The Adaptive Leader: Risky Business?

Staying alive as a leader in times of change

By Susan DeGenring
Senior Collaboration Consultant
Interaction Associates, Inc.

SAN FRANCISCO
Phone 415.343.2600
Fax 415.343.2608
88 Kearny, 12th floor
San Francisco, CA 94108

BOSTON
Phone 617.234.2700
Fax 617.234.2727
625 Mount Auburn Street
Cambridge, MA, 02138

EXECUTIVE SUMMARY

The question is no longer, "How to manage change?" The question now is, "How to *lead adaptive change*?" We live in extraordinary times in the arc of our social, political, and economic development. Miraculous products and events hit the news every week, it seems.

This "global hyperchange" is very exciting. But it is also exceedingly demanding, and some say dangerous, to take on leadership at this time. This kind of innovative change requires workers and leaders alike to challenge long-held beliefs about how things should be done. Habits and practices that have built the road to success and economic dominance are routinely turned on their heads, threatening the stability and security of many. And the leaders take the brunt of the fear response these kinds of evolutionary cycles evoke.

To respond to these kinds of demands, organizations need the capacity to adapt—their approaches, their economic models, their thinking and their leadership. Adaptive Leadership embraces the idea that the same old leadership approaches and the existing leadership toolkit are insufficient to solve the complex problems of today's business environment. Adaptive Leaders acknowledge the proportionate relationship between risk and adaptive change: the more radical the change and the more new learning demanded, the more people resist the change. As a result, there is an increased danger to the leaders themselves.

Adaptive Leaders must model new behaviors and embrace learning and risk taking as fundamental competencies. They must also foster these adaptive capacities in those they work with. A few approaches to accomplishing this include:
- reframing the leader's job from that of problem-solver to that of *developer* of problem solvers,
- asking the important, tough questions while not having all the answers,
- fostering reflection and big-picture thinking, slowing down to move the action forward, and
- demonstrating and modeling courage.

By understanding and assimilating several leadership paradoxes, and by applying the principles of Adaptive Leadership as outlined in this paper, the Adaptive Leader can minimize risk and heighten results in achieving positive, sustainable change.

THE ERA OF PERILOUS CHANGE

"Perilous" is not a word normally associated with leading in today's business environment. Bungee jumping from the Golden Gate Bridge, or mountain biking through Afghanistan—these are perilous. But, leading change? It's complex, and fraught with pitfalls, but is it really "perilous"? Defined as "involving exposure to very great danger," perilous seems just a bit over the top when referring to leadership. And therein lies the danger.

What makes leading in our current business environment perilous, according to authors Ron Heifetz and Marty Linsky of Harvard's John F. Kennedy School of Government (in their book, *Leadership on the Line: Staying Alive Through the Dangers of Leading)*[1], is the very lack of awareness of the peril.

---

[1] Martin Linsky and Ronald A. Heifetz. *Leadership on the Line: Staying Alive Through the Dangers of Leading,* Harvard Business School Press, 1st edition. 2002.

Today we face a competitive, global business environment containing hidden peaks and valleys that traditional leadership wisdom could never have predicted. What's more, we don't always have the topographical maps to navigate the terrain — erratic fluctuations in the stock market, the quiet swelling of emergent third-world economies, socio-political upheaval, off-shoring, and the global talent war. This gives rise to what Heifetz and Linsky call "adaptive" challenges.

Adaptive challenges require new thinking, experimentation, and breaking out of the box of traditional approaches. These kinds of problems also call for new learning. And the sustainability of the necessary changes depends on the solutions being forged throughout the organization, but especially by the people who are closest to the problem. So, in this state of "hyperchange" the question is no longer, "How do we manage change?" The question itself is already out of date. The question today is "How to *lead adaptive* change?"

Part of the answer is, "not with the same old, same old leadership practices." The challenges faced by senior leaders are often systemic problems that traverse functional, geographic, and cultural barriers: e.g., redesigning core business strategies, merging or dissolving businesses, and managing across space, time and culture. The solutions are murky at best, and may not be easily seen from the executive suite.

> The challenges faced by senior leaders are often systemic problems that traverse functional, geographic, and cultural barriers.

This is where we get back to "perilous." What most people want to do when faced with intense change is to find shelter. Frequently, they look to find shelter under the wing of authority – the senior leader. They look to those who have *built* the system for answers to the problems *in* the system.

This is what makes the leaders' job inherently dangerous. The organization has depended on them to step up and take charge. And under both the weight and the habit of that responsibility, most leaders continue to step up (faking it if they have to), so that they maintain the appearance of certainty and confidence. They apply the same knowledge and procedural fixes that have been successful in the past to each challenge they face. And indeed, there are many problems for which already-accumulated experience and know-how are appropriate avenues for resolution. Heifetz and Linksy call these "technical" challenges. Addressing technical challenges yields standard, technical change.

But when applied to adaptive challenges — those that demand solutions not yet conceived of — these approaches *and* these leaders often fail. They run the risk of being spit out by the system in favor of the next leader who may be able to solve the problem. And the next leader. And so on.

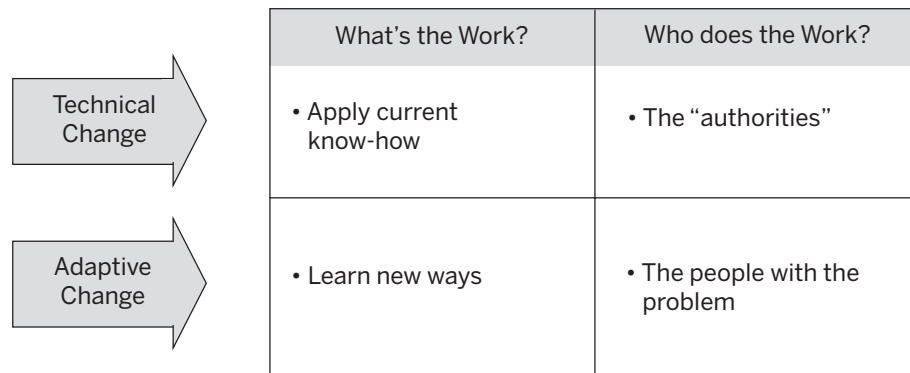| What's the Work?	Who does the Work?
Technical Change → • Apply current know-how	• The "authorities"
Adaptive Change → • Learn new ways	• The people with the problem

Fig. 1

Again, Heifetz and Linksy: "In fact, there's a proportionate relationship between risk and adaptive change: The deeper the change and the greater the amount of new learning required, the more resistance there will be and, thus, the greater the danger to those who lead. For this reason, people often try to avoid the dangers, either consciously or subconsciously, by treating an adaptive challenge as if it were a technical one. This is why we see so much more routine management than leadership in our society."[2]

Enterprise and organizational leaders must re-evaluate their practice of solving problems for others. It may be distressing to realize that technical leadership excellence has become both a blessing and a burden as leaders strive to lead in a 21st century economic landscape. It's a blessing, because there's no doubt that experience and confidence are vital to good leadership. But, as we've seen, it's a burden, because it can mire unsuspecting leaders in thought patterns that cause them to apply technical fixes to adaptive challenges. The adaptive leader must be able to model risking new behaviors and learning alongside everyone who is involved in the change effort. (See Fig. 1) This is a vulnerability many leaders resist.

So how can a leader break free, take the lesser risk of *not* having all the answers, while still doing due diligence in the role of organizational leader? Here are a few approaches:

- By shifting focus and reframing the leader's job from that of problem-solver, to that of *developer* of problem solvers.
- By giving the work back to the people.
- By asking the important, and sometimes, tough questions, and not giving all the answers.
- By knowing how to help people learn, not by telling, but by understanding the perceptions, beliefs and values that drive their action, and helping them to plug into alternative, more agile ways of thinking.
- By accepting that heartache is inevitable and courage is essential.

> "The deeper the change and the greater the amount of new learning required, the more resistance there will be and, thus, the greater the danger to those who lead."

[2] Ibid. p. 14

THE ADAPTIVE LEADER'S ANTI-ACTION SOLUTION

These can seem like soft, fluff responses to the challenges of today's fast-paced, demanding business environment—sort of "anti-action" solutions. Indeed, it can seem so to those of us addicted to the tyranny of the urgent.

But make no mistake, not acting is not quite the same as doing nothing. Leaders who are familiar with Joseph Juran or W. Edwards Deming's quality improvement work in the '80's and '90's will no doubt recall the practice of "ready, fire, aim," as one source of poor quality. This "act now, think later" pattern is never more seductive than in our current business landscape. Along with the advances in electronic communication and globalization comes the triple whammy of ever-increasing numbers of messages and the burden of the many tasks they spawn, on a 24/7 time grid. It's a virtual bombardment to the senses. It's not uncommon for a leader to receive 200-300 emails in a day, never mind the cell phone calls and voicemail messages.

Amidst all this activity, when, exactly, do leaders take the time to deliberate, strategize, and see the forest instead of the trees? By constantly chopping down trees, a leader may create a clearing—briefly—but may still not see the forest. A common survival strategy when faced with such a crush of information is to fall back to the approaches that have worked in the past, to the safety of corporate norms, or to the belief structures that unconsciously have become embedded in the leader's management practices. In fact, the leader can become somewhat entranced by them — or blinded.

A QUESTION AND AN INVITATION

When was the last time you received feedback about yourself or your work that took you by surprise or side-swiped you? As an exercise, stop reading right now, and see if you can list at least three of your own blind spots—about your management style, the way you see your business, or the way your direct reports are performing.

Did you find them? Did they come readily to mind? If not, you are in jeopardy as a leader running a group or business. It is a natural and required neurological function to interpret data to conform to already existing beliefs and perceptions. We would be unable to survive, biologically, without this form of selective perception. Paradoxically, we could also perish, economically, because of it.

While applying technical changes to adaptive challenges creates an inherent danger in leadership, it is just as dangerous to blindly apply approaches and beliefs that have worked in the past, or existing corporate norms. In other words, seeing and getting past one's blind spots, and just as importantly, the blind spots of one's employees and the organization, is critical to leadership excellence and business success.

GETTING TO THE BALCONY

One way to do this, say Heifetz and Linsky, is to "get on the balcony." Imagine you are on a dance floor—or for those more sports-oriented—the soccer field. You are right in the thick of things. You are focused, in the flow, responding to the advances and retreats of your partners or co-players. You're feeling good, you're feeling effective. Things are going well, moves are being well executed.

Now imagine there is a balcony in the club or arena. You leave the dance floor and view the whole action from this higher vantage point. What might you see differently than you could from the floor or field? You would see patterns, relationships between things. You might also see what's happening in places you weren't directly connected to. You might see the consequences of actions you took, that reverberated somewhere else on the floor. You might also notice what's missing, or the spot in the whole system where there is a faltering.

You conceivably could also see where people on the edges are acting in brilliantly innovative ways, bopping away with some perhaps unorthodox, but successful moves. In other words, you'd see the forest *and* the trees.

How do we define this leadership competency? This is akin to strategic thinking. But it's not enough for the leader to just get to the balcony and be the observer, the analyst. As a leader, the inherent risks in taking this tack are almost as great as not going to the balcony at all.
The solely analytical leader risks being out of touch, becoming too critical without enough hands-on experience, being too remote from the organization and its people, and so on. No, the real skill is being able to be on the balcony *and* on the floor at the same time.

Heifetz and Linsky write: "Few practical ideas are more obvious or more critical than the need to get perspective in the midst of action. Any military officer, for example, knows the importance of maintaining the capacity for reflection, even in the 'fog of war.' Great athletes can at once play the game and observe it as a whole—as Walt Whitman described it, being both in and out of the game." [3]

This kind of self-reflection, and systems reflection, is imperative for success as a leader, and for the success of all leaders in the organization. It's about toggling back and forth, or even better, simultaneously having one eye looking from the balcony and one eye looking from the floor. What's crucial, however, is that the leaders who look from the balcony also see themselves on the floor amidst all the other dancers, seeing their own personal actions and their consequences.

COACHING FROM THE BALCONY

The brilliant thing about this competency is that leaders who lead other leaders can be multi-tasking—using this skill simultaneously to affect the action on the floor, i.e., the field of business, *and* as a talent development tool. Getting to the balcony is a great talent developer.

One powerful tool Interaction Associates uses for getting to the balcony is borrowed from organizational systems theory: the *Ladder of Inference.*

> This kind of self-reflection, and systems reflection, is imperative for success as a leader, and for the success of all leaders in the organization.

[3] ibid. p. 53

The Ladder of Inference (see Fig. 2) is a metaphor or model used to describe a mental pathway that underlies much of human behavior and the flow of human information processing. When individuals "go up the ladder," they are selecting data from their environment and drawing conclusions from it, often based on beliefs or experiences they've had before, and then acting on them. This is the "selective perception" function mentioned earlier. It's a fundamental survival mechanism.
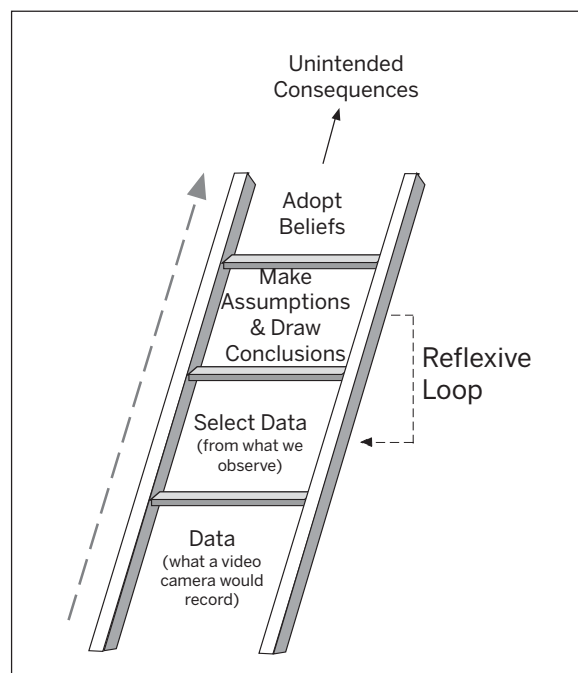
What most leaders did not learn in graduate school, is how significantly the capacity to take effective action is influenced by the ways of selecting and making meaning of data. Leaders can create unintended consequences—be essentially blind—when acting as if these perceptions, assumptions and beliefs are "The Truth," without testing them with others or getting enough distance in their minds to question their own mental pathways.

Scientists may be somewhat ahead in this arena, when it comes to technical experimentation. But the capacity of individuals to separate from personal opinions or belief systems is a different matter. Being able to view oneself objectively, as a subject in one's own experiment, requires skill and practice. And being able to view others objectively — especially those one coaches — in order to guide them through their own blind spots, is a critical talent development and strategic business competency.

Coaching others is all about getting to the balcony while still being engaged on the floor. Effective leaders who uunderstand their own and others' Ladders can:

• Lead the examination, testing, and changing of assumptions;
• Foster appreciation of different points of view;
• Allow awareness, visibility and reflection of each other's thinking and reasoning; and,
• Encourage more innovation and learning.

This can yield coaching and learning conversations that far outstrip traditional "performance" discussions.

Unintended Consequences

Adopt Beliefs

Make Assumptions & Draw Conclusions

Reflexive Loop

Select Data
(from what we observe)

Data
(what a video camera would record)

Adapted from *The Fifth Discipline Fieldbook (page 243)* by Art Kleiner, Charlotte Roberts, Richard Ron, Peter Senge and Bryan Smith, and based on the work of Chris Argyris and Donald Schon.

Fig. 2

CONCLUSION

The Adaptive Leader must assimilate several paradoxes:

- Applying the technical knowledge for which the leader was hired will not achieve sustainable change.
- In order to be effective, the leader must simultaneously be "in the action" and "removed from the action."
- The humility and vulnerability of admitting one doesn't have all the answers can be the strength that galvanizes the people with the problem to find a breakthrough solution to that problem. In other words, not having the answer *is* the answer, after all.

For a lifeline while navigating the perilous whitewater of leadership, the technical leader must learn to become an Adaptive Leader, a coach of coaches, a leader of leaders. After all, as Albert Einstein observed, "We can't solve problems by using the same kind of thinking we used when we created them."

———————————

Susan DeGenring has worked for 20 years in the consulting, training and development field in facilitation, instructional design, and workshop delivery. Her areas of expertise include leadership development, group facilitation, quality improvement and implementation, problem solving, and teamwork. Current and past clients include Bechtel, Chevron, Lucent, Hewlett Packard, GE Capital (GEC), and Stanford University. Ms. DeGenring is also a sought-after executive coach and speaker.

———————————

Interaction Associates, Inc. develops more effective leaders, teams, coaches and internal consultants. We draw upon deep experience in strategic thinking, collaboration, team building, group facilitation, instructional design, and experiential learning (both online and classroom) to create management and leadership development programs for some of the best-run companies in the world.

Interaction Associates has more than 35 years' experience in developing leaders and change agents in large organizations, helping them maximize their strategic advantage and generate sustained business results. Leaders who participate in our development programs emerge with an extraordinary set of models, tools and skills that significantly increase their probability of success.