

Do You Really Want to Transform your Company?

To be published

“The greatest challenge of the 21st Century will be to change the value system underlying the global economy so as to make it compatible with the demands of human dignity and ecological sustainability.” **Fritjoff Capra**

“What if we discover our present way of life is irreconcilable with our vocation to become fully human?” **Paulo Freire**

*“In our experience, enormous struggles with implementation are created every time we **deliver** changes to the organisation rather figuring out how to involve people in their creation.”* **Wheatley, M and Kellner-Rogers, M, 1998**

“Be the change you want to see” **Mahatma Gandhi**

Learning is what most adults will do for a living in the 21st Century. **Sidney Joseph Perelman**

When you’ve finished changing, you’re finished. **Benjamin Franklin**

Do you really want to transform your Company?

If so, here are some things to do:

If you are really serious about transforming your company

- Be prepared to change yourself: **your** development is the key to your organisation’s future.
- be a servant leader; see yourself as a steward, a leader of leaders
- involve all stakeholders — ‘get the whole system into the room’
- listen to the full diversity of views, especially those you least like or those resisting changes; listen with an open mind and respect
- drive out fear of expressing your truth and being who you are
- release the human spirit — the spirit of your organisation matters most
- engage the whole person — mind, heart, body and spirit — this applies to everyone in your organisation including you
- put world citizenship, corporate responsibility, sustainability, stakeholder needs, inclusion, diversity and fairness top of the agenda.

Business leaders face a challenging situation

It is an immensely difficult job, given the dominance of transnational corporations (TNCs), the intensity and unpredictability of global competition and the power and instability of financial markets. They need to be hard headed and enlightened, both at the same time. Long-term success will come to corporate citizens, creating a sustainable and fairer global society. New thinking about organisations and leadership is emerging. The essence is: organisations are not machines but complex, self-regulating, open systems, apparently disorderly but, like nature, an orderly chaos. Chaos is an inevitable part of change to be embraced rather than feared. We can no longer rely on command and

control. We do not have as much control as we might like and the leader's role is a more humble one of facilitating and enabling transformation and learning, focusing on core values and purpose. The 9/11 horror and its consequences, including war in Afghanistan and Iraq, and now Madrid, remind us how unpredictable and interdependent our world is. Nowhere is safe now, however well armed and powerful. Now it should be obvious that Global issues are everyone's concern – that is one of the consequences of “globalisation”.

I listen to a lot of people - *Release the collective intelligence of your organisation.*

I listen to a lot of people who work in organisations. They keep telling me the same things – they are not listened to or involved and top people are too much focussed on short-term share performances and profit rather than the long-term health of the business. One of the most important things leaders need to do in the 21st Century is to listen to and involve their people. If we are to prosper, leaders need to release the collective intelligence of their people, use it and take it on board. Often, they only need to ask their people.

One charismatic and innovative chief executive I think of nearly ruined a good company. He did not listen to his senior colleagues. Eventually, the stock market said he had to go. But by then the damage was done to the company and his reputation because of a personal flaw. Had he read Barry Johnson's simple book, *Polarity Management* (Johnson, B, 1996), or listened to the knowledge in the company, he might not have made this strategic error.

There is the widespread perception, and reality, that the minds of business leaders are primarily focused on profit and share prices, not sufficiently on customer's needs, the employees who meet them, and their responsibilities to the wider global community and environment. This requires a change in mindset, values and in the global business framework for business. It also means business leaders need to become activists for global change and a change in values — if we are to have a more stable and safer world, fit for all human beings and not just a small prosperous minority.

Their social and ecological responsibilities are likely to be the biggest issue for business in the 21st Century. Corporate Social Responsibility (CSR), like so many fads and fashions, has become a somewhat discredited bandwagon, an industry, another money-maker. Many companies have set up corporate social responsibility departments – that fixes it - but few have made it central to their core strategy, at the heart of the business. Socially Responsible Investment (SRI) has been sidelined as a niche, not mainstream. For this to change, a change in values and the global framework is needed. If we do not take this seriously we are likely to have more and more unrest in the world, more Madrids and 9/11s and more and more environmental threats to our lives and well-being. Denial and complacency will not help us.

The challenge for business leaders

To face these challenges, a new mindset is needed. Leaders need a fresh approach to strategic change and its implementation — developing it inclusively with all stakeholders; whole system, whole person, and not top-down, approaches to strategic change; left and right brain thinking. The process to create and implement change needs

to include people who are affected and will implement it. The whole system needs to be involved; listen with respect to the full diversity of viewpoint, both crusading and restraining forces, especially those opinions you'd prefer not to hear or do not sit easily with your own!

We need to release spirit in organisations; liberate all that unused energy, intelligence and creativity, often blocked by cynicism and a history of not being involved or really encouraged to take personal responsibility. We need a workplace culture that values stamina with one that values flexibility. Leaders need to see themselves as servants or stewards, corporate world citizens, and not see making money and survival as their only goals. We, in the West, will not survive in the long term if we ignore the effects of our lifestyle and businesses on the planet and the needs and dignity of the other 80%.

Because of the complexity and unpredictability the world in which organisations operate, leaders need to use the intelligence of the whole organisation. Also leaders need to understand they cannot lead by controlling – they need to view the organisation as a living system that changes through relationships. So, they now need to be able to do **two** things exceptionally well: On the one hand, they have to **offer an appealing message** about purpose, values, vision, direction and culture. On the other, they need to **enable** the organisation – to respond, adapt, create, re-create and replace itself as a living system. In an organisation there are two ways of creating the future. On the one hand there is **design**, first created in our imagination; on the other, there is the **emergent process**, which involves everyone (Capra, F, 2002). The leader has to judge when each mode is appropriate and be able to use both. Structural changes imposed from above look impressive but rarely work, as we have seen so many times.

Leaders help people embrace change and understand how it comes about; showing people they are fully able to cope with uncertainty, chaos, complexity, feelings of fear and confusion. That is how transformation takes place. It involves, being open, letting go, acknowledging that learning involves mistakes.

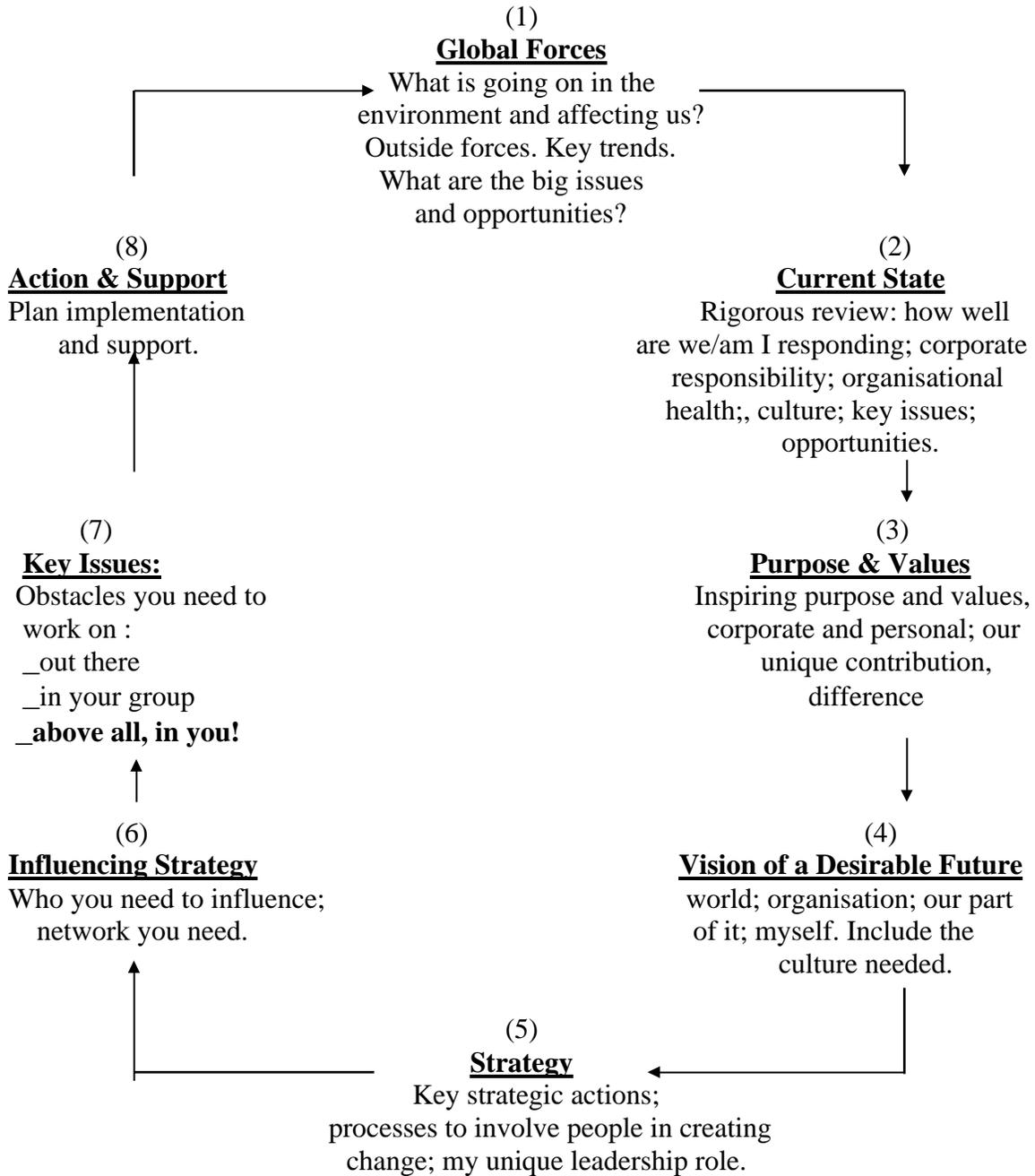
If companies are to be sufficiently innovative to thrive in the global economy, leaders need to create sustainable workplaces where people are not exhausted and depleted but have the energy to be creative. Furthermore, it is clear that we are one world, and corporate global citizenship is essential if we are to have sustainability, fairness and stability. Today, a good work place which is people want to work for if they can, by definition, tries to meet human needs and avoid harm, to do good business by doing good.

To carry people with us, we need to model all this.

The Strategic Leadership Model

This offers a simple, practical process for a “retreat” for people to decide how their organisation needs to transform in order to thrive and survive. If you contract well with the participants and other stakeholders, get the process right, help them build a climate of trust and openness, the results can be remarkable. Much of the process is self-evident — I will only elaborate what may not be.

STRATEGIC LEADERSHIP MODEL©



First **create a high quality environment**: it is best to meet off site; arrange the room in a circle of chairs — no barriers like tables — which and can be re-arranged easily; this also implies equal partnership and no hierarchy; the space needs to be large enough to allow different groupings to be formed in the same room (breakouts waste time); a big wall to do work on and display big charts; opportunities for walking or exercise are important. If you believe in the importance of a holistic approach, find somewhere in the beauty of nature. Take the risk of introducing such processes as simple meditation, qigong, movement, just sitting quietly ... We have done this in the most unlikely places and it has

been accepted well by most people as most valuable in our 21st century world. When people get in touch with the natural world it nurtures their spirit and energy. Give the processes they can use back in their workplace.

For really creative and inspiring work is to be possible, **ground rules need to be agreed:** eg we listen with respect; we are safe to speak our truth and be who we really are without fear; focus on desired future rather than wasting energy in problems and difficulties; seek common ground; everyone attends full time; we all take full responsibility for outcomes. This is community building. Without trust and safety, not much will be accomplished.

You need a facilitator whose job is to focus on process and not content! It is near impossible to participate **and** facilitate.

Global Forces. Here is your opportunity to put sustainability and social responsibility at the heart of your business, rather than making it an add on, or a cynical defence of your reputation or the status quo. You can best do this by seeing the big issues as business opportunities, not only as threats.

The group, representing all the key parts of the system or stakeholders, builds a picture of Global Forces affecting the organisation. Together they create a huge wall chart showing the full diversity and complexity of how they see the world as it affects the organisation. Give out pads of large post-it notes on which people write short phrases describing key trends and then post them on the chart, gradually arranging them into patterns. In this way everyone quickly gets involved, on their feet, their energy moving.

Current State

Together, the group rigorously reviews how well the organisation is responding to these forces. First, focus on what is working; appreciate and celebrate what is going well. What you focus on enlarges – that is the basis of Appreciative Inquiry. (Let's avoid bandwagons though.) Then look at what is not working, identify key issues and opportunities. It is important to distinguish between corporate issues, that affect the whole organisation and you **may** be able to influence, and issues that **you can** do most about – those in your parish. Focusing on what others should do dis-empowers you.

Purpose and Values

This is heart and spirit work and needs imaginative processes. Inspiring core values and purpose are strongly linked with long-term success — more so than watching the bottom line. Values and purpose are a source of passion and energy. They are, more than the bottom line, what gain commitment and make organisations last (Collins J. and Porras J, 1996). Corporate statements, handed down to people who have played no part in creating them mean very little. People need to be involved. People need to start with their own core purpose and values, so they can contribute to the process and see if there is a good fit between their own and the organisation's. Too often, there is not.

A Vision of the Desired Future

This leads on naturally from core purpose and values — heart and spirit work again. Essence is more important than detail. You need vision of a desirable and probable future of the world; how you want to change it too. Organisations, as well as people, change the World. Your vision for the organisation as a whole, your part of it and, most

important, your life as a whole. Here again is your opportunity to put sustainability and social responsibility at the heart of your business, rather than making it an add on, or a defence of your reputation.

Strategies.

This may include key corporate strategies for the organisation; and, within a corporate framework, strategies for teams and individuals. Sometimes identifying a business's unique positioning, or unique roles may be part of the work. Your strategy will address the key issues of your organisation and move it from where it is now to where you want it to be - from its present state to the desired state of your vision. Also, include what you will do to bring about change in the company as a whole. If it involves leading people, as it usually does, decide your distinctive and unique leadership role. Again, you need to think not in terms of **delivering** change, but processes for involving people in **creating** change – such an important difference. You lead in a creative, self organising, living system, you cannot control, but you can influence and work with, like nature. You can be a “leader of leaders” too.

Influencing Strategy

Everyone needs to identify whose help and support they need to implement their strategy; those with whom they most need to build relationships or closer relationships. Use your energy well and work with the energy of the organisation rather than pitting yourself against brick walls, be sparing about how many challenges you fight. Identify where your energy will have the greatest reward. It is crucial to show respect to those with whom you have most difficulty or you see as resistant. People like that can sometimes turn out to be most valuable allies. Usually they will have a gift for you. Respecting and valuing diversity and difference is vital in a complex world that is out of control. You need places where you can renew your energy, good friends you can trust to both appreciate and challenge you.

Key Issues

Identify the key issues getting in the way of moving from where we are to where we need to be. ‘Out there’ means in the system around you; ‘in your group’ is self evident — could be human problems; ‘In you’ is the core of it all because when we come down to it, the biggest issues, the ones we have most control over and will make the biggest difference if we tackle them, are in ourselves. We create the spirit of our organisation. We have strengths and weaknesses. Our strengths can be weaknesses and vice versa. The focus needs to be on appreciating and enhancing our gifts and uniqueness and achieving balance and greater flexibility. Here, we work on our own development. For example, our beliefs determine life outcomes, may limit us profoundly, especially if we do not realise we are essentially energy, not rigid structure; lack of awareness can hinder relating which is one of the most important ways of creating conversation, engaging with synchronicity and bringing about change in a living system. This work requires the greatest honesty, particularly about our resistance, with ourselves, and others we trust. Trust can be built through risking disclosure. It's tough work. Some may not be up for it — not yet; or never, in some cases. It helps to think: we are mirrors of each other and all one – that helps us avoid judgement, the great barrier.

At this stage I find that using ‘open space’ or a ‘flexible programme’ releases energy. Simply described, people propose issues of whatever kind they want to work on with other people or ask for help with projects they wish to take responsibility for.

Actions and Support

Planning actions **and** support is essential. We often underestimate the need for the latter. Leading transformation and transforming oneself is not easy; there are bound to be set-backs and a really good support system is vital. What I have said above in Influencing Strategy and Key Issues also applies here.

Follow-up and a Continuing Strategy.

One event is not enough to bring about transformation and learning. It needs to be part of a strategy, including a lot of work beforehand: contracting with the leading client and her/his team; one-to-one consultations; building relationships with them; building trust and readiness; helping them define purpose and outcomes; clarifying roles and developing understanding of the process. Afterwards there needs to be a lot more work, contracted beforehand: follow-up events in some form, preceded by more one-to-one consultations (which can be done by phone or e-mail); support groups and networking; and, most important, a continuing strategy to engage the whole system. This needs to be planned with the stakeholders and emerge appropriately. Lack of sustained, consistent follow through, with top involvement, is where a lot of change efforts fail and time and money is wasted. There can be no quick fixes in this business! Quite a high proportion of my clients have wasted a lot of time, energy and money - and created even more cynicism by not understanding this. Instead they go on trying first one magic and then another instead of taking responsibility and sticking with it especially when they get scared of things getting out of control or when the going gets tough. Another way they have wasted the opportunity is by using us for one piece and another consultant or trainer for the follow up. This wastes the understanding of the issues and the trust we are building with people. Often it is in a second workshop or event that people feel safe enough to get down to the thorniest and most important issues. These are unconscious ways of sabotaging any fundamental change or learning. It is sort of providing entertainment rather than transformation and learning.

Simple Wisdom

In bringing about fundamental change and learning, which is often what is needed for survival, things get very difficult. Setbacks, unpredictability and resistance are inevitable. After the polite stage, people risk being frank and to the point. Things may get very hot. It may be a long haul and we can get exhausted and depleted, physically and emotionally. To lead well we need to renew ourselves. It helps to remember:

Simple Wisdom

- First, be who you are
- but challenge yourself by listening to other people’s reality
- chaos is part of transformation
- intuition and listening to diverse views make sense of complexity and confusion
- we are part of a bigger process of global transformation
- live in four rooms each day, even if only to visit each one: head; heart; body and spirit

- see difficulties as gifts
- let go of the old to let in the new
- trust your vision and dreams
- believe the universe will support you
- be open up to synchronicity
- feeling is healing
- provide whatever nurtures your spirit and restores your balance
- be a servant leader — a leader of leaders
- appreciate others and yourself; be grateful for what really matters and celebrate

Reading and References

- Capra, F, 2002, *The Hidden Connections – A Science for Sustainable Living*, Harper Collins, London.
- Collins J. and Porras J, 1996, “*Built to Last — The Habits of Visionary Companies*”, Harvard Business School Press, USA
- Johnson, B, 1996, *Polarity Management - Identifying and Managing Unsolvable Problems*, HRD Press Inc., Amherst, Mass, USA.
- Nixon, B, 2001, *Making a Difference— Strategies and Tools for Transforming your Organisation*, and 2000, updated 2003, *Global Forces — a Guide for Enlightened Leaders — what Companies and Individuals can Do*, Management Books 2000.
- Owen, H, 1998, *Open Space Technology - A Users Guide*, Berrett-Koehler, San Francisco.
- Weisbord, M and Janoff, S, 1995, *Future Search*, Berrett-Koehler, San Francisco.
- Weisbord, M, 1987, *Productive Workplaces - Organising and Managing for Dignity, Meaning and Community*, Jossey-Bass, San Francisco.
- Wheatley, M, 1994, *Leadership and the New Science - Learning about Organisation from an Orderly Universe; The Servant Leader- From Hero to Host – An Interview with Margaret Wheatley*, The Greenleaf Centre for Servant-Leadership, UK, 2002, obtainable from jnoble@greenleaf.netkonec.co.uk.
Wheatley, M and Kellner-Rogers, M, 1998, “*Bringing Life to Organisational Change*” *Journal of Strategic Performance Management*, April/May 1998.
www.margaretwheatley.com

© **Bruce Nixon**, Berkhamsted, UK, veteran management consultant in organisation transformation and learning, mentor, shadow consultant and author of many articles. brucenixon@waitrose.com tel 01442-864856 and author of *Making a Difference— Strategies and Tools for Transforming your Organisation*, 2001, and *Global Forces — a Guide for Enlightened Leaders — what Companies and Individuals can Do*, 2000, updated 2003, both available from Management Books 2000, friendly prices for AMED Members and certain other professional organisations, call 01285-771441/2 mb.2000@virgin.net www.mb2000.com and www.amazon.co.uk

BCN 22-4-2004