on cost controls, collaboration and tolerance, these control systems pose substantial real-world challenges because they increasingly lack facilitatory handles and are essentially non-deterministic.



Innovation in one form or another is the only quantifiable strategic component capable of delivering sustainable competitive advantage through the exploitation of unattached IP and corporate memory for growth.

A number of critical observations support this position, including (albeit indirectly) those by Chandler (1962), who readily concluded that structure follows strategy.

Based on the assumption that the above position is at least partially supportable, conceptual extrapolation allows the astute reader to conclude that the closer structure follows strategy, the more difficult it will be to accommodate strategic change; I hold this to be self evident. With strategic and operational flexibility the war cries of the modern enterprise, it is clear that uncoupled structures with far reaching symbiotic webs are more desirable from a strategic perspective than loosely coupled structures with superficial symbiotic webs, and tightly coupled structures that are deeply casualised will prove to be altogether too inflexible for tomorrow's competitive marketplace, laying heavy foundations on quicksand.

Peripheral workers must be engaged only to supply or backfill those core competencies that are required to achieve profitable strategic outcomes. Intelligent management of peripheral workers will then result not only in the rapid attainment of strategic objectives, but also in the osmotic acquisition of additional core competencies; further weakening the link between structure and strategy and thus positioning the enterprise for ever greater strategic flexibility.

Downsizing and delayering, whilst potentially cost effective in the short term (American Management Association, 1994), are little more than a leeching mechanism that extracts osmotic capital from the gap between structure and strategy.



In an ideal world, strategy and structure should not exhibit high levels of dependency, giving us one of the primary reasons why outsourcing works particularly well for enterprises with very tightly coupled structures.

The framework that supports the matching model of contemporary strategic people management provides granular encouragement to match or surpass competition, but provides no direct keys

¹ I've chosen the term "deterministic chaos" because in my view this term accurately represents the concept that even in some near perfectly linear systems ("the process driven enterprise") a small change at the input of a poorly developed HR strategy is still capable of creating a disproportionately large change at the output. Near unobservable is posed due to the abject complexities of accurately correlating cause and effect across the enterprise.

into the demands of strategic flexibility. Macro-environmental analysis is status-quo, taking care of today at the expense of tomorrow. IP and core competency replication complexities today are supplanted by technology tomorrow.

Within the resource based model, Barney (1991) argues that competitive advantage is gained through careful analysis of internal capabilities. Whilst a dedication to this paradigm may meet immediate demands no framework exists to support the strategic positioning of the workforce relative to strategic intent (or what could be strategic intent under a more flexible model).



The intent of contemporary theories continues to belie the intent of the term "strategic people management". Flexible labour paradigms are not synonymous with flexibility in strategy; it is difficult to see any benefits beyond expenditure control.

Symbiotic Ephemeralization - *Context

There is a substantial legacy of thinking around the strategic management of people. Most – if not all – scientific and classical management theories suffer from the “has been” syndrome, relying substantially on the manipulation of simple variables and quasi-static micro-environmentals.

Globalisation of the competitive environment brings ever increasing pressures and demands for great near-real-time flexibility so we can safely state that enterprises may relegate static theoretical postulates to their appropriate chapters in the history books. Micro-environmentals are only marginally effective in an age where entire enterprises appear and disappear in the space of a few years.

Fayol, Urwick, Weber and Barnard were influential 19th century thinkers whose contribution was very real at the time, but like their peers these contributors were a product of their era; concentrating mainly on the creation of formal frameworks within which static efficiency gains were valuable. Where do you go once you use your personalised shovel? Where do you go once you productively utilise every second of every minute of every hour of every day? Response times under these levers are simply too slow if indeed they exist at all, with an implicit consequence that the long-term validity of these models depends entirely on the existence of a quasi-static macro-environment. The transposition of these concepts into a liquid environment would call for a rate of framework changes that would easily outpace the human capacity to adapt and learn.

Munsterberg, Parker Follett, Mayo, Bartol, the Hawthorne studies and its followers vested their faith in the Hawthorne effect, which is no more than an observed micro-environmental anomaly based on the observed behavioural characteristics of a miniscule group of unrepresentative single sex subjects who performed to peak capacity like trained monkeys when subjected to an atypical working environment, surrounded by “important people” and with access to intellectual skills that may or may not have been limited by the drill of drudgery imposed by the routine assembly of vast numbers of mechanical relays. Neither its findings nor its hypothesis find favour in a knowledge-based global economy. It borders on criminal intent to transpose such trivialities to a dynamic enterprise environment where thousands of people earn a living using billions of dollars of highly advanced real-time information technology and where Intellectual Property carries a greater currency than currency itself.

Even today (Bolman & Deal, 1989 – Dunford, 1997) management theorists continue to proffer theories that offer covert political analysis as solutions based on the assumption that the enterprise operates in a quasi-static macro environment, which is evidenced by the fact that there is a readily accepted but ineffectual adaptation of fashionable multicultural values to the organisational competitive framework; whilst the propagation of a view that the political nature of free-form symbiosis in the enterprise environment has implications on the broader issue of strategic people management for the benefit of competitive positioning or the generation of valuable IP has become rather an absurd position to take in post WW2 globalising economies.

Symbiotic Ephemeralization - *Status Quo

The issues of how power is used in a large organisation and the social implications of micro-environmental variables are demonstrably minor targets despite dominant popular views to the contrary. It is well recognised that the arsenal of the surviving employee contains access codes to the unwritten rules and laws of the enterprise which provide ready pathways around well known obstacles – be they executive, managerial, social, procedural, environmental, or indeed any random combination of the foregoing. A couple of years in a high level position at a global bank will surely cure such delusions for life.




“Things often get done despite management” (a’la Dunford, 1997), and it is this rather trivial statement that closes the door on both political and cultural metaphors as valid strategic concepts in today’s competitive enterprise environment.

Recent systems theory has some minor redeeming characteristics but one fatal flaw. It relies wholly on outcomes as an input to the transformation process thereby comprehensively ignoring substantial micro- and macro-environmental changes introduced by something as simple as the covert appearance of new entrants (which may be known off internally, but the formal output->input cycle does not accommodate such intelligence), imposed macro-environmental turbulence by political and other uncontrollable forces, and shows a complete disregard for the intellectual property pool and organisational learning that exists in the collective human resources chain from the cleaner through to the CEO.

Status quo simply creates a champion (or a few champions) and depends on [their] judgement for validity; a defensible solution to a very complex problem, but in a charged competitive environment this constitutes an unacceptable risk. Academic preference is to rely on the dubious interpretation of partially-accurate quasi-static marketing information as interpreted by a handful of “experts”. It is no news and certainly no good news that historically such efforts have proven substantially unrepresentative of the actual strategic position resulting in stunning commercial successes one year and abject failure the very next; all under the same theory. In all the literature that I have been able to peruse there appears to be an outdated if not entirely erroneous assumption that management has a distinct and repeatable capability of applying the correct levers in critical situations. It is the entire basis of my argument that this cannot ever be taken for granted even if such a scenario exists in isolation, and that most (if not all) classical and modern theory comprehensively fails in providing a solution that, partially if not completely, removes the insecurity of relying on a highly select group of people to make the correct decision based on dubious information sources, interpreted by a hand full of poorly equipped individuals, and within one of the most complex contexts imaginable.

It is entirely inappropriate in my view to make concern with highly detailed micro issues (enacted values, espoused values, cultural artefacts, rituals and ceremonies) without first ensuring that the overarching framework is fully applicable in today's competitive and highly liquid environment.

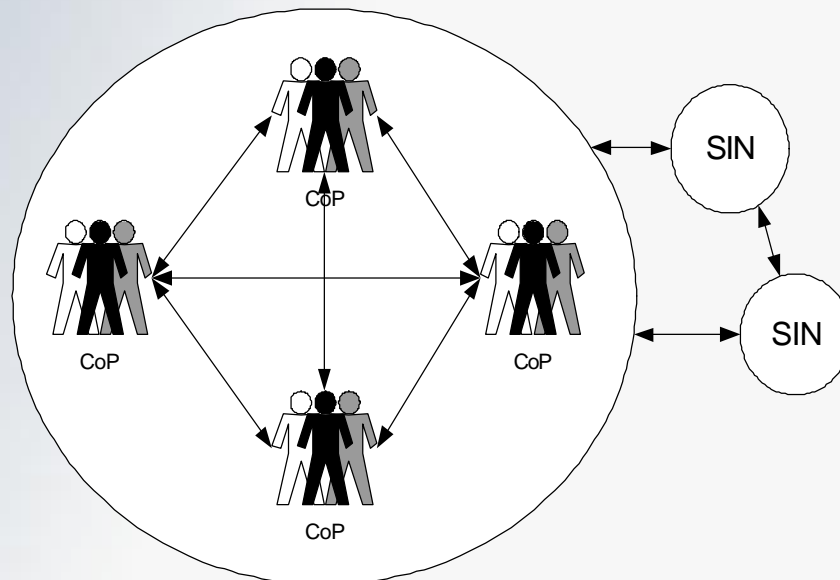


The contemporary overarching theoretical framework relies almost exclusively on the judgement of a few individuals to manipulate strategic HR levers to create a severity of change that, in any other context, would demand a full appreciation of cause and effect at every level of interlace, an impact analysis on every symbiotic junction and a full appreciation of proposed changes on all facets of risk management. That this is routinely done in complete ignorance is a strategic risk on a scale too massive to contemplate. The absence of suitable tools does not dissuade contemporary people management theorists from culpably building on the assumption that someone somewhere is capable of understanding even mere superficial implications of strategic people management decisions at an enterprise scale.

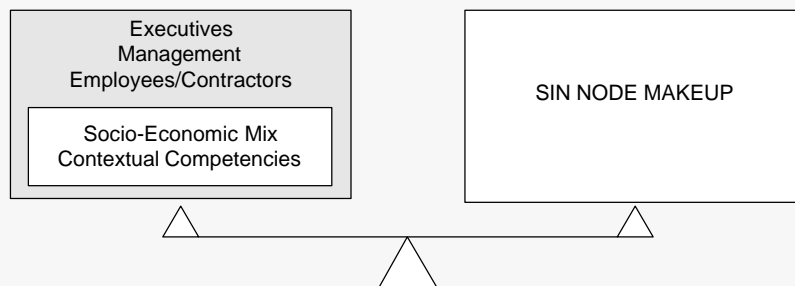
Symbiotic Ephemeralization – *Implementation

Symbiotic Ephemeralization, in the context of this submission, refers to a series of autonomous communities-of-practice that though nodal collaboration channels produce a unique ephemeralization hypercycle.

Symbiotic Innovation Node (SIN)



To create an innovation hypercycle, a pseudo-arbitrary but finite number of Symbiotic Innovation Nodes are created. It is important to note here that the contextual competencies of the Communities of Practice within a SIN are deliberately symbiotic and it should further be noted that there is an absolute requirement for a representative (representative relative to organisational scope) socio-economic and capabilities mix to deliver balanced noetic product that has realistic implementation potential.



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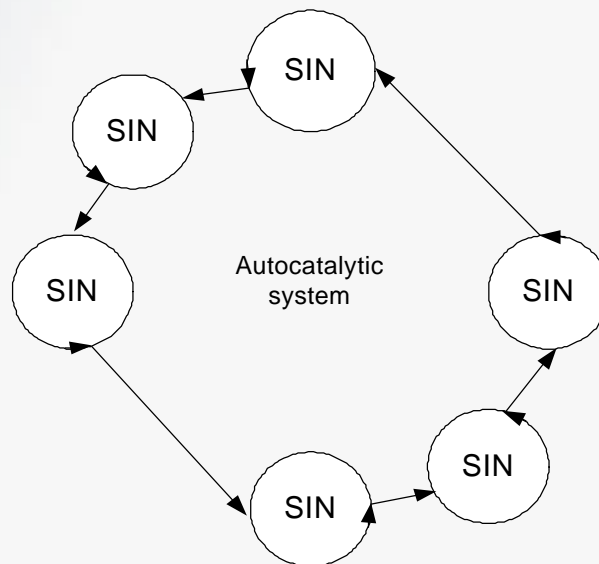
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The hypercycle is designed to replace ad-hoc manipulation of environmental factors by a select group of strategists, and its objective is the creation of a heterogeneous metasystem that fosters the development of novel synergies between dissociated systems whilst contained within, and protected by, a fostering and secure environment where formal rules are completely abandoned.

The accelerative power of this concept becomes self evident when the autocatalytic² nature of the illustrated hypercycle is considered. Within the complete hypercycle each SIN both augments the innovative capacity of its nearest peer and acts as motivator to stimulate the release of latent innovative capacities. This is affected through well known mechanisms including peer recognition and traditional reward systems.

It is noted that whilst the micro environments require an abandonment of rules, the macro environment are configured to the exact opposite. The symbiotic collaboration channels between SIN groupings must be formally defined and strictly enforced so that a predictable level of momentum may be established. These characteristics met, this configuration essentially creates a system that generates noetic product at the chaotic micro-environmental level and amplifies intellectual property at the formal inter-nodal junctions thus delivering an innovation hypercycle by explicit design.



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² "Autocatalytic" refers to something whose occurrence at one point increases the probability that it will occur again at another point