

New Problems, New Thinking

The success of an intervention depends on the interior condition of the intervener.

Bill O'Brien

‘**W** E CANNOT SOLVE our problems, said Einstein, ‘with the same thinking we used when we created them.’ And as our age is like no other before—in that we have the power to make unprecedented progress as a species, alongside our ability to create a mass extinction event—it seems legitimate to ask exactly how we generate new thinking, fit to solve today’s problems.

We humans face massive challenges. In no particular order, we may wonder what might really reverse climate change and ecological devastation? How can we dramatically reduce poverty, war, terrorism, refugees, failed states, corruption, banking failures, debt crises, suicide? The list seems endless and can easily lead to despair or helpless indifference. If progress is to stand a chance, we must find new answers to these intense and persistent questions.

So how do we develop fresh thinking capable of generating real and effective innovations for our most difficult and deeply systemic challenges? By what means do we access a deeper

sense of the direction of our path through the complexity of a life lived in this perilous age? In plumbing the depths of the source of our own innovation, how do we come to know how to make our fullest contribution? What compass helps us effectively navigate the work of making the world a better place for everyone?

From hell on earth to paradise city

With my rational engineer's mind, I used to follow a traditional rationalist approach. Proceed from A (hell on earth) to B (paradise city) in a linear, well-reasoned and logical manner. There was great appeal in creating the chain of cause and effect from the one to the other. While I was good enough at identifying necessary conditions for the journey from A to B, though, I repeatedly discovered my ideas were not sufficient when it came to the complexity bundled up with people. Was there a way, I wondered, to combine the benefits of the rational argument with the unpredictability of the emotional elements at play—to sense what was present and intuit connections? How best to cope with the power of free will? And, of course, free won't!

Almost a decade ago I discovered, in 'Theory U', a powerful way to think about these vexing questions. My hope is this framework for innovation, developed by MIT's Otto Scharmer, will encourage you to think and feel (if you don't already) that the universe actually wants to help. Rather than complaining there is nothing to be done, the truth is, when you listen in deeply and do what the world calls on you to do—that is, to

follow your bliss—help pops up everywhere. If this sounds a little esoteric, let me backtrack a little.

I first went to the National Productivity Institute in Pretoria in 1997 seeking advice on how I could improve productivity in the commercial refrigeration business I ran. I was given two books. In my left hand was placed *The Goal* by Eli Goldratt and, in the right, I was handed *The Fifth Discipline* by Peter Senge.

I had no idea then that these two books would contribute so significantly to the framework I have developed: the Ensemble Way. Writing this book some two decades on, I am reminded of a quote from T.S. Eliot, ‘We shall not cease from exploration, and the end of all our exploring will be to arrive where we started and know the place for the first time.’

*The productivity tide to practically
lift all ships*

At that time, Goldratt’s Theory of Constraints, as outlined in *The Goal*, seemed more immediately practical and able to solve a particular and real problem I had. Due to a fortunate set of business circumstances, our company had secured an unprecedented order book, yet we had no idea how we could get it done in the time available without killing everyone through overwork.

The success of that first endeavour in South Africa, where we raised our margins by more than a third, taught me how the tide of productivity could raise all ships. Emboldened by this, at the very end of the last millennium, I emigrated to Sydney

with my family to set up shop as a process consultant.

In 2006, six years on from starting my own company, offering consulting services based on these insights, I was happy to still be around doing what I love to do. But I couldn't figure out how to sustain the changes we were calling for over the long term. How to go beyond the immediate problem we were hired to solve, and make the process of improvement self-sustaining? As long as there was a sponsor within the client organisation who got what we were talking about, and they were prepared to use their fierce will to make the changes stick, we were good to go.

But the excitement my colleagues and I felt about the transformations we were trying to achieve didn't seem to be shared by our clients beyond what would be considered the norms of the existing culture's appetite for the new. And even with the sponsors who 'got it', we weren't sure if a real transformation would take place after our engagement.

Learning about fate and destiny

Back then, it was quite common for business people to subscribe to email digests. One fateful day, I received one from the American Production and Inventory Control Society (APICS). The thread I was following—about how to make transformational change endure—referenced Peter Senge's book *The Dance of Change*, a retrospective of ten years of his team's endeavours to implement the principles and practices first articulated in *The Fifth Discipline*, which itself explored ideas around organisations that learn.

As a keen follower of *The Fifth Discipline*, but a dilettante to be sure, I read the new volume, almost 600 pages, cover to cover. When I finally put it down, I recall thinking that this whole change management and transformation business was not for amateurs. For a few days, I let that idea germinate. About a week or so later, I found myself drawn to the business section of a large Sydney bookstore, wondering if Senge had written anything else since *The Dance of Change*.

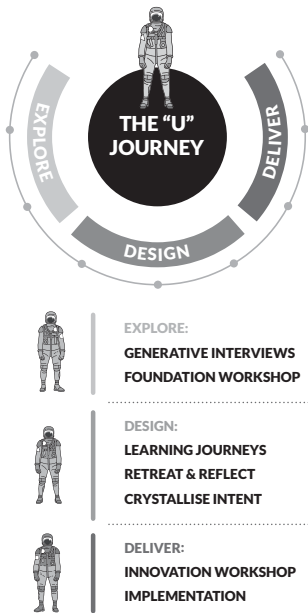
At that moment, destiny came knocking at my door in the form of a book called *Presence*, co-authored by Senge with Otto Scharmer, Joe Jaworski and Betty Sue Flowers. I cracked the covers and found a quote that powerfully articulated what I had been sensing but hadn't yet been able to formulate. The metaphor of the machine, the Newtonian world of the clockwork universe, had been replaced by the metaphor of nature:

It's common to say that trees come from seeds. But how could a tiny seed create a huge tree? Seeds do not contain the resources needed to grow a tree. These must come from the medium or environment within which the tree grows. But the seed does provide something that is crucial: a place where the whole of the tree starts to form. As resources such as water and nutrients are drawn in, the seed organizes the process that generates growth. In a sense, the seed is a gateway through which the future possibility of the living tree emerges.

For the next few years, I went on a learning binge. I read everything I could about the theory. I went to classes in Boston with Otto Scharmer and later went on a solo nature retreat in

Colorado under the guidance of Professor John P. Milton, whose work was referenced in the book.

The hero's journey—no highway option



I would later realise these years of searching had been a classic hero's journey, the kind collected by the late Joseph Campbell, an American writer best known for his work in comparative mythology and religion. It's the basis for countless stories, both ancient and modern. It's the story of Gandalf going to Frodo to tell him it's his sacred duty to take the ring and put it in the fire on the mountain over there.

Even if you're not familiar with *The Lord of the Rings*, the scenario might seem familiar. 'No!' says Frodo in shock and panic, alarmed at the prospect of being singled out. 'Why me? I'm happy and comfortable here and it looks dark, dangerous and deathly over there. Surely, you've got the wrong guy ... and even if I am the right guy, which I'm not, can't you at least come back tomorrow, when I've had a chance to think it over? And, perhaps by then, you will have found someone else.'

I have come to understand we are all given the chance to

be heroes of our own lives by serving something larger than ourselves. None of us can shake off our destiny without giving up something of what it means to be truly alive. For as Joseph Campbell put it, ‘we do not look for the meaning of life, but rather seek the feeling of being alive.’

Theory U is at heart a contemporary rendering of the hero’s journey. The ‘U journey’ operates at three distinct levels—as process, as a grammar of the social field and as a means of personal liberation. At its most basic, the U journey is a process map designed to help us come to understand who we are and to figure out what we are on earth to do. The process follows three waypoints on a U-shaped journey.

These fundamental movements are referred to by Brian Arthur of the Santa Fe Institute: ‘Observe, observe, observe; retreat and reflect; act in an instant’. The observation motion is a descent to the bottom of the U, the ‘retreat and reflect’ is the stillness at the base of it, and the ‘act in an instant’ is the upward movement to the top.

The journey begins with the uncovering of common intent and listening to what others (and life) call on you to do. It demands an abandonment of the ‘voice of judgement’ that calls into question and raises your doubts about whether or not you are the one to take the journey—if you have what it takes.

When on the journey, something in your way of seeing shifts. Old patterns of thought are no longer adequate to satisfy your need to understand and, while you do not know where the quest will lead, you know you have no choice but to embark on the journey. You’ve embarked on that archetypal hero’s journey men-

tioned above, known in one form or another in every culture since the dawn of consciousness. This is the ‘explore’ phase.

A second phase begins as you abandon cynicism and begin to sense what is really going on. You connect with people and places in empathic ways in which you learn not just the lessons of the mind, but also those of the heart. It is not a period of doing, so much as one of observing, observing and observing—all from the deepest sense of connection you have to the system as a whole. There is a penetrating vulnerability to this aspect of the U process. Cynicism is the cauterising shield to our naked emotions. Removing vulnerability by cauterising emotion may save you from your feelings. But who, in their right mind, would choose to live a life as an emotional corpse?

The middle part of the movement calls for a time to retreat and reflect. One needs to abandon the fear of death and mourn that which no longer serves you. Only by entering this field can that which wants to be born come into being. It cannot make an entrance if the old you is standing in the way.

Through a process of ‘presencing’, you summon from the deepest well of the source of your inspiration, the Grand Will of your destiny. In this time of profound retreat into self, best undertaken alone and in nature, fundamental questions are asked about who you are as your highest future Self. Why you are alive, now, in this time and place. What is your unique purpose? What are you on earth to do?

From this deep sense of inner knowing, the seeds of your future self are germinated—the microcosm of a future not yet fully articulated. A prototype, if you like, of the design of your

life more fully and authentically lived. A landing strip for what is to follow. This part of the movement is an act of harnessing the full power of the vision you discover in the moments of presencing. This is the ‘design’ stage. Finally, you enter the ‘deliver’ stage where you make the vision manifest in the world—through deeds.

The concept of the U is fractal in its nature—there is similarity at different scales of focus. One could experience the movement through the U in some aspects in a matter of minutes, or take a period of many years to understand its full implications. You may, simultaneously or otherwise, move through the U collectively as a team.

Many people are reluctant to think too deeply about their job in these terms. Sure, they might ponder the deep questions in their ‘personal life’—whether through meditation, gazing at the stars or uncorking a second bottle of Shiraz. But work—not so much. Yet when we get down to it, many of us have identified the wrong job, organisation or role as a prime cause of our unhappiness. We spend around half our waking lives at ‘work’, after all. We needn’t and shouldn’t sleepwalk through it. What if we could really open our hearts and minds to the possibility of discovery and fulfilment? Wouldn’t it be worth the journey?

A life vest, not a straitjacket

Like all process frameworks, Theory U should be held lightly, and not be turned into a straitjacket of dogmatic approaches

to problem identification and solution. What is most important about Theory U is its ability to liberate those people using its constructs to experience the depths of their own sense of being and purpose. Were we to use a prescriptive and inflexible application of Theory U principles, it would defeat its purpose before we were out of the starting blocks.

In our age of instant communications, infinite distraction and alienation from nature, we often lose sight of our own being in the world and rarely pause sufficiently to experience that sacred still place at our source—the mystical root of our eternal present.

As the germinated seed stock takes root at the bottom of the U, the ultimate movement is to engage fully and confidently with a new way of being, filled with an intention to live a fuller, more courageous life. We'll look at each of the stages, and their practical application, in this final part of the book.

The U journey provides a means by which each of us can access that place of deep connection to all that ever was, all that is and all that ever will be—it's the residence of Jung's collective unconscious. It's a means to find, in your unique and individual way, an answer to what both ails and animates you.

Rather ironically, only in this place of intensely personal discovery can we realise that we are all connected. Through the act of changing what is most deeply personal, you have the deepest and most profound impact on the world at large.

I am reminded of the parable of a young man, much aggrieved by the state of the world with all its wars, conflict, poverty, corruption and vice. Determined to make things better,

he set out to change the world. Sometime later, he scaled back his ambition and figured that if he couldn't change the world, he most certainly was capable of changing his country. Failing in this endeavour, too, he settled on his city. Then his suburb. Ultimately, not being able to change even his wife and children, he had no one left to change but himself. Succeeding in that mission, he changed the world.

Our world may not be a perfect place, but we can make it a better place, and learn to live within it, with all its joyful sorrow and sorrowful joy.

Chapter 15

EXPLORE: Mapping the Terrain

If you want to build a ship, don't drum up people to collect wood and don't assign them tasks and work, but rather teach them to long for the endless immensity of the sea.

Antoine de Saint-Exupery

TRANSFORMATION IS TOUGH. According to no less an authority than Deming, it is simply not possible without what he called profound knowledge. That knowledge comprised four parts—‘appreciation for a system’, ‘knowledge of variation’, ‘theory of knowledge’ and the ‘psychology of people society and change’. Thinking all the bases can be covered without a methodology is like thinking an orchestra could perform a symphony without ever having studied musical theory. Just how would the composer be able to convey his musical idea? By what means would the conductor engage with the musicians?

A key benefit of using a methodology to facilitate transformation is that we can learn from different instances of repeating the same basic process. Methodical practice reinforces learning and contributes to the building of actionable knowledge for future assignments and interventions.

Theory U is, among other things, a methodology for bringing about transformation. In my opinion, Otto Scharmer of MIT has done the most to develop the theoretical underpinnings of this framework, most clearly articulated in his book of the same name. His insights continue to act as a guide to my endeavours.

A powerful and compelling reason for using the U process as an underpinning of business transformation is because, more often than not, it works—not guaranteed, but it does work. By contrast, whenever I have tried to deliver a transformation in how teams plan and perform their work without going through the U process, it has failed.

GENERATIVE INTERVIEWS



EXPLORE:

GENERATIVE INTERVIEWS
FOUNDATION WORKSHOP

Many efforts to effect change in a system begin with conversations among people with a stake in that system. Yet such interactions often fail to penetrate to the depth needed to release latent forces for change. Generative interviews are a set of in-depth, one-on-one conversations with key stakeholders. These conversations provide the deep context for the next step of the transformation process: the Foundation Workshop.

The purpose of the generative interviews is to get the transformation process started by strengthening the connections of key stakeholders to the system—its current reality and its potential—to each other, and to the sources of their own commitments to effecting change.

A few years ago, I was pitching for an assignment with a large national retailer in the throes of redefining their customer value proposition. The program of work derived from their strategy development included major transformational change in physical store layouts, supply-chain IT systems and the reconfiguration of their end-to-end distribution and replenishment network.

My proposal included a piece on running the generative interview process and called for a two-hour timeslot with the leader of the transformation program and all of her direct reports. When she first read my request, she told me categorically that two hours was far too much time to take out of these very busy people's days; we would have to cut it back. Holding my ground, I asked her how many hours she worked a year, and how many years the project was planned to run. She was a bit mystified by my question, but indulged me.

We concluded that on the basis of working, on average, at least 50 to 60 hours per week and the project being planned to run for at least three years, and taking into account holidays and the like, she would be dedicating at least 360,000 hours of her life to delivering what she hoped would be a successful project. On that basis, I noted, the generative interview represented about .0005% of the time she was likely to be working on bringing the project and its new value proposition to life.

I persevered and established she'd not yet had the opportunity for anyone in the team to devote even that small amount of time to listen deeply to her. Who, I asked, would allow her to talk through her thoughts and feelings about the desired

transformation—the issues it was seeking to address, the major challenges and obstacles she expected to hit on the way? What was her vision for the end state, and the culture she wanted to build in getting there? Finally, I suggested it would be a powerful thing for her to articulate what she wanted to leave behind as her legacy. What was her answer to the big question of why she was doing it at all? What deeper purpose would sustain her over the long and difficult road to its ultimate completion?

There was a pregnant pause before she responded. I gave her time to dwell in that silence until she was ready to talk.

She remarked how, on reflection, it felt insane that she hadn't yet paused to put her thinking on these issues into words. She realised the opportunity to do so, with me as witness, was a gift she could give herself. It would strengthen her connection to what she thought the problem was and why she had taken on the challenge of solving it. She would have the opportunity to reflect on what she hoped to achieve for the team she was leading and how, if done well, it held out the possibility of leaving her organisation in much better competitive shape.

Keeping records

Whenever I do generative interviews, I record them and have the interviews transcribed. The participants are guaranteed anonymity but know I'll be using some of the material in the next step in the process—the Foundation Workshop. With the proviso that none of the quotes can be identified, these words—

in the language and as a reflection of the culture of the people charged with changing a system—add remarkable power to every participant’s understanding of the dynamics of their world, its current reality and its future potential.

The interviews are not only qualitative, but also help clarify any quantitative analysis done to support the case for value and benefits realisation. They provide the input to better understand the social system being examined, especially the group culture. They also give me a way, as intervener in my client’s world, to deepen and enrich my relationships with them, including understanding and connecting with something of their personal stories. These stories invariably provide deep insight into worldviews, motives and ways of working.

The specific outcomes of the generative interviews include clarification of:

- the ‘why’—the specific purpose of the Foundation Workshop—as the next step in the process
- the ‘what’—challenges and concerns that must be addressed to release the full potential of the system
- the ‘who’—key individuals who will be selected to participate in the Foundation Workshop
- the ‘how’—design of the initial steps in the transformation process

In short, generative interviews raise the quality of thinking and relating within the system. The conversations are the first steps towards catalysing the transformation process.

Starting with ourselves

Recently I assigned one of my senior managers the task of running generative interviews and a Foundation Workshop within our own firm as we wrestled with how best to take our consulting and organisation to next practice. While the detail of the content is not relevant, what was remarkable for me as CEO was to come to understand just how much difference of opinion and anxiety there was about what we were about to embark on.

My firm is a boutique outfit specialising in anything and everything to do with the management of work. We don't span continents, nor do we have massive different strategic business units. We make a point of all being in the same room, physically if at all possible, but electronically if not, at least once a fortnight.

Thus it came as quite a surprise, not only to me but to all the participants, to find such divergent perspectives around what we planning to change, and what it would look like once it was done.

How much then, I told my team, do we need to use this process to make ourselves aware of the impact of what we do. We need to challenge the assumption that our clients are able to put on our glasses and see what we see before we have put on theirs and taken the trouble to first come to know the world through their eyes.