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FORMULA of **alternatives**

**Model to address emerging contexts**

# What is changing in the context?

We are living a time of turbulent transition, moving from an old, predictable industrial model to unfinished economic context. This period can be characterized by three dimensions: a) the diversity in the structure of the global communities, b) the speed of the changes supported by technological development; and c) the exponential multiplication of unknown situations that generate a landscape of unprecedented rules. Therefore, when organizations or companies try to analyze the present times with tools based on static models, they fall into a vulnerable confusion.

## Create new spaces



We live in our own explanations of reality. These explanations depend on what we see, how we interpret and what we project about events. Our decisions are based on an incomplete puzzle that only provides a rough picture about the dynamics of context. In this sense, the design of new paths of development arises from a combination of the contexts possibilities and the identification of opportunities. In this equation, when we talk about possibilities of the context we do not talk exclusively about favorable conditions but also the context movements that generate new situations with different forms and results. The opportunities, for human systems, depend on subjective images (interpretations and explanations) of context.

So, opening up to new spaces of development arises from the meeting of two dimensions:

### **The dynamic** of context

This dynamic emerges from the interaction of several variables that generates multiple "possible states" of transformation

### **The subjective image** of people

Each person builds a personal picture of reality based on their observations, interpretations and explanations about this territory.

# + **Formula** components

The transformation of possibilities into opportunities depends on the subjective image that each person or group creates about conditions of the context. In other words, the opportunities depend on the interpretation and explanations of possibilities of the context. In this formula, possibilities of a system depend on its level of complexity. This means that the higher level of complexity, higher level of possibilities.

**possibilities + opportunities = alternatives**

[ Dynamic of context ]

[ Subjective image ]

[ Decision options ]

**The dynamic of context** arise from the articulation of three dimensions: a) the diversity of actors, dispersed and heterogeneous; b) a deep level of interdependence, which means the movements of actors cause multiple impacts in "real time"; c) a multiplicity of emerging situations generating changes in the living conditions of social systems. This interdependent network of actors creating new structural forms is what defines the level of possibilities of context.

**Subjective images of people** which are created from the explanations that are deployed about the characteristics of the context. In this subjective framework three dimensions are articulated: a) the beliefs and ideas that people have about the facts; b) attitudes that establish an emotional position on the facts, c) the references of the past based on the lifestyle and behavior patterns established as usual responses.

**Opportunities** arise from subjective interpretations and explanations about the **possibilities** of the context. The context generates situations that require a person who can "read" movements and possible changes of the system. So, to create opportunities, people (individually or collectively) have to interpret and make sense of "possible states" of the context.

# Applying the formula

Expand alternatives intervention against certain events

## 1 Extend the context

This means address the POSSIBILITIES to understand and redefine the context characteristics. This involves the following points: a) **Incorporate new actors** in the dynamics of events, b) **Identify influential processes** which can affect (positively or negatively) the relationships between the actors of the context, c) **Project possible states** that transform the characteristics of the context in the future.

## 2 Redefine subjectivity

This means address the OPPORTUNITIES to reframe, revise and transform the interpretations and explanations about the context possibilities. This involves the following actions: a) Update the cognitive framework to expand interpretations of events, b) Clarify personal and collective attitudes that influence the interpretation and explanations of events, c) Revise stereotyped patterns of behavior that affect the explanations of the facts.

**possibilities + opportunities = alternatives**

[ Dynamic of context ]

[ Subjective image ]

[ Decision options ]



Incorporate new actors

Identify influential processes

Project possible states

Update the framework

Clarifying attitudes

Revise stereotypes

The application of the formula to a decision process enables new condition (in the approach to the context as in the interpretations of the context) to expand alternatives intervention against certain events. To enlarge the decision alternatives against multiple possible states is necessary to analyze the components of the formula to extend the possibilities and expand opportunities to create a favorable context of alternatives.