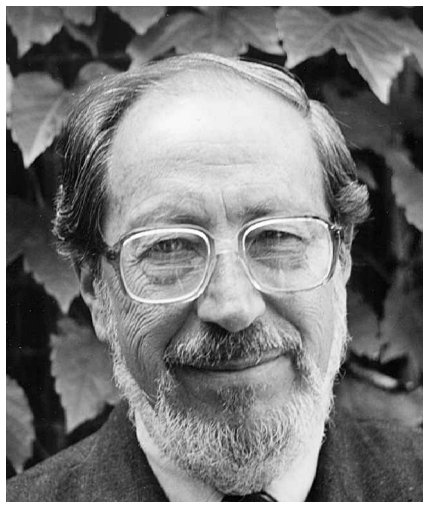
From the Founding Editor

The Many Faces of Leadership



The cover of this issue says it all. There is wisdom in many places waiting to be tapped. And there is no single answer, no one Buddha that can reveal the truth about leadership to us. Inasmuch as "leadership" is a topic that I have thought about for at least 40 years, I decided to write a longer introduction than usual. I want to alert the reader to the complexity of the phenomenon and to the reason why we have such a diverse set of features and views in this issue.

First of all, leadership is about people, so it stands to reason that the assumptions that a leader makes about the nature of human nature will make a difference to his or her leadership behavior. I have come to accept that McGregor was correct in asserting that effective managers (read leaders) do have an optimistic view of human nature. I have also observed, however, that too many readers of McGregor have incorrectly translated that into participative management. McGregor never meant to say that. The optimistic leader will still base his or her leadership *style* primarily on the nature of the problem to be solved. Many military leaders are highly autocratic in combat and other situations that demand tight discipline, yet are very trustful of and optimistic about the people above, around, and below them. Cynical leaders simply do not make it in military environments, not even Captain Queeg in novels like *The Caine Mutiny*.

Second, there is no question that leadership style and leadership behavior will vary as a function of several contingencies: (1) the task to be accomplished; (2) the level of training and maturity of subordinates (followers); (3) historical and cultural contexts. The leadership that is needed when an organization is created is different from what is needed when it is time to stabilize, and that, in turn, is different from what is needed when an organization needs to change in fundamental ways. The dynamics of each of these stages are, in turn, contingent on what is going on in the environment, the nature of the competition, the type of technology, maturity of the product or market, and so on. One of the problems of identifying future leaders is that one cannot foresee easily what the key tasks will be that a future leader will face.

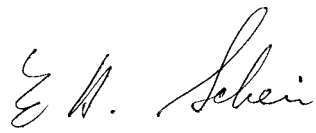
We consistently ignore or forget that leadership is a relationship between a leader and followers. We obsess about the characteristics we are looking for in leaders and pay hardly any attention to the fact that the task of leading a well-trained team might be different from leading a group of confused, untrained, and marginally intelligent strangers. Yet we need to think more carefully about followership, the kind of education and training that people need in order to be capable of accomplishing the tasks that leaders may set for them. In my own experience, leading a group of people who are bright, well-trained in group process, and eager to accomplish a task is a lark. But how do we lead a hostile unionized workforce, used to being exploited by management, into the knowledge-based, networked organization of the future? Or is that the wrong question? Should we be asking how do we educate the population to the realities of the future?

History and culture certainly will make a difference to what is acceptable and desirable in a leader. I remember vividly a discussion in my Sloan Fellows Executive Class where the Western contingent in the class put enormous emphasis on the key characteristic of the leader being "the ability to create and articulate a vision." Some of the Asians in the class looked a bit skeptical. One of them was asked what the vision of his CEO was, and, to everyone's surprise, he replied that he did not know and, furthermore, did not care. Yet he profoundly respected his CEO as a great leader. "On what basis," he was asked rather sharply, "if you don't even know his vision?" The reply was, "On the basis

of his track record, our company is doing very well." The long silence that followed was pregnant with cultural self-insight.

Inevitably we then come back to the question of "What is leadership?" It is clearly associated with the ability to move a group or organization, but does the movement have to be a visible change or might it be a consistent adaptation to a rapidly changing environment? It is tempting to associate leadership with dramatic transformations, but is that any more difficult or noteworthy than the ability to steer a ship through stormy seas or to quietly adjust an organization to the changing demands of the marketplace? As you read the selections in this issue, I invite you to browse and keep an open mind on what for you will be a viable definition of leadership and how you will apply it to your own situation.

My own definition of leadership, taking into account all of the above contingencies, is "the ability to rise to the occasion," which requires both the insight and perception to figure out what the occasion is, and the behavioral flexibility to do what is needed.



Ed Schein

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Douglas McGregor (1906–1964) received his Ph.D. in Psychology from Harvard in 1935 and joined the MIT faculty in the Industrial Relations section in 1937. He hosted Kurt Lewin and the Center for Group Dynamics at MIT in 1948. After six years as president of Antioch College (1948–1954), he returned to the MIT Sloan School for the remainder of his career.

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In This Issue

EDITORIAL

Edgar H. Schein and Karen Ayas

The choice of articles in this issue reflects our concern for diversity of viewpoints. We will see leadership through the lenses of a social scientist of four decades ago, the US Army, the Girl Scouts, the Singapore Police, the corporate world, the Great Peace March, nonprofit foundations, and more.

Classics

Douglas McGregor's seminal work on how leadership behavior is ultimately a reflection of the leader's deep assumptions about human nature is an appropriate beginning. We hope all readers will reflect on their own tacit assumptions. Several leaders we asked shared their reflections. Bill O'Brien noted that these are the assumptions that have allowed him to build his value-based, vision-driven organization. Iva Wilson questions whether we are any closer to answering today McGregor's call to action of four decades ago. David Berlew's article focuses more on the relationship of the individual to the organization and reminds us usefully that organizational life can be exciting, if we figure out how to make it so. Reflect on this in your own organizations. Göran Carstedt's and Bea Mah Holland's comments both attest to the relevance of this 1974 piece to the new economy.

Features

We then travel halfway around the world to find a stimulating account of powerful leadership in an organization that many would find surprising—the Singapore Police Force. How does a traditionally autocratic organization in an autocratic political system turn itself into a learning organization? We can learn from Police Commissioner Khoo Boon Hui, who was interviewed by Otto Scharmer. Comments by Diane Cory and Daniel Kim, who provided training and became partners with the Police Force in achieving their vision, and Ed Schein, who studied Singapore in the mid-1990s, provide some perspective.

Leadership and democracy in action and the struggle to become a real community are illustrated in Steve Brigham's account of the Great Peace March to Washington in 1986. Bert Frydman's commentary highlights the similarity of the struggles we face in corporate life. Frances Hesselbein from our editorial board and the Peter F. Drucker Foundation for Nonprofit Management honored SoL's 1999 Annual Meeting with a plenary address that we reproduce here with commentary from John O'Shea of the US Army.

The final exciting feature is a trialogue among three powerful voices in the leadership domain—Peter Senge, Ron Heifetz, and Bill Torbert. Not only are such trialogues exciting in the context of the meetings in which they occur, but we have found that they also, with some editing, work well as written pieces. They bring out nuances and disagreements in ways that singly authored pieces fail to capture. We also asked the original speakers to comment, and Bill Torbert has chosen to do so.

Views

We close with two reviews of recent books. Melissa Cefkin reviews *All Hat and No Cattle* by Chris Turner. James Ritchie-Dunham discusses Nancy Dixon's book, *Common Knowledge*.

Please write or e-mail us your suggestions and recommendations. Let us know what you would like to see in *Reflections*. Send mail to jane@sol-online.org or to Editor, *Reflections: The SoL Journal*, 222 Third Street, Suite 2323, Cambridge, MA 02142.

CLASSIC

The Human Side of Enterprise

Douglas McGregor

It has become trite to say that the most significant developments of the next quarter century will take place not in the physical but in the social sciences, that industry—the economic organ of society—has the fundamental know-how to utilize physical science and technology for the material benefit of mankind, and that we must now learn how to utilize the social sciences to make our human organizations truly effective.

Many people agree in principle with such statements; but so far they represent a pious hope—and little else. Consider with me, if you will, something of what may be involved when we attempt to transform the hope into reality.

I

Let me begin with an analogy. A quarter century ago basic conceptions of the nature of matter and energy had changed profoundly from what they had been since Newton's time. The physical scientists were persuaded that under proper conditions new and hitherto unimagined sources of energy could be made available to mankind.

We know what has happened since then. First came the bomb. Then, during the past decade, have come many other attempts to exploit these scientific discoveries—some successful, some not.

The point of my analogy, however, is that the application of theory in this field is a slow and costly matter. We expect it always to be thus. No one is impatient with the scientist because he cannot tell industry how to build a simple, cheap, all-purpose source of atomic energy today. That it will take at least another decade and the investment of billions of dollars to achieve results which are economically competitive with present sources of power is understood and accepted.

It is transparently pretentious to suggest any *direct* similarity between the developments in the physical sciences leading to the harnessing of atomic energy and potential developments in the social sciences. Nevertheless, the analogy is not as absurd as it might appear to be at first glance.

To a lesser degree, and in a much more tentative fashion, we are in a position in the social sciences today like that of the physical sciences with respect to atomic energy in the thirties. We know that past conceptions of the nature of man are inadequate and in many ways incorrect. We are becoming quite certain that, under proper conditions, unimagined resources of creative human energy could become available within the organizational setting.

We cannot tell industrial management how to apply this new knowledge in simple, economic ways. We know it will require years of exploration, much costly development research, and a substantial amount of creative imagination on the part of management to discover how to apply this growing knowledge to the organization of human effort in industry.

First published in *Adventure in Thought and Action*, Proceedings of the Fifth Anniversary Convocation of the School of Industrial Management, Massachusetts Institute of Technology, Cambridge, April 9, 1957. Cambridge, MA: MIT School of Industrial Management, 1957; and reprinted in *The Management Review*, 1957, 46, No. 11, 22–28.

May I ask that you keep this analogy in mind—overdrawn and pretentious though it may be—as a framework for what I have to say this morning.

Management's Task: Conventional View

The conventional conception of management's task in harnessing human energy to organizational requirements can be stated broadly in terms of three propositions. In order to avoid the complications introduced by a label, I shall call this set of propositions "Theory X":

1. Management is responsible for organizing the elements of productive enterprise—money, materials, equipment, people—in the interest of economic ends.
2. With respect to people, this is a process of directing their efforts, motivating them, controlling their actions, modifying their behavior to fit the needs of the organization.
3. Without this active intervention by management, people would be passive—even resistant—to organizational needs. They must therefore be persuaded, rewarded, punished, controlled—their activities must be directed. This is management's task—in managing subordinate managers or workers. We often sum it up by saying that management consists of getting things done through other people.

Behind this conventional theory there are several additional beliefs—less explicit, but widespread:

4. The average man is by nature indolent—he works as little as possible.
5. He lacks ambition, dislikes responsibility, prefers to be led.
6. He is inherently self-centered, indifferent to organizational needs.
7. He is by nature resistant to change.
8. He is gullible, not very bright, the ready dupe of the charlatan and the demagogue.

The human side of economic enterprise today is fashioned from propositions and beliefs such as these. Conventional organization structures, managerial policies, practices, and programs reflect these assumptions.

In accomplishing its task—with these assumptions as guides—management has conceived of a range of possibilities between two extremes.

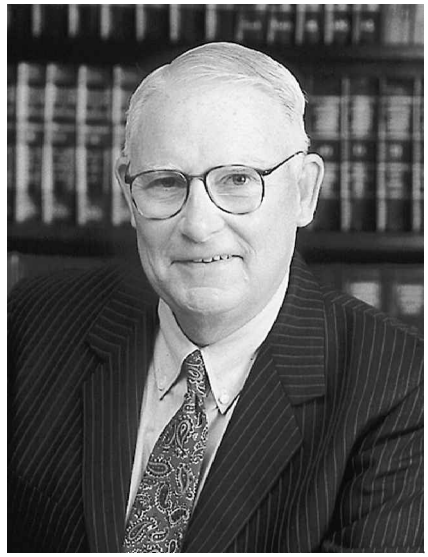
The Hard or the Soft Approach?

At one extreme, management can be "hard" or "strong." The methods for directing behavior involve coercion and threat (usually disguised), close supervision, tight controls over behavior. At the other extreme, management can be "soft" or "weak." The methods for directing behavior involve being permissive, satisfying people's demands, achieving harmony. Then they will be tractable, accept direction.

This range has been fairly completely explored during the past half century, and management has learned some things from the exploration. There are difficulties in the "hard" approach. Force breeds counterforces: restriction of output, antagonism, militant unionism, subtle but effective sabotage of management objectives. This approach is especially difficult during times of full employment.

There are also difficulties in the "soft" approach. It leads frequently to the abdication of management—to harmony, perhaps, but to indifferent performance. People take advantage of the soft approach. They continually expect more, but they give less and less.

Currently, the popular theme is "firm but fair." This is an attempt to gain the advantages of both the hard and the soft approaches. It is reminiscent of Teddy Roosevelt's "speak softly and carry a big stick."



Bill O'Brien
Retired President and CEO
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Commentary
by Bill O'Brien

It was 1972, 28 years ago. Jim Clunie ambled into my office and said, "You gotta read this," and threw a copy of *The Human Side of Enterprise* on my desk. Jim was a fellow manager at Hanover Insurance, and we often reflected on the diseases produced by the prevailing hierarchical management practices of that time.

The book was a major enlightenment for me. I knew instinctively that McGregor's assessment of the traditional view of management, which he names Theory X, was true because I had worked in X environments for years, trying to run Y divisions. McGregor's six assumptions of Theory Y and his ideas of integrating individual and organization goals are congruent with the main planks in my philosophy of life now and at that time. I believe each human life is special and has a unique purpose, that all work has dignity, and that work and family are the principal platforms for human growth. I felt McGregor had articulated what was etched within my moral nature, but I didn't have the words to express it. He provided me a cohesive theory for what was an assortment of impulses that leaned toward Theory Y. He gave me intellectual nourishment to design and implement a values-based, vision-driven philosophy of governance that was appropriate to the circumstances I found myself in at Hanover.

McGregor's book was published in 1960. It took 12 years for it to come to my attention, and his lingo didn't enter the mainstream of vocabulary until the early eighties. It takes a long time for even seminal ideas to move from conception to widespread acceptance. I see, over time, McGregor's ideas about human motivation, Argyris's ideas about conversation, Forrester's ideas about

the interaction of large-scale systems, and Senge's five disciplines all converging into a comprehensive theory of organizational governance that will replace the worn-out theories of command and control. It will take time.

What might speed up the gestation period of making the rich thought that has emerged in the social sciences during the past 50 years more prevalent in actual corporate practices? I nominate two for consideration. First, raise the level of moral expectation for people who hold positions of power at every level. Why? Humans are moral animals. Unlike lower animals, they pursue truth, think about freedom, strive to create a better future, and seek to love and be loved. As our moral faculties are developed, we become more fully human. It is congruent with our nature to advance morally as it is to learn or mature physically. Thus, in corporate settings, we ought to strive to live out our values at their most advanced level just as we seek best practices in engineering, financial, or marketing functions, not just perceive values as boundaries or limits on our behaviors as is widely the case today.

Second, our whole system of financial certification needs to be overhauled. The process of certifying and attesting to financial performance has to do a better job of sorting the plunderers and quick flippers from those who build enduring economic value.

Is the Conventional View Correct?

The findings which are beginning to emerge from the social sciences challenge this whole set of beliefs about man and human nature and about the task of management. The evidence is far from conclusive, certainly, but it is suggestive. It comes from the laboratory, the clinic, the schoolroom, the home, and even to a limited extent from industry itself.

The social scientist does not deny that human behavior in industrial organization today is approximately what management perceives it to be. He has, in fact, observed it and studied it fairly extensively. But he is pretty sure that this behavior is *not* a consequence of man's inherent nature. It is a consequence rather of the nature of industrial organizations, of management philosophy, policy, and practice. The conventional approach of Theory X is based on mistaken notions of what is cause and what is effect.

"Well," you ask, "what then is the *true* nature of man? What evidence leads the social scientist to deny what is obvious?" And, if I am not mistaken, you are also thinking, "Tell me—simply, and without a lot of scientific verbiage—what you think you know that is so unusual. Give me—without a lot of intellectual claptrap and theoretical nonsense—some practical ideas which will enable me to improve the situation in my organization. And remember, I'm faced with increasing costs and narrowing profit margins. I want proof that such ideas won't result simply in new and costly human relations frills. I want practical results, and I want them now."

If these are your wishes, you are going to be disappointed. Such requests can no more be met by the social scientist today than could comparable ones with respect to atomic energy be met by the physicist fifteen years ago. I can, however, indicate a few of the reasons for asserting that conventional assumptions about the human side of enterprise are inadequate. And I can suggest—tentatively—some of the propositions that will compose a more adequate theory of the management of people. The magnitude of the task that confronts us will then, I think, be apparent.

II

Perhaps the best way to indicate why the conventional approach of management is inadequate is to consider the subject of motivation. In discussing this subject I will draw heavily on the work of my colleague, Abraham Maslow of Brandeis University. His is the most fruitful approach I know. Naturally, what I have to say will be overgeneralized and will ignore important qualifications. In the time at our disposal, this is inevitable.

Physiological and Safety Needs

Man is a wanting animal—as soon as one of his needs is satisfied, another appears in its place. This process is unending. It continues from birth to death.

Man's needs are organized in a series of levels—a hierarchy of importance. At the lowest level, but preeminent in importance when they are thwarted, are his physiological needs. Man lives by bread alone, when there is no bread. Unless the circumstances are unusual, his needs for love, for status, for recognition are inoperative when his stomach has been empty for a while. But when he eats regularly and adequately, hunger ceases to be an important need. The sated man has hunger only in the sense that a full bottle has emptiness. The same is true of the other physiological needs of man—for rest, exercise, shelter, protection from the elements.

A satisfied need is not a motivator of behavior!
This is a fact of profound significance. It is a fact that is regularly ignored in the conventional approach to the management of people. I shall return to it later. For the moment, one example will make my point. Consider your own

need for air. Except as you are deprived of it, it has no appreciable motivating effect upon your behavior.

When the physiological needs are reasonably satisfied, needs at the next higher level begin to dominate man's behavior—to motivate him. These are called safety needs. They are needs for protection against danger, threat, deprivation. Some people mistakenly refer to these as needs for security. However, unless man is in a dependent relationship where he fears arbitrary deprivation, he does not demand security. The need is for the "fairest possible break." When he is confident of this, he is more than willing to take risks. But when he feels threatened or dependent, his greatest need is for guarantees, for protection, for security.

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The fact needs little emphasis that, since every industrial employee is in a dependent relationship, safety needs may assume considerable importance. Arbitrary management actions, behavior that arouses uncertainty with respect to continued employment or which reflects favoritism or discrimination, unpredictable administration of policy—these can be powerful motivators of the safety needs in the employment relationship *at every level* from worker to vice president.

Social Needs

When man's physiological needs are satisfied and he is no longer fearful about his physical welfare, his social needs become important motivators of his behavior—for belonging, for association, for acceptance by his fellows, for giving and receiving friendship and love.

Management knows today of the existence of these needs, but it often assumes quite wrongly that they represent a threat to the organization. Many studies have demonstrated that the tightly knit, cohesive work group may, under proper conditions, be far more effective than an equal number of separate individuals in achieving organizational goals.

Yet management, fearing group hostility to its own objectives, often goes to considerable lengths to control and direct human efforts in ways that are inimical to the natural "groupiness" of human beings. When man's social needs—and perhaps his safety needs, too—are thus thwarted, he behaves in ways which tend to defeat organizational objectives. He becomes resistant, antagonistic, uncooperative. But this behavior is a consequence, not a cause.

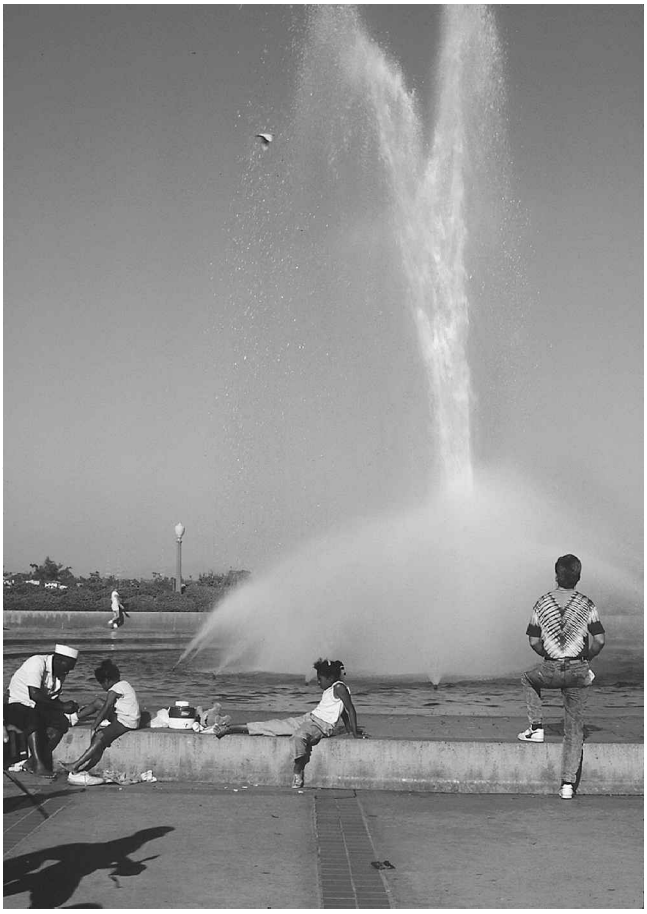
Ego Needs

Above the social needs—in the sense that they do not become motivators until lower needs are reasonably satisfied—are the needs of greatest significance to management and to man himself. They are the egoistic needs, and they are of two kinds:

1. Those needs that relate to one's self-esteem—needs for self-confidence, for independence, for achievement, for competence, for knowledge.
2. Those needs that relate to one's reputation—needs for status, for recognition, for appreciation, for the deserved respect of one's fellows.

Unlike the lower needs, these are rarely satisfied; man seeks indefinitely for more satisfaction of these needs once they have become important to him. But they do not appear in any significant way until physiological, safety, and social needs are all reasonably satisfied.

The typical industrial organization offers few opportunities for the satisfaction of these egoistic needs to people at lower levels in the hierarchy. The conventional methods of organizing work, particularly in mass-production industries, give little heed to these aspects of human motivation. If the practices



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of scientific management were deliberately calculated to thwart these needs—which, of course, they are not—they could hardly accomplish this purpose better than they do.

Self-Fulfillment Needs

Finally—a capstone, as it were, on the hierarchy of man's needs—there are what we may call the needs for self-fulfillment. These are the needs for realizing one's own potentialities, for continued self-development, for being creative in the broadest sense of that term.

It is clear that the conditions of modern life give only limited opportunity for these relatively weak needs to obtain expression. The deprivation most people experience with respect to other lower-level needs diverts their energies into the struggle to satisfy *those* needs, and the needs for self-fulfillment remain dormant.

III

Now, briefly, a few general comments about motivation:

We recognize readily enough that a man suffering from a severe dietary deficiency is sick. The deprivation of physiological needs has behavioral consequences. The same is true—although less well recognized—of deprivation of higher-level needs. The man whose needs for safety, association, independence, or status are thwarted is sick just as surely as is he who has rickets. And his sickness will have behavioral consequences. We will be mistaken if we attribute his resultant passivity, his hostility, his refusal to accept responsibility to his inherent "human nature." These forms of behavior are *symptoms* of illness—of deprivation of his social and egoistic needs.

The man whose lower-level needs are satisfied is not motivated to satisfy those needs any longer. For practical purposes they exist no longer. (Remember my point about your need for air.) Management often asks, "Why aren't people more productive? We pay good wages, provide good working conditions, have excellent fringe benefits and steady employment. Yet people do not seem to be willing to put forth more than minimum effort."

The fact that management has provided for these physiological and safety needs has shifted the motivational emphasis to the social and perhaps to the egoistic needs. Unless there are opportunities *at work* to satisfy these higher-level needs, people will be deprived; and their behavior will reflect this deprivation. Under such conditions, if management continues to focus its attention on physiological needs, its efforts are bound to be ineffective.

People *will* make insistent demands for more money under these conditions. It becomes more important than ever to buy the material goods and services that can provide limited satisfaction of the thwarted needs. Although money has only limited value in satisfying many higher-level needs, it can become the focus of interest if it is the *only* means available.

The Carrot and Stick Approach

The carrot and stick theory of motivation (like Newtonian physical theory) works reasonably well under certain circumstances. The *means* for satisfying man's physiological and (within limits) his safety needs can be provided or withheld by management. Employment itself is such a means, and so are wages, working conditions, and benefits. By these means the individual can be

controlled so long as he is struggling for subsistence. Man lives for bread alone when there is no bread.

But the carrot and stick theory does not work at all once man has reached an adequate subsistence level and is motivated primarily by higher needs. Management cannot provide a man with self-respect, or with the respect of his fellows, or with the satisfaction of needs for self-fulfillment. It can create conditions such that he is encouraged and enabled to seek such satisfactions *for himself*, or it can thwart him by failing to create those conditions.

But this creation of conditions is not "control." It is not a good device for directing behavior. And so management finds itself in an odd position. The high standard of living created by our modern technological know-how provides quite adequately for the satisfaction of physiological and safety needs. The only significant exception is where management practices have not created confidence in a "fair break"—and thus where safety needs are thwarted. But by making possible the satisfaction of low-level needs, management has deprived itself of the ability to use as motivators the devices on which conventional theory has taught it to rely—rewards, promises, incentives, or threats and other coercive devices.

Neither Hard Nor Soft

The philosophy of management by direction and control—*regardless of whether it is hard or soft*—is inadequate to motivate, because the human needs on which this approach relies are today unimportant motivators of behavior. Direction and control are essentially useless in motivating people whose important needs are social and egoistic. Both the hard and the soft approach fail today because they are simply irrelevant to the situation.

People deprived of opportunities to satisfy at work the needs that are now important to them behave exactly as we might predict—with indolence, passivity, resistance to change, lack of responsibility, willingness to follow the demagogue, unreasonable demands for economic benefits. It would seem that we are caught in a web of our own weaving.

But the carrot and stick theory does not work at all once man has reached an adequate subsistence level and is motivated primarily by higher needs.

In summary, then, of these comments about motivation:

Management by direction and control—whether implemented with the hard, the soft, or the firm but fair approach—fails under today's conditions to provide effective motivation of human effort toward organizational objectives. It fails because direction and control are useless methods of motivating people whose physiological and safety needs are reasonably satisfied and whose social, egoistic, and self-fulfillment needs are predominant.

IV

For these and many other reasons, we require a different theory of the task of managing people based on more adequate assumptions about human nature and human motivation. I am going to be so bold as to suggest the broad dimensions of such a theory. Call it "Theory Y," if you will.

1. Management is responsible for organizing the elements of productive enterprise—money, materials, equipment, people—in the interest of economic ends.
2. People are *not* by nature passive or resistant to organizational needs. They have become so as a result of experience in organizations.
3. The motivation, the potential for development, the capacity for assuming responsibility, the readiness to direct behavior toward organizational goals are all present in people. Management does not put them there. It is a re-

sponsibility of management to make it possible for people to recognize and develop these human characteristics for themselves.

4. The essential task of management is to arrange organizational conditions and methods of operation so that people can achieve their own goals *best* by directing *their own* efforts toward organizational objectives.

This is a process primarily of creating opportunities, releasing potential, removing obstacles, encouraging growth, providing guidance. It is what Peter Drucker has called "management by objectives" in contrast to "management by control."

And I hasten to add that it does *not* involve the abdication of management, the absence of leadership, the lowering of standards, or the other characteristics usually associated with the "soft" approach under Theory X. Much on the contrary. It is no more possible to create an organization today which will be a fully effective application of this theory than it was to build an atomic power plant in 1945. There are many formidable obstacles to overcome.

Some Difficulties

The conditions imposed by conventional organization theory and by the approach of scientific management for the past half century have tied men to limited jobs which do not utilize their capabilities, have discouraged the acceptance of responsibility, have encouraged passivity, have eliminated meaning from work. Man's habits, attitudes, expectations—his whole conception of membership in an industrial organization—have been conditioned by his experience under these circumstances. Change in the direction of Theory Y will be slow, and it will require extensive modification of the attitudes of management and workers alike.

Theory X places exclusive reliance upon external control of human behavior, whereas Theory Y relies heavily on self-control and self-direction.

People today are accustomed to being directed, manipulated, controlled in industrial organizations and to finding satisfaction for their social, egoistic, and self-fulfillment needs away from the job. This is true of much of management as well as of workers. Genuine "industrial citizenship"—to borrow again a term from Drucker—is a remote and unrealistic idea, the meaning of which has not even been considered by most members of industrial organizations.

Another way of saying this is that Theory X places exclusive reliance upon external control of human behavior, whereas Theory Y relies heavily on self-control and self-direction. It is worth noting that this difference is the difference between treating people as children and treating them as mature adults. After generations of the former, we cannot expect to shift to the latter overnight.

V

Before we are overwhelmed by the obstacles, let us remember that the application of theory is always slow. Progress is usually achieved in small steps.

Consider with me a few innovative ideas which are entirely consistent with Theory Y and which are today being applied with some success.

Decentralization and Delegation

These are ways of freeing people from the too-close control of conventional organization, giving them a degree of freedom to direct their own activities, to assume responsibility, and importantly, to satisfy their egoistic needs. In this connection, the flat organization of Sears, Roebuck and Company provides an interesting example. It forces "management by objectives" since it enlarges the number of people reporting to a manager until he cannot direct and control them in the conventional manner.

Job Enlargement

This concept, pioneered by I.B.M. and Detroit Edison, is quite consistent with Theory Y. It encourages the acceptance of responsibility at the bottom of the organization; it provides opportunities for satisfying social and egoistic needs. In fact, the reorganization of work at the factory level offers one of the more challenging opportunities for innovation consistent with Theory Y. The studies by A. T. M. Wilson and his associates of British coal mining and Indian textile manufacture have added appreciably to our understanding of work organization. Moreover, the economic and psychological results achieved by this work have been substantial.

Participation and Consultative Management

Under proper conditions these results provide encouragement to people to direct their creative energies toward organizational objectives, give them some voice in decisions that affect them, provide significant opportunities for the satisfaction of social and egoistic needs. I need only mention the Scanlon Plan as the outstanding embodiment of these ideas in practice.

The not infrequent failure of such ideas as these to work as well as expected is often attributable to the fact that a management has "bought the idea" but applied it within the framework of Theory X and its assumptions.

Delegation is not an effective way of exercising management by control. Participation becomes a farce when it is applied as a sales gimmick or a device for kidding people into thinking they are important. Only the management that has confidence in human capacities and is itself directed toward organizational objectives rather than toward the preservation of personal power can grasp the implications of this emerging theory. Such management will find and apply successfully other innovative ideas as we move slowly toward the full implementation of a theory like Y.

Performance Appraisal

Before I stop, let me mention one other practical application of Theory Y which—though still highly tentative—may well have important consequences. This has to do with performance appraisal within the ranks of management. Even a cursory examination of conventional programs of performance appraisal will reveal how completely consistent they are with Theory X. In fact, most such programs tend to treat the individual as though he were a product under inspection on the assembly line.

Take the typical plan: substitute "product" for "subordinate being appraised," substitute "inspector" for "superior making the appraisal," substitute "rework" for "training or development," and, except for the attributes being judged, the human appraisal process will be virtually indistinguishable from the product-inspection process.

A few companies—among them General Mills, Ansul Chemical, and General Electric—have been experimenting with approaches which involve the individual in setting "targets" or objectives for *himself* and in a *self*-evaluation of performance semiannually or annually. Of course, the superior plays an important leadership role in this process—one, in fact, that demands substantially more competence than the conventional approach. The role is, however, considerably more congenial to many managers than the role of "judge" or "inspector" which is forced upon them by conventional performance. Above all, the individual is encouraged to take a greater responsibility for planning and appraising his own contribution to organiza-

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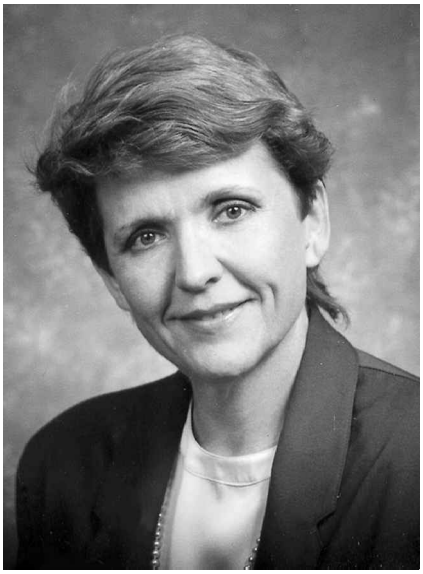
tional objectives; and the accompanying effects on egoistic and self-fulfillment needs are substantial. This approach to performance appraisal represents one more innovative idea being explored by a few managements who are moving toward the implementation of Theory Y.

VI

And now I am back where I began. I share the belief that we could realize substantial improvements in the effectiveness of industrial organizations during the next decade or two. Moreover, I believe the social sciences can contribute much to such developments. We are only beginning to grasp the implications of the growing body of knowledge in these fields. But if this conviction is to become a reality instead of a pious hope, we will need to view the process much as we view the process of releasing the energy of the atom for constructive human ends—as a slow, costly, sometimes discouraging approach toward a goal which would seem to many to be quite unrealistic.

The ingenuity and the perseverance of industrial management in the pursuit of economic ends have changed many scientific and technological dreams into commonplace realities. It is now becoming clear that the application of these same talents to the human side of enterprise will not only enhance substantially these materialistic achievements but will bring us one step closer to "the good society." Shall we get on with the job?



Iva M. Wilson
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Commentary

by Iva M. Wilson

When McGregor wrote this article in 1957, I was in a college of engineering in Yugoslavia. While in Germany finishing my doctorate and hoping to get to America, my focus was on engineering sciences, specifically, control systems. Twenty-five years later, I got hooked on the "fifth discipline" because I identified the concept of systems thinking with my training and experience in systems engineering. From then until now, I have focused on better understanding what is required to create a new context for leadership.

I had never read this McGregor paper until now, but always viewed McGregor as having made a major contribution to our understanding of how leaders should be, think, and act so they can motivate others. I consider myself a leader who was influenced by his ideas. McGregor wrote about Theory X and Y by thinking about industrial management. His work, as well as his references to Maslow's work from 1957, resonate with many experiences I had as a manager and leader that helped me both create desired outcomes and experience disappointments. I base my commentary on the following beliefs:

- Theory Y was appropriate when it was created and remains so today.
- Maslow's approach offers as much now as in 1957.

McGregor said that the changes suggested by Theory Y would be slow, with many formidable obstacles to overcome. The question is: What are those obstacles? Are we any closer to overcoming them? I agree wholeheartedly with McGregor's views on social sciences and the insights to gain by integrating them with management theories. The field of organizational development has been greatly informed by the work of social scientists and continues to provide the insights needed to change how people are managed. How are those ideas penetrating mainstream businesses? How effectively are they used to improve the outcomes businesses are to create? Business organizations are still considered mostly economical constructs, machines producing profits. Where do OD ideas fit into those machines?

Reflecting on my own experiences with the then innovative ideas of "decentralization and delegation," "job enlargement," "participation and consultative management," and in particular, "performance appraisal," I would say that the application of those

ideas met with mixed success. While there are many examples of positive financial results, the satisfaction of people in organizations remains low. Since McGregor's first writings, we have also introduced "total quality," "reengineering," "process management," and recently, "organizational learning." The quality movement in the late eighties had a major impact on many industrial enterprises and yielded positive financial results. Given the widespread popularity of the cartoon strip, "Dilbert," it appears that the satisfaction of human needs has not shown commensurate positive change.

In the early nineties, the concept of the "learning organization" came to the attention of leaders like me. The tools and methods underlying this concept gave me great hope for the espoused Theory Y. The tools and methods of organizational learning can help us become better leaders, but each of us has to practice the tools based on our individual needs. More importantly, we as leaders have to accept that the most effective work we can do is with ourselves. The ultimate control anyone has is over himself or herself; trying to change others by preaching, teaching, and reforming is the recipe for failure. The most we can do is to learn and, as a result, change our thinking along with our actions and behaviors so we influence others to change themselves. It all comes back to understanding the self and others and continuing to learn from all experiences.

At present, researchers create new theories. Consultants bring tools and methods based on those theories to business people who use them and expect better results. As researchers and consultants write about their ideas and experiences, they analyze what we in business do and draw conclusions about why certain things work. Most books on organizational learning are written by academics and consultants. They see the experiences of practitioners through their lenses. Although they tell practitioners' stories, they do not always include the deep learning that can be obtained only through the reflection and learning of practitioners. Unfortunately, business people often think that they do not have the time to reflect.

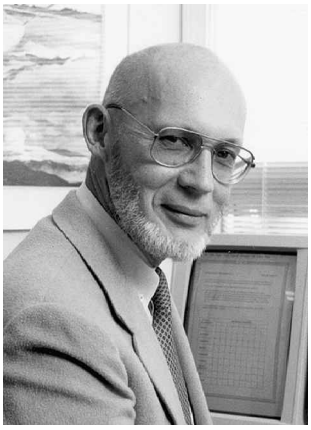
Business people need to reflect more on their practices and share their experiences, especially those that did not create the expected results. We need to be more involved in the process of testing and improving theory. To speed up the realization of Theory Y and overcome the obstacles, business people responsible for the results need to be more active in this process.

There is no "one size fits all" theory or practice; there are no Ten Commandments for motivating people. It is easy to *talk* about how to create a workplace where people can fulfill their aspirations. Without learning in the context of practice, very little can be accomplished. We can send people to courses and engage the best consultants and researchers, but it will not be enough. We business people need to realize that while doing and learning we will sometimes fail, and the best hope we have is to learn from our mistakes by first admitting them.

CLASSIC

Leadership and Organizational Excitement

David E. Berlew



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In the past several years, an increasing number of individuals—often new graduates and professionals—have rejected secure positions in apparently well-managed organizations in favor of working alone or joining up with a few friends in a new organization. Usually they are not protesting, but searching for "something more." The nature of this "something more" is the subject of this article.

Many executives have blamed this disenchantment with established organizations on changes in Western society which have made an increasing number of people unsuited for organizational life. They often express the view that changes in child-rearing practices and the breakdown of discipline in the family and in our schools has produced a generation which cannot or will not exercise the self-discipline and acceptance of legitimate authority required for bureaucratic organizations.

Because it has been so acceptable to fault society, the leadership of most organizations has felt little need to look inward for the source of the problem and to analyze their own and their organization's failure to attract and hold some of the best-trained people our society produces.

Those organizations which have tried to change to keep pace with society have often been frustrated. In analyzing our failure to stem the tide of increasing alienation in the workplace, Richard Walton describes "a parade of organization development, personnel, and labor relations programs that promised to revitalize organizations,"[1] such as job enrichment, participative decision-making, management by objectives, sensitivity training or encounter groups, and productivity bargaining. He argues that while each application is often based on a correct diagnosis, it is only a partial remedy, and therefore the organizational system soon returns to an earlier equilibrium. His prescription is a systemic approach leading to comprehensive organization design or redesign.

Whether we are concerned with organizations that have viewed the problem as outside of their control or those that have been frustrated in their attempts to change, one factor which has not been adequately explored and understood is that of effective organization leadership. Only an organization with strong leadership will look within itself for causes of problems that can be blamed easily on outside forces. Exceptional leadership is required to plan and initiate significant change in organizations, whether it is one of Walton's partial remedies or comprehensive organization redesign. Short-term benefits from change projects often result from leadership behavior which excites members of an organization about the *potential* for change rather than actual change introduced.

Current Leadership Models

Almost without exception, theories of managerial leadership currently in vogue postulate two major dimensions of leadership behavior.[2] One dimension concerns the manager's or leader's efforts to accomplish organizational tasks. Various writers have given this dimension different names, including task or instrumental leadership behavior, job-centered leadership, initiating structure, and concern for production. The second dimension is concerned with the leader's relations with his subordinates; it has been labeled social-

Published originally in D. A. Kolb, I. M. Rubin, and J. M. McIntyre, *Readings in Organizational Psychology,* second edition (Prentice-Hall, 1974).

Figure 1 Organizational Emotions and Modes of Leadership

	Stage 1	*Stage 2*	*Stage 3*
Emotional Tone:	Anger or Resentment	Neutrality / Satisfaction	Excitement
Leadership Mode:	CUSTODIAL	MANAGERIAL	CHARISMATIC
Focal Needs or Values:	Food Shelter Security Fair treatment Human dignity	Membership Achievement Recognition	Meaningful work Self-reliance Community Excellence Service Social Responsibility
Focal Changes or Improvements:	Working conditions Compensation Fringe benefits Equal opportunity Decent supervision Grievance procedures	Job enrichment Job enlargement Job rotation Participative management Management by objectives Effective supervision	Common vision Value-related opportunities and activities Supervision which strengthens subordinates

emotional leadership behavior, consideration, concern for people, and employee-centered leadership. Measures of the effects of leadership also usually fall into two categories: indices of productivity and of worker satisfaction. A leader or manager who is good at organizing to get work done and who relates well to his subordinates should have a highly productive group and satisfied workers.

There is nothing wrong with two-factor models of managerial leadership as far as they go, but they are incomplete. They grew out of a period in history when the goal was to combine the task efficiency associated with scientific management with the respect for human dignity emphasized by the human relations movement. They did not anticipate a time when people would not be fulfilled even when they were treated with respect, were productive, and derived achievement satisfaction from their jobs. As a result, two-factor theories of managerial leadership tell us more about management than about leadership. They deal with relationships between man and his work, and between men and other men, but they do not tell us why some organizations are excited or "turned-on" and others are not. They do not help us understand that quality of leadership which can ". . . lift people out of their petty pre-occupations . . . and unify them in pursuit of objectives worthy of their best efforts."[3]

Leadership and Emotion in Organizations

In an effort to help fill that void, the outline of a model relating types of leadership to the emotional tone in organizations is presented in Figure 1. Stages 1 and 2 of the model are derived from familiar theories of work motivation[4] and the two-factor models of leadership discussed earlier. Angry or resentful workers (Stage 1) are primarily concerned with satisfying basic needs for food, shelter, security, safety, and respect. Organizations in Stage 1 try to improve their situations by eliminating "dissatisfiers" through improved working conditions, compensation, and fringe benefits, and by providing fair or "decent" supervision. The type of leadership associated with a change from an angry or resentful emotional tone to one of neutrality, or from Stage 1 to Stage 2, has been labeled *custodial*. The workers are neutral, lacking either strong positive or negative feelings about their work or the organization. In the absence of "dissatisfiers," they tend to become increasingly concerned with group membership or "belonging" and opportunities to do inherently satisfying work and to receive recognition. In order to increase employee satisfaction, organizations at Stage 2 introduce improvements such as job enrichment, job enlargement, job rotation, participative management, and effective (as opposed to decent) supervision. Changes are oriented toward providing work that is less routine and more interesting or challenging,

building cohesive work teams, and giving employees more say in decisions that directly affect them. The type of leadership associated with this movement from neutral to satisfied workers, or from Stage 2 to Stage 3, has been labeled *managerial*.

Most of the advances in organization theory and management practice in the past few decades have related to Stage 2: defining and controlling the elements of supervision and the organizational environment that result in high productivity with high satisfaction. While these advances have been substantial and have led, in most cases, to healthier, more effective organizations, they have not prevented the increasing alienation of professional employees.

. . . for this small but growing element of the population, the satisfaction of needs for membership, achievement, and recognition is no longer enough.

The addition of Stage 3 to the model to extend the emotional tone continuum to include *organizational excitement* is an attempt to deal with a phenomenon of the '70s—the increasing number of professionals and new graduates who are rejecting secure positions in established organizations. The model suggests that for this small but growing element of the population, the satisfaction of needs for membership, achievement, and recognition is no longer enough. The meaning they seek has less to do with the specific tasks they perform as individuals than the impact of their individual and collective efforts—channeled through the organization—on their environment. The feelings of potency which accompany "shaping" rather than being shaped or giving up (and dropping out) are a source of excitement. So, too, are the feelings that stem from commitment to an organization that has a value-related mission and thus takes on some of the characteristics of a cause or a movement. At the extreme, this can lead to total involvement or total *identification*—the breaking down of boundaries between the self and the organization so that the "individual becomes the organization" and the "organization becomes the individual.

Stage 3 Leadership

Although Stage 3 leadership must involve elements of both custodial and managerial leadership, the dominant mode is charismatic leadership. The word "charisma" has been used in many ways with many meanings. Here we will define it in terms of three different types or classes of leadership behavior which provide meaning to work and generate organizational excitement. These are:

- the development of a "common vision" for the organization related to values shared by the organization's members;
- the discovery or creation of value-related opportunities and activities within the framework of the mission and goals of the organization; and
- making organization members feel stronger and more in control of their own destinies, both individually and collectively.

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The first requirement for Stage 3 or charismatic leadership is a common or shared vision of what the future *could* be. To provide meaning and generate excitement, such a common vision must reflect goals or a future state of affairs that is valued by the organization's members and is thus important to them to bring about.

That men do not live by bread alone has been recognized for centuries by religious and political leaders. All inspirational speeches or writings have the common element of some vision or dream of a better existence which will inspire or excite those who share the author's values. This basic wisdom too often has been ignored by managers.

A vision, no matter how well articulated, will not excite or provide meaning for individuals whose values are different from those implied by the vision. Thus, the corporate executive who dreams only of higher return on in-

vestment and earnings per share may find his vision of the future rejected and even resented by members of his organization. Indeed, he may even find his vision of a profitable corporate future questioned by stockholders concerned with the social responsibility of corporations. Progressive military leaders may articulate a vision or mission congruent with the needs and values of the young people they are trying to attract to an all volunteer service, only to discover that the same vision conflicts with the values of their senior officers.

An important lesson from group theory and research is that informal groups tend to select as leader the individual who is most representative of the group's needs and values. Thus his hopes and aspirations, and the goals toward which he will lead the group, are automatically shared by the group's members.

A vision, no matter how well articulated, will not excite or provide meaning for individuals whose values are different from those implied by the vision.

One problem for heads of complex organizations is that if they are to function as leaders (as opposed to custodians or managers) they must represent and articulate the hopes and goals of many different groups—the young and the old, the unskilled and the professional, the employee and the stockholder, the minority and the majority, union, and management. Only the exceptional leader can instinctively identify and articulate the common vision relevant to such diverse groups. But to fail to provide some kind of vision of the future, particularly for employees who demand meaning and excitement in their work, is to make the fatal assumption that man *can* live by bread alone.

There are dangers as well as advantages to a common vision. If top management does not sincerely believe in the desirability of the vision they articulate, they are involved in an attempt to manipulate which will probably backfire. Another danger might be called the "Camelot phenomenon": the articulation of a shared vision that is both meaningful and exciting, but so unrealistic that people must inevitably be disillusioned. Whether the responsibility in such cases lies with the seducer or the seduced is difficult to say, but the end result is a step backward into cynicism.

Finally, the effectiveness of the common vision depends upon the leader's ability to "walk the talk": to behave in ways both small and large that are consistent with the values and goals he is articulating. In this regard, my experience in the Peace Corps taught me that the quickest way to destroy or erode the power of a common vision is for the leader to allow himself to be sidetracked into bargaining over details instead of concentrating all of his attention on identifying, tracking, and talking to the value issue involved. For example, at a meeting where Volunteers are reacting negatively to a proposed reduction in their living allowance, the Peace Corps Director or leader cannot afford to get involved in a discussion of whether or not female Volunteers will be able to afford pantyhose with their reduced allowance. The role of the leader is to keep alive the common vision which attracted Volunteers to the Peace Corps in the first place: in this case, the idea of a group of Americans whose help will be more readily accepted if they live at about the same standard as their local co-workers.

Value-Related Opportunities and Activities

It is a mistake to assume that individuals who desert or reject established organizations are basically loners. In fact, many start or join new organizations, often at considerable personal sacrifice in terms of income, security, and working conditions. It is revealing to analyze these "new" organizations for sources of meaning or excitement which may be lacking in more mature organizations. A list of opportunities present in many of the younger organizations in our society are presented in Figure 2, along with values related to those opportunities.

A Chance To Be Tested

Many of us go through life wondering what we could accomplish if given the opportunity. Our Walter Mitty fantasies place us in situations of extreme challenge and we come through gloriously. Few of us, however, have an opportunity to test the reality of our fan-

Figure 2 Sources of Meaning in Organizations: Opportunities and Related Values

Type of Opportunity	*Related Need or Value*
1. A chance to be tested; to make it on one's own	Self-reliance Self-actualization
2. A social experiment, to combine work, family, and play in some new way	Community Integration of life
3. A chance to do something *well*—for instance, return to real craftsmanship; to be really creative	Excellence Unique accomplishment
4. A chance to do something *good*—for instance, run an honest, no "rip-off" business, or a youth counseling center	Consideration Service
5. A chance to change the way things are—for instance, from Republican to Democrat or Socialist, from war to peace, from unjust to just	Activism Social responsibility Citizenship

tasies, as society increasingly protects us from getting in over our heads where we might fail and thus hurt the organization or ourselves. This is especially true of corporations where managers are moved along slowly, and only after they have had sufficient training and experience to practically insure that they will not have too much difficulty with their next assignment.

As a Peace Corps Country Director in the mid-sixties, I was struck by the necessity of having to place many Volunteers without adequate training or experience in extremely difficult situations, and the readiness—even eagerness—of most Volunteers to be tested in this way. Some Volunteers rose to the challenge in remarkable ways, others held their own, and some could not handle the stress. Volunteers who were severely tested and succeeded were spoiled for the lock-step progression from challenge to slightly more difficult challenge which most established organizations favor to protect both themselves and the individual from failure. The same thing happens in wars and other emergency situations where planned development and promotion systems break down.

The point is that many people want an opportunity to be tested by an extraordinary challenge, and such opportunities rarely exist in established organizations. As a result, some who are most able and most confident leave the shelter of the established organization to measure themselves against a value of independence and self-reliance.

Social Experimentation

A great deal has been written about the increasing superficiality of personal relationships in our society and the resulting loneliness and alienation. Organizations have responded with efforts to build cohesive work teams and to provide individuals doing routine, independent work with opportunities to talk with co-workers on the job. These gestures have not begun to meet the needs of persons who have been influenced by the counter-culture's emphasis on authentic relationships as opposed to role-regulated relationships, and the need to reduce social fragmentation by carrying out more of life's functions—working, child-rearing, playing, loving—with the same group of people.

Established organizations do not provide these kinds of opportunities. Many prohibit husbands and wives from working together. Child-care centers, if they exist, are separate from the parents' workplace, and the workplace is geographically and psychologically separated from the home. As a result, individuals who desire more integrated lives often leave established organizations and form new organizations, such as businesses in which wives and children can play a role and professional firms whose members live as well as work together.

A Chance To Do Something Well

Established organizations fight a continual battle between controlling costs and maintaining standards of excellence; and standards are usually compromised. This is not cyni-

cism: a group of skilled metal workers, machinists, and mechanics can nearly always produce a better automobile than General Motors if cost is no object. The opportunity to seek true excellence, to produce the very best of something, is a strong attraction, even though the market may be extremely limited and the economic viability of the venture questionable. Individuals frustrated by the need to cut corners in established organizations find the alternative of a new organization committed to excellence an attractive one, and they will work long hours at low pay to make it financially viable.

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A Chance To Do Good

Still others desert established organizations in the belief that they are compromising standards of honesty and consideration in their struggle to survive in "the capitalistic jungle." They form organizations to do *good*: to provide honest, no "rip-off" services or products, or services which they believe a "good" community should have, such as free schools, legal, medical, and counseling services for the deprived, or low-income housing.

A Chance To Change Things

Finally, many thoughtful individuals leave established organizations because they view them as too interwoven with or dependent upon the system to be an effective force for change. So they form new organizations as vehicles for bringing about change, whether it is to increase our appreciation of art, eliminate discrimination, or protect the environment.

The critical difference between these new organizations and established organizations is that the newer ones provide opportunities and activities closely related to the values of their members within the framework of the mission and goals of the organization. This is true even when the organization is as intent on making money as any established corporation (as they often are), and when they resemble a modern version of a nineteenth-century sweatshop (as they often do). Members of these organizations are not against profit-making *per se* or hard work, or putting the organization before the individual. But there must be a reason for doing these things; they are not ends in themselves. The reason comes from a common vision of what they are trying to create together, as well as opportunities to behave in a value-congruent manner. These factors justify and even make desirable those characteristics of organizations which otherwise would be rejected as unnecessary or exploitative.

Our organizations and institutions have, for the most part, been quite uncreative about countering or controlling the increasing fragmentation of work and family life.

Few, if any, progressive executives will find the types of opportunities and values noted above distasteful or undesirable. Many, however, will conclude that it is simply unrealistic to expect to find such opportunities in a large corporation or government agency under pressure from stockholders or the voting public to maximize profits or minimize expenditures.

However, such opportunities *do* exist in large, established organizations, and where they do not, they can often be created. For example, established organizations do not have to be tied to a step-by-careful-step advancement ladder. AT&T, for example, has experimented with a system whereby potential new hires for management positions are offered exceptionally challenging year-long assignments, and are told that depending on their performance, they will either leapfrog ahead or be asked to leave the company. It provides confident individuals with a series of opportunities to test themselves. If implemented successfully,

it benefits the organization by attracting and developing self-reliant managers while quickly weeding out security seekers and poor performers.

While it takes managerial leadership to introduce such changes, it takes charismatic leadership to recognize the value relevance of such a program and to integrate it with the organization's mission in such a way that it creates and sustains excitement. Too often such programs go unrecognized or unexploited as sources of increased organizational excitement simply because of a limited conception of leadership.

Our organizations and institutions have, for the most part, been quite uncreative about countering or controlling the increasing fragmentation of work and family life, and the many problems that result. I know from my relationships with my wife and children now that I work at home a few days a week compared to when I spent fifty to eighty hours at the office or out of town and came home tired and irritable, often with homework. I doubt if I am much different from most other professionals in this regard. Why not actively recruit husbands and wives as work teams when possible, with child-care facilities nearby? Or, where possible, encourage employees to work at home on individual projects when they may have fewer interruptions than at the office?

Many organizations have a manifest commitment to excellence in their products and services, and to carrying out their corporate responsibilities toward the community. Occasionally they are in a position to spearhead social change. Too frequently, however, the value-relevant message seems directed toward customers or stockholders and only secondarily toward organization members. When it is directed toward members, it usually comes from a staff department such as corporate relations or the house organ rather than directly from the senior-line officers. This is public relations, not leadership, and whereas charisma might substitute for public relations, public relations, no matter how good, cannot substitute for charisma.

Making Others Feel Stronger

The effective Stage 3 leader must lead in such a way as to make members of his organization feel stronger. To achieve the organization's goals as well as to meet the needs of his more confident and able employees, his leadership must encourage or enable employees to be Origins rather than Pawns.

Richard deCharms has described Origins and Pawns in the following terms:

> An Origin is a person who feels that he is director of his life. He feels that what he is doing is the result of his own free choice; he is doing it because he wants to do it, and the consequences of his activity will be valuable to him. He thinks carefully about what he wants in this world, now and in the future, and chooses the most important goals ruling out those that are for him too easy or too risky . . . he is genuinely self-confident because he has determined how to reach his goals through his own efforts . . . he is aware of his abilities and limitations. In short, an Origin is master of his own fate.
>
> A Pawn is a person who feels that someone, or something else, is in control of his fate. He feels that what he is doing has been imposed on him by others. He is doing it because he is forced to, and the consequences of his activity will not be a source of pride to him. Since he feels that external factors determine his fate, the Pawn does not consider carefully his goals in life, nor does he concern himself about what he himself can do to further his cause. Rather he hopes for Lady Luck to smile on him.[5]

Clearly, there may only be a few people in the real world of human beings who are *always* guiding their own fate, checking their own skill, and choosing their own goals, but some people act and feel like Origins more of the time than do other people. Similarly, there are only a few people who *always* feel pushed around like Pawns.

Some individuals—parents, teachers, managers—have the ability to relate on a one-on-one basis in ways that make another person feel and behave more like an Origin and less like a Pawn. Certain types of leaders can apparently affect entire groups of people the same way.

In an experiment conducted at Harvard University,[6] a group of business school students were shown a film of John F. Kennedy delivering his inaugural address. After viewing the film, samples of the students' thoughts or fantasies were collected by asking them to write short imaginative stories to a series of somewhat ambiguous pictures. The thoughts

of students exposed to the Kennedy film reflected more concern with having an impact on others and being able to influence their future and their environment than the thought samples of students exposed to a neutral control film. J.F.K. made them feel like Origins.

Replicating this experiment in a number of leadership training sessions, I have found the same thing: exposure to a certain type of leader—such as John F. Kennedy—leaves people feeling stronger, more confident of being able to determine their own destinies and have an impact on the world. It was this type of reaction to J.F. K. that attracted many young people to the Peace Corps to "change the world" during the early and mid-sixties.

It is difficult to assess precisely what it was about Kennedy's leadership that had this strengthening effect. We do know that he articulated a vision of what could be which struck a resonant chord, particularly in young people and citizens of developing nations. He also projected extremely high expectations of what young people could do to remake their country, if not the world.

Although most organization leaders cannot count on such dramatic moments as a presidential inauguration, or perhaps on their oratorical powers, they nevertheless do have a powerful effect on whether those around them feel and behave like Origins or Pawns. A number of factors determine the effect they have on others in this critical area.

Beliefs about Human Nature

One important factor is the manager's beliefs or assumptions about human nature. If he believes that the average human being has an inherent dislike of work and will avoid it if he can, that most people must be coerced or controlled to get them to put forth effort toward the achievement of organizational objectives, and that he wishes to avoid responsibility, has relatively little ambition and wants security above all, then the manager will organize and manage people as if they were Pawns, and they will tend to behave as Pawns. If, on the other hand, the manager believes that the expenditure of physical and mental effort in work is as natural as play or rest, that individuals will exercise self-direction and self-control in the service of objectives to which they are committed, and that commitment to objectives is a function of the rewards associated with their achievement, including psychological rewards, then he will organize and manage people in quite a different way, with the result that they will tend to behave more like Origins than like Pawns.[7]

High Expectations

Another important factor is the expectations a manager has about the performance of his subordinates. To some extent, all of us are what others expect us to be, particularly if the others in question are people we respect or love. A dramatic demonstration of this phenomenon is the strong positive relationship between a teacher's expectations of how well a student will do and the student's actual performance, a relationship which persists even when the teacher's positive expectations are based on invalid information.[8] A second study, done in a corporate setting, demonstrated that new managers who were challenged by their initial assignments were better performers after five years than new managers who were initially assigned to relatively unchallenging tasks, despite the fact that the potential of the two groups was about the same.[9]

Reward Versus Punishment

Some managers tend to focus their attention on mistakes—to intervene when there are problems, and to remain uninvolved when things are going well. Other managers look for opportunities to reward good performance. An overbalance in the direction of punishing mistakes as opposed to rewarding excellence lowers self-confidence and is rela-

tively ineffective in improving performance. Rewarding examples of effective action, however, both increases self-confidence and improves performance.

Encouraging Collaboration

Americans have a tendency to compete when the situation does not demand it, and even sometimes when competition is self-defeating (as when individuals or units within the same organization compete). Diagnosing a situation as win-lose, and competing, insures that there are losers; and losing is a weakening process. If a situation is *in fact* win-lose in the sense that the more reward one party gets the less the other gets, competition and the use of competitive strategies is appropriate. This is usually the situation that exists between athletic teams or different companies operating in the same market. Diagnosing a situation as win-win and collaborating is a strengthening process because it allows both parties to win. A situation is *in fact* win-win when both parties may win or one can win only if the other succeeds, as is usually the case *within* a company or a team.

The leader who is effective in making people feel stronger recognizes collaborative opportunities where they exist and does not allow them to be misdiagnosed as competitive.

The leader who is effective in making people feel stronger recognizes collaborative opportunities where they exist and does not allow them to be misdiagnosed as competitive. When he identifies instances of unnecessary competition within his organization, he uses his influence to change the reward system to induce collaborative rather than competitive behavior. If confronted with a competitive situation which he cannot or does not want to alter, however, he does not hesitate to use competitive strategies.

Helping Only When Asked

It is extremely difficult to help someone without making them feel weaker, since the act of helping makes evident the fact that you are more knowledgeable, powerful, wise, or rich than the person you are trying to help. Those familiar with this dynamic are not surprised that some of the nations that the U.S. has most "helped" through our foreign aid resent us the greatest, particularly if we have rubbed their noses in their dependence by placing plaques on all the buildings we have helped them build, the vehicles we have provided, and the public works projects we have sponsored.

Yet the fact remains that there are real differences between individuals and groups in an organization, and help-giving is a real requirement. The effective Stage 3 leader gives his subordinates as much control over the type and amount of help they want as he can without taking untenable risks. He makes his help readily available to those who might come looking for it, and he gives it in such a way as to minimize their dependence upon him. Perhaps most important, he is sensitive to situations where he himself can use help and he asks for it, knowing that giving help will strengthen the other person and make him better able to receive help.

Creating Success Experiences

A leader can make others feel stronger, more like Origins, by attempting to design situations where people can succeed, and where they can feel responsible and receive full credit for their success. People, whether as individuals or organizations, come to believe in their ability to control their destiny only as they accumulate successful experiences in making future events occur—in setting and reaching goals. The leader's role is to help individuals and units within his organization accumulate such experiences.

When an organization, through its leadership, can create an environment which has a strengthening effect on its members, it leads to the belief that, collectively, through the organization, they can determine or change the course of events. This, in turn, generates organizational excitement. It also becomes an *organization* which has all the characteristics of an Origin.

Some Unanswered Questions

In this article, I have tried to analyze one aspect of the problem of alienation in the workplace: the increasing attrition of professionals and new graduates from established organi-

zations. I have tried to suggest the nature and source of the meaning and excitement they are seeking in their work, and the type of organizational leadership required to meet their needs. However, a number of questions have been left unasked which must be explored before any conclusions can be drawn.

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One question concerns the relationship between organizational excitement and productivity. We know there are many productive organizations—some of our major corporations, for example—which cannot be called excited or "turned-on." We have also seen excited organizations expending tremendous amounts of energy accomplishing very little. In the case of excited but unproductive organizations, it is clear that they are overbalanced in the direction of Stage 3 leadership and need effective *custodial* and *managerial leadership* to get organized and production-oriented rather than solely impact-oriented. The case of efficient and productive organizations that are not excited is more complex. Would General Motors or ITT be better off if they could create a higher level of organizational excitement? Would they attract or hold better people, or are they better off without those who would be attracted by the change? Are such corporations headed for problems which can only be dealt with by an emphasis on Stage 3 leadership, or have we overstated the magnitude of the social change that is taking place?

A second question concerns the relevance of the model to different types of organizations. There is little question of the relevance of charismatic leadership and organizational excitement to such as the Peace Corps, the United Nations, religious organizations, political groups, community action organizations, unions, and the military. The same is true of start ups where new industrial or business organizations are competing against heavy odds to carve out a piece of the market. What is not so clear is whether it is any less relevant to large, established corporations and government bureaucracies. Quite possibly, it is precisely the element that is missing from some government agencies, and one of the key elements that give one great corporation the edge over another.

While more questions have been raised than answered, there should be no confusion about one point: just as man cannot live by bread alone, neither can he live by spirit alone. Organizations must have elements of custodial and managerial leadership to achieve the necessary level of efficiency to survive. It is not proposed that Stage 3 or charismatic leadership increases efficiency; indeed, it may reduce the orderly, professional, totally rational approach to work which managerial leadership tries to foster. However, it does affect motivation and commitment, and organizations will face heavy challenges in these areas in the coming decade.

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Commentary

by Göran Carstedt

Reading an article written 26 years ago reminds me of the issues we were struggling with in the late sixties and the early seventies. It brings perspective to the challenges we are facing today.

David E. Berlew's article is a rich source for reflection and learning and holds many interesting hypotheses and compelling questions. I will use my own personal journey and corporate (executive) experience as reference, and I will restrict my comments to two of his hypotheses. The first—his main theme—is about how important it is to "provide meaning to work in order to generate organizational excitement." The second, in which he worries about "the increasing number of professionals and new graduates who are rejecting secure positions in established organizations," has, for different reasons, not proven true in the last decades but now resurfaces as an issue.

I was part of the "1968 generation"—full of ideas and ambition, hoping for a new way of working, living, and learning together and rejecting established order, organizations, and institutions. At that time, when Berlew was writing his article, business and commercial corporations were not "in" with the young generation in Scandinavia. Still, I took a job with Volvo and stayed for 16 years and thereafter worked with IKEA for 7 years in different executive positions, raising a family and not regretting any of my journey. What happened and why?

In my case, the turning point was when a young, enlightened CEO entered Volvo in 1972, Pehr G. Gyllenhammar, at age 36, brought new excitement to Volvo and to the business community. As one of his first commitments, he had Volvo sponsor the 1972 UN Conference on the Environment, arguing that Volvo's products create pollution and noise and should therefore support the UN initiative. I thought that was courageous; he gave Volvo a bigger meaning. For me, during the seventies and mid-eighties, Volvo was a world-class corporation and a good example of what Berlew calls an "organization that has a value-related mission and thus takes on some of the characteristics of a cause or a movement." The Volvo mission was about people, making it obvious and meaningful to build safer cars, to reorganize factories around people, not machines, to seek decentralized organizational structures, and to put the environment on the agenda.

At the end of 1989, I joined IKEA in North America. This was another Swedish-based international company with a strong corporate culture, a clear mission, and shared values. IKEA's mission is "to help create a better everyday life for the many people." Its business idea is to "offer a wide range of home furnishing solutions of good design, quality, and function, at prices so low that many people could afford them." IKEA is an example of how organizations can invite people to a meaningful and purposeful mission.

Let me share a few reflections and lessons learned from working in these two mission-driven companies:

1. An inspiring mission is about "why we are here" and "who would miss us if we weren't here." The quality of a meaningful mission is not the absence of defects, but the presence of value. Volvo has, for example, during the nineties, lost a lot of its attraction and qualities, partly due to a mission to "undo what earlier was done wrong." As important as that might be, it is not an exciting, energy-generating mission. A mission should be for, not against, something.
2. We cannot drive change, not even in "mission driven" companies. Companies are not machines; they are the living systems so well described by Peter Senge and Arie de Geus.[1] Culture has to grow. Change is not as much about reorganizing, reengineering, or restructuring as it is about reconceiving. When we reconceive an idea, a product, or a company, we create a new order. There is nothing more important than a meaningful purpose and mission to enable that to happen. According to Dee Hock, "Healthy organizations are a mental concept of relationship to which people are drawn by hope, vision, values and meaning, and liberty to cooperatively pursue them."[2]
3. "Organizational excitement and productivity," the focus of one of Berlew's open questions, is in my experience less about measures and measurements and more about "listening to the music," less about administrative systems and more about passions, emotions, and trust.

4. Leadership in organizations with meaningful and inspiring missions is situational, local, and unevenly distributed. It can grow in some places and then vanish. It cannot be ensured over time by any statements, manuals, or structures. Leadership, according to Russell Ackoff, is "the ability to bring the will of the followers and that of the leader into consonance so they follow voluntarily and with enthusiasm and dedication."[3] It is about creating trust, and trust has to be earned and regained. Leadership is perishable.
5. Berlew states that "just as man cannot live by bread alone, neither can he live by spirit alone." In the corporate, bottom-line reality, this translates to "no margin-no mission." In my experience, there is nothing more practical and enabling for creating the energy necessary to deliver results than a meaningful and inspirational mission, even if it is not attainable.

The same day I received Berlew's article, I was reading an article by Jim Collins about today's emerging new economy and new challenges, or as Collins writes: "We have arrived at a unique moment in history: the intersection of an unprecedented abundance of capital and an explosion of Internet-related business ideas. But, for all of the incredible opportunities unleashed by this combination, there is one monumental problem: The entrepreneurial mind-set has degenerated from one of risk, contribution, and reward to one of wealth entitlement."[4] If the original new economy challenge was: "How can I create work that I am passionate about, that makes a contribution, and that makes money?," a lot of employees in today's new start-ups, according to the article, seem to think that it's fine to work just for money, as long as it's a lot of money.

So, here we are again, 26 years later, with our children setting their courses, challenging established organizations and institutions, and finding hope and meaning relevant to them today. One young person commented in a forum on the same article, "The principle of corporate sustainability flies in the face of everything that's happening in the economy today. Even the word 'sustainability' is boring and depressing. It suggests a static condition. So-called sustainable companies are the ones that lose a lot of money and then fizzle into mediocrity. They don't innovate, and they don't yield real productivity gains."[5]

In my perspective, the challenges we were facing in the early seventies have a lot in common with the challenges we face today. It is about meaning, about being invited to something meaningful, purposeful, and learningful, about not only adapting to a changing world but adapting in order to change the world. Then and now, the challenge is to create organizations, networks, and communities that are worthy of people's full commitment. As Berlew suggested in 1974, it is about leadership and organizational excitement. The challenge is to be relevant today. In today's world of abundance and of "free agents," the most visible difference between the successful and less successful organizations will not be products or services, but who will be working, why, and what work will mean to them.

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Commentary

by Bea Mah Holland

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I am struck with how surprisingly contemporary David Berlew's piece seems. At MIT's Sloan School of Management, I talk with students who are seriously considering start-ups and currently have less attraction to more established organizations. They sense that they can have a hand in shaping their work and their place of work. They have a strong commitment. Students speak of the organizations they want to form; they are definitely not against profits, but they also want to bring to life something of their own making.

I like some of the notions that seem familiar: custodial, managerial, and charismatic leadership modes that parallel Maslow's hierarchy of needs. On the other hand, the reference to (Stage 1) "angry or resentful workers . . . primarily concerned with satisfying basic needs for food, shelter, secu-

rity, safety and respect" seems too limited. Today, "angry or resentful workers" could be broadened to also include those who are in survival mode or who have limited choice.

Berlew mentions Winter's research on the impact of a charismatic leader, such as John F. Kennedy, on the thought processes and personal visions of individuals exposed to that kind of leadership. This brings to mind the more recent work of David Cooperrider at Case Western Reserve University in the field of appreciative inquiry. In a related vein, Cooperrider has shown that people get energized not only from hearing the stories of others, but by telling and listening to their own stories. In essence, they become their own charismatic leaders.

Spurred on by technological advances that Berlew could hardly have imagined in 1974, the virtual workplace is becoming a reality for many and forcing the consideration of alternative organizational structures. There are signs that even the traditional workplace is changing in terms of acknowledging the need for more balanced work/family lives; albeit a still noteworthy gap exists between talk and action. More and more, people are voting with their feet as they realize that they want to be more Origins than Pawns. They *are* moving toward organizations, or creating their own, that more adequately meet their needs.

Some organizations have indeed created pockets of enterprise, almost mini-start-ups within mature organizations. Xerox PARC comes to mind. These organizations attract individuals who are particularly creative, who want to stretch themselves and push the edge to build something new, even within the context of an organizational behemoth. It seems likely that Berlew's charismatic leader would exhibit the skills of emotional intelligence—self-awareness, self-regulation, motivation, empathy, and social skill—that have been recently popularized by Daniel Goleman, based on the initial work of Peter Salovey and John Mayer.[1]

Berlew's piece is essentially timeless. Artfully written, it can serve a wide range of people today. These range from students seeking guidance as they choose or create organizations that match their values and needs, to executives who reside in and run the established, large companies and who are in a position to create exciting and attractive opportunities for all members of their communities, "unifying [people] in pursuit of objectives worthy of their best efforts" (John Gardner).

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FEATURE

Conversation with Khoo Boon Hui

C. Otto Scharmer

Khoo Boon Hui, police commissioner of Singapore, was born in Singapore in 1954. His father was a retired civil servant, his mother, a schoolteacher. As a young boy, he experienced social problems in Singapore—strikes, riots, and fighting between Chinese and Malays. Khoo Boon Hui saw Singapore grow into an economic success.

Also participating in the interview were: Mirimba Giam, manager in the Monetary Authority of Singapore; Soh Wai Wah, assistant commissioner of the Singapore Police Force; and Ang Hak Seng, superintendent of the Singapore Police Force. The interview took place in Atlanta, Georgia, on November 3, 1999.

Khoo Boon Hui
Police Commissioner of Singapore

C. Otto Scharmer (COS): Mr. Khoo Boon Hui, what is the role of the police in Singapore?

Khoo Boon Hui: Our mission is to protect life and property, and that includes all the other roles that police have. We have a form of community policing that we adapted from the Japanese Koban system in 1983. But we realized about three or four years ago that we needed to change from community-based to community-focused policing. We also focus our efforts on helping the community solve problems that we have jointly identified. That way we mobilize the members of the community to help themselves. The role of the police is to facilitate.

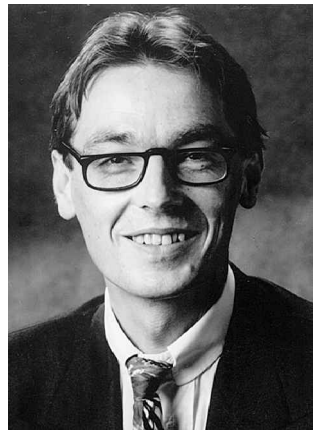
COS: What is an example?

Khoo Boon Hui: Little India is a place in Singapore where many foreign laborers from the Indian subcontinent go to shop on their days off. Over a weekend, anyone going there would think they are in India. The locals who live nearby were quite upset about the congestion.

Ang Hak Seng: By sheer volume, many of the foreign workers spill into the roads and residential areas, contributing to slow traffic flow and a significant increase in the amount of litter over weekends.

Khoo Boon Hui: So the residents complained that police must do something. But for many years, we were not able to solve the problem on our own, so we decided to bring together all the community organizations, the residents' associations, and the government agencies and start talking. How can we solve this problem and who can do what? We found a bus company; we got the Urban Redevelopment Authority to move visitors away from roads and public walkways to open spaces. Then we got the residents to be voluntary police officers to help direct pedestrian flow. We got the radio station to run variety shows with dancers to attract people to where we wanted them. And we got people to sell food and provisions, so that the workers could also move to other open areas.

I regularly receive letters from the residents. In the past, they complained, but now they tell us what a wonderful job we are doing.



C. Otto Scharmer
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COS: So that would be an example of community policing where you, in collaboration with the community, created a spirit in which the community participates in creating a solution. The role of the police has shifted toward facilitating a dialogue among the various groups of the society, particularly on the local level?

Khoo Boon Hui: That's right. And we use the tools of a learning organization to train them.

Ang Hak Seng: We are not just training the grassroots organizations. We are helping to build capacities within them. These include the ability to engage in open discussions and the capability to create a shared vision and bring it into reality. We are adopting a facilitative role, and the grassroots organizations have the ability to solve problems among themselves. The crux of the issue is really to create the space and time for dialogues and generative discussions. We invite relevant and interested parties to a forum, which we help to facilitate. Through these forums, we help the grassroots organizations collectively discover what they want to achieve together. Last, we partner with them to implement the plans.

Khoo Boon Hui: We go on retreats to impart some skills to the grassroots organizations—how to brainstorm in small groups, how to dialogue, how to do team learning.

A Learning Journey

COS: Maybe we could jump back in time and look at how all that started in the first place. Then we can share the story, the journey. Could you take us back to when you entered the police force?

Khoo Boon Hui: At that time, the government was trying to build up the Singapore Armed Forces by offering overseas scholarships. I was one of eight chosen that year for an armed forces scholarship, so I did engineering and economics at Oxford and joined the armed forces. After graduation, I came back. The then prime minister, Mr. Lee Kuan Yew, realized the police also needed bright young people. So he asked for volunteers among those in the armed forces to transfer to the police. I was one of three who decided to move over.

COS: What made you choose that option? What were your best hopes or your vision at that time?

Khoo Boon Hui: In the police, you can see results very quickly. When you talk to people who join the police today, they say the same thing. There's something very tangible that we can share straight away. Today I see a bigger issue of maintaining a police force that will serve the people. I think every police officer has a desire to serve, a sense of duty. I didn't do any training, not like these people who went to the academy. My first assignment was to do investigations. I took urine samples of drug addicts, because at the time, we had a drug problem.

I see a bigger issue of maintaining a police force that will serve the people. . . . Every police officer has a desire to serve, a sense of duty.

One of the most satisfying jobs I had as a young officer—I was 26 at the time—was to command one of the divisions, maybe 500 people. At that time, Singapore was divided into eight geographical areas called divisions.

COS: Why did you like that job most?

Khoo Boon Hui: I was in a position of leadership; I had the autonomy to run the division and to deal with the residents and all the community groups. And basically I was responsible for making sure that the area met the expectations of the residents in terms of safety and security.

COS: When you do that work, whom are you serving?

Khoo Boon Hui: In the hierarchy, of course, I had a superior. But on a day-to-day basis,

I served the residents as well as some of my own officers. I led them in the best way that I could.

Ang Hak Seng: That's right, we're very much servant leaders. We not only serve the public; we serve our own people too.

Reinventing the Police Force

Khoo Boon Hui: I was quite sure I was going to make the police a career, so in 1981, I went on a post-graduate scholarship, this time to the Kennedy School at Harvard, to study public administration. I studied under people like Ezra Vogel, the expert on Japan, and got interested in the Koban system. Incidentally, the government also had us, the police, examine how we could implement the Koban system.

Traditionally, the role of our police force, because of its colonial past, was just to maintain law and order. Therefore, the policemen were seen as officers to be feared, so that they could control the population. Our police stations were built at major road junctions, so if there was a riot, we could control all the roads.

The police in Japan were very different. They decentralized their police into many small stations, and from there they deployed officers who knew the community. One important difference was that the policemen were liked rather than feared by the residents. They would visit residents' homes to get to know them. It's a different concept of what being a policeman is all about—the concept of community policing.

In 1984, I became the commander in charge of all eight divisions and therefore had much more responsibility for the Neighborhood Police Post [NPP], our version of the Koban system. We started converting division by division to the NPP system, and by the end of 1990, we had set up 91 posts at the ground level of high-rise apartment buildings. Each post had about 20 officers working in four shifts. The challenge then was to change the mindset of the policeman from one to be feared to one to be liked. Over the years, I think we've succeeded.

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COS: That is a major shift. How did you do that?

Khoo Boon Hui: We went the usual route of training and propagating. We started small pilot schemes, and then, with success, people from the pilot plan would move to other units and start to propagate. Within a few years, by the late eighties, we were successful. And from 1988 on, the crime rate started to drop. But after so many years of success, we decided that this was not good enough. We realized that to be world class, you cannot have two different systems of policing. There were NPP officers who were community policemen, always smiling and ever helpful. They were not doing much to catch criminals. That was left to the other reactive police forces, the ones in the fast patrol cars, the detectives.

So we did a very major rethink. This is such a success story that many police from other countries came to Singapore to see how it works. We would conduct a joint course with the Japanese police to share the concept of community policing to other forces. We would spend one part in Singapore and one part in Japan, and would invite police officers from about 20 countries in Asian and Pacific regions. Despite the success stories, we asked ourselves, where do we go from here?

In 1996, we decided on a whole different concept. Instead of the big division doing all the patrols—anti-crime, arresting people—and NPPs doing all the community work,

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we consolidated the 91 NPPs into neighborhood police centers, NPCs, which also draw the patrol elements from the divisions. The NPC provides one-stop policing. Every policeman is trained to do all the jobs. This officer can be the friendly face, yet he can respond, arrest, and investigate. That requires major retraining.

One-Stop Policing

COS: Exactly what do you mean by one-stop policing?

Khoo Boon Hui: At one time, if you were the victim of a crime and you rang our emergency number, the division police would send a patrol car. In the meantime, the NPP officer would also talk to you, but he was not in charge of the investigation.

Now, the patrol car policeman who comes to see you will do everything. He'll take a photograph, get a fingerprint, take your statement, and help the victim. That requires a major skill change. The challenge is how to combine this one-stop policing with our community policing and ensure that there's no compromise. Because if you put everyone in patrol cars and give them all these extra duties, they're going to become very reactive. If you say, "I'm going to measure your response time," then we are back to the old pattern of just reacting and we forget about community policing.

COS: So how do you interweave the two?

Khoo Boon Hui: We came up with our Community Safety and Security Program, part of our philosophy of community-focused policing. Each NPC officer leads the residents and facilitates their work in solving problems and doesn't stay in his patrol car all the time. The program was a major breakthrough, because that's how we got our community focused on the same concepts. Now the NPC is responsible for working out plans jointly with the community and seeing them through. We also found that we cannot recruit the quality of policemen that we want if we offer them boring jobs. We have to challenge them.

Generational Shift

COS: So in creating this NPC one-stop policing vision, what were the aspirations?

Khoo Boon Hui: Previously, we were organized in a pyramid that was very top-down. The most senior man was in charge, even though he might not be the most competent. Everything was centralized with very tight controls. I was a young officer in that environment. When we started the NPC system, we found that we had to decentralize our authority. We had to let the NPC officer in charge take a lot of initiative. At first, there was always conflict, because there were so many different ways of doing things. Some officers sensed that there was something fishy about the whole thing. They felt we were just pushing responsibility down on them, but not giving them the right tools. I knew something was fundamentally wrong. People were unhappy, though they accepted the ideas. We still had a command-and-control environment, because feedback had to go up through the layers.

We all looked to my predecessor as a leader, as a very decisive person with a lot of drive. In 1996, he told me he was going to retire and that I would take over in 1997. My personality is very different from his. A generation older than I was, he'd experienced a lot of the turbulent times, which I had only heard about from my parents. I consciously decided that his style of leading didn't suit me or my personal convictions. Before I took over, I tried to emulate him, and I looked at what he had written as his visions when he first started as a commissioner. I decided to do my own five-year plan. So I took the vision statements of the metropolitan police in London and in Western Australia, which I thought were nicely captured, and combined the two with my own input. At that time, we were getting ideas about learning organizations from Daniel Kim and Diane Cory of

Pegasus Communications, who had done work for the Singapore Economic Development Board and were holding some courses. Wai Wah was one of the first to go to the courses, weren't you? The rest of us didn't know what you were talking about.

Soh Wai Wah: In June 1996, I was one of the first five officers the police sent to a course given by Diane and Daniel. At that time, I was a commander of about 600 people, and I tried to apply some of the techniques on my own people, but I made no serious attempt to spread them to the rest of the organization.

I used some of the team learning techniques, meeting my officers in a cozy environment, with soft music, and giving them the time for reflection. I've always been a consultative person, so I tried to do more consultation and proposed shared visioning processes. Within my division, I sensed that people were reflecting on why they were doing what they were doing. In the weekly sessions, I always emphasized the purpose of the meeting, their lives, and why they came to work. The officers were very receptive. I challenged them to think about their purpose, so that they didn't just come to work mechanically.

The ideas appealed to me personally and intuitively, and applied to things within my control and my domain. If I had an opportunity to share the processes, then I shared them. But I did not try to change my boss.

Khoo Boon Hui: So how did we get critical mass built, with only five people? The ministry, which is in charge of the police, and other departments—like immigration, civil defense, prisons, and central narcotics bureau—formed interdepartmental groups of bright young officers with two to six years of service to work on several projects. While these officers were very bright, the projects didn't get very far because the officers found it difficult to think jointly if something was against the interest of their departments.

So, in 1996 and 1997, we decided to send all 200 officers in groups of 40 to five-day courses in dialogue and team learning. I didn't attend the course myself, but I attended the opening and closing and also some bits and pieces just to see what was going on. And I started learning about learning organizations. During the first three days, I think the participants were confused and very skeptical. But by the fourth and fifth days, I saw them transformed—in the level of energy of participation and in the level of ideas.

A Turning Point

COS: So when you entered the room, you sensed a generative field?

Khoo Boon Hui: Yes. People were contributing ideas, not just from their departmental perspective. They were energized. But they had to go back to their departments and face their bosses. I didn't want them to become disillusioned.

A turning point for me was when a small group of us went to the US and visited the Hewlett-Packard labs, Shell Oil in Houston, the US Army College in Pennsylvania, Peter Senge at MIT, and a Ford factory in New Jersey. From that trip, I learned three things: one, most of these organizations had already journeyed through restructuring, TQM, empowerment, and then on to learning organizations. So I thought to myself, hey, we've already walked that far. There's no need to reverse everything and throw all that away. We can develop from there. Second, when I commented to one of my colleagues on the trip that the job of commissioner is boring, she told me to change it if I didn't like it. That got me inspired.

People were contributing ideas, not just from their departmental perspective. They were energized.

The third thing that struck me was our trip to the Ford factory. Here we were, all waiting in our nice jackets, and we were greeted by the supervisor who was in factory overalls. I wondered why we were taken to this place. After all, we had been to Shell Oil where we met Phil Carroll, the CEO, and the next thing, we meet this supervisor in overalls. But then I learned how, even with limited resources, this group of people, on their own, trained every worker in the factory. And these workers were not very smart people. They probably had not even finished high school. When they had free time, they were not reading books;

they were gambling. Yet, they all knew about learning organizations. One comment struck me greatly. The supervisor told me these people are very happy to come to work each day. So I asked myself, "Can I make all my officers happy to come to work each day? And how do I change my job?" That's when I realized that we had to change the way we worked.

A Force for the Nation

COS: How did you come up with your vision?

Khoo Boon Hui: We had a retreat of about 60 officers. In two days, we adopted a shared vision. By then, of course, there were lots of dialogues among all the ground officers. With Diane Cory and Daniel Kim facilitating, we came up with a shared vision of what we wanted the police force to be in the next five years.

COS: And what was that vision?

Khoo Boon Hui: We had words like "a force for the nation," "people as our most valued asset," "to be an inspiration to the world," "a call to serve," "our professionalism as the hallmark of our excellence." All very carefully chosen words. We wanted to be an inspiration to the world in policing philosophy and strategies. We were going to be a force for the nation, not merely a police force. We were already present in the community, so we just had to embody it in the shared vision. People are our most valued assets, not the structures, not the traditions, but the people. We made sure that the shared vision could be translated into action. Much of our work has the shared vision as the foundation.

We wanted to be an inspiration to the world in policing philosophy and strategies.

COS: When did you really feel that the vision was something people would share, not just rationally, but from their hearts?

Khoo Boon Hui: An example would be "the force for the nation." Until that retreat, we had always had a very narrow mindset. We just did policing duty. Wherever there was no policing, we didn't get involved. But when we said that we're a force for the nation, we suddenly took a national perspective. It became the inspiration for us to join a global learning community. The authority to share learning inspired us to serve the community by spreading the learning organization and help the nation be a learning nation. If I were in my old traditional mindset, I'd say that's all extracurricular; you do it on your own time. Don't waste police resources talking about it. The inspiration to be world class forces us to work on new concepts like neighborhood police centers.

COS: Then the real work started?

Khoo Boon Hui: Yes. Each unit had to create its own vision. We had to train people in how to dialogue. By then, I had taken over as commissioner, and I thought that it was all well and good to have this sort of thing once a year, but how do you live it? Our meetings were still going on in the old way, all of us sitting around behind a conference table, and I'm the chairman, here's a secretary. We run through an agenda. If there were a crisis, I'd call a few people to discuss what to do. When departments couldn't resolve a problem, they'd come to me to decide who's right and who's wrong. I'd ask myself, what has all this got to do with our shared vision? So we changed the way we work. The first thing I did was transform one of our meetings into one in which we practiced our skills of team learning and dialogue. So we have regular fortnight meetings of the leadership group for a whole afternoon.

Ang Hak Seng: It's not a meeting; it's a dialogue, a circle of 40 people.

Khoo Boon Hui: And there's no chairman. There are facilitators—all the young officers—

who set the agenda and the questions, and we answer them. We break into small groups of five or ten. These important dialogues cover the strategic planning process, the work planning process, the scenario planning process, any issue where we want a lot of generative thinking. For instance, there was a time when we had corruption in the police force, so we took several sessions to work out our behavior for dealing with corruption. At first I used to participate. But in the small groups, being who I am, I would dominate the conversation. Everyone would say, okay, your time is up.

COS: If you look at these first meetings, can you trace any sort of development? How would you compare them with today's meetings?

Ang Hak Seng: Our personal mastery has improved tremendously in terms of our ability to inquire about and advocate for issues. More important is the trust that has developed between us. The issues that we started to talk about were obvious taboos; we never would have ventured into them in the past. Relationship is a truly critical development in this process.

COS: So, over time, more and more difficult issues would come to the surface?

Ang Hak Seng: Yes, and the most difficult issue of all is the issue of mistakes. In the past, we would never talk about how to deal with officers' mistakes. We always came down very hard on officers who made mistakes and allocated blame. As a result, different officers or departments tended to defend their own positions. But now, they don't need to take a position. Mistakes are viewed openly as a learning opportunity, and we can talk freely about them.

Khoo Boon Hui: What's important is that people no longer come to me and ask me to decide who's right and who's wrong. If they do that, I'll just tell them to talk about it among themselves. So with this interconnectivity and organization of ideas, the challenges have all been dealt with before they reach my level. But more importantly, because now they have the experience, they can replicate this in their own units.

COS: Do the patrolmen also have a biweekly meeting?

Khoo Boon Hui: No. We've built in structures for the neighborhood police centers to have such meetings after each work shift in groups of five or six for half an hour of after-action review.

COS: How would you structure such a review?

Soh Wai Wah: First, they are asked what they did well today and what they can improve. They discuss the structures or mental models that drive what they have done well. We have an intranet for sharing all our learnings immediately with all the divisions. So the process is very much a dialogue and is facilitated by one of the patrolmen. The conversation will show up in the flow chart, and it's immediately transcribed into a computer and shared throughout the whole force.

Khoo Boon Hui: There's a special computer program for practical suggestions. That's a very constructive process in which each suggestion is evaluated. The patrolmen discuss what they have experienced and not what somebody else experienced. A lot of good suggestions have come from this, in terms of the way we provide service to the public.

Learning Infrastructures

COS: Are there regular learning organization tools that you apply daily like these after-action reviews?

Khoo Boon Hui: We now have coffee corners and learning centers. Coffee corners are very nice environments, where people can share ideas. Some of the best ideas come from people just sitting down and sharing.

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Ang Hak Seng: Learning centers are rooms set up purposely to facilitate individual and group learning. For individual learning, we have computer terminals with self-learning programs and Internet access so people can pursue learning at their own pace in their free time. For group learning, the room has been designed for dialogue. The individual and group learnings can also be shared with the entire organization through web-based applications in the computers. So the self-learning center gives us the flexibility of team learning, individual learning, and even organizational learning.

Khoo Boon Hui: We also have distance learning packages. For example, if a patrolman wants to be an investigator, he can go to the self-learning center and use a learning program on investigations. When the job is available, he's already halfway there.

Another interesting outcome is the issue of Internet communication and trust. We set up a bulletin board where any police officer can reflect and share opinions on anything. Slowly the patrolmen started to talk about the well-being of the organization. Some demanded, say, shorter working hours, but then others moderated this and explained why we need the longer hours. Management doesn't come into the picture. But there are rules for managers; we are not to share our opinions immediately, but should only clarify. The access is quite wide. Of 10,000 or so people, almost 4,000 people have their own e-mail accounts.

Soh Wai Wah: And access to a computer terminal. We have a ratio of about one computer to two officers now. In three years, we'll have a one-to-one ratio.

COS: Are there any lessons from that learning if you applied it to the whole community?

Khoo Boon Hui: Yes, the government is very keen on this now and has launched a Singapore 21 vision. We as public servants are to engage the communities. On the part of our ministry and the police, we have already started to do that, in the Community Safety and Security Program. But I think the government wants to do more so all its major policies are engaged. We've shown how it can be done in a very practical way.

Everyday Policing

COS: Looking back at the whole journey, what has been accomplished in terms of everyday action?

Khoo Booh Hui: There's one more area that we haven't really talked about—the impact on policing work. How do we solve cases? How do we learn from mistakes? This has had a tremendous impact, because we have found ways of dealing with new problems in very innovative ways.

For example, a group of robbers who were used to surviving in the jungle came to Singapore from a neighboring country. They invaded highly vulnerable, isolated areas in the middle of the night, where they would break into houses, tie up the occupants, rob them, and escape to the jungle; then they would hide until morning. Later on, they would come out and return to their homeland. They knew that our police officers patrol only the streets and are not skilled at tracking them in the jungles at night. They struck many times. There was great fear among the population.

Our initial reaction was the traditional one. We would try to follow them into the jungle immediately but, because of our lack of familiarity, we could not find them. From a coffee-corner discussion, we realized that they were using the jungle as a refuge. We decided to turn it into a trap. We deployed policemen to surround them at dawn, and we went in with specialist trackers. This is a practical application of collective thinking—of insight from dialoguing—to real issues.

There are many examples like this. I'm constantly surprised by some of the things that our men do. Previously, they waited for the managers to initiate or to approve. Now there are so many ideas. My job is to ensure they share them with everyone.

COS: Are your normal business meetings, not the dialogue meetings, different today than they were three years ago?

Khoo Boon Hui: Yes, our regular meetings are also different. For instance, if suddenly something comes up and we find it needs more dialogue, we don't have to adjourn to a familiar round circle. In the old formal setting, we can still dialogue and come up with very different ideas. Sometimes we don't know that something's going to develop into a dialogue.

COS: So you can switch the mode of conversation?

Khoo Boon Hui: As a result of the sense of shared vision and shared purpose, people have a sense that we're trying to come up with a common decision.

Ang Hak Seng: Because of my emotional connection to this shared vision, there may be times in a collective decision when I may have to sacrifice my resources for the good of the organization. This is possible, first, because there's transparency; second, there is trust; and, third, there is an emotional attachment to our common dream, our shared vision.

Khoo Boon Hui: I believe very strongly that the collective thinking skills of the police division have improved tremendously. We are making a lot of wise decisions and are able to sacrifice immediate gain for future gain. Many times I will go to a meeting with a position, thinking this is a very good move. After dialogue, I realize that it was only a smart move but not a wise one.

Part of a Larger Whole

COS: If you look back at your journey, what key learnings do you personally take forward into the future? What do you consider the major challenges for the future?

Khoo Boon Hui: First, I think we could not have planned a route for our journey. I sense that things seemed to coincide or to happen. There's a channeling of energy in certain directions. There are times when we ask, why are we doing this? We're sacrificing so much, but it's for the long-term good. I think we will carry on.

Second, now people see us as a model. However, we have not penetrated every corner of the police force, but have reached only those who feel they are comfortable with this. There are some units that are not so attuned, and we have to do more to convince them. We have to help the other units now if we really want the whole organization to benefit.

People may see this as a management fad that will disappear when I leave. But among the leadership group, we are quite convinced that this is the way to carry on. Whoever replaces me, whether he's from within the leadership group or from outside, will find it difficult not to operate in the same way. I think a cultural change has happened, at least in the leadership group and key parts of the organization. But we need to work further.

I think a cultural change has happened, at least in the leadership group and key parts of the organization.

COS: How would you personally describe the essence that you want to carry forward?

Khoo Boon Hui: I would say a spirit of trust that collectively we will be able to make better decisions and implement things more effectively as a group. And that has to be worked at. We always have tremendous pressures, issuing statements to the public, responding to the public and pressures from the government. But we make it a point to engender trust, to make sure that our own people are informed first. In the past, we couldn't do that because we didn't trust our people not to leak information to the press. But today that's not so.

Ang Hak Seng: In order to pursue organizational change efforts, the foundation of trust and relationship among people is paramount. The limiting factor to the challenge is perhaps the personal mastery of our people. So our next challenge is to bring personal mastery of self, of the part, and of the whole to the next level, so that we can transcend organizational boundaries together.

COS: I'm deeply impressed by what I've heard because there are many attempts around the world to transform the major institutions of our society. But there are few examples of such a large-scale development that includes the way work is done on the front line. We haven't covered everything here, particularly all the challenges in your day-to-day work. How can you take the mental model from one end of the spectrum to the other? That would be a topic for another conversation.

The other major interest for learning initiatives is your description of the essence of police work in society. You are transforming yourself from a functional unit to being a part of a larger whole, of larger communities. That kind of development happens in many places and in many companies. There is a dissolution of boundaries and you become part of a larger whole.

Khoo Boon Hui: Thank you for your insight. I think we've got some way to go, if we look at new directions. Perhaps it would be in the areas of belonging to the larger communities that you mentioned.

COS: We know what the old communities are. There is also something that is developing, an evolving, emerging new sense of community, and we don't know how to perceive it. That is a very important area of our work where all of us are at the very beginning. In Singapore, you have had interesting experiences from which other people can learn. It's important work that you are doing, and this is a very subtle level of the work that we know only very little about.

Khoo Boon Hui: That's why it is such a challenge to explain about policing in Singapore. The mental image of a policeman in America is very different. We have moved from traditional policing in communities to community building. We ask the community agencies to visit a family to see whether they need financial or psychological support. If we put people in jail, we ask the agencies to look after the families.

I'm inspired. When I come to work, I'm not just doing the narrow definition of policing, but I'm part of a force for social change in my community, for my country.

COS: How do you inspire other people? First you have to be inspired yourself?

Mirimba Giam: I believe it's the energy, the aura you exude; sometimes when you talk to people you can feel it. You want to do more because you feel excited. You are drawn to it because it's not destructive, but transforming.

Khoo Boon Hui: How do I get inspired myself? For me, coming to work is not just getting a salary, but for a higher purpose of doing something right and making a contribution. Transforming the nation, that is the higher purpose I identify with. So when I want to inspire my colleagues, I will always challenge them to think of the higher purpose.

Ang Hak Seng: What inspires other people is the connections among them beyond their immediate jobs. What inspires me is the ability to help them see or connect to the larger purpose.

Khoo Boon Hui: That relates to my first comment about why I joined the police force. I mentioned that most of us joined the police force because we could see tangible results of our service to the community. Now we have very different answers, because it is no longer tangible; it is the dreams, the visions, that will keep officers in their jobs. If you go for tangible results, you can get disillusioned, because sometimes you don't see the

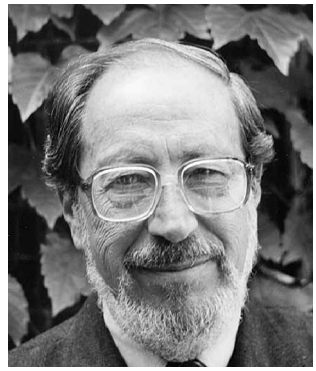
results. But if you can think of the larger purpose—the vision and the journey—in between all the failures, that keeps you committed.

Mirimba Giam: What inspires me is the story of Singapore itself. We have a history of less than 35 years; we have no resources other than our people. For us to be where we are right now—what could be more inspiring? If the whole nation could understand that, all individuals could be what they really want to be.

Khoo Boon Hui: I wonder if we, the police, are mirroring what has happened to Singapore? Today our leaders are more group oriented. I think the next generation of leaders will take it even further. The people who come after us will have to be better than us. I'll do everything to make sure of that.

Commentary

by Edgar H. Schein



Edgar H. Schein
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Not only is Mr. Khoo's story a fascinating account of how a traditionally centralized and autocratic organization can redefine itself, but Singapore itself is a fascinating case study of similar redefinition. I had occasion to study the culture of the Singapore Economic Development Board in the mid-1990s and learned in that project how complex social and organizational change can be when one considers simultaneously strategic, political, and cultural elements.[1] One of the most significant things to learn from that larger process and this specific case is that words like centralization, autocracy, democracy, and empowerment do not mean anything until they are made concrete in a specific case.

For example, Lee Kwan Yew is viewed by the outside world as an absolute dictator, yet he has done more to empower the various organizations within Singapore than most emerging societies have, by autocratically mandating certain levels of education and training, by focusing strategically on giving people jobs and housing to insure their economic survival and growth, and, perhaps most important, by recruiting the best and brightest into the Singapore government. This is so well illustrated in the case of Mr. Khoo. Here we have, in the midst of a society that is highly controlled in terms of political process, a police system that is trying to be a learning organization focused on empowering the community. The police as facilitators!!!

What I find most significant in this account and in the work of the Economic Development Board is that an organization or society can autocratically mobilize itself and, in that process, do remarkably participative things. It is not well understood that autocracy or participation as leadership styles are driven not by ideology, but by the pragmatic requirements of the task to be accomplished. Labels such as "command and control" are very misleading in that, within any given organization, one will find a complex mixture of leadership styles. As you read Mr. Khoo's account of the Singapore police, it is very difficult to hang a label on it.

The bottom line for me is that we need many accounts like this one to begin to understand the complexity of the leadership phenomenon, and that we need to resist labeling leadership styles until we have developed a better taxonomy based on many more cases from different types of organizations in different types of cultures.

Note

1. Schein, E.H. *Strategic Pragmatism: The Culture of Singapore's Economic Development Board* (Cambridge, MA: MIT Press, 1996).

Diane Cory
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Commentary

by Diane Cory and Daniel H. Kim

In October 1995, we began our work in Singapore at the invitation of a director in the Economic Development Board who was very enthusiastic about helping her country achieve the vision of becoming a "learning nation." Her passion was contagious, and we committed ourselves to a longer-term series of return visits to help spread the adoption of organizational learning disciplines in pursuit of that larger vision. As all good change agents are wont to do, we developed a strategy for accomplishing this by identifying activities and organizations to focus on as high leverage points of entry and dissemination. Since then, we have worked with dozens of groups involving hundreds of civil servants within the Singapore government.

What has been most striking to us is how the Singapore Police Force (SPF) has become one of the most influential forces for engaging other organizations' interest in adopting organizational learning. In hindsight, it was a brilliant strategy to focus on SPF as a way to expand the work throughout the ministries, but one which none of us involved in strategizing had actually anticipated, let alone planned. In our strategizing, we had focused on organizations that were currently seen as natural places to adopt organizational learning because it was consistent with their existing mission. The police, after all, were in the policing business, not the learning business—or so we thought.

At first glance, one might think that the principles of organizational learning would be incompatible with the command-and-control structure necessary to an uniformed organization like the police. There were key reasons why SPF was the ideal place for anchoring the learning organization work and maximizing the likelihood of it spreading throughout the civil service. One reason was that the SPF had strong planning and operations functions that were able to take on the additional responsibility for organization development, which was a function lacking in most organizations we encountered. It turned out that SPF's traditional planning and operations expertise were assets that could be readily applied in the deployment of new organizational policies and practices. Many of the traditional structures that supported command-oriented processes could be redirected effectively to support learning-oriented processes. Another reason was that the nature of police work itself tended to show the effects of any new deployments within a relatively short period of time. Therefore, its learning cycle times were faster, which meant more opportunities for learning and faster learning. Early successes lead to greater belief and commitment, which lead to more deployment and more successes.

One big lesson that our experience with SPF has underscored is something we have encountered repeatedly: the most powerful strategy for effecting change is often the one that emerges through the natural organic process of full engagement with the system. By that, we mean being aware of the natural energy flows of the system and moving with them, even if they do not neatly fit into our preplanned strategy. What we had not foreseen was the transformation of the police in redefining their own role in society in a much broader context than just policing. When the police shifted their vision from being "a police force for the nation" to "a force for the nation," the change in the officers was palpable. Their context of influence was greatly enlarged as was their spirit and call to service. Had we stubbornly stuck to focusing on the organizations we had identified in our original strategy, we would have missed the tremendous opportunity that the police force presented.

Too often, we as managers or consultants can get so stuck on implementing our particular solution (whether it be a strategy, a system, or a proprietary framework) that we blind ourselves to what wants to emerge naturally. Instead of listening to the voice of the change process as it is unfolding and dancing with it, the tendency is to impose our well-thought-out plans on the process and bulldoze over everything we perceive as obstacles.

This does not mean that we advocate throwing out planning efforts altogether. Indeed, it was our own attention to planning that kept us sensitized to clarifying continually the high leverage areas for change. By staying very "present" to what was unfolding, we danced with the energy for change that flowed naturally from the police and became a partner with this powerful, emergent "force for the nation."

FEATURE

A Laboratory in Democracy: Revisiting the Great Peace March

Steve Brigham

Fourteen years ago, a remarkable group of 400 people gave nearly a year of their lives to walk across the United States in support of global nuclear disarmament. We gave up our nine-to-five jobs, one-bedroom apartments and two-story homes, cars in the garage, neighborhood friends, and summer trips to the beach to spend 9 months walking 20 miles a day through blistering heat, drenching rain, and miles of desert and farmland in an effort to make the world safe from nuclear weapons.

Although the Great Peace March (GPM) ended long ago, it has lived in my colleagues and me ever since. Part of what lives on are the friendships formed and vivid memories of our adventures. What lives, as well, is a march that quickly evolved from a high-visibility media event to a living, working democracy that depended emphatically on the development of a healthy and vigorous, though tempestuous, community.

Steve Brigham
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Our original vision was of 5,000 people walking in a glitzy, high-profile protest march to focus attention on the insanity of the arms race. Through their walking and outreach, they would reach tens of millions of Americans, carry the message, and create the political climate necessary to achieve their goals. At the end of their journey, 1 million people would join them for a rally in Washington, DC, to demand that world leaders end nuclear madness. That was what was *supposed* to happen. However, it was far from the reality.

The Great Peace March began as scheduled on March 1, 1986, but the glamorous Hollywood-style march we imagined never materialized. Instead, on March 14—when the march was just 120 miles and 14 days out of Los Angeles—the organizer, PRO-Peace (a national peace group), announced its bankruptcy. Although the national media read the march its last rites on that day, 400 of the original 1,200 marchers reorganized, intent on completing the dream of a cross-country trek. With determination and ingenuity, these 400 diehard pioneers conceived a new organization and march, which set out from Barstow, California, on March 28.

From Barstow to Chicago, we walked through sparsely populated deserts, mountain ranges, prairie, and farmland. When moving through towns of a few hundred or a few thousand, we were front-page news, having palpable impact that was mostly positive, but occasionally negative. The big cities, in contrast, never paid us any mind. Because we were just getting our footing and because the potential for outreach in those areas was minimal, we spent countless hours in conversation among ourselves. During the first five months, from mid-March to mid-August, we built a community committed to democracy, dialogue, openness, and fairness.

During the first five months, we built a community committed to democracy, dialogue, openness, and fairness.

We called our mobile village "Peace City." We had a kitchen, operating 20 hours a day, that could comfortably serve as many as 1,000 breakfasts and an equal number of lunches and dinners. We had two 40-foot storage trailers—one for dry goods, one refrig-

erated. We had a dedicated volunteer maintenance crew working six or seven days a week. There were departments for finance, data entry, sanitation, and transportation, more than 30 formal and informal departments in all.

Advance teams regularly traveled ahead to secure campsites, publicize our impending arrival, arrange speaking engagements, organize rallies and benefits, and spearhead potluck dinner committees. Our festive camp atmosphere, with its hundreds of colorful tents and fleet of large vehicles, was an exciting place that attracted locals. Each night, they came to tour our village, listen to a speaker on the arms race, or enjoy our homegrown acoustic music.

The march finished eight months after its phoenix-like revival, in mid-November 1986, just as temperatures in the East plummeted to levels uncomfortable for full-time, outdoor living. Some 15,000 people from around the nation joined us for a rally at Lafayette Park in front of the White House and then a celebration at the reflecting pool in front of the Lincoln Memorial. Within the week, 800 proud but exhausted people (the march doubled in size in its last four months) dispersed in all directions to pick up their lives or to start new ones, all emboldened to pursue and launch the projects, activities, organizations, and other dreams that the march had inspired in them.

Democracy Emerges

I was 24 when I joined the march and thought I understood democracy—what it meant, how it was applied, and what its limitations were. Until the GPM, however, I had never thought of democracy as a *daily practice*. Democracy had implied many things to me—freedom of speech, the press, and movement; equal rights for all citizens; due process under the law; and participation, direct or indirect, in local/national decision- and law-making. But, like most of us who live in a democracy, I had taken much for granted, mainly because democracy allows *most* of us to do as we please. Democracy, then, takes place *around* us, often without requiring much of our own effort. The GPM changed my views of democracy. On the march, I watched democracy emerge, in a palpable way, into something more workable and participatory than I've ever experienced before or since.

How did democracy emerge on the march? We must first take a closer look at the collapse of PRO-Peace. In the 12 months before the march, PRO-Peace had assembled a central, paid staff of 90, then operated largely as a top-down corporation, run by the founder and a few executive-level managers. It had confidently expected big corporate donations, endorsements from every major and minor peace and disarmament organization, fawning by the local and national media, and the adulation of the American pub-

lic. In December 1985, before the march started, its leaders knew the march was in trouble. They had less than a quarter of the expected marchers, money they had counted on hadn't shown up, and only a handful of the national peace organizations had expressed interest in helping.

Once the march started, PRO-Peace realized that its troubles were not solely financial; and these additional ones quickened the demise. As the number of participants grew from 100 overwhelmed, inexperienced staff to 1,300 staff and marchers, the march inevitably took on a life of its own. Many marchers began to demand more control over PRO-Peace's policies and daily operations. PRO-Peace staffers relented on some matters, but resisted on many others.

Crises reigned. One night, we were denied a campsite and were forced into homes. One day, we were ill prepared for a heavy rainstorm, and eight marchers were treated for hypothermia. At one site, we ran out of operational funds and had to stay at a remote desert site. On March 14, the march's founder drove from Los Angeles to our site in the Mojave Desert to announce that PRO-Peace had gone bankrupt, the march was over, and the dream dead.

But a funny thing had been happening during this stress and turmoil. Individuals and groups, anticipating the demise of PRO-Peace, began to set up their own task forces and policy board to fill the void. By the time PRO-Peace abandoned us, replacement structures were emerging. A growing band of people continued to believe that the dream *was* still alive, albeit smoldering. The central conversation in camp was: Are you going to stay and rebuild, or abandon ship entirely? Nearly 800 left, either convinced the march would never restart or unwilling to face the chaos and uncertainty for another day. But 400 stayed to see whether they could mount what seemed a minor miracle. Many people, I among them, did not believe we would start the march again, but couldn't bear to leave without trying.

When PRO-Peace folded, we did not know what governance we would create, but we were certain it would not resemble the "please do what we say" style of leadership that had just crumbled. For two weeks in Barstow, we debated and argued into the early morning hours: Should we proceed with as many people as possible or break up into small, self-contained groups? Should we appoint a primary leader to run our affairs or build our own democracy that would attempt, collectively, to run its own affairs?

A policy board, composed of members from each of the four towns of Peace City, facilitated the deliberations. A board of directors had also been created as a requirement of incorporation and, in its original composition, consisted of three former PRO-Peacers who had resigned to support our fledgling group. Neither board would last for long. The day before we left the Mojave Desert for points east, we voted to replace the policy board with an elected city council (operating on consensus whenever possible, not the customary majority vote). Soon thereafter, eight members were elected to the council.

Within a week of being on the road again, people began to question the legitimacy of the board of directors. Because marchers so distrusted any connections to PRO-Peace, it was agreed that four marchers would be added to the board, through citywide elections. From then on, the board of directors was in charge of general march policy relations with the "outside world," but internal matters and daily march decisions were the city council's responsibility. But as with everything on the march, even this new board's status was not permanent. In early June, just two months later, all board members were asked to resign, and there was yet another citywide vote and seven new members were instated. Ironically, two anarchists—running with a slate of candidates on a platform to abolish the board altogether—were elected, joining a body they didn't believe in to help it set policy and direction for the entire community. This new board served the march for the rest of the journey.

Debate is at the heart of democracy, and there was no scarcity of it in Peace City.

Debate is at the heart of democracy, and there was no scarcity of it in Peace City. For example, the march was a nine-month-long deliberation among those who believed it would be most effective if operations were more centrally organized, those who advocated citywide consensus for all decisions, and those who were somewhere in between.

Controversies abounded. In Barstow, a Mescalero Apache marcher had drafted a plan promoting an alternative, more southern route for the march through Big Mountain,

Arizona, where US marshals were confronting Native Americans over land holdings. We kept to our original route. Also in Barstow, a charismatic farmer declared his intention to join the march and donate a fleet of tractors and vehicles, but only if he were CEO of the whole operation. We turned him down. Many on the march favored civil disobedience, on occasion, to make an important statement for our cause; many others didn't. Ultimately, the march as an organization refused to endorse such actions, but allowed individual marchers to commit acts of civil disobedience on their own.

As one marcher aptly described it, the march at times seemed like "400 shepherds in search of a flock." We were never without controversy or, at least, a good, nettlesome issue to debate. We argued over whether to concentrate attention on national media or local, to make decisions as a community or in smaller groups, to allow new marchers in or not, or to impose a dress code or defer to the discretion, whim, or, in some cases, bad taste of each marcher. Democracy was tiring, it was messy, it was circuitous, and we didn't always *do* it well.

Democracy was tiring, it was messy, it was circuitous, and we didn't always do it well.

Yet I don't think most of us would have had it any other way. Here was a place, finally, where we could express our opinions and know that we would be heard. Here was a place where we all *had* to think about our own governance, our own security, and our own livelihood, and had to live with the consequences of the decisions we had made together.

With our chaotic beginning and tumultuous but joyous journey, we often felt we were groping in the dark. Our commitment to democratic principles was the key to our adaptability and, at times, our survival. But democracy itself was not enough to sustain us. If we had never evolved a committed and responsible community, our democracy—and the march—may well have faltered.

An Experiment in Community

> Three things are missing from almost every organization . . . a sincere desire to love each other in a brotherly way, an ability to incorporate spiritual values in their work, and an ability to do something physical together.—Ret. Lt. Col. Jim Channon, Task Force Delta[1]

The 400 people who remained in Barstow that March were committed to the same purpose but were forced to learn deeply about the fundamental requirements of living as a

peaceful community. They were 400 people with 400 sets of needs and with countless different ideas about what the march should do next. They had a dozen different notions for how disarmament was tied to other critical issues (*détente*, peace in Central America, Native American issues, environmental issues, world peace, and so on). They came from nearly every conceivable background: upper class, suburban middle class, and working class; Southern, Midwestern, Northeastern, and Californian; Jewish, Christian, Buddhist, and atheist; black, white, Hispanic, and Asian; from all 50 states, Australia, Japan, Mexico, the Netherlands, and Germany.

Living and working in community—in my experience—rarely just happens. There had been good feelings among the marchers, as a whole, in the three weeks of preparation in California before leaving Los Angeles. In the first days of the PRO-Peace march, we did begin to build a *sense* of community, mostly in response to the crush of daily crises that beset us—loss of site insurance (and thus, loss of sites), heavy rains, frigid desert weather, food in somewhat short supply, and the growing gloom-and-doom rumors. But *real* community did not begin to emerge until we had proven that we could put the march back together as a new entity. It meant first determining how many marchers would stay. It meant proving that we could create something of substance from the ashes of PRO-Peace. It meant agreeing on who we were and how we were going to live together, govern ourselves, and move 20 miles every day.

To emerge as a community, in part, means you have endured hard times and come out the other side. What *kind* of community emerges depends on how you have treated one another during those times—how honest you've been, how open you've been about thoughts and feelings, how committed you've been to see things through, and how willing you've been to stay with a conflict until it's been resolved agreeably.

Real community did not begin to emerge until we had proven that we could put the march back together as a new entity.

We quickly learned that community is not a destination you reach. On the march, time and again, when it seemed that ease and stability were settling in, we would hit a new roadblock and the sweet feeling of community would subside. We would struggle, work through the next set of issues, and again regain community.

Our shared vision (walking across the country to demand an end to the arms race) and our commitment to dialogue sustained our community over time. Yet, what sustained us even more was the commitment we had to one another. The resurrection of the march left an indelible impression on us all as we had stared at collective death and found the will to persevere. Any crisis that emerged after Barstow now paled in comparison. This commitment helped us all through the most blistering days of summer, through consecutive days of rain, through the daily fare of oatmeal and brown rice, through the lonely days away from loved ones.

But living and working as a community was not *just* about getting through hard times. We played together and became friends. We formed dozens of groups, such as three musical bands (one all-woman), a corps of seniors, a "town" of families, a performance art troupe, prayer circles and meditation groups, a few issue-advocacy groups, and a bunch of anarchists—perhaps the most organized of the whole lot. Many of the groups were conspicuous by how they camped together in "neighborhoods," usually small prides of friends who set up their tents together nightly. These neighborhoods ranged from three tents to more than a dozen and were quite fluid. Over the course of the march, a marcher might have belonged to three different neighborhoods. Thus, a single neighborhood might have started out as a band of eight tents, by midway through the march had grown to a dozen, and by the end contracted to five or six.

Probably our greatest tests to becoming a "community" are tests for any community: who to include and who to exclude. Early on, we had a dilemma; we knew that as a group of 400 people, we were too small to capture notice from the media, so we needed to grow. Yet 400 was a comfortable size and to grow might upset the delicate balance we had arduously established. Finances were also a factor; with our bare-bones budget, we could barely afford our current numbers.

Some early incidents seem comical now, but at the time appeared more serious. For example, a man who called himself "Jesus" joined the march in Nevada and insisted we

host him and his followers. Although we did not admit him, he stayed for many days and, at one city council meeting, pronounced that the council was null and void. Eventually, after the early struggles, people joining or leaving became straightforward. Most people who expressed a genuine interest in joining were allowed to after a health screening by the doctor or nurses on the march.

Thus, the crisis of PRO-Peace's bankruptcy presented us with a serendipitous gift—the opportunity to create something new. The subsequent creation of our community was central to our success, giving us great strength during difficult times and great joy during successes. It also strengthened our commitment to democracy, giving it wider latitude to grow and deepen. The march became a place to bring not just our political selves or our work selves but our *whole* selves. In the end, we developed a respect and love for one another deeper than in any other group of which I've ever been part. This respect and love resulted from intensive time spent together, the freedom to express a full range of human emotion, and doing something physical together, like walking 3,500 miles across the country.

A Worker's Paradise?

Community and democracy are commendable ideals, but how would all the work get done? Countless factors were at play, but perhaps the greatest was our willingness to trust the constantly evolving, ceaselessly changing dimensions of our work and life. We allowed units, departments, or work groups to undergo frequent self-renewal or develop periodically into new structures. Yet, despite this ever-changing organizational kaleidoscope, the march remained largely unaffected and continued its halcyon journey east.

Thus, the rules and restrictions were few, but the march did seem to manage itself around a few tacit, yet well-understood principles:

- Everyone works and everyone walks.
- Contribute what you feel you can do best.
- Everyone is a leader.

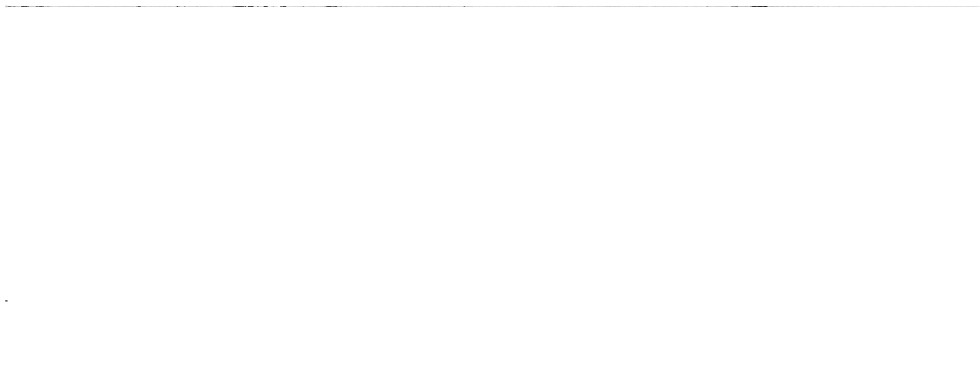
Everyone Works and Everyone Walks

This first principle was official city council policy, but wasn't easily enforced. One reason that many marchers joined—aside from their passion about the issue—was the sheer adventure of traveling across the continent on two feet. So, *everybody walks* was an easy principle to enact; unless hindered by blisters, aching muscles, or sore feet, everybody *wanted* to walk. But, *everybody works*? The vast majority of marchers were eager to make regular contributions to the cause, but there were some who performed less work than their share—folks known as "march potatoes." Aside from the occasional poke or prod, these "deviants," a small minority, became merely the discrete butt of jokes by other marchers.

Contribute What You Feel You Can Do Best

There was never a shortage of work, and as the march progressed, we took on still more tasks. In April, in the deserts of Utah and the western lowlands of Colorado, we focused on internal operations, making sure we were able to move easily and smoothly from campsite to campsite. But as we began to pass through towns more regularly, we saw the need to create new offices: a speakers' bureau, special events, reception, direct mail, a ceremonial mayor position, merchandising and the camp store, band bookings, and the Peace Academy. Groups formed around greens keeping, lost and found, tent repair, bookkeeping, schooling, dance, theatre, wellness, and spiritual guidance, as our internal needs became both more cosmopolitan and more practical. These groups on the whole were not mandated. Individuals or groups generated them due to immediate concern, new opportunity, or the creative spirit.

Although marchers were expected to work at least two days a week, no one dictated which job a marcher should do. Marchers selected the departments and type of work they were most interested in. Some jobs required considerable preparation and training; other tasks were obvious and straightforward. Certain jobs were ongoing and daily, but the



personnel rotated. A subset of jobs served a specific purpose for a certain period of time.

Thus, there was a freedom in our community not found in organizations elsewhere. For example, during the march, I was head of the campscape department (setting up all the large public tents, roping off the camping areas), co-director of the bookkeeping office, a regular speaker in schools and churches, and coordinator of the advocacy group for a comprehensive nuclear test ban. I could have stayed in one position the entire time or taken on other jobs. Some people chose to be primarily workers, easily putting in more than 40 hours a week. Most, however, found they could only maintain that kind of schedule for three to four months and would then ease up. Others chose the bare minimum, perhaps even testing the limits for what was considered "work."

Everyone Is a Leader

Just as we chose a partly direct, partly representative democracy (without a single, charismatic leader or a trusted cadre of executives) after the collapse of PRO-Peace, we favored a bottom-up approach, as well, when creating working departments. Many departments started as informal teams responding to glaring or subtler needs. It was rare for one person to start and consequently run a department on his or her own. Thus, the creation and maintenance of most departments was a shared responsibility. Sometimes, a department had a benevolent autocrat at its head, but most worked on cooperative principles. Even the higher-level jobs were filled only temporarily, so departmental autocrats and democrats alike were managers for only relatively short periods. A few people held the same department head position for the duration.

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Whereas most businesses would fret over such high turnover, the marchers accepted it and simply made recruitment a central, ongoing task for almost every department, office, team, and group. Workers regularly empowered themselves to make their work activities more efficient and effective. Staff within many departments collectively juggled the schedule to meet the competing needs and desires of individuals. Workers who knew that job inside and out did on-the-job training. There were many opportunities for advancement because of the frequent job rotations.

Although marchers distrusted or resented those who wanted to impose power over them, they embraced those who demonstrated situational leadership—stepping forward to make important contributions at an appropriate or necessary time according to their

ability. Thus, dozens of marchers acted as leaders every day. The complement of leaders constantly changed. There were unsung heroes, like the maintenance crew who worked long into the night on our cobbled-together fleet of vehicles. There were highly visible leaders, for example, city managers, who were making important logistical decisions throughout the day.

Although the march was a supportive and enterprising place to work, it was *not* always a worker's paradise. Periodically, the patience of department and shift supervisors was tested. Occasionally, marchers just didn't show up on their assigned workday. It was difficult, for example, to recruit workers to pump the portable toilets. Maintenance workers regularly felt unappreciated. City council members felt "meetinged" to death. Certain jobs had high burnout. Yet most work was done with close colleagues, was flexible, allowed for an individual's unique gifts, and had a direct, visible, and meaningful impact on the everyday life of marchers.

Because everyone cared so deeply about what we were doing and who we were living with, the fact that no person or small group of people was in charge and that everyone needed to act as a leader resulted in high accountability. The march embodied the idea that "a community is a group of *all* leaders."

A Year of Making a Difference

As I look back, I see the march as an extraordinary political, social, and spiritual education. It taught me patience for the political process, tolerance for diverse views, endurance within chaos, resilience during despair, trust in people's good intentions, and new skills.

The original vision for the march—a world free of nuclear weapons and a cross-country trek involving thousands—proved critical in keeping us together when PRO-Peace disbanded and in keeping us focused on getting to Washington by November. By valuing people and using a democratic process, once we passed through our initial crisis, our community bloomed. By encouraging dialogue, experimentation, and diversity, we learned to trust chaos, ambiguity, and a degree of flexibility that we wouldn't fathom in our regular lives. Such trust gave people a tremendous sense of ownership for the organization as a whole, allowing hundreds of leaders to emerge.

Most marchers feel that 1986 was the most significant year of their lives. They sacrificed so much but were rewarded with an otherwise improbable or impossible experience: a year of practicing democracy with a passion foreign to most Westerners, a year of living in an intense, challenging, and rewarding community, and a year of making a difference.

Note

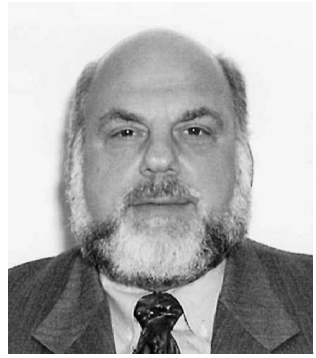
1. Nirenberg, J. *The Living Organization: Transforming Teams into Workplace Communities* (San Diego, CA: Pfeiffer & Company, 1993): 62.

Commentary

by Bert Frydman

After reading Brigham's article, I was left with two strong emotions—inspiration and vexation. The inspiration came as I vicariously traveled along, seeing the journey through Brigham's eyes. The vexation came as I recalled my 35 years of traditional corporate life, including the last nine of which I spent trying to implement, as best as I could, the same principles of democracy and community within the environment I was living.

Democracy as Brigham describes it was messy and had, at its heart, time for debate. It was chock full of reflection, ambiguity, and the ability to challenge—without any apparent threat of reprisal—the assumptions of others. I contrast that with the pressure in the corporate world for quick decision making based on competitive threat, time-to-market windows, and financial expectations, all within a hierarchical structure. I have never experienced true democracy in the workplace.



Bert Frydman
Coauthor
The Power of Collaborative Leadership—Lessons for the Learning Organization

I am reminded of the comments of friend and colleague Iva Wilson, who has had much experience in the corporate world and is well known to the SoL community. She recalls that while growing up in a communist country, she was not free to challenge assumptions in public but very free to do so at work. In coming to the US, which was her dream, she was surprised to find you could criticize the government at will, which many did, but the exercise of that freedom had potential dire consequences at work.

On the Great Peace March (GPM), the shared vision was clear, compelling, value-based, and deeply held by the participants. Contrast that with the struggle in a business world fraught with mission statements that are not totally understood, value statements that raise cynicism and sarcasm most poignantly when they discuss employees, and the whole focused on creating shareholder value. It is difficult to create community when downsizing is so prevalent and its implementation raises the stock value. Community is further threatened by the current trend of mergers and acquisitions (I have personally been through two). In most cases, they begin with strong pronouncements of mutual respect and synergistic value but, within a year, result in significant exodus of human talent and expertise.

Americans enjoy one of the best standards of living in the world because our business community has made it possible. If democracy is messy, so has been the evolution of managerial art and science. It has reinvented itself numerous times and, while doing so, has enabled people to leave their homes, cars, jobs, and sometimes go on peace marches. The march in this article envisioned 5,000 participants, in actuality realized 800, but still was considered a success. Consider a company projecting a $50 share price to its investors but realizing only $8 per share. The company would not claim great success nor would the shareholders or employees, many of whom would sympathize with the marchers' views and some of whom may have been among them. As problems were encountered on the march, the participants themselves endured the consequences—a perfectly closed loop. In the business world, companies are responsible to many constituents and frequently face the judgment of others whose agendas are varied and frequently conflicting.

The scope of this march was bounded and timed. Clearly, it had its own set of problems, but it was able to contain them without major external interference and to end its mission when it was no longer practical to continue. The business environment is complex and ever changing. There are shareholders, competitors, regulators, unions, environmentalists, and a host of other interested and influential forces at work to change the landscape in real time. Additionally, every company strives to extend its existence in perpetuity, necessitating a short-term and long-term game plan that needs careful thought, implementation, and nurturing. For many firms, this has meant the development of a culture and structure that are often difficult to change. This resistance to change is usually based on the belief that you don't mess with success. Change efforts are then not valued and, even if deemed beneficial, are met with the equivalent of a biological rejection phenomenon.

In the community that the marchers created, they were able to meet and debate changes in policy and leadership. They were the authors of their own conventions. This is similar to the start-up mentality in the emerging marketplace. As time goes on, however, the founders are often unable to cope with the complexity and diversity of issues. They turn to business managers and continue their growth. As a consequence, however, the atmosphere changes, and the community-based, autonomous decision making is lost to strategic planning and internal communication, the objective of which is securing buy-in from its members. As the ranks of the employees swell, the price of growth frequently is alienation from active, collaborative, participative decision making. It doesn't feel like the same community anymore. The benefits we all enjoy in this information age are directly a result of this process of innovation, growth, integration, and finally large-scale diffusion.

Having discussed some of the stark contrasts between the march and the business world, I also point out some important commonalities. The concept of daily practice as described in the article is equally valid and necessary in business. Our values and actions need to be palpable and consistent. We need to walk our talk, and our community will judge our sincerity to our espoused values by what we do and not what we say. This test ultimately forms the foundation of trust and integrity.

On the GPM, the marchers experienced the dilemma of crisis management as a denied campsite and hypothermia for eight marchers. In the business world, crises can have a disastrous effect on the health of the enterprise, putting well-conceived plans on hold or worse. In many instances, crises affect careers. The ability to anticipate and thereby prevent crises is a true skill borne out of effective dialogue and participative decision making. Even when the crisis is not prevented, the same attributes lead to effective resolution of the problem.

A key skill in both situations is situational leadership. As defined in the article, people stepped forward to make important contributions at an *appropriate* or *necessary* time according to their ability. The art of knowing when to intercede is crucial to the development of leadership in each of us. It is equally valuable as a learning opportunity to both the person who would intercede and the recipient.

Finally, there is the human condition of exhaustion, burnout, and feeling unappreciated. Starting with the Western Electric Hawthorne plant experiment, we learned that the value of attention and affiliation and the valuing of the individual are essential elements to the success of any endeavor.

More important perhaps is the overarching objective common to both environments. To succeed in our respective missions, we need to tap the unrealized potential of human capacity and mobilize it into practical actions based on a fundamental principle. *We must align the personal aspirations of individuals with those of the organization or community.* We must first clearly define our vision in terms of desired values and mission, a tedious, messy process that requires time and dialogue. At the same time, however, we cannot abandon our current reality. That means dealing with the practical day-to-day business problems but abandoning Band-Aid™ solutions (Ackoff's "mess of fixes"). This is the essence of creative tension. Repeatedly proclaiming the vision is no more effective than staying in the current reality. The key is to define the path between current reality and the envisioned end state. This path must pass the test of practicality and live in harmony with its environment.

Organizational Leadership in the Twenty-First Century

FEATURE

Frances Hesselbein

This speech was presented at the Society for Organizational Learning Annual Meeting, June 28, 1999, at Bretton Woods, New Hampshire.

Frances Hesselbein
Chairman and CEO, Peter F. Drucker Foundation for Nonprofit Management

It is a great honor for me to be with you this morning as we end an illuminating three days together. I bring you warm regards from Peter Drucker and the people of the Drucker Foundation. And always, it is an honor to work with Peter Senge, who, from the very beginning, has been a major benefactor of the tiny Drucker Foundation. We look at Peter Senge and Ray Anderson, and you and your leadership, and I think we can say that giants walked at Mt. Washington this week.

This is my first SoL learning encounter—SoL, not soul—but it has been partly that, as well, and I am very grateful. Learning from you for three days has underscored my belief that all of us are called to do what we do. Never a job, it is a calling. And no matter what the financial bottom line, every man and woman in this room shares a common bottom line, changing lives and building community.

At the Drucker Foundation, a small staff and board are surrounded by over 100 great thought leaders who write for us, speak for us, and advise us. Our foundation is an anomaly; we are a foundation with no money. We chose to deal in intellectual capital so we act as brokers, bringing great thought leaders such as Peter Drucker, Peter Senge, Michele Hunt, Charles Handy, Hugh Price, and Arun Gandhi together with the leaders of nonprofit organizations and leaders in all three sectors. The thought leaders write for Drucker Foundation publications as their own contributions. They speak at our conferences and travel with us when we present leadership and management seminars abroad. And always, our passionate focus is on helping nonprofit organizations achieve excellence in performance and, in the end, serving all three sectors.

Recently, at the Pentagon (and I think you will smile when you imagine someone who looks like me standing before 42 generals and colonels, speaking on diversity and leadership in the new century), a distinguished general asked me my own personal definition of leadership. I replied, "Leadership is a matter of how to be, not how to do it." You and I spend most of our lives learning how to do it and teaching others how to do it, yet in the end, we know it is the quality and character of the leader that determine the results and the performance. That was my thesis when I served with the Girl Scouts of the USA, now with the Drucker Foundation, speaking to the United States Army, to the Salvation Army, and recently in Australia, where we helped to launch the Australian Forum for Nonprofit Leadership and Management. It is my message today.

Leadership is a matter of how to be, not how to do it.

Peter Drucker says: "Leadership is not rank, privileges, titles, or money; it is responsibility." And that is what I have been hearing from you all week. I would add that leadership has little to do with power and everything to do with responsibility, leading by example, and leading by voice, with language that illuminates, defines, and embraces. It is the enduring gift of the leader. Leadership is a matter of how to be, not how to do it.

Leadership Lessons

Let me share some personal background. July 4, 1976, was an auspicious day as the parade of tall ships sailed into New York harbor, and I arrived in New York to become chief executive of the Girl Scouts of the USA. I had left a very small town in the mountains of western Pennsylvania to lead the largest organization for girls and women in the world. It was an organization of enormous complexity, with over 3 million members, 335 chartered local councils, and a cookie sale grossing a third of a billion dollars every year. It was an organization of long history and proud tradition—a great American institution.

In 1976, most organizations were reeling from the seismic changes of the sixties and early seventies, and the gatherings of corporate and organizational chief executives had few female faces. Women in my position had few role models. We did have the literature, and many popular books on leadership and management in the early 1970s were in the "take no prisoners" category. Equally unhelpful were those marvelous "dress for success" books, written by men for women executives and designed to keep Brooks Brothers little gray flannel suits flying forever.

During that time, some CEOs, and I was one of them, developed our own philosophy and our own style, and our own leadership language, and we instinctively banned the old hierarchy. We took our people out of those rigid boxes and into the circles of a structure and system that I call circular management, a flat, fluid, flexible management system that is mission-focused and values-based. [An article on circular management, "Managing in a World That Is Round," appears on the Drucker Foundation web site, www.pfdf.org.]

In 1976, I did not know, but would learn many years later from Peter Drucker, that society was entering a period of the most massive change in over 200 years. I just knew that the practices of the past were not relevant to the present I was living and the future I envisioned. And I knew that equal access, building a richly diverse organization, was an indispensable part of a demographics-driven, customer-driven future.

So in the late seventies, we defined our own roles as we expressed ourselves in our work. And as I led the largest organization for girls and women in the world, and I did this for thirteen and a half years—that is, about 5,000 days—I never had a bad day; I had lots of tough ones, but never a bad day. Now I lead probably one of the smallest foundations in the world. Small in size, but mighty in vision and mission. Then and now, I always knew I had no power, as power was described by the leaders of the past: command and control, rank equals authority, up/down, top/bottom, and superior/subordinates. But I understood the power of example, the power of mission and values and vision, and the power of language.

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I worked hard on the language until the answer came clearly, and "We manage for the mission" would be my mantra for the next 20 years. Later I added two indispensable companions for the journey, and "We manage for the mission, we manage for innovation, we manage for diversity" permeated the total organization. They became a leadership benchmark—a simple but powerful way to describe the management and focus of a great institution. The language mattered.

We learned to mobilize our people—three-quarters of a million adults—around a second powerful message: this organization is "mission-focused, values-based, and demographics-driven." The power of language was indispensable on the journey to transformation. From our own people, I learned the power of persuasion, for I led a work force of 788,000 men and women; fewer than 1% of these were employed staff. From them, I learned that innovation and diversity are the power that drives and trans-

forms a movement, as true in 1999 as in 1976. When I left Girl Scouts of the USA on February 1, 1990, we had achieved the greatest diversity in 78 years, with the most remarkable cohesion that anyone could remember. That year, during a carefully planned 12 months of leadership transition, was the most exuberant year of my career.

I said goodbye to the best organization and the best people in the world. It was the perfect time to leave and to write a book, which a publisher had asked me to write, about managing for the mission. I bought a house in the Lehigh Valley of Pennsylvania, was going to make a few speeches a year, and not travel so much. Obviously, I know nothing about long-range planning, for six weeks later, the Drucker Foundation was born, and I found myself for the second time in my life immersed in a mission I am passionately committed to, and once again exploring all too frequently the airports of America and abroad. Yet again, every day is an adventure; it is an exuberant journey.

Language matters, as we learned this week, in all our working sessions. I can't tell you how impressed I have been with the integrity and the passion of the involvement in our work together. I would like you to listen to Peter Drucker's and Peter Senge's elegant, powerful language. Drucker, for example, if he were here, would say, "Focus on task, not gender." "Management's responsibility is to make the strength of our people effective and their weaknesses irrelevant." One day when I was talking to him, I said, "Peter, I am not drowning in the sea of opportunity, but I am swimming very hard." I heard his deep voice say in response, "Frances, remember your job is not to provide energy; it is to release energy." We need to engrave that one upon our hearts. I hold in my heart Peter Senge's message as he spoke to our annual conference on innovation. He said, "Mission instills the passion and the patience for the long journey."

The future calls for leaders with a moral compass that works full time, leaders who are healers and unifiers, who embody the mission and live the values, who keep the faith.

We are fellow travelers on this long journey to transformation. And on this journey, the future calls countries around the world, ours and all the other countries, for effective ethical leaders in every sector, at every level of every enterprise. Not *a* leader or *the* leader, but *many* leaders dispersing the responsibilities of leadership across the organization. The future calls for leaders with a moral compass that works full time, leaders who are healers and unifiers, who embody the mission and live the values, who keep the faith.

The Day of Partnership

All over the world, we see governments relinquishing the social services they once delivered to people and communities. Business alone is unable to provide the services governments are sloughing off. We see the leaders of the nonprofit/social sector facing enormous expectations that somehow the social sector alone will be able to provide the human services that the other two sectors are unable to deliver.

Look around. Human needs are escalating; traditional resources are diminishing. The day of the partnership is upon us. This is a major trend and a leadership imperative. If you and I share a vision, and our vision of the future is a society of healthy children, strong families, good schools, decent housing, work that dignifies, all embraced in the inclusive, cohesive community, then the leaders of the future must move beyond the walls and build the healthy community as energetically as they built the business, the organization, the enterprise within the walls. Corporate enlightened self-interest would indicate that there is no hope for a productive enterprise within the walls if the community outside the walls cannot provide the healthy, energetic, competitive work force essential to the corporation of the future.

One of the Drucker Foundation's passionate priorities is to encourage the leaders of the future to see beyond the walls of their university, their corporation, their community of faith, their government agency, or social sector organization, and find those partnerships, those alliances, to address critical issues. This time they serve as equal partners; not, "I write check, you do work," but with the people of both organizations, working together to build the cohesive community that embraces all its people. Wherever I go today, there is a wonderful new openness. We are learning across the sectors and across the

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old barriers, and we are learning from one another. SoL and you have led the way in this. Together we are unlearning some of the old lessons of the past as well.

Today, social sector organizations, the communities of faith, the universities and colleges, human service and youth organizations, and international organizations are called not to follow, but to take the lead. This is a new role for the social sector, leading from the front, taking the lead, as equal partner with government and corporations. For the first time in our history, all three sectors acknowledge that alone they cannot meet the burgeoning social needs of the society. In these new partnerships, we find hope.

Globalization of Ideas

There is a call for a new kind of leader for a new century; so the Drucker Foundation tries to be a small part of the response with our publications and our conferences and telecasts. In an article, "The World of Ideas," which I wrote for our journal, *Leader to Leader*, I said that with all the talk about globalization, I believe there is a new way that globalization is transforming nations and organizations. It has little to do with the market economy or industrial expansion; it has everything to do with leadership and management ideas that are sweeping the intellectual landscape—the globalization of ideas. In this global society, there is a sense of urgency that, perhaps at this moment in the world's history, we have a rare opportunity to create a new kind of world linked by ideas. We can create the real legacy of globalization: changed lives and healthy, cohesive communities.

These alliances and partnerships must be built within the organization as well. For how can we go outside and partner with other organizations if we are not partnering within our own organizations to build the healthy, diverse organization where equal access prevails, and boards, staff, the work force, and the faculty reflect the demographics of a community and the demographics of the customers we wish to serve? And we ask ourselves the one powerful question—when our potential customers, management teams, volunteers, and partners look at our boards, our staffs, our faculty, and all of our materials—"When they look at us, can they find themselves?" This is the critical question. The answer we give will define whether our organizations will be viable and relevant in the new century.

We are called to see the diversity of this rapidly changing world never as a threat, always as a remarkable opportunity to reach a new level of relevance, a new level of significance, and a new leadership imperative. And the new generation understands this. They do not carry the baggage that we have inherited.

We are finding that the old barriers are down and ideas move swiftly around the world. Technology is defining the new century and its institutions. Last fall, I received a call from a colonel at West Point, who said, "I have a group of cadets who have found an article on your web site, 'The One Big Question.' They asked if I would call and see if they could come to New York and spend a day talking with you about leadership." I said, "Of course, I would be honored." A few months later, ten cadets and two colonels arrived at our office in New York. On the outside of the building, we flew the United States Army flag to be sure they would know how welcome they were. We had an exuberant day together in a dialogue on leadership that filled me with hope.

We can create the real legacy of globalization: changed lives and healthy, cohesive communities.

You might say that this is a great example of people learning from unlikely people. But these 19- and 20-year-old cadets see this as a natural and normal learning initiative. The old barriers are down. Ten years ago, that article on leadership would have stayed between the covers of our *Leader to Leader*. Today, the article is on the Drucker Foundation web site, www.pfdf.org, and it moves around the world, part of the globalization of ideas.

The Drucker Foundation reaches thousands of leaders in all three sectors, and when we published the book, *The Leader of the Future*, all those chapters were contributed by great thought leaders as their contribution to our work. They provided a perspective on leadership in 2,500 words or less. One of the first people I called, in fear and trembling, was Peter Senge—to ask him if he would write a chapter for this book. I had never met him. And I heard Peter say, "Yes, I'm going to do that because people buy management books and they don't read them—not even mine, and maybe if I write 2,500 words, they'll read it."

Peter gave me courage to ask 30 marvelous, remarkable people to write a chapter. We were astounded when our modest, totally voluntary effort hit *Business Week*'s business bestseller list. *The Leader of the Future* is now published in 16 languages, including Chinese, Japanese, Indonesian, Portuguese, and recently, Romanian. We followed *The Leader* with *The Organization of the Future*, and *The Community of the Future*. There are 500,000 of those books out there from this totally modest beginning. I share this with you because of a lesson we learned from the response to those books: there is a hunger for help for leaders. Help of the highest quality from the greatest thought leaders, but in a manageable format with ideas and philosophy distilled into language that connects and communicates. The demands on leaders are greater than ever before, the pressures are greater, and time to reflect is harder to protect.

The demands on leaders are greater than ever before, the pressures are greater, and time to reflect is harder to protect.

Wherever in the world I go, I find the boundaries have blurred and the old barriers are down. The new realities that you have been talking about all week are defining a common language, a common task for all leaders in all three sectors. Whether in the United States or countries around the world, all of us are struggling with the transformation of the society, and in our own way, in our own organization, each of us takes our own small part of the global challenge.

This has been a week of powerful messages. What message will you leave ten years from now, when your history is being written? May they write of SoL and all its member organizations and its leaders: "The future called, they responded, they kept the faith."

Commentary

by John R. O'Shea

John R. O'Shea
Director, Defense Education
Reserve Officers Association

Frances Hesselbein raises several important issues regarding challenges facing contemporary leaders. While the role of the modern leader is rapidly changing, the nature of effective leadership remains immutable. These changing roles have been accelerated by global interdependence and the flattening of hierarchy brought on by the advent of information technology. Whereas the role of the leader in the past was focused on the delivery of information and direction, the leader of today builds consensus in a complex environment where the ubiquity of information throughout the organization demands collaborative rather than unitary effort.

I recently helped structure a workshop at West Point organized by The Conference Board. We intended to examine the curriculum at the Military Academy as a model for developing leaders who function at the operational level. What we discovered was that the boundary separating operational leadership from strategic leadership is fading due, in part, to the increasing complexity of assigned tasks, a phenomenon equally present in the private and social service sectors. For the military, these new tasks often result from peacekeeping operations, activities that provide unique challenges to junior leaders.

During our workshop, the Superintendent of the Military Academy described the mission of a recent graduate serving in Bosnia, a mission that is changing lives and building community. The lieutenant and his platoon of 30 soldiers maintain order and ensure continuity of services in a Bosnian town that would otherwise lack order and basic services were it not for the presence of this small military force. The lieutenant, operating independently far from his superiors, must use skills of tact, diplomacy, and negotiation similar to that of a town mayor. Yet the skills he needs to employ go far beyond the direct leadership skills expected of an infantry officer.

I give this example as an adjunct to Frances's comment that the "borders have blurred and the old boundaries are down." The mission performed by the lieutenant in Bosnia, who graduated from West Point not quite a year ago, is descriptive of the rapid change in military operations today. These nontraditional missions serve as a useful metaphor for the challenges facing leaders not only in government but also in the private and social service sectors. While it is clear that effective leadership today requires an unusual array of skills, careful reflection will reveal an enduring consistency among effective leaders across the ages.

In my 31 years of service in the Army, I have seen remarkable change and transformation in an organization that seemed too large and too entrenched to change. But change was needed and courageous leaders answered the call. As an infantry lieutenant during the 1970s, my tasks were relatively simple compared to those of the lieutenant on a peacekeeping mission in Bosnia. But that mission in Bosnia today is not an isolated case nor are the new demands on leaders limited to the military. With such widespread change across all sectors, which organizations will survive? The answer is those that are built to last.

As James Collins and Jerry Porras described in *Built to Last*, organizations that are built to last have a solid core of values, attributes that provide stability like the stability that comes from the inner wheel of a gyroscope. With the inner wheel of the gyroscope firmly connected to a pivot point, the outer frame can move freely and adjust to changing conditions. Similarly, enduring organizations can change as necessary without alteration of their essential nature. For the Army, that pivot point is its leader development—leader development that is based on a bedrock of values providing stability and resilience in the face of change.

The most prominent structure on the grounds of the Military Academy is the cadet chapel, a magnificent gothic edifice modified with battlements and castellated towers emphasizing the military tradition. Within the chapel can be found an inscription of the cadet prayer recited by generations of future leaders. I believe the prayer's powerful words best summarize what Frances has written about how to be, not how to do it, and what Peter Drucker has said about leadership being responsibility, not rank, privileges, or money.

> "Encourage us in our endeavors to live above the common level of life. Make us to choose the harder right instead of the easier wrong, and never be content with a half-truth when the whole can be won. Endow us with courage that is born to loyalty of all that is noble and worthy, that scorns to compromise with vice and injustice and knows no fear when truth and right are in jeopardy."

FEATURE

A Conversation on Leadership

Peter M. Senge, Ronald A. Heifetz, and Bill Torbert

Held on October 7 and 8, 1999, the SoL Research Greenhouse on knowledge, learning, and change was intended as a working conference for SoL members and special invitees. There were 75 participants representing diverse communities of practice and a healthy mix of SoL and non-SoL members—US and international—and researchers and consultants/practitioners. There were researchers from Japan, Germany, Italy, UK, and Spain as well as consultants from Holland and Colombia.

The goal was to stimulate the research activities of SoL, share ongoing work, and consider recent advances in research, practice, and capacity building in the fields of knowledge management, organizational learning, and organizational development and change. A major component of SoL's activities is learning and change projects that involve participation from the practitioner, consultant, and researcher communities. The Greenhouse aimed to cultivate research projects and build relationships that will facilitate such collaborative efforts.

Peter Senge, Ron Heifetz, and Bill Torbert opened the meeting with a conversation on leadership and leadership research. Their exchange was entertaining and increasingly stimulating as they moved from theory to deeper issues and dilemmas of effective action. Also participating later in the discussion were Joseph Raelin, professor of operations and strategic management, Carroll School of Management, Boston College; Steve Waddell, director, The Collaboration Works; Jean Horstman, director of the Society for Organizational Learning; Joyce Fletcher, professor of management, Simmons College Graduate School of Management; Ipek Kursat, president, KSI Associates; Sim Sitkin, associate professor, Fuqua School of Business, Duke University; and John Carroll, professor of behavioral and policy sciences, MIT Sloan School of Management. —Karen Ayas

Peter M. Senge
Senior Lecturer, Massachusetts Institute of Technology
Chairperson, Council of Trustees, Society for Organizational Learning

Ronald A. Heifetz
Director, Leadership Education Program
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Peter Senge: Ambiguity in the English language is a wonderful gift for poets, but it's a challenging burden for intellectual communities trying to understand social phenomena. There are few better examples of the debilitating or dysfunctional consequences of ambiguity than in the area of leadership. There are at least two very different subjects here that are continually confused, and the failure to distinguish among them is one reason this has not been, in my judgment, a particularly productive area of research. Anybody can write almost anything on the subject of leadership.

There are very legitimate, important questions concerning the capabilities of people in positions of authority. For me personally, the oldest stream of important thinking is at least 2,500 to 3,000 years old. It has to do with trying to understand the imperatives or requirements in terms of personal development, cultivation, or maturity if one is in a position of authority. At roughly the same time, literally on opposite sides of the world—in Greece and in

Bill Torbert
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China—there were philosophies beginning to be articulated that linked hierarchy to personal cultivation. Whether it was Plato in Glaucon's dialogues about the philosopher king or the Guanzi and the ensuing teachings of Confucianism in China, a similar core theme emerges. One simple statement from the Guanzi illustrates the territory: when a person rises to a position that exceeds his or her wisdom, all will suffer.

There are things called hierarchies—positions of authority—and, in a hierarchy, some people have more decision-making power and influence than others. Consequently, we should really be concerned about the maturity and capabilities of those people. By and large, we've suffered a 2,500-year decline in understanding these connections and in the past few hundred years, an almost complete decoupling of any deep notions about personal maturation from leadership.

Having said that, I think there are also completely different phenomena that legitimately can be thought of as leadership. And the easiest way for me to point in this direction is to tell a story and pose a question.

Xerox hosted a SoL meeting recently because Xerox launched a very interesting product, the Document System 265. It's Xerox's first fully digitized product, a copier that's doing extremely well in the marketplace. This product is also 97% recyclable. It has 200 parts; it replaced a product that had over a thousand parts. The parts primarily clip together or are screwed together without welds. It is an extraordinary breakthrough and has won many engineering awards.

What we need to understand is how the heck they did this and see it as an example of the extraordinary breakthroughs in thinking and practice that are necessary to build environmentally sustainable businesses. Within about a year of forming, the team that produced this came up with an overarching image of what they were trying to do. When we walked into the facility where this machine is manufactured, one of the first things we noticed was a huge banner hanging from a 20-foot ceiling that said, "Zero to Landfill."™ They wanted to build a product where nothing would ever go into landfill. Within a year after coming up with that guiding image, the team decided they couldn't do it unless they had a zero-to-landfill manufacturing environment. And they needed to have zero-to-landfill commitments from their suppliers.

Is this not leadership? By any sense of what the phenomenon of leadership is really all about, is this not an extraordinary example of leadership? These are people creating a whole new reality of what's possible. There was a boss, John Elter, so there was a hierarchy. But you couldn't spend more than five minutes talking to those engineers and not come away quite inspired. There were no CEOs, although there was support from the CEO. So I'll leave you with the question, is that not leadership?

Ron Heifetz: I think Peter is right about these two sources of confusion. I can identify four major sources of confusion in the area of leadership studies. Peter has identified two critical, perhaps fundamental ones: equating leadership with personality and equating leadership with authority. We know that leadership is not primarily a matter of personality because, in innumerable studies, the very same person who exercises leadership admirably in one context fails miserably in the next, with the same skill set and the same know-how. Furthermore, some people exercise leadership in the PTA, in their nonprofit organization, or in their congregation, and none in their professional environment. Other people exercise leadership in a professional environment and none at home. So clearly, leadership is more than personality. Somebody who exercises leadership in one culture isn't going to exercise any in a different culture.

Somebody who exercises leadership in one culture isn't going to exercise any in a different culture.

Leadership is also distinct from authority. This is a real problem because nearly every article and most scholarly materials about leadership confuse leadership with authority. We talk about the leadership of the House, of the Senate, of the business, or of the com-

munity when we're talking about people in top positions of authority. Peter was quite careful in his reference to people in top managerial positions as authority positions rather than leadership positions. This is an important distinction for a variety of reasons. First, it enables us to begin to identify all the people who are exercising leadership without authority, without waiting for the coach to call them into play. We all know inspiring stories about people who have exercised leadership from below or from the margins of their community or society. Furthermore, it enables us to identify why people in high positions of authority frequently fail to lead.

What are the constraints of authority? Authority not only brings certain powers and resources, but it also brings certain constraints, certain impediments to the exercise of leadership. Authority is a straitjacket. That helps to explain this paradoxical statement, "the leadership isn't exercising any leadership." We all recognize what that means. But this apparent contradiction begins to be solved as soon as we realize that we're really saying, "people in top positions of authority aren't exercising any leadership."

Another source of confusion is that we tend to equate leadership with knowledge. This is a mistake with ancient roots—a mistake that Plato made when he talked about the philosopher king. It also has ancient biological roots. When you look at the behavior of a gorilla or chimpanzee society as it tries to organize itself, the alpha female or the alpha male—the dominant individual and the analog of our authority figures—provides critically important, quite vital social needs because of their knowledge. That knowledge is lifesaving to that community. For example, season to season, they know where to go to find food. When a predator appears, they have the knowledge and the know-how because they're older and experienced. In a gorilla society, the silverback is so-called because he has silver hair. An experienced elder, he knows how to respond to the leopard; that knowledge is critical.

In human societies, we grow up and are socialized into looking to our authorities—our parents, our teachers—to know the way, to know what's best, to know how to protect us, to direct us, to find the food, and to know how to maintain the proper order for the functioning of our families or communities. So not only in our biological hardware, but in our culture and software, we tend to equate leadership with knowledge, with knowing the way. The leader is supposed to have the vision. Well, I suggest that that's quite wrong-headed.

Most of us know one case in point from our own collective history. Many think Martin Luther King, Jr., had a vision. I think what made Martin Luther King, Jr., so effective was that he had no vision of his own. When he said, "I have a dream," his next statement was, "I have a dream deeply rooted in the American dream." He didn't have a vision of his own. If the leader is supposed to have the vision, then leadership is simply a sales problem, a problem in inspiring and marketing. What makes leadership so interesting, in part, is the identification of the underlying values that can then mobilize people.

When Peter tells the story about Xerox and intuitively says, "Isn't that leadership?," he is commenting, I believe, on the role of values. Whoever articulates this overarching value—an environmentally friendly manufacturing process—was articulating and distilling an orienting value that then set all priorities. It's the identification of a value that Martin Luther King did or that John Elter did. That's not the be-all and end-all of leadership, but it is one important component.

Finally, another source of confusion about leadership is the notion that it's value-neutral. Scholars are quite attracted to this notion, because they think you can more easily analyze the leadership phenomenon if you render it value-neutral. Leadership is a value-loaded term in the same way that *good* or *hero* is value-laden. It's not a value-neutral term in the same way that *chair* or *electron* is value-neutral. The people in my leadership courses are eager because they already identify themselves as "leaders." That makes it incumbent on those of us doing research to tackle the normative dimensions of leadership.

Commentary by Bill Torbert

I agree with Ron and Peter that leadership is different from holding a formal position of authority (but a person in authority *may* exercise leadership). Moreover, I agree with Ron that leadership is necessarily normative, and with Peter that leadership is, at best, a collective process.

Leadership is both normative and collective because it is the whole process by which valued social/organizational aims are articulated and by which social strategies are designed, enacted, and tested to see whether the aims have been achieved. If the aims have not entirely been achieved (as is usually the case), leadership is next necessary to decide whether small corrections or major transformations need to be made in the aims themselves, or the strategies, or the practices. The larger the proportion of persons engaged in a given process who take on leadership responsibility as they listen, observe, and act throughout the process, the more likely that incongruities between aim and outcome will be identified early and dissolved by new acts of imagination, competence, and timeliness.

Understood in this way, values of timely inquiry and mutual influence are central to leadership. However, values of unilateral power and unquestioning compliance are often associated with conventional positions of organizational authority. Therefore, persons in positions of organizational authority can become serious obstructions in the development of cultures of leadership. Or else, if they display "leaderly" qualities, persons in authority positions can play leading roles in generating cultures of mutual, inquiring, and collective leadership.

The complex, systems-sensitive action logic that appreciates the value of inquiry, mutuality, transformation, and timeliness, as both normatively and practically superior to values of hierarchy, unilateral power, and conformity, is found in practice in only 6% to 7% of adults today.[1] If the twentieth century focused on universalizing childhood education, the twenty-first needs to focus on universalizing adult leadership education.

Note

1. Rooke, D. and W. Torbert. "The CEO's Role in Organizational Transformation." *Systems Thinker* 10 (1999): 1–5.

One reason why Peter asked, "Isn't that leadership?" is because he happens to be personally attracted to the value of ecological sensitivity. I don't think Peter would have gravitated to David Duke's capacity to mobilize Ku Klux Klan folks in Louisiana as "leadership" because of the nature of Duke's overarching value—that white people are the best people. I don't think that's because Peter has an idiosyncratic set of values; I think it's an interesting normative question. What kind of normative structure would we identify as leadership? And what kinds of normative structure would help us identify the avoidance of leadership? What I call the avoidance of work, the avoidance of getting people to contend and wrestle with the gap between their values and the way they live and operate. Is it leadership when you make people love you because you're selling them a bill of goods?

These are some of the major sources of confusion, and they have major implications as we grapple with the need to do far better research in the area of leadership.

Bill Torbert: It is true that people have suffered from ambiguity, but I don't! We can put it in a mathematical equation, a simple one with equal signs, nice and static so we can all understand it.

leadership = leadership research = timely action inquiry

I want to claim that leadership, which is not an authority position, is, in fact, equal to leadership research. Good leadership is equal to good leadership research. That certainly doesn't seem intuitively obvious at this point. Both of these are in turn equal to what I call timely action inquiry.

Let's start with a layperson's sense of what these words mean. We, of course, don't know precisely what is timely at any moment. Is it timely for me to show an overhead with this ridiculous equation on it right now? Timeliness is something that's measured at the moment and it's measured again later. Who knew that when Socrates drank the hemlock, it would reverberate over 2,500 years? It had some efficacy at the moment and kept reverberating.

Am I capable of both acting and taking in feedback at the same time? That is the ultimate process of leadership.

We have this incredible fiction that there is action and then there is research. But, of course, anybody who is a researcher knows that research is itself a kind of action, listening well and creating a sense of the significance of the research. We could use the words "research/practice." I'm not only taking action, but am also engaged in a form of primitive research. Am I capable of both acting and taking in feedback at the same time? That is the ultimate process of leadership. What is timely? How could I know if I weren't actively listening, even in the midst of action? And yet, how few of us *are* listening.

Leadership, wherever it emanates from, has something to do with visioning, and visioning is not just idiosyncratic but a connection with a wider visioning of strategizing, performing, and assessing. None of this makes any sense unless they're aligned with one another. If my strategy has nothing to do with my vision, I'm way off. So I constantly need feedback, although I frequently don't get it. Not just single-loop feedback, which might tell me I need to change my performance slightly. Not only double-loop feedback, which might tell me that my whole strategy, my whole action logic, needs to shift. But triple-loop feedback that, in my interpretation, loops back three times and affects how I am visioning, how I am listening, and how we are listening together. Old-style action goes from the vision through the strategy to performance to the assessment. There's a constant looping back, which doesn't usually happen very well. But if leadership vision is ever going to align with outcomes, then leadership requires listening for the single-, double-, and triple-loop feedback that tests for and corrects misalignments.

So, leadership requires leadership research, but a new kind of leadership

research. This leadership research is not just third-person research about the organizing outcomes, but first-person, second-person, and third-person research in the midst of real-time practice across all four levels of intuitive visioning, rational strategizing, artful performance, and empirical outcomes. It will require leadership to conduct this kind of leadership research.

Peter Senge: Ron identified useful distinctions among the four areas of confusion. The first three are about confusing leadership with authority and confusing leadership with knowledge. The fourth one seemed a bit different though. Ron said that scholars see leadership as value-neutral. I'm not sure if anybody else looks at it as value-neutral. It seems to be more an artifact of the norms of scholarly communities that try to reduce subjects to analytic bits.

Ron Heifetz: I think the general culture is also confused about it. On the one hand, most people would say about Martin Luther King, or Nelson Mandela, or the gentleman you pointed out—John Elter—"that's leadership." A bumper sticker will say, "Vote for James for Leadership." It doesn't say vote for James for good leadership, effective leadership, or moral leadership, because the leadership term itself is already value-laden; obviously, it's supposed to be something good and positive. But on the other hand, if you say to people, "Adolf Hitler didn't exercise leadership," they will argue vociferously, because people are very attached to the notion that leadership is about inspiring and mobilizing and creating a following. They are hooked on this leadership/authority equation in which having a following—that is, getting people to entrust you with power—is the essence of a leadership relationship, whereas it may be the essence of any authorizing relationship. So people are confused about the normative dimensions of leadership.

One of my favorite scholars, Dick Neustadt, who founded the Kennedy School, wrote a book on presidential power and described that the mark of leadership is the power to persuade. That's a value-neutral statement. Yet he came back from South Africa shortly after Mandela was released and said about Mandela and de Klerk, "Now that's leadership." This is clearly a normative statement. So I think that the general culture is confused, as are scholars. If you say that a leader doesn't need followers, that an evil person who had many followers wasn't a leader, people will take issue with you.

Peter Senge: So, just for clarification, you're saying that you would not consider Hitler a leader?

Ron Heifetz: No, because I think he mobilized people the easy way, by pandering to their yearnings for fake remedies and easy answers. For a doctor, it's easy to get patients to love you by telling them what they want to hear. It's easy to be the congressman from New London, Connecticut, if you say to people at the end of the Cold War, "We need to keep this nuclear submarine factory open." But I don't think it's leadership when you help people avoid facing reality. Of course, that's a normative statement.

People would prefer to avoid wrestling with ecological values because they involve tradeoffs in terms of prosperity and ways of life, yet it is a normative statement to say that leadership means mobilizing people to grapple with these realities.

Bill Torbert: The social investing field right now is a wonderful example of this. At the beginning, some 15 years ago, finance people said that only very rich people who wanted to lose money would put any of their wealth in social investing because you couldn't possibly profit by choosing companies that were socially and environmentally sensitive. Now, the last five-year statistic shows that two-thirds of the social investing companies have done better economically than the average Wall Street investment banker.

Suddenly, people are flocking to it, including banks. Of course, they don't have the basic idea—the normative idea that lies behind social investing—which is to try to align economic, social, and environmental values. That requires companies to make commitments. So now, for example, we have a fund for companies that do not have same-sex partner benefits. We're now going to have an anti-gay fund that is not based on social inclusiveness or on environmental responsiveness; it's based on the personal preferences of some people. In socially responsible investing, you're creating a situation in which, during the next 15 years, you're likely to erode the economic, social, and environmental value of the original vision. You need leadership that can make the distinction between the relativism of creating a fund that panders to whatever your social values happen to be and this other thing that's been going on for 15 years that really deserves the name "socially responsible investing." There's been ambiguity and a need for leadership to distinguish between the two.

Joe Raelin: Perhaps we're looking for a value to endorse. Might the value that we're going to endorse be learning and inquiry? In other words, the leader is the person who mobilizes learning and inquiry, and tests competing interests. The leader tries to get people to go beyond the easy answers that Ron talks about.

Ron Heifetz: Well, I'd say yes and no; I don't think that's sufficient. There's no doubt that the scientists building the V-2 rocket were learning a hell of a lot about the physics of rocket propulsion. We imported Wernher von Braun to build our rocket program because of his knowledge. But we need to do research to find a more sophisticated framework for the normative inquiry that tackles radical questions about whether our diagnosis is capturing reality or is denying critical parts of reality. Are we in love with reality? One problem in business consulting that uses learning as a model is that learning, independent of the business challenges that the company is supposed to be learning about, misses something. It misses something when it lacks connection to the realities of the organization. There's a hell of a lot of learning going around my university that's irrelevant, useless, and misguided.

Bill Torbert: That's why we need a very different notion of inquiry than we have had for the past 500 years. Among other things, the inquiry must deal with the highest level of visioning, the assumptions, the paradigm that each of us holds, and the fundamental action logic.

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Ron Heifetz: There's also a need to get more concrete. When I think about leadership, I think about the people who are going to lose their jobs because the Cold War has ended. How do you mobilize them to give up a way of life, now that the learning that they have to undertake isn't just in the head, it's in the heart? It's in their way of relating to their spouses, renegotiating the power relationship in their marriages, and uprooting their children. It's learning a new trade—it involves very painful, disruptive kinds of learning. We need to go in both directions, higher abstractions as well as grappling with the realities with which people are contending.

Bill Torbert: If you don't cover all those four areas, you're being sort of precious. But changing paradigms is one of the most painful things in the world. Research shows that almost no adults change their paradigm during their adult life. That in itself is the single most problematic aspect of modern life and of modern science. We tend to assume that we are free—that we are paradigm-free.

Man in audience: Could we clarify what some of the parameters of that reality are? It seems to me we've got to disclose that. I think Ron and Bill are talking about something that's relatively similar, but haven't articulated what it is.

Ron Heifetz: By getting more concrete, I mean getting closer to people's real experience, how people are experiencing the complex reality of their own lives, the values that they're trading off, and the heroism that they're showing in holding it together. So the orienting values are incredibly important, but people experience the orienting values in operational ways. Frequently, we are too removed from the concrete experiences of the reality that people are facing.

So, for example, if I want to change the paradigm of a racist from Louisiana, I've got to appreciate that I'm asking him to be disloyal to the love that he experienced from the grandfather who took him on walks, taught him how the world worked, took him to baseball games, and loved him. With that love came stories about who's up and who's down, who's better and who's worse. Yet some of the lessons from his grandfather were evil. Putting him through that disloyalty is big-league work.

So the orienting values are incredibly important, but people experience the orienting values in operational ways.

In a sense, you really want to ask, "Why does this guy want to be a racist?" What problem is he trying to solve for which racism becomes a solution? The inquiry is useful because it gets at a more radical diagnosis of what he's experiencing and then how to strategically move him from that paradigm. When we get lost in talking about overarching values, we get too distant from the concrete experiences people are having. Then our conversations about leadership lose their efficacy and don't make things different.

Bill Torbert: Last night I was dealing with two managers who were both suffering because they had taken on, out of loyalty to their companies, increased jobs without asking for higher pay. They don't know how to raise the salary issue; it's difficult for them. This represents what I call Diplomat action-logic. They feel that it's not properly deferential and polite to ask for more money. This came from their parents, their background, and so forth. So by confronting them about this paradigm, I saw their action in the context of different possible paradigms. They agreed that they held the Diplomat paradigm. They saw its value for them, and they also were beginning to see its costs clearly. And they saw that they had to act outside that paradigm if they wanted to bring their lives back together. So getting in touch with the concrete experience of being exploited and the paradigm one holds that makes that possible can happen at the same time.

Steve Waddell: I'm delighted to hear this discussion about the triple-loop learning and the social and cultural normative aspects of leadership because I am par-

ticularly interested in the question of how different societies produce leadership. What institutional structures create leadership? For example, in the United States, because of the Second World War, the Korean War, and the Cold War, the whole issue of the leader's military background has created enormous pressure on the president of the United States to have had a military leadership background. As you know, generals have been elected president. Whereas, in Canada, the other country I know best, the people elected prime minister have been heroes in the area of peace. A very different sort of cultural dimension has created that.

You were talking about the cultural institutions that produce different types of leaders. In Canada, the unions are particularly important. Because 35% to 40% of the workers are unionized, they move into political leadership. But, in the United States, because the structures of unionism are much weaker, there's been less fluidity between the political leadership and the union leadership. It's important when we conceive of this idea of leadership to understand the historic perspectives that change in countries over time, depending on the country's national experience or a certain culture's experiences. And it's very cultural and institutionally driven, too, depending on the strong and vibrant institutions in a country.

Peter Senge: There's something in what Steve is saying that triggers a whole set of reactions, which I'd like to share even though they're not direct responses to his comments. I swim in the same cultural water as everybody, and it's hard to get out. The reason this bugs me is very simple. I find the myth of individualism so incongruous with my experience. In so much of our social sciences in general, we face this extraordinary challenge that, in one way or another, has to do with what would it mean to have a more experientially based science.

I've experienced a lot of settings where I would consider there to be extraordinary leadership. And whenever I try to make sense of those settings, I see a tapestry of different people doing all these different things and being extraordinarily interdependent. Take a person who's very effective in one setting and put him or her in another setting, and the person becomes highly ineffective. That could be seen as a person's inability to personally recognize the signals and constraints of a new setting. Or it could just as easily illustrate the fact that what made the person effective had only a little bit to do with them and had a lot to do with a whole weave of interdependent factors. This interdependence is extraordinarily difficult to analyze. That is why we all then fall back on an individualistic frame.

This makes me think of the business press and its particular cult of individualism. It's easy to write a story about IBM's CEO or about GE's Jack Welch. But it's very difficult to write about hundreds of interdependent leaders at GE in a way that's incisive, coherent, and grounded. Why does this bother me so much? Because it violates my core experience of leadership—people with a real collective capacity to create something they truly value. This is a very challenging definition of leadership because we are so used to the individualistic view. It is the definition that Katrin Kaeufer, Joyce Fletcher, and I are trying to work with in our current studies of leadership communities.

Steve Waddell: You're making the point that I was trying to make. There is a connection between these different levels. We see individuals rising by their own force, whereas I'm talking about the cultural institutions that have been weaving them, the historic circumstance that created these models.

Jean Horstman: I'm a little hesitant because I'm not a researcher or an academic, and sometimes I don't think I'm a great practitioner. But I read poetry and I love poetry. One thing that stimulated my thinking in Ron's presentation is trying to understand leadership vis-à-vis metaphor. So because I'm not an academician and I'm a hillbilly, I want to tell two very short stories. That's how we do research. And I'll ask if you can address, from those stories, leadership and metaphor.

I worked in Pittsburgh when the steel industry was dying; I was running an art center in an area with 46% unemployment. There was tremendous resistance to job retraining. The families were sure, even when the welfare checks ran out, that steel was coming back and they were staying in the industry. The company couldn't figure out how to get them to shift; the government couldn't figure it out; nobody could address it.

I come from a working-class family. My hometown doesn't really exist anymore because when the railroad died, so did the town. So I wanted to understand my neighbors' pain, and my board of directors agreed. They said, "Go figure out if there's something we can do and we'll get a grant." So I hung out in pool halls and talked to guys at the union halls, and what I heard was that the resistance to change was about the idea of the service economy. These men were saying, "I'm not a servant; I'm a maker." They felt they were being asked to stop being makers and become servants. Their whole sense of being, not just their paycheck, was under threat.

So we started to talk to them about where else they were makers. We heard about amazing hobbies. So we went to the state arts' council and got what was probably the first grant in the United States for a community-based arts program for unemployment. We said to these guys, "We'll be conduits, and you organize and figure out what to do with it." They started their own programs, creating family events that celebrated "making." Next we went to the local companies and said, "We think we have something here. Can you give us a scholarship fund that will allow these men to take free courses in the arts while they retrain? So while they're leaving 'making' they're reaffirming parts of themselves so they can make the transition."

We weren't researchers, so we never tracked the long-term impact, but we knew the people we were working with had new jobs within 18 months. Some left the valley and some moved to other neighborhoods to be closer to work. But they were progressing, they were taking the journey, and they were learning to deal with reality.

The second story was when I managed an initiative funded by The Ford Foundation in which we were the change agents in big institutions. Peter's story about "zero to landfill" made me think of this. People were working in community development corporations (CDCs) that had been established in 1968; they were still managed by a paradigm from the sixties. There we were, delivering entrepreneurship on the back of cultural programming and getting the whole CDC to learn a new way of working. Everybody in the building knew what was really happening, even though nobody would be explicit about it. Most of them had a cognitive dissonance with the arts.

So did the company in the steelworkers' story. Management never grasped what they could have learned because of their own lack of experience with the artistic process. They weren't makers, so they couldn't see it. The same thing happened in the CDCs. When we brought all our changes together at one time, I said, "Tell me, what metaphors do people use when you start to talk to them?" One woman, an African-American woman from New Jersey who always speaks her piece, said, "Well, they keep saying it's like being a traveler in a strange country." So I said, "Well, what do we know people need when they go on holiday in a foreign country?" So we started with a metaphor and designed guidebooks, like tour guidebooks to the arts. We started thinking of ourselves as travel agents instead of change agents and began to work internally like travel agents. The opposition fell away in six months.

So I don't know what these stories mean, but there's something here and I can't figure out how to get my hands around it, but I bet you can.

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Ron Heifetz: I don't want to analyze your stories, I just want to use your stories. They're inspiring, thank you.

Bill Torbert: Metaphor is the way we ultimately capture a paradigm or frame,

and the ability to catch it right is a great unlocking experience. One question I always ask when I go into a company is what is the thing, no matter how trivial, that bothers you the most? What do you most want to see changed here? Everybody always has an immediate answer. Usually there's a tremendous amount of consensus, so it's the first thing that we change. The very next question I ask is what is the thing that, no matter how much change happens here, you absolutely love about this company right now, you don't want to see it changed, and you want to preserve it through any other changes? There's usually a great deal of consensus about that too, and as soon as that consensus is clear and stated, people are open for all the other changes. So establishing the key metaphors is a terribly important, significant process. It is artistic in nature, because you're looking for the unique metaphor that works at this time and place.

Ipek Kursat: The stories you shared remind me of a different paradigm of leadership that comes from indigenous cultures. It might provide a different frame for us to look at some of these questions. These are also called silent cultures, because power is associated with silence, and a great deal of communication can happen through silence. The leaders will often sit through entire council meetings saying nothing. But they are a very active presence because they know how to use silence. They have learned this through their culture. When the leaders speak at the end of the meetings, they're spreading the emerging consensus in the community.

Martin Luther King was very effective because he didn't have a vision of his own; he was able to dip into the cultural values and the vision. That's a different frame of leadership—through silence, by being a container for the exploration and the discussion that goes on in the community, and through being the spokesperson for the consensus. The leader is like a lens that focuses the division of the community into one single point.

The leader is like a lens that focuses the division of the community into one single point.

That also brings me to Joe's earlier comments about leadership being learning and inquiry. My question is "learning for what?" Because we can learn some very destructive things. There's also the kind of transformational learning and life-affirming learning that I think we're implying when we talk about leadership. So perhaps part of the learning in leadership that comes from these indigenous cultures is that the leader, in addition to being the silent container, is also the container of the life-affirming ways that the community has evolved over generations. There is respect for tradition, but tradition is not allowed to become a constricting influence in the life of the community.

Joyce Fletcher: I'd like to go back to something Ron said about how we confuse leadership with knowledge or being an expert. Is it possible to be an expert in not being an expert? For me, that's what leadership is. Talking about co-creation or interdependence as just something that somebody does because of their personality, with no skill involved, doesn't get us very far. We need to understand what it really means to gather and create a community where people can learn from each other. One term I like to use, which was created with some people here, is fluid expertise. If you're in a learning community with notions of fluid expertise, then you're not just the silent person sitting back allowing something to happen. It's much more two-directional; you know when to stand on your own expertise and when to give of that expertise. If that is fluid, then we create communities of interdependence or leadership. That's the idea that I have—to understand the notion of expert. Is it possible to be an expert in not being one?

Sim Sitkin: I'd like to tell an abstract story if you'll allow that. In thinking about how we attribute leadership, we tend to focus on individuals in situations, rather than on the situations. A study I've read suggested that we don't commonly focus on situations, but we do the opposite, even though most of the re-

search literature suggests that we should attribute things to individuals. The key point of the study was that when we know the situation deeply, we tend to see the consistency in the situation itself, not just the most salient piece or the person in front of us. If our knowledge were more grounded in our actions and in our deeper, more consistent knowledge of the situation over time, we might actually be able to see the leadership that's embedded in the situation, rather than only in the personality of the individual.

In terms of the role of values in leadership, I strongly support part of what Ron said. But part may lead us in a direction I'm uncomfortable with. The notion that leadership is value-neutral is just silly. Leadership is deeply grounded and emanates from values. However, I'm uncomfortable with the notion that leadership has to have my values in order to be leadership. I get very nervous about people who I think are effective leaders whose values diverge from mine. But that doesn't necessarily mean that I need to deny their leadership role. Even though I may vehemently oppose their values, they are still leaders.

I worry if the only leaders I can see as leaders are those I agree with *a priori*. Suppose I'm the racist you were talking about. Why would I ever listen to you? Being value-neutral is a very dangerous way of thinking about leadership. But being only value-congruent, as opposed to value-laden, presumes I know *a priori* that I've got the right values and they've got the wrong values. I may feel strongly and act strongly on the basis of that, but knowing I'm right is a little different.

Ron Heifetz: I'm not an ethicist, but it seems to me that there's a way to structure different kinds of values. Take the value, for example, of learning and inquiry—an inquiry into the causal relationships in somebody's experience. Why is a person attached to a racist idea? Is there pain in his life for which he thinks racism is a solution? Perhaps racism is a misdiagnosis of what might otherwise generate a richer, more enduring solution. I'm going to listen really carefully to you and I'm going to identify the internal contradiction in your values: Do you stand for freedom and equality as an American, or do you stand for white supremacy?

That internal contradiction—once it's identified and posed—generates the creative tension within a person that might then generate some learning as he or she faces that internal contradiction. Leadership is about identifying internal contradictions and challenging people to face the question: What values do you really want to stand for? Challenging people to sift through what's essential from their past and their tradition that they want to carry forward, and what's expendable? That is a normative way of thinking about leadership. But it's not quite the same as saying you've got to stand for this value.

Leadership is about identifying internal contradictions and challenging people to face the question: What values do you really want to stand for?

Sim Sitkin: The way I would interpret that is you want me to engage in double- or triple-loop learning, but you're only engaging in single-loop learning. That seems asymmetric to me. Because if you're right, then it's very helpful to me. But you could be wrong, just as easily as you're right. You and I would probably agree substantively on the values, but I worry that we are so sure of ourselves that we're not as open to those we disagree with as we want them to be open to us.

Ron Heifetz: The person who is challenging people needs to be open to investigating his or her own view, diagnosis, and strategy, and tactics and values as well. But what I'm suggesting is that this whole area of normative research is frequently avoided for exactly the reason you said. We don't want to start being cultural imperialists. We don't want to state that this is leadership only if you buy it. If we retreat to the previous setting in which leadership is simply a sales problem in inspiration and motivation and in gaining authority, then I think we've thrown out the baby with the bath water.

Bill Torbert: There are three fundamental kinds of systems that make meaning for the human species. One is a system that says, "I'm right, and as long as I do what I think, I'm okay." The second says, "I have my own system, and no one has a right to say anything about it or anybody else's." The third one says, "I am going to continue to look at the contradictions within my system. I am open to transformation, and I want to have a dialogue with other people to generate inquiry and potential transformation." I stand on the third meaning, which is a difficult one, but essentially what Ron was just articulating.

Man in audience: I believe leadership is close to the issue of value and relates to helping a community identify a path that converges on truth. That becomes very difficult, because what is truth? What are the different perceptions? But there are some things on which it's relatively easy to get agreement that are not truth. So, in retrospect, the community will say, "Ah, yes, this was converging on truth." There may be significant differences in perception at given times by different individuals, so there will always be a debate and yet it's relevant what choice is made. Because when we look at Yugoslavia, there's some horrible untruths that have been inserted in that community, and the destruction and pain and horror of it all is pretty self-evident to almost anyone, including the people who are now victims of it. So it seems to me that this value idea is very interesting. I'm going to reflect on how a leader channels values.

John Carroll: Our understanding of leadership as individuals and collectively is tied closely to our understanding of the world as a whole. In thinking through our own beliefs about leadership, we've uncovered a huge amount. We have started our own inquiry, thinking about what's important to us, what we care about studying, and what we care about bringing about in our world through our research or action.

All Hat and No Cattle: Tales of a Corporate Outlaw, **Chris Turner, Perseus Books, 1999**

Review by Melissa Cefkin

Many people, including myself, have a hard time reading the "let's change everything" genre of business books without a bit of cynicism and weary expectation. We've come to expect the touting of the latest business fad thrown in with a show of heart and yet another promise that this process or system or approach or set of habits will lead to greater productivity or satisfaction or salvation.

In *All Hat and No Cattle,* Chris Turner raises big questions. She takes up recent thinking. She absolutely shows a heart. But unlike many, when Turner says change is hard, she doesn't turn around and offer the seven-step program for making it easy. She simply invites you to join the process.

Do not misunderstand; those looking for more than just inspiration but real help in making change in their organizations (or lives) will find it, because the book is full of insights and suggestions. Turner describes the principles that guided the change effort she led at Xerox Business Services. She dots her critiques of the mental models underlying some of the more dysfunctional aspects of organizational life with useful hints and insights for pushing the status quo to create the "future-now." She argues her point of view, but never quite lays out "the plan." In *All Hat and No Cattle*, tough issues remain just that—tough issues, deserving of attention, thought, and action, but not action in ready-made recipe fashion.

The book is based on one brilliantly stated, simple observation and one provocatively appealing assertion. The observation is that many, or even most, of the plans, processes, strategies, initiatives, and analyses that represent how organizations work are basically hot air. There is "no there there." Such claims and representations are "all hat and no cattle."

The provocatively appealing assertion is that "making change" (a phrase that undersells the deep level of reframing and rethinking that Turner engages in) happens first and, perhaps only, by *disrupting* the system. As living systems, Turner argues, organizations are dynamic and guided by complexity. Change can't be controlled; therefore, it can only be prodded. To prod that change in a particular direction is best done not by detailing each step, but by creating a context and environment that can support it and then inviting people to participate and make change as they go.

Turner's experience leading a change effort at Xerox Business Services (XBS) between 1993 and 1997 constitutes the book's core. She tells the story in the first three chapters. In chapter one, she presents the notion that much of what we get in organizations is style over substance, or "all hat and no cattle." The bulk of the book explores not just examples of style over substance, but some of the systemic reasons it thrives so readily and how to recognize and overcome it.

Chapters two and three describe the change effort itself and underlying methods of understanding. These include the Institute for Research on Learning's (IRL) 14-month ethnographic study ("systemic assessment") of XBS, IRL's approach to revealing and supporting a social understanding of learning, Gerald Zaltman's work on metaphor as a source of critical thinking, and systems thinking as developed and advanced most notably by Peter Senge and his colleagues. From there, Turner explores and challenges a number of core structures and world views that frame organizational existence, among them, training, meetings, management structures, hierarchy/patriarchy/elitism, communication practices, the design and implementation of programs and initiatives, and diversity (expanded beyond the triad of race, class, and gender to encompass issues of difference of thought and practice).

As a context for my few minor criticisms of the book, I must clarify my position. I was an IRL fieldworker engaged in the systemic assessment of XBS as an ethnographer in the field offices (that is, non-headquarters). As an outsider hired for this assessment, I felt it was my role to rethink and question everything, perhaps most notably Turner's own efforts. Once I and other members of our team learned how to temper our criticism to participate effectively, we were able to help. I ended the project somewhat humbled and awed by the complexity, intelligence, and innovation I witnessed. As for Turner, there was no denying her commitment, energy, foresight, and complete utter sense of fun.

As amazing as this story is, Turner hasn't told of even half her daily struggles and efforts to bring about change and challenge the status quo. Others in the organization were right there with her. Turner introduces us to some by name, singling out her most immediate and sustained collaborators at headquarters for praise and attention. At the same time, by focusing so strongly on the activities and challenges faced at headquarters, Turner runs the risk of putting headquarters (those at the top of the hierarchy and power) as the central, even singular, site of importance. Turner refers only briefly and en masse to the key field participants, those from Denver, Seattle, and San Antonio who worked with her and others from headquarters for almost two years and closely with the IRL team (pp. 23–24). Turner unwittingly reifies the very hierarchy she set out to critique.

Since I once lived in Texas, I know and can appreciate hyperbole. The poetic license Turner takes is consistent with her Texas vernacular, and readers should thank her for it. But we have to excuse Turner for some contradictions and over-the-top claims. For instance, on p. 121, she says, "*The* surprising truth is…" [italics mine] that competition never helped anyone, while just two pages later, she says, in the "words of Camus: 'There is no truth, only truths.'" (p. 123).

While *All Hat and No Cattle* is not a research book, I wish Turner had substantiated her otherwise compelling claims, such as the just mentioned, complete dismissal of competition. (As a cultural anthropologist and a representative from IRL, I certainly harbor my own thoughts about competition. But her strong and unreferenced claims made me switch into a contrary "yes, but" mode.) However, a bibliographic essay at the end offers a rich, if nonspecific, exploration of many of Turner's sources.

Another title for the book could have been "An Exploration of the White Elephant Before Us," for Turner has not

only said the unsayable, but has explored, poked, and prodded. *All Hat and No Cattle,* however, is a very catchy, apt, and powerful title. Recommend it to your friends and colleagues. I suspect you will find, as I have, that they will all want to share stories about instances of "all hat and no cattle" and about the creation of the future-now.

Common Knowledge: How Companies Thrive by Sharing What They Know, Nancy M. Dixon, Harvard Business School Press, 2000

Review by James L. Ritchie-Dunham

The ability to learn faster than your competitors may be the only sustainable competitive advantage! As researchers, practitioners, and consultants, many of us agree with this, and we have struggled to figure out how to get value out of it. The road has been full of learning opportunities (a.k.a. outright failures). This has led some experts to claim that the concept is not useful, while others prescribe new methods and information systems. Dixon's research takes a much-needed step back from looking at *how* to share knowledge, providing a fresh, new perspective of *why* we want to share knowledge.

Dixon studied nine large organizations, originally intending to discover how leaders in knowledge management implemented knowledge transfer systems. During a two-year study, she discovered no commonalities in *how* organizations shared knowledge, only in *why* they shared knowledge. The book presents the framework Dixon developed, which captures the five prevailing types of knowledge transfer she observed, each uniquely addressing the three following issues: (1) who is the intended receiver, (2) what kind of task is involved, and (3) what type of knowledge is to be transferred? For each type of knowledge transfer, the author provides three case studies, design criteria, difficulties, and guidelines, and its impact on business value. This is where the rubber meets the road. Given that organizations will use a combination of these five types of knowledge transfer, this framework helps organizations make sense of *why* they need *which* types.

The author identifies and dispels three myths that have plagued knowledge transfer projects. These myths pertain to the content, context, and motivation for sharing knowledge. The first myth, focusing on content, says build it and they will come. Dixon finds that if the project centers around the three issues of knowledge management she raises, then people will begin to share, and only then will they want an information system, not the other way around. The second myth, focusing on context, proposes that technology can replace face-to-face contacts. Dixon dispels this myth by finding that people do not easily convert all knowledge to documents, often preferring richer forms of communication; thus technology should *support* face-to-face knowledge transfer by making it more efficient, not replacing it. The third myth, focusing on motivation, suggests creating a learning culture to get people to share. This research proposes that people want to learn and share, innately, so provide them with opportunities to share what they know and a learning culture will develop, eventually.

This easy-to-read book flows quickly and provides a framework, design criteria, and template of design guidelines that should be immediately useful for practitioners and consultants designing knowledge transfer systems.