

*BBC Presentation from the Eureka Connection*

**Transforming Business from mechanistic to organic:  
lessons from community and social enterprises**

Coping and thriving in our modern complex environment calls for businesses to be more agile, adaptable and creative. It is said that *the only constant is change*. Responding to changing demands is not easy for most well-established organisations.

A decade or two ago getting through the challenges of tough times usually meant

- looking for greater efficiencies to save costs,
- imposing great controls to reduce risk
- reducing *superfluous* staff
- bringing in a new CEO to make the tough decisions.

However many organisations did not really change. They retained the mechanistic and bureaucratic cultures of the long gone *Industrial Age*. These cultures just don't work in the *Knowledge Age* when more organic ones are needed. However the transformation from mechanistic to more organic structures and processes is a challenge.

There are some great examples of successful organisations which operate in organic mode. These include:

- ***Social Businesses*** which operate as commercial enterprises but are governed by a social agenda in *what* they do and *how* they do it. They pursue noble causes, operate ethically and treat employees responsibly while keeping a close eye on the bottom line.
- ***Community Enterprises*** which rely on grants sponsors and volunteers achieving critical social objectives and meeting local needs. They are usually self-directed and self-organising, taking a flexible bottom up approach from which great outcomes emerge.
- ***Emerging internet based businesses*** such as Google and Amazon who find that they need more organic structures and processes to manage diverse users and complex patterns of use across cultures

We draw on studies and our experiences of Social Business and Community Enterprises in NSW to demonstrate organic structures, processes and cultures: what these are, as well as how and why they can be applied in all types of enterprises.

In particular we put the case for the economic benefits of:

- more trusted, engaged and empowered(self directed) employees
- an enhanced reputation with customers and investors for flexibility and customer focus
- building capabilities to interact with customers and be sympathetic to their changing and diverse needs
- collaboration with other businesses to develop more productive approaches to products and services
- attention to long-term risks and rewards and how these are affected by both internal business structures and changing external conditions