

# Making Complexity Work

**C**HANGE IS A DOUBLE-EDGED SWORD. ITS RELENTLESS pace these days runs us off our feet. Yet when things are unsettled, we can find new ways to move ahead and to create breakthroughs not possible in stagnant societies. If you ask people to brainstorm words to describe change, they come up with a mixture of negative and positive terms. On the one side, fear, anxiety, loss, danger, panic, disaster; on the other, exhilaration, risk-taking, excitement, improvements, energizing. For better or for worse, change arouses emotions, and when emotions intensify, leadership is key.

## Changing Culture

Changing culture—the focus of this book—is one of the hardest things that humankind faces. And if you don't change and adapt you become obsolete or extinct. Let's start with the

father of the study of organizational culture, Edgar Schein (2010, 4th edition). Schein's formal definition of culture is:

The culture of a group can be defined as a pattern of shared assumptions as it solves its problems of external adaptations and internal integration, which has worked well enough to be considered valid, and therefore to be taught to new members as the correct way to perceive, think, and feel in relation to those problems. (p. 18)

For example: "We protect each other against external criticism" would be one such example. Or "We share our best ideas with each other" would be another culture at work.

How do you know when it is time to change the culture? Some indicators would seem to be: Members are dissatisfied, disengaged, and stressed out. Or customers or clients look for alternatives to your institution. Apparently, it takes a great deal of unhappiness to take the steps to change. Some organizations or schools have been persistently unhappy but have taken little action to change the situation. Inertia seems to have a life of its own. Then when change is attempted, there appears to be many more ways to fail than to succeed. Schein says that one of the biggest mistakes that leaders make is to propose a "change in culture" without being clear or specific (p. 312). Leadership often gets the solution (and the way to go about it) wrong. When Dan Goleman (2000, pp. 82–83) studied leadership styles, he found two that had negative impact on the organization:

- Coercive—the leader demands compliance ("Do as I tell you").
- Pacesetter—sets high standards ("Do as I do, now").

With the coercive style, people resent and resist; with pacesetters, people get overwhelmed and burn out. Toxic cultures ensue and either the leader or large numbers of employees leave. The pacesetter seems positive but only at first. Goleman found:

The leader [pacesetter] sets extremely high performance standards and exemplifies them her/himself. S/He is obsessive about doing things better and faster, and s/he asks the same of everyone around him. S/He quickly pinpoints poor performers and demands more from them. If they don't rise to the occasion, s/he replaces them with people who can. You would think such an approach would improve results, but it doesn't. In fact, the pacesetting style destroys climate. Many employees feel overwhelmed by the pacesetter's demands for excellence, and their morale drops—guidelines for working may be clear in the leader's head, but s/he does not state them clearly; s/he expects people to know what to do. (p. 86)

The pacesetter often ends up being a “Lone Ranger,” as Superintendent Negroni from Springfield, Massachusetts, put it when he reflected on his experience (and on his eventual change to lead learner). During the first three years of Negroni's superintendency, his overall goal was “to change this inbred system”:

Intent on the ends, I operated as Lone Ranger. I didn't try to build relationships with the teachers' union or with the board. Instead, I worked around them. Most of the time, I felt that I was way out in front of them. I would change things on my own. (quoted in Senge et al., 2000, p. 426)

For all the changes he pushed through, Negroni says, “These were three brutal years for us. I was running so fast and making so many changes that I was getting tired. People around me were even more sick and tired” (pp. 426–427). Eventually, through reflective practice and feedback, Negroni moved to transforming the district into a “learning in-situation” proposition. Anticipating some of the themes we take up in subsequent chapters Negroni explains:

Our most critical role at the central office is to support learning about learning, especially among principals—who will then do the same among teachers in their schools. At the beginning of the year, three or four central office administrators and I conducted forty-six school visits in forty-six days, with the principals of each school alongside us. Then the administrators and all forty-six principals met together to summarize what we had seen. This is one of a series of walk-throughs that principals do during the course of a school year—with me, with other central office administrators, and with each other. The sequence includes a monthly “grand round,” when every principal in the district goes with me and the eight academic directors, to spend the day in one school. We break up into subgroups for hour-and-a-half visits, then come back and (still in subgroups) discuss what we saw. Then a representative from each subgroup makes a presentation to all of the principals. (quoted in Senge et al., 2000, p. 431)

So, this book is not about super leaders. Charismatic leaders inadvertently often do more harm than good because, at best, they provide episodic improvement followed by

frustrated or despondent dependency. Superhuman leaders also do us another disservice: They are role models who can never be emulated. Deep and sustained reform depends on many of us, not just on the very few who appear to be extraordinary.

I need to define the nature and goal of this book, leading in a culture of change. It has two purposes. One is most organizations do not change, or at least do not change in time. My first goal is to get organizations to a point where their “change capacity” is at least at a level that meets Schein’s basic definition: “deals with external adaptation and internal integration.” This is everyday coping with the environment and corresponding integration. If organizations do this, that will indeed be engaged in steady change. Note that this definition does not mean that organizations take on whatever change comes along—that would be the pacesetter. There always needs to be selectivity to determine what is good for us and our clients according to our moral purpose (Chapter 2).

The second purpose is to get to the point where organizations proactively challenge the status quo. With all the challenges facing the world—and the world is increasingly troubled—we need greater proactivity about the future. Leaders in a culture of change cultivate a larger worldview.

I have never been fond of distinguishing between leadership and management. They overlap, and you need both qualities. But here is one difference that it makes sense to highlight: Leadership is needed for problems that do not have easy answers. The big problems of the day are complex, rife with paradoxes and dilemmas. For these problems there are no once-and-for-all answers. Yet we expect our leaders to provide solutions. We place leaders in untenable positions (or,

alternatively, our system produces leaders who try to carry the day with populist, one-sided solutions that are as clear as they are oversimplified). Homer-Dixon (2000, p. 15) makes a similar observation:

We demand that [leaders] solve, or at least manage, a multitude of interconnected problems that can develop into crises without warning; we require them to navigate an increasingly turbulent reality that is, in key aspects, literally incomprehensible to the human mind; we buffet them on every side with bolder, more powerful special interests that challenge every innovative policy idea; we sub-merge them in often unhelpful and distracting information; and we force them to decide and act at an ever faster pace.

Heifetz (1994) accuses us of looking for the wrong kind of leadership when the going gets tough:

in a crisis ... we call for someone with answers, decision, strength, and a map of the future, someone who knows where we ought to be going—in short someone who can make hard problems simple ... Instead of looking for saviors, we should be calling for leadership that will challenge us to face problems for which there are no simple, painless solutions—problems that require us to learn new ways. (p. 21)

An alternative image of leadership, argues Heifetz (1994, p. 15), is one of “mobilizing people to tackle tough problems.” Leadership, then, is not mobilizing others to solve problems we already know how to solve, but to help them

confront problems that have never yet been successfully addressed. We will return to Heifetz (Heifetz & Linksky, 2017) in Chapter 7 when we delve deeper into leading complex change.

## An Increasing Convergence

There is a remarkable convergence of ideas that *could* make leadership more effective in complex times (see Figure 1.1). First, a reality check: It is very hard to be as good a leader as the qualities in Figure 1.1 represent. Empirically, it seems that most leaders are less than competent. My view is that this is the case not because they are deficient as people but because it is so damn hard to be as good as needed (think for a moment about any 20 politicians you know).

Let's take Tomas Chamorrow-Premuzic (2019): "*Why so many incompetent men become leaders.*" He concludes that most leaders are incompetent, men more so. Let's see what and why.

Chamorrow-Premuzic first presents various statistics: 75% of people quit their jobs because of their direct line manager; in a very large survey, human resource managers rated only 26% of their current leaders positively; 70% of employees are not engaged at work; and so on. The main point here is not that women do better (they do, but there are not many of them), but that most leaders do not have positive impacts. The biggest culprit is (over) confidence. It seems that the majority of current leaders project strong confidence both before and after they are appointed.

Statistically, confidence bears little relationship to competence. There is little overlap between how smart people think

they are and how smart they actually are. At the end of the day, too many leaders (and most are men) are more confident about their leadership than their actual competence warrants.

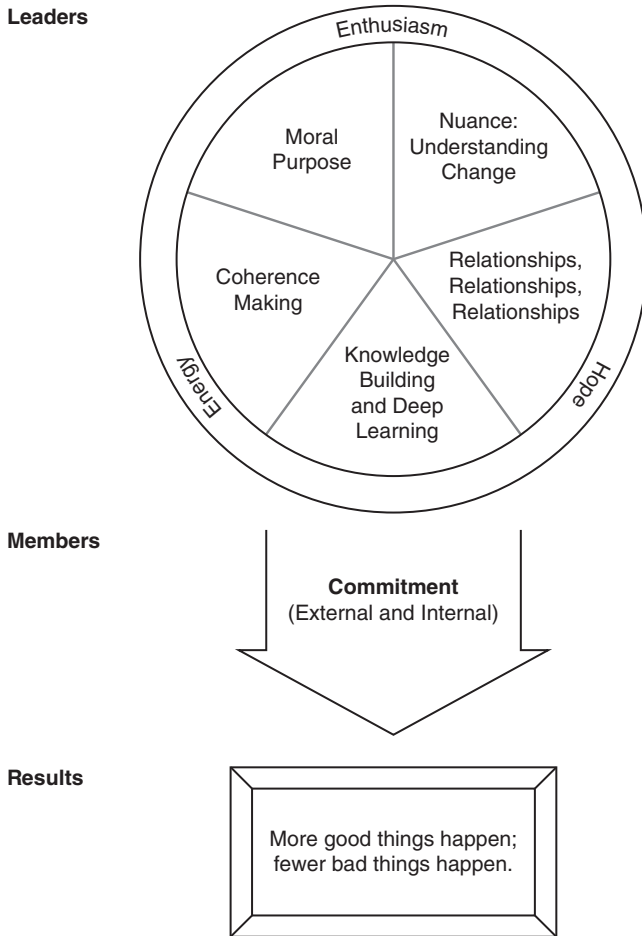
The flip side of this argument is compatible with where we are going in this book: “the most competent people will exhibit much self-criticism and self-doubt, especially relative to their expertise” (Chamorrow-Premuzic, 2019, p. 24). Or, “expertise increases self-knowledge which includes self-awareness of one’s limitations” (p. 24). We will see later that humility with courage and a relentless drive to solve important problems is the most powerful combination.

In the meantime, my start-up message is that most leaders are not highly competent. When it comes to effective leadership, you can’t judge a book by its cover; and leading in a culture of change involves qualities that are below the surface, and not so much the obvious ones of confidence, presence, and articulation.

By contrast, there is, I will argue, a remarkable convergence of theories, knowledge bases, ideas, and strategies that help us confront complex problems that do not have easy answers. This convergence creates a new mind-set—a framework for thinking about and leading complex change more powerfully than ever before. This convergence is even stronger in the present than it was almost two decades ago when we published the first edition. Figure 1.1 summarizes the framework as updated.

Chapters 2 through 6 are devoted to building the case for the powerful knowledge base represented by these five components of effective leadership. Briefly, *moral purpose* means acting with the intention of making a positive difference in the lives of employees, customers, and society as a whole. This is





**Figure 1.1.** A framework for leadership.

an obvious value with which many of us can identify, but I will argue in Chapter 2 that there may be inevitable evolutionary reasons why moral purpose will become more and more prominent and that, in any case, to be effective in complex times, leaders must be guided by moral purpose. We will take up case studies from both business and education that will

demonstrate that moral purpose is critical to the long-term success of all organizations, and the world itself.

In Chapter 3, I turn to the complex matter of *understanding the dynamics of change*. Moral purpose without an understanding of change will lead to moral martyrdom as passion gets dashed on the rocks of reality. Moreover, leaders who combine a commitment to moral purpose with a healthy respect for the complexities of the change process not only will be more successful but also will unearth deeper moral purpose. Understanding the change process is exceedingly elusive. Management books contain reams of advice, but the advice is often contradictory, general, and at the end of the day confusing and nonactionable. I mentioned in the preface that I have long concluded that the most insightful ideas come from leading practitioners immersed in sorting out successful from unsuccessful change. I have worked with many such leaders. Chapter 3 draws on the knowledge base of effective practitioners by identifying nine key insights about the concept of change that will give you a greater understanding of the human dimensions of change and correspondingly will enable you to lead change with greater insight and less frustration.

Chapter 4 focuses on relationships. We have found that the single factor common to every successful change initiative is that *relationships* improve. More specifically, collaboration with others—teamwork that has certain precise qualities—is what counts. If relationships improve, things get better. If they remain the same or get worse, ground is lost. Thus, leaders must be consummate relationship builders with diverse people and groups—especially with people different from themselves. Effective leaders constantly foster

purposeful interaction and problem solving, and are wary of easy consensus.

Relationship as an end in itself is not the point; focused collaboration in relation to the work is key. We are learning that this work must be precise in relation to the goals, and that precision is a developmental process. This leads to valuable insights such as “Strive for precision, but avoid prescription”—the latter being the death knell for positive change. We have also identified new ideas about effective group work. For example, autonomy and collaboration can and must coexist. Once you get inside the change process you uncover powerful subtleties. This is why I titled my newest book *Nuance*. The best change ideas are beneath the surface but they are accessible, and once grasped make a world of difference.

In Chapter 5, I examine our new work on *deep learning* that engages students or employees in the pursuit of knowledge and problem-solving. The ideas examined are highly congruent with the previous three themes. We live, after all, in the knowledge society, but that term is a cliché. What is most revealing is that new theoretical and empirical studies of successful organizations unpack the operational meaning of the general term *knowledge organization*. I will show how leaders commit themselves to constantly generating and increasing knowledge inside and outside the organization. What has been discovered is that, first, people will not voluntarily share knowledge unless they feel some moral commitment to do so; second, people will not share unless the dynamics of change favor exchange; and, third, that data without relationships merely cause more information glut. Put another way, turning information into knowledge

is a *social* process. We will also take up new developments involving deep learning—schools that promise to transform, or, if you like, set out to save that moribund institution we call school. We will see that we need a new conception of learning, greater and bigger moral purpose, an understanding of the change process, and teamwork if we are to create and share knowledge.

Chapter 6 takes up our new work on the vital concept of “coherence making.” Business leaders and gurus have spent eons trying to align organizations to goals, visions, strategic plans, assessments, and the like. Mintzberg (2004) in a devastating critique dismisses most traditional leadership programs as dealing with abstractions or other de-contextualized problems. *Leadership for change* takes us inside context. It is not strategic alignment—a rational concept—that counts but rather, coherence—a subjective, emotional phenomenon. Effective leaders enable daily coherence making.

In the final chapter, “Leadership for Change,” I double back and ask, what are the essential qualities of effective leaders who operate in increasingly complex times, and then importantly, how do we develop such leaders on a continuous basis? I show that the moral purpose of work, life, and even survival itself is increasingly at stake.

There is another set of seemingly more personal characteristics that all effective leaders possess, which I have labeled the *energy-courage-relentlessness* constellation. I do not think it is worth debating whether this constellation is a cause or an effect of the five leadership components. No doubt there is a dynamic, reciprocal relationship between the two sets. Energetic-courageous-relentless-leaders can “cause” greater moral purpose in themselves, tackle change

head on, naturally build relationships and knowledge, and seek coherence to consolidate moral purpose.

But the flip side also occurs: By effectively leading in a culture of change, leaders also develop greater courage (in themselves and others) to do even more. We will encounter leaders immersed in the five aspects of leadership who can't help feeling and acting more energetic, and relentless. As we will see, the most effective leaders *become* more courageous as a result of their experiences. Yet they retain their humility and empathy for others. The notion that courage becomes stronger and more evident as leaders develop is a powerful insight and phenomenon.

Whatever the case, effective leaders make people feel that even the most difficult problems can be tackled productively. They are always hopeful—conveying a sense of optimism and an attitude of never giving up in the pursuit of highly valued goals. Their enthusiasm and confidence (not certainty) are, in a word, infectious; such leaders become more trusted and attract greater commitment—provided that they incorporate all five leadership capacities in their day-to-day behavior.

Note also how the five capacities together operate in a checks and balances fashion. Leaders with deep moral purpose provide guidance, but they can also have blinders if ideas are not challenged through the dynamics of change, the give and take of relationships, and the ideas generated by new knowledge. Similarly, coherence is seen as part and parcel of complexity and can never be completely achieved (newcomers come and go; new challenges appear, and so on). Leaders in a culture of change value and see as valuable the tensions inherent in addressing hard-to-solve problems, because that is where the greatest accomplishments lie.

Figure 1.1 also shows how leaders who are steeped in the five core capacities by definition evince and generate long-term commitment in those with whom they work. Effective leaders, because they live and breathe the five aspects of leadership, find themselves committed to stay the course (in a sense, they are also inspired by others in the organization as they interact around moral purposes, new knowledge, and the achievement of periodic coherence). And, of course, they mobilize more and more people to become willing to tackle tough problems. We have to be careful when we talk about commitment. In the past, we have written about blind commitment or groupthink—when the group goes along uncritically with the leader or the group (Fullan & Hargreaves, 1992). Leaders can be powerful, and so can groups, which means they can be powerfully wrong. This is why the five dimensions of leadership must work in concert. They provide a check against uninformed commitment.

Even when commitment is evidently generated, there are qualifiers. Argyris (2000, p. 40) has helped us make the crucial distinction between *external* and *internal* commitment:

These differ in how they are activated and in the source of energy they utilize. External commitment is triggered by management policies and practices that enable employees to accomplish their tasks. Internal commitment derives from energies internal to human beings that are activated because getting a job done is intrinsically rewarding.

Argyris notes that “when someone else defines objectives, goals, and the steps to be taken to reach them, whatever commitment exists will be external” (p. 41).

Moral purpose is usually accompanied by a sense of urgency. Leaders in some such cases are in a hurry. If they are in too much of a hurry, they will fail—you can't bulldoze change. If leaders are more sophisticated, they may set up a system of pressure and support, which in the short run will obtain noticeable desired results, but these will mainly be derived from external commitment. They are unlikely to have any lasting value.

At this stage of the discussion, we need only make one additional point: What about outcomes? The litmus test of all leadership is whether it mobilizes people's commitment to putting their energy into actions designed to improve things. It is individual commitment, but it is above all collective mobilization. Generating internal over external commitment is the mark of effective leadership.

What are the outcomes of all this effective leadership and commitment? In Figure 1.1, I have deliberately referred to results very generally as causing "more good things to happen" and "fewer bad things to happen." I will be presenting case studies from both business and education that provide the specifics of impact. In the case of business, good things are economic viability, customer satisfaction, employee pride, and a sense of being valuable to society. In schools, good things are enhanced student performance, increased capacity of teachers, greater involvement of parents and community members, engagement of students, all-around satisfaction and enthusiasm about going further, and greater pride for all in the system. More than this, in our latest work on deep learning we find in students a greater sense of wanting to make a difference in society, immediately and in the long run. We captured this in the phrase—indeed in the finding—that

students innately want to “engage the world; change the world” through their learning and development.

In both cases—business and education—the reduction of bad things means fewer aborted change efforts; less demoralization of employees; fewer examples of piecemeal, uncoordinated reform; and a lot less wasted effort and resources.

This book delves into the complexities of leadership evidenced in Figure 1.1. It is about making complexity work though five synergistic themes. It provides insights, strategies, and, ultimately, better theories of knowledge and action suited to leadership in complex times. In the final chapter we will examine more directly the question of how new leaders can be developed. How to become more effective as a leader is of growing concern for all those in positions to make a difference; how to foster large numbers of leaders in all areas of society is a system question more worrisome today than ever before. If leadership does not become more attractive, doable, and exciting, public and private institutions will deteriorate. If the experience of rank-and-file members of the organization does not improve, there will not be a pool of potential leaders to cultivate—a classic chicken-and-egg problem. Good leaders foster good leadership at other levels. Leadership at other levels produces a steady stream of future leaders for the system as a whole. Bad or ineffective leaders do the opposite—they make matters worse in a downward spiral.

I also have to say that humans face one enormous obstacle that no other beings face, namely *learning anxiety*—specifically, anxiety when it comes to learning something new. Schein (p. 104) identifies five possible/probable learning anxieties in the face of change:



1. Fear of loss of power or position
2. Fear of temporary [or worse] incompetence
3. Fear of punishment for incompetence
4. Fear of loss of personal identity
5. Fear of loss of group membership

The odds favor the status quo—and if they do that, they favor *decline*. In dynamic times, there is no such thing as standing still. When people contemplate change, what is being lost is palpable and immediate; the gains are theoretical and in the future. How many people do you know where the persistence of the current situation is bad for the person, and is obvious to everyone? Yet they do not entertain change. If you add to that the fact that you can't trust most leaders to get it right, the odds of positive change dwindle.

*Leading in a culture of change* is for leaders who want to beat the odds. Such leaders are not fearless; they see anxiety as a normal part of significant change. This book is for leaders who want to increase their knowledge and skill in dealing with the human and social factors that lay at the bottom of bad or good change. If this prospect instills fear in you as a future leader, you have made the first right step. The rest of the book shows you what else you will need to know.

Leaders will increase their effectiveness if they continually work on the five components of leadership—if they pursue moral purpose, understand the change process, develop grounded collaboration, foster deep knowledge building, and strive for coherence—with energy, courage, and relentlessness, and a share of doubt and anxiety. The culture of change beckons.

