## Systems Approach we talk about today

#### Value Graph (upper half)

- purpose and alternative viewpoint
- higher purposes and alternative ideas

#### Causal Loop Diagram

- cause-and-effect viewpoint
- causes and effects

## Customer Value Chain Analysis (CVCA)

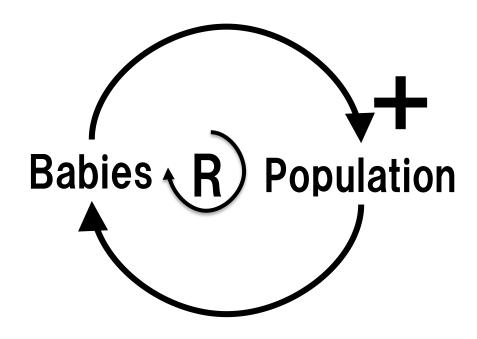
- value chain viewpoint
- stakeholders and their values

## Function and Physical Architecture

- function and physical viewpoints
- functions and physical structures

# Causal Loop Diagram

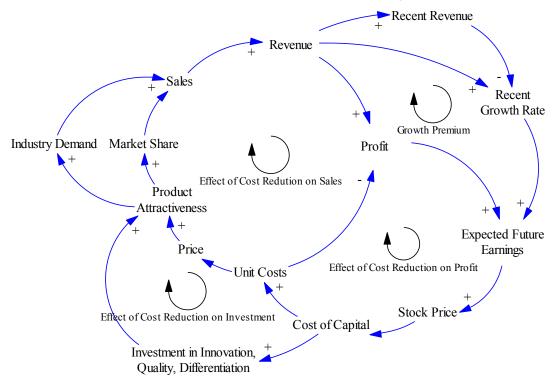
- Causal Loop Diagram
  - cause-and-effect viewpoint
  - causes and effects



# Causal Loop Diagram

 A causal loop diagram consists of <u>variables</u> connected by <u>arrows</u> denoting the <u>causal</u> <u>influences</u> among the variables.

(Sterman, J. D. Business Dynamics: Systems Thinking and Modeling for a Complex World . Vol. 19 Irwin/McGraw-Hill New York, 2000.)



# Causal Loop Diagram

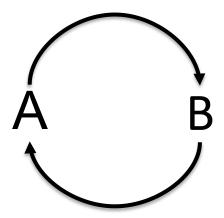
#### 2 Causal Links

- Positive Causal Link
- Negative Causal Link

## 2 Causal Loops

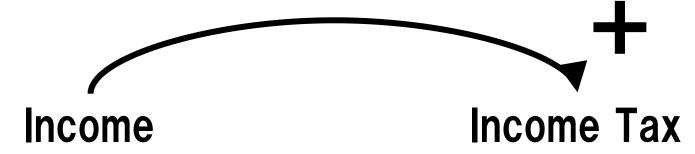
- Reinforcing Causal Loop
- Balancing Causal Loop

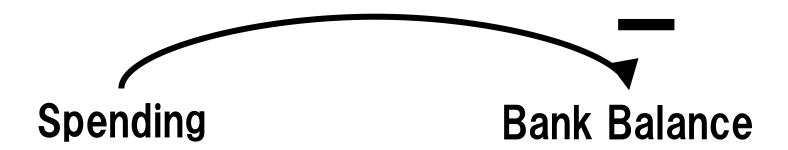




## Causal Links

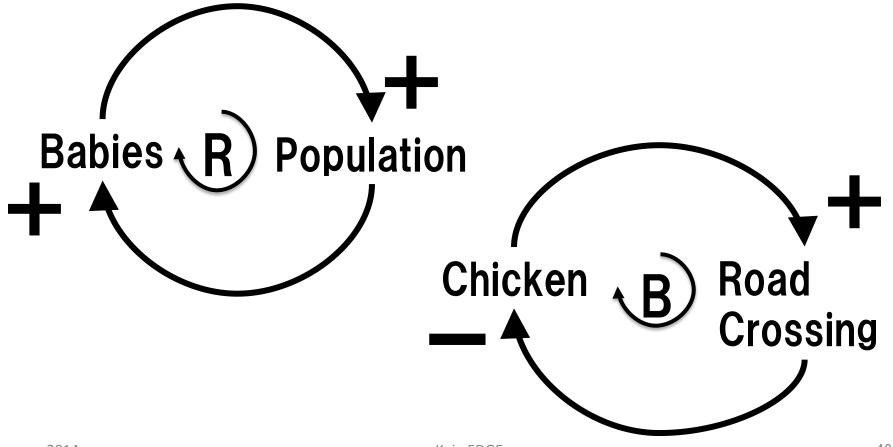
Identify the type of links.





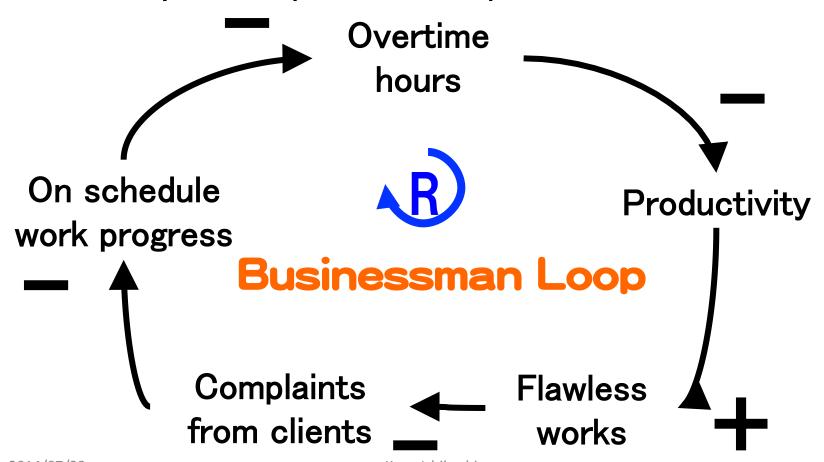
## Causal Loops

Identify the type of loops.



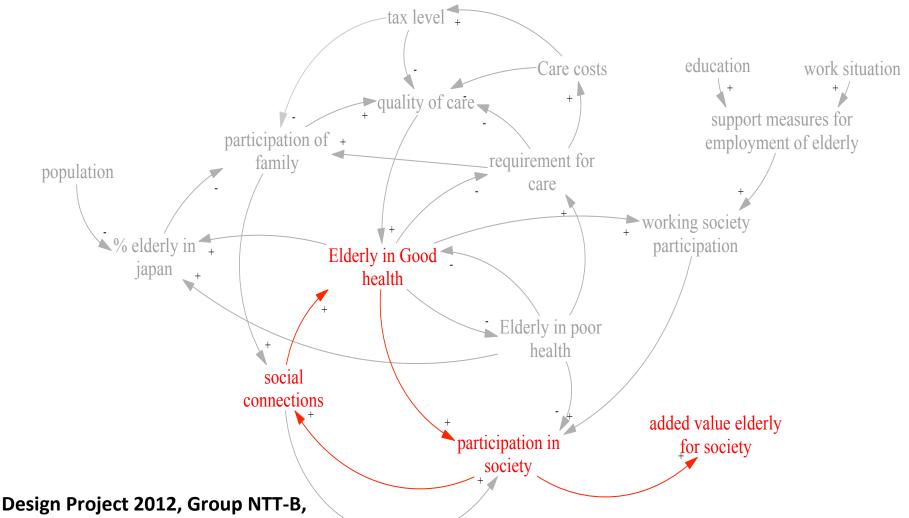
# Causal Loop Names

Name your important loops.



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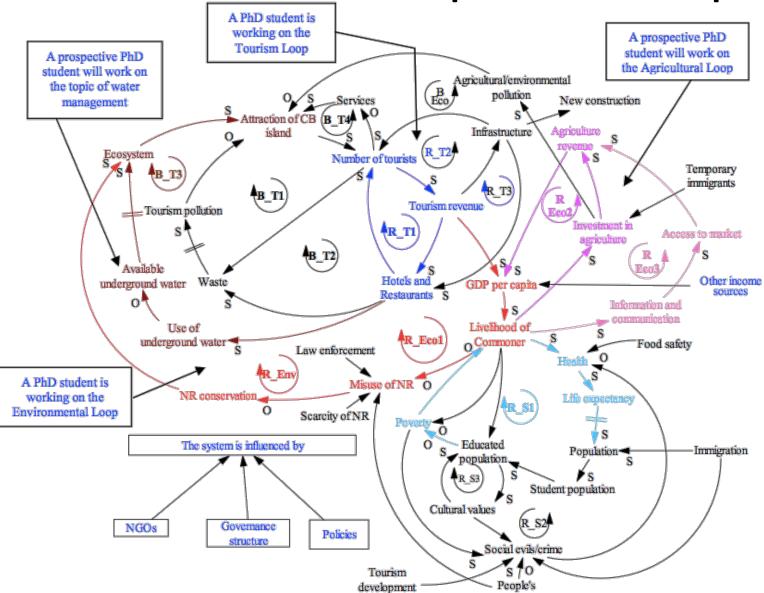
# CLD in a Design Project: Example



Damon Azuma, WanYu Chen, Toshiro Kiura, Akico Nagasawa, Yuta Nakajima, Jeroen Paling, Robin Sippe Final Report, p16, Figure 7 Causal loop aging problem

"NTT asked us to find a way to increase their market and also show their societal connection as a former public company."

CLD in Academic Papers: Example



Nguyen, N. C., O. J. H. Bosch, and K. E. Maani. "The Importance of Systems Thinking and Practice for Creating Biosphere Reserves as "Learning Laboratories" for Sustainable Development." (2009).

## CLD Analysis in a design process: Practice

 Try to create causal loop diagram with multiple loops.

Be careful with causal links.

Agenda

Depopulation of Japan.

## CLD **Design** in a design process: Practice

- Analyze and find a point of intervention.
  - find leverage point
- Design a solution's cause and effect.

Think about the implementation.

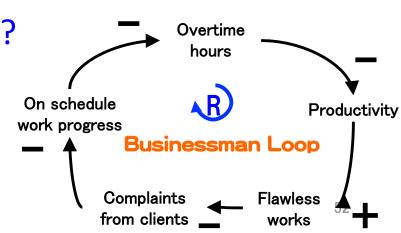
# Agenda Counter measure for Depopulation of Japan.

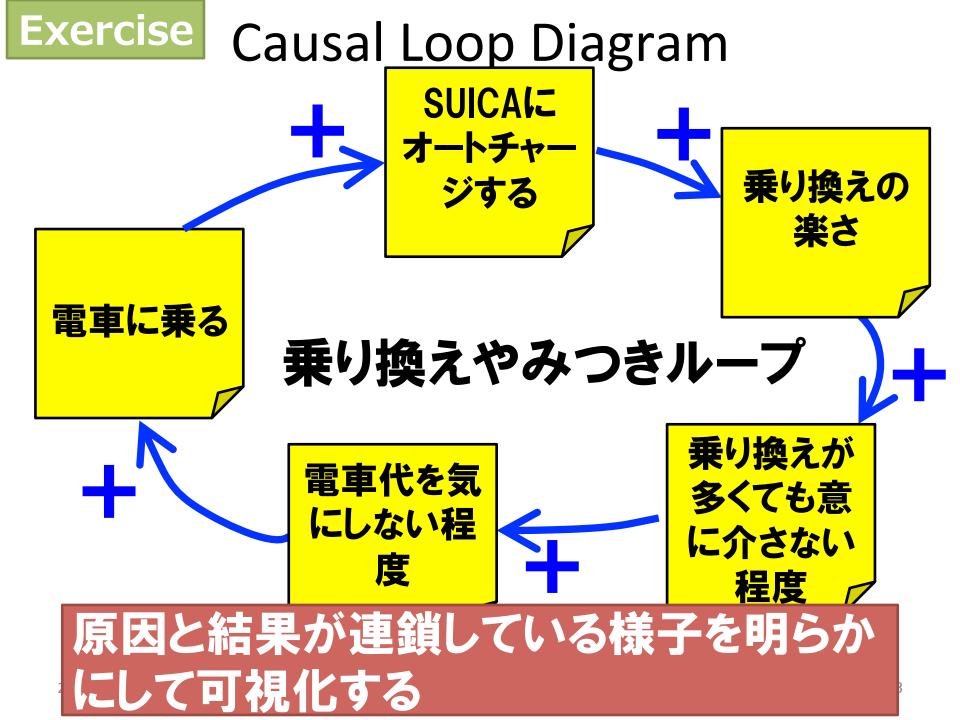


## Causal Loop Diagram Exercise 1

- Discuss and create Causal Loop Diagram from one of your concepts or ideas. (\*If you don't have one than you can do "wearable life log device".)
- Try to create more than two Causal Loop Diagrams.
- Is there something that "keep happening" or "situation does not change for long time"?
- What are causes and effects of those events?
- ☐ Are these causes and effects loop?

Identify causes and effects and their relationships within the scope and the topic?



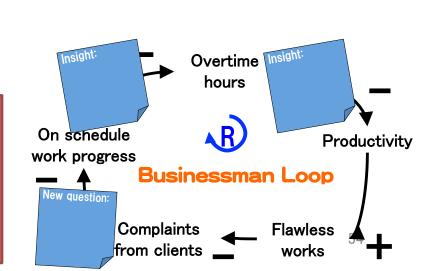




## Causal Loop Diagram Exercise 2

- Discuss about your Causal Loop Diagram session.
   Both process and output.
- Jot down interesting finding and new questions found during the discussion. They may be important insights.
- Where is the leverage point?
- ☐ How might we get more people go though this loop?
- How might we create new loop?

Look for insights to create new causal loops as a part of the solution.



## Wrap-up

- In many cases, it is NOT easy to find causal links in a real world issue.
  - Ex) Apple's domination of smart phone domain.
- It often requires diligent fieldwork, careful investigation, creative insight, flexible logical thinking, and more to find causal loops.
  - Ex) Depopulation in Japan.
- Systemic thinking and innovative ideation is often a key for designing causal loop for your solution.