Resilient organisations: adaptation versus resistance in transition for a sustainable future — a concept

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Content

- Age versus youth
- Definition and key-terms of resilience
- Conceptual model
- Reflections
Age versus youth

- 5,586 companies older than 200 years
- 21,000 companies older than 100 years
- 50 million new firm founded per year (estimation)

Resilience, sustainability and quality of life/work: concepts that match?

Definition
- bounce-back
- adapt or transform

Survival
- change in phenomenon
  - episodic change
  - disruptive crises
  - continuous change
  - slow change

Perspective
- outside-in
- inside-out

Quality of life/work
- psychological
- physical
- economic
- social
- nature

Resources
- financial
  - built
  - human
  - social

Sustainable development

Environment influences individuals, companies, humanity, ...

Individuals, companies, humanity, ... influence environment

Source: adapted from Hillmann (2013)
Which way to change?

- Disturbance
- RE-INVENTION: Going beyond "regaining footing"
- RESILIENCE: Ability to quickly turn this corner and regain footing
- RESISTANCE: Ignoring, wishing it away, putting one's head in the sand, getting consumed by it
- RESIGNATION: Giving up

Source: adapted from http://www.leadershipmutt.com/
**Macro and micro level**

- **Hazard**
- **Exposure**
- **Vulnerability**
- **Episodic resilience**
- **Continuous resilience**

### Macro-Socio-Eco Resilience
- **Macro-socio-eco resilience**
- **Aggregate production risk**

### Direct Resource Risk
- **Direct resource risk**

### Micro-Socio-Eco Resilience
- **Micro-socio-eco resilience**

### Basic Needs
- **Basic needs**

### Social Transfers and Protection
- **Social transfers and protection**

### Production Function
- **Production function**

### Organisation
- **Production risk**

Source: adapted from Hallegatte (2014)
How to measure organisational resilience in resistance?

**Figure A**
- Production Resources
- DISURBANCE
- Baseline production/resources (no disturbance)
- Actual production/resources (with disturbance)
- "discounted" area (value of lost assets)

**Figure B**
- Production
- Resources
- Source: adapted from Hallegatte (2014)
How to measure organisational resilience in transition?

Figure C
Production Resources

\[ \frac{1 + \alpha}{\mu} r \Delta K \]

DISTURBANCE

Actual production/resources (with disturbance)

Baseline production/resources (no disturbance)

Time when 95% of damages are repaired

Source: adapted from Hallegatte (2014)
**System of organisational resilience**

<table>
<thead>
<tr>
<th>Time aspect</th>
<th>Theoretical capabilities</th>
<th>Practical Managementsystem</th>
</tr>
</thead>
<tbody>
<tr>
<td>Before the event</td>
<td>ability to anticipate</td>
<td>SCM</td>
</tr>
<tr>
<td>During the event</td>
<td>ability to resist</td>
<td>Risk</td>
</tr>
<tr>
<td></td>
<td>ability to respond quickly</td>
<td>Crisis</td>
</tr>
<tr>
<td></td>
<td>ability to act thoughtfully</td>
<td>ERM</td>
</tr>
<tr>
<td>After the event</td>
<td>ability to recover (fast)</td>
<td>OR</td>
</tr>
<tr>
<td></td>
<td>ability to adapt</td>
<td></td>
</tr>
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<td></td>
<td>ability to renewal/reinventing</td>
<td></td>
</tr>
<tr>
<td></td>
<td>ability to learn</td>
<td></td>
</tr>
</tbody>
</table>

**Strategic or operational level?**
- strategic level
- operational level

Source: adapted from Hillmann (2013)
Integrated DPSEEA framework: dynamic between different levels

Source: adapted from EPA (n.d.)
Reflections

- Does this framework help us to identify areas, which need to be improved or adapted in order to improve the organisational ability to resist or/and adapt?
- How can it be made practicable?
- Is there a critical mass of areas which need to be changed in order to achieve more resilience or improvement at least?
- How can the future be taken into consideration?
Thank you
References


