### Equilibrium Perspectives and Equilibrium Perspectives Paradox for Organizational Excellence



The idea of equilibrium is fundamental to many fields such as physics, economics and business. At its core, equilibrium is the state of balance that occurs when opposing forces are equal. Equilibrium Perspectives are ways of viewing the world that prioritize balance and harmony. However, the concept of equilibrium is also paradoxical, as equilibrium can only be achieved in the presence of opposing forces.

In this article, we will explore Equilibrium Perspectives and the Equilibrium Perspectives Paradox in the pursuit of organizational excellence.

## 1.0 Equilibrium Perspectives and the Equilibrium Perspectives Paradox

Equilibrium Perspectives is a multidisciplinary discourse towards understanding the nature and workings of natural and man-made systems for predictability, optimal performance and sustainability. Equilibrium Perspectives hold that everything is the totality of: what was and ceased to be, what is presently and what is yet to be. It emphasizes the importance of balance and stability in the world. In physics, equilibrium occurs when the forces acting on an object are balanced, resulting in a state of stillness. In economics, equilibrium is achieved when supply meets demand, resulting in a stable price. In organizations, equilibrium is achieved when practices deliver desired performance, resulting in stability.

### 2.0 Equilibrium Perspectives Paradox and Systems Theory

The Equilibrium Perspectives Paradox is a fundamental concept in the Systems Theory applicable in different areas of inquiry and including organizational excellence. The paradox suggests that while stability is necessary for the system to function effectively, a total state of equilibrium is not easily achieved. Systems function efficiently when they are stable or in a state of steady state equilibrium but inefficiently when they are unstable or in a state of flux.

The state of flux is influenced by many variables such as internal strengths and external opportunities that have a positive influence and move the organization toward its aim (e.g. vision, mission, values, goals and objectives) and also internal weaknesses and external threats that have a negative influence and serve to restrain the organization.

When considering internal variables, we might consider the practices an organization is using and whether the practices are characteristic of high perfomers and found in excellence models (e.g. Organizational Excellence Framework, © Dawn Ringrose, 2010). These practices are found across nine key management areas and number 51 for micro-size (1-25 employees) and 102 for larger size organizations. For external variables, the influence of political, economic, social, technology, legislation and environmental factors must be examined. The Equilibrium Perspectives Paradox suggests the organization, as a system, will delicately balance between stability and instability as these internal and external variables are managed.

# 3.0 Equilibrium Perspectives Paradox in Organizational Excellence

In the organizational excellence field, the concept of equilibrium is used to establish stability, predictability and consistency in operations. To achieve better performance, leadership uses an excellence model to realize the formula for success. This formula has been validated by global research since 1990 and demonstrated that if an organization implements the best management practices common to high performers, it will develop a culture committed to excellence and go on to achieve exceptional results across a balanced system of measurement. However, the pursuit of this desired state may experience some stability and instability along the way. For example, stability might be seen in better communication and less duplication while instability might be seen in employee resistance to change and comfort with the status quo.

To overcome this paradox, leaders need to realize there are practices running throughout the model that help mitigate issues such as employee resistance to change. Such practices serve to inform, engage and reward employees. Examples include: Practice 2.2 Communicate corporate statements to all levels in the organization, Practice 3.4 Communicate and integrate the business plan, Practice 5.5 Get people involved with improvement initiatives and Practice 5.10 Reward and recognize strong performance of individuals and teams. There are also practices that help the organization adapt to change and remain flexible such as: Practice 3.5 Allocate resources to ensure effective implementation of the business plan and Practice 3.7 Reallocate resource requirements to adjust to changing circumstances.

And of course, there are major unforeseen events such as the Covid 19 pandemic and government response (e.g. policy, mandates) that required organizations to be nimble and adjust accordingly. Thankfully there are practices within the excellence model that help with such situations such as: Practice 3.3 Develop contingency plans for unforeseen events, Practice 6.4 Ensure processes are in place to anticipate or adjust for change and Practice 8.8 Prepare for resource interruptions.

But as we know from global research, there is low awareness (10% to 20%) about excellence models amongst the working population and the government response created barriers that were difficult to overcome. Particularly for businesses, where the policy and mandates limited their access to and involvement with customers, employees, suppliers and partners. The consequences of these government decisions were extraordinary and served to destabilize the system, making it difficult for many businesses to survive. This sort of disruption is referred to as the Law of Unintended Consequences, a widely recognized concept in economics and social sciences that suggests the actions, policies or interventions designed to produce a particular outcome (e.g. reduce transmission of a virus) might have unintended effects (e.g. failure of businesses).

Therein lies Equilibrium Perspectives and the Equilibrium Perspectives Paradox for organizations as they navigate their way and maintain equilibrium. Some will have a good management system which offers stability while others will not and face instability. This management system makes all the difference when trying to maintain balance and harmony and deal with change.

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#### **About the Author**



Adeshola Kukoyi is a ROES with Organizational Excellence Specialists and serves as a member of the research team for the Global OE Index, coordinator with the QOR Newsletter and manager of the LinkedIn group *Organizational Excellence for Africa*.

He works as a business sustainability advocate, learning and development practitioner and futurist and offers consulting, innovation, research and community development services. Credentials include Bachelor and Master degrees in Biochemistry and a Master degree of Public and International Affairs. As a quality stakeholder, Adeshola draws on experience

that commenced in 2000 and that includes implementing the Students Industrial Work Experience Scheme at the University of Lagos. Email: <a href="mailto:sungreeninternational@yahoo.co.uk">sungreeninternational@yahoo.co.uk</a>