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## SYSTEMS PRACTICE OVERVIEW

Rob Ricigliano, Systems and Complexity Coach, TOG

Most teams in TOG pursue either:

- **systems innovation** -- working **in the system** to improve the lives of many people by filling an important gap in the current system so it works better or is more accessible. E.g. scaled solutions such as digital ID, mobile money apps, B-Corps, institution building, leadership development, etc.
- **systems transformation** -- working **on the system** to improve systems health, and the outcomes it produces (e.g. level of well-being, justice, etc.) by altering **complex dynamics** that affect people's lives (e.g. racism, persistent poverty, violence) -- e.g. building sustainable peace, ending slavery in corporate supply chains.

• Systems practice is the core methodology we use for systems transformation.



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## DIFFERENT LEVELS FOR USING SYSTEMS

Systems transformation takes the deepest use of systems and complexity thinking

Type of challenge	Type of response	Use of systems
Pain points	Product/service delivery	Systems informed
Systemic gaps	Systems innovation	Systems enabled
Complex dynamics	Systems transformation	Systems practice

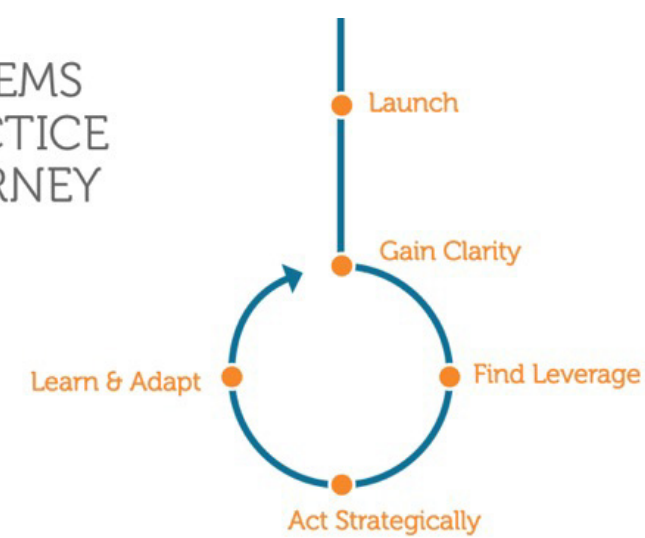
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## DIFFERENT LEVELS FOR USING SYSTEMS

Use of Systems and Complexity Thinking	
<b>Systems informed</b>	Basic understanding of the connections between your activity and the broader environment; seeing the different but connected layers of your context (e.g. behaviors, structures, patterns, and mindsets/attitudes)
<b>Systems enabled</b>	Use of systems thinking tools (e.g. actor mapping, social network analysis, causal feedback loops) that inform strategy and guide iteration and learning over time and help you fill key gaps in a system ( <b>systems innovation</b> )
<b>Systems practice</b>	A non-linear change process that is based on a complexity thinking view of the world and uses a deep understanding of context as a dynamic system (e.g. systems map) to guide strategy development and impact assessment, learning, and adaptation. Uses emergent strategy, and a "basket of evidence" (complexity-informed) approach to impact assessment as a means for affecting the system itself ( <b>systems transformation</b> )

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## SYSTEMS PRACTICE JOURNEY MAP



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## GAIN CLARITY



SYSTEM SENSING

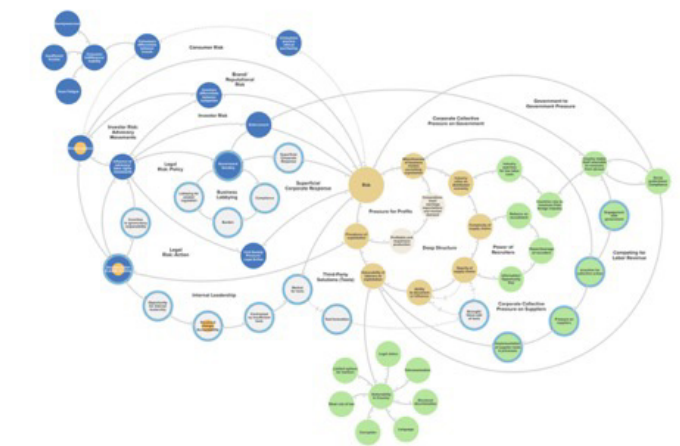
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## GAIN CLARITY

BUILD A MAP



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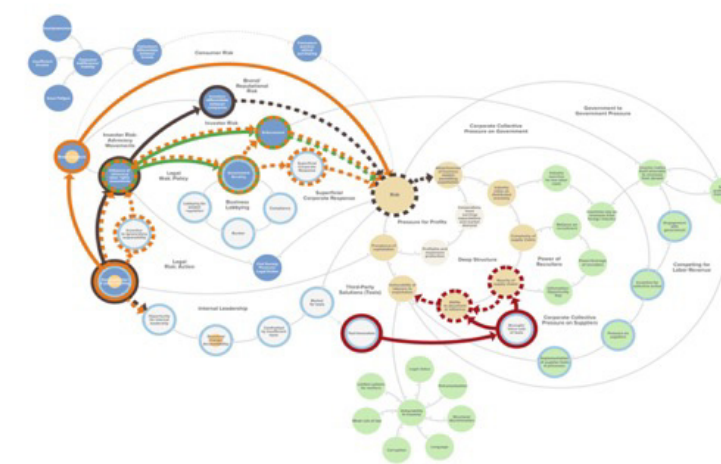
## FIND LEVERAGE



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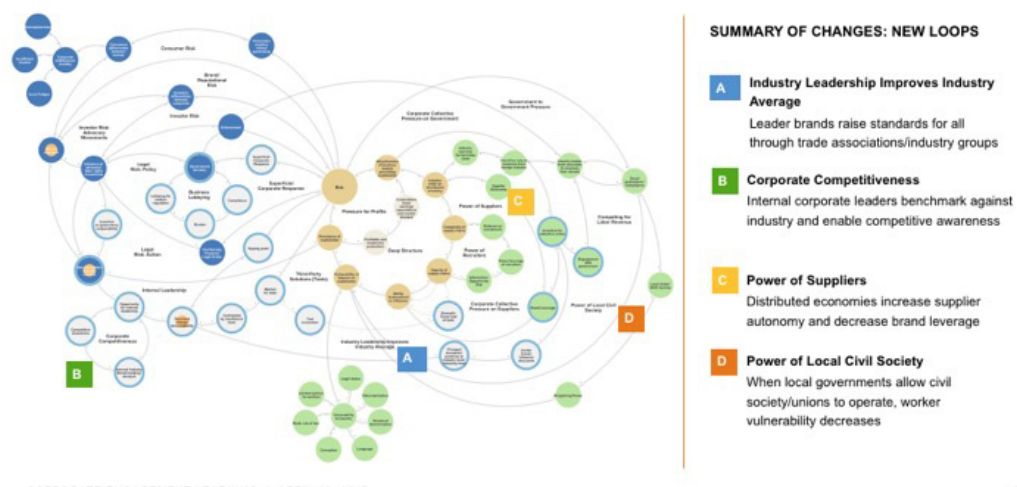
## ACT STRATEGICALLY

DEVELOP A SYSTEMS CHANGE STRATEGY



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## LEARN AND ADAPT – UPDATE YOUR MAP



**SUMMARY OF CHANGES: NEW LOOPS**

- A Industry Leadership Improves Industry Average**  
Leader brands raise standards for all through trade associations/industry groups
- B Corporate Competitiveness**  
Internal corporate leaders benchmark against industry and enable competitive awareness
- C Power of Suppliers**  
Distributed economies increase supplier autonomy and decrease brand leverage
- D Power of Local Civil Society**  
When local governments allow civil society/unions to operate, worker vulnerability decreases

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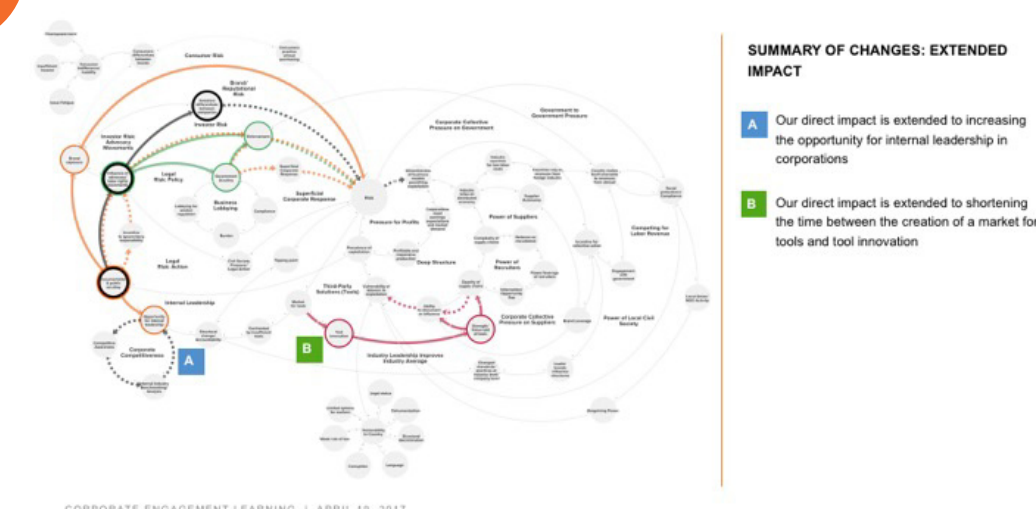
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## LEARN AND ADAPT

ORIGINAL ASSUMPTIONS	KEY LEARNINGS	STRATEGY IMPLICATIONS
Western Brands consume 80% of the world's goods and services	Suppliers Also Play Critical Role in Consumer Decision Making	Explore Ways to Engage Suppliers in Consumer Decision Making
Systemic Shifts in Consumer Behavior are Driven by Global Trends	Too Much of a Good Thing: Too Many Actors (NGOs, LSCs, etc.) are Interested in Staying on Stayers' Side	Help Coordinate and Align Actor Activity and Engagement
Opportunity to Engage Suppliers and Suppliers' Suppliers in Consumer Decision Making	There is Investor Demand for Socially Responsible Investment and Proof of Materiality	Continue to Scale Socially Responsible Investment and Proof of Materiality
New Tools Needed to Engage Suppliers and Suppliers' Suppliers in Consumer Decision Making	Stimulating Market Demand: Critical: Multiple early adopters are interested but hesitant	Integrate Activities and Provide Thought Leadership
Gains in Policy and Corporate Behavior are Driven by Global Trends	We are Entering an Era of Rapid Change: Corporate regulations and standards are changing rapidly	Guard Against Rapid Change: Monitor corporate regulations and standards for change
Consumers are Unwilling to Pay for Quality	Consumer Angle May be More Effective	Experiment with Consumer Angle

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## LEARN AND ADAPT – UPDATE YOUR STRATEGY



**SUMMARY OF CHANGES: EXTENDED IMPACT**

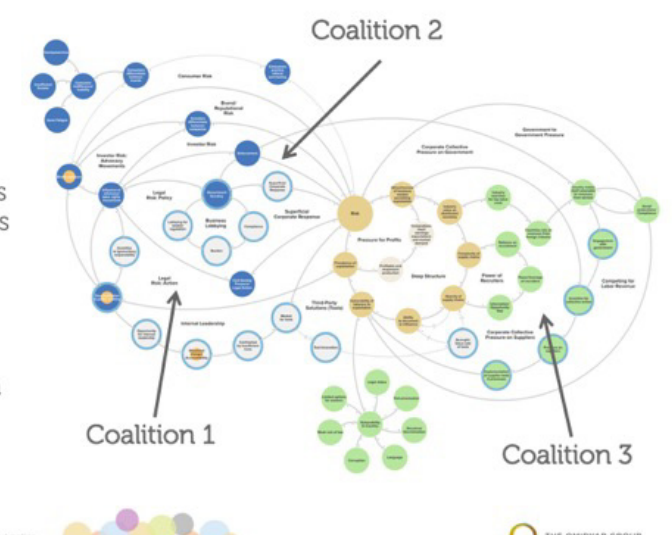
- A** Our direct impact is extended to increasing the opportunity for internal leadership in corporations
- B** Our direct impact is extended to shortening the time between the creation of a market for tools and tool innovation

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A Map can help support self-organized action toward a common endeavor

- Aligned Intelligence (across sectors and from grassroots to global actors)
- Self-organized action that contributes to a common endeavor
- A "base-line" against which to:
  - assess impact,
  - deepen learning, and
  - enable adaptive action



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