



## BUILDING CONSENSUS THROUGH SYSTEMS THINKING AT THE NEW ZEALAND MINISTRY OF HEALTH

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**A**s abundant experience has shown, most change management projects encounter significant resistance from key stakeholders. One of the main reasons that people fail to adopt new ways of doing things is that they don't feel committed to the decisions that have been made, often without their input. This lack of buy-in, which is greatest when multiple divisions, departments, and business units are involved, undermines the change initiative and results in poor business performance and shattered employee morale.

Setting priorities is a central component of the decision-making process, but it can be contentious, because it implies tradeoffs and thus creates "winners" and "losers." This process often results in open challenges and, even worse, silent resentments that contribute to the loss of commitment to the change initiative by individuals and groups. Nevertheless, through a project at the New Zealand Ministry of Health, we found that when an organization conducts priority setting in a systemic, holistic manner, it can create consensus rather than dissension, and true commitment rather than lukewarm acceptance (see "Group Model-Building Process").

### The Ministry of Health

A division of the Ministry of Health was engaged in a crucial business planning process, with the goal of selecting key priority areas for focusing its limited resources and efforts. Employees from throughout the division with diverse professional and policy backgrounds and varying peri-

ods of tenure gathered to select six to seven priorities. We had been asked to facilitate the discussion, applying systems thinking in an indirect and implicit way; most of the participants weren't familiar with tools such as causal loop diagrams, and the tight timeframe didn't leave room for introducing new concepts.

### Brainstorming Key Issues

The first step was to establish common ground and create a safe space for group dialogue. Doing so required weaving together a shared understanding of what the real and perceived barriers to progress were for the organization. We began to surface these concerns during an initial round of "check-ins," during which the participants shared their thoughts and feelings about various issues.

The methodology we used in this step and the following one was a modified Affinity Diagrams method. This technique, also known as KJ (after its originator, Kawakita Jiro), is a process of mapping creative group thoughts and ideas. To create an Affinity Diagram, you first brainstorm a large number of ideas and then sort them into groups of related concepts. The aim is to allow new thought patterns and breakthroughs to naturally emerge from a large pool of raw ideas.

The Affinity/KJ method has three main applications:

- To refine and organize ideas generated through brainstorming
- To overcome preexisting assumptions
- To build teams and create consensus

In this case, the group began by

addressing the question: "What is preventing us from making faster progress?" Participants generated a total of 50 "raw" statements that they then clustered into 19 key issues. This exercise served as a preparation for the next step, namely identification of priority areas.

### Identifying Priority Areas

In the second workshop, the group turned its attention to the question: "What are the priorities in health policy in terms of where the division should be placing its greatest efforts?" Again using the KJ methodology, the diverse team members identified 42 initial priorities and then clustered these into 19 key areas.

Because management had wished to have only six or seven priority areas, the group agreed to use a priority matrix to rank the items against a set of criteria that they developed. In the resulting matrix, a clear hierarchy of priorities emerged. Because all of the participants had agreed and freely contributed to the process, we assumed that it would be easy for them to pick the top priority areas from the matrix. However, most showed strong resistance to this outcome! No individual participant was prepared to "let go" of his or her area of work in favor of another. Of course, at this stage the manager could have intervened and used her authority to force or coerce the opposing "camps" into acceptance. But it soon became apparent that any reduction of priority areas would be counterproductive and damaging to the group's integrity and unity.

### Defining a System of Priorities

To break this impasse, the team decided to adopt *all* priority areas! Because this solution was impractical and contrary to management's mandate, we offered to use systems thinking tools to resolve this apparent conflict. We explained that systems thinking focuses on the primacy of the whole and the relationships between components rather than on individual parts. From this perspective, instead of treating priorities as independent and isolated elements, the group needed to view them as part of a priority *system*, in which all areas are regarded as indispensable components. They then converted the priority matrix into several plausible causal loop diagrams (CLDs) of priority areas. From these CLDs, the group *quickly* and *unanimously* chose one as their preferred one.

At the same time, while all elements are important for the working of the whole, we need to recognize and acknowledge the relative importance of the various parts at different times. We did so by identifying leverage points—that is, places where a small change can have a large impact. The group identified six areas that they deemed to have a fundamental (or causal) effect on the whole. Through this approach, they quickly came to consensus, avoiding awkward and sensitive disagreements and contradictions. Furthermore, the participants found the process fun, which supported team building.

In the implementation phase that followed the planning process, the division as a team commenced with the high-leverage areas first, thereby differentiating the priority areas by

*timing* rather than perceived importance. The group intended these interventions to have a positive effect on the system as a whole.

This kind of group model-building process offers significant promise in using system thinking with novices. The methodology can be applied to change management initiatives and complex organizational decisions such as restructuring, reengineering, and supply chain design. We've found that the expected outcomes are greater commitment and consensus, mutual acceptance, and shared vision. ■

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#### GROUP MODEL-BUILDING PROCESS

1. Brainstorm to identify key issues and priority areas.
2. Consolidate (cluster) issues into key variables.
3. Create causal loop diagrams representing “systems of priorities” (in contrast with a *list* of priorities) and identify leverage points as the basis for a business plan.