The Third Act

As a ‘self-organising, self-managing’ organisation\(^1\).

There is an emerging purpose at the heart of The Third Act organisation to both educate people about the impact of human longevity as well as to help them to transition from the second to Third Act in life. This new Third Act arises because of human longevity. We are now living 25-30 years longer than our great-grandparents, the equivalent of a whole new adult lifetime. Responding to this new phenomenon, what organisational design is best suited to supporting the work of The Third Act as an organisation?

Adopting a ‘self-organising and self-managing’ organisational design is entirely appropriate to The Third Act organisation as like The Third Act itself, it is created from the next stage of human consciousness, i.e., from an Inter-Independent or Teal level\(^1\). From that platform, our true nature is experienced as intra-connected (in ourselves), inter-connected (to others) and as an integral part of the world around us, each mutually influencing the other. Founded on the principles of ‘self-management, wholeness and evolutionary purpose’, a self-organising and self-managing design marries well with the ‘inside-out’ approach we are taking to The Third Act itself. As we say, “everyone who lives long will have a third age; not everyone will have a Third Act”. Granted this new gift of time, your Third Act is largely up to you.
How are we getting on?

From our experience so far, and it is early days as yet, adopting a ‘self-organising and self-managing’ design has unleashed a great deal of intrinsic energy, creativity and innovation. Those contributing to The Third Act Organisation are getting used to listening into what it wants to become (i.e., the organisation), to how they can best work together in self-organising teams and to what responsibility each is prepared to take. This has eliminated much of the usual bureaucracy, management and control we associate with conventional organisations but it has also left a kind of vacuum that we are trying to figure out what to do with.

Being part of a learning organisation

As we are finding out, adopting a ‘self-organising and self-managing’ approach doesn’t negate the need for structure, leadership and management but it does ‘transcend’ the way we think about how these work. Gone is the conventional hierarchy and in its place multiple nested hierarchies of powerful teams aligned by a set of principles, values and processes that form the architecture of ‘self-organising and self-managing’ systems. And while we have yet to fully understand how this works and to embed it in our actions, we are beginning to appreciate that this is what it means to be part of a learning organisation, one that self-reflects and takes action at the same time. This is contrary to conventional organisations who favour action above all else and then inquire afterwards (in the form of a post mortem when things go wrong), which of course is usually too late.
What happens when you take away the conventional leadership, management and control structures?

In the space left behind we may get to see how our unconscious assumptions motivate our actions, but before that is the uncomfortable feeling that we don’t know what we are doing and that we really should revert to the way we have done things before. And so it goes, “doesn’t every organisation need a leader with a clear vision of where the organisation is going”? And, “don’t we need to check that those working in organisation are doing where they are supposed to be doing”? Conventional organisations start with a plan and then think, how do we motivate people to be involved and get the most from them (extrinsic motivation)? A self-organising approach starts with a question, how can we create the conditions under which people can motivate themselves (intrinsic motivation)? This is a significant developmental challenge for all involved.

What areas are we currently operating on?

As described below, we are currently ‘self-organising’ around the following topics;

- creating a template for a Transitional Programme for organisations,
- creating a network of developmental coaches to assist people in their transition from the second to Third Act,
- organising conferences, seminars and workshops and in particular next year’s Third Act conference in April
- health and welfare in the Third Act
- addressing Enterprise, Employment and Purpose in The Third Act.

How do these serve the purpose of The Third Act?

Each serves the purpose of The Third Act in a different way. Having a template for a Third Act Transitional Programme will be useful once people realise that you don’t retire into 25-30 years of life, you transition into it. Also, having a network of qualified Third Act development coaches will be beneficial to those who want more ‘one to one’ support in their transition to The Third Act. Further, through running conferences, seminars and workshops, we can educate people about the impact of longevity and of the difference between being a passive third ager and an active Third Actor. In addition, as we live longer, many will want to continue working, others won’t want to but will have to and still others won’t need to but will need to find a new purpose in their Third Act. The Third Act Enterprise and Employment group is addressing some of these issues. There is much to do so please make contact with us if you feel you could contribute. www.thethirdact.ie
Where do we go from here?

We are following an Action Learning approach, which really means learning on the job; i.e., doing it while being open to reflecting on it. It doesn’t seem possible to get it all right at the start so we need to keep going, and waiting around for everyone to understand and agree to what ‘self-organsing and self-managing’ means doesn’t feel like a good option either. So we are stumbling along, excited by both The Third Act itself and what a wonderful gift of life it is, as well as being intrigued to see if this ‘self-organising, self-managing’ systems approach can really work for us as it has worked so well for others. So we are running a number of things in parallel trusting that it is taking us in a direction that is serving of our overall purpose for The Third Act which is to both educate people about the impact of human longevity and also to build transitional structures that will help them ‘transition’ from the second to Third Act in life.

Ed Kelly

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REFERENCES & NOTES:


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1 Support for the existence of this new ‘self-organising, self-managing’ organizational design can be found in Frederick Laloux’s book Reinventing Organisations ...Inspired by The Next Stage of Human Consciousness. Laloux provides 12 detailed and well researched examples of organisations that are successfully operating under ‘self-organising and self-managing’ principles. These come from both the ‘for profit’ and ‘not for profit’ sectors and include; AES (Global Energy Supplier with 40,000 employees), BSO/Origin (Global IT Consulting Firm with 10,000 employees), Buurtzorg (health care organization in Holland with 7,000+ members), ESBZ (Operate a network of primary schools in Germany), FAVI (a metal manufacturing company in France with 500 employees), Heiligenfeld (Runs mental hospitals in Germany, 600 employees), Holacracy (An organizational operating model, USA), Morning Star (a food processing company in the US, 400-2,400 employees – seasonal), Patagonia (Apparel, USA, 1,350 employees), RHD (human services, US, 4,000 employees), Sounds True (Media, USA, 90 employees), Sun Hydraulics (hydraulics components, USA, 90 employees) and there are no doubt others. Perhaps SEMCO in Brazil could be added to this list. My own favourite to be included would be Berkshire Hathaway and how it manages its network of 80 wholly owned but separate operating businesses employing 350,000 people with a head office staff of only 24. Berkshire has in effect ‘no managers to manage the managers’. They have, in Charlie Munger’s words, “delegated responsibility almost to the point of neglect” and it has worked. Built on trust and love, Berkshire is one of the most successful organisations in the world.

2 Each of the four major organisational models described below, ‘follow the leader, pyramid, flat and nested hierarchy’ are formed and are kept in place by a different level of consciousness. For instance a ‘dependent’ consciousness is comfortable operating in a traditional follow the leader model, an ‘independent’ consciousness in a conventional hierarchical model, an independent ‘pluralist’ consciousness in a flat organisational model devoid of hierarchy and an ‘inter-independent’ level of consciousness with a self-organising and self-managing model that reintroduces hierarchy and leadership but embeds it in the model itself and not in anyone leader or group at the top. As summarised below each of these stages of consciousness has a different set of internal characteristics, underlying values and motivational needs.

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<th>Organisational design</th>
<th>Description</th>
<th>Level of Consciousness</th>
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<td>Traditional</td>
<td>Follow The Leader</td>
<td>Dependent</td>
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<td>Modern</td>
<td>Pyramid, conventional hierarchy</td>
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- **A Traditional Organisational** structure is formed and kept in place by a Dependent or conformist level of consciousness. Power is concentrated in the leader, e.g., Church, Monarchies, criminal gangs. The leader is divine and is responsible for showing us the way. Followers are motivated by beliefs (a creed which gives the answer) as well as by a sense of mystery. Others are motivated by fear. The system is autocratic, inflexible and is strongly resistant to change. Suffers from the “myth of the leader” and is overly focussed on the “I” of the leader. Associated with an early stage of adult development in the self, it is captured in the Diplomat and Expert stages of adult development (Torbert), also known as The Socialized Mind (Kegan). Focus is on survival, security & belonging needs (Maslow’s Levels 1, 2 and 3).

- **A Modern Organisational** structure is formed and kept in place by an Independent and rational level of consciousness. Conventional structure. Power is top down, but the leader is no longer supreme; has a board of mgt, shareholders, market influences etc. The systems is meritocratic and yet employees are also ‘resources’ to be moved around in service of the organisation’s needs. Motivated by ‘carrot and stick’. Focus is on the “It”, the organisation and its goals. Shareholders are the owners. Ends justify the means. Needs of people and planet easily set aside. Erratic and reactive, “we’ve a new strategy – we’re now going this way”. Assumes the world can be known objectively. Great faith in process but blind to its own shadow. Little space for “soul”. Depicted in the Achiever stage of adult development (Torbert), also known as The Self-Authoring Mind (Kegan). Self-esteem and reputation to the fore, Maslow’s Level 4. Highly developed and independent ego but low on self-awareness. Overly rational with little sense of the mystery of life – it can all be known.

- **A Post modern Organisational** structure is formed and kept in place by an Independent and pluralist level of consciousness. The pyramid is flattened & hierarchy abandoned. Values and people have replaced goals and targets. Language changes, ‘stakeholders’ are now the owners. Focus is on the “We” of culture, values and community. Examples include, universities, non-for-profit and some ‘green’ and overly PC organisations. Talk a lot about change but can’t agree on how to do it. Suffer from the ‘tyranny of consensus’. Hard to get things done as everyone needs to be heard and included equally. Depicted in The Individualist stage of adult development (Torbert), also known as The Self-Authoring Mind (Kegan). Maslow’s Level 4 ½. Detects the ‘subjectivity’ behind ‘objectivity’ but is not sure what to do with it. Gone is the confidence of the Achiever stage replaced by a more open, but less sure mindset. Can feel out of place in conventional organisations.

- **An Integral Organisational** structure (also know as TEAL) is formed and kept in place by an Inter-Independent level of consciousness. Mimics living systems in nature where the system itself becomes aware. An eco-systems model of inter-connected teams of self-organising hierarchies thriving in a complex environment. Underpinned by fundamental principles of ‘self-management, wholeness and evolutionary purpose’. Only organisational approach that Integrates the three domains of knowledge, the “I, We and It”. System liberates individuals to meet ‘intrinsic’ needs, i.e., beyond practical to being needs. What matters most now? What meaning and purpose is there to my life? How connected am I to my true self? The ego comes into view and is seen as a limit to further growth in the self. Leadership and control is distributed into the system. No talk of change or empowerment as that is part of the system itself. Eliminates bureaucracy. The network is the owner and holds the intelligence. Depicted in the Strategist and Alchemist stages of adult development (Torbert), also known as The Self-Transforming Mind (Kegan). Maslow’s Level 5, Self-actualisation. Tracks journey from ‘ego-to-eco-system’ (Scharmer). Transcends & includes previous stages.