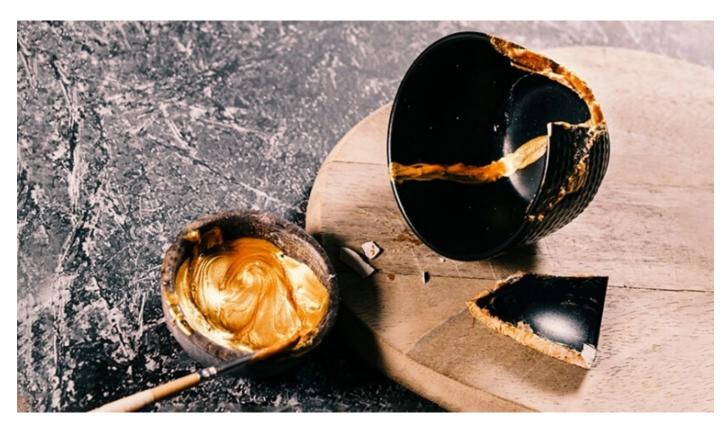


Kintsugi - the Art of Disaster

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Kintsugi – the Art of Disaster – 金継ぎ – Gold Repair

Unprecedented – perhaps this is the word of this decade. It is frequently paired with descriptions of disruptions and disasters, including the 2019 Australian Bushfires, the Global Pandemic, flooding, and now, renewed conflict in Europe, and a gloomy economic outlook. Our contemporary approach of encouraging resilience and attempting to manage the unpredictable opens some doorways to opportunity but to fully embrace the potential benefits inherent in undergoing change requires new thinking, from wider influences. One lesson arises from Japan: the art of *Kintsugi* – "Golden Repair", teaching that dedicated repairing of a broken item contributes to its increased value post-fracture. This philosophy may help us better understand, and embrace disruptions. We might even look better with golden cracks!

Kintsugi

Operations management theory and practice derives a good deal from Japanese influence, especially the principles of Kanban and Kaizen, so turning to Japanese philosophy in dealing with disruptions might help again. Through the 15th-Century practice of Kintsugi (Japan's ancient art of embracing imperfection), we learn that "marks of use" are valued and revered testimonials to the passing of time and life events. This aesthetic highlights breakages through a repair process in gold, the demonstration of effort and investment in time becomes part of a developmental narrative, celebrating the disruptive event as much as the repaired whole.

Kintsugi shows that we can create a more beautiful and even stronger piece of art if we embrace imperfections and see beauty in scars. This is a paradigm shift, a new way of thinking, from avoiding imperfections to embracing them or even loving them. Adopting this mindset, we can reexamine the changes and opportunities created by recent disorders to identify points of value emerging from the cracks.

Disorder & Disruption

Despite massive advancement in science and technology in the past century, the world is increasingly exposing our imperfect, incomplete knowledge. We are surrounded by the unpredictable, by imperfections. After more than two years of Pandemic restrictions, the <u>Bullwhip effect</u> caused stress and fractures across global supply chains. This period is further dotted with other challenges (ranging from <u>mere disruption</u> to <u>full scale disasters</u>), <u>Australia's adversities of 2019</u>, particularly <u>Bushfires</u>, were dwarfed as the Pandemic took hold. Significant <u>social</u>, <u>technological</u> and <u>economic adjustments</u> were required to deal with the unfolding circumstances and the <u>ongoing chain reactions</u> – <u>cascades</u> unleashed as <u>Australia's supply chains</u> were disrupted due to the curtailing of <u>global movements</u>.

Dealing with these challenges invokes arguably the second most frequently used word of the Pandemic era – Resilience. This term was particularly directed to the global supply chains placed under stresses and strains as the Pandemic fluctuated – "Bullwhipped" worldwide.

Despite all planning and preparatory efforts, COVID-19 shattered normality. In the "Covid-Normal" era, organisations sought to address the level of disruption and severity in the new conditions whilst responding to the changing customer and market behaviour induced by the altered demands of lockdowns and other preventative measures.

Lockdowns of cities and entire nations were further cracks of the Bullwhip, with businesses, especially those in the hospitality sector and healthcare, rapidly forced to adapt to logistic challenges and scarcities. Offices, schools and other workplaces emptied but consumer needs remained (despite sudden demands for certain supplies) and our efforts to respond provide valuable insight regarding embracing disruption. These lessons, combined with ongoing demands to trade and invest in order to secure the goods, products and materials to provide for our national needs, imply that supply chains have tangible, fragile qualities of connectivity.

This calls to mind highly durable plastic bottles – able to be twisted and readily returning to a recognisable (albeit battered) shape to supply water versus an elegant porcelain tea pot, fashioned to provide efficient and beautiful service of morning tea. Supply chains may be equally shaped to their purpose and fragile, especially when disorders are severe and enduring. To this end, mere resilience may not be enough and we need to go beyond, especially when disruptions come in concussive waves.

Beyond Resilience

Nicholas Nassim Taleb champions the "Antifragile" approach – exhorting us to see the benefit of perceiving times of disorder as an opportunity to gain. This idea of Eustress ("Useful Stress") and seeking to thrive more than merely survive, moves beyond the preparations and qualities endorsed as being valuable in a resilient organisation and prompts the consideration of further embracing disorder as necessary and: to be valued. Indeed- Churchill said – "Never waste a good crisis!". Thus, when disruptions occur and the global supply chains relied upon to fill our dinner plates are repeatedly smashed by the Bullwhip, like so much fine China; the application of Kintsugi-esque philosophies suggests meeting with, and adapting to, disorder may be considered as being a valued part of ongoing life rather than a catastrophic end.

Positive actions arising from COVID can be found firstly in the <u>acceleration of science</u> – the <u>production and acceptance of vaccines</u> to slow the Pandemic, and prepare the way to global <u>recpening</u>, although on a new footing. Next, to patch the gaps and restore daily business wherever practicable: rapidised <u>Digital transformation</u> –the coupling of digital systems to effect greater control of <u>supply chain performance</u>; increased media <u>platforms streaming content</u>; hybridisation of workplaces and events, and <u>greater numbers of students online</u>, participating in <u>academic courses on a global basis</u>.

Psychological and physical cracks arising from COVID-imposed <u>losses of favourite stores and restaurants</u> wrought <u>changes in online shopping</u>, including <u>online meal delivery</u> and <u>shopping for ordinary needs</u> triggering another major shift: online payment. The rise of the <u>BNPL services</u> highlights this transformation however the <u>economic effects of "micro-debt"</u> is yet to be fully realised as the intersection of <u>global disruption</u>, <u>inflation</u>, <u>interest rates</u> and <u>wages</u> shifts.

Faced with geoclimatic events, economic pressures and potential conflict, the ability of Australian SMEs to assess their strengths and unite in order to address altered demands remains essential – demonstrated in collaborative efforts to produce ventilators in response to increasing patient numbers; major fashion brands turning out medical gowns and craft breweries switching production to hand sanitizer. Another notable example of moving beyond survival, and flourishing post-disruption is Artisan Bend's monthly cheese subscription; repairing connectivity between customers and dairy farmers.

As the Pandemic transitions to an Endemic state, it is opportune to reflect on what was broken, lessons learnt, and celebrate the outcomes as the Art of Disaster. Like *Kintsugi*, there is value to be found in fully understanding recent events, and accepting the changes; such a revised philosophy is a golden opportunity to support our society into the future.



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