Reflections

The SoL Journal
on Knowledge, Learning, and Change

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organizational learning

C. Sherry Immediato

When I met Charlie Kiefer and Peter Senge in 1982, they captured my attention with their assertion that despite technological innovations that would dazzle time travelers from previous millennia, if our ancestors visited today they would find that relatively little had changed in the organizational forms (and human conduct!) dominating the private and public sectors. The premise that new structures and behavior were essential in our changing world was my call to join Peter and Charlie in their fledgling Innovation Associates consultancy. Although I left Innovation Associates in 1996, this issue of *Reflections* reminds me that I have not gone too far – we're all "innovation associates" in exploring what lies beyond the corporation, particularly in what might generically be referred to as "action networks." In this issue, we feature a range of work spanning sectors and continents in the interest of both local goals and global challenges.

Beyond organizational learning, the subject of societal learning intrigues author Steve Waddell. In "Global Action Networks: An Organizational Innovation," he reports on his action research. Global Action Networks, or GANs, may be critical players in a newly emerging global governance system. Formed to address the increasing number of complex issues that cross geographic, functional, and sectoral boundaries, these supra-networks bring together a broad range of stakeholders from civil society, business, and government to creatively address "wicked problems" at local and global levels. In this article, Waddell uses a wealth of examples as he lays out the stages of GANs' development, and addresses the kinds of challenges they must face and overcome if they are to reach their full – and powerful – potential.

One hypothesis about how we come together is that we form and are attracted to tribes. In looking at the experience of successful businesses, *Tribal Leadership*

authors David Logan and John King draw from several decades of experience to examine successful corporate culture and conclude that tribes – the groups that naturally form within the company – are the secret to lasting success. In an interview with veteran contributor George Hall, Logan and King discuss the evolution of tribal culture from undermining to history-making, and the role of leadership in developing such cultures.

Beginning in 2007, SoL organizational members engaged in a multi-year research project focused on the temporary systems that form to deal with crises and opportunities. In "Learning and Performing through Hastily Formed Networks" SoL researcher George Roth reports findings of this work on behalf of the group by answering the following: What creates, sustains, and transforms individuals and organizations into effective networks? (See *Reflections* 7.1 for background on hastily formed networks.)

In investigating the work outside of SoL on the question of cross-sector collaboration, I have been very impressed with the action research of Chris Kelly, Mark Gerencser, Fernando Napolitano, and Reginald Van Lee. As they see it, it takes a "megacommunity" to address the "wicked problems" we face. Such problems cannot be solved by government, business, or civil society alone, and the engagement of all three sectors is a characteristic of their most successful cases. In "The Defining Features of a Megacommunity" they describe how leaders of many organizations must work together toward common goals, without any one of them being in control of the whole system. A megacommunity initiative combines focused conversation, deliberate development of leadership capabilities, and results-oriented action in an open-ended network of leaders from multiple organizations.

The final feature of this issue is a book excerpt from *Sustainability by Design: A Subversive Strategy for Transforming Our Consumer Culture* by SoL researcher John Ehrenfeld. While we have covered the issue of sustain-

ability in many issues of *Reflections*, this piece has two unique aspects. First, Ehrenfeld's work itself is inspired by his experience in the SoL community. He has shared his developing ideas in prior issues of *Reflections*, and he writes an introduction to the book excerpt which tells that story. Second, the "tao of sustainability" we share in this issue speaks to the theoretical and practical importance of "recovering our senses" dimmed by the forces of modernity. In his discourse, Ehrenfeld illustrates how we can truly move from viewing sustainability as a problem in need of a solution, to a possibility calling for creation.

In *Readers Write*, Peter Senge contributes his observations of the IFC journey (*Reflections* 9.1) shared by Dorothy Berry, Yolanda Hegni and Marilyn Darling. He notes the striking absence of traditional heroes in the story, and the centrality of a dialogic approach to change. The power of conversation to identify critical questions can create new possibilities for the organization to realize its mission as effective agents for reducing poverty in the world.

This issue marks the final chapter of Volume 9 of *Reflections*, and the conclusion of five years of service as editor from Nina Kruschwitz. Nina's contributions

to putting the work of the SoL community into print began with the *Fifth Discipline* fieldbook series and continued with *Presence, Learning for Sustainability,* the revised edition of *The Fifth Discipline, Theory U, Profit for Life*, and most recently, *The Necessary Revolution* (which she coauthored) – all accomplished while also editing *Reflections*. Many of us fail to attend to the "capturing and disseminating" parts of the learning cycle, so getting this work into the field has been very important to SoL's mission. I am especially grateful for the positive experience Nina created for *Reflections* authors as well as readers as we shifted from a print publication to an e-journal featuring work from around the world. Nina, thank you for providing a great foundation for SoL's next steps.

Finally, remember that one of SoL's principles is that learning is social. In the spirit of this issue, we encourage you to share *Reflections* articles with your colleagues, particularly as a catalyst for conversation.

With affection,

Publisher

Organizational Learning and the IFC'S Mission Impossible

PETER SENGE

Peter Senge

Leadership offers a powerful thread for understanding the rich tapestry of forces that shape all journeys of deep organizational change, and yet it is far too often misunderstood. I really liked "Organizational Learning and the IFC's Mission Impossible [*Reflections* 9.1], both because it tells an important story of change in a very complex public-sector organization, and because it helps people see the diversity of leadership involved, and especially because it entirely omits the one character who, by more traditional accounts, would be hailed as "the leader."

Over ten years ago, Dorothy Hamachi Berry became Vice President of Human Resources at the World Bank and soon became interested in the organizational learning work and how it might help in evolving the culture of the Bank. She, like many others, felt that the Bank was out of touch with the realities of poverty and development, and far less effective in its mission than it might be.

Most of the key people were in Washington, including so-called "country managers." The Bank's standard model of development centered on investments in large infrastructure projects like dams, which often failed to address the deeper blocks to development, such as the absence of conditions that foster entrepreneurialism and self-reinforcing wealth generation. While the focus was exclusively on economic indicators, many of the countries in question suffered from underinvestment in institutions that generate social capital (like public education and effective legal systems) and deteriorating natural capital. Although the diversity of countries represented in the Bank's staff was impressive, in another sense the staff was remarkably homogenous: most attended the same elite Western graduate schools and over 2,000 out of an approximate 10,000 person staff had Ph.D.s in Economics.

After a few years at the Bank, she shifted to the same position at the International Finance Corporation (IFC) at the time when Peter Woicke left J.P. Morgan to become as the IFC's new CEO head in 1999, a position he held through 2005. Dorothy sensed that there might be a distinct window of opportunity at the IFC for real change.

As I was reading, I kept wondering when Peter's part in the story would come. It never did. Then I thought, this is the greatest possible compliment that could be paid to his contribution. If asked, he would surely say that the story should be told as it is, from many different points of view, giving a feeling for the many different leadership voices. Although by any measure Peter is a strong top leadership per-

sonality, he would say that to understand the change process at IFC you must look beyond the traditional "top-down" model. And he would surely agree that the key to what was accomplished was how the passion and imagination of people was ignited and aligned. This passion had always there, it just had not been tapped.

The story told in "The IFC's Mission Impossible" focuses on an approach to change that could only be called "dialogic." This process fosters deep conversations at many levels that engage many people around questions that they truly care about: What is keeping us from being as effective agents in reducing poverty as we might be? What aspects of our culture and management practices get in our way? When are we at are best, and what seems to happen to enable this to occur? How am I, and how are we – those on the management team for example – part of the problem?

The story focuses on how a new spirit and shared vision developed through leaders far from traditional centers of corporate power in the Bank group, and from functional domains as diverse as mining and advisory services. It shows how top management eschewed the trappings of a "change program," knowing that this would only elicit push back from professionals' natural pride and desire for autonomy. And it describes how each region and part of the IFC had to develop their own unique embodiment of the cultural change needed throughout.

The IFC at the end of the millenieum was caught in the same traps as its parent World Bank, as well as many counterpart post World-War II "multilateral" institutions. They were arrogant. They were used to "clients" coming to them. They were isolated from the on-the-ground realities of struggling people and institutions in the developing world. They were highly political in the sense that internal struggles for power often trumped the overall mission to serve and promote lasting change that significantly reduces systemic causes of poverty.

Today, while still far from their destination, the IFC managers seem reliably set on their journey. The corporation has shifted to being far more client centered, far better at connecting to the real needs of real people and far better at addressing these needs. They have developed a more collaborative culture that balances autonomy with building shared knowledge and collective capability. They have pioneered "The Equator Principles" guidelines for sustainable development that have become a model for the entire banking system worldwide. And, they have continued and arguably moved still more boldly on this journey despite a change from one strong top executive to another with a very different style, the sort of change that all too often disrupts or even derails real change processes.

For me, this article represented a silent hand for all those genuine leaders at the top who know that to lead is to serve and, as Lao Tzu said long ago, know that their ultimate mark is that "the people will say 'we did it ourselves.'"

Global Action Networks:
An Organizational Innovation

BY STEVE WADDELL

GANs, or Global Action Networks, are a leading innovation for scaling impact to address issues of common good. GANs are a specific type of innovation that contrasts starkly with traditional approaches to global challenges and opportunities that focused upon national and intergovernmental organizations. Over the past few decades, as the pace of globalization has increased and environmental issues have grown, the limits of the nation-state have become increasingly apparent. This article introduces the five strategic qualities of GANS, the stages these networks typically move through, and includes examples of successful initiatives the author has been involved with.[1]

A new type of "global system" is bubbling up all around us in response to the inability of traditional strategies to address critical global challenges. Rather than the government-led strategy of the post World War II world that endured into the 1980s, or the business-led strategy that accompanied the triumph of capitalism and the fall of the Berlin Wall, or the civil society-led strategy promoted by community and global activists, this is a multi-sectoral strategy referred to as "Global Action Networks" (GANs). The resources and competencies of all the sectors are combined to overcome weaknesses of each, assemble the resources needed, and produce innovation. These GANs are giving a new meaning to the word "network," and their success depends upon our ability to create the new knowledge, their capacity, and the necessary resource systems.

Steve Waddell

The GANs are forming around all critical global issues. They include Transparency International taking on corruption; the Forest Stewardship Council addressing forest sustainability; the Youth Employment Systems (YES); the Global Fund to Fight AIDS, Malaria and Tuberculosis; the Microcredit Summit Campaign; the Global Partnership for the Prevention of Armed Conflict; and the Global Water Partnership. Today there are about four to five dozen GANs in relatively advanced stages of development, and many others are being developed.

The networks are diverse in issue and structure, but they share five strategic elements. Their strategy is:

1. **Global and multi-level** (across and beyond the local, national, regional and international levels of governance);
2. **Interdisciplinary action-learning** with reflective action (to produce synergies between knowledge development and practice);
3. **Cross sectoral, with inter-organizational networks** (linking international agencies, governments, businesses, civil society organizations and other actors while still utilizing hierarchies or markets as appropriate);

The Global Reporting Initiative (GRI)

GRI organizes multi-stakeholder processes to develop the Guidelines for sustainability reporting with respect to economic, social, and environmental performance, for use by all organizations. GRI has five main structural components: a Board of Directors (16 members), Stakeholder Council (60 members), Technical Advisory Committee (nine members), Secretariat (30 staff), and Organizational Stakeholders (currently 500). There are five stakeholder groups represented on the first three governance components: business (41%), civil society advocacy organizations (14%), labor (0%), and intermediary organizations (academic, research, and professional organizations) (44%). Organizational Stakeholders (OS) members comprise organizations of any type, size, and location, and are the membership component of GRI.

GRI has a budget of approximately 3-4 million Euros and a staff of about 30. It develops reporting frameworks' sophistication through multi-stakeholder processes. This includes developing more comprehensive supplements for specific industries as well as further developing the overall framework. It educates people about the framework, promotes its use, and maintains a database of reporters. Over 1000 organizations—including many of the largest multi-nationals—are listed in GRI's database as known reporters, and GRI is constantly being made aware of other organizations that have used the Guidelines.

4. **Systemic (transformational) change** generating through a range of non-violent, boundary-crossing and diversity-embracing activities (agenda setting, knowledge generation, capacity building, resource mobilization, conflict resolution, education, certification, etc.);

5. **Public good** producing in areas of global sustainability and security.

Applying all these strategies means GAN participants include organizations like the United Nations, World Bank and other governmental organizations traditionally associated with global governance; the World Economic Forum, International Business Leaders Forum, the World Business Council for Sustainable Development and other "peak" business organizations and their members; the World Social Forum, CIVICUS and other global and local non-governmental organizations. In effect, these networks are creating a sort of new "global membrane" for sense-making, norm-creating and action-taking with regards to complex global issues.

The Development Challenge

GANs' success will be tied to the ability to respond to four dimensions of complexity:

- Social: incorporating the three key organizational sectors of business, government and civil society;
- Spatial: involving actors that are local, regional and global;
- Temporal: creating actions to produce desired results that are separated by long periods of time;
- Dynamic: reflecting that participants in the issue system are taking actions that impact others in the system in hard-to-predict ways.

Realizing GANs' unique potential to address critical global issues requires identifying and developing the strategies, structures and governance systems that will take GANs through a scale of development that is similar to traditional organizations, such as the creation and develpment of the contemporary welfare state, multi-national business corporation and global NGO.

We have passed through early stage knowledge, tool and methodology development focused upon concepts such as "partnership" and "collaboration." However, understanding the GAN network development challenge requires appreciating that they really operate at four levels: organizational, partnership, network and system. GANs are organizations in that they are legal entities that must operate within the laws of a nation where they are constituted (a problematic proposition for a generator of global public goods). From this perspective they have the trappings of traditional organizations, almost always being incorporated as a non-governmental organization (non-profit). Therefore, at this level the challenge of strategy development appears relatively traditional, involving a Board, a staff leader with some title such as

"executive director," and staff members organized by some hierarchy and combination of geography, stakeholder and task.

However, GANs' core work is carried out through partnerships. The concept of partnership as used here involves agreement about a defined set of actions that each party will complete in a specific geography or relationship to accomplish a relatively narrowly defined task – this often equates to people's use of the term "multi-stakeholder partnership." For example, organizations working with the Global Water Partnership agree upon a set of actions to build "integrated water resource management" capacity in a specific country.

In the Global Reporting Initiative, a set of organizations agree to work together to develop a framework for measuring organizational environment-economic-social impact in a specific industry, say the financial industry. The GANs provide a defined space where participants can coordinate their actions to realize their partnership goals (and support independent goals). In these partnerships the GANs typically act as a convener of stakeholder organizations operating in a GAN's particular issue domain – corruption, water, forests, youth, poverty. One of the intricacies is that when a GAN is most successful, these stakeholder organizations perceive themselves as "owners" of the GAN (sometimes reflected in formal membership structures).

Microcredit Summit Campaign (The Campaign)

In 1997 more than 2,900 people from 137 countries gathered in Washington, DC and launched the Microcredit Summit Campaign. After reaching its original 10-year goals, the Microcredit Summit Campaign is now working to ensure that:

- 175 million of the world's poorest families, especially the women of those families, are receiving credit for self-employment and other financial and business services by the end of 2015.
- 100 million families rise above the US$1 a day threshold by 2015.

The Campaign is a project of Results Educational Fund – a 501(c)(3) organization headquartered in Washington, DC. It has 15 Councils for all the various stakeholders (e.g.: microcredit practitioners, advocates, educational institutions, donor agencies etc.). More than 6,300 institutions have joined one of the Councils. The most important Council is the practitioners who actually deliver microcredit.

In addition to the global and regional meetings, staff in Asia and Africa travel country-by-country leading one-, three-, and five-day trainings. The basic building block of the Campaign is the Institutional Action Plan. Each Council Member institution agrees to submit its Institutional Action Plan each year, reporting on the previous year and setting goals for contributions that it intends to make toward the fulfillment of the Summit's goal in the coming years.

The Campaign has a staff of seven (five in Washington, DC and one each in Asia and Africa) and an annual budget of about $1 million.

TABLE 1 **Organizing Levels of GANs[2]**

	Organization	Partnership	Network	System
Number of Legally Distinct Organizations	One	Small to Modest	Global Sum of Partnerships	All stakeholders in the issue domain
Organizing Structure	Hierarchical	Spoke and wheel	Multi-hub	Diffuse
Operating Logic	Administrating/ Managing	Coordination	Coherence	Diverse Self-Direction
Operating Focus	Organization	Task	Task Relationship	Dispersed
Participation	Closed	Highly controlled	Loosely controlled	Definitional

The power of these very specific task-focused partnerships arises out of the connections that form between them to create the GAN network level. Taken as a whole, the partnerships represent a complex network. At the network level, the GANs' operating focus is to ensure coherence between the collective whole of the partnerships. To have influence upon an issue globally, such a large number of organizations must be engaged in partnership activity that a GAN cannot reasonably aspire for "coordination"; rather, the drive is for "coherence" – movement collectively in a specific direction to address an issue. GANs identify highly strategic partnership actions to influence an issue domain to move in a certain direction. For example, the Global Water Partnership identified as such an action the promotion of integrated water resource management; the Forest Stewardship Council develops a system of certification of forests; the Microcredit Summit Campaign sets aggressive goals and gets organizations to report on how they are addressing the goal. This requires comfort with a great deal of ambiguity, as specific partnerships will advance at different rates with respect to the strategic action, specific initiatives will start at different times, and of course being global requires sensitivity to local conditions. Core functions of the GAN in their issue domains are to:

- Identify the strategic intervention from a global perspective,
- Support the convening spaces to form partnerships,
- Speed advancement by facilitating the sharing of lessons about how to advance, and
- Encourage partnerships to press on with determination by presenting examples of successful partnerships.

Key indicators of a GAN's success are (1) its network meaningfully engages a continually increasing number of organizations in its issue domain,

Forest Stewardship Council (FSC)

A group of timber users, traders and representatives of environmental and human-rights organizations met in California in 1990 to discuss how they could combine their interests in improving forest conservation and reducing deforestation. Today FSC operates through a network of National Initiatives in more than 45 countries and has certified forests in more than 80 countries. FSC has a diverse membership of over 750 organizations from environmental and social groups, the timber trade and the forestry profession, indigenous people's organizations, community forestry groups and forest product certification organizations.

FSC membership and Board are divided into economic (business), social (indigenous and community development NGOs) and environmental (NGO) chambers, and each chamber is equitably balanced by North and South. The Board is elected by and is accountable to the membership. As the highest decision-making body in FSC, the membership meets in general assembly every three years and votes on the direction of FSC.

FSC aims to re-create the production chain with respect to forest products to integrate responsible practices so that forests are managed to meet the social, environmental and economic needs of present and future generations through three types of activities:

It provides the framework for the development of policies and standards throughout the FSC network. To ensure consistency, FSC accredits these national/sub-national standards.

As part of its accreditation program, FSC accredits certification bodies for credible certification to its standards. FSC provides the international framework to market and promote FSC with the support of the Regional Offices, National Initiatives, certification bodies, certificate holders and supporting partners.

To date, over 100 million hectares have been certified according to FSC standards while several thousand products are produced using FSC certified wood and carrying the FSC trademark.

In 2008 FSC had a budget of about $3 million and a staff of about 20.

(2) organizations that are not involved in its network are changing their actions in ways that integrate the network knowledge, standards and values, and (3) the movement of broad measurement indicators for the GANs in the desired direction. The latter represents the "global issue system" that the GAN is aiming to shift. It is not necessary for the network to engage every organization in an issue system, or even anything like a majority of organizations in an issue system (indeed, some posit 5–10% as being sufficient).[3] The GAN aims to create a compelling vortex in the issue system that draws others into it. When a GAN is successful, organizations operating outside a GAN's standards will be thought of as "illegitimate" by others in the system, and denied opportunities necessary for organizational success.

Development Stages

To realize this type of role in addressing global challenges, there appear to be four stages of development for GANs.

Stage 1: Initiating

GANs may start with something like the five strategic elements in mind, as new entities. Or, an entity may slowly evolve into a GAN. In either case, there are three types of initiating paths. One emphasizes a period of two to three years of consultation and mulling over by various stakeholders in an issue. Three years of discussions among timber users, traders, and environmental and human rights organizations preceded founding of the Forest Stewardship Council (see box on page 4).

A second group of GANs arises out of the imagination of one or a couple of organizations or individuals. For example, the Youth Employment Systems is the product of the Education Development Corporation and WWF and Unilever birthed the Marine Stewardship Council. When one organization has a leading founding role, the GAN often starts as a "project" or "program." For example, the Microcredit Summit Campaign is still legally a project of an NGO called Results Education Fund, and the

TABLE 2 **GAN – Development Stages and Activities[4]**

Initiating	Problem/Solution Definition	Infrastructure Development	Realizing he Potential
• Visioning • Convening • Identifying leadership stakeholders	• Defining the problem • Piloting a core physical technology solution • Building initial centralized network piloting structure	• Broadening application of the physical technology solution • Deepening understanding of the problem and social technology solutions • Increasing network membership and decentralizing structure	• Enhancing legitimacy and value • Creating inter-GAN connections • Creating global action norms

Global Compact remains structurally attached to the United Nations Secretary General's office. Transparency International, on the other hand, was very much the work of an individual, Peter Eigen.[5]

The third path can occur when there is already a relatively well-developed "global space" for the participants. For example, global conferences on the topic of water issues were organized from time to time, which led to the realization that more formal and permanent organizational arrangements would be valuable. This led to the formation of the Global Water Partnership and the World Water Council.

Both governments and NGOs are dominant initiators of GANs. Government is clearly dominant with health issues and when very large sums of money are involved. NGOs are more dominant as founders with environmental and social concerns and when the need is to mobilize widespread grassroots action. Business and NGO/business-initiated GANs have also been initiated in sustainable development arenas.

At this stage, one critical challenge is to inspire participation of a sufficiently representative group of organizational stakeholders with a sufficiently broad range of views, so that it can be seen as "legitimate." However, the size must also be sufficiently small that the new GAN does not become overwhelmed with coordinating among the stakeholders. It helps, of course, if stakeholders are already familiar with one another. The founding group will tend to be small if stakeholders do not have a history of working together (e.g., as with the Marine Stewardship Council), and larger if they do, as with the Global Water Partnership and World Water Council.

To attract diverse stakeholders, the initial definition of "the problem" must be broad enough to encompass a wide variety of views and yet narrow enough to provide focus. At this stage, the initial discussions can be likened to a focus group – the goal is to identify the breadth of views about an issue and the initial definition of the stakeholders. Another challenge at this stage is to avoid paralysis with questions about the permanent structure of the GAN, and to begin "doing things" together to address the issue of concern. The way a GAN is organized should arise out of the experiences of how to do the work. However, people often find the ambiguity of this approach difficult and want to build a structure based on theories about how it *ought* to be. Such theories can often lead to an overly complicated and burdensome structure that actually inhibits the way the work gets done. This can be seen in some of the very elaborate stakeholder groupings and voting processes in GANs.

A third initiating challenge is to mobilize the resources necessary to go through the expensive and time-consuming process of consultations and collective discussions. A founding stage requires participation of very senior people from stake-

holder organizations, and their time is a scarce commodity. Developing a GAN cannot work as simply an "add-on" to a full-time job. The GAN must present a way for the participants to fulfill their core responsibilities so participants' organizations understand the importance of spending time on GAN development.

Typically, at this stage funding comes from foundations, donor agencies, and the founding organizations (which usually donate staff time and travel costs). One key challenge is to ensure global and sectoral representation, which usually means providing funds for at least travel for NGOs in the southern hemisphere.

The sectors all face particular challenges at this stage: governments have trouble accepting the need to work as "peers" rather than being "in control"; business finds difficult the "muddling through" without clear, identifiable outputs and targets; and NGOs are challenged to accept the need to experiment with developing the meaning of shared ideals rather than start with rigid definitions of them.

Stage 2: Defining the "Problem" and "Solution"

The issues that GANs are addressing are complex global ones. Typically, individual founders think they understand the problem, but initial discussions invariably disclose an unsuspected breadth of perspectives. The stakeholders forming the GAN must have a shared understanding of each other's perspectives of the challenge – although they do not have to agree with it. Developing this shared understanding among a small core group of diverse founders is a key developmental step – the understanding will continue to grow throughout the GANs' life, but an initial shared understanding must be developed with founders.

This task of problem definition is wrapped up with "putting the issue on the global and local agendas." The process of developing a shared understanding involves raising the issue with organizations around the world, creating a global discussion

about the topic and its relevance to diverse stakeholders. Transparency International had to first make "corruption" a discussable issue, rather than one that people could not talk about.

A key implicit strategy in GANs' founding is to create multi-stakeholder solutions. However, how to structure the stakeholders' working relationships (e.g., issues of board structure, relationships between constituencies, ensuring global to local integration) all take significant time to address. During this stage, there is a relatively small founding group of stakeholders who lead the activity. In most cases, stakeholders collectively explore

> **One critical challenge is to inspire participation of a sufficiently representative group of organizational stakeholders with a sufficiently broad range of views, so that it can be seen as "legitimate."**

their diverse perspectives and design their organizational structure over a period of about five years. This stage provides important lessons about how to structure the GAN, drawn from doing the work together.

Another task is developing ideas about how diverse stakeholders can work together to address the problem. Usually this begins with a focus on a physical technology solution – a solution that focuses on a definable process of learning, capacity development, and measurement. This very often means case studies, dissemination of a particular technological approach (e.g., microcredit to address poverty), and assessment-based processes. These processes include construction of indices (Transparency International); measurement frameworks (Global Reporting Initiative); monitoring (Fair Labor Association, Social Accountability International); certification processes (Marine and Forest Stewardship Councils); and financing

mechanisms (the large health GANs, such as the Global Fund and the Global Alliances for Improved Nutrition and for Vaccines and Immunization).

These physical technology solutions are largely theoretical at the beginning of this stage. The theories are transformed into a series of experiments and actions, to test how they can be applied. This means finding pilot sites with organizations that are willing to be involved in the development and creating an initial network.

However, these physical technology solutions are not the most innovative aspects of GANs. More innovative is the global application and social/strategic technology behind GANs – the idea that stakeholders in an issue, who are traditionally adversarial, should get together globally to develop the solution to a critical common good issue.

At this stage, one challenge is to avoid jumping to the "solution" too quickly and being impatient with the dialogue necessary to really hear and comprehend various viewpoints. This means, at this stage, skilled facilitators who can work well cross-culturally are particularly important. Too often people do not appreciate the challenges of working across sectors, languages, and ethnicities, and hire support staff who are like them or who only have experience in one sector.

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Another challenge is to have enough "mass" to actually get the key issue on the global stage. Participants may discover that they have included too narrow a perspective about a problem to meaningfully engage the number of stakeholders necessary. They may end up being seen as an NGO caucus or as a particularly narrow geographic group.

Also, a GAN at this stage can fail if it is dominated by linear thinking and details. The process of problem definition is an iterative one that is wrapped up with experiments about the definition of the solution. Of course the GRI began with a broad understanding that something was needed to harmonize and promote triple-bottom-line accounting globally, but the current concept of "guidelines" only developed out of numerous discussions and today the definition continues to evolve. The Global Water Partnership founders were interested in integrated water resource management (IWRM) as a "solution," but the meaning of IWRM in diverse settings and creating a shared meaning has have been a major part of GWP's work.

Another danger at this stage is a desire to be "global" too quickly. People may be too action oriented and become impatient with the need for pilot site development to test and refine "solutions," and become over-stretched geographically. This over-stretch will sap resources because of the cost of travel and meetings, and because of the time necessary for communications and holding the network together.

Stage 3: Developing the Broader Change Infrastructure

The average GAN is somewhere in this stage. Some (e.g., Building Partnerships for Development in Water and Sanitation and the Ethical Trading Initiative) are of an age that would suggest they should be in this stage, but they are still working with an initial learning set of activities. They have not adopted the broad "system-organizing" agenda that characterizes this stage, and they may continue to be productive working at the earlier stage.

At Stage 3, solutions have been tested and the challenge is scaling up. A report on the Global Compact as it entered this stage pointed out that a substantial number of "national networks" had arisen as an under-recognized resource, and one focus in this new stage is to further develop the network with more countries. For the GRI the key unit is corporations rather than nations, and it

focuses very much on the number of corporations using its framework.

However, there are two developments at this stage that would not have been anticipated by many GAN founders. One involves scaling up by scaling out – broadening of the core solution in ways that were not obvious to the founders. For example, the Forest Stewardship Council is now developing the concept of certified watersheds. Transparency International became adept at supporting its national chapters to develop legal infrastructure, and has succeeded in institutionalizing its concerns with global organizations (e.g., the OECD, which now has an anticorruption convention).

The second development is the shift from a focus on physical technical solutions to a social solution focus. Typically, early GAN leaders come with physical science backgrounds (e.g., medical doctors and forestry, labor, environmental science, and

measurement specialists). At this third stage of development, GANs must build their managerial, network, and change development competencies. The chores are not development of the technical solutions (although these continue to be refined), but seeing their use and application on a grand scale. This social technology orientation is a critical and difficult shift for GANs. It means shifting focus from refining assessment approaches and promoting "fixes" (e.g., microcredit and integrated water resource management) to taking learning processes to a deeper level that can realize significant systemic societal change. The challenges GANs are facing are not simply about what we are doing in the world; they are also about how we *are* in the world as individuals, organizations, nations, and global society.

The networks must become more decentralized if they are to reflect their empowerment missions and maintain their agility. They must learn to communicate between the parts (e.g., national

chapters, participant organizations), rather than having a centralized mindset of working through the global secretariat. GANs are leaders in moving from the twentieth century world, where organizations were the dominant unit (e.g., in the form of governments, corporations, and community-based ones) to a world in which networks are the key organizing logic.

> **When GANs start emphasizing social organizing and change technologies, and connecting and developing the strategies and competencies in this field, they have significantly broadened their problem definition and concept of solutions.**

With this comes the challenge of being both local and global – "glocal." A number of innovations are emerging to avoid traditional hierarchies with either the local or global "in charge." "Participation" at this stage becomes emphasized rather than formal "membership." Most of the GANs are to a remarkable extent self-organizing and give real meaning to the concept of "subsidiarity." Stakeholder groups and regional/national units (e.g., chapters, country coordinating mechanisms, regional partnerships) are almost always self-governing, with minimal accountability structures upward.

At this stage, when GANs start emphasizing social organizing and change technologies,[6] and connecting and developing the strategies and competencies in this field, they have significantly broadened their problem definition and concept of solutions. One clear challenge at this stage is to categorically develop the needed social technology skills. Founders, being focused on a physical science solution, can become overly fixated on refinement of the particular tool (e.g., an assessment methodology). They may forget that the

goal is not a super-accurate methodology, but real change. Usually, being physical learners, founders are uncomfortable with such social technologies as social network analysis, deep change processes, network dynamics, and systems of accountability. A new skill set needs to be developed, and this means a comparative loss of status for those who thrive with physical science.

Perhaps the most obvious challenge at this stage is managing stakeholder groups that are at different stages of development. With the oldest participating organizations, the GAN must generate activity that is shifting into the social change emphasis, while at the same time the GAN must bring in new participants who will focus on the physical science activity. The mix will become increasingly complex as the GAN continues to expand.

By this time the initial funders are often tiring of providing support, and one key challenge at this stage is for a GAN to develop an economic model of sustainability. So far, there is no easy solution to this challenge, but the answer lies undoubtedly in two directions. One is to creatively integrate the traditional donation-funding of civil society, profit-based funding of business, and taxation-based funding of government. The other is to push these funding strategies into new directions. For example, this year for the first time 12 national governments agreed to place a fee on international travel to support international development.

At this stage the founders may have trouble letting go. As the network grows substantially in scale, the old familiar ways of working with a relatively small group must change in favor of more institutionalized and formal accountability and transparency processes. Otherwise, the GAN will be seen as a "clique," others will find entry difficult, and the GAN will be unable to attract new participants.

Stage 4: Realizing the Potential
Because they are a new type of organization, none of the GANs has reached its full potential. And as a group, they have barely begun to interact, so

their collective impact on the global scene has not yet been felt. However, a few of the GANs appear to be moving into a more advanced developmental Stage 4. The following description is based on the hypothesis that GANs *do* continue to develop and grow – and, of course, many reasons they may not are outlined as challenges to this stage of development.

Fifteen years from now, a much stronger sense of global citizenship will likely be shared worldwide, as a complement to our particular ethnic, linguistic, and national identities. When people look back at the rise of global citizenship, GANs will likely have played an important role. They are stimulating actions that reflect global and local concerns, and thereby becoming critical globalizing and integrating agents of diverse viewpoints and resources. We will shift from an *international* organizing framework to a much more global one. One image of the future of a GAN is as a global membrane that will attract organizations around the world that are working on a particular issue. Reluctant participants find legitimacy demands and resource access obliges them to work within systems structured by GANs. A forest company, for example, may not participate directly in the Forest Stewardship Council, but it will find itself working with a market and regulatory framework that are heavily influenced by the FSC. Within this model, with regard to particular issues, GANs will be robust global systems of accountability, knowledge development and sharing, and governance, offering open and easy access to others. They will be sensing and guiding mechanisms for identifying emergent opportunities and challenges regarding their issues, and for developing responses.

GANs-as-global-membranes will support resource transfers, production of public goods and services, co-creation of rules to address global inequities, wealth development, and effective governance. Creating "alignment" within their issue system is a key task – they will be negotiators, arbitrators, and change agents skilled at smoothing the connections between diverse interests of their particular

issue system. They have the ability to do this without requiring homogenization because they are agents that support diversity within globalization with an emphasis on subsidiarity. GANs are known for providing a trust and reputation network that facilitates the flow of knowledge and resources with low transaction costs.

We will undoubtedly have many more GANs in specialized issue areas, as globalization heightens concerns about security, inequity and poverty, and mounting environmental pressures increase the demand for globally coherent and large-scale action. The era in which nation-states were seen as solely responsible for issues of peace and security, for example, will likely be bypassed by strategies to bring together stakeholders to collaboratively address tensions, as can be seen with the recent founding of the Global Partnership for Prevention of Armed Conflict. Disaster relief systems that are arising in response to increasing climate variation will be increasingly integrated into systems with dense ties between all actors, in contrast with the traditional response systems of government and their contractual relationships with NGOs. In the field of international finance, new collaborative mechanisms will build on recent activities (e.g., the Equator Principles).

> **We will undoubtedly have many more GANs in specialized issue areas as globalization heightens concerns about security, inequity, and poverty, and mounting environmental pressures increase the demand for globally coherent and large-scale action.**

GANs will be weaving new global issue systems of accountability. As diverse actors work collaboratively in a GAN, they increase their interdependence and understanding of the global whole. Traditional hierarchical organizations operating

locally and globally will find participation in GANs a highly compelling strategy for realizing their individual objectives. However, although they will find great rewards from participating from the inside, they will also find participation requires increased sharing of information, transparency, and accommodation of diverse goals.

Today's GANs are still struggling to be "global." The challenge has many dimensions – geographic, cultural, "glocal," linguistic, and contextual issues of the problem they are addressing. When they are successful, they will reflect Friedman's hypothesis that "the world is flat"[7] with fluid connections between the various nodes. The connections will be particularly robust in four different ways. One is interpersonal – people will find the networks rich sources of personal relationships where traditional connections will be less driven by hierarchy (which will continue to exist within organizations) than by shared interests. A second level of connections

will be local to local – people working on an issue in a community or organization on one part of the planet will easily connect with people elsewhere in the network. There will be similarly robust connections at regional and global levels. All will be facilitated by a network logic that will ease flows of information, resource exchanges, and action between the levels.

As a group, GANs will have developed many inter-GAN contacts that build on ones of today (e.g., between the GRI and Global Compact). Youth Employment Systems and WCN (World Conservation Union) will find shared interests in developing youth employment initiatives with an environmental orientation. The Marine Stewardship Council and the Microcredit Summit will find shared interests in developing sustainable livelihoods for small fishers. The one-on-one exchanges will be facilitated by the fact that the GANs have a common organizing logic and value set. These will

help many GANs work together more ambitiously at the regional and global levels. What at one time were numerous unassociated networks will increasingly become collective global governance forums in which the global social contract will be in ongoing development and implementation. It will function not as a set of distinct directives from the top down, but as a fluid system addressing problems and opportunities.

Gradually, the myriad certification processes and voluntary regulations will become a collaboratively developed system with a few clear principles and easily accessed interpretations that reflect environmental, social, and economic concerns. With increased alignment among stakeholders within an issue system, GANs will be dealing with the challenge of alignment between issue systems and distribution of resources.

As a group,15 years from now, GANs could well be the critical mechanisms for addressing global governance gaps of participation, ethics, communications, and implementation. Today, the Forest Stewardship Council is the closest we have to the World Ministry of Forests; the Global Water Partnership and World Water Councils have a similar role with water. Collectively, the large-scale health GANs may be seen functioning with the World Health Organization and governments as key stakeholders rather than controllers. Stakeholders in an issue system will know how to easily participate directly in the appropriate GAN.

By collectively interacting, GANs will also learn much more quickly from a broader range of experience. By working together, they will much more cost-effectively develop the new knowledge and innovations needed for their development. And by having an identity as a community, they will develop and make legitimate their unique potential.

Conclusion

Whether GANs will successfully develop their potential as leading structures in a new global governance architecture is still an open question.

They may become epiphenomenal to a reinvigorated set of intergovernmental institutions, such as the United Nations and those of Bretton Woods. GANs may prove incapable of engaging a sufficient number of stakeholders in a sufficient number of issue areas for them to become a critical global organizing logic. GANs may simply become another set of global bureaucracies and talk shops. Individually, they may never develop the type of impact-measuring systems that provide the needed types of feedback. They may simply become accountable to elites, rather than to citizens globally.

Already we see danger signs that some GANs are chasing out the "movement"and "deep change" parts of their missions and activities because it is easier to flow with the status quo, maintaining sustained antagonism involves pain and their change competency is insufficient.

However, the norms that are giving birth to GANs are also part of a much broader set of global trends. The collaborative governance model they represent is one that is increasingly active at the sub-national level as well, mainly because they are more effective than many traditional state-driven solutions.[8] Perhaps the strongest driver of GANs' development is that they hold the promise of being critical for sustainable development and human security. GANs may not become the dominant global player, but neither are they likely to be insignificant.

Realizing GANs' potential represents a substantial challenge. However, underestimating the capacity for dramatic change in global governance would be a mistake. The transformation from empires to a nation-state global system only occurred with the end of the British Empire after World War II and the more recent break up of the Soviet one. At the beginning of the twentieth century, four-fifths of the world's population lived under monarchs or empires; as late as 1950, 70 percent of the world lived under non-democratic rule. Today nation-states are considered the norm and democratic regimes have become much more pervasive.[9] We know our current global action structures are

not producing the outcomes we want. War is still too common, poverty too widespread, inequity too great, environmental destruction too common, climate change too threatening. Dissatisfaction with the status quo, visions for how we can create a much better world and growing understandings and capacities to realize human potential are, more than anything else, the enabling environment of GANs. ∎

ENDNOTES

1   This article draws heavily from:

- Waddell, S., A. White, et al. (2006). The Future of Global Action Networks: The Challenges and Potential. A Report to USAID – GDA. Boston, MA USA, Global Action Network Net**:** *http://www.gan-net.net/publications_reports/*.

- Waddell, S. and S. Khagram (2007). Multi-stakeholder global networks: emerging systems for the global common good. *Partnerships, Governance And Sustainable Development: Reflections on Theory and Practice*. P. Glasbergen, F. Biermann and A. P. J. Mol. Cheltenham Glos, UK, Edward Elgar Publishing**:** 261-287.

2   Expanded from a table presented in: Waddell, S. and S. Khagram (2007). Multi-stakeholder global networks: emerging systems for the global common good. *Partnerships, Governance And Sustainable Development: Reflections on Theory and Practice*. P. Glasbergen, F. Biermann and A. P. J. Mol. Cheltenham Glos, UK, Edward Elgar Publishing**:** 261-287.

3   Gladwell, M. (2002). *The Tipping Point: How Little Things Can Make a Big Difference*. Boston, MA, USA, Little, Brown and Company.

4   Waddell, Steven. 2006. "Multi-Stakeholder Global Networks: Emerging systems for the global common good," in *Partnerships for Sustainable Development: The Challenge of connecting private and public responsibilities*. Amsterdam: Royal Netherlands Academy of Arts and Sciences.

5   Eigen, P. (2003). *The Web of Corruption: How a Global Movement Fights Graft*. Frankfurt/Main, Germany, Campus Verlag GmbH.

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8   Zadek, S. (2005). The Logic of Collaborative Governance: Corporate Responsibility, Accountability & the Social Contract. Cambridge, MA, USA, Center for Business and Government - Harvard University; and AccountAbility.

9   Khagram, S. (2006). "Possible Future Architectures of Global Governance: A Transnational Perspective/ Prospective." *Global Governance* 12: 97-117.

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Tribal Leadership
An Interview with David C. Logan and John King

GEORGE HALL

In *Tribal Leadership: Leveraging Natural Groups to Build a Thriving Organization* (Collins Business, 2008), authors David Logan and John King draw from several decades of consulting experience to examine the winning corporate culture at Amgen, Intel, American Express, Prudential and other leading companies. What makes these companies so successful? Tribes – the groups that naturally form within the company – are the secret to lasting success. It's a fact of life, say the authors: birds flock, fish school, and people "tribe." The authors learned that what separates average tribes from those that excel is culture. Tribal culture exists in stages, evolving from undermining to history-making. The book contains a wealth of interventions to grow and sustain a winning tribal culture. In this interview, the authors address several intriguing questions:

- How can leaders use tribes to maximize productivity and profit?
- Why do great leaders often fail in a new environment?
- Why do average leaders seem better than they really are?
- Why do great strategies fail more often than they succeed?

George Hall: What is a "tribe," and why is the notion of a tribe so central to your thinking?

David Logan: A tribe is a group of between 20 and 150 people in which you either know everyone or you know of everyone in that group. People tribe so naturally that we often don't see the phenomenon at work – it's like water to a fish; it's largely invisible.

George Hall: What do you mean by "tribal leadership"?

David Logan: A tribal leader is someone who is actively upgrading the culture within the tribes to which they belong. For that to make sense, we have to back up a few steps. The big insight in the book is that while everyone tribes, not all tribes are the same. What makes the difference is culture. In our research of over 24,000 people over eight years, we found that all tribes have one of five types of culture. These go from everything you don't want (stage one) to everything you do want (stage five). And by calling these "stages," we're saying that tribes move from one stage to the next, and they can't skip stages. At Stage One, people form criminal clusters, such as gangs and prisons, where the theme is "life sucks," and people act out in despairingly hostile ways. Only about two percent of employed tribes are at stage one. Stage Two, the dominant culture in 25 percent of work-place tribes where people say, in effect, "my life sucks," exhibit behavior of apathetic victims. At Stage Three, which is the dominant culture in almost half of U.S. workplace tribes, the theme is "I'm great." This

George Hall

David Logan

John King

personally competitive cultural stage produces only limited innovation and almost no collaboration. Stage Four represents 22 percent of tribal cultures, and there the theme is "we're great." Stage Four is the zone of Tribal Leadership where the leader upgrades the tribe as the tribe embraces the leader. Stage Four is the beginning of high

> **People in our study who were exceptional tribal leaders described a sudden, compelling, and often personal awareness that they had been manipulating people and didn't want to do that anymore.**

performance. The theme of Stage five, the culture of two percent of the workforce tribes, is that "life is great" and people focus on realizing potential by making history. Teams at Stage Five have produced remarkable innovations, leading their industries and the economy. So to answer your original question, tribal leadership is: (1) figuring out what cultures run your tribes, and (2) moving the tribes to the next stage, and then the next.

George Hall: Who is your favorite tribal leader? Why?

David Logan: Without a doubt, my favorite tribal leader is George Washington. Washington was a member of three tribes: (1) the Continental Congress, (2) the Militia or military leaders, and (3) the Virginia landowners. In every case, if you examine how he thought, you can see how he consistently looked for core values. He heard "Independence," "Freedom," and "Equality." So, when he finally did speak, although he was not the most intelligent of the group, nor the most well read, he was someone to whom people listened. Why? Washington was someone who actively upgraded the culture of the tribes to which he belonged. When he spoke, people said, "That person speaks for me." As a result, the tribes became aware of their own

existence. They went from being a collection of people to a group that said, "We're taking on this charge together." The colonists went from State Two to Stage Three to Stage Four, all the way up to Stage Five because of Washington's leadership.

George Hall: How does someone become a tribal leader?

David Logan: You learn and use the simple set of techniques to move a tribe from one stage to the next. But there is something deeper. People in our study who were exceptional tribal leaders described a sudden, compelling, and often personal awareness that they had been manipulating people and didn't want to do that anymore. There were two universal themes that ran through all these experiences: (1) there was a new self-awareness and (2) there was a bit of a sting to it. The awareness helped them see what had previously been a blind spot, about their personal behavior: they credited that moment with making them the leader that they were. This same epiphany, however, also made them humble.

George Hall: You mentioned tribal strategy in your book. How does that work?

David Logan: Tribal strategy has a dual purpose: it gives the tribe something to work on that's important. It also is a key to moving a group from Stage Three to Four. In tribal strategy, the leader says, "the first thing we have to do is figure out our values." So the group reads off the corporate values. OK, those are the corporate values, but what do WE value? The leader starts a discussion about the tribe's values. After a discussion of the tribe's values, you walk them through our strategy model (see Figure 1). Tribal strategy is a series of three discussions in which the tribal leader starts to learn where the group wants to go. The first is, "what do we want?" The resulting answer is "outcomes." The second is "what do we have?" The tribe's answers constitute "assets." The third is "what will we do?" and the answer gives the group its behaviors.

Along the way, tribal leaders ask the group three "test questions":

- Are assets sufficient for the *outcomes*?
- Are there enough assets for the *behaviors*?
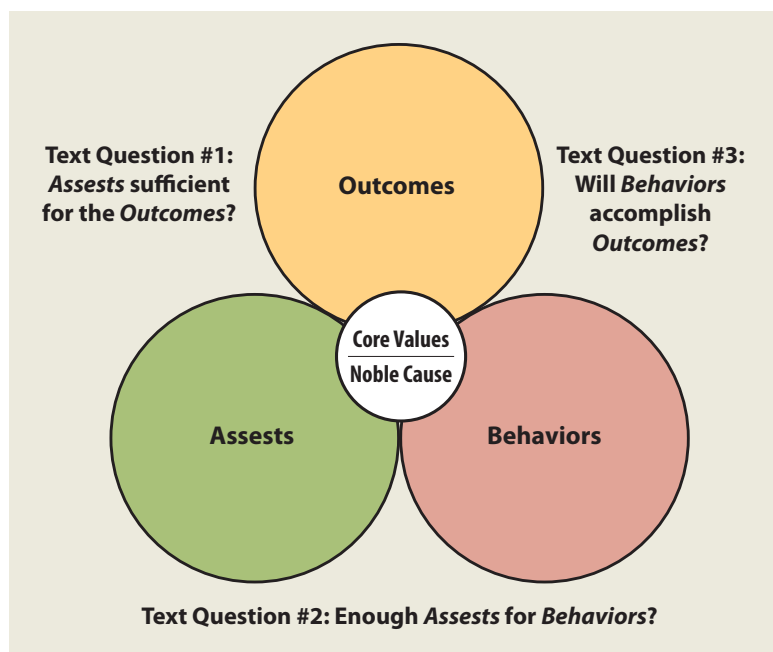- Will behavior accomplish *outcomes*?

To seamlessly maintain the positive change, our research indicates that it takes a team meeting for about half a day every 90 days. The tribe is working more closely together now – a "Stage Four" culture has probably developed.

George Hall: In your book you comment, "The journey through the stages is literally not one you can make alone. Your tribe will either help you or prevent your forward movement. In fact, you can move forward only by bringing others with you." Are tribes more influential than individuals, no matter how smart or talented they are?

David Logan: Yes. If you look at the writings of psychologist Abraham Maslow, you'll see that people self-actualize alone. If someone takes Maslow's hermit route, they become enlightened alone. This approach to enlightenment has become the de facto standard all over the world. In contrast to Maslow, what we are talking about is culture. You cannot have a culture of one. It doesn't make any sense. To move through a stage theory of enlightenment, you must move through them with other people. If you are going through this growth process as a single person, for example, say from Stage Three to Four to Five, you will be unable to develop yourself through all the stages. It's just not going to happen. In order to develop yourself, you are going to have to pull other people up as well. You are going to have to start forming partnerships and implementing strategies together. It's impossible to operate on these more collaborative, more advanced levels alone.

John King: I would also add that fundamental to the concept of Stage Four in an organization is the idea of stable effective partnerships. From our experience over several decades of consulting work, nobody actually gets over the "hump" to

FIGURE 1 **Tribal Strategy Model**

Text Question #1: *Assets* sufficient for the *Outcomes*?

Outcomes

Text Question #3: Will *Behaviors* accomplish *Outcomes*?

Core Values
Noble Cause

Assets

Behaviors

Text Question #2: Enough *Assets* for *Behaviors*?

Stage Four by themselves and nobody is actually in there by themselves. When we do see people who are individuals who are Stage Four types, they are not stable unless they have at least two other people around them who are also Stage Four. The members of this triad, all Stage Four, act to stabilize each others' development.

David Logan: I'll give you a very specific example. Imagine, for example, that there is a newly married couple. The husband and wife have a "family" culture, because you can have a culture of two. Let's say they take the view of, "It's us against the world." Nobody else understands their relationship; no one appreciates them; no one else matters, and "we're in it for us." As soon as this couple encounters any kind of marital conflict, for example, her friends are going to say to her and his friends are going to say to him, "Well, we couldn't wait for this relationship to end." The chances of that relationship surviving are actually quite small. In other words, it is really not a partnership until other people get involved. Again, by definition, you can't move through developmental stages and grow alone.

John King: Yes, that's exactly right, Dave. A dyad or partnership of two, without something else around it to stabilize it, is inherently unstable. You definitely need a third, stabilizing element. This element, however, doesn't have to be a person per se. It could be an inspiring project that two people are engaged in. Either way, the dyad, just like any object in space, for example, needs three anchor points to be stable.

George Hall: Most professional models of self-actualization are based on Maslow's work. These models describe stages you move through as you develop yourself. They have not been updated meaningfully since the 1950s. Your work updates and expands Maslow by placing development in a broader, group context. Learning and development no longer have to be defined by or limited to Maslow's hermit route.

John King: You are right. It is interesting to note that the systems-based thinking we encourage in our work is starting to arise naturally in the culture in the Net generation, the kids who are 19, 20 or so. This generation thinks in terms of systems, tribes, teams. It is a very natural expression for them. They are doing it on the web. They don't know that they are doing it, just as we didn't know we were doing command and control. We didn't know we were doing Stage One, Stage Two, Stage Three and that there was a ceiling to what we were doing. We paid lip service to the "we" conversation, but when push came to shove, it was "me," it was "you." We didn't really know; that was just the way it was. My 18-year-old granddaughter, for example, has 167 people in her MySpace net. They are all players in her life. She has an experience of her "self": I'm good at what I do and I am who I am." She also has an experience of her tribe – her relationships are very interdependent with all the people around her.

George Hall: Does the process of training influence tribal culture?

David Logan: Yes. The training process frequently produces a Stage Three culture, which often impedes further development – a vicious circle of sorts. You can graduate from high school and college, and get all the way through a doctorate, for example, and still be focused at a Stage Three level. Stage Three is about individual accomplishment. What holds us back as we move through the stages, then, is the Stage Three tribal culture created by decades of training methods. If you look around at many so-called leadership books, you will find that most of them tell you to master Stage Three. You go to a bookstore, and look up

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most books on "leadership", they are either Stage Five, which nobody really understands, or what passes for leadership (time management, how to set goals), which has nothing to do with leadership.

George Hall: A tribal leader has an unmistakable toughness, a tenacity of spirit. They try to improve their group, from cultural stage to cultural stage, and invest the required time – months to years – to really do this. I'm imagining the tribal leader as a sort of culture Hero, a sort of Rocky Balboa, or someone of Rambo size proportions. Do you agree?

David Logan: No. Your examples of tribal leaders – Rocky and Rambo – are actually examples of anti-tribal leaders. They are people who are doing it for themselves. Rambo is supposed to be doing it for other people, but it's really the Rambo show.

It's the Rocky Balboa show. You know, leadership can be boring. If you look at what a lot of tribal leaders do in practice, and we have, it's not sexy, it's not L.A. Law, Boston Legal, and it's not an exciting reality show. Instead, good tribal leadership is not dramatic but it is dramatically effective. When you take a model of the Stage Three hero, like a Rambo, you are really taking a look at a life that is events-driven, but there is very little process. On the other hand, if you take a look at the Stage Four hero, a Mother Teresa, a Martin Luther King, Jr., while there may be drama around them because they are doing heroic things, it isn't about Martin Luther King. We tend to idolize Martin Luther King, but Martin Luther King to himself was just another soldier in the battle. He would say, "I'm just a cheerleader for possibilities." Stage Four leaders are engaged in the process where there are events, but it isn't about event, event, event. It is about the process and the collaborative way we work together. ∎

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Learning and Performing through Hastily Formed Networks

GEORGE ROTH

Contributors: Carol Gorelick, Jeff Clanon, Sue Higgins, Tracy Huston, Jason Schulist, Jean Tully, Greg Clark, Shelia Covert-Weiss, Peter Walker, Bob Wiebe, and Fred Krawchuk

George Roth

…We heard a terrible crash – a sound no one ever wants to hear while flying – and then the engines wound down to a screeching halt. Ten seconds later, there was a strong smell of jet fuel. I knew we would be landing and thought the pilot would take us down no doubt to Newark Airport… Next thing we heard was "Brace for impact!"… We began to descend rapidly and it started to sink in. This is the last flight. I'm going to die today…
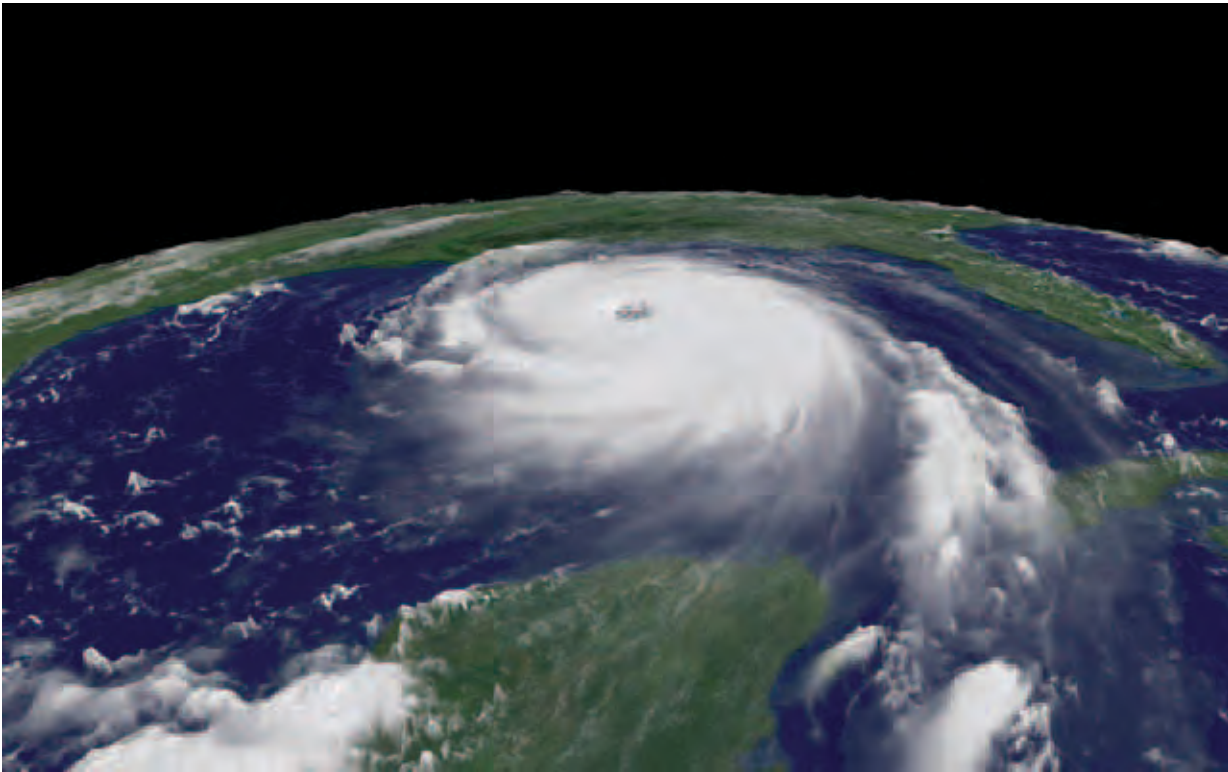
It was a violent hit – the water flew up over my window – but we bobbed up and were all amazed that we remained intact. There was some panic – people jumping over seats and running towards the doors, but we soon got everyone straightened out and calmed down.

There were a lot of people that took leadership roles in little ways. Those sitting at the doors over the wing did a fantastic job; they were opened in a New York second! Everyone worked together – teamed up and in groups to figure out how to help each other.

I exited on the starboard side of the plane, three or four rows behind my seat through a door over the wing and was, I believe, the 10th or 12th person out. I took my seat cushion as a flotation device and once outside saw I was the only one who did; none of us remembered to take the yellow inflatable life vests from under the seat.

We were standing in six to eight inches of water and it was freezing. There were two women on the wing, one of whom slipped off into the water. Another passenger and I pulled her back on and had her kneel down to keep from falling off again. By that point we were totally soaked and absolutely frozen from the icy wind…

As more ferries arrived, we were able to get people up on the boats a few at a time. The fellow in front of me fell off the ladder and into the water. When we got him back on the ladder he could not move his legs to climb. I couldn't help him from my position so I climbed up the ladder to the ferry deck where the first mate and I hoisted the Jacob's ladder with him on it; when he got close enough we grabbed his trouser belt and hauled him on deck. We were all safely off the wing.[1]

f you have spent much time in New York airports, you have probably had some exchanges or experiences with airline staff and passengers that were less than cordial, perhaps even uncooperative. As this email excerpt, written by passenger Gerry McNamara, illustrates, when U.S. Air flight 1549 ditched into the Hudson River on January 15, 2009, that changed. Passengers and flight crew, together with ferryboat operators and professional rescue personnel, collectively created a hastily formed network to care for each other and save every life. There was a spontaneous cooperation and a sharing of responsibilities and resources to fulfill a higher goal.

Dr. Peter Denning at the Naval Postgraduate School coined the term "hastily formed networks," or "HFNs," in October 2004. He and his colleagues examined responses to crises that involved military, civilian government, and non-government organizations.[2] All of these crises required leveraging distributed resources and guiding collective action immediately, without waiting for direction from central authorities. "Hastily formed" implies an unexpected and cataclysmic event – such as a terrorist attack, a large power failure or a natural disaster – that requires a rapid response and an unprecedented level of coordination. Crises result when preparation is not possible or is inadequate, no one organization has the ability or resources to act independently, and conditions are so dire that urgent response is essential. "Networks" refers to the formal and informal networks of people and organizations that respond to those crises, which may or may not have existed, or worked together, before the event.

In November 2005, a group of SoL organizational members became interested in network responses to crises.[3] Although organizations typically rely on formal structures and defined decision-making processes to coordinate activities, these officers wondered whether HFN insights could be applied to urgent and unpredictable circumstances affecting their own organizations. Together with SoL staff, the group decided to develop, test, and refine ideas about what leads to effective HFN behaviors by undertaking a number of individual learning projects. In June, 2006, after several discussions and meetings, they formed a team,

engaged a researcher, and initiated the Hastily Formed Network project, whose guiding question was "What creates, sustains, and transforms individuals and organizations into effective networks?" This article describes the team's work and findings.

Through a series of learning projects, the team found that four conditions were necessary for effective HFNs:

1. pre-conditioning participants' beliefs that they could both contribute and subscribe to common overarching goals

2. mobilizing action by behaving predictably, communicating conditions, convening people and holding them accountable to their commitments

3. relying on minimal structure, perhaps only a virtual communication space, to assess progress and report on conditions, and

4. leading openly by providing direction, clarifying how decisions are made, sharing power, and enabling action by other people.

These findings are based on a methodology that enables insights and lessons to be developed and tested across an ongoing set of learning projects. Four of the learning projects are summarized in this article to illustrate the HFN findings. (See Table 1 on page 33 for a complete list.) Not all efforts to initiate learning projects were successful. The issues associated with carrying out learning projects in SoL, which is a networked, membership-based organization, provided insights regarding challenges inherent in operating as a network, and were considered part of the data by the team. Project team members also shared personal experiences of their involvement in HFNs.[4] The team drew upon studies of studied crisis situations, as well as social networks, organizational networks, and organizational relationship literature.[5] The group also tested the concepts it was learning about effective network behaviors at SoL meetings and at conference workshops. These audiences worked with the team to develop HFN concepts further by sharing their own experiences, and helping to frame better questions.

Each of the following four sections begins with one of these four key questions. In each section, findings are illustrated by describing one of the learning projects and providing insights on this aspect of effective HFNs.

QUESTION ONE:
What preconditioning is helpful for effective network action?

Defining Preconditioning

A condition for an effective network is an ability to communicate, which requires three elements: 1) the physical systems that provide a communication medium, 2) the individuals and organizations that act together, and 3) developing and agreeing upon interaction rules. Preconditioning implies that a priori efforts can enable more effective crisis responses through networks. These efforts include training, simulations, pre-positioning of equipment, testing technical systems and creating standards for interoperability, and developing inter-organizational relationships. One of the SoL HFN learning projects, conducted by people from the Naval Postgraduate School, developed technical standards for information and communications technology to support civil-military communications. They created educational materials that teach these guidelines based on disaster relief scenarios from Hurricane Katrina.[6]

Southeast Asia Pre-crisis Communities Learning Project

The Southeast Asia Pre-crisis Communities learning project provides additional insights into HFN preconditions. Initiated by U.S. Army representative Colonel Fred Krawchuk, the project created a cross-sector conversation space by bringing people from a small geographic region together in multi-day, facilitated meetings. It sought to improve relationships among organizations under the assumption that having these relationships in place would contribute to better coordination in a crisis. These organizations included U.S. government, foreign government, and non-government agencies responsible for science and technology (providing imaging, mapping, modeling and simulation services), humanitarian relief (responding to
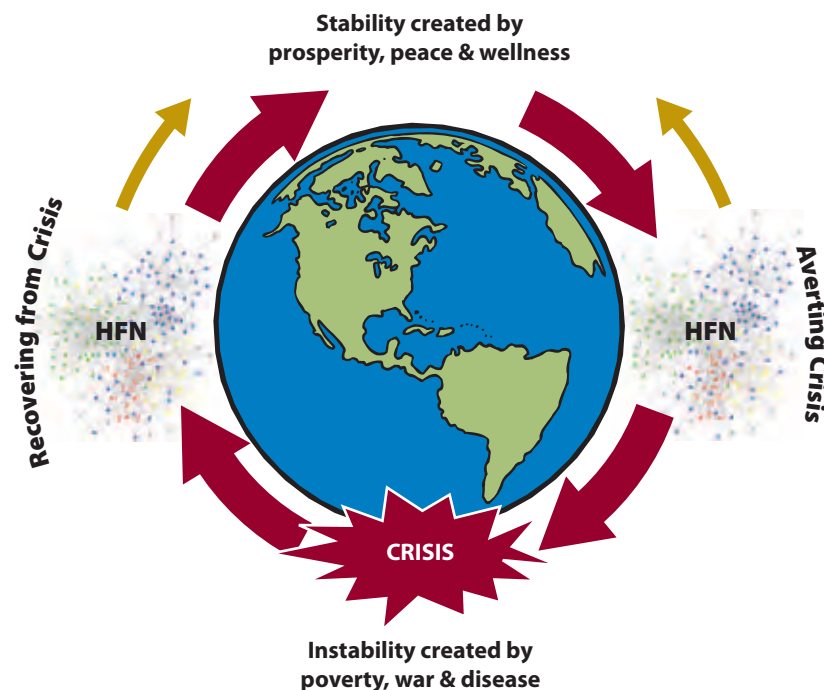
crises and working with U.S. AID, Red Cross, and other humanitarian organizations), and education (providing methods and training for policing and maintaining security). Across several related project efforts, facilitated meetings were organized and held to bring people from multiple organizations together to talk about communicating with one another and working together in crises. The discussions in meetings largely focused on technical interoperability and assessing information technology tools.

The participants found that averting a crisis or conflict might also be possible if organizations from different sectors (public, private, governmental) worked together. Figure 1 shows the relationship between states of crisis and stability in a global setting. This diagram was drawn after team members reflecting on these pre-crisis meetings developed the insight that improving the response to a crisis and avoiding crisis could both be addressed by creating the conditions that would enable effective HFNs. The ability to move from crisis to stability requires multiple agencies working together, and the ability to avert a crisis, or war, might be possible if agencies worked together before a crisis. Creating a capability to activate HFNs could be useful in both crisis response and crisis avoidance.

Preconditioning Findings

The Southeast Asia Pre-Crisis Communities project focused on preconditioning, but what was found there was also evident in the other networks the team studied. Some of the preconditions necessary for networks to work effectively are obvious: people must be willing to come together, and must share a sense of urgency. Other preconditions are less intuitive. Effective networks are comprised of people who believe that they have something to contribute, who are willing to subscribe to an overarching goal, and who are ready to apply their own knowledge, skills, and resources to improve the situation. These people's attitudes allow them to supersede the responsibilities of their organizational roles or the constraints of their job descriptions. At the same time, when people are willing

FIGURE 1 **Possible Military Roles in Global Crisis and Stability**

Source: developed from flipchart drawn at HFN Project Clinic on Feb 6, 2007

Preconditioning

Effective HFNs were enabled by the following:

Action: Participants had a readiness and willingness to act, they believed that they could contribute, acknowledged their own needs, and subscribed to common overarching goals.

Theory: Individuals and organizations engage in networks based on their own self esteem, trust of others, and mutual respect.

Capacity-Building: Teaching and utilizing methods that affirm people from different backgrounds helps everyone to recognize and value diverse contributions.

to disclose what they do not know or cannot do, decisions can be made more rapidly, and resources allocated more effectively.

The ideal precondition for an HFN is having a pre-existing social network in place, so that people already have some degree of trust, and share common values. Trust is built through personal

connections or through more extended networks. When trust and respect are in place, HFN team members who participated in HFNs, described their experience as satisfying and meaningful, as well as fun. Several people interviewed described their personal HFN experiences as "a lifetime highlight."

QUESTION TWO:
How is action mobilized throughout a network?

Defining Mobilizing Action

Mobilizing collective action occurs when individuals act on behalf of the whole community. Effective action through a network takes place when individuals' goals and interests align, so that independent actions complement each other and produce cumulative results. The Menlo Lab project illustrated how a network mobilizes action when this alignment exists.

Menlo Lab Community Transformation Learning Project

Tracy Huston, a representative from Nissan responsible for its global executive leadership development at the time of the HFN project, initiated the Menlo Lab[7] projects to provide real-world innovation grounds through which leaders from business, government, education, non-profits, and

civic groups could co-create, test, and evolve practices needed to initiate and sustain collective action. Out of the shared intentions to address the economic, social, and ecological conditions needed to sustain our communities, Menlo Lab organized experiential retreats where network members co-evolved practices to integrate personal, relational, and structural dimensions of change. Using an "inside-out" change approach,[8] Menlo engaged cross-sector networks of community residents to surface the shared aspirations that they wished to enact, and then to co-evolve their visions and test concrete ideas through rapid prototyping. These networks mobilized profound innovations in impoverished areas in California, Michigan, New Mexico, and South Africa.

In Detroit, with funding from DTE Energy and Cigna Healthcare, Menlo Lab organized community engagement events through which residents and stakeholders developed visions for renewal in some of the most blighted city neighborhoods. In a "Dream Garden," residents shared their hopes for the future, and in a retreat held with leaders from all Menlo projects, a whole system picture of the future was created: better ways of living and learning, health, safety, sustenance, and connection. One innovation, surfaced by local urban farmers, was prototyped with DTE employees to

create a breakthrough in local food production and distribution. They developed an urban farming model as a way to create jobs and provide food security in low-income communities. That urban farming model evolved, and was adapted for Los Angeles Menlo Lab projects.

The Menlo Lab initiatives found that initial ideas must be put into action quickly through rapid prototyping, allowing learning to occur in low risk environments and enabling new ideas to evolve. This learning-in-action was uncomfortable for many people; groups often get stuck in planning cycles that avoid action. In Detroit, when their ongoing conversations failed to mobilize action, Jason Schulist, a leader at DTE, pushed the group into prototyping their urban farming idea by promoting weekly sales of local produce to DTE employees. While some leaders resisted the prototypes, those who embraced learning-in-action significantly improved the local agribusiness model and strengthened the network's capacity for collective action. Menlo's strategy was to "follow the energy," nurturing leaders who wish to collaborate through action while holding space for those who had yet to find the will to act. Their belief was that as the network grows stronger, it provides the support that makes it easier for others to join in.

Mobilizing Action Findings
Mobilizing action requires a multi-stakeholder engagement process, where people from all parts of the system "see" current conditions together, surface aspirations, and co-evolve their desired pictures of the future. In Detroit, the diverse nature of the group allowed collective wisdom to generate innovations that otherwise would have been overlooked. At the same time, the team encountered resistance on the part of some people to collaborate, leaving gaps in expertise and resources needed for the whole community vision to be enacted. This learning led to a more concentrated effort up front in Los Angeles to not only "get the whole system in the room," but to get those who were committed to working in a collaborative HFN-like fashion, which allowed them to generate more results in less time.

Mobilizing Action

Enabling action, particularly in the face of adversity, involved the following:

Action: Communicating to and engaging people by creating clarity on conditions, surfacing aspirations, co-evolving vision, and testing Ideas through prototyping enabled collective learning and action.

Theory: Networks of diverse stakeholders perform best when they can together see current conditions, accept personal accountability, and act in the service of a larger shared purpose.

Capacity-building: Action results when people are given opportunities to learn, act, and co-evolve ideas in ways that recognize, develop, and strengthen their will for change.

More subtle challenges for mobilizing collective action had to do with sustaining the will for enacting change. Some people who initially stepped into leadership roles were unwilling to hold accountability when projects moved into prototypes. Some expected others to do it for them. These findings applied to other HFN learning projects: in order to act effectively, nurturing leaders not only provide information, but also hold the space

open for others to take on leadership roles. This approach enables networks to be accountable for results, yet lets people move independently and predictably forward toward common goals.

Across the HFNs studied, when leaders relinquished control, they encouraged action by others and helped to build or maintain relationships. Leaders could enhance people's actions by sharing their situational understanding as well as information about expertise and resources. Communicating status and available expertise and resources is a function often performed by a central authority. While some degree of central authority for collecting and sharing information is helpful in mobilizing initial action, the team found that the centralization of information, decision-making, or expertise later becomes an obstacle for networks in mobilizing continued action.

QUESTION THREE:
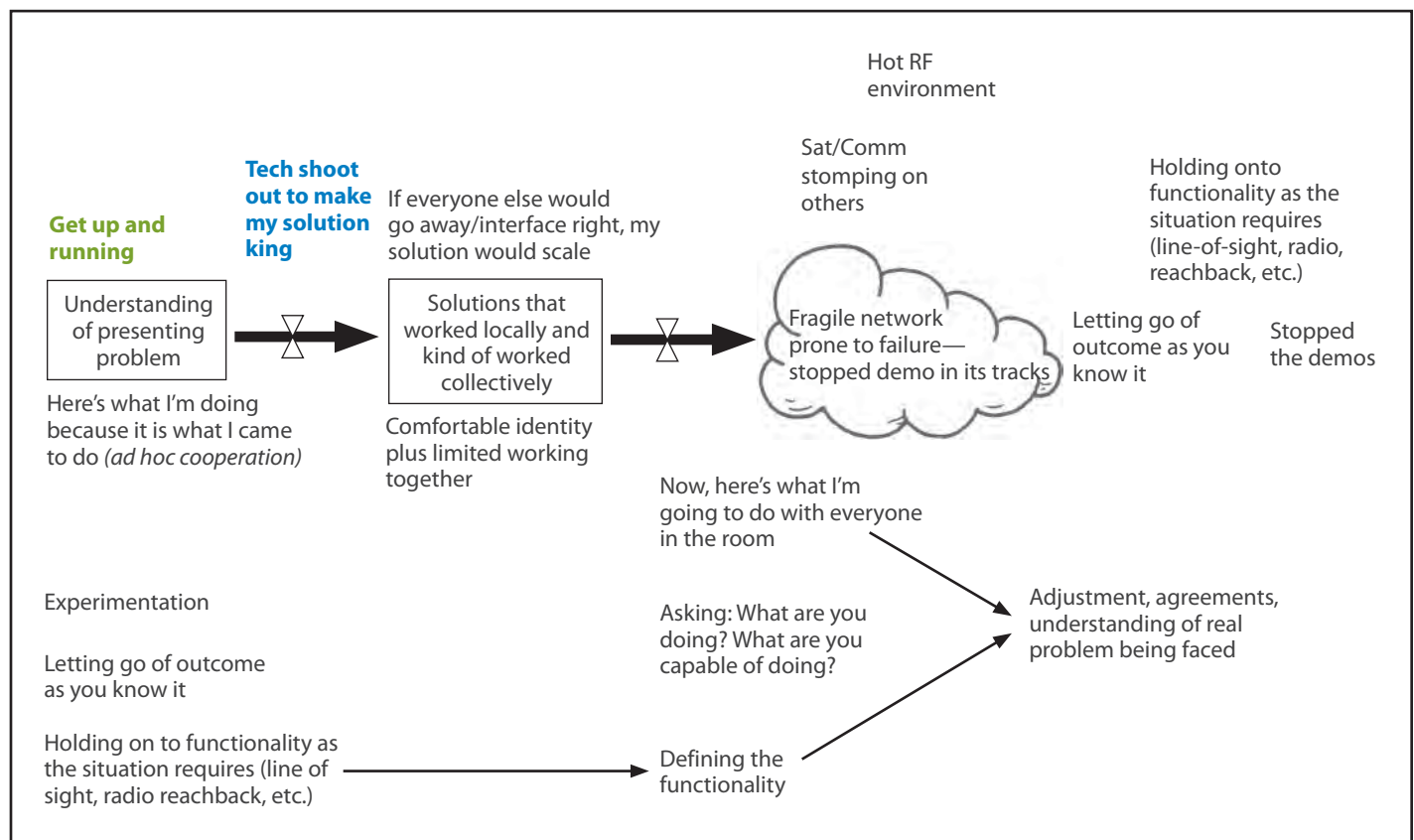### What minimal organizational structures are required?
Defining Minimizing Structures

The effectiveness of a network depends upon individuals' abilities to communicate, coordinate, and influence each other. Influence takes place through open relationships. The premise of hastily formed networks is that some minimal structure is necessary to create coordinated action, and that this structure can quickly be put in place for the network to start to function. The Strong Angel III simulation, which members of the HFN project participated in, provided insights about creating minimal structure.

Strong Angel III Learning Project

Strong Angel III was the third in a series of efforts to test technologies that enable information flow

FIGURE 2 **Strong Angel III Simulation: Working Flipchart of Behaviors Captured in Stock and Flow Diagram**

and enhance cooperation among civil and military organizations in a disaster relief or humanitarian crises. The scenario simulated a lethal pandemic coupled with a cyber-terrorist attack. It took place on the Fire Training Academy grounds in San Diego, California from August 21 to 26, 2006 and involved approximately 800 participants from 200 organizations.

Disaster creates conditions where people initially focus on their own efforts, and do not look outward to help others. In this simulation, resources, such as civilian and military medical staff, know they will be called upon in an emergency. They act according to plans, often to only find that their response does not effectively address the situation. That is when they need to shift into a learning mode. They become a hastily formed network as they collectively undertake experiments to improve their combined responses.

Bob Wiebe, an organizational representative to SoL from Boeing, and Dan Compton, a Boeing colleague, attended and observed Strong Angel III. They created diagrams that mapped information flows and feedback loops among participants. They used their diagrams interactively, giving the people they observed feedback to test the assumptions they used in developing the systems diagram. One diagram (see Figure 2) depicts conditions in which people were able to create a communications network with limited capabilities. The unstable communications reinforced the behaviors of some people who took increasingly more authoritarian and intractable positions.

Two days into the Strong Angel III simulation there were few and limited communications across networks. People focused on their own systems. They were unwilling to change the protocols that enabled their systems to operate effectively, which constrained network interoperations. An aspect of this situation is found in the maxim, "you have to give a little to get a little." People had to accept a limitation to their system for the network as a whole to operate; they had to give up something without certainty of a return.

A pattern which was common across different groups of people emerged: the initial "king" phase, as people started acting autonomously, then a second coordinated exploration phase, when people asked each other what they wanted to accomplish and built working interfaces (that were very fragile). The third or collaborative discovery phase occurred when people took what they learned from creating on the fly to make small working solutions that were linked up into a large-scale working network in a way that no one had previously envisioned. The collaborative discovery phase was enabled by the actions of "invisible" or non-traditional leaders. These leaders did not rely any one authority, but looked around at what was developing, asked questions that prompted new thinking, and linked people who were doing something effective together. The small working solutions built momentum and the invisible leaders made it easy for others to join in and add to the solution. These leaders were invisible because they never sought recognition, and simply called others over to "look what we were able to create."

In capturing, representing, and feeding back network actions, Wiebe noticed three modes with

Minimizing Structure

Minimal structure for facilitating HFNs is based on the following:

Action: Less structure, particularly centralized structure, is better for distributed action; need some "communication space" share information, to create and model norms, to provide clarity on intent, to assess reality, and to give feedback on conditions/performance.

Theory: A conversation space that serves network requirements also models, develops, and uses norms to illustrate and clarify intent, all of which model behavior and ultimately determine performance.

Capacity-Building: The attitude and approach taken to create structure, such as developing the "conversation space," model acceptable behavior and thus have implications for the network.

distinct behavior patterns: 1) the aftermath of a triggering event and formation of a network mode (behavior patterns shift from normal to non-normal interactions); 2) acting in and sustaining the network action mode (operating in a non-normal state); and 3) dispersing and disbanding the network mode and returning to a normal mode (going from non-normal behaviors to a new normal mode, which may be different than initial normal mode).[9]

Minimizing Structures Findings

Relationships are the minimal structure of HFNs; they are essential to coordinating among people and solving problems. It was clear in Strong Angel III, and evident in the other networks studied, that although they tried, people could not impose conditions on others. If you were to graph the relationship between individuals in a network, you would create a drawing that looks like a spider's web. A spider's web is made up of threads. You can not push on a thread; if you try, it simply folds and goes nowhere. It is the threads pulling on one another that hold a web together. Networks, like a web, are based on a structure that is different from what is found in traditional organizations. The relationships in organizations are defined by reporting lines, where managers push decisions and actions through those reporting lines. A network does not allow leaders to push their decisions or actions through that web of relationships, as they would in an organization's reporting lines.

Given the importance of acting quickly, less structure is better than more structure in HFNs. HFNs require a conversation space to share information, enable decision-making, and communicate decisions. The conversation space enables assessment of the current reality, attention to critical situations, clarity of the intent of the network, and feedback on changes over time. Individuals' conversation space experience creates and reinforces network norms. The norms manifested in the conversation space influence the behaviors of people whose actions are distributed across the network. When central authorities attempt to specify behaviors, they cannot push them through as they could in an organization with reporting relationships, and their efforts are largely ineffective.

In Strong Angel III and the other networks examined, someone had to emerge as a convener for a network to function effectively. These conveners brought people together, and did so by creating conversation spaces and modeling behavior norms. Often the convener has some expertise related to the situation or authority because of his or her position. The convener was effective not by imposing his or her expertise or authority, but by engaging all constituencies in working across organizational, functional, or cultural boundaries. An organization has to create structures and processes *before* it can act effectively, while an HFN *acts before it creates* or coheres its structures and processes. The structures and processes in an

HFN evolve over time, and only the minimal set of structures and processes needed for a network to function will start that evolution. After the HFN has ameliorated the crisis conditions, structures and processes become instituted because people repeat what worked.

QUESTION FOUR:
What leadership capabilities and characteristics are required?
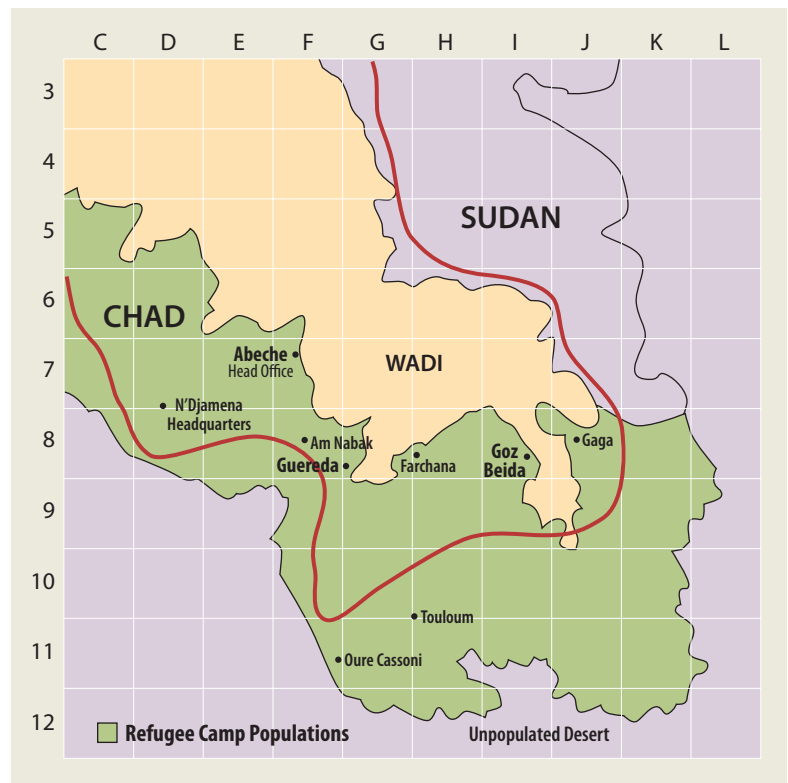
Defining Distributed Leadership

Leadership is not only the act or instance of guiding people; it also includes motivating other people to lead. Taking action and establishing a system that distributed leadership within a network was what leaders did in the successful HFNs that were studied. Leadership was exemplified by doing – by taking appropriate action while other people often waited. Emergent networks do not appoint leaders, nor do crisis situations provide the luxury of waiting for anointed leaders. Under normal circumstances, a person's reputation and credibility enables people to follow and make him or her leader. In a crisis situation, it was not what a person had done before that made him or her a network leader, but what he or she did at the time that inspired others to trust, respect, follow, and thereby make him or her a leader. Examples from the study of a humanitarian relief simulation illustrate the distributing of leadership in the functioning of an effective network.

Humanitarian Studies Initiative Refugee Simulation Learning Project

As part of its year-long course of studies, the Humanitarian Studies Initiative (HSI) sponsors a three-day humanitarian relief simulation as a capstone event.[10] In April 2007, the simulation of a humanitarian crisis in Chad involving nearly eighty people took place in a state park north of Boston. The thirty student participants were individually assigned to specific roles in three fictional NGOs: WFP (World Food Programme), CRS (Catholic Relief Services), and IMC (International Medical Corps). These NGOs provide logistics for shipping food and supplies, relief worker services, and medical services, respectively. Each NGO needed

FIGURE 3 **Refugee Simulation map overlay on state forest grounds**

to assess situations in five refugee camps and create reports for delivering services. A dozen ROTC (Reserve Officers Training Corps) students from six Boston area universities played the roles of Chadian military and rebel militia (their role play in this simulation gave these students credits in their programs). University faculty and staff played roles of head office staff, as well as other roles, such as refugee camp directors, refugees, local NGO staff, and sometimes rebels. The students staffing the NGOs had to deliver reports, briefings, and, finally, a service delivery plan, to the head office staffs. The students in the three NGO teams were each assigned to different roles in areas such as logistics, medical, finance, security, and communications. Creating service delivery plans required a variety of assessments. The urgent mission was assessing the refugee situation, communicating needs, and creating plans to begin providing the needed humanitarian aid.

The simulation required individuals and teams to cope with challenges in organizing and perform-

Distributing of Leadership

Leadership in effective HFNs is based on the following concepts:

Action: Leaders enable actions in others yet act when they are able; they remain open to change and sense direction, communicate the reality of dire conditions, clarify decision-making processes, and are ready to relinquish or share power.

Theory: Effective network leaders are perceived as people with authenticity, integrity, empathy, and compassion, and have shown in the past that they will continue to behave that way.

Capacity-Building: Leaders create conditions across organizations that identify and value leadership; they enable leadership behaviors in others by identifying, developing, and mentoring people to step forward as new leaders.

ing their duties while responding to the stress of external distractions in an uncomfortable, dynamic, and "dangerous" environment. Upon arrival into the "country," government inspectors treated aid workers roughly; they searched their bags, and took personal and valuable items. Following a short briefing, students were sent to field locations. Each NGO team had members living and working from one or more of the three relief camps: Abeche, Goz Beida, and Guereda. Each NGO team had to assess and monitor conditions at all five refugee camps: Am Nabak, Farchana, Gaga, Touloum, and Oure Cassini. These camps were all several hundred yards to a half-mile apart (see Figure 3 for simulation map). Refugee populations and their needs are constantly changing, affected by the political situation, government and rebel actions, as well as food, water, and health conditions.

Each NGO team needed to work through dividing responsibilities, understanding roles definitions, and working out task assignments. To start, the people on each NGO team focused almost entirely on internal team issues in working toward their deliverable goals. Meanwhile, the external environment changed rapidly. People were attacked

by rebels, kidnapped by police, forced to pay bribes, had to respond to the theft of food and supplies, and keep up with sudden shifts in refugee populations. Dealing with internal issues was a deterrent to any alignment *across* the three NGO teams. Many individuals and several NGO teams were nearly completely overwhelmed. That stress required a few individuals to reach out and work across teams to share tasks and resources. This new mode of operating created a hastily formed network, and based on the relationships among individuals across teams changed individual behavior, team functioning, and overall crisis response performance.

Distributing Leadership Findings

The Humanitarian Studies Initiative simulation illustrated the importance of leaders encouraging flexible linkages within and across teams in responding to overwhelming circumstances. The simulation's procedures were to assign people to specific roles. NGO teams' behaviors in following those procedures varied greatly. The leaders of two NGOs focused on clarifying members' responsibilities, and when individuals failed to perform their assigned tasks, the team leaders questioned their commitment or competence, and in some instances reassigned those people. One NGO team leader focused on helping, and did so by asking team members who had completed their tasks to help others. This flexibility created better performance within the team, higher morale, and this team's members later took action to partner with individuals on other NGO teams.

The most important leadership characteristic observed in the HSI simulation – and seen in other HFNs – was the distribution of leadership. Distributing leadership roles and responsibilities allowed other people across the network to take appropriate autonomous action. The leader often emerged as other people looked to that person in choosing their own course of action. In HFNs, where timely action is of the essence, leaders need to act quickly and do so in ways that compels other people to act as well. These leaders establish conditions where people do not wait for permission, but are

inspired to follow and act in the face of crisis and uncertainty. Effective network leaders provide examples with their own behaviors: they both step up and push forward, or step back to let others lead, depending upon the circumstances. As leaders, these people had a high tolerance for ambiguity, and were always willing to take in suggestions. They had a clear sense of personal identity, did not panic in crisis, and provided a calming influence for others.

Effective leaders in the networks that were studied did several things well: they emphasized effort, reported progress, offered help, pointed out available resources, and celebrated accomplishments. These leaders remained open and sensed the direction, communicated accurately and effectively the reality and dire extent of conditions, clarified decision-making processes, and relinquished control when appropriate. Most importantly, people looked to these leaders because they were trusted: people describe these leaders as genuine, empathetic, caring, and capable. Our proposal is that

the perception of a leader's character determines whether others in a network will follow.

CONCLUSION:
What creates, sustains, and transforms individuals and organizations into effective networks

The answers to this guiding question are not unique to hastily formed networks: effective response to change – or crises – depends on the relationships, actions, structure and leadership of a network. The management of industrial era organizations places those people who are presumed to be the most experienced, best educated, and most knowledgeable at the top of hierarchies, and requires them to direct others in creating desired outcomes. This approach can work in relatively stable conditions. But new technological capabilities and global markets have produced such dramatic changes that the only certainty for the future is continued change. Despite the certainty of future changes, many managers hold onto their past assumptions and depend upon

centralized decision-making to operate their organizations. If it can be managed and directed appropriately, a network, because its members act autonomously and coordinate through their relationships, is an organizational form that is responsive to change.

The value of pre-conditioning, mobilizing action, minimizing structure, and distributing leadership are not unique to hastily formed networks. Most, if not all, these concepts would be good management practices and lead to improved results in any organizational context. But in traditional organizations, managers control resources and impose authority to achieve desired results. In hastily formed networks, timely action is of the essence and people must share resources and coordinate spontaneously. Crises create unforgiving conditions through which we can learn about effective action that could be applicable in all organizations. Crises make it suddenly obvious that existing structures and processes are inadequate, and that people must forget or neglect them to enable new actions. A crisis of great magnitude compels people to act, and they often act in new and better ways.

The HFN Project investigated four questions that found practices that, over time, enabled and improved networks. First is preconditioning the network. In each HFN, someone emerged as a convener. A convener brings people together, and people come together based in part on their perception of and relationship with the convener. In getting people together, he or she creates a conversation space, and through that space, models norms for the network. An important part of preconditioning was the perceptions people had

and developed of the convener and one another. Second is mobilizing action, or getting people to work together and in new ways. The convener was effective not by imposing his or her expertise or position, or by claiming decision rights, but by working across organizational or functional boundaries to gather all constituencies together. People had to trust a convener to follow him or her, and believe that their actions were in everyone's best interests. Third is the minimal structure that is required for an HFN to operate. An organization requires and creates structures and processes to act effectively, while an HFN *acts before it coheres* structures and processes. The structure in an HFN evolves over time. As that new action produces benefits, what worked is repeated and becomes instituted because it was effective. Fourth is developing of modeling the requisite leadership capabilities and characteristics. The effective characteristics of leadership are those that convene and inspire people in a service-over-self manner. People follow others without authority when they identify with that leader, have confidence in his or her character, and desire the behaviors that he or she models.

This article proposed and illustrated the four network conditions that were found to be effective in HFN learning projects, member experiences, and the development and testing of these ideas with many colleagues. Following SoL's Applied Learning Process (see the Knowledge Reposity at *solonline*). *org*, the HFN Project team looks forward to new questions and concepts that other managers, researchers and consultants develop and test in their own, whether hasty or slow, organizational settings.

ABOUT THE AUTHOR

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TABLE 1 **Table of SoL Hastily Formed Network (HFN) learning projects**

Learning Project Name	Sponsor & Organization	Summary Description
Humanitarian Relief Panel	Peter Walker, Tufts University Feinstein International Center	Humanitarian aid is established and delivered through cooperating networks of non-government, government, and military organizations. The Feinstein Center uses research, education, and dialogue to develop and promote operational and policy responses to protect and strengthen the livelihoods of people living in crisis-affected areas. A proposed learning project was to assemble and engage humanitarian aid coordinators in a panel session to present and reflect upon their experiences in different settings. *The Humanitarian Relief Panel did not move from a concept to a planning stage, in part because, for this setting, there was too much discussion and it took too long between discussing and applying ideas.*
Storm Teams	Jason Schulist, Susan Putrycus, DTE Energy	When there are power outages, DTE Energy operates in a "storm" mode, dispatching field teams to restore service while administrative people staff call centers and managers direct activities. Outages from storms are unpredictable events that occur, on average, seven times annually. DTE was in the 3rd quartile in storm cost and restoration time. A learning project was proposed to conceptualize storm teams as distributed, hastily formed networks. The project proposed cycles of observing storm teams, applying improvements, and observing changes in the next action. *Storm Teams did not proceed to become a learning project for multiple reasons: there were 14 changes already underway and the new leader opposed adding another initiative and relinquishing control.*
Southeast Asia Pre-crisis, Cross Sector Communities*	Fred Krawchuk, Colonel, US Army; Sue Higgins, Naval Postgraduate School	Sections of southeast Asian countries are areas where Islamic movements have created opportunities for terrorists' recruitment, training, and action. A series of meetings were hosted by US military organizations responsible for science & technology, humanitarian relief, and education. The organizations sought to work together in an applied research project to create a coherent network across public, private and non-profit sectors in a small, region in Southeast Asia. The goal was to engage leaders from local government, non-government, and civilian organizations to discuss possible problems as well as build relationships to improve decision-making and response in the event of crises. *Southeast Asia Pre-crisis, Cross Sector Communities is described to illustrate insights for the preconditioning that are helpful for effective HFNs.*
Constant Tsunami Response	Greg Clark & Sheila Covert-Weiss, Ford	Reductions in white-collar employment created a 35% decrease in the information systems department's staffing. The consequences for remaining staff after layoffs was fewer people to do needed work, the loss of colleagues, and survivor's anxiety. Responding to service requests or carrying out projects required a more networked organizational form. Ford's dramatic and unceasing changes were equated to a "constant Tsunami." The pace and depth of changes were such that the IS department could not rely on either a formal reporting structure or its informal network of personal contacts to provide needed services to users. *Constant Tsunami Response did not proceed to become a learning project. The situation was too uncertain to plan events, and people favored supporting individuals through their crisis over a learning project response.*
Menlo Lab*	Tracy Huston, Nissan Jason Schulist, DTE Greg Clark & Sheila Covert-Weiss, Ford	A multi-disciplinary, self-organizing network of innovation and leadership transformation experts from corporate, education, non-profit, and government sectors that work with local community leaders to address the relational and systemic causes of their 'persisting crises' in education, healthcare, crime, and poverty. These learning projects sought to engage leaders of local communities in Duarte, California and Detroit, Michigan, and branched out with connections into other projects, organizations, and involvements. *Menlo Lab is described to illustrate insights for mobilizing action in effective HFNs.*

TABLE 1   **Table of SoL Hastily Formed Network (HFN) learning projects** (continued)

Learning Project Name	Sponsor & Organization	Summary Description
HSI Refugee Simulation*	Peter Walker, Tufts University Feinstein Center	The Humanitarian Studies Initiative (a joint program hosted by Harvard University, with MIT and Tufts participation) holds a capstone event each year for its students involving faculty and volunteers. The 2007 simulation involved a Chadian humanitarian crisis to which NGO teams were to respond. These teams were in the field to collect data, assess the situation, provide aid, and develop service delivery plans for their organizations. The simulation took place under adverse weather conditions – over three days in a state park outside of Boston on a cold and rainy April weekend. Participant observation was the basis for a report on the simulation that was used to draw insights and lessons for leader and participant behaviors that contributed or detracted from the effective functioning of the social networks that, in the face of this humanitarian crisis, needed to be joined to meet task demands. *The HSI Refugee Simulation is described in this article to illustrate insights for leaders and leadership in effective HFNs.*
Strong Angel III*	Bob Weibe, Boeing	Strong Angel III is the third in a series of efforts to demonstrate and test technologies and techniques to enable information flow and enhance cooperation among civil and military organizations in the event of a disaster or humanitarian crisis. It took place on the San Diego Fire Training Academy grounds from August 21 to 26, 2006, and involved approximately 800 participants from more than 200 organizations. SoL HFN team participants from Boeing and the Naval Postgraduate School attended and were active in this simulation, which involved the scenario of a lethal pandemic coupled with a cyber-terrorist attack to provide an adverse context designed to stimulate learning, sharing and experimentation. *The Strong Angel III is described in this article to illustrate insights for minimal structures required for effective HFNs.*
Virtual Network RFPs*	Jeff Clanon, SoL	SoL is developing and responding to new opportunities. One of these opportunities is requests from companies for consulting services. As a non-profit organization that advances organizational learning, SoL has organizational, research, and consulting members, and only a small permanent staff. SoL's projects are done by volunteer members, with its staff organizing and convening meetings, responding to member requests, managing some projects, but not writing or responding to requests for proposals (RFPs). SoL staff participated in the HFN project as a member, offering several examples of its consultant network self-organizing to respond to RFPs as learning projects. *Using interviews and historical documents volunteer researchers documented two Virtual Network RFP learning projects; however, the time that elapsed and politics around what happened limited the insights and use of these cases.*
Social Action Networks	Greg Clark & Sheila Covert-Weiss, Ford	The Ford IT department investigated and used social network analysis and mapping methods to develop a faster, decentralized approach for providing information systems services during a period of dramatic downsizing and change within the department and company. *This learning project was just beginning as the overall HFN project ended its initial phase, but its approach to engaging people to map social networks helped to create and reveal connections that aided people in facing significant personal and corporate changes.*
Singapore Disaster Response Simulation	Lee Seok Wai, Singapore Police	HFN team members were invited to observe the Singapore Civil Defense Force's Northstar VI, a disaster-at-sea simulation requiring evacuation of 1,000 passengers from a Star Cruise ship that involved the participation of 1,600 people, at 13 agencies, 40 Police, Coast Guard, Maritime and Port Authority, and numerous ferry vessels, more than 30 ambulances, and Singapore's Air Force. *A team member observed this simulation and reported on HFN behaviors, which were largely absent due to the in a planned nature of the simulation in which agencies were coordinated ahead of time to demonstrate their individual competence and capabilities.*

* Five leaning projects are described in more depth to illustrate each of the four concepts developed in this article for the effective functioning of Hastily Formed Networks (HFNs). Many other projects were discussed and these are included in this table because they received considerable attention, had characteristics of ideal, representative HFN situations, were discussed at several meetings, and had one or more SoL companies and individuals involved in efforts to launch them.

ENDNOTES

1 "From Park Avenue to the Hudson: A Flight 1549 Diary" by Gerard P. McNamara, Feb. 24, 2009, downloaded from *http://www.time.com* on Feb. 26, 2009. Gerry McNamara, a partner at the executive recruiting firm Heidrick and Struggles. McNamara, a former U.S. Marine officer, wrote this account of his ordeal for the company's internal newsletter.

2 See Denning, P. J. (2006) "Hastily Formed Networks" *Communications of the ACM*, April/Vol. 49, No. 4, pages 15–20. (This article was republished in *Reflections* Vol 7. No. 1.).

3 The Society for Organizational Learning (SoL, www.solonline.org) is a non-profit membership-owned organization that was founded in 1997 as an outgrowth of an MIT Sloan School of Management research Center for Organizational Learning. SoL's emphasis, the design of its events and meetings, and its members' rationale for their participation, is to further the knowledge and practice about learning organizations.

   Representatives from member organizations meet regularly and coordinate activities for their organization, including training and attendance at SoL courses, and development of projects and other initiatives that develop and test organizational learning concepts.

4 Personal experiences that people shared included getting help to a person having a heart attack, behavioral changes in a company during an investment banking crisis, coming upon a traffic accident, and mobilizing people around sustainability principles in a large corporation.

5 The significant disasters often discussed were US terrorists attacks on 9/11/2001, Boxing Day 2006 Asian Tsunami, Hurricanes Katrina (August 28, 2004) and Rita (September 24, 2004), and the Kashmir Earthquake (October 8, 2005). Discussions with people at the World Bank included their relief efforts, and use of a web site to coordinate relief agencies, in the Kashmir Earthquake. Boeing people used examples from their Aircraft on the Ground (AOG) teams. The industrial disaster and distributed response by Toyota's suppliers to the February 1, 1997 Asian Seiki Plant Fire was closely reviewed (see Nishiguchi, T. & A. Beaudet (1998): "Case Study: The Toyota Group and the Aisin Fire," *Sloan Management Review*, vol. 40, no. 1, pp. 49-59. Another case study involved Textron Systems Marine and Land Division Slidell, Louisiana plant's Armored Security Vehicle factory recovery after Hurricane Katrina using Six Sigma Project methods (see "Turning the Tide," Business Week, Sept. 26, 2005; and "Making The Elephant Dance: How Lewis Campbell took the sprawl out of Textron." Business Week, May 1, 2006).

6 See *http://faculty.nps.edu/dl/HFN* and the June 2006 publication by Larry Wentz of the National Defense University, *An ICT Primer: Information and Communication Technologies for Civil-Military Coordination in Disaster Relief and Stabilization and Reconstruction* available from the US Government at *http://www.stormingmedia.us*.

7 The name "Menlo Lab" was inspired by Thomas Edison's famous Menlo Park laboratory, which supposedly produced "the most concentrated outpouring of invention in history." Menlo Lab sought to generate the social innovations needed to address complex challenges of "persisting crises" in education, health, crime, and poverty in local communities. Out of these shared intentions, Menlo Lab quickly grew to a highly diverse, self-organizing network of global and local leaders, among them SoL organizational members from Cigna Healthcare, DTE Energy, Ford, and Nissan, as well as SoL consulting and research members.

8 Huston, T. *Inside-Out*, Cambridge, MA: SOL, 2007

9 Weibe created a following diagram to show phases of network behaviors in responding to crises. which can be found in the Strong Angel III final report at *http://faculty.nps.edu/dl/HFN/documents/Strong_Angel_III_ExecCom_Report_SecDef_Nov_06.pdf*

10 The Humanitarian Studies Institute is a joint program between The Harvard School of Public Health, The Friedman School of Nutrition Science and Policy, The Fletcher School at Tufts University, and The Massachusetts Institute of Technology. This three-university initiative holds a weekly seminar series throughout the school year and an annual three-day humanitarian relief simulation capstone event. The students range in age from mid-twenties to mid-fifties, and include many foreign nationals, some of whom have had humanitarian relief field experience. The students do not know each other very well, which makes for a realistic scenario in terms of an international disaster relief operation.

The Defining Features of a Megacommunity

CHRIS KELLY, MARK GERENCSER,
FERNANDO NAPOLITANO, AND REGINALD VAN LEE

This article, written by four principals with Booz Allen Hamilton, can be considered a primer for creating successful multipartite initiatives to solve critical problems that embrace the talents of government, business, and civil society.

Chris Kelly   **Mark Gerencser**   **Fernando Napolitano**   **Reginald Van Lee**

Today, issues that significantly affect global and national security, economic well-being, and the health and safety of citizens around the world have become key challenges to decision makers in the public sector, private sector, and civil society. These are large-scale issues of unprecedented complexity: confronting global climate change, rebuilding urban infrastructure, combating water scarcity, preparing for pandemics, dealing with aging populations, preventing terrorist attack, and maintaining quality of life in the face of globalization. At first glance, these problems seem intractable. But in an era of expanding global networks and interdependence, they cannot be ignored.

Such problems cannot be solved by government, business, or civil society alone. It takes a megacommunity. Leaders of many organizations must work together toward common goals, without any one of them being in control of the whole system. A megacommunity initiative therefore combines focused conversation, deliberate development of leadership capabilities, and results-oriented action in an open-ended network of leaders from multiple organizations. During the last few years, conducting this kind of work in a variety of settings in Europe, North America, and Asia, we have identified five critical elements. Two of them, three-sector engagement and an overlap of vital interests, can be thought of as preconditions. If they can be found in the social soil of an area, then a megacommunity can grow there.

The other three elements, convergence, structure, and adaptability, are critical features of the megacommunity design. An initiative that takes them into account has a far greater chance of success than an initiative that ignores them. These three features are not necessarily obvious; they require conscious attention. That's why it is so important to spell them out, as we do here.

Three-sector engagement

The megacommunity concept goes far beyond such well-meaning single-sector approaches as sustainable development or corporate social responsibility, both of which often represent an ongoing obligation or duty rather than a collective movement toward a mutual aim. Unlike public–private partnerships, which typically focus on relatively narrow purposes and tend toward limited alliances (in other words, they operate only as long as their formal agreements stay in effect), megacommunities take on much larger goals. They are ongoing and mutable over time, and they demand a highly engaged orientation from the leaders, and many of the members, of the various organizations involved.

Megacommunities are also different from public–private partnerships. Traditionally, such partnerships are struck between governments (or intergovernmental organizations such as the U.N. or NATO) and companies. Although public–private partnerships work in certain circumscribed, contract-bound situations, their dual-sector nature is a common limitation. They rarely develop the capabilities needed, for example, to address the new, seemingly boundless, and ever-evolving issues of sustainable globalization.

Among other things, a megacommunity's triple-sector nature addresses the fact that civil society is often left out of the public–private equation. As shown by the case of Enel SpA described in "The Megacommunity Manifesto" (by Mark Gerencser, Fernando Napolitano, and Reginald Van Lee, s+b, Summer 2006) – in which a large utility company regained its legitimacy by engaging the citizens of the Veneto region of Italy – increased transparency and speed of information makes the civil society component ever more significant and vital to success. It becomes a bigger, stronger player.

But that's not the whole story. The three-sector approach also provides leverage for retention of local identity alongside creation of a viable middle class and competitiveness on the global play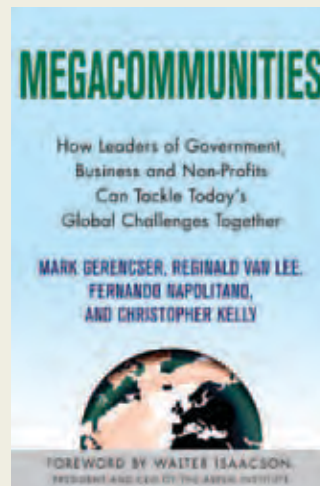ing field. It represents a movement in which contact with the outside world, instead of draining jobs and making a local system vulnerable, strengthens the quality of life, economic vitality, and community health so important to our global future.

Examples of the three-sector approach in practice range from planetwide systems, such as the community of corporations, governments, and NGOs concerned with rain forest management and conservation, to local enterprise-related environments, such as the Harlem Small Business Initiative (also described in "The Megacommunity Manifesto").

The Harlem Initiative example begins to clarify the specific benefits that each sector brings to the table. Business – the private sector – brings a resource base, an action agenda, depth in problem solving, and capital. Government – the public sector – brings the rule of law, the promise of long-term stability, sovereignty, a tax base, and natural resources. The civil sector brings accountability, sensitivity to how the issues at play might affect the individual and the environment, and credibility in arenas where business and government fall short.

Read More about Megacommunities

Based on interviews with over 100 leaders from around the world including Bill Clinton, Henry Kissinger, Kenneth Chenault and Richard Parsons, *Megacommunities: How Leaders of Government, Business and Non-Profits Can Tackle Today's Global Challenges Together* (Palgrave Macmillan, 2008) develops the ideas in this article further. The Booz Allen Strategy + Business website is home to a range of work by the same authors, as well as articles related to the megacommunities theme.

For more information, visit **www.strategy-business.com**

Involvement in a megacommunity allows any participating part of any sector to use the abilities, the understanding, and even the prejudices of the other sectors. When these sectors work together, there is the potential for a kind of "swarm intelligence" to emerge, one that allows community members to generate innovative ideas, create new energy around the topic, and identify different ways of approaching the issue. It also means that more participants are available to do what needs to be done.

Because technology has allowed the instantaneous transfer of money, images, and ideas around the world, along with far higher levels of human mobility than in the past, "local" communities are neither constrained nor protected by age-old boundaries of geography and demography.

At the same time, and on the most individual level, megacommunity participation keeps anyone from being shut out.

An overlap of vital interests

One of the surprising aspects of megacommunities is that, most likely, you are already part of one without realizing it. In fact, you may be part of several. Although formal megacommunities are consciously developed, they usually grow out of the latent megacommunities that surround us. Before the involvement of the William J. Clinton Foundation, for example, Harlem's small business environment was a latent megacommunity. Latent megacommunities almost always exist when the following features are present:

A shared issue

Members of a megacommunity do not necessarily need to have the same objectives, but they must have a mutual concern, such as global warming or the threat of terrorism; a mutual resource in their care, such as oil, water, or the Amazon rain forest; or a mutual aspiration, such as education, health care, or enhanced business interaction. Everything starts with a shared issue – which is why we say that, given a common mission or interrelated operations, all organizations are de facto members of the megacommunities in which they are engaged. In fact, organizations cannot opt out of a megacommunity unless they change their mission. As long as you are engaged in fighting AIDS in Africa you are automatically part of that megacommunity, even if you don't participate directly in it. You will be drawn in through the network that connects all organizations engaged in that endeavor.

A shared sense of local impact

A megacommunity forms not only around a problem but also around those areas where the impact is felt, and that impact can come from the inside or outside. Some examples, such as Enel in Veneto and the Harlem Initiative, are geographically specific. But whereas the Harlem megacommunity grew around a preexisting need in the community at large, the Enel example demonstrates something different about the geographic dynamic. When a new business attempts to move into a new area, a latent megacommunity can be tapped for the benefit of all the stakeholders in the region.

Shared geography is not always a prerequisite for megacommunity impact. Because technology has allowed the instantaneous transfer of money, images, and ideas around the world, along with far higher levels of human mobility than in the past, "local" communities are neither constrained nor protected by age-old boundaries of geography and demography. A vendor in a remote village in Costa Rica or India is bound, through communication, trade, and an increasing number of common interests, to an urban resident of Paris or Hong Kong. Although Enel's effort in Veneto is a geographically specific case, Enel's effort in general can be seen as part of a much larger latent megacommunity – one focused on worldwide energy issues. Keeping this in mind, all latent megacommunities, no matter how global, can be perceived

as having formed around issues that are "local" or have localized impact.

Together, shared issues and localized impact naturally result in an overlap of vital interests. The megacommunity approach seems to be the most powerful way to bring these interests into workable, sustainable alignment. But there is no guarantee that a megacommunity will be created. Even when the latent potential is there, a few more decisive features must be present.

Convergence

Before a formal megacommunity begins to coalesce, there must be more than an overlap of interests. There must be a convergence of commitment toward mutual action. It is as if, like a stone poised to roll down a hill, a latent megacommunity must convert its potential energy into kinetic motion.

This convergence may happen spontaneously, as in the case of a natural disaster, when need suddenly intensifies. But most likely, convergence will occur when each separate constituency affected by an issue realizes that its progression has achieved a plateau; that is, when additional efforts do not produce further improvement.

Whenever this convergence occurs, either spontaneously or through deliberate action, something shifts in the community's capabilities. Instead of continuing to fight each other or to cede authority to some governmental or quasi-governmental body, leaders come together as equals to develop a plan of action. One cannot participate in a megacommunity with the intent to disrupt or undermine the effort. The commitment toward mutual action must be genuine or the megacommunity will not work.

An individual organization may be able to jumpstart a megacommunity, but only when leaders of different organizations within the latent megacommunity consciously engage does a true megacommunity begin to take shape. In fact, as the Harlem Initiative shows, a latent megacommunity at first may not even contain all the members it needs. At this stage, the need to reach out for additional, different, and complementary support

becomes evident. Although such factors as the Internet enable more convergence among the three sectors, the sectors will not necessarily come together on an active megacommunity level of their own accord. As a matter of fact, the inherent purpose of each sector is often at odds with that of the others, which precludes them from naturally coalescing. If active, complete megacommunities did spontaneously evolve, we would have many more today than we do. Their scarcity is a clear indication that they do not form naturally. They must be consciously made to converge.

Structure

For a megacommunity to operate effectively, there needs to be an explicit formative stage. There must be a set of protocols and organizing principles that bring a degree of order: typically a more resilient, adaptable type of order than the structure one would find in a conventional hierarchical arrangement, or even in a joint venture or public–private partnership. There must be an agreement to use these protocols based on some sense of joint mission. And these protocols must allow for the best use of dynamic tension among the sectors.

> **Megacommunities are dynamic. They are open to new members and entrants, continually poised for new activities, and deliberately open to change in their objectives and methods.**

Complex issues naturally draw people into networks. As a result, the structure of a megacommunity – based as it is on overlapping issues – exhibits many properties of a network. The shift from the dual-sector public–private partnership to the triple-sector nature of a megacommunity takes us automatically into a networked environment. Becoming part of a network is not only a natural outcome of three-sector engagement, it's also a welcome one, because the phenomenon of

high-performing networks is a guaranteed way to truly galvanize productivity and get results.

The field of network studies has emerged in recent years to analyze and explore the phenomenon. A network, in organizational terms, is a set of connections among people allowing interactions and influences to flow among them over time. Network analyses of megacommunities typically capture the relationships among participants in terms of "nodes" and "connections." These connections are not legally binding contractual relationships, as we would see in a service-level agreement with a service provider, or the kind of formal agreements that characterize public–private partnerships. Rather, these are relationships forged by the overlap of vital interests and hardened by the commitment toward mutual action. They are as compelling and concrete as the issues on which they are based.

As social scientists who have been examining social networks over the past three decades show us, communities that acknowledge and tap into differences are generally more successful than those that cling to homogeneity. The true value of a community, and of a megacommunity, is its diversity. Smaller, tighter networks are less useful to their members than networks with many loose connections – in this field referred to as "weak ties" – to individuals outside the main network. As the Harlem Initiative proved, the need to reach out for additional, different, and complementary support is essential, marking megacommunities, in network jargon, "scale-free" (that is, they can scale up at will, and they're unlimited). Typically, megacommunities will form "open" networks, with many weak ties and social connections through which members are more likely to introduce new ideas and opportunities, as opposed to "closed" networks, with many redundant ties.

We believe that members of all three sectors must develop a better understanding of network forces, in addition to market forces, as they design megacommunity initiatives. Networked operating models continue to jump to the forefront as organizations

seek to improve efficiency and effectiveness. Networks are being used to achieve radical new levels of organizational integration and performance. Understood as a network, a megacommunity can achieve the same result for a group of organizations.

Adaptability

Consider, on the one hand, the static nature of many public–private partnerships. When conflicts or new issues arise, such partnerships do not always allow for pathways along which the parties can respond. Their highly focused engagement has no dynamic dimension to it. The terms are set as part of the partnership. They are locked down.

Megacommunities, on the other hand, are much more dynamic. They are open to new members and entrants, continually poised for new activities, and deliberately open to change in their objectives and methods.

Over time, a healthy megacommunity becomes more effective in its purpose. It develops an increasingly common language that is used by people from all three sectors who belong to it. With sustained connections and continued interactions, participants in megacommunities develop bonds, intellectual pathways, enhanced linguistic abilities, and even a higher capacity for critical thinking and problem solving around the set of vital interests that caused the megacommunity to form in the first place.

Another important aspect of a megacommunity's adaptability is the fact that when changes occur, they do so without hierarchical decision making and external intervention. The megacommunity constantly evolves and learns, almost like a living entity. But this evolution is not guided by command and control. Instead, things happen through alignment, through the collective behavior of all members. The sum of those behaviors is the essence of the megacommunity.

In an electronic network, for example, when information packets coursing through a computer

conflict with each other and overflow each other's buffers, causing overall performance to go down, an adaptive network management control capability kicks in and adjudicates the problem. This is not some centralized decision-making system – it is a distributed capability operating as an integral part of the network's design. The concept of a

> **As social scientists who have been examining social networks over the past three decades show us, communities that acknowledge and tap into differences are generally more successful than those that cling to homogeneity. The true value of a community, and of a megacommunity, is its diversity.**

megacommunity introduces a similar sort of network management control mechanism in human systems, one that minimizes friction over time and improves the entire network's efficiency. With no central decision-making entity and no explicit leader of the megacommunity, this represents the only efficient and effective way to manage the network. Although everyone within a megacommunity has influence, no sector or sector chief is truly in charge. One might call it a "control-free zone."

An observer might reasonably wonder why a comfortable chief executive or head of a government agency or NGO would be interested in operating in a control-free zone in the first place. But transcending the need for central control is a common situation in large, complex systems such as electrical power grids or environmental control systems. In fact, the newest network structures represent a shift from bounded networks, with central control, to unbounded networks. Unbounded, or, as we've termed them, scale-free, networks are characterized by distributed administrative control without

central authority. They combine previously fragmented operations into more focused processes open to many organizational participants.

This network feature is clearly mirrored in megacommunity operations – which is not to say that megacommunities thrive on chaos, with no clear leadership. Indeed, in the initial stages, the megacommunity needs some person, group, or sector to precipitate, align, and catalyze the latent energies being raised. This will generally take the form of an "initiator," or group of initiators, doing something explicit to put the elements in place. But those initiators must be prepared to cede this central leadership role as the megacommunity coalesces and grows, or they may be seen as co-opting local or other interests. Of course, each sector and organization involved continues to have its own leadership in place, and within organizations there are leaders or groups assigned to furthering and monitoring megacommunity interaction. Still, no one possesses the title of "mega-community CEO."

Megacommunity Leadership

In the current operating environment, leaders – business executives as well as leaders in government and civil society – need to understand the significance of their participation in systems larger than their own organizations. The megacommunity style of interdependence is more effective than conventional hierarchical forms of leadership precisely because it deliberately involves people at many levels in many forms of collaborative leadership. To succeed and sustain the system, it is better to adopt the most inclusive approach possible, and to specifically draw on the knowledge of the private, public, and civil sectors.

The recognition of the five megacommunity dynamics in this article represents a new starting point for mutual action on a local and global scale. As leaders are drawn into megacommunities, they will learn to raise new types of questions about the problems confronting them, and they will gain profoundly in their ability to successfully conceive and implement new answers. ■

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The Tao of Sustainability

Introduction

Here I am again. I don't mean to be flip, but only to look back to where my book, *Sustainability by Design*, took shape. Much of the core of the book saw the first light of day in *Reflections*. The first article, "Colorless Green Ideas Sleep Furiously: Is the Emergence of 'Sustainable' Practices Meaningful?" appeared in 2000, and introduced the definition of sustainability that still holds center stage. The words in that early text still send a powerful image.

> *Sustainability is a possible way of living or being in which individuals, firms, governments, and other institutions act responsibly in taking care of the future as if it belonged to them today, in equitably sharing the ecological resources on which the survival of human and other species depends, and in assuring that all who live today and in the future will be able to satisfy their needs and human aspirations.*

John Ehrenfeld

The second, "Searching for Sustainability: No Quick Fix," came four years later and exposed the systems dynamics analysis that led me to the argument that unsustainability is an unintended consequence of the culture of modernity. The same analysis showed that most so-called greening efforts are quick fixes with an unwanted effect – defocusing attention and resources away from addressing the cultural roots of the problems. This article also contained an early version of the strategic framework highlighted in the excerpt that follows.

Sustainability by Design: A Subversive Strategy for Transforming Our Consumer Culture
John R. Ehrenfeld,
New Haven: Yale
University Press, 2008

The core of the critique of the culture of modernity that grounds *Sustainability by Design* is that, in the four-century-long development of modern life with all the wonderful gifts it has brought humankind, three critical domains of understanding have become dimmed or lost. These include our sense of what it means to be human, our sense of our place within and as a part of nature, and our sense of ethical responsibility. Any strategy presuming to create sustainability must address and recover the lost consciousness in all three domains. Flourishing, the property we want to sustain, can come forth only if all three domains are functioning properly.

Neither technological nor technocratic solutions will bring sustainability forth. These remedial frameworks belong to the greening institutions focused on reducing unsustainability. Lest this comment be misunderstood, I want to be clear that such efforts are critically needed. I believe that the key task ahead is to change the deepest cultural structure while limiting global

damages to an extent that leaves enough of the system in place for the generations to come.

The readership of *Reflections* is largely a community that understands the challenge of changing culture and actors' behavior. One of the intellectual sources I draw heavily upon is Humberto Maturana, whose writings have also appeared in *Reflections*. His theories of consciousness and human development, which are being reinforced by recent findings in cognitive science, suggest that human behavior is fundamentally conservative. We accumulate learning from reflecting on experience and catalog that learning into schemes that work successfully for our mundane, everyday encounters with the world. If we are unconscious of the consequences of our individual and collective actions, this model suggests that we will persist in, that is, conserve, our ways of behaving. Change requires, as a first step, making the actors conscious of the problems they create along with a sense of the underlying causes. The chapter that follows, "The Tao of Sustainability," presents a simple framework for guiding business and other institutions in their efforts to create sustainability. It is little more than a picture of the three domains I mentioned earlier, and a reminder that unless all are addressed, sustainability cannot come forth.

— *John Ehrenfeld*

Excerpt

Ours is a culture based on excess, on overproduction; the result is a steady loss of sharpness in our sensory experience. All the conditions of modern life – its material plenitude, its sheer crowdedness – conjoin to dull our sensory faculties. And it is in the light of the condition of our senses or capacities (rather than those of another age) that the task of a critic must be assessed.

What is important now is to recover our senses. We must learn to see more, to hear more, to feel more.
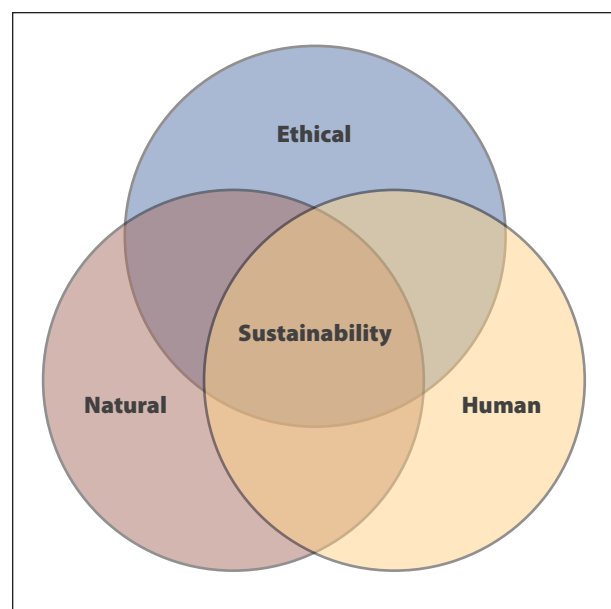—Susan Sontag, *Against Interpretation*

Flourishing can occur only if we pay close attention to the three critical domains that the forces of modernity have dimmed:

- Our sense of ourselves as human beings: the human domain.
- Our sense of our place in the [natural] world: the natural domain.
- Our sense of doing the right thing: the ethical domain.

These three domains form a set of overlapping fields that underlie any activity designed to produce sustainability (Figure 7).

Sustainability can emerge only if we address all three domains simultaneously. Preserving nature will not suffice if we lose our human distinctiveness in the process, and vice versa. And without taking responsibility for our actions, attaining sustainability would be highly improbable if not impossible. Sustainability is an emergent property of a complex system; we can

FIGURE 7 **The Tao of Sustainability**

observe it only if all the relationships on which it depends are functioning correctly.

The first two areas of concern are obvious components of flourishing. Sustainability has emerged in public discourse largely because ecological upsets have become explicitly threatening, and this awareness has been followed by attention being paid to subsequent effects on the social and economic spheres. Many of the threats have come unexpectedly, often in spite of our efforts to avoid them. We will have to address the natural domain directly with new forms of production and strong constraints over the consumptive patterns that now characterize all affluent and rapidly developing economies. Reducing consumption by some factor X, where X ranges from 4 to 50 depending on the writer's calculus, is necessary in the short run but cannot work forever and may even fool us into thinking that we have our arms around the "real" problem.

The second domain relates to the human dimension of flourishing. For human beings, flourishing means that everyone on the planet must be free and able to lead dignified, authentic lives. Being free means more than simply being able to make choices in the marketplace or even at the polling booth. It means that these choices must be unconstrained and domination-free. The results of the choices should lead to authentic satisfaction and the quenching of the momentary thirst for whatever motivated the choice. My intention of presenting a framework for sustainability in this way is to make the human dimension explicit. It is only indirectly and imperfectly captured in the everyday sense of sustainable development. Focusing on the human is not the same as the emphasis on the "social" as expressed in the usual definition of sustainable development. Although taking care of nature is imperative and has been the primary motivating force for action,

it is just as critical to include action toward the human dimension of sustainability. Sustainability is an existential problem, not an environmental or social one. In fact, in the course of working on this book I have become all the more convinced of the primacy of restoring the human dimension. I believe that we cannot and will not begin to take care of the world until we become whole ourselves.

The third domain is not so apparent. In the United States and other modern democracies, we live under a rule of law. Ethical issues are important in almost all aspects of daily life. Historians argue that the most important legacies from the Greco-Roman roots of our civilization are the moral and ethical teachings from that past. What, then, is missing? One critical aspect related to this historical cultural sense of ethics is responsibility, the idea of being accountable for one's actions, especially the act of avoiding harm knowingly. Modern technological life has diminished the ability to know the consequences of actions taken by individuals or by collective social entities, because those consequences are often displaced in time and space, and as such have made responsibility problematic. One result is the emergence of unintended consequences, which have become a characteristic feature of modernity.[1] If we do not take this domain into account in designing a new, sustainable world, our efforts are ultimately likely to exhibit the same kind of unforeseen outcomes that diminish or negate our original intentions. Ethics is a human construction and, as such, belongs inherently within the human category. I have, however, assigned it a domain of its own because ethical responsibility is critical in creating sustainability. Ethics belongs to one of the three root domains of care: taking care of others. The other areas in the Tao are congruent with the other two domains: taking care of self and nature.

[I]t becomes increasingly evident that neither famine, nor earthquakes, nor microbes, nor cancer, but man, is the greatest danger to man . . .
                    —Carl Jung, *The Psychology of C. G. Jung*

These three aspects of sustainability form a new framework for the redesign of tools, physical infrastructure, and social institutions that can restore our consciousness, thereby enabling us to continue our deliberate transformation of our way of living from its unsustainable path to one that allows the vision of flourishing to bloom. Awakened consciousness can increase the likelihood that our designs will work the way we intend them to and also help us identify the causes of our problems.

I use *causes* in the plural sense, following Aristotle's identification of four separate categories of cause. One of Aristotle's most famous writings connected (manmade) things and rationality – the way we understand objects.[2] His analysis pointed to four categories (or causes). The first referred to that out of which the thing was formed (the material cause), and the second to its form, such as an urn or a bowl (formal cause). The third spoke of the maker or the process by which the thing came into being (efficient cause), and the last told of the meaningful purpose or end to which the thing was put – the sake of its existence (final cause). These four elements of reason bestow meaning and were invoked as the ground on which objects made sense, as distinct from the general background of the world in which they appeared.

Our present mentality exposes only his "efficient cause," that is, the one that connects a surface phenomenon (effect) to its proximate cause. Such causes are the essence of the reductionism of modern science and are the basis for the dominant forms of modern technology. In Aristotle's terms, the causes related to sustainability may have more to do with the "final cause,"

that is, the end toward which one acts or uses some form of technological artifact.

Our recent history is seasoned with events critical to our consciousness of deep-seated problems that threaten our future – in other words, that lessen the possibility that constitutes sustainability. The events of 9/11 are in part a sign of technology gone wrong. The terrorist hijackers turned airplanes from a socially positive final cause to one with a terrible goal. But from the hijackers' point of view the technology was extremely "efficient." Chernobyl, another such example, forced changes in the institutional structure of the Soviet Union. Climate change is another that has yet to be seriously addressed and remains a powerful example of our collective blindness to the erosion of responsibility that technology can create. I am not making a Luddite argument against technology here; I am only pointing out that its pervasive use has deepseated, pathological, humanistic, and naturalistic consequences.

Even as I have warned that reducing unsustainability is not the same as creating sustainability, it still makes great sense to remove the proximate causes of whatever is creating unsustainability but recognizing, at the same time, that they are but quick fixes. In our culture attacking the symptoms is the underlying rationale for virtually all responses to the growing set of societal problems, yet even here it is important to design the solutions to avoid doing even more damage. Shopping, as President George W. Bush implored us to do after 9/11, does not seem to be the right way to find flourishing in our selves, in our society, or in nature. In many cases we do know how to combat unsustainability but will not do so because of the resulting apparent threat to one's turf or economic well-being. In the latter case, perhaps this is only because we use the wrong measures. Some claim that gross domestic product (GDP) and other economic measures no longer track flourishing and are instead a grossly misleading signpost.[3] There are no smiles in a unit of

GDP, and more and more GDP does not seem to bring forth signs of flourishing. In a recent study of "happiness," determined by a combination of objective and subjective data, the wealthiest countries making up the G8 group fared very poorly, scoring way down in the list.[4]

Fortunately, there is another road to sustainability. But it comes in a very different conception of individual and social action. Our modern way of Being is not only technological as a way of taking up with the world but also is based on a particular assumption about how humans behave. The prevailing view of *Homo economicus* sees each of us as a computer with a set of preferences that always tell us what action to take so that we get the most out of the resources we have and of the choices available to us at the moment. The computer is programmed based on knowledge coming from our past experience, including the theories we have learned. This model of human behavior does not explain where our preferences come from; they just show up more or less shaped somehow by our inherent human nature.

This way of Being constantly fabricates the present out of the past. The past has been captured in our knowledge, which then is used by the computer in our mind to determine what we will do in the present to act to maximize our preferences. When we are unable to do that because we lack something – say, enough money to buy a Porsche – we say we have a problem and go about solving that problem. If the problem seems overly large, we may just abandon the project and move on to something else. The key feature about this mode of Being is that our present is constrained by our past. The answer to every problem we face is contained somewhere in the computer program in our mind and in the data our senses input into it. We take the world for granted, including our preferences. Occasionally, we may suddenly become conscious that acting to satisfy our needs and wants – another

way of saying preferences – is not really satisfying. If we care enough to fix the problem, we may go to somebody else to add more knowledge to our computer. Gurus and consultants fit this mold. Or we may go to a different kind of professional, like a doctor or lawyer, and ask him or her for more direct help. Life is predominately about solving problems. There is little possibility in this way of life; computers always come up with the same answer given the same set of inputs.

The alternative is to grab on to sustainability as possibility and begin to *design a world that brings forth flourishing into our everyday activities.* The creative act of designing brings forth something from nothing. It is how artists, writers, and musicians show their virtuosity. It underlies the practice of architects and industrial designers who leave us with inspiring, moving artifacts. It makes great teachers and leaders like those I mentioned earlier. None of them bring their future visions into being by following their present GPS systems. They have all learned to make metaphorical jumps that allow them to transcend the limits of commonplace rationality. How they act is never "reasonable." In the cases of people such as Gandhi, most would say it is just the opposite; no rational human being would attempt to fight against the realities of the world they inhabited. Those who dare to turn off their cognitive computers can discover creative powers to change the world. Sustainability needs such men and women. ∎

ENDNOTES

1   Giddens, A., *The Consequences of Modernity.* Standford, CA: Standford University Press, 1984

2   Aristotle, *Physics.* New York: Oxford University Press, 1999

3   Cobb, C., T. Halstead, and R. Rowe, "If the GDP is Up, Why is America Down?, *Atlantic Monthly* (October 1995), 58-77"; Easterlin, R. A., "Explaining Happiness," *Proceedings of the National Academy of Sciences* 100 (19): 11176-83, 2003

4   Marks, N., A. Simms, S. Thompson, and S. Abdallah. *The Happy Planet Index.* London: New Economic Foundation, 2006.

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