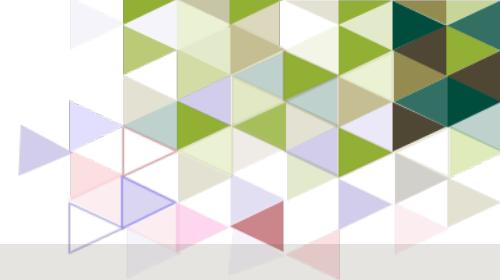


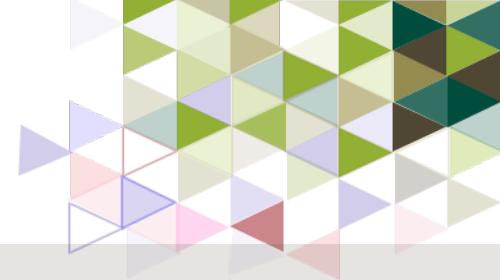
PLANSPIEL

Kruse & Stark (2025)



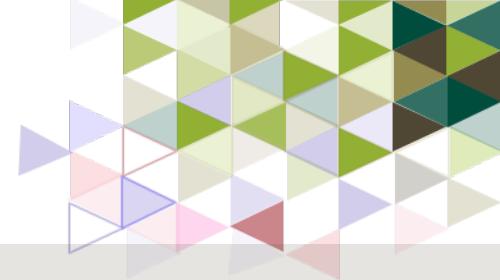
Agenda

- 1 Welcome & Overview
- 2 Introducing Embodied Perspective
- 3 Playing & Reflecting Simulation Game
- 4 Case Study



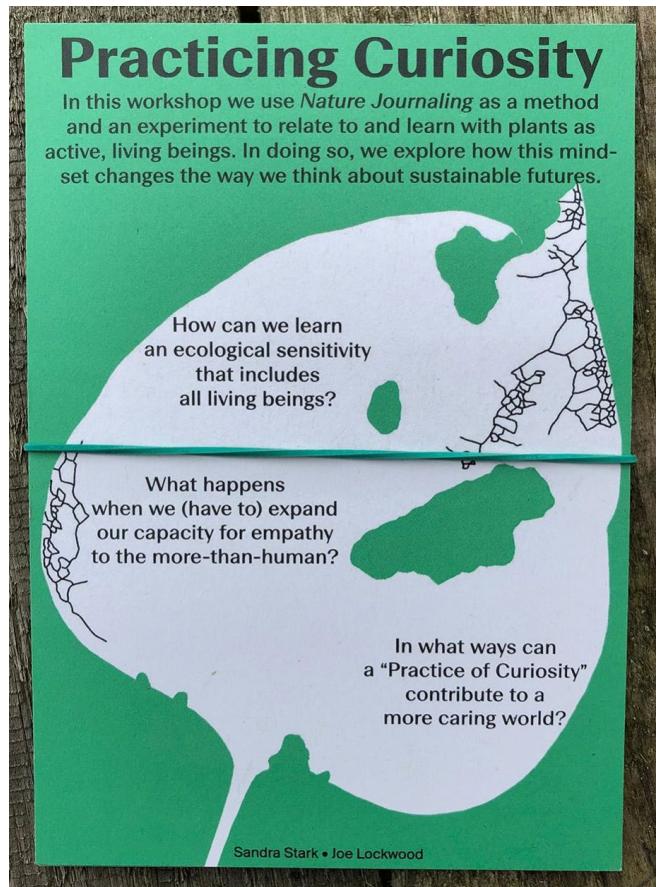
Agenda

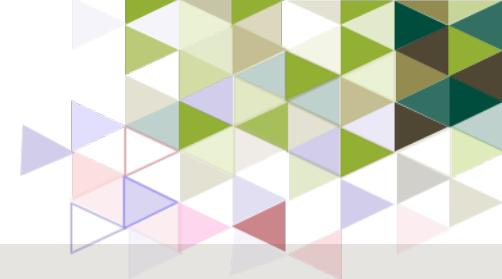
- | | |
|---|--------------------------------------|
| 1 | Welcome & Overview |
| 2 | Introducing Embodied Perspective |
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| 4 | Case Study |



Sandra Stark, Kunsthochschule Weißensee

- **BA Betriebsökonomin FH**
- **10 Jahre in Industrie tätig**
- **MA Visuelle Kommunikation**
- **Designforschung**
- **Lehrauftrag KHB**
- **Körperarbeit und**
- **Community Dance**



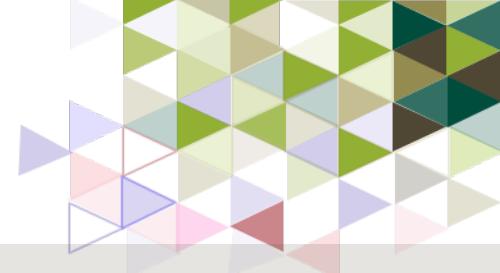


Modulübersicht



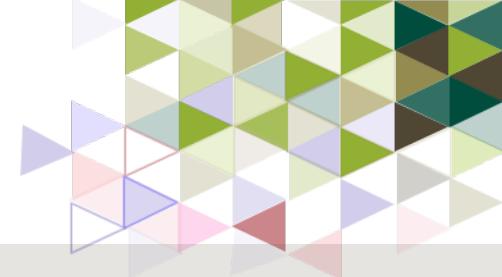
Ursprüngliche Planung: Planspiel über Nachhaltiges Wirtschaften im globalen Kontext der SDG

Stattdessen: Planspiele und die Annahmen, auf denen diese basieren, hinterfragen und dekonstruieren, um in Gruppen den Prototypen eines eigenen kleinen Spiels zu gestalten.

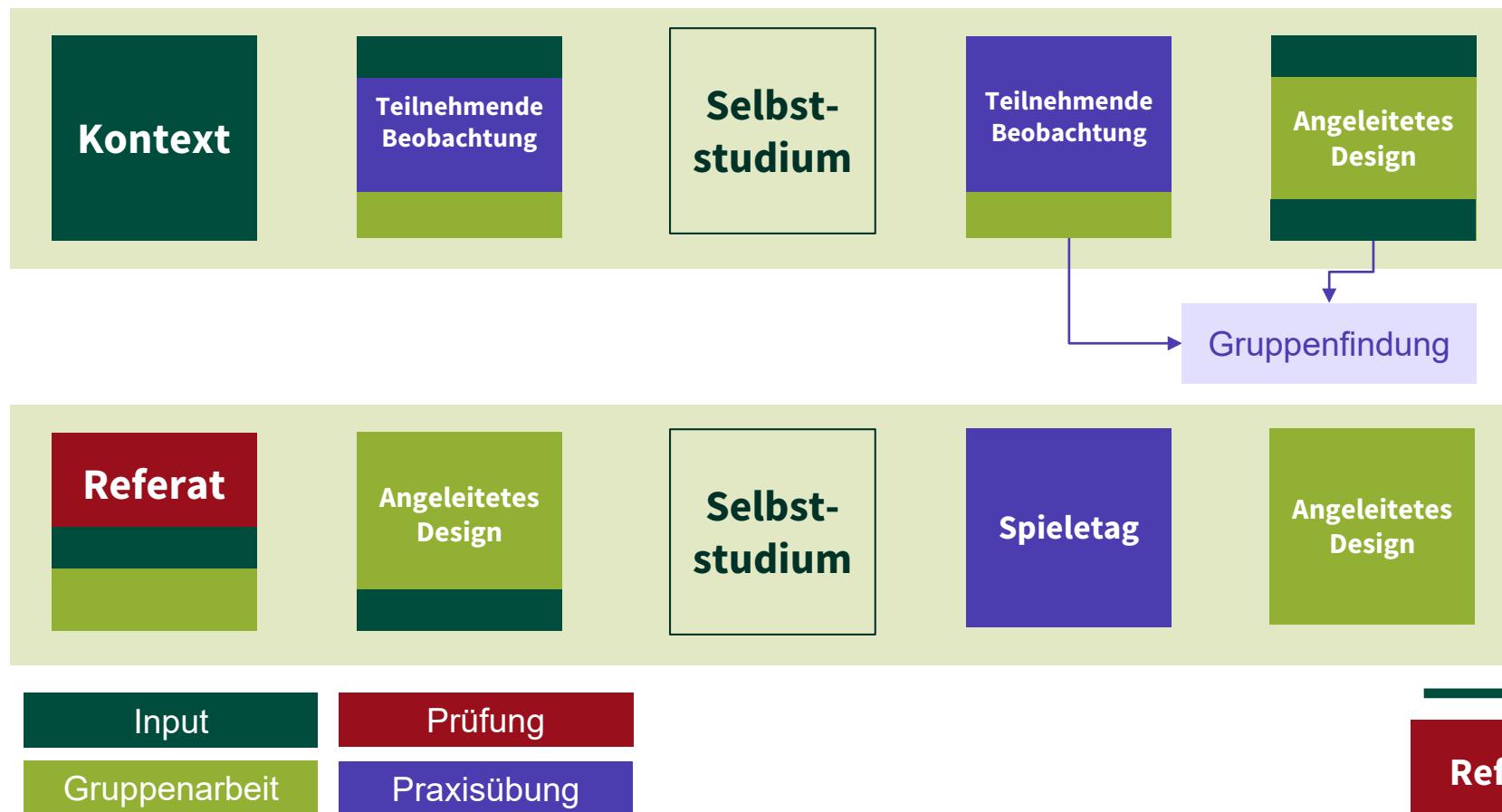


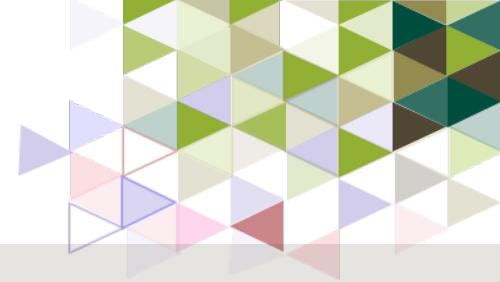
Zeitplan

KW 20	12.05.	13.05.	14.05.	15.05.	16.05.	17.05.	18.05.
	Montag	Dienstag	Mittwoch	Donnerstag	Freitag	Samstag	Sonntag
	10:30 - 17:30	10:30 - 17:30	10:30 - 13:30	10:30 - 17:30	10:30 - 17:30		
	Planspiel	Planspiel	Planspiel	Planspiel	Planspiel		
KW 21	19.05.	20.05.	21.05.	22.05.	23.05.	24.05.	25.05.
	Montag	Dienstag	Mittwoch	Donnerstag	Freitag	Samstag	Sonntag
	Selbststudium	Selbststudium	Selbststudium	Selbststudium	Selbststudium		
KW 22	26.05.	27.05.	28.05.	29.05.	30.05.	31.05.	01.06.
	Montag	Dienstag	Mittwoch	Donnerstag	Freitag	Samstag	Sonntag
	Selbststudium			Feiertag	Selbststudium		
KW 23	02.06.	03.06.	04.06.	05.06.	06.06.	07.06.	08.06.
	Montag	Dienstag	Mittwoch	Donnerstag	Freitag	Samstag	Sonntag
	10:30-17:30	10:30-17:30	10:30-13:30	10:30-17:30	10:30-17:30		
	Planspiel: Referat	Planspiel	Planspiel	Planspiel	Planspiel		
KW 24	09.06.	10.06.	11.06.	12.06.	13.06.	14.06.	15.06.
	Montag	Dienstag	Mittwoch	Donnerstag	Freitag	Samstag	Sonntag
	Feiertag	Selbststudium	Selbststudium	10:30-14:30	Selbststudium		
				Planspiel: Referat			



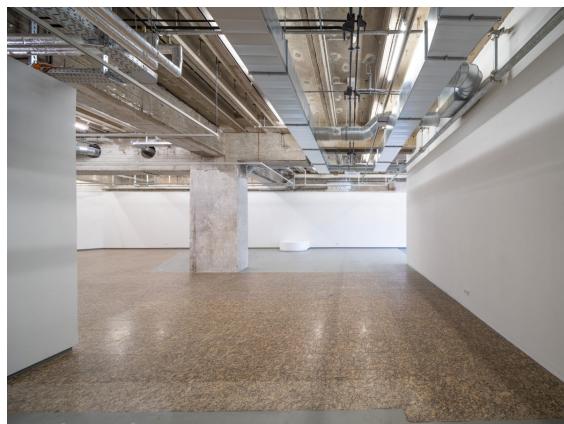
Schematischer Überblick

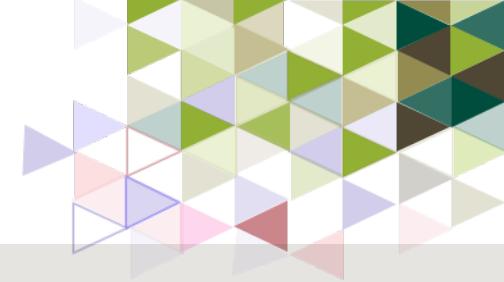




Teilnehmende Beobachtung

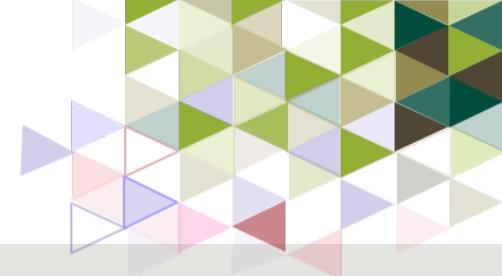
- Die **neue Gesellschaft für bildende Kunst** (nGbK) ist ein deutscher Kunstverein, der 1969 mit basisdemokratischer Struktur gegründet worden ist.
- Die nGbK ist ein Ort künstlerischer Produktion, der im Sinne einer sozialen Innovation den Anspruch hat, über das Programm (Ausstellungen, Veranstaltungen, Vermittlung) aktiv gesellschaftliche Machtverhältnisse zu bearbeiten.
- Aktuell läuft die Ausstellung *Activist Choreographies of Care*





Zweiteilung im Modul

- **In der ersten Woche** werden wir mittels **teilnehmender Beobachtung** die Ausstellung und Organisation der nGbK als eine Form von **Social Innovation** aus der Nähe betrachten, um ihre Komplexität zu erfassen und zu visualisieren.
- **In der zweiten Woche** werdet ihr in Gruppen angeleitet, aus den Daten der ersten Woche einen Prototypen für ein Spiel zu gestalten, mit dem potentielle Spieler:innen komplexe Aspekte von **Social Entrepreneurship Governance** erfahren und reflektieren können.
- Beide Wochen werden durch **regelmäßige Reflexionsinterventionen** begleitet, um Euer **Verständnis für Komplexität** und einen **angemessenen Umgang** damit zu schärfen.
- **Modulziel:** Durch beobachten, reflektieren und insbesondere im Machen zu verstehen, was es heißt, **als Social Entrepreneur zu agieren und die darin enthaltene Komplexität zu navigieren**.



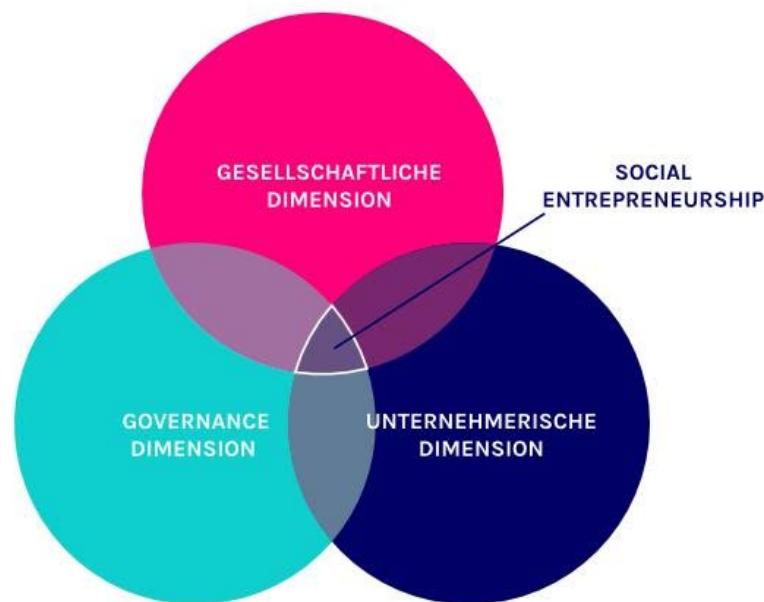
What is social entrepreneurship?

„Das primäre Ziel von Social Entrepreneurship ist die Lösung gesellschaftlicher Herausforderungen. Dies wird durch kontinuierliche Nutzung unternehmerischer Mittel erreicht und resultiert in neuen und innovativen Lösungen. Durch steuernde und kontrollierende Mechanismen wird sichergestellt, dass die gesellschaftlichen Ziele intern und extern gelebt werden.“ (Definition, SEND, 2019)



**S E
N D**

Social
Entrepreneurship
Netzwerk
Deutschland



Gesellschaftliche Dimension:
Primäres & ausdrückliches Ziel, eine gesellschaftliche Herausforderung (sozial / ökologisch) zu lösen

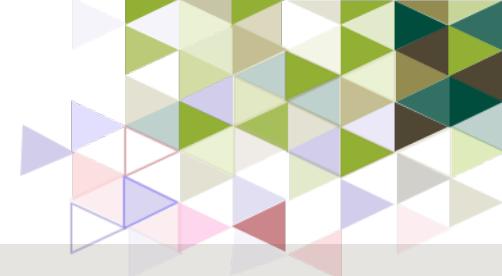
Unternehmerische Dimension:

- Unternehmerische Herangehensweise
- Innovation
- Ökonomisch nachhaltige Einkommensquellen

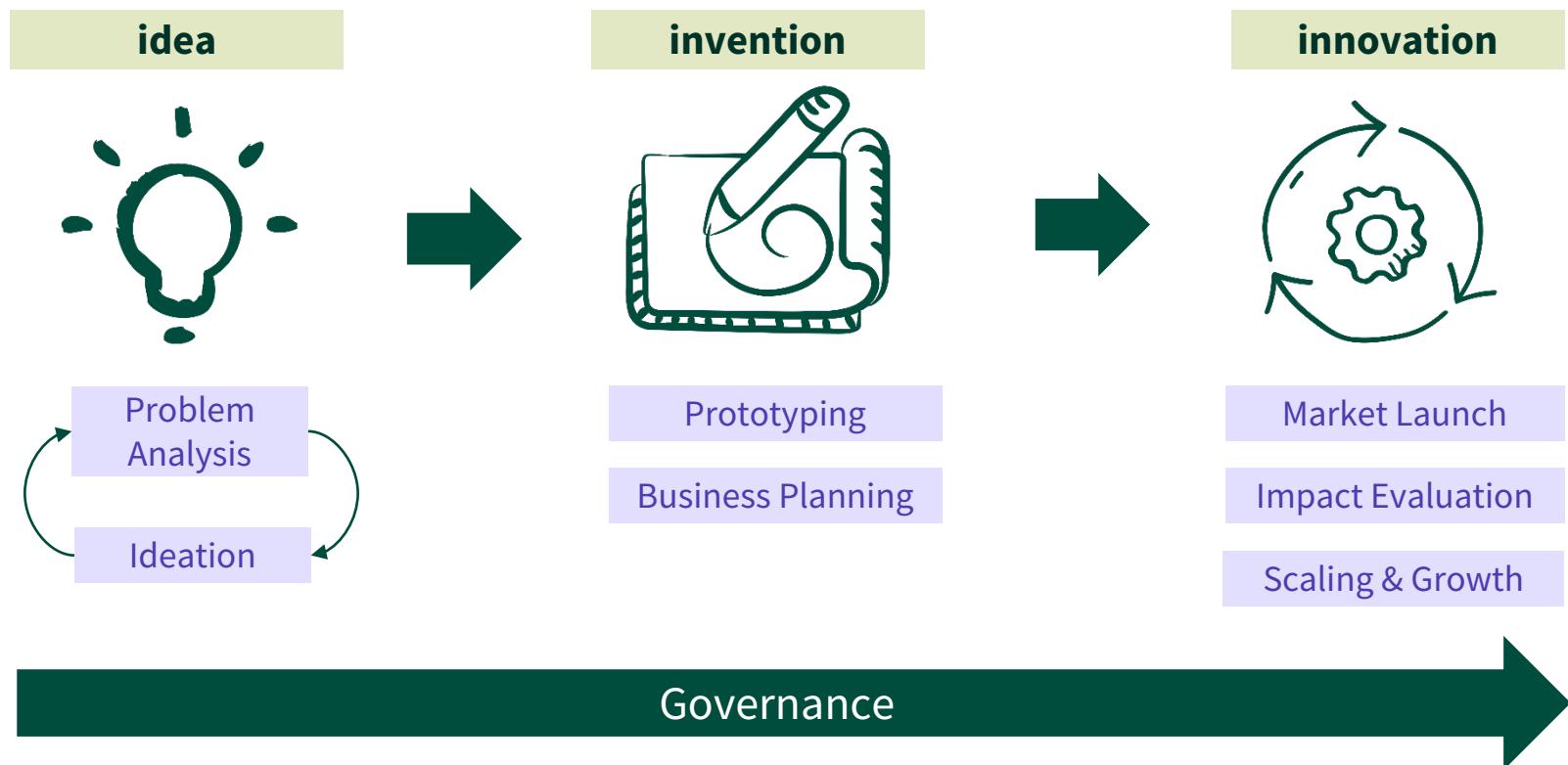
Governance Dimension:

- Begrenzte Gewinn- / Vermögensverteilung
- Autonome & unabhängige Organisation
- Integrative Führungskultur (partizipative / demokratische Entscheidungsprozesse)
- Verankerung der Wirkungsziele
- Rechenschaft & Transparenz

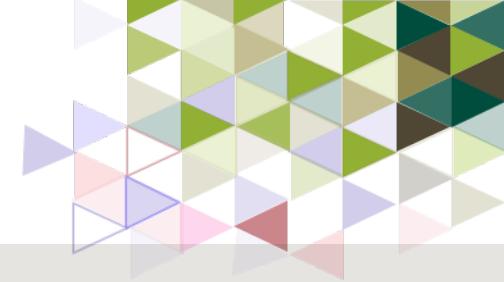




SIP modules: Governance as the implicit dimension



Governance is the process of making and enforcing decisions within an organization including decision-making, rule-setting, and enforcement mechanisms to guide the functioning of an organization.



Prüfungsleistungen: 2 Referate

1

Inhaltliche Aufteilung Präsentation:

1. Komplexitätsanalyse
2. Gewähltes Thema + Theorie
3. Erste Spielidee

15'

2

Inhaltliche Aufteilung Präsentation:

1. Beschreibung Vorgehensweise
2. Präsentation (finaler) Prototyp
3. Reflexion:

15'

Bewertungskriterien:

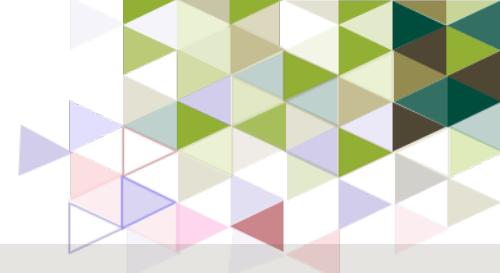
- Angemessener Komplexitätsgrad
- Sinnvoller Match zwischen Thema und Theorie
- Analoge Präsentationsform

Hinweise:

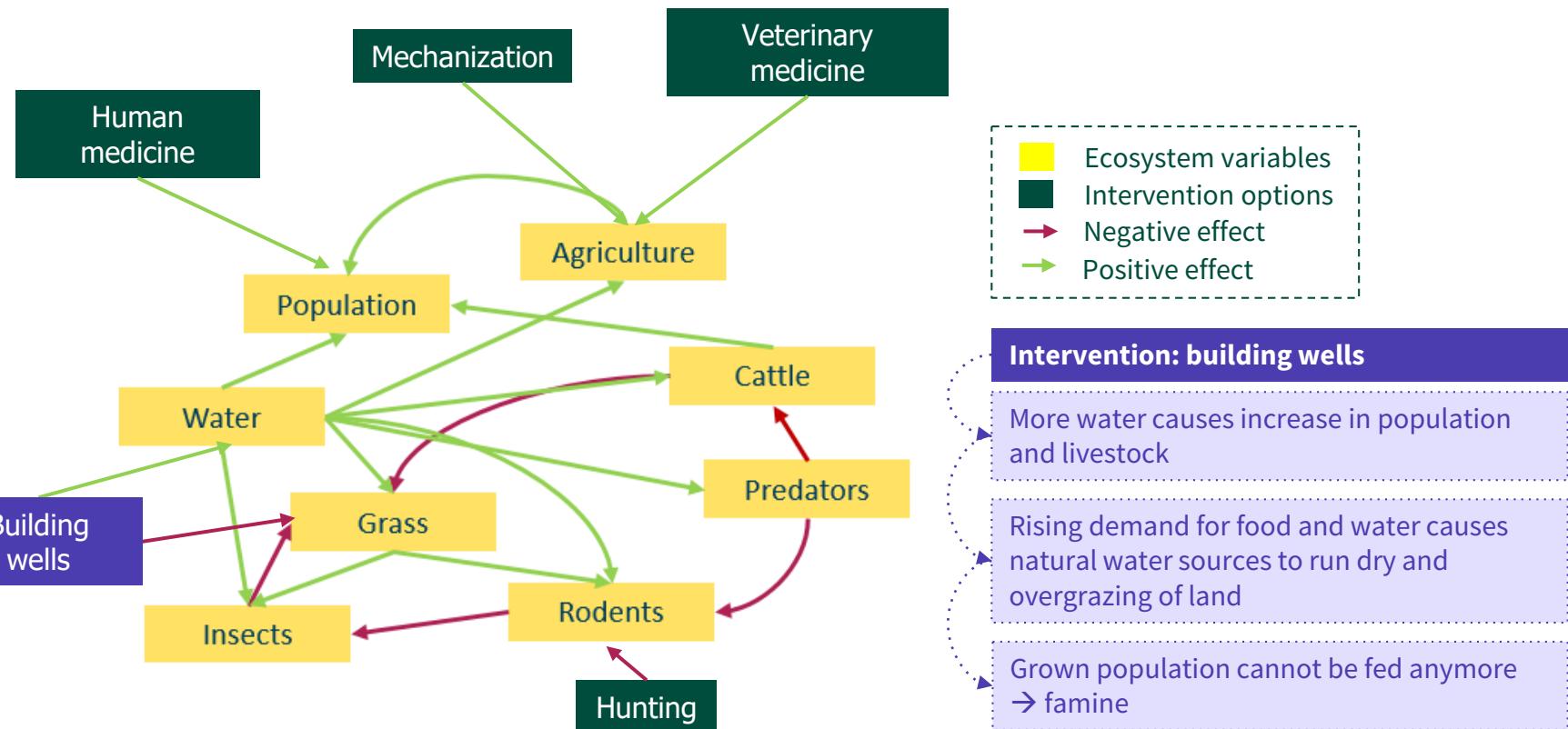
- Expliziter Bezug zu SE Governance ist notwendig
- Klare Herleitung des Themas aus Beobachtungsdaten ist vorgesehen
- Bezug zwischen Komplexität und Theorie explizit machen --> was hat die Theorie zur Analyse beigetragen? // keine einfache Reproduktion // Bezug auf Daten --> was ist das neue Wissen, das generiert worden ist?
- Übergänge / Zusammenhänge zwischen den 3 Teilen (Verschränkungen)
- Macht Euch Gedanken über das Lernziel des Individuums, das Eure Spiele spielt

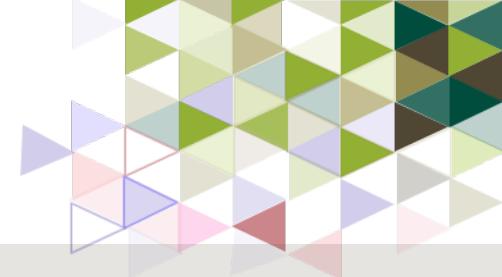
Bewertungskriterien:

- Kritische Offenlegung der involvierten Perspektiven
- Präsentationsform, die unterschiedliche Arbeitsweisen des Seminars aufnimmt
- Herstellen von Wissenstransfer: Was nehmen wir aus Prozesssicht für das Arbeitsleben mit?

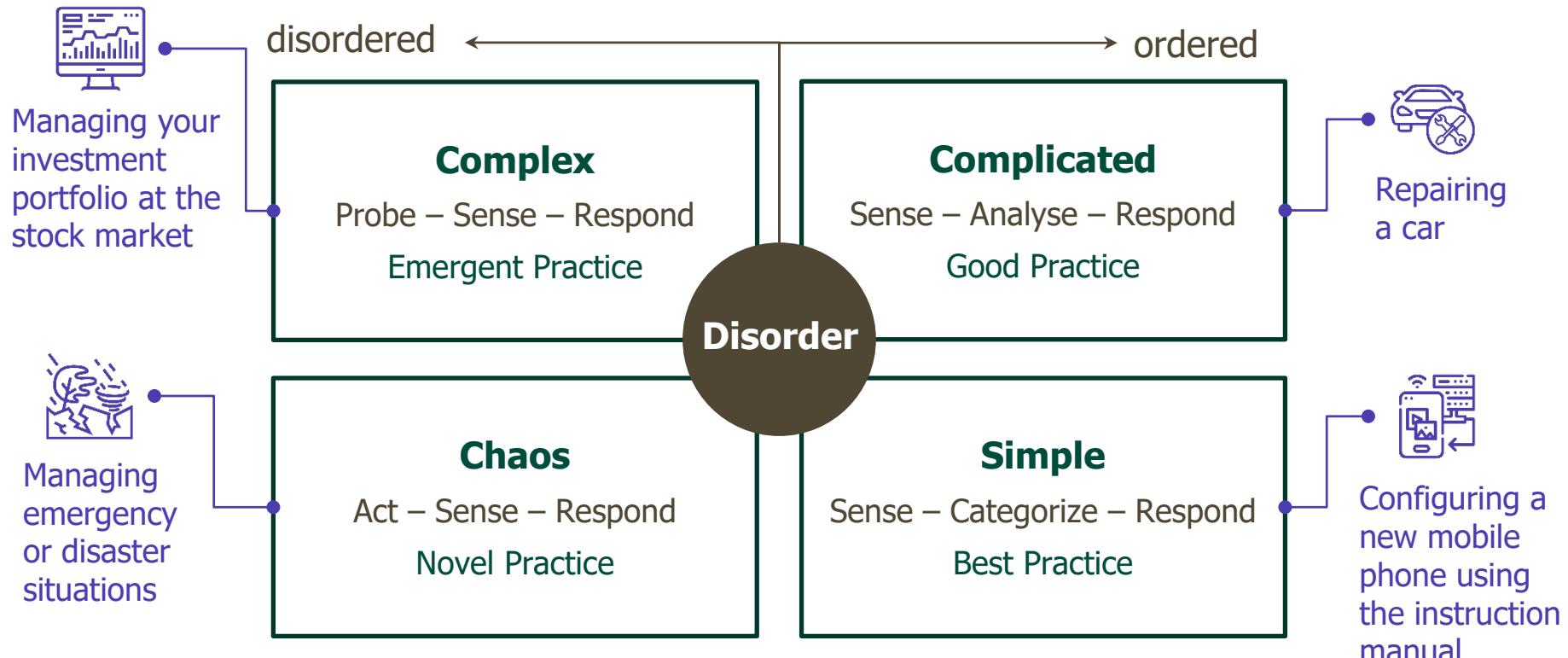


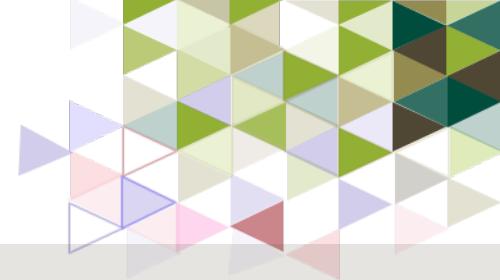
Reminder: Complexity





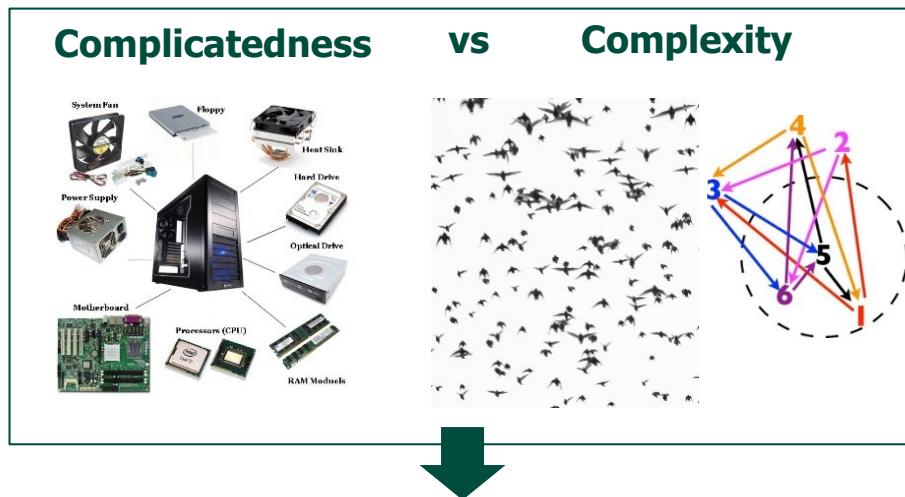
Complexity: Cynefin Framework



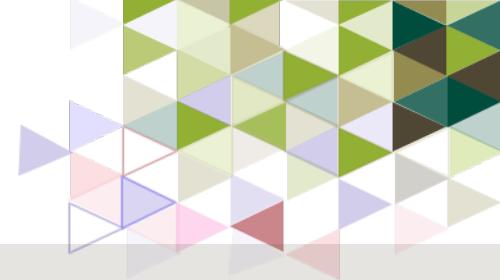


Complexity vs. Complicatedness

- Complexity has become a popular buzzword to gain attention but is at risk to produce empty statements (Vicsek 2002)

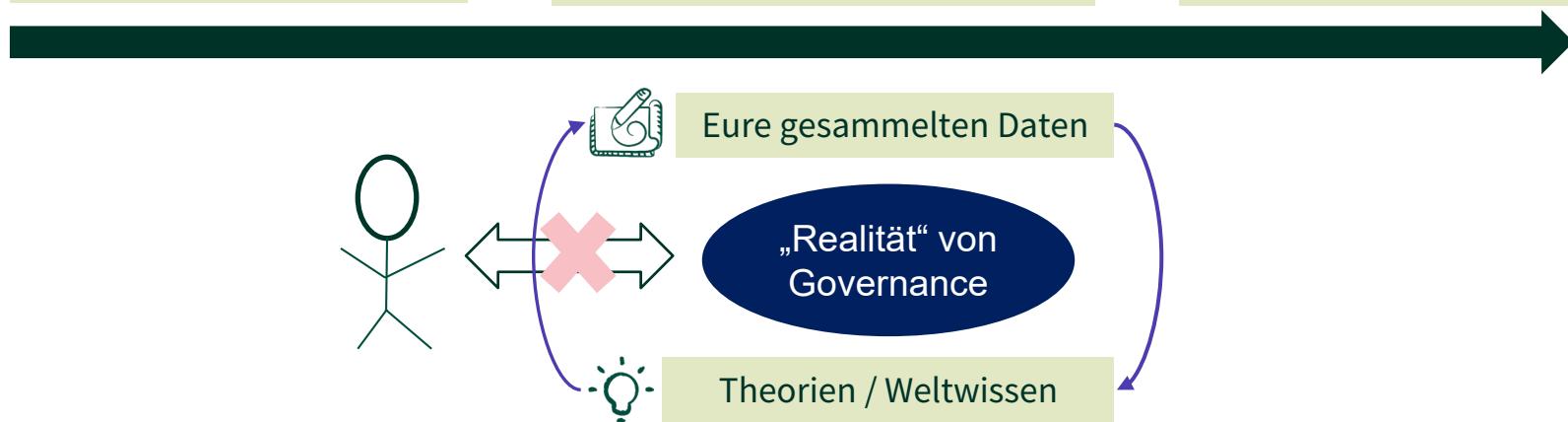


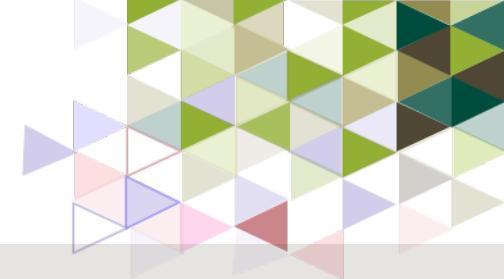
- Although those single components might be in itself simple, they are irreducibly intertwined with each other comprising a complex system that is “**more than the sum of its parts**” (Simon, 1962, p. 468)
- “**the magic resides in their interactions**” (Törnberg 2015) from complectere: what is intertwined (Mitchell 2009)



Input – Process - Output

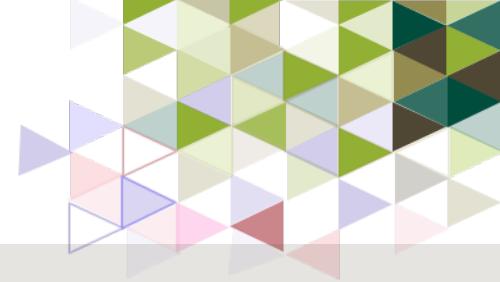
Input	Process	Output
<ul style="list-style-type: none">▪ Paradox Theory als theoretical lens▪ Daten aus teilnehmender Beobachtung (nGbK) und Gesprächen zur Governance von Social Innovation	<ul style="list-style-type: none">▪ Künstlerische Methode der Six Viewpoints (Mary Overlie) zur Erfassung sozialer Choreographien▪ Abductive Reasoning: Kreativer Wechsel zwischen Theorie, Erfahrung, Beobachtung und Reflexion	<ul style="list-style-type: none">▪ Analoge Prototypen für Lernspiele, die paradoxial tensions in Organisationen im Kontext von Governance erfahrbar machen



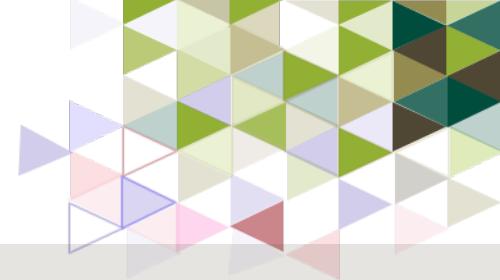


Agenda

- | | |
|---|--------------------------------------|
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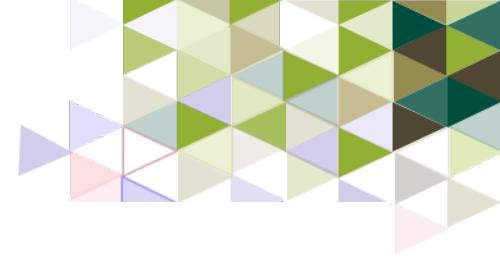


Slides Sandra



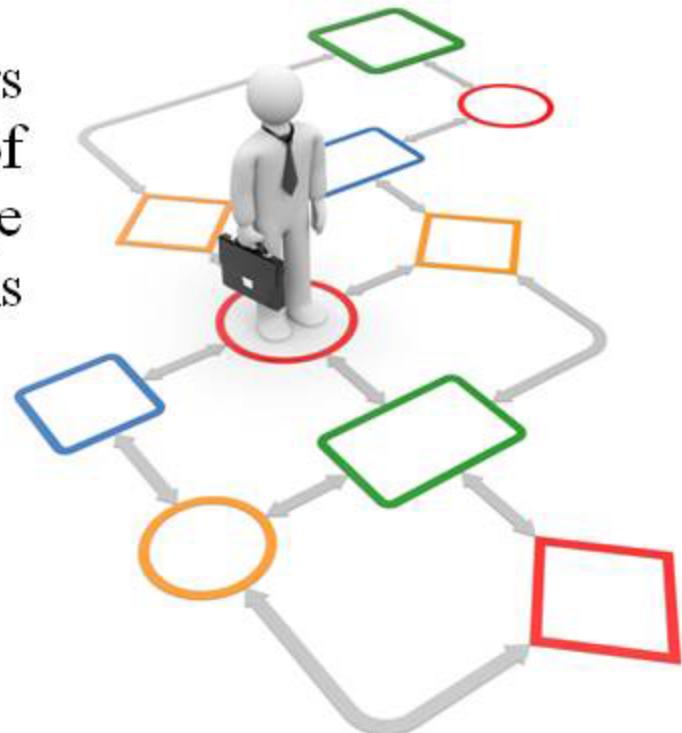
Agenda

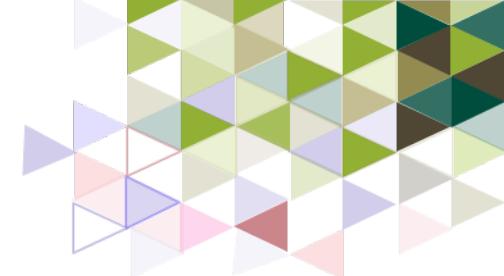
- 1 Welcome & Overview
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Game Overview

In the game, players assume roles of managers in large consulting firms





Competition for Contracts

The companies compete for clients and seek balance between economic issues, social goals and environmental stability.

Their income depends on the external projects they carry out, which can be obtained on auction.

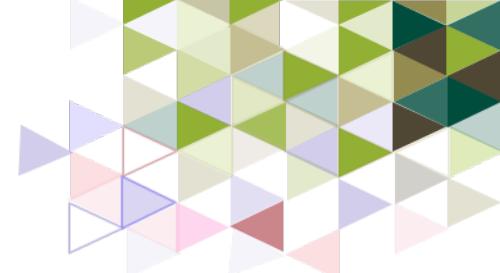
Lugano

About | Logout

Acquire Projects > Manage Company > Round 1 Bidding 1 Time left: 01:57 > View Reports

Client Internal Assignments Staff Company Competitors

Client Name	Description	Max Bid	Required Competencies	Required Reputation	Impacts	Bid
Production Companies Lobby	Lobbying on introducing higher carbon emission limits	150	⚡ 1 🔑 1 🌎 1		💡	<button>Place bid</button>
Coal and Energy Lobby	Creating policies for oil and coal energy lobby in US on dealing with resource-rich developing countries	120	⚡ 1 🌎 1		💡人群	<button>Place bid</button>
Government of Dogano	Overseeing introducing extensive oil extraction to newly independent state in Central Africa	120	⚡ 1 🌎 1		💡人群	<button>Place bid</button>
North-East Oil	Complete risk assessment for an oil company drilling offshore	90	⚡ 1 🔑 1			<button>Place bid</button>
SNT Corporation	Introducing energy-saving plan for European branches of large multinational corporation to reduce carbon footprint	120	⚡ 1 🔑 1		💡	<button>Place bid</button>
GN&W Co.	For an energy-intensive UK company, draft a report on future of world's energy supplies	110	⚡ 1 🔑 1		💡	<button>Place bid</button>
Design Electronics	Organizing sweatshop production in developing countries for new electronic products	120	€ 1 🌎 1		💡人群?	<button>Place bid</button>
FCh SpA	Assess risks connected with toxic waste disposal for a European chemical company	180	€ 1 🔑 1 🌎 1		💡人群	<button>Place bid</button>



Launching Internal Projects

Players can launch various internal projects.

They do not bring profits but increase company's reputations and employees' wellbeing.

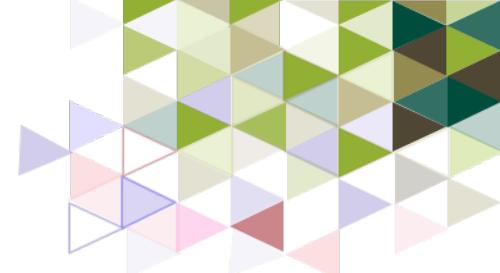
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Acquire Projects > Manage Company > Round 1 Bidding 2 Time left: 00:35 | View Reports

Client Internal Assignments Staff Company Competitors

Project Name	Description	Required Competencies	Impacts	Add
Report: Wellbeing	Periodic reporting on employee wellbeing	1	1	Cancel Project X
Report: CSR	Periodic reporting on Corporate Social Responsibility	1	1	Add project
Report: Environmental Impacts	Periodic reporting on environmental impacts of company	1	1	Add project
Report: Finances	Periodic transparent financial reporting	1	1	Add project
Report: Sustainability	Periodic sustainability reporting following GRI guidelines	1 1 1	1 1 1	Add project
Report: Greenhouse Gas Emissions	Report greenhouse gas emission to the Carbon Disclosure Project	1	1	Add project
Health and Wellness Plan	Develop improved health and wellness programs for employees	1	1	Add project
Green benefit packages	Greening of employee benefit packages	1 1	1 1	Add project
Carbon neutral Program	Internal program to become "carbon neutral" company	1 1	1	Add project
Monitoring Sustainability/CSR Trends	Internal R&D program to monitor sustainability/CSR trends and design new client products	1 1	1 1	Add project



Project Management

Every project requires employees with specified competencies.

Employees are hired and then assigned to projects or sent for training.

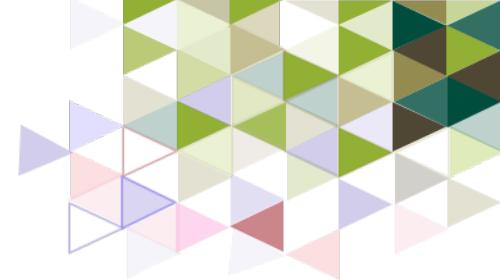
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Acquire Projects > Manage Company > Round 1 Bidding 2 Time left: 00:35 > View Reports

Client Internal Assignments Staff Company Competitors

PROJECTS			EMPLOYEES			Hire	TRAINING
Project/Client Name	Required Competencies	Assigned	Name	Competencies	Assignment	Competencies	People
North-East Oil	1	2	Hackett	1	North-East Oil	X	FINANCE
Design Electronics	€ 1	1	Daria	€ \$ 1	North-East Oil	X	ENERGY
Report: Wellbeing	1		Ince	€ \$ 1	Training	X	ENVIRONMENT



Human Resource Management

Player manage employees, by setting their salaries, sending them for training and trying to keep their job satisfaction high.

If job satisfaction is low, employees can leave the company, that may disrupt project execution.

Lugano

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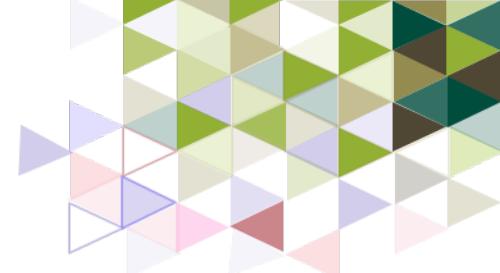
Acquire Projects Manage Company View Reports

Client Internal Assignments Staff Company Competitors

Round 1 Time left: 00:35 II

Hire

Name	Salary	Expected Salary	Job Satisfaction	Satisfaction Factors	Competencies	Assignment	Employed Since	Fire
Hackett	25	25	0		1	North-East Oil	1	
Daria	25	25	0		1	North-East Oil	1	
Ince	25	25	2		1	Training	1 1	



Impacts and Reputations

All projects have positive, neutral or negative impacts on environment, society and employees' wellbeing.

Company's reputation - visualized in form of *Sustainability Compass* - depends both on these impacts as well as on implementation of internal projects.

Lugano

Acquire Projects > Manage Company > Round 1 Finalized Time left: 03:57 > View Reports

Client Internal Assignments Staff Company Competitors

Company: Lugano Show report for round: 1

REPUTATION:

Nature: 0
Economy: 0
Society: 0
Wellbeing: 1

Income: 150
Costs: 150
Profit: 0
Accumulated profit: 0

PROJECTS FINISHED

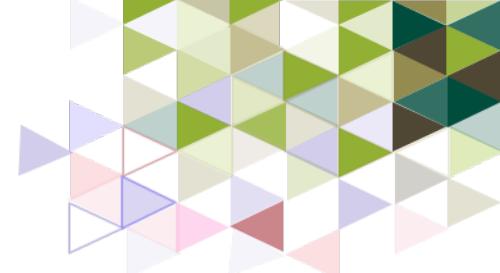
Project/Client Name	Description	Impacts	Income
North-East Oil	Complete risk assessment for an oil company drilling offshore		90
Report: Wellbeing	Periodic reporting on employee wellbeing	1	0

EMPLOYEES QUIT

Name	Salary	Expected Salary	Job Satisfaction	Competencies	Assignment
Abdeso	25	25	:(0	1	Design Electronics

COMPETENCIES GAINED

Name	Salary	Expected Salary	Job Satisfaction	Competencies	Competencies Gained
Ince	25	30	:(1	€ 1	1
Hitesh	25	30	:(1	1	1



Competition with other Companies

All companies compete against each other.
They can see the results (compass scores) of their competitors.

Companies that choose to be transparent show also their financial results.

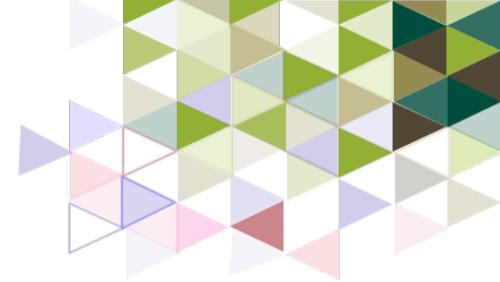
Moneo Group About | Logout

Acquire Projects → Manage Company → Round 1 Finalized Time left: 03:38 → View Reports

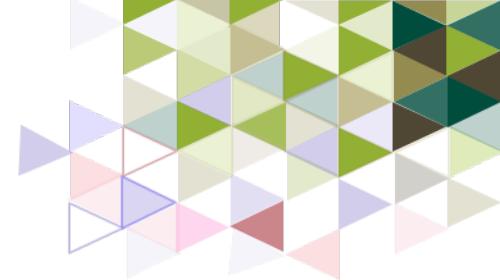
Client Internal Assignments Staff Company Competitors

Company: Moneo Group Show report for round: 1

Company	Income	Costs	Profit	Accumulated profit	Reputation
Moneo Group	60 ↑	75 ↑	-15 ↓	-15 ↓	0 0 0 1
Anelon LTD					0 -1 2 0
Deromea					2 0 2 1
DFC SA	345 ↑	196 ↑	149 ↑	149 ↑	0 2 1 1



YOUR TASKS PER GAME ROUND



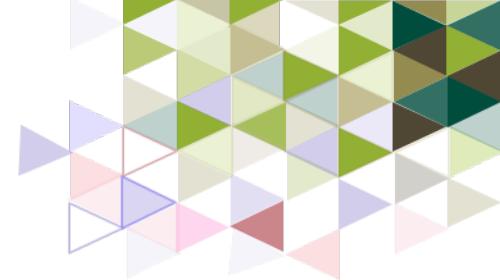
1

Review the available Client Projects and prepare your Bids

You will have 3 chances to bid on projects.

You can win a maximum of 3 projects per year.

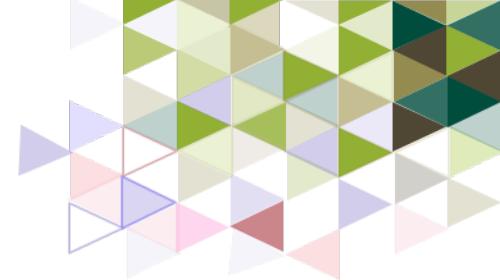
Time will be very tight, so prioritize your bids!



2

Place your bids for the Client Projects now on the market

On the “Client” screen, enter your bids. You have limited time; don’t miss the deadline!
You will get feedback on the screen about who wins the bids.

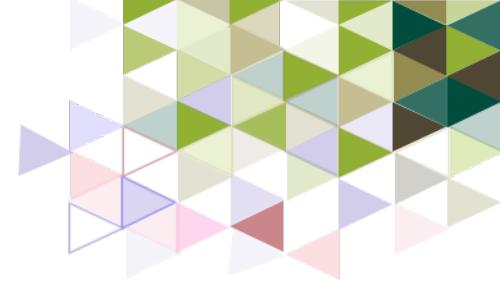


3

Choose any Internal Projects you want to add

Do this on the “Internal” screen.

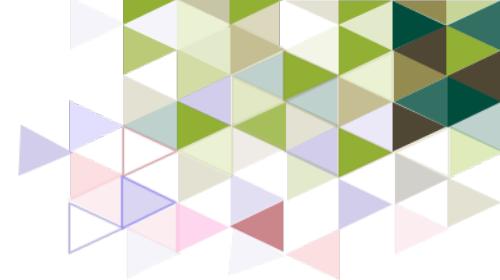
Note: (1) when you do financial reporting,
your financial data will become transparent to others,
and (2) when you report on job satisfaction,
you will learn more about your employees.



4

Manage your Employees

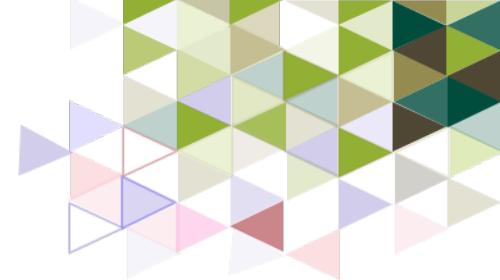
Use the “Assignments” or “Staff” screens to manage Employees and set their salary levels. Click “Hire” to add a person and choose their specific Competency.



5

Plan the execution of your Projects

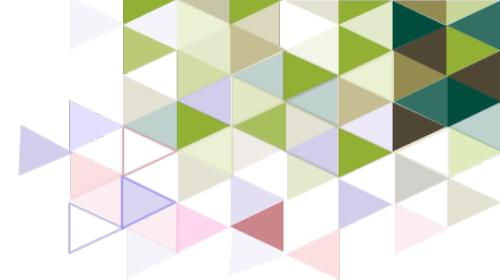
Use the “Assignments” screen to assign Employees to Projects. Note what Competencies are needed. You can send Employees for training to gain more Competencies.



6

When you are finished, click the “Finalize” button

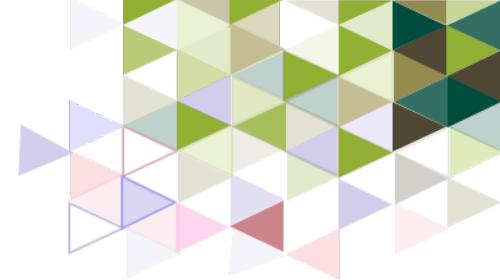
When you click “Finalize,” your Employees will start working on your projects. Then you will get a report about what happened during the year.



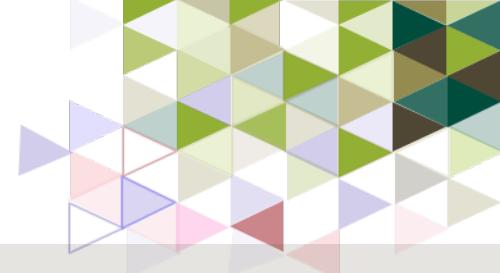
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Check the results and get ready for the next year's bidding

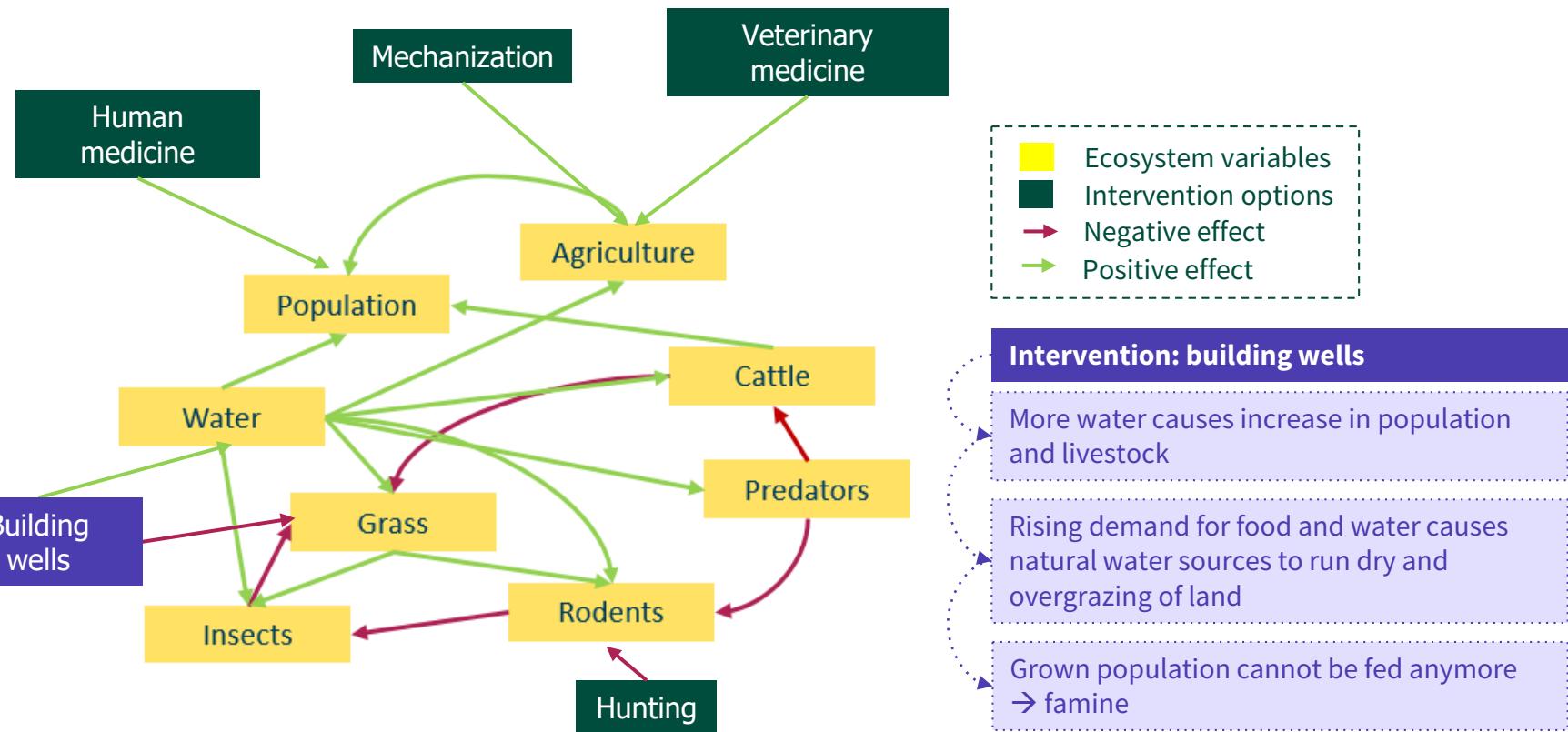
See what happened to your Compass Scores and Financial Data at “Company”. You can compare results with other companies at “Competitors”.

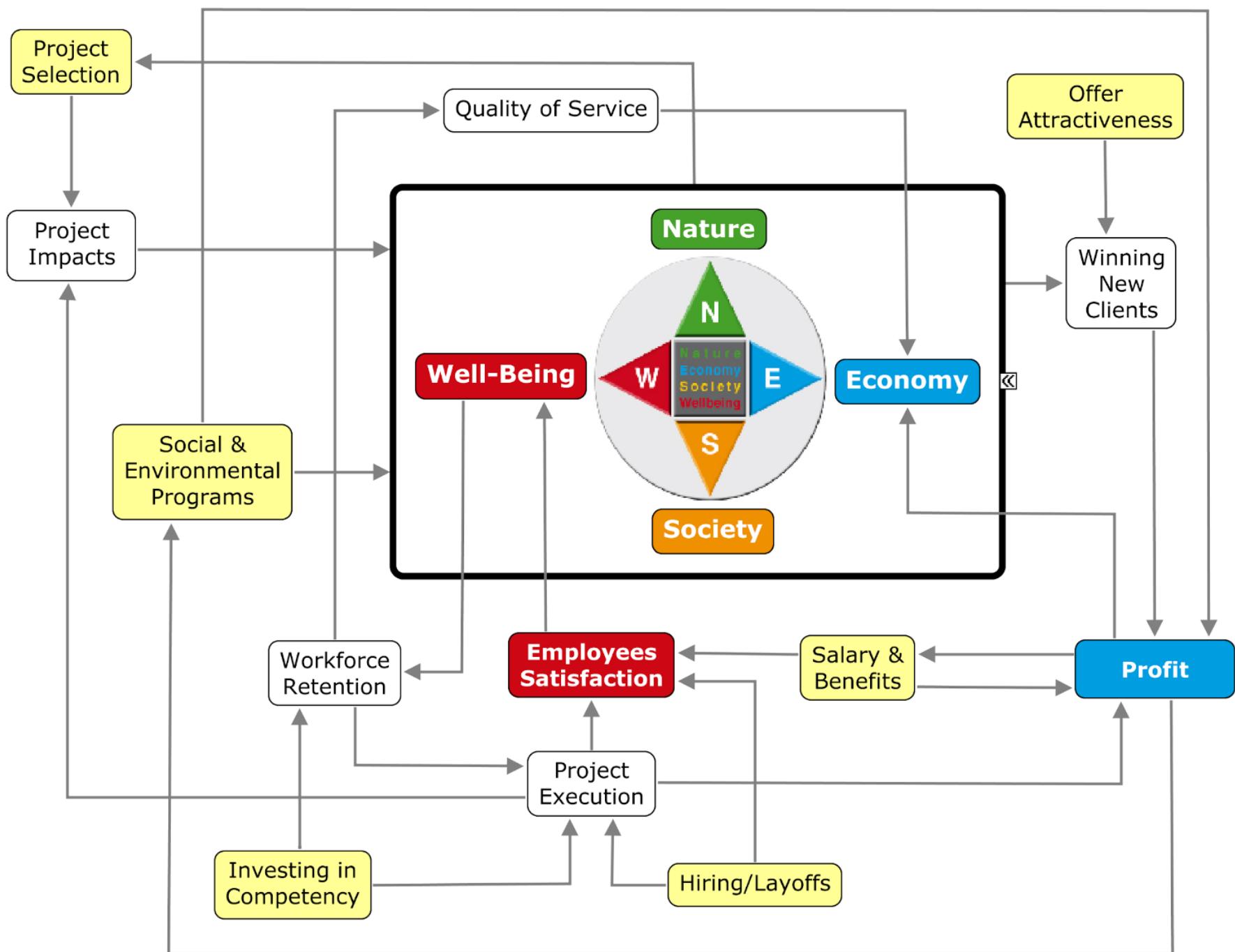


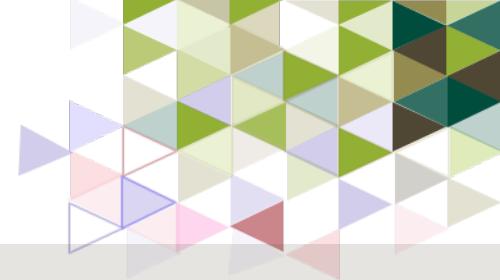
REFLECTION



Reminder: Complexity

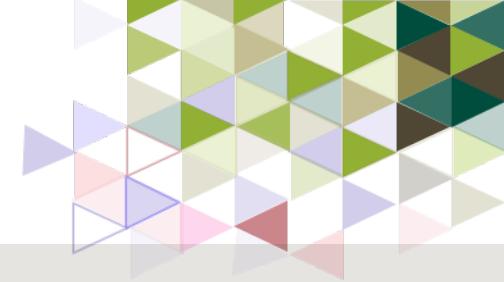






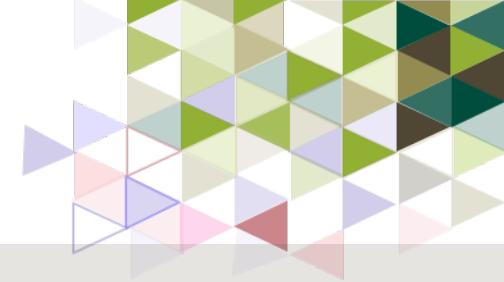
Agenda

- 1 Welcome & Overview
- 2 Introducing Embodied Perspective
- 3 Playing & Reflecting Simulation Game
- 4 Case Study



Task 1: Normative perspective

Put yourself in Andrea's perspective: Discuss in which type of normative tensions she finds herself in? Which ethical considerations could she make?



Kimmit & Munoz (2018)

Article

Sensemaking the ‘social’ in social entrepreneurship

Jonathan Kimmitt 

Newcastle University, UK

Pablo Muñoz 

University of Liverpool, UK; Universidad del Desarrollo, Santiago, Chile

Abstract

In the collective imagination, the practices and outcomes of social entrepreneurship seem to hold hope for a better future. So far, these practices have been largely assumed as idealised types with the ‘social’ in social entrepreneurship underexplored. Such assumed neutrality, we argue, is hampering the development of a more robust theoretical corpus for understanding the phenomenon and inspiring practices that are more effective. In this article, we analyse the sensemaking of the social in social entrepreneurship by exploring the ways in which social entrepreneurs make sense of social problems and develop solutions for addressing them. Our empirical analyses of the stories of 15 social entrepreneurs indicate two distinct types of sensemaking and sensegiving practices, aligned with Amartya Sen’s notions of social justice. Drawing on these findings, sensemaking and social justice theory, we elaborate a two-type social sensemaking model pertaining to the appreciation and assessment of circumstances and the differing problem/solution combinations emerging from alternative ontological views of what constitutes a social problem.

Keywords

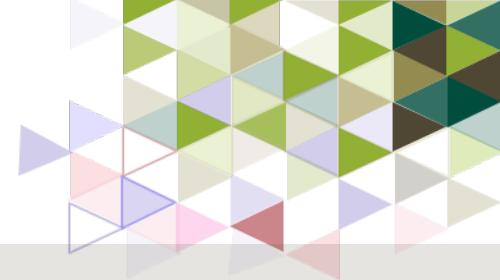
Institutions, poverty, realisation, sensemaking, social entrepreneurship, social justice



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2018, Vol. 36(8) 859–886
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- Until now in social entrepreneurship research it has been difficult to define a framework with which entrepreneurs **define or choose the social problem they will work on.**
- How do you define social? How do you know it is contributing to social justice?
- Neutrality of “social” in Social Entrepreneurship is in question - **the chosen approach of social entrepreneurs is not trivial** and has consequences for their beneficiaries.



Going full circle: back to our first paper in the program

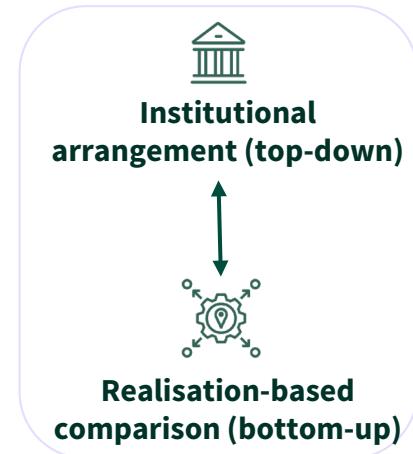
- The concept of institutional arrangement builds on the notion that justice has to be theorized in terms of certain ideal institutional arrangements (Sen, 2009).
- In contrast, the realization approach pursues to distinguish between real situations with a focus on the outcomes realized by actual social institutions, without the attempt at delivering a definition of what would constitute a just institution.

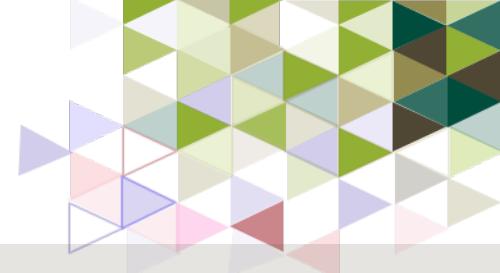


Different approaches to create social justice relate to different approaches to solve social problems

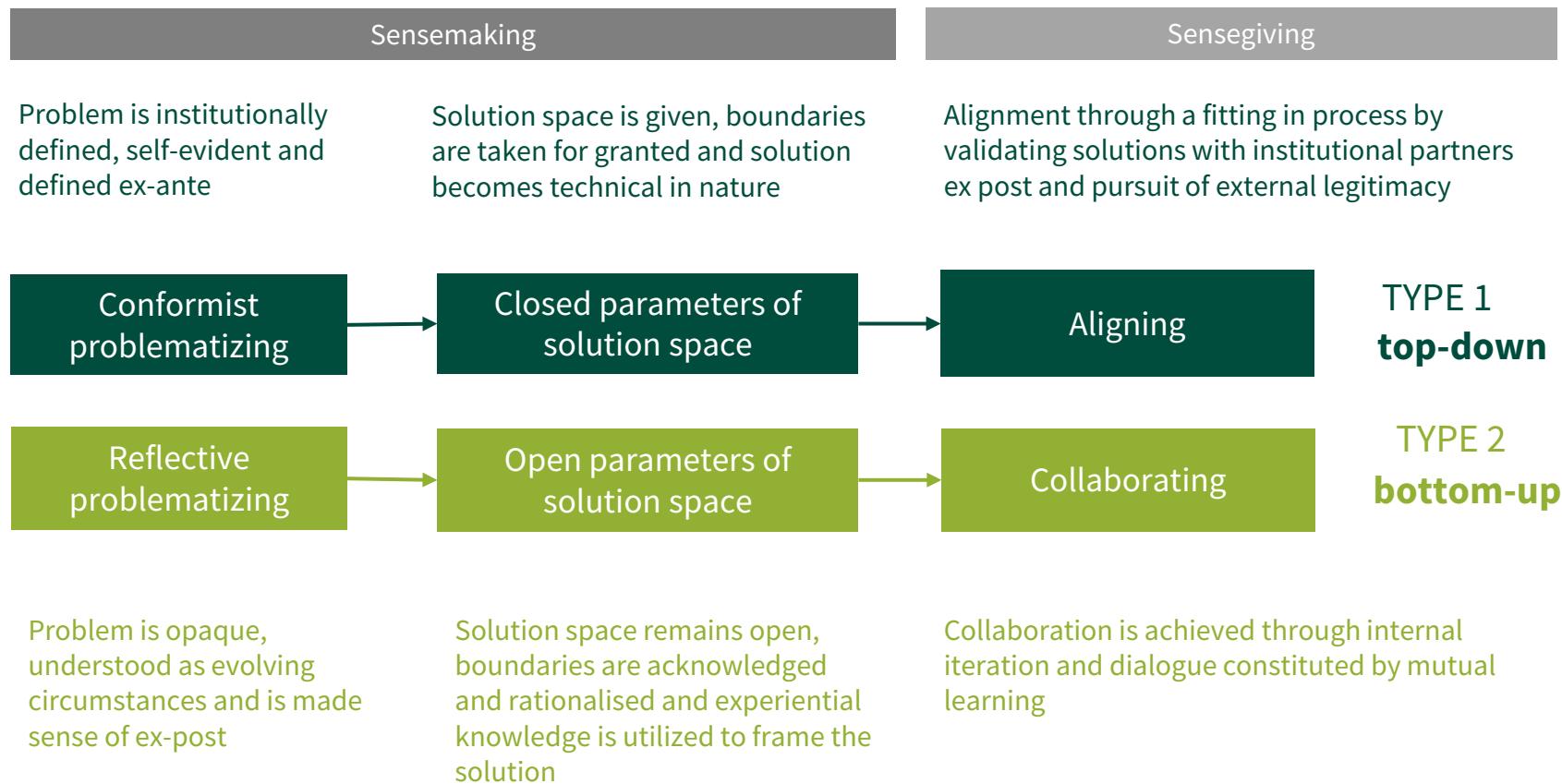
(Sen 2009; Kimmitt & Munoz 2018)

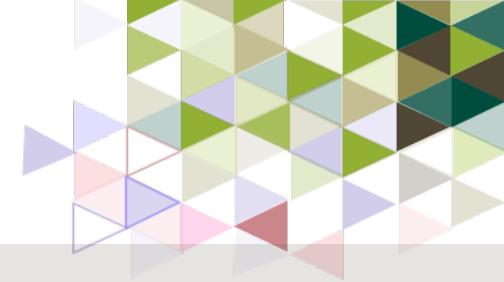
Economist Amartya Sen:
The Idea of Justice (2009)





Sensemaking of social problems and their solutions





Normative theories in social entrepreneurship

Libertarianism: Free Market and Property Rights

Citizenship:
Democratic Goals and Means

Communitarianism:
Solidarity and Social Capital

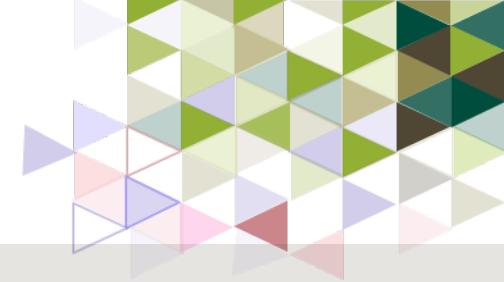
Marxism:
Exploitation and Self-realisation

Utilitarianism:
Maximisation of Human Welfare

Liberal Egalitarianism:
Basic Rights and Needs

Multiculturalism:
Cultural Preservation and Norms

Feminism: Gender Equality and Care



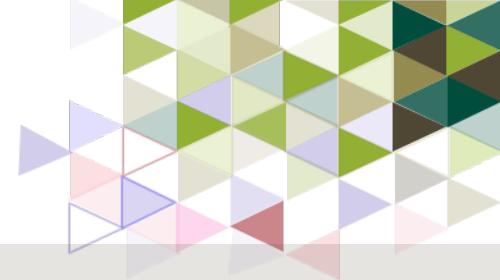
Deontologische vs teleologische Ethik

Deontologische Ethik

- Grundlage ist die **Pflicht** (*deon* = "Pflicht"), unabhängig von den Konsequenzen.
- **Nicht-konsequentialistisch:** Prinzipien sind unabhängig von den möglichen Folgen verpflichtend.
 - Richtig Handlungen beruhen auf universellen Prinzipien wie Wahrhaftigkeit, Fairness und der Vermeidung von Leid.
 - Moralische Handlungen sollen aus **Pflichtgefühl** erfolgen, nicht aus emotionaler Motivation.
 - **Kategorischer Imperativ:** Handle stets so, dass die Maxime deines Handelns zu einem allgemeinen Gesetz werden kann.
- **Kritik:**
 - **Konflikt zwischen Pflichten:** Kant gibt keine klare Lösung, wenn **Pflichten kollidieren** (z.B. zwischen moralischer Pflicht gegenüber der Familie und patriotischer Pflicht im Krieg).
 - **Vernachlässigung der moralischen Intuition:** Beispiel: Laut Kant wäre es moralisch falsch zu lügen, selbst wenn dies das Leben eines Freundes retten würde (z.B. bei einem Mörder an der Tür).
 - **Gefühle als irrelevant:** Kant lehnt Emotionen wie Mitgefühl als Grundlage moralischen Handelns ab, was intuitiv als unmoralisch erscheinen kann.

Teleologische Ethik

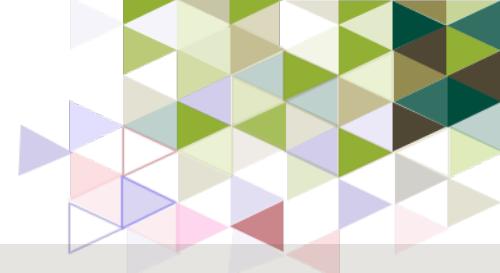
- Die teleologische Ethik (von griechisch *telos* = "Zweck", *logos* = "Lehre/Wissenschaft") geht davon aus, dass die **Richtigkeit oder Falschheit von Handlungen** ausschließlich auf der **Güte oder Schlechtigkeit ihrer Folgen** basiert.
- Leitsatz: „**Der Zweck heiligt die Mittel.**“
- Bekanntes Beispiel: **Utilitarismus**
- **Kritikpunkte:**
 - **Definition von Glück:** Was als "gut" oder "glücklich" gilt, kann je nach Kultur variieren. Wer entscheidet, was als Glück oder gutes Handeln gilt?
 - **Konsequenzen schwer abzuschätzen:** Beispiel: Beim Klimawandel sind die langfristigen Folgen oft nicht präzise vorhersehbar.
 - **Gefahr der Minderheitsunterdrückung:** Was der Mehrheit (z.B. 50,5 %) nützt, kann einer großen Minderheit (z.B. 49,5 %) schaden. Moralisch problematisch, da Nutzen für die Mehrheit nicht automatisch Gerechtigkeit bedeutet.
 - **Gefährliche Legitimation:** Das Fokussieren auf positive Konsequenzen kann dazu führen, dass **unethische Mittel** gerechtfertigt werden.



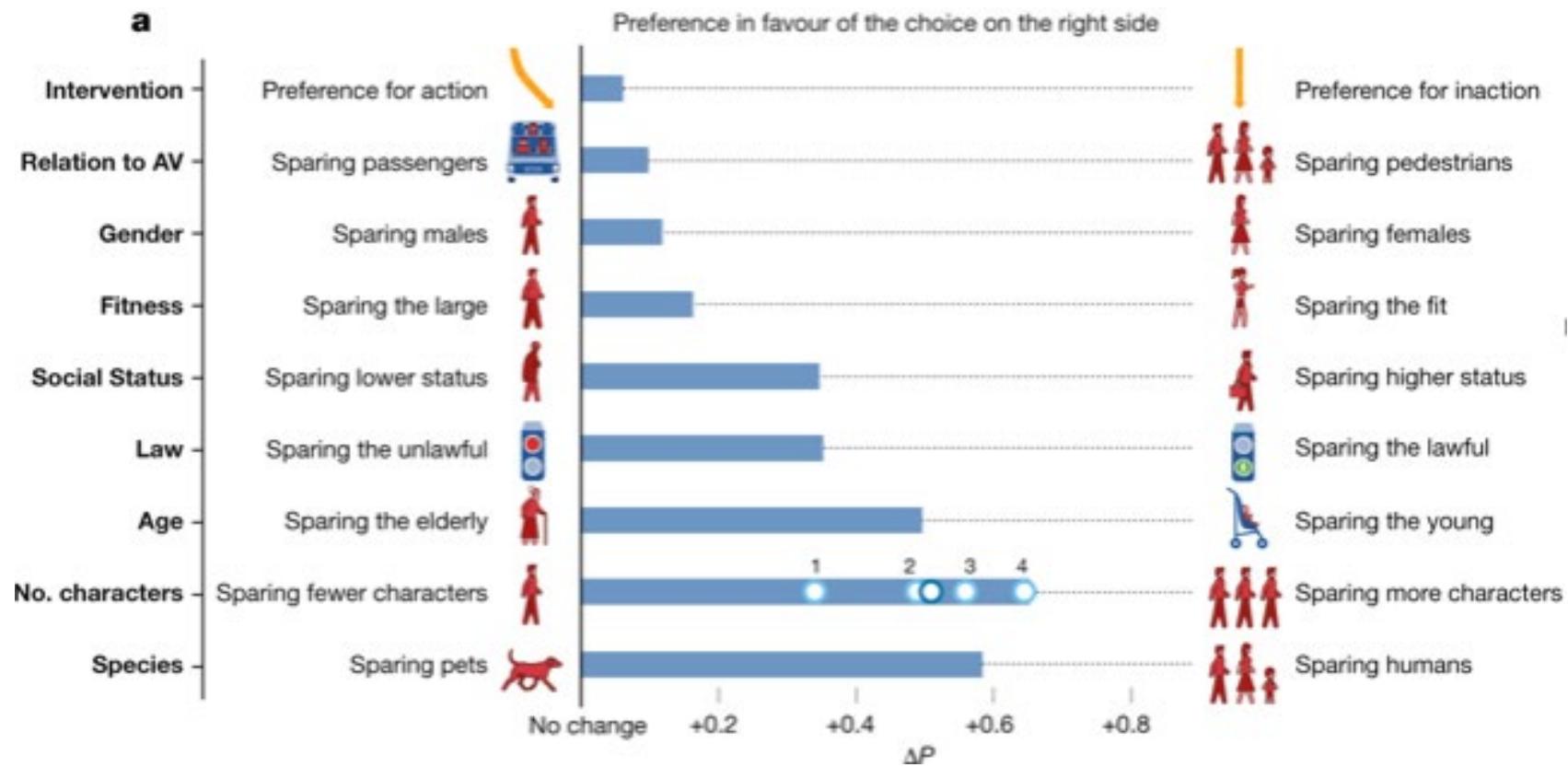
Open questions

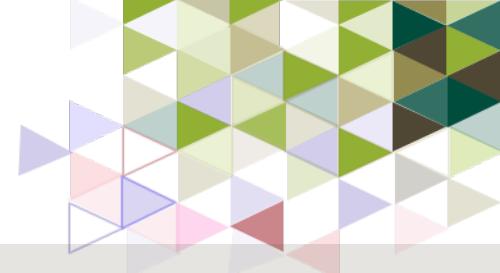
What type of automated car would you develop?

- A. Save Passenger
- B. Sacrifice Driver

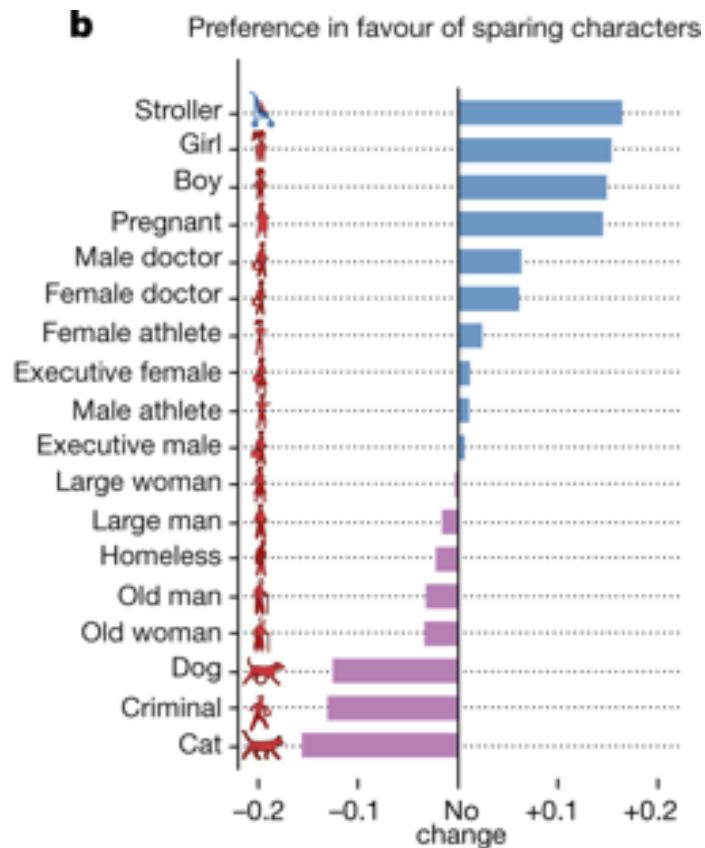


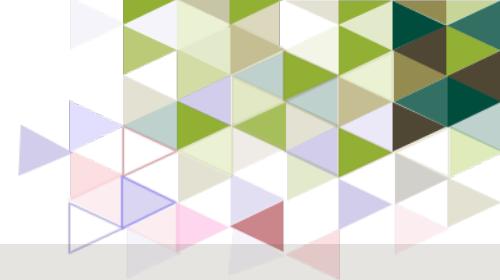
Results from global study on >35 mio people (Moral Machine)





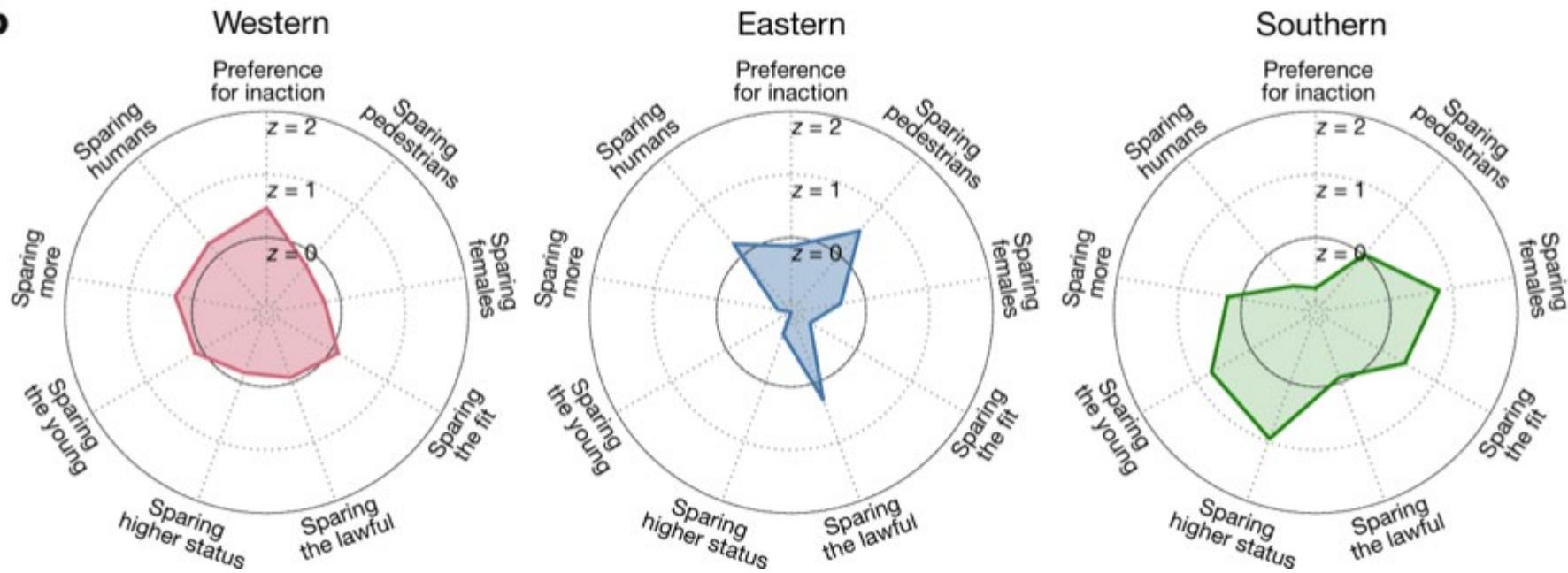
Results from global study on >35 mio people (Moral Machine)

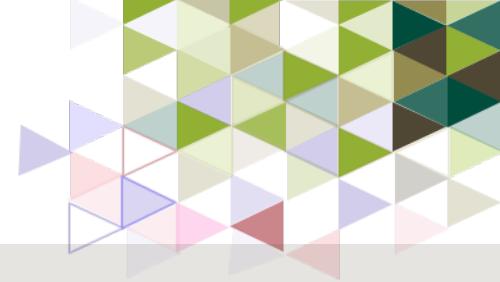




Cultural differences

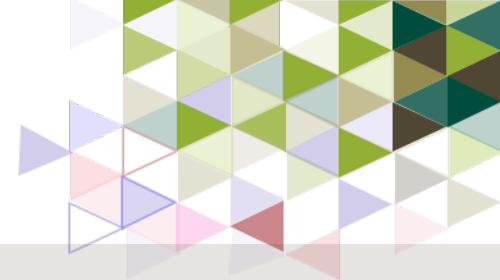
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Task 1: Normative perspective

Put yourself in Andrea's perspective: Discuss in which type of normative tensions she finds herself in? Which ethical considerations could she make?



Lösungsskizze

Ethical vs. Economic Tension:

- Andrea's ethical obligation to address and correct the racial bias in the AI algorithm clashes with the economic interests of Clusifine.ai, which is focused on maintaining investor confidence and launching the product without delay.

Professional Integrity vs. Loyalty to the Company:

- Andrea has a duty to uphold professional integrity and address biases in the algorithm. At the same time, she feels a sense of loyalty to Clusifine.ai and its mission of social impact, making it difficult to confront the leadership openly.

Transparency vs. Confidentiality:

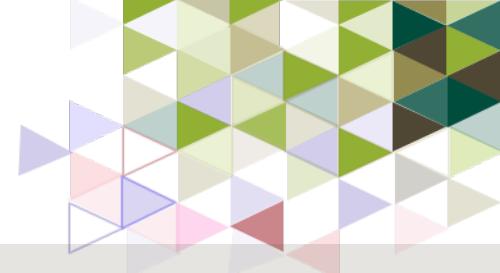
- While Andrea wants to be transparent about the bias issue, Sophia's directive to keep the findings confidential puts her in a position where revealing the truth might be perceived as disloyal or even harmful to the company.

Social Responsibility vs. Career Security:

- Andrea's commitment to social justice and her goal of making a positive impact are at odds with the potential risk to her own career if she escalates the issue against Sophia's wishes.

Individual Ethics vs. Organizational Culture:

- Andrea's personal ethical stance on addressing the bias head-on conflicts with the organizational culture at Clusifine.ai, where maintaining a positive public image and rapid scaling are prioritized.



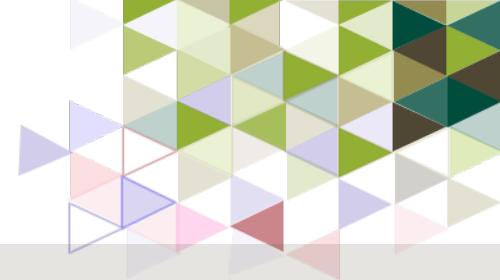
Adopting normative theories

Deontological Ethics (Duty-Based):

- From a Kantian perspective, Andrea should focus on doing what is ethically right regardless of the consequences. Since the algorithm's racial bias infringes on fairness and justice, addressing it openly is her moral duty.

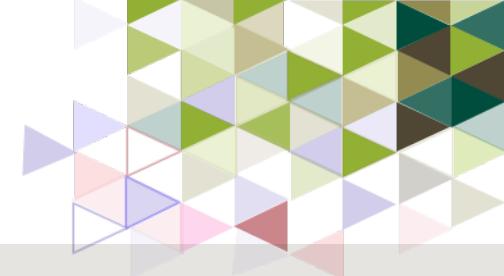
Consequentialist Ethics (Outcome-Based):

- A utilitarian approach would weigh the potential negative consequences of publicizing the bias against the harm caused to the Tamil community. If the potential scandal harms the entire microfinance sector, it might lead to a greater loss of social good.

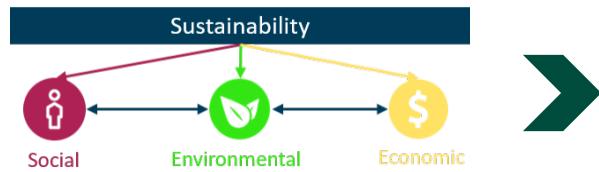


Task 2: Paradoxical tensions

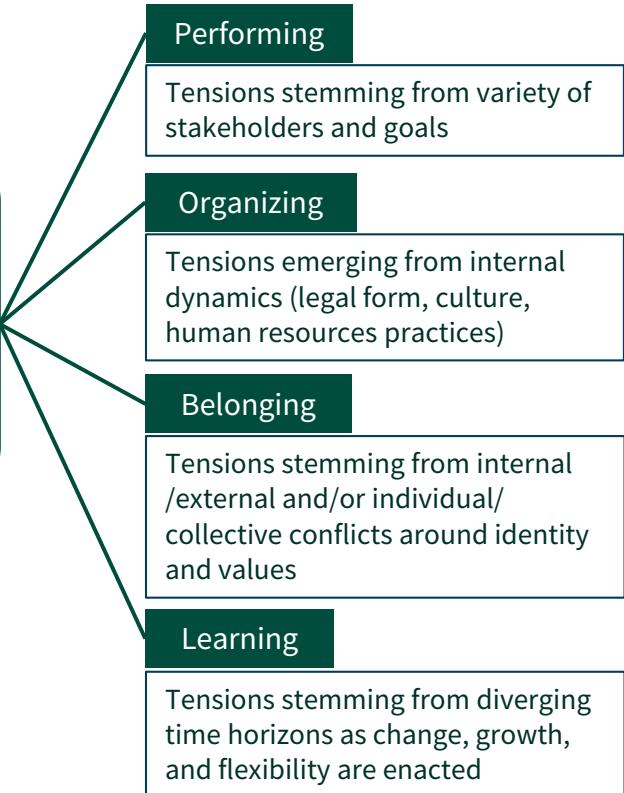
What type of paradoxical tensions are present within Clusifine.ai? Please elaborate.

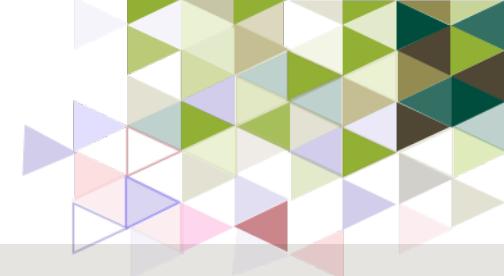


Paradoxical tensions

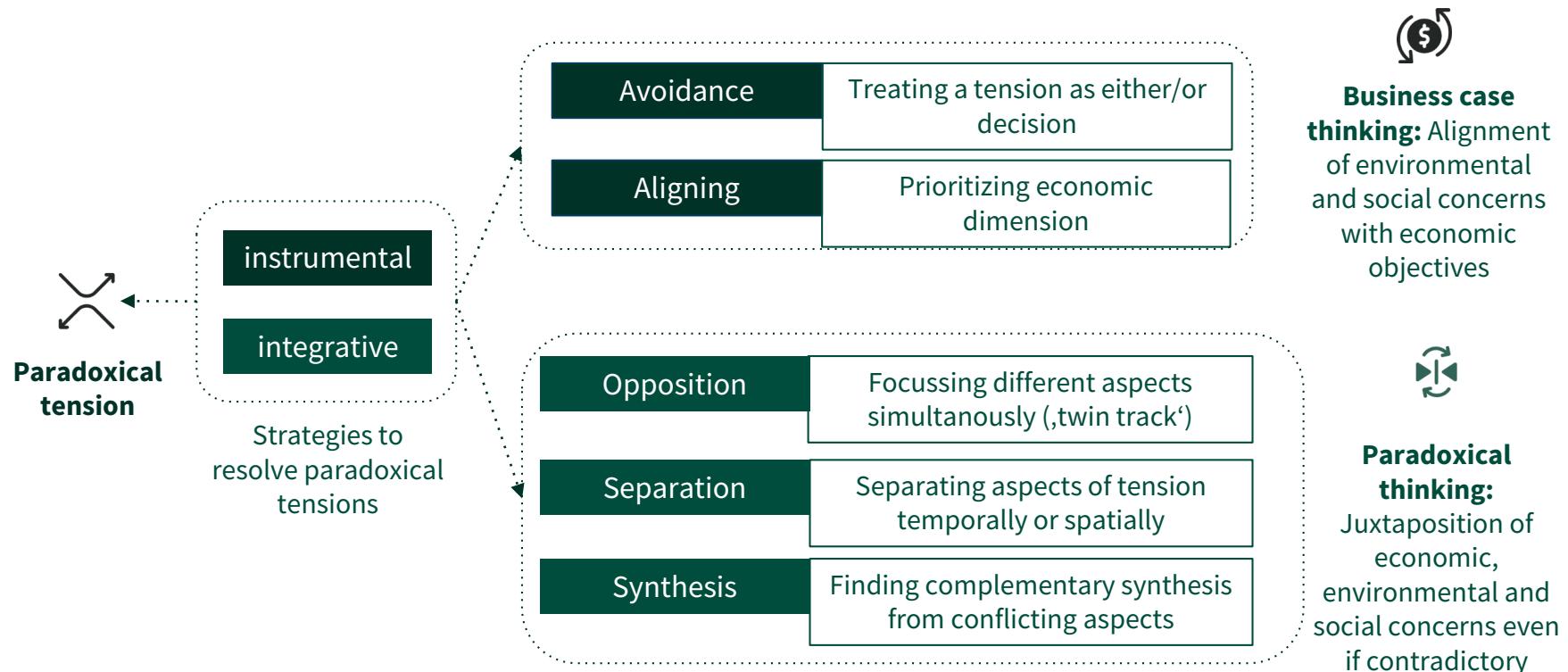


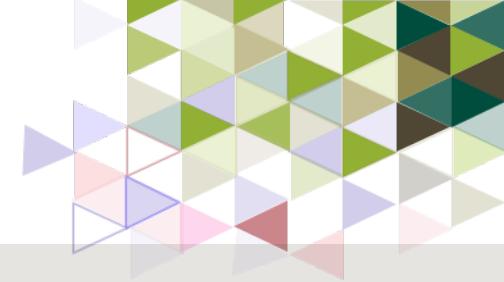

Paradoxical tensions:
“contradictory yet interrelated elements that exist simultaneously and persist over time”
(Smith and Lewis, 2011, p. 382)





Resolving paradoxical tensions differently





Performing Tensions

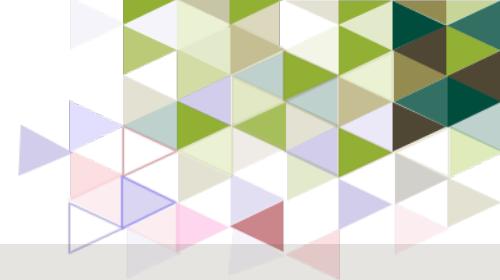
Performing Tensions: arise from conflicting performance objectives, such as social versus financial goals.

- **Case Example:**

- The tension between the ethical goal of addressing algorithmic fairness and the economic goal of launching the product on time.
- Andrea's struggle to balance the social impact of providing fair microcredit access with the economic imperative to secure funding and maintain investor confidence.

- **Overlap:**

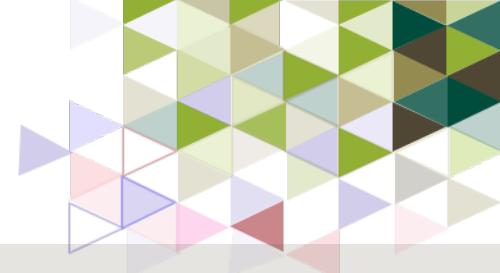
- Learning Tensions: The conflict also involves adapting new methods to ensure fairness while maintaining efficiency.
- Belonging Tensions: Andrea's identity as a social impact advocate conflicts with the company's performance-driven focus.



Organizing Tensions

Organizing Tensions arise from conflicting structures, processes, or practices within the organization, such as control versus flexibility.

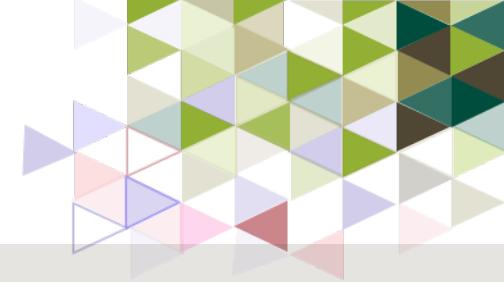
- **Case Example:**
 - The contradiction between rapid implementation of the AI algorithm and the need for careful validation and bias correction.
 - Clusifine.ai's centralized decision-making (Sophia's dominant leadership) versus the collaborative approach that would be necessary to tackle the issue transparently.
- **Overlap:**
 - Performing Tensions: The structured approach of pushing for a market-ready product conflicts with the flexible, adaptive approach needed for bias correction.



Learning Tensions

Learning Tensions: Tensions between stability and change, such as maintaining proven methods versus innovating and improving.

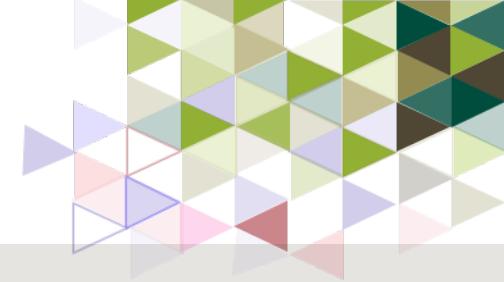
- **Case Example:**
 - The challenge of relying on existing training data and established algorithms versus implementing new data processing techniques to reduce bias.
 - Andrea's initiative to use additional testing methods (e.g., demographic mapping) conflicts with the routine methods used by her colleagues.
- **Overlap:**
 - Organizing Tensions: The push for consistent, efficient processes versus the need to integrate new, more accurate testing methodologies.



Belonging Tensions

Belonging Tensions arise from conflicting identities, roles, or group affiliations within the organization.

- **Case Example:**
 - Andrea's personal identity as an advocate for social justice versus her role as a data scientist focused on project delivery.
 - The tension between being loyal to the company and upholding her own ethical standards.
- **Overlap:**
 - Performing Tensions: Balancing her personal commitment to fairness with the company's drive for performance and success.
 - Organizing Tensions: The company culture, which values loyalty and rapid execution, conflicts with Andrea's desire for transparency and ethical responsibility.



Instrumental Strategies (Either/Or Approach)

Alignment: Aligning one pole of the paradox with dominant organizational goals, often prioritizing one side over the other.

Case: Performing Tension: Clusifine.ai aligns with economic goals (launching the product) over ethical concerns (bias correction).

Resolution:

- Emphasize the immediate business priority by proceeding with the launch while promising a future revision of the algorithm.
- Internally document the ethical challenges to address them post-launch.

Risks: May harm reputation if bias becomes public, compromising the social mission.

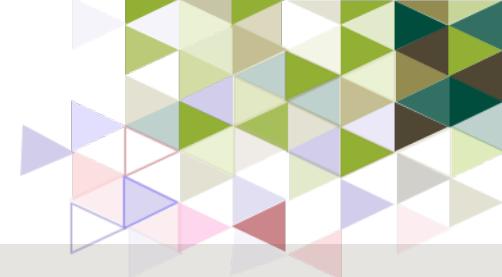
Avoidance: Ignoring or minimizing the paradox to reduce perceived conflict.

Case: Learning Tension: Downplaying new testing methods and continuing with established ones to maintain consistency.

Resolution:

- Present the bias as a non-issue or a minor glitch that can be fixed later.
- Continue with the existing launch plan without significant changes.

Risks: Ignoring the bias can lead to significant backlash if exposed later, damaging trust.



Integrative Strategies (Both/And Approach)

Acceptance: Acknowledging that paradoxes are inherent and enduring.

Case: Belonging Tension: Accepting the dual role of being a committed employee while advocating for ethical practices.

Resolution:

- Andrea acknowledges both the company's goals and her personal ethics.
- She commits to transparency in discussing the issue while also understanding the business imperatives.

Outcome: Builds internal resilience and fosters a balanced approach to conflicting demands.

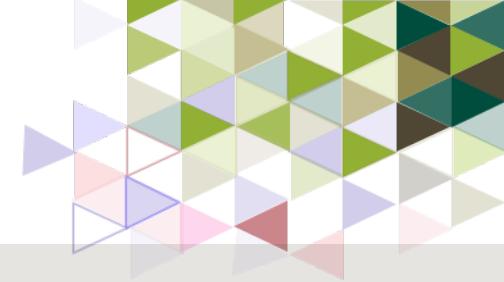
Spatial Separation: Separating paradoxical elements by assigning them to different organizational spaces or units.

Case: Organizing Tension: Separating product development from ethical assessment within the organization.

Resolution:

- Create a dedicated ethics task force to independently assess and address biases while the core team focuses on the product launch.

Outcome: Allows both innovation and ethical responsibility to coexist without directly conflicting.



Integrative Strategies (Both/And Approach)

Temporal Separation: Managing paradoxes by addressing one element now and the other later.

Case: Performing Tension: Launching the product as planned while committing to bias correction as a long-term project.

Resolution:

- Proceed with the initial rollout while allocating resources to post-launch updates aimed at fairness improvement.

Outcome: Reduces immediate pressure while demonstrating commitment to ethical improvement.

Synthesis: Creating a new, integrative solution that transcends the original tension.

Case: Learning Tension: Combining traditional testing methods with new demographic analysis to improve accuracy.

Resolution:

- Develop an adaptive algorithm that learns from diverse demographic inputs and continuously updates itself.

Outcome: Reduces bias while maintaining efficiency, aligning ethical standards with technical innovation.