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Informal Coalitions

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The gap between desired change and achieved change can be down to a failure to recognise the hidden messy, infortmal dynamics of complex organisational life. Deliberate, informed engagement with these inevitable, informal coalitions is a successful leader's only choice.

KEYWORDS: Change, leadership, conversational networks, power and politics, embracing paradox, vision as everyday engagement

The challenge of change

The ability of leaders to deal effectively with organisational change is critical to success in all sectors of the economy. And yet, research shows that around two-thirds of all formal change efforts fail to deliver the desired results (Beer & Nohria, 2000). This suggests that something vitally important is missing from conventional approaches to change leadership. This article argues that the gap between the rhetoric of change and the outcomes achieved 'on the ground' is due to the failure of these approaches to take account of the hidden, messy and informal dynamics of everyday organisational life.

Almost invariably, emphasis is placed on the formal elements of an organisation—its processes, systems and structures—and on getting these 'right' through detailed analysis, structured change methodologies and project management techniques. Other, ever-present features of organisational life, such as the influential role played by informal interactions, the impact of power and politics, and the powerful grip of cultural assumptions on decision-making and performance, tend to be dealt with superficially or ignored altogether.

Structured analysis and project management disciplines have an important part to play in organisational change and performance … *but only where these are used in their proper place and when their limitations are understood*. Organisations are made up of people

interacting with each other. And people have a habit of not conforming to the mechanistic assumptions that still channel much of the established thinking about organisational leadership, change and performance. Typically, the most significant decisions and actions in organisations result from much messier processes than allowed for in the well-ordered, design-and-build approaches and project plans that dominate many of the established approaches.

In practice, outcomes rarely arise from formal, dispassionate analysis of 'the facts'. Or from step-by-step decision-making by people whose agendas are fully aligned. More often than not, decisions and actions result from informal interactions, joint sensemaking and political accommodations made by people who are trying to make a difference in a complex, uncertain and ambiguous environment. The perspective set out below aims to assist and enable managers to thrive in these challenging conditions. It does this by helping them to get to grips with the *underlying dynamics* of organisational leadership, change and performance.

The conventional view of organisational change

Figure 1, suggests that conventional approaches to organisational change vary from '*tight*' (imposed, directed and programmed) methodologies to those that are more '*flexible*' (involving rather than imposed, facilitated rather than directed and with a degree of adhocracy as opposed to being overly programmed).

In the figure, the ***management edict*** mode seeks to achieve speed, decisiveness and control by imposing change on the organisation. This represents the classic, top-down view of organisational change and is often presented as the primary route to organisation-wide transformation. For many managers, this is what change leadership is all about.

At the 'flexible' end of the scale, ***joint problem solving*** approaches involve a wider constituency of people seeking to achieve broad agreement about how best to proceed and to create a sense of ownership for the desired changes. These adopt a more inclusive view of

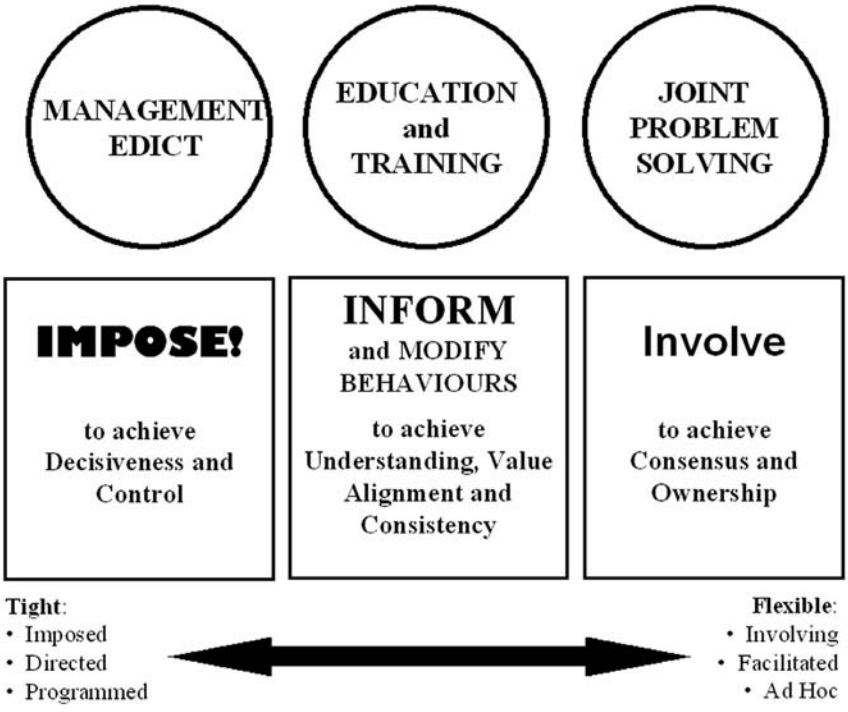

Figure 1: Spectrum of conventional approaches to organisational change

the dynamics of organisational change and reflect a collaborative and participative style of leadership. By looking to tap into a wide pool of talent and ideas, and to achieve buy-in to specific changes, advocates argue that these approaches can help to generate greater commitment to the change agenda and lead to more robust outcomes.

Between these two extremes, the ***education and training*** mode sets out to inform people of the required changes, to persuade them of the merit of these, and to modify their behaviours to suit the new requirements. It focuses on consistency, integration and 'structural' alignment. It also includes *structured* communication strategies and practices, as well as training and development interventions. Those managers advocating this approach to organisational change aim to immerse staff totally in a core message and to instil a set of shared values, attitudes and behaviours.

The above approaches rarely if ever operate in isolation. Ordinarily, formal change strategies will embrace a mixture of the three. However, despite the differences in emphasis and leadership strategies that these reflect, they all see change as:

- Occurring in discrete (even if often overlapping) episodes.
- Being determined by, and progressing in line with, management's intentions.
- Taking place within the formal settings of the organisation.
- Respecting formal organisational structures, processes and systems, with top-down leadership being critical.
- Emphasising 'organisationally legitimate' themes, which reflect management's declared intentions and policy stances on particular issues.
- Treating opposition to these themes as 'resistance', which needs to be overcome if organisational success is to be achieved.
- Being designed and orchestrated by managers who are external, objective observers and controllers of other people's actions.
- Working best if emotions, politics, 'mess' and informality are suppressed, since these are viewed as symptoms of organisational dysfunction.

Although these approaches embrace the full range of conventional views on how change happens in organisations, something vital is missing. This gap between rational theories of change and the everyday dynamics of 'real life' organisations is addressed below.

Mind the Gap!

Consider what happens in organisations when a specific change is announced—whether organisation-wide or more locally. Invariably, people get together and talk to each other about it. They share their perceptions, interpretations and evaluations of what's going on. And they decide—individually and collectively—what to make of what they've heard, and how they will react. This characteristic response to specific announcements and unfolding events in organisations is universal—everyone does it. Everyone has a basic human need to make sense of the world in which they live (Weick, 1995) and to act in ways that maintain their sense of competence in dealing with its challenges (Culbert, 1996). And it is through these informal conversations with others in their personal networks, as well as during incidental encounters, that people satisfy this need. This activity impacts significantly upon the nature, time to implement, and ultimate effectiveness of management's original proposition, whether overtly or covertly. That is, this conversational process *changes* the organisation in its own right.

Crucially, it is individuals themselves who decide whom to talk to, what to talk about, what

the outcomes of these conversations mean, and what use to make of the sense that they've made. Managers can neither prevent nor control this activity. Shared sensemaking and coalition building will go on with or without their *active* involvement. The only choice that managers have is whether or not to attempt to influence the dynamics and outcomes of this process in a meaningful way. Equally importantly, as we shall see later, formal statements and decrees by management *also originate* through the informal, sensemaking conversations that they have with others in their personal and professional networks—both internal to the organisation and outside it.

This presents us with an alternative view of how change happens in organisations, which is critical to a full understanding of change and organisational dynamics. Amongst other things, it is an approach that recognises the impact that informal conversations, power and politics have on organisational outcomes—whether or not these are seen as 'legitimate' in the formal arenas of the organisation. I call this perspective *informal coalitions.* This approach deliberately sets out to engage with these dynamics, and to build active coalitions of support for desired changes.

The nature of informal coalitions

The *informal coalitions* view of change stresses the complex, developing and emergent nature of the overall process. It, therefore, rejects the ability of managers to plan and control in the ways that the conventional approaches imply. Instead, it sees change as emerging from the informal coalition of people around particular perspectives or 'themes', which lead them to act in one way rather than in others.

From an *informal coalitions* perspective, overall outcomes are *necessarily* unpredictable. The *seemingly* more certain world implied by the wholly rational approaches to change is an illusion. Whilst specific decisions and actions can be 'commanded and controlled' by managers, within the levels of their delegated authority, the ultimate impact that these have on organisational outcomes cannot. These will be significantly affected by the ways in which people perceive, interpret and evaluate what is going on. What emerges will depend on which of these interpretations are shared, bought into and acted upon. If the themes around which people coalesce are aligned with management's formally adopted position, the actions that flow from them will support their implementation. However, if the themes that are organising informal conversations and actions run counter to the official line, the changes intended by management are likely to be frustrated or actively undermined.

Informal coalitional activity is present in all change. Ordinarily, though, it is only recognised as such in terms of so-called 'resistance' to management-imposed initiatives. When viewed as a conscious approach to leading change, it is deliberately informal. It seeks to influence outcomes through everyday conversations and interactions—working with these natural dynamics to build support for the desired changes. Its disadvantage—from the perspective of a management world wedded to 'keep it simple' mantras and quick-fix solutions—is that it appears 'messy', indecisive and lacking in structure.

The notion of a 'coalition' is particularly important here, since it breaks away from the conventional wisdom that alignment behind a common set of values and beliefs is essential for effective organisational change. Implicit in the idea of a coalition is recognition that people do not have to agree on everything or share an identical set of values to make progress. They can—and do—still come together to deliver a common change agenda. Often, the 'alignment'

of people behind particular themes will be tacit and/or assumed, rather than explicit and openly expressed. It is also important to recognise that those who decide the intention, nature and timing of formal strategies and policies (ordinarily members of senior management), themselves participate in informal coalitions before, during and after their formulation, adoption and implementation. And these coalitions will often owe more to political accommodations and social networking than to the 'unity of purpose' implied by the popular conception of a unified top team.

The *informal coalitions* approach is therefore unavoidably political. It is political in the sense that it recognises the *inevitability* of differences of interest, view and motivation that exist within *all* organisations. This is especially the case where decisions involve the acquisition, deployment and management of *limited and valued* resources, as is characteristic of organisational change. Scarce resources, coupled with differing interests, make conflict central to organisational dynamics. Politics is simply the playing-out of these differing interests, which makes power relationships critical to decision-making and change in organisations. Organisational outcomes then emerge from the ways in which these differences are addressed. The *informal coalition* view recognises that a wide range of power sources and political processes are used, *throughout all organisations*, to influence the nature and direction of the change process.

From a conventional view of leadership and organisational dynamics, politics is a dirty word. Political activity—if acknowledged at all—is usually seen as negative and organisationally dysfunctional. And clearly, the informal and potentially covert nature of the *informal coalitions* approach to change leadership could be driven more by self-interest than organisational need. However, whilst recognising the potential for negative politicking to arise, political action and coalition building are natural characteristics of organisational behaviour. *Everyone* takes part in it, whether they recognise it as such or not. From this perspective, constructive engagement with the political nature of organisations is central to effective leadership. It is about helping people to make sense of the events that are going on around them and building coalitions of support for organisationally beneficial changes.

Organisations as networks of self-organising conversations

Viewing change from an informal coalitions standpoint sees organisations as networks of ongoing, self-organising conversations. This perspective recognises and embraces the a-rational aspects of organisation—its hidden, messy and informal dynamics—which most conventional, so-called 'commonsense' approaches to leadership, change and performance ignore.

Informal coalitions are embodied in the informal processes, social networks and political coalitions of the 'shadow side' of organisations (see Egan, 1993, for example). These emerge through a process of *self-organising* conversations, through which managers' actions, other organisational symbols and emerging events are interpreted, inferences drawn and assumptions embedded. These conversations occur 'any time, any place, anywhere'. They don't just happen in the formal structures, processes and confines of the organisation. Nor are they tied to formal, structured communication programmes associated with specific change events. The themes which these conversations reflect, embellish or create may be unconsciously held and may even appear as fantasy to those who consider themselves to be 'in the know'. This makes them no less powerful, though, in shaping the dynamics of particular organisations. Many of these conversations are brief, random and incidental. They are frequently emotion-

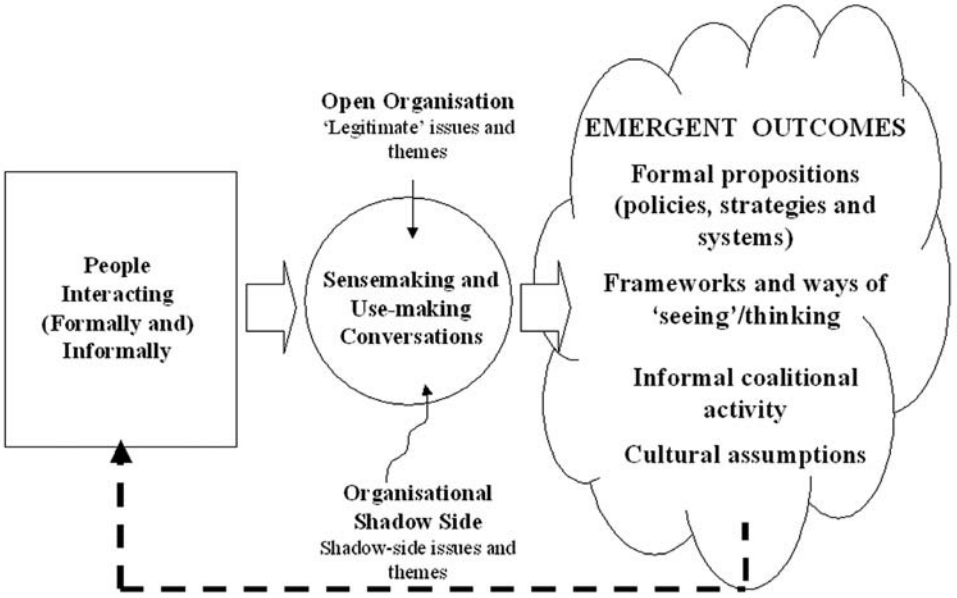

Figure 2: Organisations as networks of self-organising conversations

laden, and sometimes covert and private. Through these conversations, individuals and groups develop a sense of what the organisation (or a specific part of it) is about, what is going on, and how they should think and behave, in the light of the interpretations that they make. This is illustrated in Figure 2.

Informal conversations 'stitch together' the legitimate (formally acknowledged) and shadow-side aspects of organisations, and also generate their own shadow-side effects. The shadow-side aspects of organisational conversations are most evident in the ways that these generate and transmit organisational folklore, mythology, humour and rumour. The most 'subversive' of these rarely surface in the formal organisational settings but are rife when protected by the informality of casual chat, private peer-group meetings and one-to-ones, the anonymity of the grapevine and so on. These shadow themes also provide the sub-text of 'official' conversations (e.g. collusion during meetings to promote or subvert a particular line), even where the overt conversations appear to reflect legitimate themes and behaviours.

Patterns of meaning emerge from this sensemaking process. Some of these become part of the formal missions, strategies, policies, and so on of the organisation, whilst others remain in the organisation's shadows. People continuously 'coalesce' around the hidden or emerging themes, either to further particular causes (collaboration) or to frustrate them (collusion). Managers are *unavoidably* participants in this everyday process, not external objective observers and controllers of other people's actions. Leadership, in the context of *informal coalitions*, arises from having sufficient *power* (in the eyes of relevant others) and a compelling enough *story* to cause people to see things differently and to 'sign up'.

Implications of the dynamics of informal coalitions

The *informal coalitions* perspective emphasises informal relationships and the shadow-side dynamics of organisations as key elements in the change process. It uses conversation and coalition building as the main route to change. And it

rehabilitates power and politics as legitimate 'tools' of leadership. These raise a number of critical issues for leaders and change specialists to embrace. Amongst these are the propositions that:

- 'Managing change' is not possible in the ways that conventional perspectives imply.
- Mess is inevitable in organisations, and can be productive.
- Coalitions don't require people to buy into a set of 'shared values' to be successful; they only need people to coalesce around a compelling theme that causes them to perceive, interpret and value things differently.
- Managers cannot 'control' these conversations or the formation of coalitions in any meaningful sense; and they cannot, therefore, predetermine the outcome of any changes that they or others initiate.
- Shadow-side dynamics and power relationships are critical to effective organisational change and performance—they won't go away simply by ignoring them. *Constructive* politics—defined here as the ethical and organisationally enhancing management of differences—therefore becomes a central task of leadership, not something to be denied, wished away or seen as necessarily destructive and divisive.
- Culture is not a 'thing' that an organisation *has* but an *ongoing process* of shared sensemaking. This process generates taken-for-granted patterns of assumptions that tend to channel future sensemaking down well-trodden paths. At the same time, this process is fragmented and the source of multiple interpretations, not a single, homogeneous set of shared values.
- Leaders/managers are *both* 'in control' *and* 'not in control' at the same time (see Figure 3 and also Streatfield, 2001)—doing the conventional things better and getting them right helps with the former but won't overcome the latter.
- Ultimately, leadership is not about being 'right' but about being able to influence others to see, interpret, evaluate and do things differently, and building coalitions of support for desired changes.
- 'Talk' is the primary *action* tool that leaders possess to achieve this.
- Effective leadership will often be invisible and the antithesis of the outstanding, heroic form of leadership that is often equated with leadership *per se*.

The above characteristics of *informal coalitional* activity do not sit comfortably with the rational view of change and organisa-

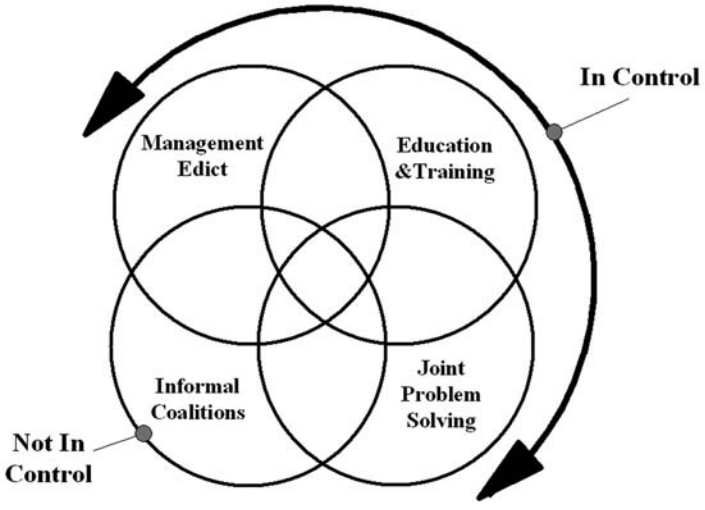

Figure 3: The leadership paradox

tional dynamics that dominates conventional management thinking. Making the required shift in perspective can, therefore, be challenging and uncomfortable. But it opens up the possibility of engaging more successfully with the natural dynamics of change. It also offers a way of dealing with the leadership paradox of being both *in control* and *not in control* at the same time.

A new change-leadership agenda

Finally, for leaders at all levels, the dynamics of *informal coalitions* point to a new change-leadership agenda, which includes:

- ***Reframing communication***. This means thinking differently about the purpose and process of leadership communication; valuing everyday talk and interaction as a leader's primary *action* tool; and seeing the purpose of leadership communication as sensemaking and relationship building ahead of message passing (Figure 4). Change happens through the everyday conversations and interactions that people have. As these conversations change, so does the organisation (Bate, 1995).
- ***Thinking culturally***, rather than thinking *about culture*. Cultural patterns emerge from these same conversations, as they go about their everyday work and off-the-job interactions. People's perceptions and interpretations of leaders' words and actions (*including their silence and inaction*) provide a powerful input to this process. For a leader, therefore, thinking culturally means anticipating how their behaviours are likely to be perceived and interpreted, in the light of existing cultural patterns; adapting their words and actions accordingly; and actively engaging with the conversational processes, to influence the sense that people make of their day-to-day experiences.
- ***Acting politically.*** This means ethically engaging with the *inevitable* political dynamics of the organisation; and using power ethically to influence outcomes in organisationally enhancing ways.
- ***Building coalitions*** of active support for value-adding ideas and desired changes. Issue coalitions aim to shift the organisation's agenda and policies in organisationally

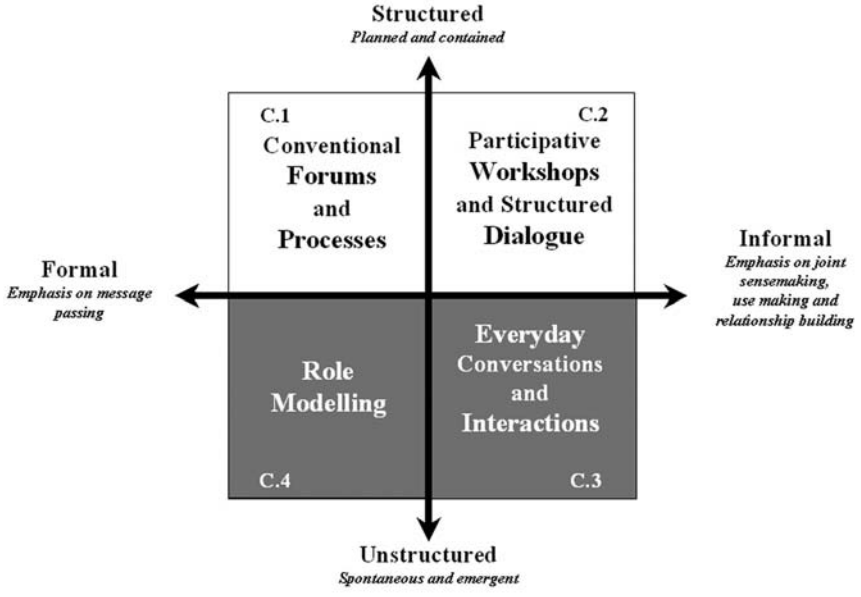

Figure 4: The Leadership Communication Grid

beneficial ways. Action coalitions set out to implement desired changes 'on the ground'.

- ***Embracing paradox.*** This is about working with the inevitable tensions and contradictions that characterise everyday organisational life, and turning these to the organisation's advantage by adopting a 'both-and, at the same time' stance (Stacey, 2003).
- ***Providing vision,*** more than providing *a* Vision. This means using everyday conversations and interactions to help staff gain perspective, realise their purpose, self-manage their processes, exploit possibilities, unlock their potential and ignite their passion.

Walking case studies

In introducing the notion of informal coalitions to managers, it has been interesting to see how readily they have connected with the idea and its implications for their leadership practice. Leaders at all levels—from Board members to first-line supervisors—never fail to 'get it'. Some people initially feel uncomfortable with the challenges that the dynamics of informal coalitions make to their established views on what constitutes 'good leadership', and to the rational assumptions to which these are tied. Nevertheless, they all accept that these dynamics will happen anyway—with or without their active involvement in them as leaders. They know this to be the case not least because, when they are not wearing their formal leadership 'hats', they take part in informal coalitional activity themselves. In this sense, they are all 'walking case studies' of informal coalitions in action.

And in the end …

The only meaningful choice that leaders have is whether or not to engage with the dynamics of *informal coalitions* in a deliberate and informed way. The above agenda enables leaders to bring about organisational change more successfully by blending the sensible use of formal, rational frameworks and approaches with a proper understanding of the *a*-rational dynamics of their organisations.

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BIOGRAPHICAL NOTE

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Scenario as a Tool in Management Development

GILL RINGLAND AND MICHAEL OWEN

The scenario creation process can provide a team with shared insights and a shared language. This has led to the use of scenarios as a management development tool, and a team-building tool. The methodology is the same. Here two examples are considered of using scenarios for the development of young professional managers who have been identified as 'high flyers'.

KEYWORDS: Scenarios, management development, team building, high flyers

The use of scenarios in organisations

Michael Porter provides a cogent definition of scenarios:

> an internally consistent view of what the future might be, not a forecast but one possible future outcome.
>
> (Porter, 1985)

At a time of volatility and change, managers need to be able to step out of their current framework and imagine future worlds—which may arrive sooner than expected. Scenario planning is a set of processes for creating several scenarios or mental models and using them to aid decision-making. Scenarios explore a spectrum of different possible answers to the core questions facing the organisation, as described in the seminal *Art of the Long View* (Schwartz, 1991). Scenarios provide an effective mechanism for assessing existing strategies and plans and developing and assessing options. Many organisations have used scenario techniques to help navigate through the uncertainties of their operating environment, in order to make better decisions.

In a changing and unpredictable business environment, assessing futures for the organisation is one of the best ways to promote responsiveness, flexibility and preparedness, sources of competitive advantage. Scenario planning is a proven tool for exploring and

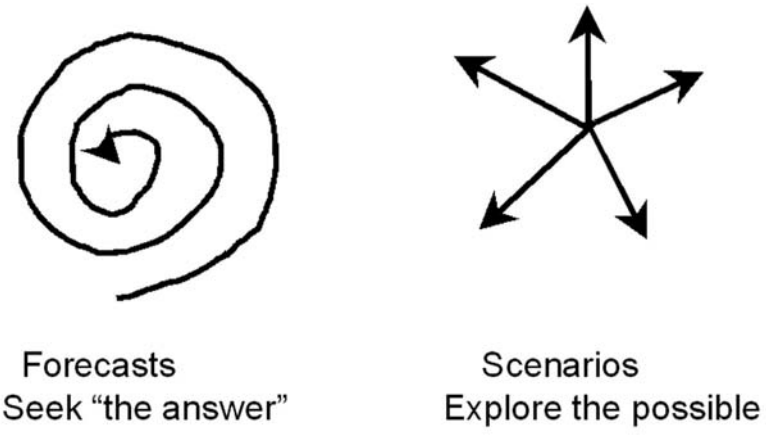

Figure 1: Scenarios and Forecasts

managing uncertain futures. At an individual level, managers may have various insights into the future, but they are often impaired by inadequate longer-term focus. Scenarios are extra eyes that enlarge the vision and sharpen the focus.

Scenarios have moved out of the strategy ghetto in the last few years. They are widely used for applications as wide ranging as Corporate Social Responsibility, HR Planning, Marketing, R&D portfolio management, and Risk Management. Scenarios combined with traditional analysis techniques can be used to compare possible futures. For instance, a SWOT (Strength, Weakness, Opportunity, Threat) analysis of an organisation under a set of scenarios leads to an understanding of potential changes in the operating environment for the organisation. A discussion of how to use a range of analysis and marketing tools with scenarios can be found in Ringland and Young (2006).

'Traditional' view of the scenario process

Scenario development is often perceived as an extensive exercise, involving a wide range of inputs and expertise, including broadly-based interviews, research and horizon scanning, expert workshops and the creation of a number of consistent and credible external scenarios which might face the organisation and its management in the years ahead. This process has a track record in providing a basis for testing the resilience of future plans and strategies the organisation might adopt; or which might already be in place, but have implicit—and overly specific—assumptions about the future environment. A detailed description of this process is given in Ringland (2002a and b). The value of the process is that it ensures the concerns and dilemmas facing the organisation are explicitly tackled in the scenarios.

These exercises traditionally involve the most senior management of an organisation, since they bear the ultimate responsibility for the stewardship of the organisation and must take responsibility for strategic decisions. A drawback to this traditional process is that it can often by-pass the input of bright individuals in the organisation, who are below the senior management grades that normally contribute to a typical scenario process. This can create negatives towards the process as being a 'top-down' imposition from top management.

Using 'pre-built' scenarios

Many tasks are now accomplished with pre-built scenarios from outside the organisation. For

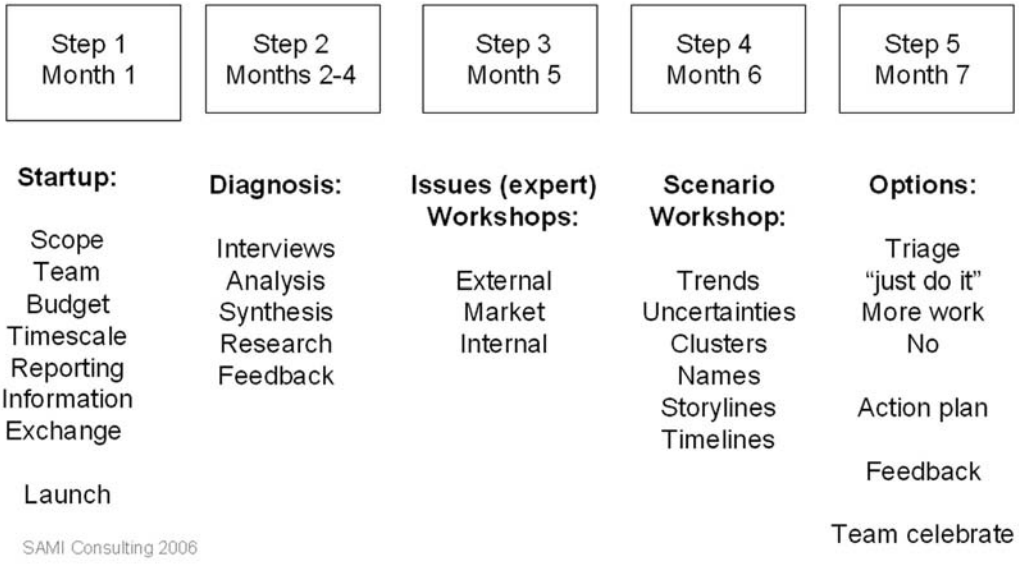

Figure 2: Traditional Scenario Process

instance, MAN Group decided to sell off a business following a workshop based on scenarios developed for the Gresham College Lectures, on the City of London in 2020 (Ringland, 2002a). A major oil company used the Challenge Forum Global scenarios (www.chforum.org) to help their HR team evolve their strategies and test them against possible global environments. The recipe for success here is, like using 'corporate' scenarios across an organisation, to let each group get inside the scenarios by extending or particularising them before considering the implications for the unit, group of people or division.

However, the core, interactive, team, scenario creation process does have power to provide a team with shared insights and create shared language in a way that using existing scenarios does not. This has led to the use of scenarios both as a management development tool, and as a team-building tool. The methodology is the same in both cases, and below we consider two examples of using scenarios for management development of younger professional managers, those identified as being of high potential for the organisation—the 'high flyers'.

Issues around the development of high flyers

The identification of 'high flyers' is a long-standing activity that is common to many organisations. Morgan McCall (McCall, 1998) has provided one of the major texts on this, with an emphasis on spotting high flyers and developing them on the job.

Many organisations also provide a mixture of external courses and internal training or group work as part of their approach to management development.

External courses such as MBA programmes, designed to inculcate forward thinking into high potential individuals, often include scenario creation exercises.

While external courses develop the individuals themselves, internal training and group work accelerates their understanding and know-how of the organisation.

Sometimes the group itself is brought together to develop a team spirit and to share in a common process of thinking about the organisation and its future challenges—challenges which the group members would be confronting if their potential for senior management

TEACHING SCENARIOS TO MATURE MBA STUDENTS

Warwick University has taught a strategic development course to MBA students, Masters' degree students and undergraduates. The undergraduates and Masters Degree students are about 50/50 business students and science/ mathematics students, with about half the group from overseas. The MBAs have at least five years work experience.

Scenario Planning is a core component of courses under two headings: "Operational Research for Strategic Planning" and "Strategic Development—Methods and Models". These courses have been taught since the 1970's and the paper represents the synthesis of the experience of over 1000 students in scenario workshops.

It has been found that the scenario process is best taught interactively, over about 10 contact hours, with facilitation of the syndicate groups by staff. Measures have been introduced in order to encourage participants to think more broadly and to present the results more imaginatively, for instance generating a wide list of factors initially and converging by discussion of importance, and using newspaper front pages, a day in the life of, radio/TV broadcast, drama sketch, letter/memo, to present the scenarios.

Source: (O'Brien, 2004).

is realised ultimately. Frequently this takes the form of 'brainstorming' sessions by the group, about the external world, or the organisational challenges—or both.

However, this activity—while it would appear to be an excellent way to open minds and bring fresh new ideas—it can frequently go awry. This happens in both the public and private sectors. Let's consider two examples.

The ICL experience

ICL is now part of Fujitsu Systems, the global computer and outsourcing company. ICL's use of scenarios with the 'ICL 2020 Group' followed the exploration of a range of techniques for thinking about the future. The group consisted of people who were in their late twenties or early thirties, had been with the company typically at least five years, and had been nominated as 'people who could be running the company in 15 years time'. The 15 selected people were from eight countries and had a range of academic backgrounds, though most had some post-graduate education such as an MBA or a Master in Information Technology or Management.

The process started with a series of meetings about the future, involving pure brainstorming. This was very counter-productive. It was difficult to get any sort of coherence of vocabulary or vision and tended to result in people arguing about who had the 'best' view about the future. The group consisted of competitive individuals and so these arguments became very heated and even personal. As a result of this experience, it was decided that a process was needed that did not involve people in 'the right' answer about the future, and actively encouraged making default assumptions explicit and the creation of a common language.

This subsequently led to the company running a series of three scenario-based workshops

with the Group to focus their thinking on the potential challenges in 2020: the workshops focused on a major theme—one looked at technology, another at markets, and the third at skills.

These workshops allowed for different views of the future to be incorporated without rancour. The discussion also provided a bridge so that differences that had seemed fundamental could be traced to the source—sometimes as trivial as a misleading translation of a term used in one language, into another. Other differences related to the background—not so much the academic discipline (though sales people and technical people found it hard to communicate) but cultural. So for instance Group members from the Netherlands and Greece thought that it was normal to speak several languages—the UK members thought of language skills as a hurdle to some of the possible futures.

The format of each workshop was a residential two-day event.

With this level of Group, it was important that the members knew how their work was to be used. So it had been arranged, before the sequence of workshops, that a presentation would be made to the Management Executive at their Away Day, and also that they be briefed to the network of planners in the Businesses. Many of the Group Members also took the outputs to their management team meetings.

The feedback from the Group members was:

- A view of the process steps and the endpoint was important in giving them confidence to think about the future.
- They needed to know how to use the scenarios—since the scenarios were different, what were they supposed to DO?

So we ran a workshop on 'Making Decisions based on Scenarios', covering the use of **early indicators**—headlines that you would notice that could indicate a scenario was unfolding; **robust decisions**—those applicable under all scenarios, albeit at a different rate under each; for instance, the need for new technical skills

ICL WORKSHOP AGENDA

Day 1:

am: meet, introductions, review the process to be followed;
questions for 'The Oracle' – what would shape ICL in 2025?
Brainstorm factors.

pm: separate out the likely givens from the trends and uncertainties;
cluster the uncertainties;
decide on the interesting combinations = the scenarios.

Day 2:

am: review the combinations;
write a scenario story for each chosen combination.

pm: describe an evolution sequence for each;
look for turning points;
review the Oracle questions;
discuss the implications.

Source: (Ringland, 2006).

was clear under all scenarios but in differing numbers depending on the scenario; and **risk appetite**—could ICL 'make' a market by taking a decision based on one scenario, or were we fast followers?

The experience of a large local government authority

A large local authority in southern England had established a Futures Group, sponsored by the Leader of the authority, comprising around twenty of the younger (<40 years old) up-and-coming managers in the authority, covering a wide range of functions and activities, who had been identified as having potential for further development. The group was encouraged to think about longer-term issues for the authority. An initial meeting had been held, which focused on examining some documents from central government and thinking about how to improve the operations of the authority.

While this had produced some stimulating material, it had tended to dwell on internal structural and communication issues, since these tended to be uppermost in the day-to-day working lives of the participants. In order to stimulate more strategic, longer-term thinking in the group, it was decided to use a scenarios approach and SAMI Consulting was asked to organise a two-day session of the group.

The session was designed to give the participants a real experience of developing and working with scenarios and to give a flavour of how these can be used in an organisation.

The first day focused on the external environment and started with syndicate work, tackling a selection of questions to The Oracle. The Oracle, as in Greek myths, knows everything (Ringland, 2006, pp.159) For example:

- What would you ideally wish to know about the world in 2020?
- How did we get to where we are today?
- What is a reasonable vision for 2020?

This led to a lively plenary discussion of commonalities and surprises. This was followed by an individual brainstorming of 'forces that will affect the external environment for the organisation in 2020'. Each person then placed their

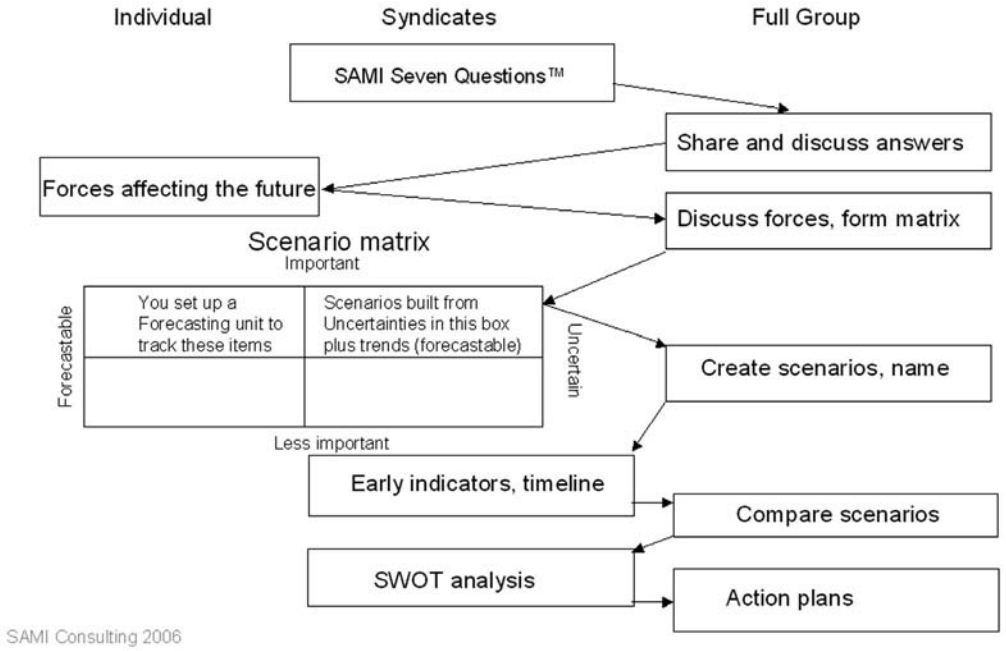

Figure 3: Management Development Workshop

factors on separate post-it notes on a scenario matrix, which enabled the forces to be mapped on a predictability/uncertainty vs. importance matrix. The forces in the 'important and uncertain' box were then sorted into a few themes likely to have the biggest impact. The potential interaction among these forces then provided the basis for generating all combinations, of which four were chosen as representing the most realistic challenges. These formed the basis for developing feasible external scenarios within syndicates.

During the second day of the exercise, the syndicates first presented and developed their scenarios; identified the initial implications for the organisation; developed a SWOT analysis for each scenario for the impact on the organisation; and scoped how the existing service provision would be affected—positively and negatively—against the backdrop of each scenario.

The syndicates identified several interesting themes, whose interaction would shape the future external environment, including the role of technology: would it be an enabling and widespread solution to many energy and transport problems, and driving economic prosperity; or would it be narrowly available, fail to deliver and even be resisted by society as inhumane? Other themes included the extent to which citizens sought to live self-contained, isolated lives, as opposed to a resurgence of community and social cohesion. In addition, the future role of public services—in the broadest sense—was considered a key factor in the future environment for the organisation.

The four scenarios chosen for further development provided a stimulating and highly varied set of challenges for the organisation to tackle. It was not entirely realistic to expect that within the timescale, a full and detailed set of options and responses could be developed by this group, in isolation from the wider organisation. What it did provide was a clear appreciation of the principles and issues on which further work would be needed to give organisational resilience to the varied range of outcomes that could lie ahead in the potential future world of 2020.

The session gave the opportunity for a younger cadre of managers in the organisation to gain experience of the principles, methodology and application of scenario development. In this way it prepared a newer generation of future senior managers to be aware of, appreciate and value these techniques as part of their career development, and be in a position to apply as they progress further up the organisation.

In terms of the specific outcomes, the scenarios provided new insights into the way future challenges—both threats and opportunities—in the external environment could impact on the organisation. The participants gained knowledge on how an organisation can test the resilience of its current and prospective plans and strategies to possible future events and developments.

Conclusions

Comparing the private sector experience with the public sector, we noticed two differences which surprised us:

- In the private sector example, initial attempts at futures thinking by the Group members had focused on external factors, in the public sector on internal. This could be because the public sector group had been longer in the organisation than the private sector group.
- In the private sector, the participants were not satisfied with having the scenarios, they wanted to use them in the organisation; the public sector participants found the SWOT analysis incorporated into the workshop gave them a satisfactory set of insights.

In both cases, engagement in the scenario process was successful in creating more coherent views of the external future world than the Group members had before, or had achieved using other processes.

The duration of the Workshop was chosen to be two days in both cases. This was partly to allow thinking time but also, importantly, allows for informal networking and development of ideas overnight when combined with an off-site location.

The outcomes of a specific management development exercise are not comparable in quality with a more comprehensive scenario development process. In particular, there is not the opportunity for the highly desirable preliminary interviews to give broad insight and context; nor was there the availability of the normal range of external inputs and data to provide expertise as well as challenge entrenched internal positions. For these reasons it would be inadvisable to use the output of a specific, contained management development exercise as a substitute for a full-scale scenario process within the wider organisation

However, in both cases, the participants took away an understanding of the importance and the power of scenario thinking which would allow them to act as activists to stimulate scenario thinking within the wider organisation. In both cases, as was also found on the Warwick MBA course, external facilitation to give a framework and sense of process proved important in delivering the management development experience.

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BIOGRAPHICAL NOTES

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Leadership Toxicity—An Inevitable Affliction of Organisations?

MICHAEL WALTON

Based on personal consulting and coaching assignments, this article examines the circumstances in which normally competent, accomplished leaders behave badly to the detriment of the effectiveness of their organisations. Such 'toxic leaders' could be seen as silent killers who inhibit openness, creativity and healthy workplaces.

KEYWORDS: Leadership, dysfunctional behaviour, organisational health, emotional intelligence, workplace toxicity

Introduction

Recent years have seen quite an increase in reports of dysfunctional misbehaviour by those in positions of power and influence in governments, in political parties as well as within business organisations more generally.

Cases of dysfunctional executive behaviour, of punitive and abusive working environments continue to be exposed and, combined with a seemingly relentless drive for employees to achieve more and more with fewer and fewer resources, can be expected to result in increasingly difficult and toxic working environments. Growing expressions of dissatisfaction by employees with the quality of the leadership they receive are highlighted by such bodies as The Work Foundation and the Chartered Institute of Personnel and Development, all of which suggests that we may do well to consider workplace dysfunction and toxicity as normal—rather than as abnormal—phenomena of modern organisational life.

If so, what can be done to engage with, anticipate—perhaps even predict—such toxic and 'shadowy' facets of organisational behaviour? This article advocates looking at leader behaviour-in-context which can help to highlight the probability of leader toxicity exploding on to the scene. The material on which this article is based comes from consultancy experiences where, over varying periods of time, I was able to observe some of the more unhelpful ways in which accomplished and competent senior

executives found themselves behaving badly. In spite of the 'positive' hype from the 'leadership industry' leaders are not, by definition, always good, ethical, or honest as has been evidenced in recent times by the deluge of material describing dysfunctional and exploitative leadership behaviour.

Whilst many leaders are able, appropriately experienced, keen to do well, maintain ethical standards and make a positive difference to those they guide it is interesting to wonder why poor leadership, executive excess and blatant self-serving behaviour is so pervasive and endemic within organisations?

Perhaps we have created a myth about leadership whereby bestowing the title of manager, leader, consultant, professor, judge or supervisor is seen to confer—as if by magic—omnipotence? It may be that we expect far too much from our leaders; that we have loaded onto them unrealistic expectations and have encouraged them to believe they are faultless and can do no wrong—a position that would encourage leadership arrogance, delusion and denial; a position that would fuel personal ambitions and aggrandisement from which leadership toxicity could readily take hold.

However, a rather different picture emerges if we look at a leader's effectiveness more as a product of the *contexts* within which they were operating and as being less determined by their psychological characteristics and operating style. Whilst the leader's psychological characteristics will remain critically important in shaping effective executive performance, they may be fundamentally conditioned and constrained by the contextual circumstances within which executives find themselves operating.

Leadership toxicity

Toxic leadership is defined here as behaviour which is exploitive, abusive, destructive and psychologically—and perhaps legalistically—corrupt and poisonous. Examples would cover the forced imposition of unrealistic workloads, workplace bullying and harassment, deception and fraud in addition to deliberate workplace misinformation and misrepresentation. Lipman-Blumen describes such behaviours as:

> Corruption, hypocrisy, sabotage, and manipulation, as well as other assorted unethical, illegal, and criminal acts, are part of the poisonous repertoire of toxic leaders. (2005:18).

One major difficulty, however, is how to differentiate between *toxic* leadership and *over-zealous* leadership as many of the attributes toxic leaders possess, when not used to excess or inappropriately, are the same as those exhibited by successful non-toxic leaders. The situation is further complicated as some behaviours—now acknowledged as toxic—may have previously been excused, denied, or even encouraged, because of the results delivered and this may have (i) reinforced the 'acceptability' of such behaviour, (ii) encouraged its continuing use, (iii) discouraged others from challenging the unacceptable behaviours experienced, and (iv) generated a groupthink and/or acceptant mentality offering little possibility for improvement (Janis, 1982).

Toxic leaders can have great appeal, and attract followers, because of the high level of engagement and energy they display. They will 'make it happen', 'get things done', sort out 'the road block', 'cut away the dead wood'—yet *how* they may go about this can be profoundly damaging to many around them and, potentially, to the business itself. Indeed the literature suggests that the most frequently reported disruptive executive behaviours are characterised by dramatic, histrionic, emotionally demanding, narcissistic, aggressive and somewhat grandiose leadership behaviours (Conger, 1990; Dotlich & Cairo, 2003; Finkelstein, 2003; Kellerman, 2004;

Kets de Vries, 1989; Levinson, 1978; McClean & Elkind, 2004). This reinforces the earlier work accomplished by the Center for Creative Leadership (CCL) whose research on executive derailment highlighted (a) patterns of abrasive and abusive behaviour, (b) insensitivity to the needs of others, (c) distant, aloof and arrogant ways of behaving,(d) unnecessary and intrusive micro-management,(e) the manipulation of situations, and (f) continuing self-serving behaviour – as significant contributors to an executive's derailment and demise (Kofodimos, 1990; Lombardo & Eichinger, 1989).

The dangers of excessive charisma attract particular attention when thinking about toxic leadership and the heightened level of self-aggrandisement that can accompany overly 'Heroic' and 'transformational' approaches to leadership (Khurana 2002; Maccoby, 2000; Sankowsky, 1995; Tourish, 2005). McCall (1998) quotes Harry Levinson on the grandiose self-image which can develop as executives become more senior and how:

> They think they have the right to be condescending and contemptuous to people who serve them. They (executives) think they are entitled to privilege and the royal treatment.

McCall concludes:

> In summary, the development of arrogance is one of the most insidious of the derailment dynamics. It is a negative that grows from a positive, deriving as it does from actual talent and success. (McCall, 1998:46).

But where might such predilections come from in these able executives and what might trigger such destructive behaviour if we don't see such toxicity from them all the time?

PERSONALITY VS CONTEXT

This article speculates on combinations of conditions which may have resulted in toxic dysfunctional executive behaviour. The three examples below, although typical, in no respect refer to any person with whom I may have worked.

> First we have Jeremy a committed, bright, diligent, respectful and honest MD who couldn't trust others nor let go of his huge workload. He was sure he had the answer to the collapsing business if only he could find it. Then there was Arthur—he believed he was 'the answer' and acted as such in an arrogant, reckless, self-serving manner such that he progressively reduced an effective and well regarded organisation into a disaster zone before being removed. Simon on the other hand was a self-serving 'impression management' super hero who ruthlessly swept away all resistance before being ousted, having decimated the enterprise.

All three were removed from office, albeit differently. All were 'toxic' in different ways and all derailed, yet all were very able and had been appointed on the basis of previous excellent performance.

In one case the CEO was seen to keep his cards so close to his chest that even he could not see clearly what game he was playing. In another, a strong charismatic promotion of self led to grandiosity of Napoleonic proportions, whilst in the third the CEO became seemingly trapped within a delusion which led him to deny that anything he touched was less than brilliant, or that he needed anything else to learn, as he had 'been there, got the tee-shirt' and done it all.

The question is: were these leaders 'masters of their own behaviour' or was it the internal culture and circumstances that facilitated the toxic behaviour they displayed? Whilst it may be

convenient, and appealing, to try and put it all down to the leader's 'personality and bad behaviour' this may not be fair. A leader's behaviour will be conditioned and dependent on (i) internal organisational constraints and (ii), external circumstances over which they have limited influence yet which are central to their legacy of success or failure. Whilst the personality of the leader attracts continuing attention these two additional 'contexts' are too often neglected in the appointment of successful executives into new positions and in examining the bases underpinning subsequent executive success and executive failure.

Possible origins of toxicity

If an executive is to survive and prosper in the business world, then position and power, personal standing, status and influence become important factors to secure. Once achieved these are unlikely to be surrendered without a fight. Even small day to day changes and challenges to an executive's freedom of action may be perceived as a threat to their psychological security and survival and generate fierce defensive reactions.

Concerns about loss of power, status and control could be enough to trigger dysfunctional toxic behaviour possibly out of all proportion to the scale of any changes proposed. Such reactions prompt the question as to what could be so important about maintaining personal status, position and control in the first place and why would changes to these matter so much? Why might power and the maintenance of status be so important to an already influential executive? What could it be that tempts or impels successful senior executives to overreact to changes they perceive as constraining or reducing in some way their already considerable influence? Perhaps a case could be made that leadership toxicity is prompted by a perceived threat to their status and standing resulting in what De Botton terms 'status anxiety' (2004:95); 'Status' is used here to refer to the privileged, esteemed and elevated position occupied by virtue of the executive role—a position which, with its attendant benefits, an executive will not normally wish to relinquish.

However, what may be at stake, and perhaps far more than may be apparent, is the vulnerability of the executive *as a person* as much as their vulnerability as a key role holder. In this regard personal vulnerability and sensitivity may revolve around the view that an executive has of himself (*Identity*), and the views that others have of him (*Reputation*).

Nicholson (2000) offers insights into the extent to which we remain emotionally attuned to respond intuitively to threat and survival pressures—such as a high profile status loss—'as if' we were still hunter-gatherers. In commenting on survival behaviour in the modern world he suggests that such embedded Stone Age impulses would show themselves in how, for example, we are prone to:

- Make snap judgments based on emotions.
- Let one piece of bad news drive out a hundred pieces of good news.
- Take big risks when threatened and avoid risks when comfortable.
- Classify things and people, dividing groups into "us" and "them".
- Create opportunities for display and competitive contests.
- Allow confidence to conquer realism to get what we want '(Nicholson 2000:2).

Whilst other explanations could be made for such behaviours, this strong drive to display and prevail, including the familiar fight-flight pattern, offers an explanation for some of the unusually

fierce and toxic responses exhibited by executives under perceived threat. Ludeman and Erlandson, in *Coaching the Alpha Male*, note for example how successful, assertive and driven people can fail to use their emotional intelligence to such an extent that 'the more executive authority alphas achieve, the more pressure they feel and the more pronounced their faults become' (2004:60) which in turn heightens their sense of vulnerability and may well trigger toxic behaviour.

Lawrence and Nohria offer complementary explanations and describe 'four innate drives—the drive to acquire, the drive to bond, the drive to learn, and the drive to defend—that we believe are central to the nature of all humans, the drives that play a vital role in all human choices' (2002:5). They emphasise the importance of balancing these to achieve harmony, meaning and purpose, noting however that 'Evolution is a competitive game in which victory comes not from achieving some fixed number of points but by simply outscoring the competition' (2002:65), whereas Nicholson observes how:

> We spend inordinate amounts of time and energy making ourselves look good in various ways. … lives devoted to refining skills beyond our immediate survival requirements, ceaseless work, and competition to acquire ever greater wealth—sometimes to the point of being self-defeating—are visible all around us' (2000:24).

Now could it be for some that the drive to acquire becomes an insatiable one and that so far as survival enhancement goes, we can never have enough? This could help to explain the addictive nature of work and why it can be so difficult for successful executives to relinquish power and authority. Could it also be that the drive to defend is intensified the more senior a person becomes and with that an increased risk of leadership toxicity?

Contextualising leader behaviour

Whilst it may be convenient—and appealing—to place the responsibility for toxicity in the workplace on the behaviour of 'the leader(s)' the situation is more complex than such a simple attribution would suggest. Identifying the contextual conditions and precipitating factors at play within an organisation offers a more revealing, balanced and inclusive explanation for leadership toxicity than solely focusing on leader behaviour.

From my experiences and reflections (Walton, 2005) on the consulting assignments examined I now find it helpful to consider leadership behaviour-in-context by looking at it through three 'lenses' which form the 'ACE' framework (*i.e.* actor- context-external).

Lens 1: viewing the behaviour of the *executive*(s) as actor

Lens 2: looking at the internal *'context'* of the organisation (its internal culture and climate),

Lens 3: re-viewing the *external* environment (the 'external' world) in which the organisation finds itself.

Lens 1: The executive-in-action: personality characteristics

Although the psychological composition of the key executives will of course exert a significant effect on an organisation, no one set of personality characteristics emerged that led to the range of dysfunctions I had witnessed and studied. For example, I recorded behaviours which had led to problems in some organisations but also where the same behaviour did not in others! I had examples of those in the 'Heroic' mould creating positive results with others generating less than helpful outcomes. I had examples of charismatic extroverts and

introverted thinkers some providing helpful and some providing unhelpful leadership and I had examples of executives offering directive and more transformational approaches again with varying effects.

The leaders' psychological characteristics alone appeared insufficient to explain the range of positive and toxic outcomes I had seen and experienced. This prompted me to consider the impact on the leader's behaviour of the organisation's internal contexts and cultures.

Lens 2: Working within the culture & climate of the organisation

Executive behaviour does not occur in a vacuum. It occurs within contexts and settings. Just as form without function could be said to have little meaning on its own so a consideration of an executive's personality and make-up without reference to how these present in their working environment offers a similarly incomplete picture.

In sharp contrast to the view that it is what the executive does 'that gets results' it may be more accurate to explore how (i) the internal context mediates what the executive is able to do, and (ii) how the context may define executive success and failure. The differing internal states of cohesion & collapse, profit & slump, high & low morale influenced the mood, the agenda and the vitality of the leaders I observed. The internal climate and tone seemed to exert a significant conditioning influence on leader behaviour both in terms of what, and how, they functioned.

Contextual conditions can induce and restrict toxic behaviour. More emphasis on the contextual determinants on leadership behaviour, whilst somewhat neglected in the literature, is needed and may help to reduce the incidence of excessive toxic leadership. Yet again however, these two 'lenses' were insufficient to account for the range of leader behaviour and outcomes I had observed and this led me to consider a third dimension—the external context within which the organisation found itself operating.

Lens 3: Conditions in the external environment

The stability of an organisation's external environment emerged as the third dimension influencing leader and workplace toxicity. If the external conditions were unstable this was likely to facilitate toxic behaviour. If not tolerance for extreme internal toxicity will be much reduced.

Examples of external environmental disturbance would be a collapse in the organisation's market, a local disaster, an emergency alert, threat of a public humiliation or government inspection, a hostile bid, filing for bankruptcy protection in the USA under Chapter 7 or Chapter 11, the threat of an external inquiry, extensive media pressure, 'Wall Street' and 'City' intrusion and high profile stakeholder pressure.

My general hypothesis is that a significant increase in toxic behaviour and internal instability is more likely to occur and be tolerated when all three of these dimensions, like three tumble locks on a combination safe, are sufficiently aligned for a 'spring' into dysfunction and toxicity to be released. Thus the likelihood for executive dysfunction is increased where the following conditions are present: firstly a psychological predisposition for errant working, secondly an internal context which permits or encourages errant behaviour to occur and be rewarded, and thirdly significant external circumstances which provide the wider context, cover and excuse for toxic behaviour to take hold.

The combinations of these dimensions are summarised below and illustrate how these dimensions can work to either block or prompt toxic behaviour.

Table 1: Assessing the likelihood of a toxic surge

The ACE-R Framework	The Actors – the Personal dispositions of those key people …. **(A)**	Internal Context: the Climate and the Culture of the Organisation …. **(C)**	External Circumstances …. **(E)**
Condition 1: Latent potential for dysfunction, but awaiting the opportunity	Yes, person(s) is predisposed	Yes, allowing	No, not suitable
Condition 2: Executive quite prepared to take advantage but Culture won't condone this	Yes, person(s) is predisposed	No, not allowing	Yes, suitable
Condition 3: Executive not prepared to take advantage of the situation	No, person(s) not predisposed	Yes, allowing	Yes, suitable
Condition 4: Potential for Executive dysfunctional behaviour is high	Yes, person(s) is predisposed	Yes, allowing	Yes, suitable

The additional fourth factor 'R'—for Risk Assessment—suggests that, even if the foregoing conditions for executive dysfunction may be present, such behaviour may not occur if the executive assesses, consciously or otherwise, that they will not get away with it.

The ACE-R framework can be used to look at organisational situations to identify instances where there is a growing risk of toxicity and to prompt ameliorative action. Such an approach can also help to reduce the tendency to ascribe toxic and dysfunctional behaviour—triggered when executives feel under psychological threat—to the organisation's leadership whilst neglecting to look carefully enough at contextual conditions which may be increasing the risk for organisational and leader malfunction.

Endpiece

Leadership toxicity seems to be a pervasive aspect of organisational life undermining personal and organisational performance yet one that receives far less attention than is merited. The assignments on which this article is based suggest that an executive's success is significantly conditioned and constrained by both the internal organisational contexts within which they are working, *and* the wider external circumstances affecting that organisation.

Toxic leadership could be described as a silent killer as it can be said to position leaders as invulnerable and to sabotage, block, and penalise those who question such omnipotence. A combination of toxic leaders, vulnerable and demeaned followers, and conducive contexts results in an unhealthy 'toxic triangle' threatening the health and vitality of those within its bounds (Padilla et al, 2005; Paulhus & Williams, 2002). With such forces threatening an organisation's success it remains surprising that a fuller exposition and exploration of the darker side of leadership, and the misuse of institutional power, is not at the top of the curricula for organisational and professional studies.

What is apparent is that appointment to a position of formal leadership does not guarantee positive, constructive leadership behaviour. The leader as a person will remain susceptible to the full range of human strengths and vulnerabilities irrespective of their title, professional background and experience. It may well be that most, if not all, working environments are toxic to some degree. If so, a key question is how we prepare and constructively engage with such a reality (Walton, 2007 a, b).

If indeed leadership toxicity is an inevitable affliction of organisational life the sooner it occupies a place of prominence in the preparation and training for leadership the better.

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Scenarios that Enable Learning

HELEN JOHNSON

Scenario-based learning offers the opportunity to rehearse various types of behaviours. This learning strategy offers participants a variety of experiences from which they can learn or unlearn behaviours and interpretations of behaviour. Adult learning is built on experience and here bullying is used as an example.

KEYWORDS: Experience, adult learning, reflection, bullying, scenarios

All of us working in the field of development would agree that the pivotal concept in adult and organisational learning is that of experience. We are exposed to learning all the time, whether as individuals or as members of an organisation. Donald Schon, one of the most influential writers about the education of professionals, makes it clear that we must take responsibility for this learning and make it "integral to ourselves and to our institutions" (Schon,1987, p. 28). In this taking of responsibility, we are to develop learning systems and initiatives that are capable of bringing about, not only our own, but *institutional/organisational* transformation. So, the actual, procedural form of this learning is significant, whether it is through conventional training methods or through the use of developmental strategies such as scenarios.

The latter help us to explore not the past but the future, but essentially must have 'space' within them for stories, narratives and sharing of reactions and feelings. But whatever the form that learning systems and strategies may take, Peter Senge (1990, p. 30) says that learning organisations encourage the people within them to "continually expand their capacity to create the results they *truly* (my italics) desire".

But what if the climate within a particular organisation is not healthy? What if people are being bullied? Recent surveys in the United Kingdom have clearly identified an epidemic of bullying in British workplaces, and its impact of employee health, performance and retention

have been noted. Additionally, what of its impact on learning, which is an important element of the strategic thinking that will ensure the survival of the organisation? Bullying is usually regarded as being 'kids' stuff' and so most adults are reluctant to admit to being bullied. But, if such feelings are denied, how meaningful and effective will any reflection in a learning situation be?

This article will:

- Briefly explore the theory around 'experience' and discuss its importance in adult learning.
- Go on to identify the sources of bullying in organisations and its impact on the reflection of experience.
- Speculate on the impact on learning of denial, whether explicitly or implicitly.
- Finally, recommend scenarios as developmental strategy by which denial can 'be unblocked' to enable meaningful learning by both the individual and the organisation itself.

The theoretical importance of experience

Any individual concerned with the learning and development of adults will focus on the previous experience of those involved in the proposed learning programme or intervention. Much has been written about experience but little can claim to be more influential than Dewey's *Experience and Education,* published in the U.S.A. in 1938.

> Dewey said that each of us in our quest for growth absorbs some lessons from each and every new experience—and that is integrated with past learning in an accumulative effect.

He explained this in terms of his own learning process in which he found himself:

> struggling to assimilate something from each (influence) and yet striving to carry it forward in a way that is logically consistent with what has been learnt from its predecessors' (Dewey, 1971, p. 22).

This emphasis on experience is, of course, found in subsequent androgogical theory as in the well-known work of Malcolm Knowles (1973) and David Kolb (1984). But as Bruner (1986, p.6) makes clear:

> The relationship between experience and its expression is always problematic…experience is ultimately constructed while understanding presupposes experience.

In short, experience and the lessons drawn from it can reinforce each other rather than be a process of questioning in which something new is learnt.

A postcard on my fridge door explains this closed cycle it well:

> I have learnt so much from my mistakes
> —I'm thinking of making a few more.

For as Bruner explains:

> the critical distinction here is between reality (what is really out there, whatever that may be), experience (how that reality presents itself to consciousness) and expressions (how individual experience is framed and articulated)….only a naïve positivist would believe that expressions are equivalent to reality; and we recognise in everyday life the gap between experience and its symbolic manifestation in expression. Some experiences are inchoate, in that we simply do not understand what we are experiencing…
>
> (Bruner, 1986, p.6-7)

So we can—consciously or more probably, unconsciously—deny what we have experienced because it is not congruent with how we see ourselves as autonomous adults and professionals.

While we can learn from what we ourselves do and so experience, leading figures in the field (Bandura, 1977) focused on both cognitive processes and, importantly, interaction between individuals and within groups. He made the point that a consideration of one's own behaviour, which though meaningful, is necessarily limited. So observing of the behaviour of others allows us to have modelled the consequences of a wider and more varied range of behaviour types.

Essentially observing, comparing and remembering—and perhaps playing out—such behaviours can be regarded as a rehearsal that may or may not be used in different and future situations.

Lave and Wenger's (1991) situated learning model is less concerned with learning as the acquisition of knowledge (explained through an examination of conceptual processes) and more with learning placed and played out through participation in social relationships. For them, *context* is all-important, and Wenger (1999, p.3) has also disputed whether learning is a finite, formal and separate process, one that has a clear start and definite finish. Their most important contribution is undoubtedly to put this gathering and building up of experience and learning into a social context, into what they call a *community of practice*. Learning depends on the activity, context and culture in which it occurs (i.e. where it is situated).

Situated learning would flourish in social and organisational contexts that offer the following:

- A variety of experience for growth.
- The behaviour modelled that is proactive, autonomous and adult.
- A situational setting that is positive.
- Social interaction that is healthy and affirming.
- Social relationships that are co-operative and collaborative.

Next, we turn to the particular context of organisational bullying.

Learning how to cope with bullying

Much has been written about the epidemic of bullying currently being experienced in British organisations of all types.

Readers of *The Times Educational Supplement* (2004, April 30) might have noted with interest the front-page story (and the further explanation inside, p.8). A poll of the staff of the Office for Standards in Education (OFSTED) had found that there were ''high levels' of bullying, fear, stress and bad management' (p.1). When the pollsters (ISR) analysed the data in respect of 'culture and management style', the organisation responsible for the inspection and auditing the performance of English schools 'came out 16 percentage points worse than the average for public and private-sector organisations, and eight points worse than the public sector average' (p.1). This, the newspaper solemnly reported, was an *improvement* on the results of a similar staff poll done two years earlier in 2002 (Johnson, 2005, p. 81-2).

Such an example carries weight. After all, the report is not based on selective gossip but on data used that has been properly and objectively gathered and analysed. But such an example is not isolated.

But why does this matter? What is the effect

of bullying in organisations? Obvious consequences are:

- High wastage rates as employees leave for other employment.
- The accompanying disruption and high costs of recruiting, selecting and training of replacement employees.

But what are the organisational consequences if bullied employees stay? Clearly there will be issues revolving around:

- Organisational climate.
- Organisational structures that could be in some way rigid, inflexible and so oppressive.
- Organisational processes that could insist that some staff succeed and that some should fail, thus engendering competitive social relationships.
- Trust in relationships.
- Employee participation.
- Illness (in some extreme cases, its effect is to drive some remaining employees into a form of depression that Seligman (1975) called Learned Helplessness. Depending on individuals' explanatory styles—how they explained what was happening to them—and through the organisational structures and processes found within their own particular settings or situations, employees can become withdrawn or passive/aggressive).

In terms of the characteristics of a positive context set out earlier, the effects of bullying on behaviour could be:

- The crushing of personal and professional growth.
- The depowering and infantilising of particular individuals.
- A negative and harmful group and organisational climate in which power is used without respect for the feelings of others.
- The encouragement of passivity.
- The encouragement of competitive relationships.

But what if these effects are not recognised or are ignored or are denied? As noted above, some staff could accept (and even thrive); others could leave and others could withdraw.

However, there will also be effects on learning and organisational performance:

- The learning of **the acceptors** is likely to be limited to that in terms of their own experience (and it could be that they are learning the 'wrong', 'old' or superseded lessons in the long-term).
- **The leavers** are making what could be a sensible and pragmatic decision in face of a situation that they regard as impossible or unlikely to change (but of course, they do not confront the situation and attempt to change it, so learning in the process for future situations).
- **The withdrawers**, those who have perhaps learned to be helpless and non-confrontational, are operating in a situation that, it is likely, they do not, echoing Senge (1990), *truly* desire and in one that they are not fully involved with a concomitant impact on the level of their contribution and commitment to the organisation.

Organisational learning and scenarios

Organisations become involved in learning in a variety of situations, for example:

- To induct staff.
- To help them perform effectively.
- To assist in their individual and professional growth.

Perhaps in all three instances but certainly in the third, Mezirow's (1991) idea of transformative

learning is important. Such learning asks employees to reassess their own ability to learn so that they can fully learn, fully benefit from the learning event, experience, situation that is being offered and orchestrated by the organisation.

Such transforming awareness is linked to learning approaches such as scenario-based learning that take the learner beyond a repeat of the previously learnt into rehearsing behaviour and relationships for the future. So scenarios are more than case studies or role-plays. They:

- Do not fall back on what has been done before as this offers no real solution in situations where the future is unpredictable.
- Are stories about the way things could be in the future and ask for the identification of the changes that these futures could bring.
- Focus the development activity on the core issues and the alternative ways of working out how to deal with them proactively.

Specifically, scenarios help:

- Individuals question their understanding—their interpretation—of their own experience.
- The questioning of group mores and groupthink (Janis, 1982) that has been brought about by socialisation through the organisation structures and processes.
- Bring about more *profound and radical learning*: after all, understanding experience fully and deeply is useful, as has been seen; but by its very nature experience is in the past and thus learning derived from it can be conservative and incremental. Scenarios with their future-orientation and focus help individuals and groups in organisations, in particular settings or situations, make the 'big jumps' by performing and rehearsing their way into the new thinking, the *emerging* paradigm—with an accompanying effect on their behaviour.

So scenario-based learning is situated in a real, live, organisational context. But caution is necessary:

- Boundaries have to be placed around the actual fictional scenarios to make them manageable with outcomes that are beneficial no matter what direction the playing out of the scenarios takes.
- The scenarios must be written in a way that allows staff to participate in imagined, fictional events or situations that revolve around critical incidents or crises.
- More than one interpretation—perhaps several – has to be written into the scenario itself. This will be important for the devising of solutions or ways forward.
- The scenarios should allow more than one—perhaps, several—interpretations and solutions or ways forward.
- Feedback has to be focused and meaningful.

Scenarios and bullying

It was noted earlier that bullying is now in epidemic proportions in organisations. It can take many forms:

- Unreasonable workloads.
- Competitive social relationships.
- Aggressive, threatening behaviour.
  verbal abuse.
- Domination of meeting and other social gatherings.

Such behaviour is unattractive and, in the long-term at least, unproductive. It has a variety of responses. A crisis or a change of senior management and/or organisational policy could bring about the opportunity for a training intervention taking a situational learning and scenario-based approach that would involve:

- A re-interpretation of the past, present and future of the work group (perhaps as a community of practice).
- A re-assessment about their own ability/capacity to learn with beneficial outcomes.

Scenario-based learning should not attempt to alleviate serious depressive conditions. But it can address organisational issues e.g. organisational climate, trust-building and employee participation. It can in a 'live' mode encourage learners to experience and model for each other alternative types of behaviour.

Examples of possible scenario-based learning

The following examples from a scenario-based learning experience revolve around the recovery from an organisational breakdown where:

- Over 25% of the employees in a particular branch of an organisation left.
- Where attendance at meetings fell to under 40%.
- Where some employees were involved in a campaign of vilification of others through malicious gossip and other aggressive behaviours.

In some instances, it was possible for management to identify particular undesirable behaviours and take appropriate management and disciplinary action. But what remained was a demoralised, divided and damaged workplace atmosphere. Clearly something had to be done. A training needs analysis was completed and recommended a radical and almost dramatic shift into a more positive atmosphere. This was to be attempted as a scenario-based group developmental initiative in which restored social relationships could be built and, in so doing, positive behaviours and approaches rehearsed.

The facilitating team, brought in from outside the organisation to be expert and 'neutral' catalysts of change, decided upon on a two--stage approach (Preparation and Playing Out).

STAGE ONE: PREPARATION

1. Each participant was asked to write a position paper on the workings of the branch and to outline their own feelings about the work situation that they truly desired.

Purpose: to allow a cathartic venting of feelings (especially in respect of bullying and other negative behaviours). In so doing, each participant is able to confront the past and be in a position to move on. Of course, this is an important—and potentially difficult—stage of the process, so the facilitating team in its training plan allocated a great deal of time to working with individuals.

2. Each participant then completed three other writing projects from their own perspective:

- Scenario 1: a 'sales pitch' about how each participant wanted the group/branch to function in the future.
- Scenario 2: questions and answers for an interview with Jeremy Paxman/Kirsty Wark on 'Newsnight' about how the group should work together.
- Scenario 3: the preparation of a paper addressed to the chief executive about how the branch is able to work as a community of practice with the necessary changes in organisational structures, processes and resources.

Purpose: to encourage each member of staff to consider the future of the branch in sufficient detail to formulate their ideas. These ideas revolved around the nature of social relation-

ships in the branch in the future and should be robust enough to stand up to rigorous questioning by a 'third party', so allowing ideas to be properly examined without re-opening the possibility of bullying and other aggressive behaviours. (The choice of 'Jeremy Paxman' or 'Kirsty Wark' or another interviewer was dependent on the degree of robustness and rigour judged as appropriate by the facilitating team. It did also allow for some humour to be injected into the learning situation). The preparation of the paper for the chief executive moved the learning into an organisational and so into a 'real' context.

3. Then, as members of small groups, the participants were asked to work together to devise a group/branch view of the same tasks.

Purpose: to move participants from their individual positions into a group perspective and to re-build positive working relationships.

STAGE TWO: PLAYING OUT

4. In plenary, the groups were asked to present their own ideas about the ways in which their branch could function effectively and positively.

Purpose: to move participants from their individual and sub-group positions into a branch perspective. In terms of Scenario (1) the subgroups group had to decide who and how the presentation was to be delivered (listing the benefits). After the presentation, feedback was given by the plenary group to the presenting group. In terms of Scenario (2) members of the facilitating team played 'Jeremy Paxman'/'Kirsty Wark'. Feedback was given by the plenary group to the subgroup. In terms of Scenario (3) the subgroup prepared a paper addressed to the chief executive of their organisation about how they as a branch wanted and had planned to work in the future. It was necessary to convince him or her that the necessary changes in organisational structures, processes and resources would bring positive outcomes. Feedback on the paper was given by the plenary group, responding as in the role of the chief executive.

5. Finally, the plenary group together considered what it had learnt from the exploration of alternatives in the playing out of the scenarios.

Purpose: this is a very important feedback/evaluation stage and so considerable time was allocated to it. It was this exploration that participants found most useful. They agreed that it would be a sound basis for more detailed strategic planning.

Conclusion

Scenario-based learning offers individuals the opportunity of acting out—to rehearse—various types of behaviours that may or may not be those that will finally be adopted as an organisational norm and strategy. However, such learning strategies do offer the participants a variety of experiences from which they can learn or unlearn behaviours and interpretations of behaviour. It also offers a 'safe' and social context in which to confront experiences and their interpretation, some of which they may have denied in the past. But most all, it offers the opportunity to move on confidentially, positively and thoughtfully into the future.

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The DNA of Leadership: H-Gene —Humanising Cultures

JUDITH E. GLASER

A continuation of the conversation theme introduced by Glaser in Organisations & People, 13.4. The author uses a major case study example of a manager carrying forward ineffective practices after being promoted within her organisation to demonstrate the vital role of conversation in developing a leadership style.

KEYWORDS: Leadership, appreciating, culture, humanising

Which is more powerful: nature or nurture? The age-old debate for explaining evolution has been settled by recent science: it's both. It turns out that nature is nurtured; evolution is dependent upon inbred characteristics and outside influences. Psychological environments shape who we are and how we work, and leaders shape environments through conversations.

We now know that Nature and Nurture work hand in hand as allies to express DNA. How you lead—most importantly, the conversations you have with others—creates the environment, and it is through these conversations and influences that culture and behaviour are shaped. How you treat individuals, how you foster teamwork, how you inspire others, how you communicate, how you bring out creativity, how you steer the ship, and how you maintain morale—all happen through conversations.

Your conversational practices contribute to, and in many cases determine your corporate culture. In today's business climate, *understanding the DNA of Leadership* is essential because how you and others in your organisation express your genes determines whether you thrive, or even survive.

How a culture feels drives success or failure

Humanising Cultures are those where leaders believe 'We are all in this together'. Rather

than seeing co-workers as competitors who vie for limited resources, leaders foster a spirit of partnership and demonstrate how this leads to greater abundance for all. They teach their people that by working to honour, support, and appreciate each person's unique talents, capabilities, and contributions they can prevent turf issues and detrimental power stances. When we work as true partners we can be honest, talk about difficult issues, and grow from feedback delivered in a developmental way.

Humanising cultures value diversity and encourage honesty. Giving and receiving healthy feedback and developing talent are part of the fabric of the community. Leaders in these environments work to reduce blaming, victimising, and criticising, and support open, honest communication and respect for others. They have a strengths-based focus.

Humanising cultures build 'pull energy' by acknowledging the inherent worth of every individual. This energy extends from the community and envelopes customer relationships, alliance partners, and others who want to share in the excitement of personal growth.

Appreciating vs. Criticising

Leaders who focus on creating environments where employees are appreciated establish cultural norms that lead to healthy relationship-building among employees and between employees and management. People feel honoured and supported in their growth. Appreciation literally means to value, respect, and hold in high esteem. Leaders who focus on appreciation create a culture of acknowledgment. People work at higher levels of productivity and collaboration when they feel honoured and respected. Such humanising leaders think WE, not I.

I-centric vs. WE-centric leadership

I-centric leaders are judgmental and critical of others, thus it is hard to be oneself when around them. They watch with a critical eye how others handle situations every step of the way, for fear someone will make mistakes they can't recover from. They believe mistakes reflect negatively on their leadership, and so they often criticise or get involved long before truly necessary. They work off of the assumption that most people don't have what it takes to be stellar, and they are quick to bring in outsiders for help.

I-centric leaders are not sensitive to others. They express anger easily, and often. Ironically, they usually get what they fear; in the end, scrutiny produces underperformance.

WE-centric leaders appreciate others and recognise the importance of their self-awareness. They strive to grow and develop greater insight in themselves and others. They are sensitive to inferences. They do make assumptions about people, but they assume people have incredible potential they can draw upon. Rather than seeking power over others, they form uplifting relationships and create power with others. They see people as equals, which energises relationships throughout the organisation, creating a positive ripple effect of appreciation. WE-centric leaders think WE and create organisational spaces where individuals and teams work together to support one another's growth and development.

Leader story: failure to honour and appreciate

Beth was ecstatic when she was promoted to lead the marketing communication function in a large paper company. She now reported to the EVP of all strategic communications services and was one step away from reporting to the CEO.

In her new role she had five times more people reporting to her. Some of her former peers were now her direct reports, and she knew this was going to be a challenge. Beth decided she would do everything she could in her first three months to make the transition smooth. She had lunches with each of her new reports and talked about the new roles each had. She set up team meetings and had what she called 'a team launch' to redefine the direction the department was going to be taking. There were urgent projects coming up and she wanted to prepare everyone for the expanded amount of work they would be doing.

Within a few months the company started a new acquisition. Beth's calendar was now full. Since she knew her former peers well, she had confidence they would handle their key assignments. She would just send e-mails asking them to let her know if anything needed her attention. She felt quite good about herself.

Her boss called her into his office one day to say that two field projects that were being managed by one of her direct reports, Maureen, had caused some problems. There had been a heated union meeting that got out of hand, and some local people were upset. Maureen hadn't informed Beth about the problems that had received coverage in a local newspaper with a very negative paragraph about the company.

Beth's manager came down hard on her and she left feeling angry, embarrassed, and ready to fire Maureen. Beth stormed into her office, shut the door, and started ranting. "Let me give you some constructive criticism," she yelled at Maureen. "That was a very unprofessional thing to do, and I expect more from you. Don't you realise that union issues are usually challenging, and to let this go for so long is just not right. You should have brought me into the loop. What were you thinking?"

Maureen, already upset about the issue, was now embarrassed and began defending herself. Rather than being a discussion of the facts and details, the conversation elevated to a higher emotional outburst from both parties. Beth left the room, slamming the door, and Maureen sat there stunned. She felt demoralised and ready to quit. She hurried into her colleague's office to vent about Beth. "She is just not ready to be a manager," she said, and the two started a story about Beth's failure to lead. Gossip spread around the department through hushed conversations and secret e-mails.

Beth internalised the problem and justified why she was right to lash out at Maureen. While she remembered, briefly, about the two managers she had had while working in the company, both of whom only provided direction at the time of her year-end review—never during projects, she recalled how she hated it when her managers gave her such 'constructive criticism', she didn't want to look back on her actions.

Beth's action created a chasm between her and her team. Respect for Beth became an issue, and she found it harder to give direction to the team. Beth resorted to defensive behaviour and focused less on providing direction and clear communication and feedback to her team, and more on covering up her own performance.

In her former positions, Beth had resented not receiving constructive feedback from her managers. In her new position, she had made a concerted effort to involve employees in the mission and to coach them on their individual responsibilities. But at the first opportunity to show respect, she acted out and harshly criticised someone who needed support in a time of crisis. Without realising it, Beth had sent a mixed message to her team.

The fear of being unfairly judged

Beth wanted her employees to get it right, yet by giving Maureen harsh criticism she broke trust and respect, and caused Maureen to doubt her-

self. Leaders who criticise their employees drive them into defensive behaviours rather than into leadership action. This dynamic impacts both the leaders as well as the employees. When teams face challenges they need a leader who has confidence in their potential. Criticism triggers fear of performing. Rather than motivating people to greater heights, it actually causes them to doubt their own talents and they underperform to avoid judgment.

Beth's lack of supportive coaching during a predicament caused the team to fear being judged unfairly. This engendered secondary fears:

- Fear of bringing challenging issues to the table.
- Fear of sharing brutally honest facts.
- Fear of making bad judgment calls.

When people fear they are going to be unfairly judged or harshly criticised, they will avoid making decisions and taking action. They will blame others when things are not going well. Consequently, they create a psychological space that is unsafe—and paralysis when it comes to moving the business forward.

You dramatically shift how you build your teams and relationships by setting the norm for open communication, where it's okay to speak up about the challenges people are facing without fear of rebuke. High performance doesn't come from pointing out mistakes people make; it comes from supporting strategic thinking and ability in direct reports. You can help employees expand their judgment, anticipate options, and stretch well beyond what they are capable of today by creating an environment in which employees are not judged and criticised, but instead are challenged to focus on new ways of thinking through the business challenges they face.

Leader profile

Let's look at Beth's I-centric profile through a number of lenses:

How she communicates: When Beth's expectations are not being met, she displays anger and high emotion. Her tone of voice implies judgment. She sends reminder e-mails to move people forward, but their tone is one of disappointment.

How she motivates others: Beth uses criticism because she believes that she is being candid with the employee, and therefore operating out of integrity. She believes that not telling the employee what she is thinking would mean she was failing as a leader. Her style is authoritative and direct. To mitigate her bluntness, she often uses the 'criticism sandwich', which is to say what she likes first, then say what she doesn't, and then end with what she likes.

How she listens or doesn't: Beth listens to judge. She often makes assumptions and interpretations about the potential of a person. As a result, she does not ask questions to clarify, nor engage in discussions about how to deliver on projects. When people do deliver, however, she shows acceptance and favouritism. Then her style of listening is different: she becomes more curious than judgmental.

How she uses or abuses power: Beth is a power-over leader. In times of crisis, she wields the hammer. When people challenge her, her answer is, "Because I say so." In her mind she is

Judging	Appreciating
Constructive Criticism (oxymoron)	Developmental Feedback
Focuses on 'what you can't do'	Focus on 'what you can do'
Blame, finger-pointing	Developing constructive foresight
Lack of trust	Confidence and reliance

doing that to protect her job and keep her distance from the people who used to be her peers, but her staff feels discounted and disrespected.

The negative ripple effect

When Beth was promoted she stepped into positional power. She felt conflicted at times about how to lead. She knew that she wanted to remain friends with the people she had grown to know so well, yet in her new role as their leader, she was unable to hold on to the personal closeness and at the same time be a manager who could help her people grow.

Leadership is a constant exercise in building and maintaining relationships. Successful relationships rely on freedom of expression and the presence of trust, respect, and an investment in a shared future. Regardless of a person's technical merits—in this case, Beth's marketing savvy—followers stop following when they feel shut out and abused. Strong relationships can weather stress. People will be forgiving of mistakes. Beth went over the line, however, when she persisted in justifying her emotional reactions and insulated herself from the concerns of those on her team. She put the results she was seeking ahead of relationships and became insensitive to the impact of her angry remonstrations.

Beth had replaced her people sensitivities with a new attitude of authority. This change in her created a change in her team. Not only did her former friends push away from her, but they also started to talk negatively about her leadership. Blame developed on both sides.

Junk DNA: leadership mythologies

As a leader steps up into a higher level of leadership, the challenges multiply. When you move from managing a team of 10 to managing a team of 100, you are responsible for many more interactions and conversations. Staying connected to your people and sustaining relationships while driving for results across a larger and larger employee base is a fundamental hurdle. Having personal interaction or figuratively 'touching' everyone is not easy to do. But being able to create an environment where communication is personal, not positional, is at the heart of the Humanising gene.

When we buy into a view that leaders need to be almost inhuman as they move up the corporate ladder, we accept an old view of leadership. We become leaders without heart, and we relinquish our ability to remain a sensitive, caring human being. We create distance with others rather than bond with them, and we make it more difficult for our employees to tap into what we can offer them—our world of experience—and what they can offer us—their best efforts. This view defines a leader with an outmoded strain of DNA who believes that:

- Positional power supersedes personal power.
- You can't get performance from employees without criticism.
- Getting too close to people weakens leadership power.

There are red flags, or 'mutations', that indicate a leader is expressing old DNA that limits the potential of others:

- Perpetual deference to authority.
- Blame, accusation, and lack of shared accountability.
- Avoidance behaviours.

To evolve, you need to break the bonds of old thinking and connect to new beliefs. Leaders who develop relationships create work environments where people are confident being themselves. Respect abounds and people thrive.

Coaching is a way of life, and it's designed to challenge people to their next level rather than judging their past performance.

Fortunately for Beth, her boss had not lost his humanity as he rose up the ladder. He realised her talents as a leader were being masked by the challenges of her new role. Her boss became her mentor and coach, and he helped her tap back into her deep sensitivities for others. They shared ideas about leadership and about what people need to grow.

Ultimately, Beth learned that power as a leader comes not from hubris but from humility. She understood that mentoring and coaching were important skills that would enable her to lead through teaching, not by judging.

The leadership step: embrace your humanity

Being tough is not being a leader. The leader who leads through personal relationships rather than by positional power creates an environment for open, honest communication where people support and learn from each other. Bringing your humanity to work is essential for twenty-first-century leadership.

Humanising leaders believe that long-term success is built on inclusiveness and respect, and on the cultivation of healthy relationships with and among people. Constant attention is given to discovering better and more valuable ways of working together. Leaders with this gene believe in the inherent value of conversation and its capacity to help people be successful. They are always concerned for employee development and they aim for a mix of hard work and serious play. They relish the challenge of finding ways to stimulate people to go beyond their preconceived limitations. This is not an exercise in altruism; it's done for the sake of transformation so the enterprise can go beyond where others have taken it before.

Fear of being judged and misunderstood is always in the background where there are relationships between managers and direct reports. No one wants to disappoint a boss. Feedback and coaching are essential for diminishing fear of making mistakes and for exploring and learning in the workplace.

Leaders who create environments where individuals are honoured and valued communicate that it's okay to be human, to be who you really are, warts and all. When leaders relate purely through position, people become fearful of being judged, fearful of retribution and blame, and fearful of being wrong. Most of all, they become fearful of putting their tough business challenges on the table or sharing their concerns for fear that they will be looked upon as too weak to be on the team.

Humanising leaders create environments where people are respected for who they are, where business is personal, where listening is non-judgmental, where communication is open and honest, and where people feel motivated to work through tough issues with others. No one has all the answers, and gaining the perspective of others is vital to see the way to new insights.

How can you build an environment where people feel safe to be who they are and grow into who they can become?

Share feedback

In humanising cultures, coaching and feedback are developed as leadership skills. Organisational values and leader behaviours are embedded into the culture, and into ongoing conversations. The culture is transparent, and how leaders lead is transparent, which makes it clearer how to work with others toward common goals. There are measures for behaviour so employees can see what behaviours will be rewarded and what will not.

Establish self-awareness

Self-awareness is a critical factor of a successful leadership profile. Without it, it's easy to become a blaming leader. By focusing on self-awareness for himself and others, a leader ensures a constant state of learning and growth. Knowing strengths enables a leader to move projects forward by leveraging the best each person brings to the table. Rather than people feeling that they have to conceal their shortcomings, they will boldly exhibit their strengths.

Encourage non-judgmental listening

Listening without criticism is a way to gain new perspectives on challenges and opportunities. When we listen non-judgmentally we become more perceptive to what is happening around us in our relationships, in our business, and in the world. It's important to be a listening culture and that priority emanates from the CEO. Leaders pay attention to what employees think.

Appreciative conversations

As a leader, creating an open, communicative environment is pivotal to your success.

Language can either bring out the best or the worst in others. Words can uplift, drawing people closer together, or demean them and drive them apart. When we are wounded, we shrink from contact and focus solely on self-preservation—which diminishes others in the process. When we are cherished, we are emboldened to strive and achieve more. Twenty-first-century leaders use words that foster environments where everyone is not afraid to achieve greatness.

A culture of appreciation: humanising

> Leadership is not magnetic personality—that can just as well be a glib tongue. It is not 'making friends and influencing people'—that is flattery. Leadership is lifting a person's vision to high sights, the raising of a person's performance to a higher standard, the building of a personality beyond its normal limitations.
>
> —Peter Drucker —

Human beings have always faced the same issues: how to survive, how to be happy and live a joyful life, how to be part of a community, how to be known for good things and attract good people, perhaps how to make a difference and leave a legacy. These themes run through all of history, all of literature, and all of religion.

Competition with others and challenges that threaten us—conflict—can be win-lose propositions, or wonderful opportunities to display concerted effort to everyone's benefit. Recognition of how much we have in common with others is the key to overcoming our differences. When we struggle and fall short of expectations, there is great support in knowing not only that others experience similar travails, but in knowing that others are also the source of help.

Great leaders lead from humility, not from egoism. Awareness of the humanity we all share—imperfections and talents, fear and courage, hopes and dreams—is the source of that humility. Humility is the tie that binds; your humanising leadership gene is the humble thread that keeps everyone bound together with a shared purpose.

BIOGRAPHICAL NOTES

Judith E. Glaser is an organisational anthropologist and executive coach. She is author of

Creating WE: Change I-Thinking to We-Thinking & Build a Healthy Thriving Organisation and *The DNA of Leadership* (Platinum Press), both of which were listed on Amazon Business Book Best Seller Lists and were selected by Business Book Review as two of the best business books of 2005 and 2006 . Based in New York City, Judith can be contacted at +1 212.307.4386 or benchcomm@aol.com. Her website is www.creatingwe.com.

News Scan

Feedforward

Marshall Goldsmith proposes this idea for more effective performance development in organisations. He identifies a fundamental problem with all types of feedback: it focuses on a past, on what has already occurred—not on the opportunities that can happen in the future. As such, feedback is limited and static, rather than expansive and dynamic.

In an experiment now covering more than ten thousand people, Goldsmith asks participants to provide and to accept feedforward—give someone else ideas and listen to suggestions for the future and help or learn as much as they can. Participants one word answer that best describes their reaction to this experience are almost always extremely positive, with the most common word: "fun!"

Rightly or wrongly, feedback is associated with judgment. This can lead to very negative unintended consequences when applied to managers or peers. Feedforward does not imply superiority of judgment. It is more focused on being a helpful "fellow traveller" than an "expert". It is therefore easier to hear from a person who is not in a position of power or authority.

Goldsmith's intent with the idea of feedforward is not to imply that leaders should never give feedback or that appraisals should be abandoned but to show how it can often be preferable to feedback in day-to-day interactions.

Aside from its effectiveness and efficiency, feedforward can make life a lot more enjoyable. When managers are asked, "How did you feel the last time you received feedback?" their most common responses are very negative. When managers are asked how they felt after receiving feedforward, they reply that it was not only useful, it was also fun!

Quality communication is the glue that holds organisations together. By using feedforward leaders can ensure that the right message is conveyed, and that those who receive it are receptive to its content.

The result is a much more dynamic, much more open organisation—one whose employees focus on the promise of the future rather than dwelling on the mistakes of the past.

10 ADVANTAGES OF FEEDFORWARD OVER FEEDBACK

1. We can change the future. We can't change the past.
2. It can be more productive to help people be "right," than prove they were "wrong."
3. Feedforward is especially suited to successful people.
4. Feedforward can come from anyone who knows about the task.
5. People do not take feedforward as personally as feedback.
6. Feedback can reinforce personal stereotyping and negative self-fulfilling prophecies.
7. Face it! Most of us hate getting negative feedback, and we don't like to give it.
8. Feedforward can cover almost all of the same "material" as feedback.
9. Feedforward tends to be much faster and more efficient than feedback.
10. Feedforward can be a useful tool to apply with managers, peers and team members.

Leader to Leader, Marshall Goldsmith Partners LLC.

Mindset

In her new book, MINDSET: The New Psychology of Success, Stanford professor Carol Dweck identifies 2 different mindsets that play critical roles in whether we succeed at what matters to us, or not.

People working with a fixed mindset believe their intelligence, talents, and abilities are fixed traits. You have it or you do not. Nothing can be done to change it. Because they believe their traits are fixed, they focus on proving that they are talented and able. They hide weaknesses from others, and themselves. They close themselves off from learning new ways of doing things, and from growing their talents and abilities focus and effort.

People with a growth mindset believe their intelligence, talents, and abilities can be developed through passion, practice, and persistence. They do not have to prove they are smart or able. They can risk failing and looking foolish because they know growth and change are possible. For them, it is not about looking smart, or grooming an image. It is about learning what it takes to create the results they most want. They are passionate about the results they want to produce, and passionate about learning how to do so.

And the good news is you can learn to work from a growth mindset. If you do, you will likely create success far beyond that which you have been able to create so far. And the growth mindset is not hard to learn! Managers who were taught the growth mindset in 90-minute workshops succeeded in shifting from a fixed to a growth mindset, and sustained their results. In the workshops, they read an article and watched a video about how the brain changes and grows with learning. Then they were asked to do 4 things:

- Think of 3 reasons why it is important to think that ability can be developed.
- Recall an area where you developed an ability, and explain how you made that change.
- Email a hypothetical protégé about how ability can be developed.
- Bring to mind times when you saw someone learn to do something you did not think the person could do, and think about how that happened, and what it means.

From Bruce Elkin's Simplicity & Success newsletter

360 degree Assessments

Before you go buying into the whole notion of doing 360 degree assessments, you might want to take a look at some of the research surrounding them. Gallup has some articles on their website about 360 degree assessments, and Watson Wyatt has found in both their 2001/02 and 2005 Human Capital Index Studies that the use of 360 degree feedback instruments produced a negative return on investment.

From their 2001/02 study they said "It succeeds when an open culture is already in place. It succeeds when participants have been well trained to give and receive feedback. It succeeds when there is valid and reliable instrumentation and appropriate follow-up. When one or more of these elements is missing, multi-source feedback can be a lengthy distraction that interferes with teamwork, and reduces productivity, and, ultimately, shareholder value."

From their 2005 study they stated succinctly "Our research has shown time and again that 360 degree performance evaluations do not translate into improved performance."

One thought: if you work on having an open culture and train everyone how to give and receive feedback, then will you have the need for 360 degree assessments?

Why Project Managers Can't Manage Projects

A great story and analogy from David Schmaltz: We see strong evidence that project managers can't manage projects. It's clear from the front page of any newspaper. Yet companies continue to hire projects managers, and project managers continue to disappoint their employers. Project managers and their employers seem to be hardwired to do the same things and expect different results.

The reason why project managers can't manage projects is answered by a little respected law called Ashby's Law of Requisite Variety. Ross Ashby, a scientist who worked in the little-understood control theory field, concluded that control depends upon the controller having at least as much "variety" as the system he tries to control.

Variety is one of those scientific terms with a very specific meaning, but it's summed up nicely by the engineer who remarked of a complex project scope: "It's like pulling a stagecoach with chickens. You can do it, but the reins management will kill you." The controller has to have enough hands to hold onto the reins!

Over time three strategies for dealing with not enough hands have developed:

1. Dumb down the system—allow no more reins than the number of hands. This approach can leave many chickens uncontrolled or take away so many chickens that the remaining birds can no longer pull the coach. Alternatively, it can require so many people to hold reins that the chickens can no longer pull the stage or shrink the stagecoach to where it can no longer carry anyone to hold the reins.
2. Train the chickens so that they don't need anyone controlling their reins. Chickens are relatively easy to train, and this strategy doesn't seem completely absurd on the face of it, at least until the sponsor comes sniffing around wondering why

the stagecoach isn't moving yet. This strategy can transform the effort into more training than stagecoaching.

3. Accept the unmanageability of the situation. This strategy doesn't look very much like managing, and is the least acceptable of the three. Yet it is the only workable strategy among them.

The chickens are always in charge because they can generate more variety than any single controller. The chickens cannot be trained to operate autonomously from the controller without some unrealistically detailed foreseeing, training, and choreography beforehand. We can find resolution for this eternal dilemma in conversation, and the recognition that everyone, both the chickens and the poor fool tapped to handle the reins, have important things to say about the stagecoach.

When it comes to managing complex systems, the most we can say is that no one knows and everyone could be learning. Whether they learn or not seems to depend upon everyone more fully acknowledging that they don't yet know. Control emerges not from the driver or the chickens. Control, if it is to be achieved, will appear in the space between the system and its so-called controller.

Projects are conversations. Not scripted performances. Their purpose shifts, depending upon the meanings we make in conversation and the significances we acknowledge between us. When we can speak our truth—what's true for us—without insisting that it be true for others, and when we can hear another's truth without insisting that it must agree with ours, we are having a conversation. It's not a conversation and it's really not control unless we are prepared to be changed by whatever we hear. Ask the thermostat.

The reason project managers can't manage projects is because projects are unmanageable. The project manager's responsibilities, as written, describe a fool's mission. The few who succeed resolve this eternal dilemma by more fully acknowledging it. They accept that, while their project is unmanageable, it might be capable of controlling itself. Not, however, by management command and control, but through conversation.

David A. Schmaltz
www.projectcommunity.com/PureSchmaltz/.

The cost of lack of trust

Padmakumar Nair of the University of Texas makes an interesting comparison between the way Toyota and GM organise their supplier contracts. The Toyota community is akin to the open source software community in that both of them get together for a common goal rather than coming together based on a well-written legal contract. Toyota handles their suppliers with trust. If you compare the way Toyota and GM deals with their suppliers, GM's cost of making sure that these relationships are properly legally documented and contracted is eight times more than that of Toyota.

Based on our rational legalistic free market beliefs the way Toyota practices—not making all those legal contracts intact and clear—is a big risk. But at the same time they are saving a lot of money by not having those contracts.

Nair quotes another example of JP Morgan Chase, who outsourced most of their IT operations to IBM. Now it is back again at JP Morgan Chase. One of the major reasons for this is the amount of money and effort spent in making sure that the service level agreements are obeyed. About 30% to 40% of all the time spent by employees was on making sure that the contract terms are met, which is not adding any value. And it's a new cost in the outsourcing arrangements that did not exist before.

Padmakumar Nair, Senior Lecturer, Organizations, Strategy & International Management at the University of Texas at Dallas recently speaking with David Creelman, HR.com.

QuoteScan

- "There is hope in honest error, none in the icy perfections of the mere stylist." *Charles Rennie Mackintosh.*
- "Have you tried using a giant Toblerone as a toast rack? Works once!" *Linda Smith.*
- "Man's mind", once stretched by a new idea, never regains its original dimensions *Oliver Wendell Holmes.*
- "52% of all projects finish at 189% of their initial budget, and some after huge investment of time and money are simply never completed" *The Standish Group.*

Scanning the network…

As usual, please send me copies of your own news, research, newsletters, favourite sources of information, web-sites, words of wisdom, stimulating sayings or trivia. An idea is worth sharing…

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Reviews

The Solutions Focus: Making Coaching and Change SIMPLE

PAUL Z. JACKSON AND MARK MCKERGOW

Published by Nicholas Brealey, London (2007)
Paperback, 266pp £16.99

The first edition (2002) of this book was reviewed by Coert Visser in November 2003 as part of the Positive Approaches to Change themed Issue of O & P. The second edition has had a significant re-write of Chapters 10-13, with the addition of a new chapter (11): Managers Coach their People to Solutions.

I feel that a lot of thought has gone into the re-write. It comes across much better than it did, probably due to five years of additional experience. In 2002, Mark and Paul were working to expand the use of Solutions Focus. It was certainly new to me then. Now it has become better and more widely known, so there are many more case studies for them to choose from, not just from their own work, but also from others. The Solutions Focus community, which they have helped to develop, is international, so examples are not just UK-centric.

Of particular pleasure to me is to read about OSKAR, their framework for solutions-focused coaching. I have been using OSKAR since I attended one of their programmes and certainly my former colleagues in BP loved it. It was easy to teach to line managers and they found it a delight to use—"structured simplicity" one of them said. Now they will be able to read about it, see examples of its use, and find lists of questions for each letter of the acronym (**O**utcome, **S**caling, **K**now-How, **A**ffirm and **A**ction, and **R**eview).

As before, the book is easy to use, great to refer back to with many suggestions and examples. Above all it is simple, practical and pragmatic, something that is easily accessible for practitioners. If you haven't read the first edition, it would be well worth investing in this edition—and I would recommend buying a new copy even if you've got the first edition because the new chapters are so useful.

TRICIA LUSTIG
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Informal Coalitions: mastering the hidden dynamics of organisational change

CHRIS RODGERS

Published by Palgrave Macmillan, 2007
Hardback, 286pp, £25
ISBN 0-230-01991-9

Most developers are aware of the low success rate in making change programme 'stick'. Sometimes this is because organisations, driven by short-term profit and shareholders, want too much too soon. Sometimes it is due to a misunderstanding of the processes of change and the belief that change is possible through mechanical, rational processes.

A practising manager turned gamekeeper (consultant) has written this book to confront the rational, mechanistic school of organisational change and performance. Recognising that organisations are merely made up of people pursuing a shared purpose, Rodgers has turned his spotlight onto the subterranean organisational realities of informal interactions, joint sense making, and political accommodations that exist within complex, uncertain and ambiguous environments.

Informal groupings of unstructured conversations have been written about since Elton Mayo's 1930s Hawthorn days right up to Patricia Shaw's (*Changing Conversations in Organisations, 2002*) modern day complexity perspectives. Rodgers openly brings the talk, interactions, politics, and paradox of water cooler conversations out of the shadows and into the forefront of change tactics. Complexity and paradox become creative challenges, he argues, rather than problems to be avoided or overcome.

So this is a book to help line managers, leaders and organisation development specialists make sense of any changes occurring "within the context of their own organisation". Talk becomes the primary tool: conversation to inform managerial judgment.

The book begins with an outline of change methodologies (see Rodgers article in this issue, page 2) ranging from top down edicts to participatory problem-solving. Rodgers' contribution is to suggest that informal coalitions are always present as groups coalesce around 'spontaneous conversations on themes' which have the potential to make things happen. These consequences could go either way but an informed management should be able to harness these energies to good effect.

Weick (*Sensemaking in Organisations, 1995*) said there is a basic human need to make sense of our world which influences how we act to deal with everyday challenges. Conversation and alliances will take place despite attempts by management to plan and control present, or future, events. Outcomes become dependent on perceptions, interpretations and evaluation of what is happening. If these conversations run counter to the course intended from on high, the desired results will most likely be frustrated.

Rodgers emphasises this may be informal but it is inevitably political, with people pursuing

their own self-interests. Everyone is doing it—at all levels of an organisation. The notion for a coalition means true alignment is unnecessary for change to progress. Shared goals and values may well come together to deliver the change agenda.

The book charts six aspects of change leadership for informal coalitions. These are to reframe communications, think culturally, act politically, build coalitions, embrace paradox, and provide vision. A chapter is devoted to each, which results in advice to do the things that are already done *differently*, rather than *doing* different things. The lesson is that informal conversations can be more powerful than formal structured fact distribution for those seeking to arrive at a consensual understanding of events and situations.

This is a really sensible guide for anyone interested in organisational development, with clear explanations of the theory behind change and practical suggestions to achieve outcomes that are more likely to outlive more traditional or discredited methods. I would recommend it highly to anyone looking to better understand the dynamics of organisational interaction or to move the practicalities of 'walk the walk' and 'talk the talk' beyond the realms of cliché.

TERRY GIBSON

Scenario Planning: Second Edition

GILL RINGLAND

Published by John Wiley & Sons, Ltd., Chichester, 2006
Hardback, 478pp, £29.99
ISBN 0 470 01881

Anyone with an interest scenario planning will be familiar with Gill Ringland's body of work. She is a doyen of the subject along with Peter Schwartz (*The Art of the Long View),* who contributes the Foreword to this edition, Pierre Wack, and Kees van der Heijden (*Scenarios: The Art of Strategic Conversation).* The first edition of *Scenario Planning* appeared in 1997 with explanations and tools to help decision-makers prepare for future events in an increasingly unpredictable world. The oil industry led the way for the business community in the 1970s and by the end of the decade many others had followed. Indeed, Ringland was later to prove the value of scenario planning when, as head of strategy at ICL, she used the methodology to help the company plot a future within the whirlwind complexities of a rapidly expanding global communications industry.

The 'what if?' questioning of scenarios has been asked since the 1940s with the purpose of preparing for the unexpected. Today there are a multitude of methods and techniques described and assessed here. Far from replacing a 'crystal ball', scenarios are about ensuring that better decisions are made when a need arises than in accurately predicting the future. As Schwartz says in his foreword: "A poor decision predicted on a 'good' prediction is no success at all."

The first section of this four-part book explains the history and development of scenario planning and raises the question of whether scenario planning can help a manager increase the chances of business prosperity in turbulent times. Throughout the subsequent pages, and a battalion of case studies, it is clear the answer is a resounding 'yes'. And yet it is estimated that only about twenty percent of businesses engage in scenario planning.

But the mere process of working through scenarios has benefits way beyond strategy formation. The process is deemed to have grown way beyond the anticipation of specific threats (fuel famine, climate change, ascendant Asia, terrorism—to name just the topical ones!) and become a development tool that increases the capacity of individuals and groups. Participants report that the discussions generated in exercises are equally as important and useful as the scenario outputs. Not least is the ability for people to develop the common language and shared understanding necessary to foster organisational effectiveness. An example is given of a large local authority which established a Futures Group and used scenario workshops to develop those young high flyers they believed would be the leaders of tomorrow. Sessions proved successful in providing new insights into how future challenges from the external environment could affect the organisation. The fledgling leaders also took away an understanding of the process that could help them become activists to stimulate scenario thinking within the wider organisation.

This use of scenarios as a management development tool is one of the main contributions in this rewrite. Methods and case studies take the reader through the process. In fact, there are copious examples of scenarios presented—warts and all—and it is this honest attention to potential pitfalls and shortcomings that is one of the strengths of the book.

New material builds from the core of the first book. Several new methods are described, some including technologies, now commonplace, but still in their infancy in 1997—the Internet, computer modelling, etc. The author has taken advantage of the electronic communication revolution and increased her network of contributions from around the world for this book. The result is a rich treasury of cases, examples and methods aimed at corporate planners and other facing business decisions. It is also an authoritative textbook for the student and would be facilitator. Even if you have the first edition, this new version is well worth the investment for the new material it contains.

TERRY GIBSON