that maintains the dynamic equilibrium of a healthy system.

Incorporating Living Organisation Principles

There are signs that the organisational world has begun a process of radical transformation to a new way of being, shedding the cocoon of the bureaucratic model and emerging as something more analogous to a living system (Harder, Robertson, & Woodward, 2004). The counsel of many of the popular management gurus over the last twenty years has in one way or another been facilitating this transformation, changing managers' mindsets about the nature of organisations and identifying practices through which to implement these changes. While a few organisations – especially newer and/or smaller ones – have tried to base their design on a new way of thinking and being, most existing organisations that incorporated such changes have integrated them into their bureaucratic structures. Without a doubt, work processes and structures are frequently very different now than they were twenty years ago, but for larger, established organisations most of their efforts to change have been circumscribed by limitations and constraints inherent in the bureaucratic mindset (cf. McCaffrey, Faerman, & Hart, 1995).

We believe that further transformation from mechanistic bureaucracies to interconnected, self-organising, co-evolutionary living systems will be more effective if people aspiring to make this happen have some clear guidelines regarding what to do to enact this change. More and more, organisations are encouraging and rewarding people – managers and non-managers alike – to take initiative, to work well with others, to find ways to improve their situation, and to contribute to team, organisational, and even community effectiveness. We believe that these are key qualities of a healthy "cell" (Miles et al., 1997) in an organisation being, and that the growth and development of healthy cells will be supported by creating the conditions for a healthy organisation being. Some suggestions that may be useful to those who wish to improve the health of their living organisation follow.

Key Principles for Living Organisations

1. Since they are part of larger systems, their purpose must be to contribute in some way to these larger systems (or at least one or more of its parts), while minimizing the harm done to the system (or any of its parts); the larger systems include industries, communities, ecosystems, and the planet as a whole.
2. As open systems, they take energy inputs from the environment, transform them in some way, and provide outputs to the environment; they should operate efficiently,

A significant reduction in the diversity of species comprising an ecosystem can threaten the survival of the entire system

in the sense that they should maximise the ratio of productive outputs to the amount of useless or dysfunctional outputs (waste) generated by their activities.
3. Adaptability is imperative for survival; this means they need to be able to respond successfully to continuously changing environments, including use of new types of inputs, adoption of new transformation processes (technologies) and structures, and the creation of new types of outputs.
4. This demand for flexibility and fluidity puts a premium on the capacity for self-organising, self-managing, and self-regulating, which requires a systemic design (structures and processes) that can be easily reconfigured and redeployed as circumstances warrant; however, significant reorganisations cannot be designed and dictated, but rather must be emergent among those who are involved in and affected by the change.
5. The activities of the organisation are carried out by "cells" – individuals or groups of individuals – that are responsible for particular functions that contribute to the health and well-being of the system; cells have authority over the activities they are responsible for, and all the cells involved in an activity share authority and responsibility for that activity.
6. Authority and responsibility are combined, decentralized, localized, and distributed among the "cells" comprising the system; all cells have authority and responsibility for particular tasks, functions, and/or outcomes, but no cell has authority over or responsibility for another cell.
7. It is reasonable for one or more cells to have responsibility and authority for certain kinds of system-wide functions (e.g., organisational strategies or policies, major budget allocations) that serve as parameters or constraints on the activities of other cells; as with all cells, however, such authority is not to be used unilaterally but should be used only after getting input from and consulting with any and all cells affected by a particular decision.
8. The separate activities carried out by separate cells are coordinated through processes of mutual adaptation resulting from the patterns of interdependence and interaction within the network(s) of cells comprising the organisation; adherence to prescribed plans is less valuable than successful adjustment to real-time contingencies based on timely information from relevant others.
9. Successful adaptation, for cells and for the organisation as a whole, requires sufficient feedback for them to understand why and how their activities or outputs need to change to meet the requirements of those who are affected by these activities or outputs; an important focus of organisational activity should be the maintenance of