Tackling the world's biggest problems with robust action

IESE's Fabrizio Ferraro looks to the philosophical tradition of American pragmatism and the concept of robust action to solve global challenges of our time.

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Climate change. Global poverty. The migrant crisis. Water scarcity.

With some issues, the stakes are so high and the details so complex that tackling them requires finding ways for many people, companies and governments to work together.

These grand challenges keep management experts up at night.

Fabrizio Ferraro, professor of Strategic Management at IESE, along with two co-authors, rises to the occasion in an article published in *Organization Studies*. The authors warn that although it's tempting to turn to management frameworks devised to run businesses to tackle the world's grand challenges, they are insufficient to handle all the complexities. Instead, the authors revisit the work of American pragmatists and then focus on the sociological concept of robust action to offer three strategies to take on the biggest issues.

3 facets of grand challenges — here's our CUE

First, the authors outline three main attributes of what they refer to as "grand challenges," made memorable with the acronym CUE for **c**omplex, **u**ncertain and **e**valuative. Ferraro uses climate change as an example, to explain:

C*omplex.* Grand challenges are characterized by a large array of actors grappling with issues which evolve, overlap and mutate. In this dynamic context, unintended consequences are

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common. Take climate change and ethanol fuel, which was initially promoted on the grounds that it reduced overall greenhouse gas emissions. The very same action was later criticized by a United Nations food expert as a "crime against humanity," for diverting corn from feeding the poor. From this example, the authors note that "solutions" may expose further aspects to the problem or create new ones, sending decision-makers back to the drawing board, scratching their heads for a solution.

U*ncertain.* Grand challenges are also characterized by a radical form of uncertainty. Scientists cannot definitively predict the future climate. Forecasts regarding sea-level rise, for example, are in the range of 0.28 to 0.90 meters, while temperature increases by the end of the 21st century range from 1.5 to 4.0 degrees Celsius.

E*valuative.* Different actors can have wildly different assessments of grand challenges, as they cut across various disciplines and boundaries. For example, climate change can be viewed as a moral and ethical problem, with extravagant consumption and production by the wealthiest nations to blame. It can also be viewed as governance failure or even as a minor problem that can be solved by human ingenuity. None of these three approaches is purely wrong or right; yet the evaluations themselves are relevant when tackling climate change as a grand challenge.

American pragmatism revisited

Given that American pragmatism was born in the wake of the American Civil War, a time of great change and uncertainty, it is perhaps not surprising that it should be revisited in another era of global tumult.

With a grand challenge to be solved, pragmatists' view that "humans are problem solvers and the function of thought is to guide action in the service of solving practical problems," (quoting from sociologist Neil Gross) seems apt.

In American pragmatism, actors are experimenters. Rather than being driven by a predetermined set of preferences and beliefs, they hypothesize chains of means and ends to choose a course of action, and later adjust their actions as the outcomes generated are observed.

Success stories using these principles have been documented in both national and international settings, such as drug treatment courts in the United States and the European Union Water Framework Initiative.

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In these cases, however, the emphasis is placed on the state as the focal actor. Pragmatists do not specify how concerned stakeholders and other NGOs, informed by pragmatism, can initiate and guide processes aimed at resolving grand challenges.

Your move: Time for robust action?

The authors argue that, given the tumultuous times we live in, the sociological concept of "robust action" is a useful approach as it keeps options open, even when some participants are trying to close doors to narrow them.

Robust action originated from a study of chess players, where it was observed that the best players were able to pursue a strategy while being flexible enough to adapt in the face of their opponents' moves.

Drawing from sociology research, the authors define "robust action" specifically as: "non-committal actions that keep future lines of action open in strategic contexts where opponents are trying to narrow them."

The authors argue that robust action is an overlooked approach in solving such problems and outline the three main areas where it could be applied to grand challenges:

1. *Participatory Architecture — a space for everyone.* The idea is to allow diverse actors to interact constructively over prolonged time-spans. The Global Reporting Initiative (GRI) is a good example of this. This inclusive organization develops and maintains the standard for writing sustainability reports and engages corporations, activists, NGOs and other stakeholders.
2. *Multivocal Inscription — involvement and coordination without requiring consensus.* Organizations should adopt principles that accept different interpretations among various audiences, to coordinate efforts in spite of a lack of consensus. One benefit this has is to unify culturally diverse actors and attend to their conflicting interests. Ideas of multivocal inscription are evident in the United Nations-supported Principles for Responsible Investment (PRI) which appreciate both fiduciary duties and the alignment of investing practices to societal interests, thus appealing to mainstream investors, governments and NGOs alike (all communities with different evaluative criteria). The PRI aim to ultimately realign the financial system with broader societal needs, without requiring explicit consensus. Credible multivocal inscription can only be practiced by an entity which itself has a contradictory character; one which is ambiguous in nature and not just sympathetic to the ambiguity of others.

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3. *Distributed Experimentation — allowing small wins to move efforts forward.* Actions should promote learning and encourage engagement, while unsuccessful efforts should be abandoned. Regional climate change policies offer successful examples of this when they open up new spaces for public discussion and expand the range of stakeholders involved.

Cooperation and pragmatism

The article by Ferraro *et al* has found a key weakness in previous research; a lack of acknowledgement of differing stakeholders and maintaining openness to their views.

With that weakness in mind, they have identified a role for robust action, as it aims to foster the cooperation of a number of different parties with diverse interests and views.

The authors sum it up this way: "In revisiting robust action, and applying it to the pursuit of grand challenges, we advocate for an approach that is more participative and less heroic; more ambiguous and less prescriptive; more experimental, and less directive; perhaps less intuitive, but hopefully more effective."

Nobody said tackling grand challenges would be easy. But it is worthwhile for managers and on-the-ground stakeholders alike.

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