# SENSEMAKER®

**COMPLEX TRENDS**

**STUDY 2021**

**REPORT**

COGNITIVE EDGE
THE CYNEFIN Co.

# TABLE OF CONTENTS

SENSEMAKER®

COGNITIVE EDGE THE CYNEFIN Co

# EXECUTIVE SUMMARY

Toward the end of 2020, we conducted a SenseMaker® study to understand the experiences that our network has had with the disruptions that last year presented. All of us have experienced significant changes in our environments, regardless of the type of organisation or industry we work in, or where in the world we live in.

We wanted to understand your experiences and observations of 2020, as well as get a sense of the decisions or key challenges caused by these changes that lay ahead of you this year.
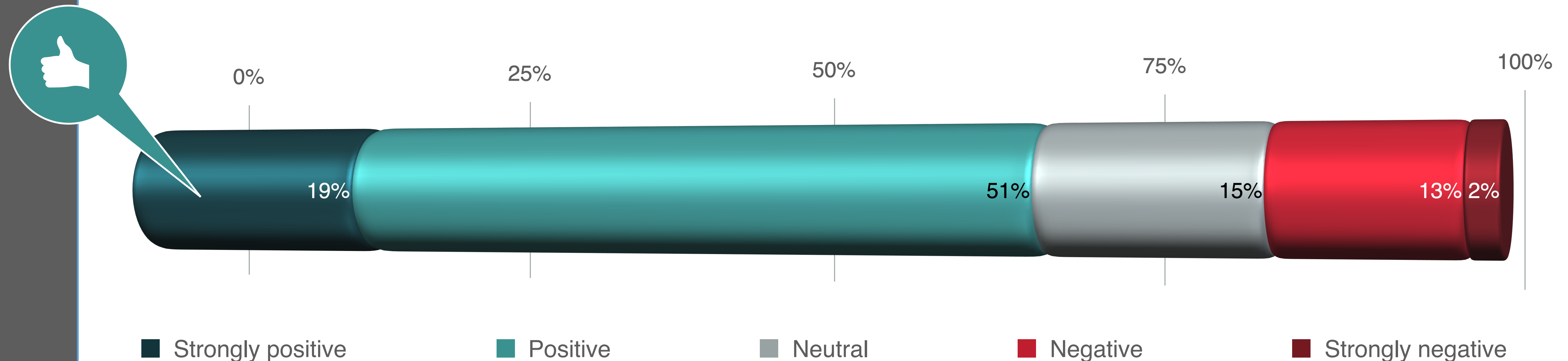
This report presents the results from our 2021 Complex Trends study.

We would like to thank everyone who took part in this engagement, and are excited to be sharing our insights from all of your responses.

SENSEMAKER®

COGNITIVE EDGE
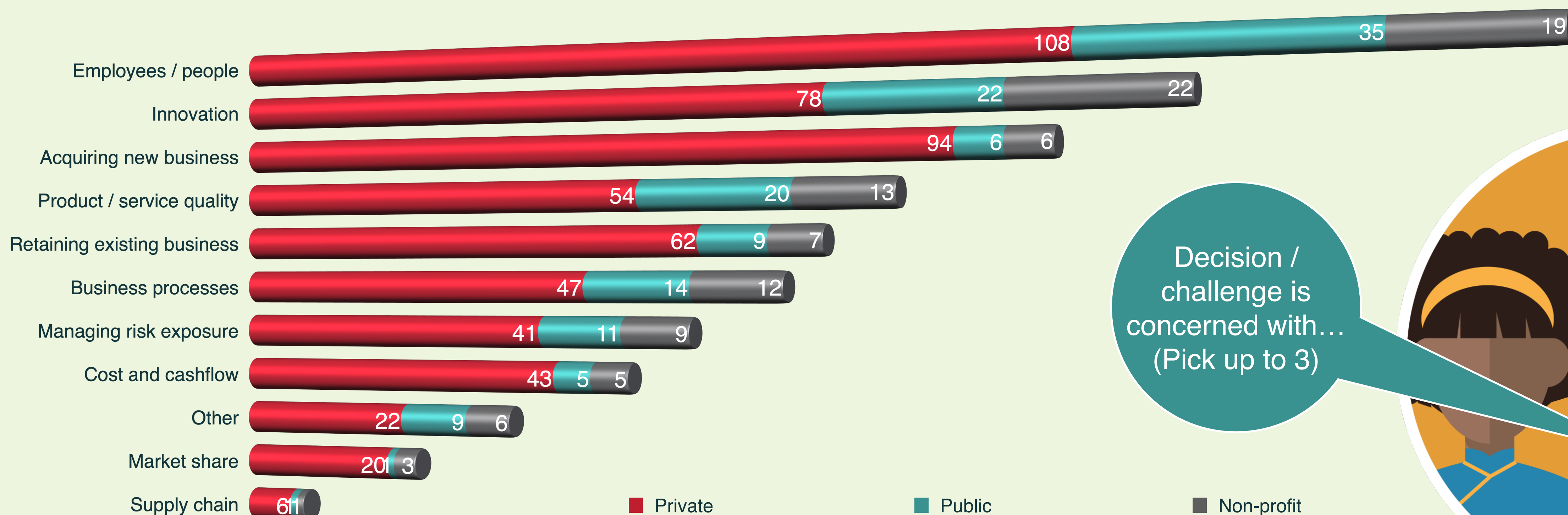THE CYNEFIN Co

# EXECUTIVE SUMMARY[2]

Whilst the uncertainty from the disruptions has caused anxiety for many, we found it encouraging that of the 349 entries we collected over one week, **that 51% of you described the decisions and challenges that lay ahead as Positive, and 19% as Strongly positive.** We have been working with many of our clients and partners to uncover the opportunities that lay in uncertainty, and we are glad that there remains a resilience and adaptability in our network.



| 0% | 25% | 50% | 75% | 100% |

19%    51%    15%    13% 2%

■ Strongly positive    ■ Positive    ■ Neutral    ■ Negative    ■ Strongly negative

SENSEMAKER®

COGNITIVE EDGE
THE CYNEFIN Co

# A FOCUS ON PEOPLE
# AND INNOVATION

Regardless of sector and industry, majority of respondents indicated that the key decisions or challenges that lay ahead in 2021 would be concerned with their **employees and people**, this is followed by concerns over a need for **innovation.**

| Category | Private | Public | Non-profit |
|---|---|---|---|
| Employees / people | 108 | 35 | 19 |
| Innovation | 78 | 22 | 22 |
| Acquiring new business | 94 | 6 | 6 |
| Product / service quality | 54 | 20 | 13 |
| Retaining existing business | 62 | 9 | 7 |
| Business processes | 47 | 14 | 12 |
| Managing risk exposure | 41 | 11 | 9 |
| Cost and cashflow | 43 | 5 | 5 |
| Other | 22 | 9 | 6 |
| Market share | 20 | 1 | 3 |
| Supply chain | 6 | 1 | |

Decision / challenge is concerned with… (Pick up to 3)

■ Private    ■ Public    ■ Non-profit

SENSEMAKER®

COGNITIVE EDGE THE CYNEFIN CO

# #mediatingthefuture

*An important change I've observed is…* Increased role of the state in funding and decision-making, key people missing due to Covid or self-isolation, working remotely, sense of stress/exhaustion seems common

*Keeping me up at night is…* For one client - will the CEO, who is tightly focused on operations permit the Exec team latitude for lateral thinking, reflection and experimentation? Or will she double down on the here-and-now? What is keeping me awake - the opportunity/challenge of supporting clients to make learning a core part of their culture.

SENSEMAKER®

COGNITIVE
EDGE
THE CYNEFIN CO
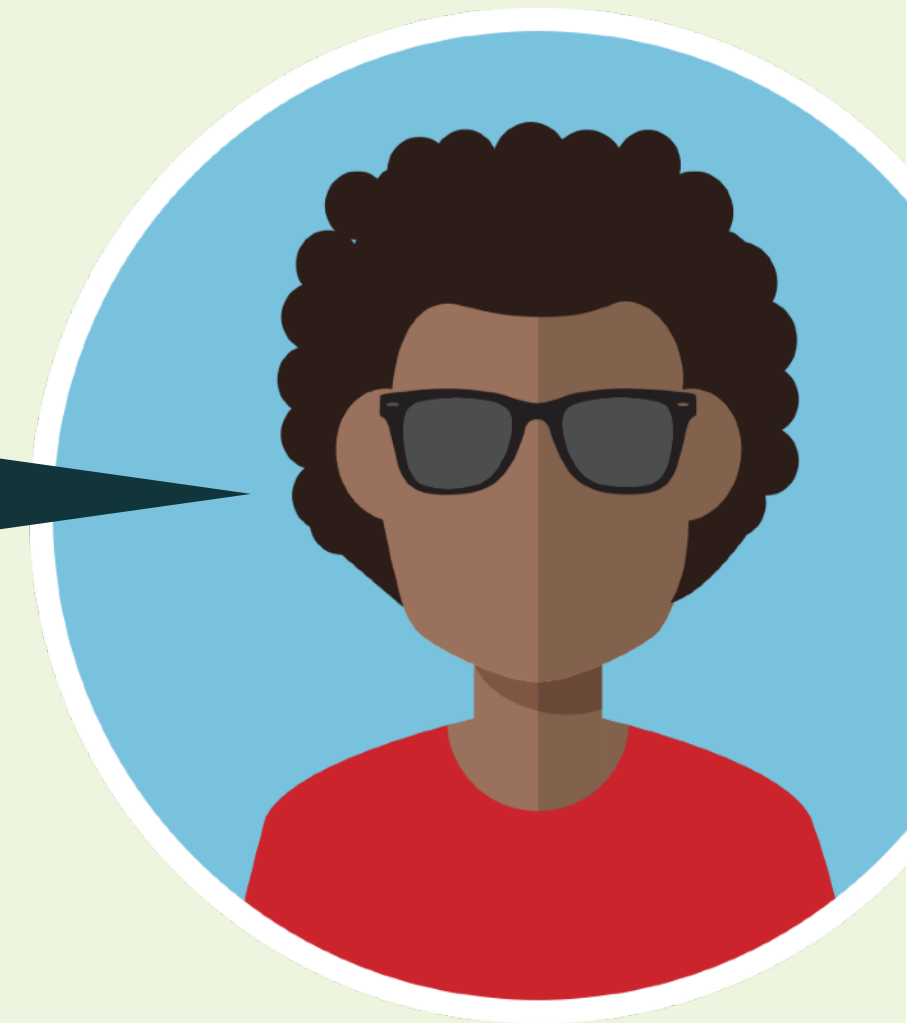
# A FOCUS ON PEOPLE
## AND INNOVATION[3]

## #treesoftheforest

*An important change I've observed is…* There is a stronger mandate for innovation. Outreach to clients has been outsourced to the imagination of local staff & practitioners. Head office has loosened its grip on policy & procedure. In the early part of the year they were caught up with designing & implementing new systems that were fit for purpose. Domains previously off limits have seen some radical turn arounds with technology and processes being introduced that were not acceptable before. Disappointingly, the initial impetus for change focussed on saving the organisation rather than enabling staff, practitioners & clients. This vacuum was soon filled by local staff & practitioners innovating under the radar.

*Keeping me up at night is…* Travel restrictions. We can only go so far in our outreach with relatively informal contact through local staff & practitioners. Face-to-face contact, training & coaching is required for new practitioners to develop. Components of this developmental work have been reworked for online & a bit more is possible, but it will not be possible to transpose all training, induction & supervision to online.

# #complexityleadership

*An important change I've observed is…* Most of the colleagues and clients I interact with are more willing to consider the reality and the influence of uncertainty and turbulence on their personal and professional lives. They feel the VUCA world viscerally and the up-side of this difficult and trying year is a potential openness to looking at the world differently. I sense an opportunity for more creative and open conversation about complexity and diversity. Of course, although I try to engage people from many different tribes and points of view, I am speaking primarily to people who are more likely to agree with my views.

*Keeping me up at night is…* I have to take myself to a place of peace and objective contemplation to sleep...Otherwise, it is my distress about 1) the impact of Trumpism, 2) climate change, 3) ingrained racism.... What is the world I am leaving to my children and grandchildren? In a business sense, what keeps me up at night is how to reach a broader audience and communicate about complexity, post-Newtonian perspective, and constructive action within the domains where I work in a way that resounds with each audience. **So, I guess I end with the question: How can I engender hope?**

SENSEMAKER®

COGNITIVE EDGE
THE CYNEFIN CO

# 2 INVEST IN DEVELOPING OUR
# PEOPLE AND INTERNAL CAPABILITITES

Whilst there is a recognition that changed investment will need to take place across a balance of areas, the general trend indicates that **organisations are looking internally** to enhance their internal capabilities to support their strategy, and will likely do so through a stronger focus on people development and process improvement.
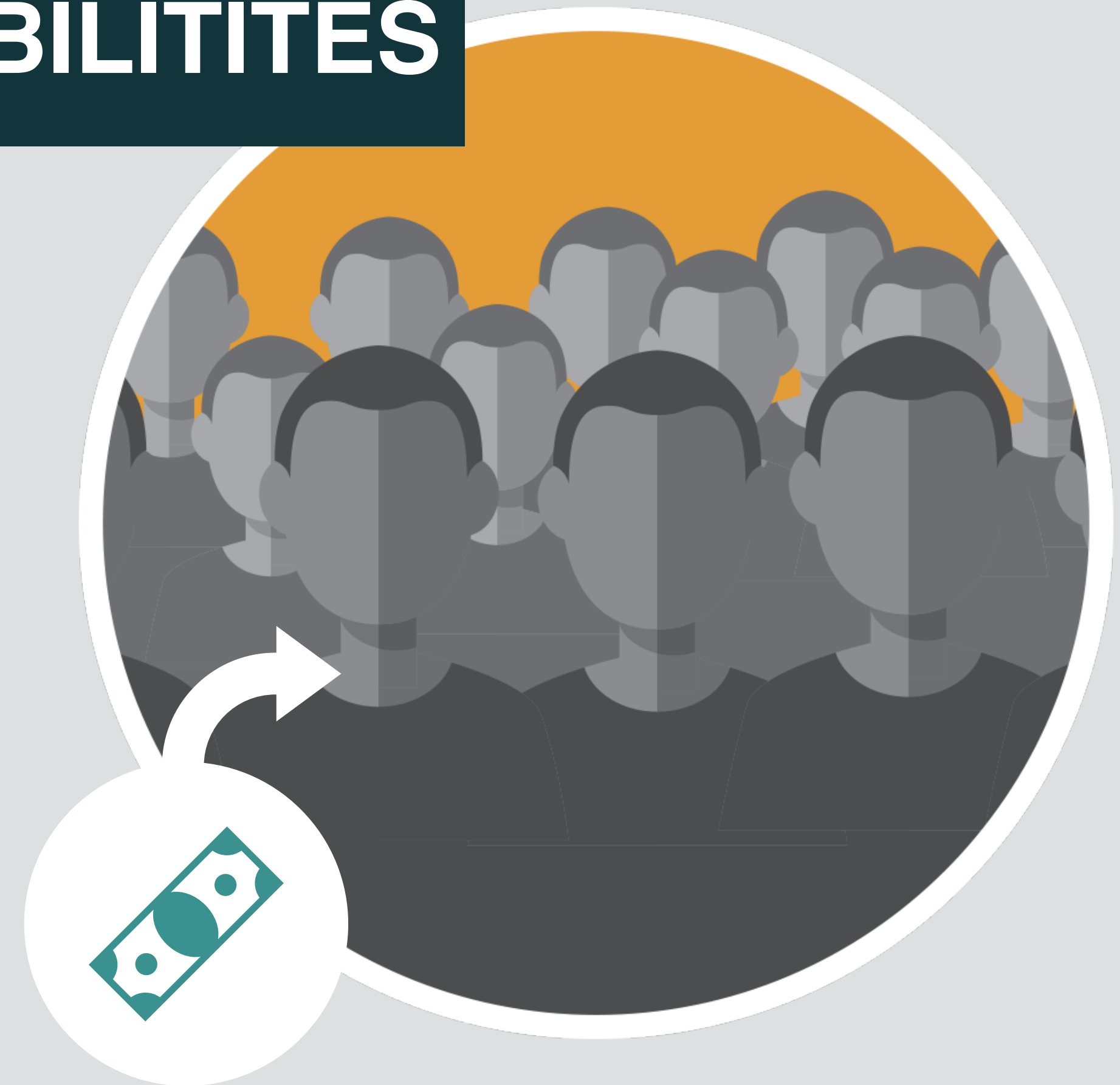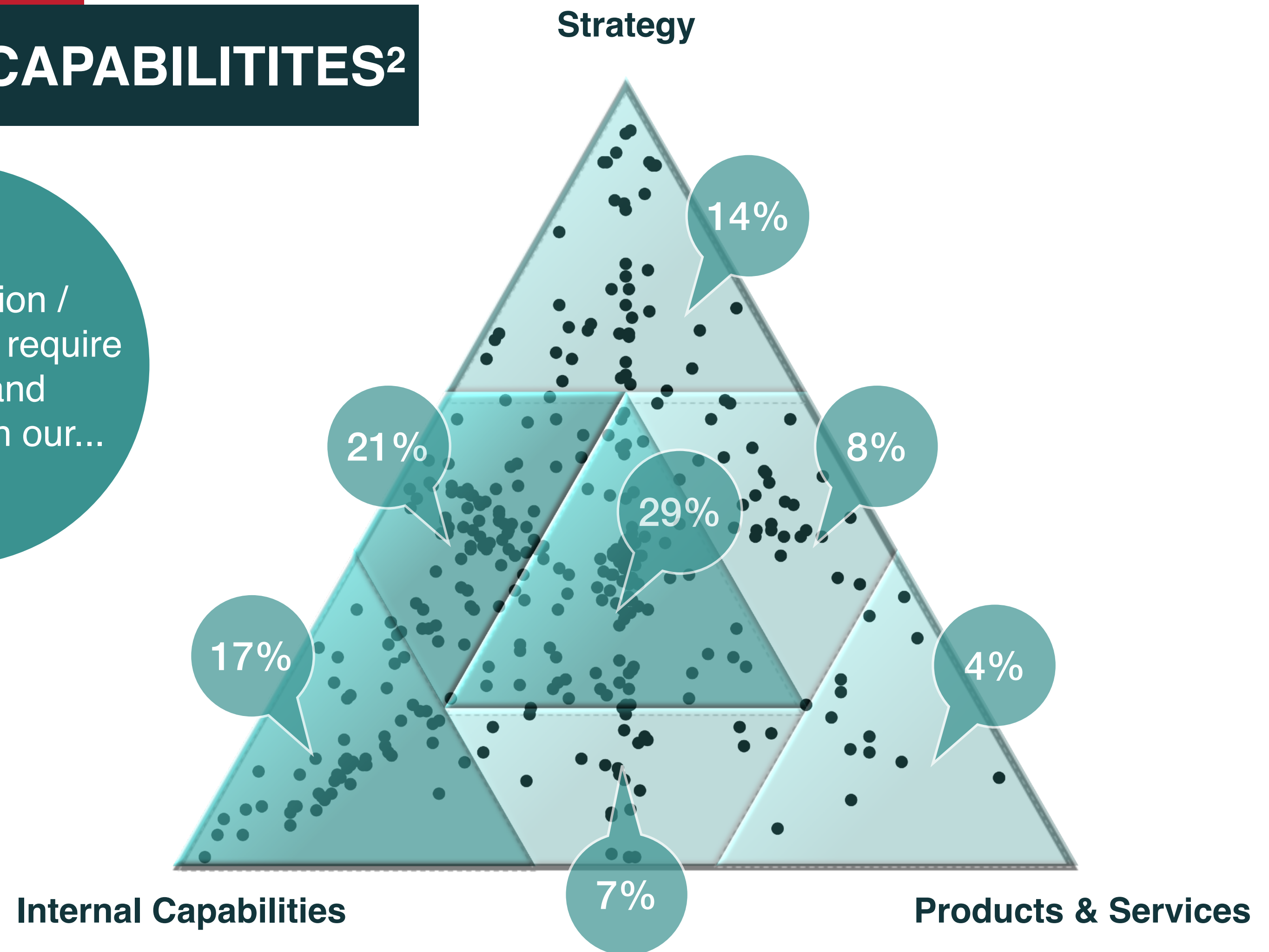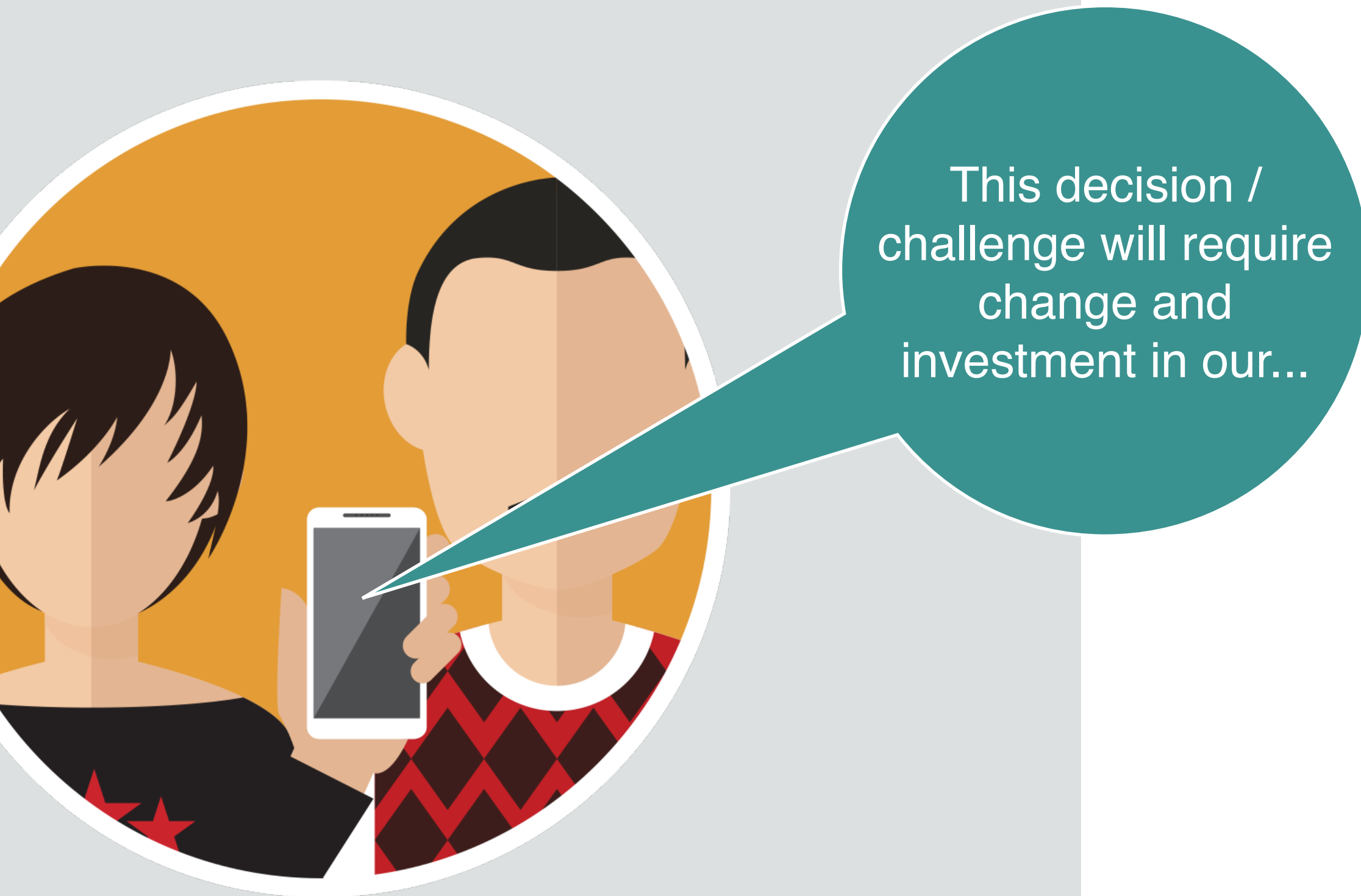
# INVEST IN DEVELOPING OUR
## PEOPLE AND INTERNAL CAPABILITITES[3]
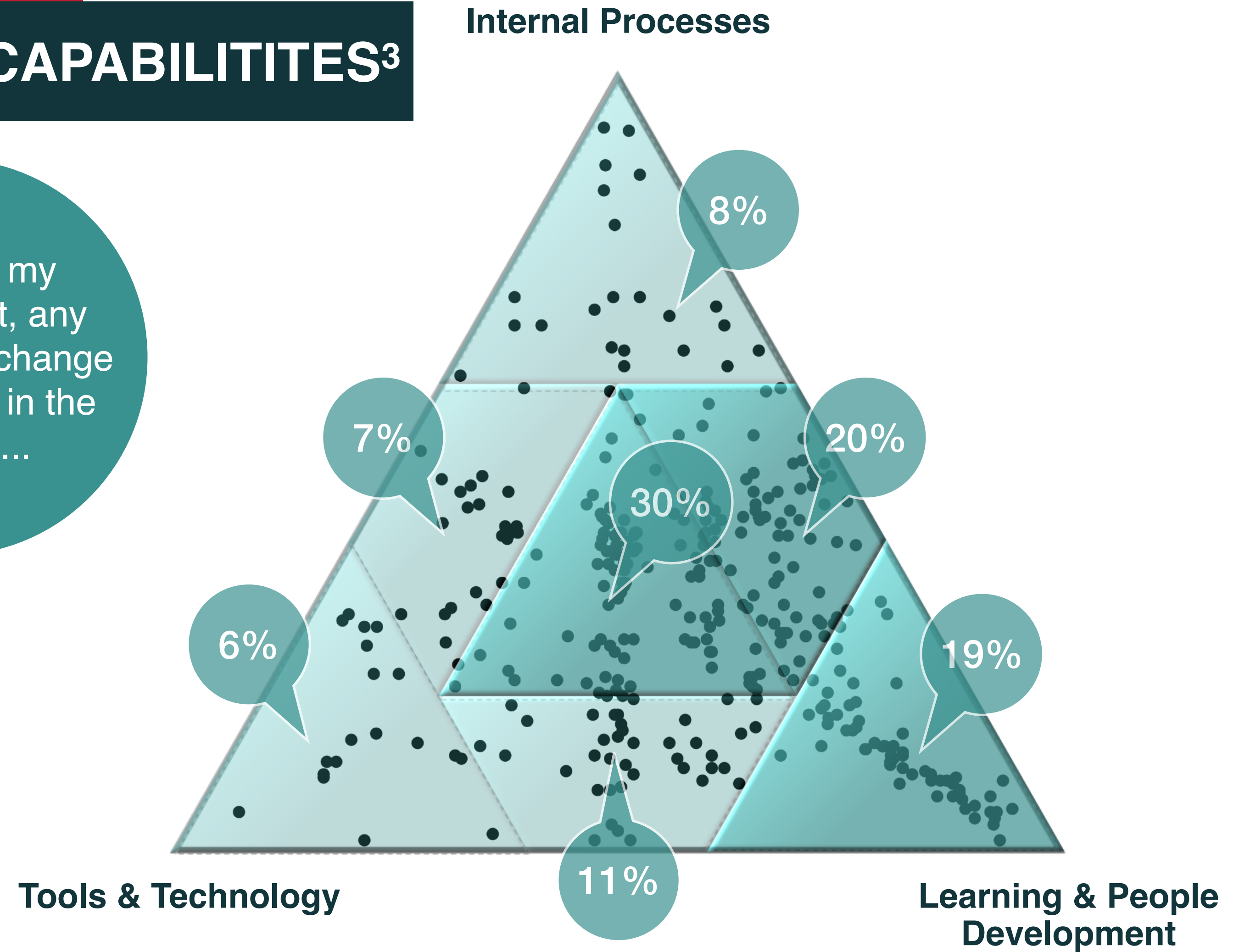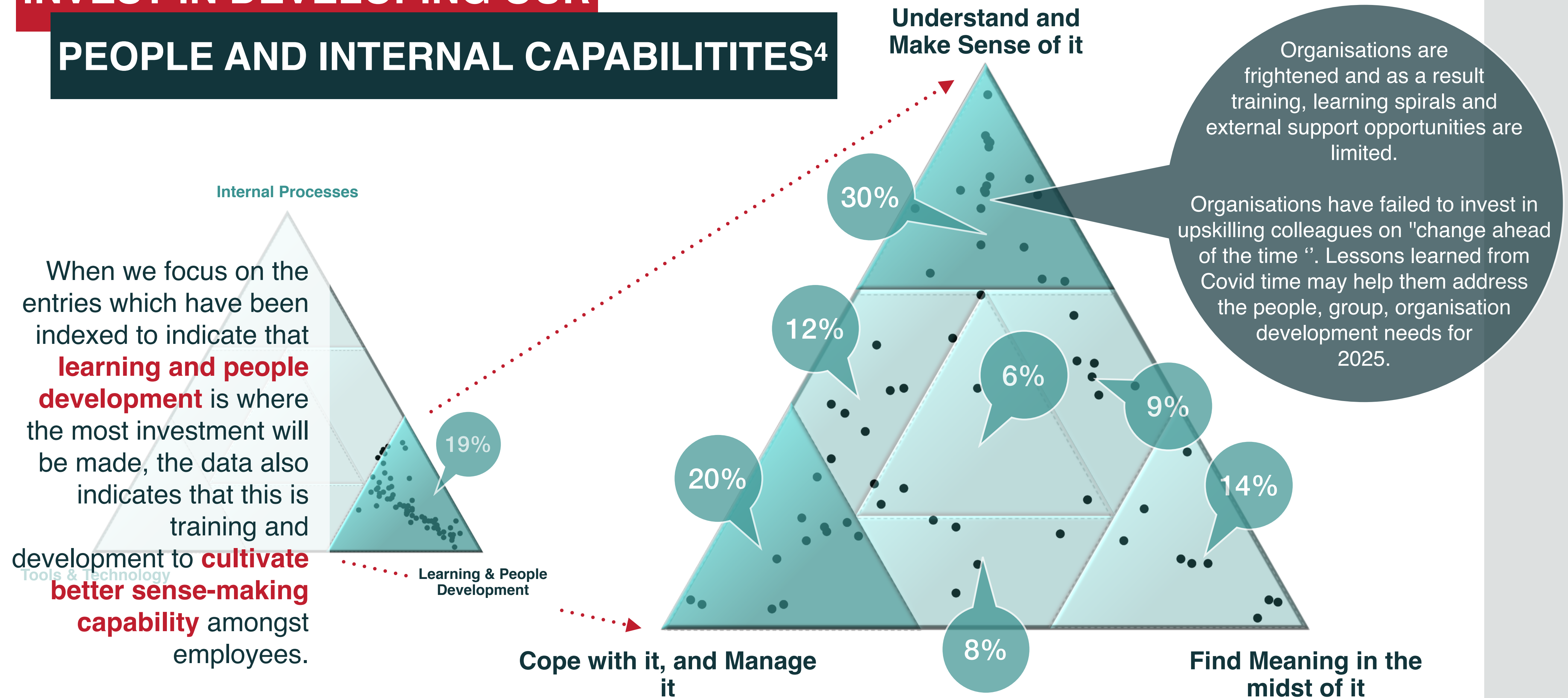
Based on my assessment, any investment / change will likely be in the areas of...

Internal Processes

8%

7%

20%

30%

6%

19%

11%

Tools & Technology

Learning & People Development

SENSEMAKER®

COGNITIVE EDGE THE CYNEFIN CO

# PEOPLE AND INTERNAL CAPABILITITES[4]

**Understand and Make Sense of it**

**Internal Processes**

When we focus on the entries which have been indexed to indicate that **learning and people development** is where the most investment will be made, the data also indicates that this is training and development to **cultivate better sense-making capability** amongst employees.

**Tools & Technology**

**Learning & People Development**

19%

30%

12%

6%

9%

20%

14%

8%

Organisations are frightened and as a result training, learning spirals and external support opportunities are limited.

Organisations have failed to invest in upskilling colleagues on "change ahead of the time ''. Lessons learned from Covid time may help them address the people, group, organisation development needs for 2025.

**Cope with it, and Manage it**

**Find Meaning in the midst of it**

SENSEMAKER®

COGNITIVE EDGE THE CYNEFIN Co

# OUR VALUES

# BEING CALLED INTO QUESTION

Respondents also displayed a general anxiety over the state of the world and the broader environment that we live and work in. These include concerns over our values, and how value is perceived and constructed, and **trying to get a sense of the shifting landscape of what we value.**

COVID19 has forced rapid behavioural changes, and the positive impact this has had on reducing greenhouse emissions has forced people to reckon with broader impact of our actions on the climate, and the concerns over **climate change** as an existential threat pervade.

1

**SENSEMAKER®**

**COGNITIVE EDGE**
THE CYNEFIN CO

## BEING CALLED INTO QUESTION[2]

Whilst the decisions and challenges shared across our network describe the difficulties of managing such complexities, there is also an awareness that these present "adaptive moments" which should be take advantage of. **There is a recognition that we will not go back to "normal"; and there is a sense that this is for the better.**

People also express the need to transform **education** in light of the disruption that COVID19 has caused, and to better align education with the needs of looming emergencies.

Interconnectedness - need for formally recognising **diversity, issues of equity and inclusion.** Beyond COVID19, 2020 delivered harsh lessons in the realities of diversity, equity and inclusion, and our social fabric. Responses present a messy coherence of the interconnectedness of these factors with the impact of COVID19 across different communities.

**SENSEMAKER®**

**COGNITIVE EDGE**
THE CYNEFIN Co

# BEING CALLED INTO QUESTION[3]

While, before 2020, such questions of value might have been seen as more abstract, the key decisions and challenges that are now impacted by **this need to re-evaluate our values is now seen as concrete**, and impact on our immediate ability to manage and cope through the changes and disruptions that 2020 presented.

Making sense of these challenges, and developing the strategies to cope and manage are seen as critical in most of the entries shared.

**Questions of value** are not seen as merely a search for meaning, divorced from the operations of our business - it **is intricately interwoven and foundational to our strategies.**
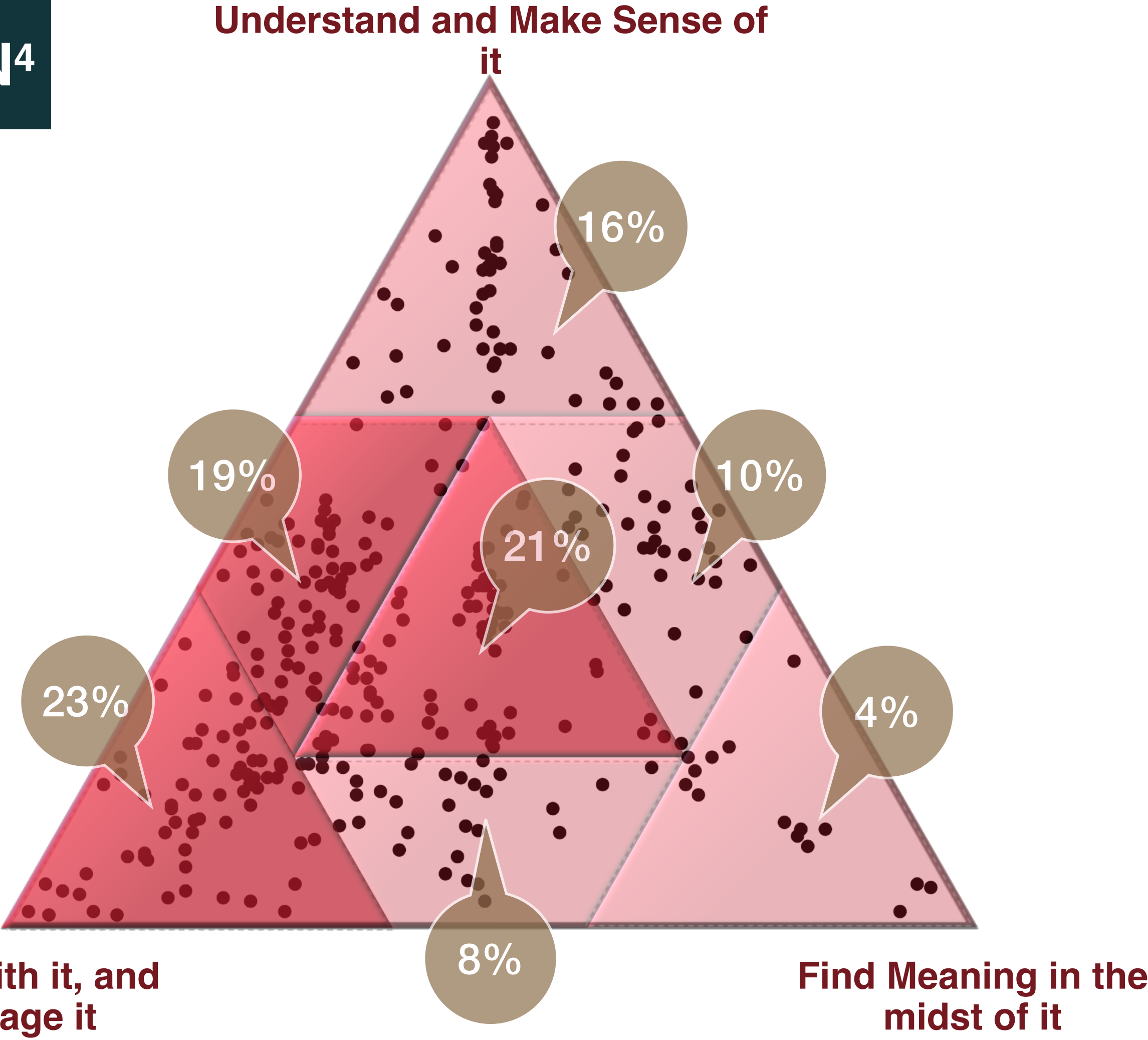
SENSEMAKER®

COGNITIVE EDGE THE CYNEFIN Co

What keeps you awake?

...

Reformulate the value proposal #valueproposal

...

In the climate change policy realm this seems to be a moment of great importance. In the midst of this whole uncertainty there are huge desires to move the dial in the one direction that mostly everyone agrees we should move, but this often comes accompanied with an spectrum of different emotions (from optimism in the face of where we are and what could be, to despair because we are not whiling to confront some of the really deep issues, i.e. economy's drivers, growth, etc.). In this context it seems to me that **there is an increasing understanding that everything is more interconnected and complex** than what the tools we are using tell us.

...

More questioning of the system (work in a retail environment). How to produce and consume within the boundaries of the planet whilst raising the social floor for producers and consumers. **#truecost**

SENSEMAKER®

COGNITIVE EDGE
THE CYNEFIN CO

# OUR VALUES
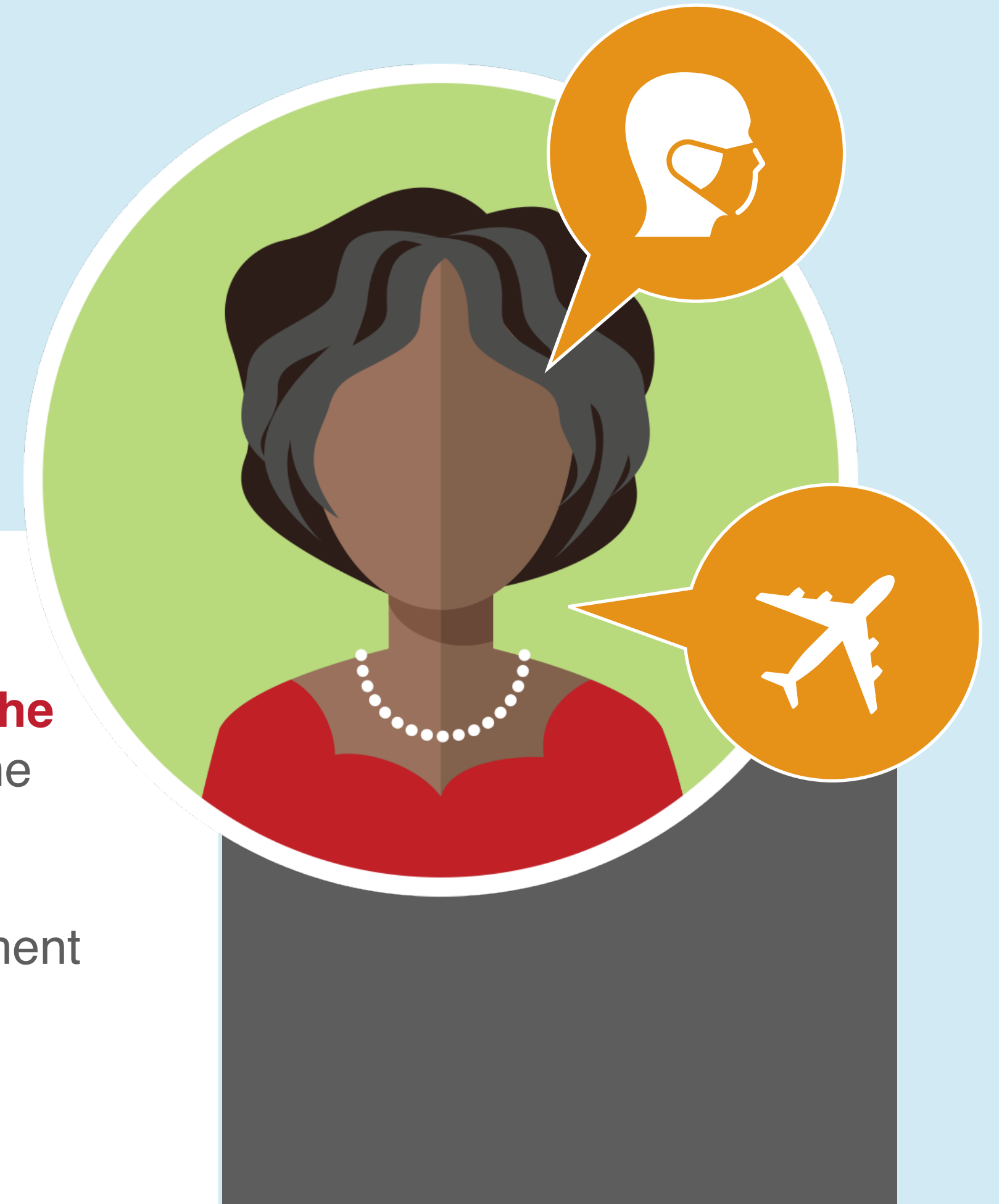## BEING CALLED INTO QUESTION[6]

**What keeps you awake?**

I work in education where the systems have a natural complexity… There's a big shift coming in education **rebalancing the knowledge and skills students learn with the capabilities or behaviours** that young people are developing (e.g., creativity, critical thinking, resilience, etc). It's a "both/and" story not "either/or". This will require a huge change - right across the board - strategy, tactics, the definition of "success" for students and teachers, change and professional development needs, classroom cultures and teacher identity. Yep - that keeps me awake at night!

The Covid pandemic has hit poor communities and communities of colour the hardest. These are the communities experiencing the worst health outcomes, worst impacts on employment and income, worst impact on support for students in every age group, etc. At the same time, this stark reality has been made very public. The impacts are on the front page of the newspapers and discussed in centers of political and economic power. The shift to distance learning has also created time and space in the day to better train adults in the educational system, has made space for intelligent allocation of staff time to dedicate more resources to the students who need that help the most. It's allowed collaboration and learning across sites that had never been possible in a face to face world. **New opportunities for addressing the inequitable allocation of resources** and new ways of organising support for learning are emerging as real options.

…

…

…

The key problem that keeps me awake at night is **the search for new values for our clients.** I'm in the business of organising conferences and understand how the values of clients have changed. But how to find exactly what the LDDs will decide to participate in the conference for? it's especially hard to find when thousands of online conferences are free...

**SENSEMAKER®**

**COGNITIVE EDGE**
THE CYNEFIN CO

# 4 RIPE FOR EXPERIMENTATION:

## PLANNING PARADOXES

COVID19 and all the disruptions of 2020 have **laid bare the illusion of the long-term plan** - whilst it is important to have direction and to invest some planning to navigate, organisations recognise the importance of planning with shorter time horizons in mind, and the importance of learning and experimentation. They display more openness and willingness to experiment and adapt their course with. Organisations will be looking for complexity appropriate data and analysis that can help with their way-finding.
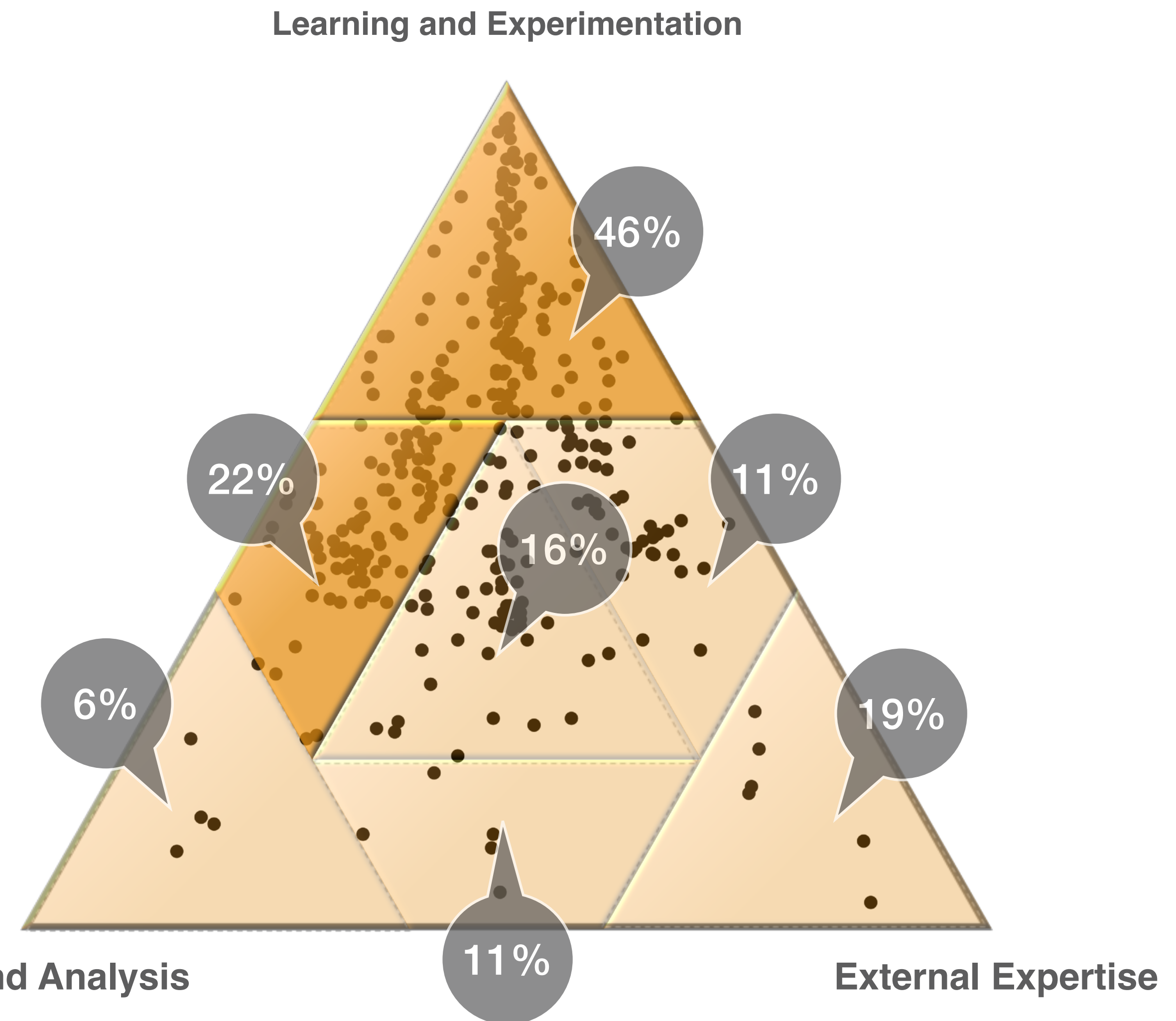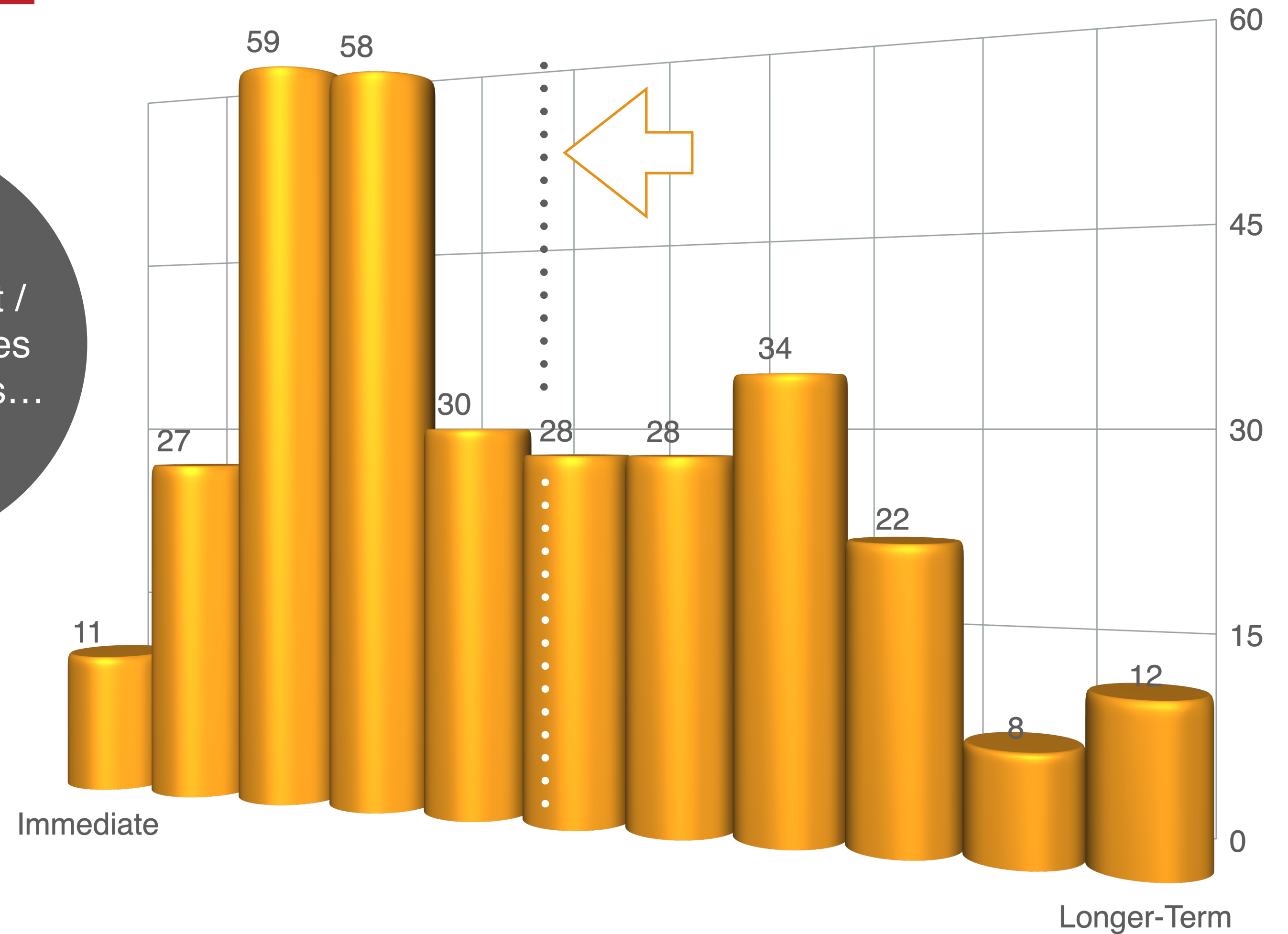
RIPE FOR EXPERIMENTATION: PLANNING PARADOXES[3]

This investment / change describes something that is…

59  58  30  28  28  34  22  8  12  27  11

Immediate

Longer-Term

SENSEMAKER®

COGNITIVE EDGE THE CYNEFIN C⁰

# RIPE FOR EXPERIMENTATION:
## PLANNING PARADOXES[4]

# #customerbehavior

*An important change I've observed is…* Changes in customer behavior: Who is shopping for "antique" furniture - What they are looking for?

*Keeping me up at night is…* Experimenting with different categories of "stuff" and the price points. Comparing sales data from previous years with the ones from the last few months. Identifying new patterns and adjusting.

**SENSEMAKER®**

**COGNITIVE EDGE**
THE CYNEFIN CO

**#investmentinpeople**

*An important change I've observed is…* Working from home and pivoting to online for all meetings/retreats. For clients, gap between corporate HQ staff working from home and those who work in the field and cannot work from home. Tracking the differentiated impact of 2020 based on identity and other demographics.

*Keeping me up at night is…* If and when to go back to the office: How many resources to devote to investing in leadership and staff development? Prioritising diversity, equity and inclusion in all these decisions.

**SENSEMAKER®**

**COGNITIVE EDGE**
THE CYNEFIN CO

# RIPE FOR EXPERIMENTATION:

## PLANNING PARADOXES[6]

## #keepingittogether

*An important change I've observed is...* I work in IT workforce management. We experienced an initial boom as existing clients looked to us to support them in the pivot to working from home and organising cloud computing, remote security solutions, etc. From there on, for several months, many businesses sat on their wallets and played things very safely. As a number of businesses were letting people go from both contracting and permanent perspectives it was clear that my job would be tougher to do successfully and that remaining relevant/visible was the more important thing from a brand perspective. Some very frustrating times through this past winter.
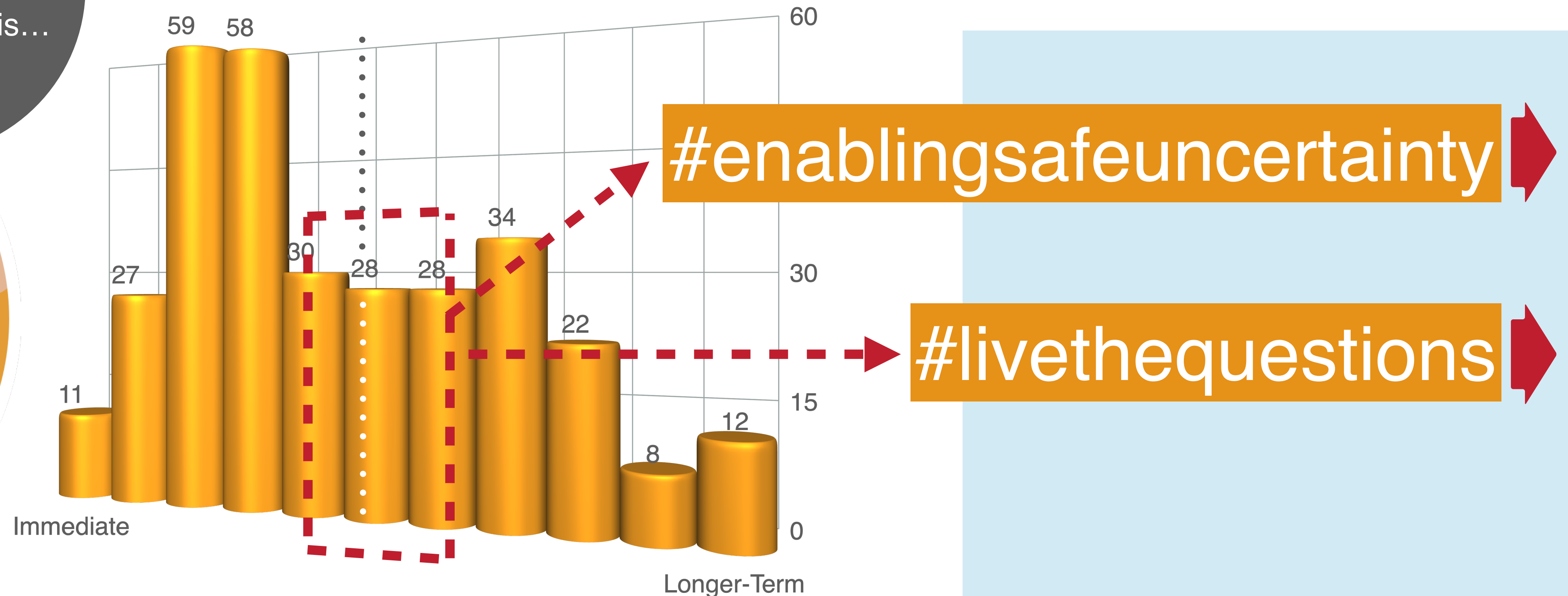
*Keeping me up at night is...* I think the prediction/expectations around what's going to drive the market is up for debate. We've heard month after month that things are slowly coming good but it became clear throughout COVID that those managers giving us this "insight" were as much in the dark as we were and that things could change at any given moment. Oftentimes for the worse, unfortunately. Now, we're expecting things to bounce back form January onward as people/businesses will be happy to draw a line through 2020, but 2021 is just an arbitrary date and, as we now know, it's difficult to predict anything a week from now let alone three, six, nine or 12 months. I our business, where we work to a big picture and are given annual targets, it's stressful not knowing what your clients are committing to.

**SENSEMAKER®**

**COGNITIVE EDGE**
THE CYNEFIN CO

# RIPE FOR EXPERIMENTATION:
## PLANNING PARADOXES[7]

*This investment / change describes something that is…*

The lesson in uncertainty that 2020 has taught all of us has made many **re-evaluate the time horizons of planning.** Whilst the general trend indicates that people are generally considering investments and changes that skew toward the immediate / short-term, there is recognition of the increased need for planning, and the importance of maintaining the paradox and tension in planning and working in, and with uncertainty.

#enablingsafeuncertainty

#livethequestions

Immediate

Longer-Term

11  27  59  58  30  28  28  34  22  8  12

60  30  15  0

SENSEMAKER®

COGNITIVE EDGE
THE CYNEFIN CO

➕ #enablingsafeuncertainty

*An important change I've observed is…* I work in the NHS in Wales so directly impacted by COVID 19 at all levels - frontline staff, management and senior leaders.. and now seeing the consequences following on from the first wave - burnout, anxiety, fatigue, lack of sense of time for sense-making and unfortunately a return to overly ordered responses for situations properly complex after a loosening of rules and process to meet the need to work quickly and creatively during the 1st wave of the pandemic. This alongside the rapid deployment of staff into alternative roles to meet service demands as well as the whole-scale shift in corporate elements of the Health Board to home-working has made 2020 one hell of a year..

*Keeping me up at night is…* For me (as an Organisation Development practitioner working from a complexity-based approach) the key challenge is how to help leaders and managers develop and/or maintain a capacity to work in uncertainty and shifting situational demands... for the managers I work with its more about the immediate implications of a second/third wave - staffing, patient safety, capacity…

SENSEMAKER®

COGNITIVE EDGE THE CYNEFIN CO

# RIPE FOR EXPERIMENTATION:

## PLANNING PARADOXES[9]

### #livethequestions

*An important change I've observed is…* Disruption across several industries...boundaries are blurred...lots of transformative opportunities in the midst of uncertainty.

*Keeping me up at night is…* What to say no to and where to focus limited resources while staying agile and able to respond to shifts and opportunities in the environment.
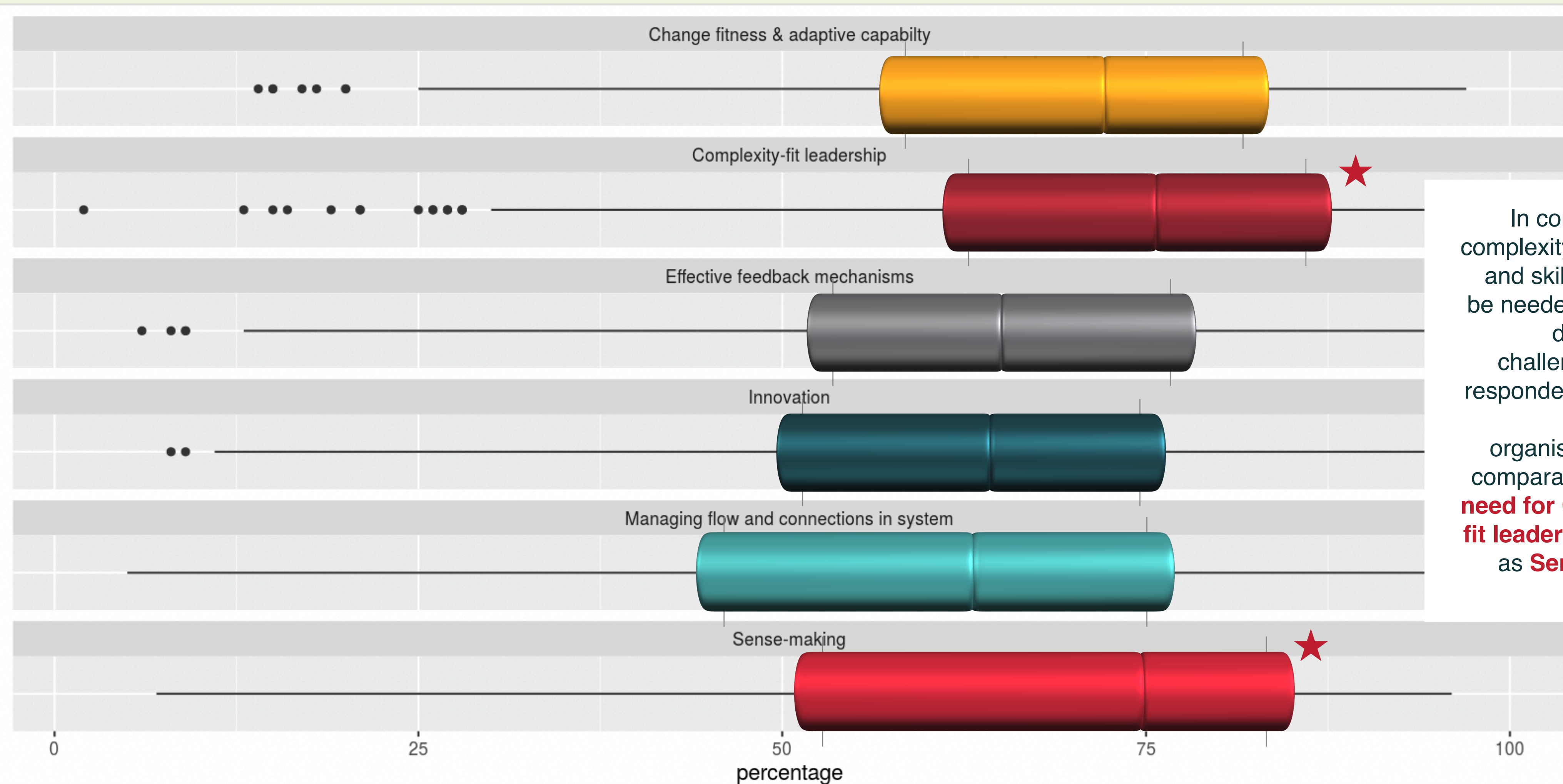
SENSEMAKER®

COGNITIVE EDGE THE CYNEFIN Co

# 5 LEADERSHIP AND SENSE-MAKING
# FOR THE ROAD AHEAD

In considering the complexity capabilities and skills that would be needed for the key decisions and challenges shared, respondents indicated that their organisations had a comparably **stronger need for Complexity-fit leadership**, as well as **Sense-making.**

Change fitness & adaptive capabilty

Complexity-fit leadership

Effective feedback mechanisms

Innovation

Managing flow and connections in system
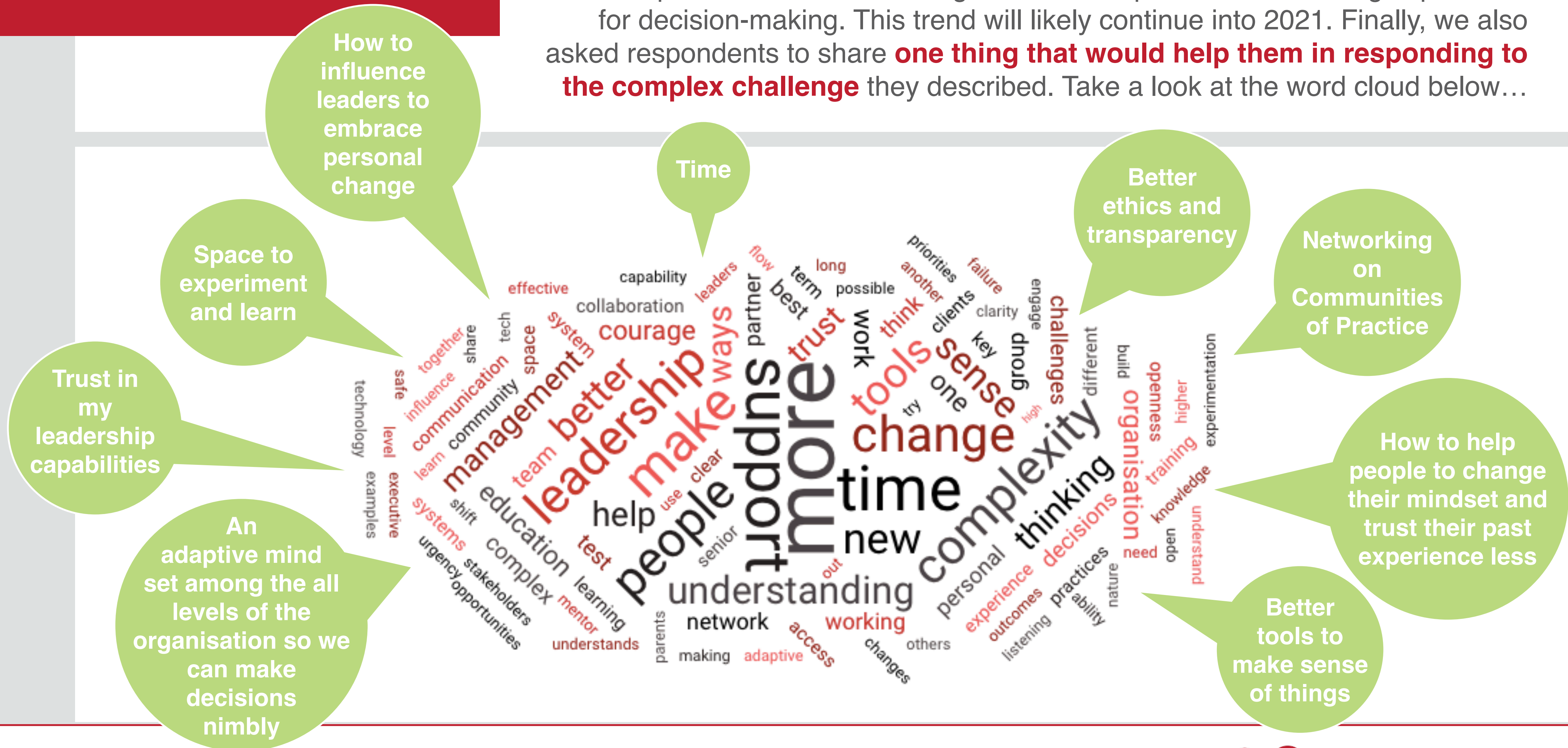
Sense-making

percentage

In considering the complexity capabilities and skills that would be needed for the key decisions and challenges shared, respondents indicated that their organisations had a comparably **stronger need for Complexity-fit leadership**, as well as **Sense-making.**

SENSEMAKER®

COGNITIVE EDGE THE CYNEFIN CO

# THAT ONE THING…

2020 has presented a real challenge of leadership and sense-making capabilities for decision-making. This trend will likely continue into 2021. Finally, we also asked respondents to share **one thing that would help them in responding to the complex challenge** they described. Take a look at the word cloud below…

How to influence leaders to embrace personal change

Space to experiment and learn

Trust in my leadership capabilities

An adaptive mind set among the all levels of the organisation so we can make decisions nimbly

Time

Better ethics and transparency

Networking on Communities of Practice

How to help people to change their mindset and trust their past experience less

Better tools to make sense of things

SENSEMAKER®

COGNITIVE EDGE
THE CYNEFIN CO

# ABOUT SENSEMAKER®

SenseMaker® is the world's first crowdsourcing method for human judgement, meaning, and feeling. Everyone's voice deserves to have an impact and SenseMaker® offers a science-based approach to guide collective impact and leverage the strengths of being human in uncertain times.

Learn more about SenseMaker® **here**.

We offer both packaged and customised options that can be designed to respond to your organisational needs.

Our 2021 Complex Trends study revealed that most organisations are seeking new and more useful ways of engaging with the stakeholders, customers and employees. Engage your ecosystem in a more organic way, and embrace more complexity-fit data and analytics to inform your next key decision, and address the challenge that lies ahead with the wisdom of your community. **Contact us** to discuss how you can utilise SenseMaker® to respond to your complex problem.

**SENSEMAKER®**

**SENSEMAKER®**

COGNITIVE EDGE
THE CYNEFIN CO

# ABOUT COGNITIVE EDGE

Cognitive Edge was founded in 2005 by Dave Snowden. We believe in praxis and focus on building methods, tools and capability that apply the wisdom from Complex Adaptive Systems theory and other scientific disciplines in social systems.

We are the pioneer of the field of complexity, charting the way before complexity became "mainstream".

We created the concepts of Naturalising Sense-making, Distributed Ethnography, Apex Predator theory, and have developed the whole field now known as Anthro-complexity – complexity as experienced in human systems.

To find out more about us, and discover exciting content like this report, click **here**.



COGNITIVE
EDGE
THE CYNEFIN C⁰

SENSEMAKER®

COGNITIVE
EDGE
THE CYNEFIN C⁰