



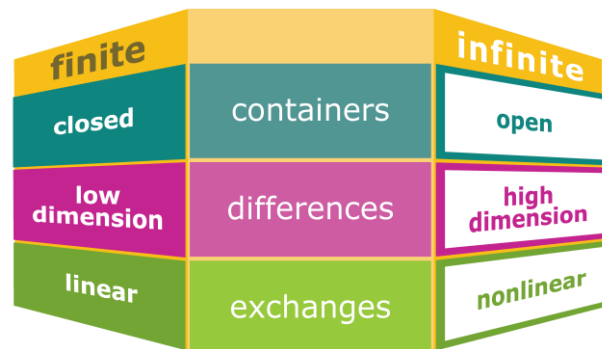
HUMAN SYSTEMS
DYNAMICS INSTITUTE

Finite and Infinite Games

Description of Finite and Infinite Games

Finite and Infinite Games inform your decision making as you consider the long- and short-term implications of decisions and actions. In complex systems, it is crucial that you know whether you are making a decision, finding a solution, or taking action in a short-term, win-lose Finite Game, or if your actions and decisions are part of the longer-term, more sustainable Infinite Game.

— Finite & Infinite Games —



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What?

Some games are bounded and predictable, like baseball or basketball or bridge. You see the short-term immediate implications, and you play them to WIN. Other games, like marriage, productivity, and health, are unbounded. You see the long-term sustainability issues, and you play them to KEEP PLAYING. James P. Carse, in his book *Finite and Infinite Games*, offers a perspective that names the two and helps you know when, how, and why to play each kind of game. At HSD, we value both games equally, and help people know what it means to play each one well.

Finite Games have rules and timeframes. There are players, and there are observers in an established field of play. The rules for the games are set, and generally known by the players. Someone is designated as referee to judge how well you play by the rules. It is easy to see who wins. After the game, no one argues about the score. The object of the game is to get the highest score so you win.

Nothing is intractable.

Infinite Games, on the other hand, are more open and less defined. Everyone plays in an Infinite Game, and the field is not clearly defined. The rules of the game are not constant. They change all the time, and there are no external judges or referees. The players are accountable to themselves and each other for their behavior in the game. Ultimately, the rules of the game are devised to keep the game going—indefinitely.

So What?

While many models, methods, and approaches teach you how to play Finite Games, HSD focuses on strategies to thrive in the uncertainty of the Infinite Game. In 2013, Eoyang and Holladay described the nature of complex systems as being open to multiple forces, high dimension, and nonlinear. Those very characteristics make systems complex and call for the open, responsive, iterative nature of Infinite Games to set conditions for resilience and sustainability.

People, teams, and organizations engage in Finite Games to establish processes and procedures when certainty is necessary and possible. In uncertainty and chaos, people have to plan for and play Infinite Games. In fact, all Finite Games are played within the context of the Infinite Games.

- ▶ Arranging your schedule for a 30-minute walk each day is a Finite Game that contributes to the Infinite Game of lifetime attention and work to maintain a healthy life.
- ▶ Employee compensation and recognition of short-term performance goals are Finite Games that contribute to the Infinite Game of ensuring that employees are clear about their roles and the contributions they make to the organization's success.
- ▶ Household chores that are checked off the list each day are Finite Games in the Infinite Game of a relationship built on shared responsibility and respect.

Now What?

Use Finite and Infinite Games in your next sticky issue to:

- ▶ Be clear about short-term and long-term outcomes, impacts.
- ▶ Understand the dynamics that shape the patterns of choice and behavior.
- ▶ Take wise action to move toward greater coherence and sustainability.



Finite and Infinite Games

What is the Purpose of Finite and Infinite Games?

As our world becomes more complex—more boundless, more diverse, and more interconnected—we must learn to play a different game.

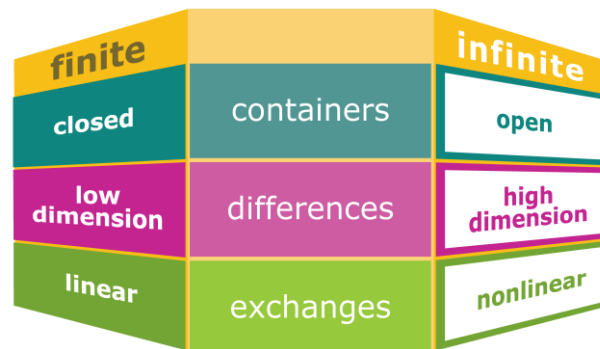
A Finite Game can be described by the usual sports analogies. There is a clear field of play. The game is bounded in time. There are consistent and well known rules, with some sort of referee or judge to ensure compliance. Players are clearly distinguished from observers; colleagues are distinguished from competitors.

There is a focus on some way to keep score because the point of the game is to win.

Until recently these rules could work well enough for companies and organizations, for communities and neighborhoods, and for families and individuals. In business, consider an example of a hostile takeover. CEOs and supervisors created the game plan and gave others their instructions. The field of play was the market of competition or the courtrooms of negotiations. The games were bounded by time and financial constraints, or by market sector. The rules were set by external regulatory systems and watched over by lawyers and industry watchdogs. The players were the CEOs, other executives, and Boards of Directors, while employees, stakeholders, and customers were observers. Each “team” involved in the takeover was clearly identified, and the game played out until the winner either took over the other company or avoided being taken over. Whichever side wins, there remains the task of “cleaning up” the mess left by the game.

While that Finite Game might work for the details of such a deal, there are other factors today that call for another more Infinite Game that responds to the complexity of the twenty-first century landscape. In today’s global economy, that level of merger in business calls for understanding of the Infinite Game:

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Nothing is intractable.

- ▶ There are multiple fields of engagement, many of them not clearly defined, and a move in one field can have impact on other fields of play.
- ▶ The decisions you make and action you take are influenced by change over a long history or what is happening in an instant.
- ▶ Rules of engagement change often and unexpectedly and are context specific. No “one size fits all” engagements will work in such a game.
- ▶ Competitors can be partners, and partners can sometimes compete.
- ▶ Measures of success are many and varied, and constantly evolving.
- ▶ The primary purpose of the game is to keep playing.

When you consider that same hostile takeover, considering your actions in light of Infinite Games invites you to consider the long-term impacts of every move, to consider the strategy in a different light, and to pay attention to the risks and benefits you may be leaving in the wake.

So What Does It Mean to Play an Infinite Game?

Playing the Infinite Game requires a different set of skills, attitudes, and knowledge than those that brought you success in the Finite Games of the past. It requires you to build *adaptive capacity*, a unique and powerful ability to see the emerging and dominant patterns around you, understand those patterns in ways that inform wise action, and influence those patterns at all scales of your system. These skills include analyzing incoming information from multiple perspectives, using a variety of qualitative and quantitative tools, relying on both your rational and intuitive understandings to find your next wise action. Ultimately you have to attend to the system’s response so that your next cycle of inquiry and action are informed by the outcomes of previous cycles.

Understanding Finite and Infinite Games reveals useful observations about playing in complex systems.

- ▶ You can play a Finite Game inside and Infinite one, but not the other way around.
- ▶ Communities are more likely to play Infinite Games than organizations are, because firms are usually bound by a corporate identity, focused on profits, and driven by more simple reporting relationships. Most communities have few if any of these constraints.
- ▶ Infinite Games rely on trust, courage, and adaptability, while Finite Games depend on strength, skill, and control.
- ▶ Human systems are always involved in Infinite Games, but sometimes it makes sense to play them as if they were Finite.

- ▶ Neither the Finite nor Infinite Game is better or worse—each is necessary in its own time. The only risk is playing one and expecting results of the other.
- ▶ Successful leaders understand the importance of both, and are skilled in both and are able to decide when each one is fit for function.
- ▶ The only way to thrive in an Infinite game is by Adaptive Action.

Now What Can You Do to Choose the Right Game?

Remembering that Finite Games and Infinite Games do not pose an “either/or” proposition, you have to know which game will be the best fit for the situation at hand. Is it a clear cut, unambiguous question of timing and organization? Then use a Finite Game to frame the action. On the other hand, is it a complex, massively entangled sticky issue that has you stuck? In that case, consider it as an Infinite Game and shift into the next **What?** by looking around you at the landscape you face. Find your next wise action to keep the game going.