



## DEALING WITH VIRTUAL CONTEXTS

**We are living a historic moment of emerging social contexts. These are social transitioning into new structural forms. This means they are in transformation with changes in patterns and internal rules. For that reason, emerging contexts have no clear rules or specific structural forms.**

This state creates instability and unpredictability that characterizes the dynamics of these social systems because they are “testing” new ways of life. Against this dynamic, it is impossible to control the movements of the system. Organizational design and management have had, from the beginning of its development, a principle based on the efficiency of the processes, but isolated from the dynamic of the context. This self-referential design that generated the great development of industrialization, in this century is collapsing due to three factors: a) structural difficulties, b) competitive difficulties, and c) strategic difficulties. These difficulties (structural, competitive, and strategic) arise from a gap between the volatility of the world, with its unprecedented and unforeseen changes, and the structural capacity of organizations to respond and act in this context of transformation. When organizations have difficulties to respond to the demands of context,

they press on its human structure to achieve results. These pressures cause the collapse of the emotional quality of its people which also involves low performance and productivity. The result is a vicious cycle of despair, pressure, and deterioration in work-life conditions that enlarges the gap of personal and group performance. Emerging systems are not tied to physical territories, but social problems that have fuzzy boundaries and depend on the movement of multiple variables and the participation of a variety of actors. This movement has a dual behavior. On one hand, these systems can generate emerging threats to organizations, by instability and lack of clarity of its structure. But on the other hand, emerging contexts allow new opportunities for organizational development because they are open systems capable of testing and experiencing structural transformations that in times of stability are not considered.

**In human systems, the vulnerability of performance is emotional. Even with this diagnosis, there is an asymmetry in investments. All investments are concentrated in the physical structure. Investing in emotions means to generate conditions in the emotional climate that sustains and expands the capacity to deal with an unstable and unpredictable context.**



## Emerging contexts features

**PERMANENT MOVEMENT:** This aspect relates to the transformation of the internal structure of systems that generates profound changes in very short periods of time. These permanent movement, have impacts in: rotation in people's roles, changes in internal relations, transitory leadership, and redefinition of point reference of daily life.

**STRUCTURAL INSTABILITY:** This aspect focuses the way of integration because the principles of stability become weaker or disappear. This is manifested in the volatility structures, where small movements can cause great changes. This aspect generates the weakness of relationships, participation, and trust in people.

**UNPREDICTABLE BEHAVIORS:** This aspect relates to new behaviors that people test, seeking to adapt to changes in their conditions of life. The system generates volatile behavior patterns. These aspects create the greatest number of contradictions in behaviors, emotional sensitivity, and paradoxical decisions.

## Emerging contexts possibilities

**ABSORB TRENDS:** This means that emerging contexts are more sensitive to changes. This creates more opportunities for innovation, for the adoption of new behaviors or new processes of life, for the incorporation of new technologies and adoption of new ideas and conceptual principles.

**TRANSFORM PARADIGMS:** This aspect means that emerging contexts recreate their values and principles of integration. This openness allows social systems to generate new structural models, develop new paradigms, and redefine new ways of linkage.

**ADOPT CHANGES:** Based on the creativity of internal behaviors, these systems are more open to new patterns of behavior that are usually blocked by internal rules of conservation. This manifests in the development of social trends, technological adoption, and cultural transformations.



**Organizations became efficient and profitable at the expense of deterioration in its relationships and emotions. Actually, this self-referential design that generated the great development of industrialization, in this century is collapsing due to three factors.**

**Structural difficulties:** The mechanical design is a rigid structure that conflicts with the nature of human systems: open, dynamic and paradoxical.

**Competitive difficulties:** This rigid design has no appropriate responses to changing environments.

**Strategic difficulties:** Mechanistic management models are designed to “win or win”. The consequence is that all processes are oriented to fight an “external enemy” and the development of the organization is neglected.

Traditionally, the classical role of Management has focused on optimizing the limitations or restrictions. This model is based on the assumption that we share a territory with limited resources, where other actors are enemies that we must control or eliminate. From this point of view, the development possibilities are limited. Additionally, in the current social dynamics, this concept extends the threats and creates a sense of growing hostility. The cost of living under threats reduces by half the capacity of cognitive performance (decisions, design, and creativity) of people. In these cases, the performance problem is not in people skills, but their working conditions. Although profitability is 100%, people are working at 50% of their personal development.

The collapse of the economic structures is a consequence of the difficulties to redefine business models and production processes with new perspectives. In other words, what is collapsing are the structures based on force, control, exclusion and the indiscriminate exploitation of resources. These principles were the cornerstones of the post-medieval science that flooded the social models of the following centuries and extend to the present day. This paradigm of power, exploitation and control has been functional to a generation of leaders who have used post-medieval principles to sustain its position of power and permanence.

The complexity of this period can be characterized by three dimensions: a) the diversity in the structure of the global communities, b) the speed of the changes supported by technological development; and c) the exponential multiplication of unknown situations that generate a landscape of unprecedented rules. Therefore, when organizations or companies try to analyze the present times with tools based on static models, they fall into a vulnerable confusion. In this frame, manage the dimensions of complexity means dealing with a virtual territory framed by various problematic situations.

The virtual territories are related to situations and events that do not yet exist but will probably impact future projects. So, being efficient in a known world does not guarantee positive results facing future challenges. Prepared to address these new set of rules involves the development of personal skills and corporate resources that allow the organization to address unpredictable dynamics.

In the current dynamics of the events, the control of contexts is an illusion because the changes are much faster than in other historical moments and they have a deeper impact on the structures and projects. In this framework, the competitiveness of an organization depends on a new strategic map to deal with new life's conditions. This situation implies the renewal of beliefs, mental models and skills to deal with a new landscape.

