Chapter One

Leadership: A Matter of Spirit

A great deal of literature has been dedicated to the questions of leadership. What does leadership do? What are its characteristics? What are its dynamics? Who are leaders? How can I be a better leader?

For us, the key issue on which leadership centers is spirit. Spirit is nothing strange and mystical; it's that spark that makes life worthwhile, the "wow" factor, a force we encounter every day. "Inspiration" is based on spirit. Spirit cannot be controlled or manipulated. It can be evoked, but it does not necessarily or automatically appear. It can appear for a while and then disappear. It seems always to be present, but we don't always discern it. Sometimes it is overwhelming, and sometimes it is like antique lace that crumbles the moment it is touched.

Spirit can be seen in organizations, teams, and individuals. Walk into a company's headquarters, and you can experience the spirit of the place. Watch the Los Angeles Lakers basketball team on court when being coached by Phil Jackson, when that certain spark happens and you see it. Watch Serena Williams or Andre Agassi raise their game when on the verge of defeat and you see it.

A great many books on leadership focus on how to do things, how to communicate, how to lead, how to give feedback, and how to motivate. This book is not about "how to." It is about what happens inside the leader—what and how the leader thinks and decides, and how he or she is a whole person. When leaders take charge of their own interior they are working in the area of spirit.

In this chapter we look at some of the challenges of leadership in today's environment, comparing the old and new approaches. We briefly review some of the failures of leadership and look at the necessity of strengthening the internal state of leaders as a way of improving performance. Finally, we look at the facilitative leader and what such a leader does.

TRADITIONAL VERSUS NEW LEADERSHIP

The difficulties with leadership in our times has several causes, the most important of which is the fact that we are going through radical shifts in our thinking (a new paradigm), social relationships (globalization), and the sources of meaning (values).

THE SHIFT IN THINKING: A NEW PARADIGM

The first of the three shifts—the shift in our thinking—can be described as a change in paradigm. A new paradigm is coming into being and an old one is dying.

To understand what is happening to facilitators and leaders, one needs to understand the differences between the old paradigm and the new one. A paradigm defines how we think and act. Being in this transition period means that some of us function largely in the old paradigm and some largely in the new paradigm. Individually, we find ourselves shuttling back and forth from one paradigm to the other.

The structure of the universe in the old paradigm was dualistic. It is difficult to determine when this change in paradigm began. We think a good beginning time is between 1900, when Max Planck published his work on the emission spectrum of black bodies followed by Albert Einstein publishing his work on the special theory of relativity in 1905, and the end of World War I. During these twenty or so years much of the basis of the new paradigm was established. We perceived things as good/bad, us/them, individual/society. In the new paradigm, we perceive things as united. In the new paradigm, there is still good and bad, us and them, and the individual and society, but there is *difference*. Good and bad is a single unity. Good is defined by bad, not by a rigid, unchanging definition of *good*. We know who we are not by some abstract definition but by

understanding the many ways in which we are not the "others." We need those relationships with others to understand ourselves.

In the old paradigm from at least the sixth century, when Hindu, Buddhist, and Jain thinkers developed the concept of atoms, until our age, things were composed of "stuff"—of substance. All matter was seen to be composed of natural elements—fire, earth, metal, water, and wood in the Chinese scheme, or water, earth, air, and fire in the Greek version. The scientific paradigm became more sophisticated with the development of modern scientific methods in the sixteenth and seventeenth centuries, the discovery of oxygen by Antoine Lavoisier in 1778, and Gregor Mendel's laws of inheritance, to name but a few. In the new paradigm as it began to emerge in the early twentieth century, however, it is no longer the substance but rather the relations that are important. Understanding the microcosm as a set of interrelated relationships today explains more than does the substance paradigm.

In the old paradigm, things were static, everything had its season, and the seasons repeated themselves over and over. History was seen as a wheel in which reincarnation followed reincarnation. History was sometimes seen as predestined. It was all written in the stars. In the new paradigm, history is dynamic. Nothing is fixed—neither the future nor the past. Change is constant, and nothing is ever repeated exactly the same way twice. The meaning of past events is reexamined, recontexted, and reinterpreted.

The old paradigm was a mechanical one: the clockwork universe. Everything was built to purpose with engineer-like precision. Parts were replaceable. Businesses were also seen as machines. Work processes and the people who performed them could be understood from the point of view of input, throughput, and output. If you do *this,* then *that* would happen every time. The new paradigm is based on probability. If you do this, it is *likely* that this will happen, but these other three things are also possible.

While this mechanical notion of organizations is changing, it remains ubiquitous. Margaret Wheatley (1992) describes how businesses are viewed as machines:

> Organizations-as-machines is a 17th century notion, from a time when scientists began to describe the universe as a great clock. Our modern belief in prediction and control originated in these

clockwork images. Cause and effect were simple relationships; everything could be known; organizations and people could be engineered into efficient solutions. Three hundred years later, we still search for "tools and techniques" and "change levers"; we attempt to "drive" change through our organizations; we want to "build" solutions and "reengineer" for peak efficiencies.

COMMAND AND CONTROL

In the command-and-control model, the company is imaged as a machine, the operator of the machine is the leader, and management provide ongoing maintenance and repair. Acceptable standards were defined and communicated; the various units were required to conform to them. The rules were fixed and enforced. Any sort of change was relatively slow. The organization was designed to bring information to the central command site and distribute and enforce the decisions back to the edges of the enterprise. As enterprises became larger and more complex, the number of intermediate steps increased, as did the amount of information needing to be processed. While electronic media have sped the passage of information through these steps, and even allowed us to eliminate steps, it has not decreased the amount of information that must be processed or the number of decisions that must be made. Even with the new technology, the central command-and-control paradigm appears stretched to its limits (Telleen, 1996).

The control side of the paradigm results in more policing and less negotiating between management and employees. Behavior is monitored; e-mail is structured; and the use of the Internet is controlled. Compliance is required. Rights and responsibilities are given from the center to the members. Are the employees performing per the annual targets? Are the volunteers doing what the board wants them to do? Are the teachers delivering the curriculum as it is intended?

Command-and-control systems centralize power so that decisions regarding influence and benefits are centralized. In multi-stakeholder agreements or projects, this approach becomes even more complex. Stakeholders expect to be consulted and to exercise relatively equal influence on the decisions and to receive equitable benefit from the results. In multi-stakeholder situations,

then, the decisions about the way the central organ will operate are very complex indeed, and can often lead to the breakup of the relationship. The struggles within various alliances in European industries are evidence of these dynamics.

> The assumption of the command and control paradigm of leadership is that leaders are responsible for planning, organizing, and coordinating other people's performance and solving their problems. B&S [Sic Belasco & Stayer] claim this is a formula for failure that breeds distrustful workforce and slow change. B&S propose an "intellectual capitalism paradigm" where leaders get people to be responsible for their own performance and solving their own problems. (Boje, 2000)

There are a growing number of situations in which the command-and-control paradigm simply does not work. These situations occur when independence of thought, use of intuition, and high-risk activities are required. In a highly competitive and complex environment, more than compliance is needed. When a problem that is new or unexpected is faced, employees who are personally committed to the goals of the department and company respond differently. When difficulties arise, they tend to deal with them, and if they can't they will check with colleagues and create solutions independent of management input.

SELF-ORGANIZING SYSTEMS

One of the consequences of the new leadership operating in the new paradigm is the emergence of new ways of understanding how organizations work. One understanding is that of self-organizing systems, a term that was created in 1947 by W. Toss Ashby, a psychologist and engineer. The concept came into general use in the scientific community in the 1970s and 1980s.

A self-organizing system is one whose internal organization increases in complexity without being managed or guided from outside. Normally, there are four components of these systems, positive feedback, negative feedback, a balance between exploration and exploitation of the environment, and multiple interactions between components of the system.

You can experiment with one in a simple way, using a group of from eight to fifty people. Give each person the following instructions:

1. Choose two people to be your reference points, but don't say who they are.
2. When I say go, move so that you are an equal distance from each of the two. You don't need to be in a straight line.
3. Pay attention to what happens to the group while you are finding your place in relation to your references. There should be a great deal of movement. After a while the movement should settle down. It may not be stable and it could flex back and forth. This is a simple self-organizing system.

To manage these systems as they appear in organizations requires a new kind of leadership. There is a move from the social engineering of the old paradigm to the use of self-organizing systems.

Self-organizing systems are being developed in a number of interesting ways. Dee Hock's (1999) creation of Visa, the credit card company, as a self-organizing system is an obvious example. Every participating company inside of the Visa organization is bound by the same few rules, and how they fulfill their obligations is up to the members themselves.

Even traffic is being directed by this same principle. An innovative traffic manager responsible for traffic had a vision of using self-organization principles in traffic control. In villages and small cities in the northern part of the Netherlands, traffic that organizes itself has been running as a very successful experiment. All traffic signs and lights have been removed from the roadways. Cars, trucks, bicycles, and pedestrians all share the same pavement. People pay attention because they are not being told what to do by the signs. By paying attention, they are acting more safely (Lyall, 2005). The concept is beginning to move to the United States. "In West Palm Beach, Florida, planners have redesigned several major streets, removing traffic signals and turn lanes, narrowing the roadbed, and bringing people and cars into much closer contact. The result: slower traffic, fewer accidents, shorter trip times" (Hugh, 2004).

A number of approaches to facilitating meetings are based on self-organizing principles. Harrison Owen's (1997) planning process, called Open Space Technology, is based on self-organizing principles. Jim Rough's Dynamic Facilitation is also based on self-organizing values (Rough, n.d.).

ADVERSARIAL RELATIONSHIPS

An effect of the command-and-control way of operating is that institutions jealously guard the people they control and resist the influence of other organizations. Businesses may see themselves in an adversarial relationship with workers, government agencies, suppliers, and customers. Churches are concerned that other congregations will "poach" their members. Associations worry that their membership will lose interest and go to other groups. In today's networked world, this adversarial stance can result in lost opportunities.

Organizations and organization consultants are experimenting with new forms that more closely reflect the new paradigm. The emphasis on teams is one example developed by Katzenbach and Smith in *The Wisdom of Teams* (1992). An effective team is not a machine but more a set of interrelated dynamics that evolve as they interact with one other.

The development of projects and project management processes is also more suited to working with the new paradigm than the old one. Virtual companies that come together to reach a specific goal and then disband are more and more common. Construction projects are often done this way, where a consortium of companies forms a temporary organization for the length of the job. Teams, projects, and virtual companies are more easily created, run, and abolished than are entire organizations. A few simple factors have to be set in motion, such as clearly defining the goal, setting milestones, assigning responsibility, and performing periodic checks on progress. The project teams go out of existence when their work is done, making way for a new configuration.

In the old paradigm, objectivity was an important concept. The scientist had to stand back and observe. In the new paradigm, the very act of observing changes what is happening in the experiment. How the question is formulated determines what will be observed.

When Harrison Owen (1987) began his work in change processes in very large organizations and communities, he recognized that as soon as he started asking questions, he was changing these organizations and communities.

SOCIAL RELATIONSHIPS: GLOBALIZATION

As our way of thinking and conceiving the universe has changed, so also have our relationships with others and with global society. The space we occupy, the way we interact with time, the way we care for others, and even our sense of destiny are changing.

Technology and urbanization are changing the way we relate to one another. We are in instant contact with even the remotest parts of the world. We communicate via the Internet, e-mail, sms messaging, voice mail, conference calls, videoconferences, and dozens of additional ways. New ways of communicating emerge every month as third generation telecommunication adds to the possibilities.

Transportation that is faster and more readily available is also changing the way we act. Some years ago, in Hong Kong, Maureen worked for HSBC. "The HSBC Group is named after its founding member, The Hong Kong and Shanghai Banking Corporation Limited, which was established in 1865 to finance the growing trade between Europe, India and China" (*HSBC Group History 1865–1899,* n.d.).

One of the traditions within the company was to have the Scottish and English employees working in the Far East take "home leave" every two years to recover from the rigors of tropical life. The trip back to the United Kingdom took three months. The employees stayed in their home country for months. Another three months were spent on the return to the Far East. It took months to prepare for each trip: packing, selecting the right food, corresponding with the people back home. These people lived wholly separate lives in separate worlds, and it took a very long time to move from one to the other.

Today, there is only one world to live in, and it is directly linked together. Recently a plane powered by a scramjet (supersonic combustion ramjet engine) was successfully flown at nearly ten times the speed of sound, two miles per second. The SR-71 of the U.S.

Air Force flies at 3.2 times the speed of sound. When a scramjet engine is put into a commercial airplane, the 8,400-mile flight from San Francisco to Hong Kong could be made in seventy minutes, less time than the drive from San Francisco to San Jose during rush hour.

In the old relationships, we lived in a parochial world. For most of us, the physical world we lived in could be walked across in a day. During that walk it was possible that we might not see anyone. In a real sense, our external world was huge. We had space to roam. Our internal world was small. We had few acquaintances and were exposed to few new ideas. There was lots of physical space to live in, but we lived in a very small inner space.

In the new relationships, this situation is reversed. We are crowded together in metropolises, in more than 290 cities with populations of more than one million people. In the past one hundred years, much of the world has become urbanized—there are more people in cities than in rural areas. In the 1920s, more people lived in cities than on farms in the United States and most of the developed world. By 2030, most of the inhabitants of the world will live in urban areas (Hodgson, n.d.).

More important than population density is the question, "Who are these people, who live so close to us?" We are in contact in our cities with the people of the world. Like it or not, our cities are microcosms of the globe. The food, entertainment, social groupings, customs, values, and even the languages of the world are present to some degree in all of our cities. The city of Los Angeles provides translation services in more than 150 languages (Abbassi, n.d.). Places of worship are being set up in small apartments, and when the religious community is large enough and rich enough, buildings are constructed. In Brussels—and we assume this is true in most big cities—you can find a traditional African healer who proffers all of the requisite herbs and spells. The University School of Medicine in the small European city where we live offers degrees in Chinese acupuncture, and the local cable service delivers a choice of channels, including all European languages but also Chinese, Hindi, and Arabic. The university hospital is a leading international medical center.

In the new world, time is frenetic and the rhythms are complex at the best. We—Jon and Maureen—live in a city of two hundred

thousand people, and the choices of what to do for an evening's entertainment are nearly overwhelming. There are three cinemas showing twenty to thirty different films, a theatre, an opera house, jazz clubs, rock clubs, tango clubs, salsa clubs. Some 250 restaurants serving Thai, Cuban, Japanese, Moroccan, Turkish, and many more cuisines are available. Our colleagues ask if it isn't boring living in such a small place!

The external space seems reduced, while our interior space has become huge. We live in the globe, not in a village. When oil workers in Nigeria go on strike, the price of oil increases. When you call a toll-free number for information, you could be talking to a service center staffed by people of almost any nationality and located nearly anywhere. Understanding the world time clock, mastering foreign customs, corresponding in a diversity of languages, keeping abreast of diverse currencies and exchange rates, are no longer specialist fields for exotic experts. For a growing number of us, these are everyday business requirements. When we worked in Brussels, our administrative assistant spoke Dutch, French, English, and Spanish. The first three languages are required to work at McDonald's.

Selecting work is a continuing process in today's world. The list of potential jobs is nearly the length of a telephone directory, and few of us expect to stay in one profession for life. Many people take jobs that did not exist when they started their careers. For many people, a career is most interesting in a new technology for which the real applications are not clear yet.

The rhythm of our lives has also changed. In the old world, time was slow and contained simple rhythms. Choices were few and clear cut. There was the choice of what work to do, whom to marry, and where to live. These choices were pretty limited. If you were a boy, work usually was what your father did. If you were a girl, you could expect to do what your mother did, be it housewife or farm wife. Single ladies tended to be teachers, and there were acceptable alternatives for second and third sons, like the ministry or the military. Whom to marry was limited to a few potential partners, and where to live was limited to a few locations.

Choosing marriage partners is difficult now. While there are thousands of potential spouses, it is a challenge to meet and get to know someone suitable. New industries for partner seekers try to

meet these growing needs with dating agencies, speed dating, and online dating. It is necessary these days to explicitly discuss values with a potential partner. In former generations, there was nothing to discuss—marriage and children was pretty much a known quantity. Today, each one is a unique creation.

In the old paradigm, our relationships were few but intimate. We lived in the same village or farm our whole lives. Our neighbors knew nearly everything about us. We had an extensive support network that we could call on if we were ill or just needed a little pep talk. When we visited the general store, long conversations would be held about community activities. Extended families took care of the children if parents were away. Orphans were put in the care of an aunt or grandmother, and children cared for their aged parents. These forms of care were not professional in today's sense, but they were available for everyone. Everyone participated in public works, helped one another, and even built one another's barns. The church or mosque or temple was built and maintained by its members. This is not intended to sound idyllic; there were many downsides to all of these traditional community relationships.

In our postmodern society, we live much more anonymously. We often don't even know our neighbors except to nod "Good morning" to. Our support network is to a large degree professionally structured and controlled. We hire baby-sitters sometimes without knowing them personally. Orphans are placed with foster parents or put into orphanages by the state. Professionals care for the aged. The state may determine with whom children will stay. A municipal agency cleans the streets. We hire professional contractors to build our homes and places of worship.

SOURCES OF MEANING: VALUES

Our worldviews and the ways we relate to others are changing, and so are where and how we find meaning in our lives.

In the old world, in order to understand how things worked, we looked for patterns that were repeated over and over in exactly the same way. These patterns, once discovered, were expected to be eternal. The whole basis of science was being able to repeat experiments that "proved" a hypothesis or theory. The truth could be found empirically, and once it was discovered, it never changed.

As the Industrial Age emerged, work was designed as repeating patterns in a mirror image of the giant clockwork.

In the new world we use temporary models, knowing that better ones will emerge. Most if not all problems have more than one solution, and no one of them is best except from a limited objective or bias. Science still repeats experiments, but exactly the same results are not expected. Results are tested against statistical probability. We are moving from knowing for sure to knowing what is likely.

Certitude in the old paradigm was found in authority. Leaders had authority because of their position in a company, community, or family. They had authority because they had the right parents or because they had acquired status—say, a university degree. Of course these were interrelated. People got high positions in companies by having the right relatives and friends. People got into a university because they had the right father or mother. The law, the scriptures, tradition all had authority. Today all of this is being challenged.

Authority has given way to authenticity. People seen to operate out of a high degree of integrity are seen as trustworthy. Work in high-performance teams is being designed so that it is interdependent rather than authority-led (Katzenbach & Smith, 1992). Specialists exist in these teams, and one individual may be designated the team leader. Some teams have rotating leadership. Other teams change leaders when the work changes for optimal team effectiveness. Who does what work is flexible and fluid according to the project, the client requirements, or the personnel.

Authority has also changed the way companies describe themselves to the public and to potential employees. Companies that treat people well and are transparent in their dealings are growing in authority. There still exists a Fortune 500 for American companies and similar lists in almost every country in the world, but today there are also innumerable lists of the best companies to work for, the most woman-friendly companies to work for, the most admired companies for knowledge management, and so forth. What was once a framework of authority is now a diversified range of values for companies, including worker satisfaction, consistency between public image and internal reality, and the success of clients.

In the old paradigm, we looked to the past, and in the new we look to the future. Today a person's vision is often as important as his or her track record.

Failures of Traditional Leadership

The failure to develop effective leadership in the public, private, and even voluntary sectors has been well documented. We briefly review some of these failures, so that we can look at the necessity of strengthening the *internal state* of leaders as a way to strengthen their performance.

Ethical Lapses

Are business and political leaders generally immoral and criminal? Most are not. Some are, and the environment in which they work seems to encourage this behavior. Leaders are often pressured to produce short-term results or face the threat of losing their jobs and in some cases their careers. They often feel they need to avoid being candid when a remark about a shortfall in profits will result in the loss of millions of dollars in the company's value on the stock market. Greed and power affect others.

It is not just a problem of business. There are scandals in sports: the Olympic selection of venues, drug use, game fixing in soccer and cricket, and bribery of officials. Beyond sports, there are corrupt politicians, religious leaders, and artists. Many of those people whom we respect and want to respect seem to behave in questionable ways.

The roots of the problem are clear. Dr. Marilyn Smith (n.d.) summarizes them accurately:

- Companies favor their own interests over the well-being of their customers, employees, or the public.
- Companies reward behaviors that violate ethical standards.
- Individuals are willing to abuse their positions and power to enhance their individual interests.
- Companies and individuals overemphasize short-term gains at the expense of themselves and others in the long run.

- Companies and managers believe their knowledge is infallible and thus miscalculate the true risks and subject themselves and others to excessive risks.

AVOIDING THE TRUTH

Facing the truth has always been socially difficult. Barbara Tuchman (1984) explores this in her book *The March of Folly*. She looks at the fall of Troy, the break-up of the Holy See because of the Renaissance popes, the loss of the American colonies by King George III, and the Vietnam War. In each case the problems were clear and alternative courses of action were known at the time. Groups who were responsible agreed to the actions. They were not individual mistakes or errors of judgment. These policies were seen as counterproductive at the time.

This propensity is in full swing today. In the 9/11 Commission report (National Commission, 2004), several failures are noted. The problems of terrorist attacks were not considered from the perspective of the terrorists. This resulted in what the report called "cultural asymmetry" that blinded the government to the possibility of the threat. The problem for the U.S. government was small, but the desire to strike the United States was very large in the mind of terrorists. Procedures were in place to analyze the information but were not used.

> The methods for detecting and then warning of surprise attack that the U.S. government had so painstakingly developed in the decades after Pearl Harbor did not fail; instead, they were not really tried. They were not employed to analyze the enemy that, as the twentieth century closed, was most likely to launch a surprise attack directly against the United States. (National Commission, 2004)

Leaders and managers seem to want to avoid looking at the worst-case scenarios. Leaders ask their scenario planners for the most likely one, often a continuation of the past, and reject the others. Some organizations trap themselves this way into a culture of the past.

NASA was an organization trapped in a culture of normality. In the shift from lunar exploration to routine shuttle flights, the

images of the risks involved changed. When an organization understands that it is experimenting, additional precautions are put in place. By its very nature, experiments have a high likelihood of unpredictable outcomes. They are riskier. Normal operations are considered to be stable and have lower risks. At NASA, the change in thinking from running an experimental project to being a stable operation meant that many of the cautions needed in the higher-risk experimental projects were set aside and the dangers were assumed to be lower.

When the *Columbia* shuttle exploded, it was known that a piece of foam had hit the wing during take-off. That had happened in the past with no difficulty. Engineers requested more detailed photos of the damaged wing to assess whether there was a problem. They were put in the position to prove there was one. "This may sound like mere semantics, but it meant NASA exhibited an overconfident, prove-it-wrong attitude rather than one that demanded engineers prove it right" (McGregor, 2005).

In many organizations that are under high public scrutiny, like NASA, there is a culture of success. Having an unbroken string of successful activities is seen as a way to gain in the world, and admitting that something has gone wrong is seen as a failure. Failures are losers. To maintain a success rate of 100 percent, we report it that way. When we can't report it that way, we create a story about how it was really a success.

BARRIERS TO COMMUNICATIONS

Not only is it difficult to face the truth, it is difficult to communicate it. Another failure of leadership today is the inability to remove the blocks to communications. Many communications problems are recognized but are largely ignored or dealt with in superficial ways. Information is distorted, untimely, wrong, or missing because the social systems inside organizations make it so. The structures through which communications flow are often constricted. The processes filter out important information sent from one part of the organization to another.

Communications is critical to businesses. A growing number of products are intangible. Their very existence depends on the ability to talk, write, and create images about them. Service industries are

intangible. You don't know if a stock investment is going to be good until you have made it and made or lost money. We have to find other ways to determine if it is worthwhile. We use indirect ways of evaluating a service, such as the list of clients, the look of the office, or the past track record, even when we know that past records are not a reliable measure of future performance. Response time to changes in the market needs to be quicker and quicker. Both public images and images of the workforce are constructed by what is communicated and how it is communicated by the company. One of the most common problem statements is that there is a "failure of communications." What is the failure?

One component of the failure to understand what is happening throughout an organization is the set of social barriers to communications. Organizations that have a strict hierarchy or a great deal of social distance between the levels make it difficult for disturbing information to reach the top of the company. People lower in the hierarchy exercise self-censorship, and those higher may listen only for information that confirms their own ideas.

As information moves through a hierarchy, filtering takes place and is another cause of information distortion. The filtering often eliminates important information. The top of the organization often has no idea what is actually happening on the shop floor. We (Jon and Maureen) have what we call "the 80-20 rule." Because of misunderstanding or miscommunications, 80 percent of the information a manager receives is passed on accurately to the next person in line. The manager adds 20 percent of his or her own ideas to the information without necessarily differentiating the new ideas from the original information. Within a few layers, the information can lose a great deal of its accuracy.

The values used to interpret information are also a source of problems. Frequently information within an organization is interpreted by a set of values aimed at protecting the managers. We worked with an organization in which the standard practice for the annual and quarterly evaluation of employees was to automatically give them upper middle scores. This meant that everyone got scores high enough to prevent them from being fired and low enough that they would not be promoted or transferred. Any manager who broke the practice was called into question directly by his peers for creating unnecessary disturbance and extra work for everyone.

THE CONFLICT FOR FACILITATIVE LEADERS

The issue facing facilitative leaders is the conflict between the old and new paradigms. This conflict is taking place everywhere—in business, politics, schools, and religious groups. Paradigm change seemed wonderful during the late twentieth century. Joel Barker's training film *Business of Paradigms,* about paradigm change, is said to be the best-selling training video of all time (Advanced Training Sources, n.d.).

Today there is a backlash against the new thinking. Certainly the frightening experience of the terrorist attacks on September 11, 2001, has made many people reconsider whether the new world into which we have moved is such a good thing. Everywhere you see leaders participating in this conflict of change, sometimes longing for the old world and sometimes striving to participate in the new. The paradigm out of which the world operates has changed, however, whether we like it or not. Once you saw that NASA photograph of the earthrise taken from space, taken in December 1968 the maps with all the borders and different colors for countries just never worked the same way again. There is no way back. The challenge today is to learn to live well in the new world. The burden on anyone who dares to take a leadership role today is especially great because the issues that arise are unprecedented.

LEADERSHIP IN THE NEW WORLD

Along with the shift in paradigm, the characteristics of leadership roles are changing. Traditional sources of power, such as access to information, control of resources, and positions of influence, are eroding. Again and again it is clear that leadership today involves consultation with colleagues both inside and outside of the organization. There are always moments when the leader has to stand in front of the group and state the new direction. In today's world, however, those individually focused moments punctuate the more continuous flow of the leader consulting, eliciting motivation, stimulating creativity, and consensus building. Robert Greenleaf (1983, 1996) has spoken of the leader as servant. Jim Collins (1994) researched qualities of leaders in a great number of very successful companies, and described a characteristic called "clock building,

not time telling"—leaders build a company that can tick along without them, rather than feeding their ego by becoming indispensable (Chapter Two).

We use the phrase "facilitative" to describe this style of leadership. We also use it to describe facilitators when they are acting in a leadership capacity. What the facilitative leader does is enable groups from within and without the organization to produce their best wisdom and to implement able directions.

The command-and-control paradigm of leadership came down to us from the age of the king and his vassals. The vassals (read senior managers and board members) are offered protection and a degree of security in exchange for loyalty to the crown. Both receive a degree of security. In contrast to this is Robert Greenleaf's "Servant Leader" (1983), in which the leader serves the best interest of the employees rather than the other way around. Harrison Owen's (1990) image is that leaders evoke and nurture spirit. In a similar vain, Dee Hock (1999) suggests that leaders are those who remove obstacles to people's creativity. Many new ways to lead are emerging if we take the trouble to look for them.

WHAT LEADERS DO

Harrison Owen, the creator of Open Space Technology, describes the function of leadership in his book *Leadership Is . . .* (1990). Effective leadership evokes spirit through a vision. It then grows that spirit through storytelling. It channels spirit by creating structure. It comforts spirit when things come to an end. Finally, it reinvigorates spirit when the grief is over.

EVOKE SPIRIT WITH VISION

What is *vision*? It is one of those popular terms that everyone assumes they know what it means. Companies write vision statements and mission and vision statements.

Vision has three qualities. It is big, attractive, and do-able (Owen, 1990). Jim Collins calls these "Big Hairy Audacious Goals" (1994, Chapter Five).

By *big* Owen means there is space within the vision for all of those potentially involved in it to share their points of view, per-

spectives, skills, and competencies. It has enough room for all of the necessary spirit to function effectively. The vision needs to be big enough to enable participants to grow. A great vision is a challenge and an opportunity for participants to fulfill their own deepest desires. It evokes awe in those who accept the invitation to participate. If it is too small, timid, and tame, its power to gather and to set loose all of the necessary spirit will be stunted. Tame visions are boring from the start; they go nowhere.

A great vision is *attractive*. It generates enthusiasm and commitment, which cannot be coerced, legislated, or achieved through deception. People must be invited, and that invitation must be an exciting and attractive one. It offers the possibility of fulfillment of the dreams of participants. Perhaps people only come to realize what their dreams are when the invitation of the vision happens. These dreams offer an opportunity for growth. If people are to grow, the direction of growth needs to be striking and understandable.

A great vision is also *do-able*. It is in the first place technically feasible, perhaps not at the moment of the first statement of the vision, but realizable within the time frame of the vision. It must also be do-able in the sense of being historically possible. The vision must be appropriate for the circumstances and capacities of the people being addressed.

John F. Kennedy's vision of putting a man on the moon by the end of the 1960s had these qualities. The idea was bold and inspiring to millions of people. It was a continuation of the pioneer myth of the United States. While not all of the technology was available at the time, it was clear that it would likely be so over the next ten years. It also was a Cold War statement to the Soviet Union in response to the United States having lost the race to space. Kennedy's vision was an affirmation and continuation of the exploring new frontiers aspect of the American myth.

There are two type of vision: one is evolutionary and the other is revolutionary. Evolutionary vision reenergizes the existing vision and revolutionary evokes a new vision.

Evolutionary Vision

In the evolutionary form of vision, leadership taps into the hopes and dreams for the company or organization of the people they lead. This is done by asking the right questions, listening to the

responses, recording what is being said, and checking to see if what they have recorded is an honest reflection of the group's thinking. In essence, evolutionary vision asks, What does the old spirit mean in today's situation?

We led or participated in a number of community development planning consultations for the Institute of Cultural Affairs, a research, training, and demonstration not-for-profit organization created out of the Ecumenical Institute in Chicago. The consultations were in a variety of cultures and countries; the United States, Canada, Italy, India, The Philippines, The Republic of Korea, Jamaica, Venezuela, and Peru. They were in urban neighborhoods, small towns, and rural villages. Everyone in the community was invited to participate in the workshop, and most came to the evening sessions. People were visited in their homes and places of work during the afternoons, and in the mornings a plenary was held.

The first day of the weeklong planning workshop asked in various forms, "What would you like to see in your community in the next four years?" The assumption is that there was a latent vision of the future of the community. It was mostly unconscious and mostly needed only to be unleashed.

Several things surprised us in the process of leading these workshops. This unconscious vision was common to an extraordinary degree among the residents. If someone said they wanted a voluntary fire department, many others mentioned it also without knowing that the other person had suggested it. At the same time these visions were inclusive of most aspects of the community. Visions included health, education, commerce, infrastructure, plazas, new churches or temples, among many other things. It was striking how diverse the desires of a single community could be. Generally, they were quite achievable. These visions were practical, even when they verged on the overly ambitious. They were truly evolutionary.

In these situations, the old spirit was present. It was alive, perhaps dormant and only needed awakening. Sometimes, however, the old spirit is gone or never existed. When that is the case, something more revolutionary is required.

Revolutionary Vision

Revolutionary vision taps into the emerging future, and asks others to participate in it. It asks, What tomorrow is being born today?

Claus Otto Scharmer (2000) and others at MIT have been working on what happens when leaders tap the future.

> Leaders from around the world are facing a new kind of challenge: coping with the various waves of disruptive, revolutionary change that redefine the context of business. One wave has to do with the rise of the Internet based "new" economy and its driving force, the process of *digitization* (Castells, 1998; Kelly, 1998). A second has to do with the rise of new relational patterns and their underlying driving forces: the processes of *globalization* (of markets, institutions, products), *individualization* (of products, people, and their careers), and increasingly *networked structures* and web-shaped relationship patterns (Castells, 1996). For example, the "war for talent" that most companies deal with is a typical challenge that arises from the interplay of the above four driving forces.
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> A third and more subtle dimension of change has to do with the increasing relevance of experience, awareness and consciousness and their underlying driving force, the process of *spiritualization* (Conlin, 1999) or, to use a less distracting term, the process of becoming aware of one's more subtle experiences (Depraz, Varela, and Vermersch, 1999). An example is the recent growth in interest in topics like "flow" (Csikszentmihalyi, 1990) or personal mastery (Senge, 1990) both inside and outside the world of business.
>
> These three contextual changes present today's leaders with a fundamentally new world in which they must be innovators and radical revolutionaries rather than agents of improving the status quo (Hamel, 1997, 2000). The more the world of business moves into environments of increasing returns, the more the primary challenge for business leaders becomes developing a "precognition" for emerging business opportunities before they become manifest in the market place (Arthur, 1996). (Scharmer, 2000, pp. 3–4)

Both hope and dreams of the future and sensing the future are fundamental to tapping into the enthusiasm, the inspiration of a group. It is the collective vision that is important, not only that of the individual leaders.

GROW SPIRIT BY COLLECTIVE STORYTELLING

The usual understandings of the word *myth* involve ancient stories about the supernatural like the Greek gods and goddesses,

or modern people like Elvis Presley who are so well regarded that they are "a myth in their own time," or something that is untrue—the myth of instant weight loss. A new understanding of myth is becoming part of contemporary organizational theory.

Organizational myths in this understanding are, first, usually rooted in historical events. Second, they are rooted in the meaning and values of being a member of the organization. Third, a myth is a symbol of the organization. It tells of the beginnings and endings. It is a stylized narrative of the struggles and successes in the development of the organization. Heroes and heroines are remembered. Stories about times of difficulty are shared. Icons and rituals support stories.

Companies have rituals of many kinds. Some celebrate the amount of time one has spent with the organization, such as marking twenty-year anniversaries. Others celebrate promotions or birthdays. Sales conferences take on a ritualistic tone at times. Day-to-day events like colleagues greeting one another on arrival at work are rituals. A weekly team meeting, a coffee machine conversation, the smokers going outside together for a cigarette, going to a pub with colleagues on Friday afternoon—all of these have some ritual aspects.

Icons, such as organizational logos and house styles, are a bit more obvious. The displays of products or trophies are corporate icons. When you walk into the Nike European headquarters, you see lots of symbols. Pictures of the founders and of sports stars speak to the visitor and staff. The architecture itself is designed to bring to mind a rural college campus.

These stories, rituals, and icons are critical to sustaining the spirit of an organization. Leaders who ignore this dimension of people management do so at their own risk. Stories enable leaders to communicate effectively, to build collective intelligence, to imagine alternate futures, and to successfully introduce new ideas (Kahan, n.d.; Denning, 2004).

Stories and storytelling enable a leader to communicate effectively at many levels. Complex ideas are best communicated through the use of stories. The story asks the listener to imagine himself or herself as a part of the story. When they do, the story becomes their own. It becomes part of their identity and not something imposed from outside.

Stories are being recognized by the world of knowledge management. Until recently, knowledge management has focused on explicit knowledge, those things that can be documented. This kind of knowledge can be stored in computers; it can be retrieved by anyone who has access. It is convenient to manage. The problem is that most knowledge is not explicit. It is tacit knowledge, embedded in the way things are done. Tacit knowledge is also communicated by stories.

Imagine reading a manual about how to ride a bicycle. This manual would describe balance and how to achieve it. It would diagram the inner ear and how it helps a sense of balance. This pretend manual would describe gyroscopic forces when the wheels go around and how they help balance and stability. It would describe how to steer and to peddle. Imagine now getting on a bicycle and riding it. The way most of us learn to ride a bike is to get on and try. Someone might help hold it up and run alongside. They might make suggestions about how to improve. This might speed up the learning process, but the learning is getting on and riding.

More and more knowledge management is about creating communities of people who have this "knowledge in action" and tell stories that capture in some degree this tacit knowledge. The collective wisdom is stored in the memories of these people, captured by their experiences, and shared in stories.

Stories also enable people to imagine new futures. In a sense, any planning is about storytelling. It is not often narrative in nature but it is a construction about what the future could look like or, given enough commitment, will look like. Some of the processes of using stories to create future plans are formalized in strategic planning techniques such as scenarios and appreciative inquiry.

New ideas can be introduced through the use of stories. In complex systems, people need to understand the connections between things and events. Stories help us understand what has brought an organization to a particular place in its development, why things need to change, how they are going to change, and how the organization will benefit. New thoughts and ideas are connected to the existing images and understandings of people. They then become more acceptable.

We worked in a village in Peru for two years doing community development work. Houses were constructed of brick or adobe or

plastic sheets on bamboo frames. Everyone was improving on the places where they lived. They were either just finishing an improvement project, planning one, or in the midst of doing one. When we first arrived we thought construction was going on all the time. As we lived there for some months, we noticed that a lot of the construction was not really going anywhere. A few hundred bricks would be stacked against a one-third completed wall, the only one in the new house. They stayed there over the months and years. These incomplete and perhaps never completed structures seemed more symbols of failure than of hope in the future.

The project received a grant to build a new schoolhouse. The village had to supply the labor and expertise, and the organization would supply the building materials, reinforcing rod, bricks, cement, and so on. One of the conditions of the grant was that the building had to be completed in six weeks. The village decided that it would conduct a series of workdays every Saturday. About a hundred volunteers showed up the first day. We dug foundations and cemented in the foundations. At the end of the day the women of the village prepared a feast, and lots of the local brandy and beer flowed. It was great. The next week we had about fifty-five people. The third week we had three or four teenagers. We discussed it as a staff and realized that we were in the process of producing another symbol of failure. The next Monday our staff went to the site and began work. After a while one of the informal leaders came and asked what we were doing. We said we promised to complete the school in six weeks, and we felt that we needed to put in an extra effort to get it done in time. Slowly, more and more people joined us over the next few days until on Saturday we had more than fifty people working. The village did complete the school on time, and it became a symbol of success and one of the stories that villagers told about how they had transformed the community.

SUSTAIN SPIRIT WITH STRUCTURE

Unless spirit is given a pathway to express itself, it will dissipate. That pathway is the structure of the organization, but structure can stifle and kill spirit just as easily as conducting it. Most organizations have the process backward. They create an organization and then try to kindle spirit in the thing, like bringing a robot to life.

An entire industry of motivational efforts has developed to assist this largely misguided process.

The sequence is to evoke spirit, enable it to grow strong, and then create a structure to hold it in being. Structure is more likely to be grown like a plant than to be built like a freeway. To understand how the spirit is moving in an organization, a leader listens to the stories that are being told and watches the way people interact with each other and with their work. His or her work is to create structures that support what is working in the organization.

The setup and style of an organization's space effects spirit. It is not only the architecture but also the décor and furniture. When an organization moves its offices or a manufacturing plant, the spirit can be dramatically affected.

This doesn't necessarily mean anything so *chi*-ish as a Feng Shui study. When the Navy commissions a new ship, careful consideration is given to the first crew. Not only do they need to be highly professional, but they also need to have the appropriate team and working spirit. The Navy has learned that the experiences of this initial crew can affect the culture of the ship for decades into the future. Would that other organizations were so careful of their newly commissioned spaces!

The space of an organization, in this approach, is created to support the spirit. To do this a leader must be able to know where the spirit is moving and to respond to it with some sensitivity. Paying attention to where the excitement is is the key to discerning spirit. What do people talk about? Where is their energy for doing things? These things will give indications of where the spirit is moving. Too often managers ask questions in a way that indicates what employees should value, and employees too often give what is expected of them. The spirit dies.

The same things are true for the way time is structured in the organization. The rhythms, the paces of work and changes in it, the events that mark time all affect the spirit of the group.

We worked for a small company of about ten consultants in Brussels. Most of the week we had little time to see each other, exchange ideas or report what was happening. Every Friday at 4 P.M. everyone who could would meet at the Pax, a quiet neighborhood café/bar. We had a few drinks, socialized, and told each other about our week. If there were any special issues, they could be

brought up and solutions found. Sometimes people would drift home around 5 P.M., and sometimes family and friends would turn up and we would go on until late in the evening. The event marked the end of the week and enabled a transition from the workweek to the weekend.

Leaders who need to control will tend to kill the spirit. They have a hard time understanding spirit and how it moves. When the vision is clear and the collective story is grounded in reality and well told, then the structures will coalesce easily and quickly. By letting space, time, and relationships organize themselves as the spirit moves them, they will reflect and support the most creative and effective dimensions of the company. This process of letting the spirit shape the structure requires some sensitivity. If the structures are fixed too soon, the spirit will be wounded. If the structures are fixed too late, the spirit will dissipate. It is perhaps better to err on the side of too late than on the side of too soon.

Organizations as Containers of Spirit

Scharmer (2000) discusses four archetypes of organization: centralized, decentralized, networks, and communities. All of these can and do at one time in their lives act as containers of spirit. Yet, spirit in our time seems to be moving away from centralized forms toward community forms.

Centralized organizations are the typical hierarchical, pyramid structures. They are relatively simple. They tend to operate out of a machine metaphor and function as bureaucracies. Professional bureaucrats manage them, and oligarchies lead them.

Decentralized organizations are a step away from centralization but have most of the same attributes. They are simple in structure, with several miniature versions of the centralized structure. They are hierarchical and pyramid. They are somewhat independent machines run by decentralized professional managers.

Organizations as networks are a significant shift in operations. They consist of networks of thinkers, brokers, and makers. These networks activate when a task is required. They shift as the task changes. Imagine the design and construction of a complex structure such as a harbor, a long suspension bridge, or a deep water oil platform. Different functions come and go as progress is made in the construction: the architect, the general contractor, the sub-

contractors. The makers would come and go depending on their specialty, steelworkers in this phase, electricians in that one, and plumbers in another.

Organizations as communities are rare, but more are coming into being. They are communities of reflection, commitment, and practice. Communities of reflection are not simply discussion groups. They reflect on shared experience and operate at a sophisticated dimension of dialogue. Communities of commitment are based on a shared will. It is not common plans, as any group can have these. These communities are built from the subjective nature of shared experience; they care about the same things. They discover connections between members and build on those connections. The common connections then lead to connections to the larger whole. Finally, objectives are discovered and moved toward a shared body of collective will. Communities of practice are just that, communities that practice. They may be groups who play music together or trainers sharing teaching methods by trying them out (Scharmer, 2000).

COMFORT SPIRIT AT THE END

All things come to an end. For some time, American society has tended to avoid dealing with death, although there is some evidence that this is changing. We sanitize the burial and grieving process. Bodies are made up to look like the people are still alive. Coffins are constructed so that they will last for centuries. Funeral homes isolate those who are grieving to protect them from embarrassment and the others from having to deal with the pain being expressed. The language we use softens the experience.

Departments come to an end, and much of the same grief and pain is present. Companies fail. People are let go. Real leaders help people through these ending times. The grieving process in all of these situations needs to be supported. Unfortunately, the norm seems to be avoidance of the human aspects of dying.

> When a human system, particularly a business, or part of a business, shows the unmistakable signs of ending, the sequence of behavior at the top is unfortunately fairly predictable: (one) ignore it, perhaps it will go away; (two) deny it, perhaps it isn't so; (three) find

> somebody else to blame, so at least you do not get tagged with the failure; and (four) bail out as quickly as possible with the largest parachute available. (Owen, 1990, p. 122)

Of course, this is understandable in a culture of success that denies death. It is precisely at these moments when spirit needs support. True leaders take on the unpleasant task of being there for colleagues when this happens. It is at these moments that the greatest insights and learnings can be gleaned.

The Grief Work

Much of the work on grief has been done for individuals, but it applies equally to organizations. Harrison Owen (1990) suggests six stages of the grieving process. Stage 1 is shock and anger. This is a manifestation of the organization's own need to survive. Stage 2 is denial and "if only." Denial is pretending that nothing is happening. It is the belief that the organization won't survive without our contribution. Time spent discussing the "if only's": If we had done this or if they had done that, it would all be different. This stage is important because it is building the distance needed to be able to move into stage 3, which is memories. Here stories are told about heroes and heroines, the great things we did, the contracts we won and so on. The fourth stage Owen calls "Open Space." There is silence, a time of reconciliation, not necessarily of a thoughtful sort. It is like the moment between breathing in and breathing out. It seems that nothing can be done. The interesting thing about human beings is that it is precisely in this situation, in which they finally realize that nothing can be done to continue the old situation, that new notions about what can be done begin to stir, and the fifth stage, "Imagination," begins. These stirrings are not sweeping strategies but rather initial forays in wholly new directions. This possibility comes from the freedom found in the open space. Choices are not yet made, but new possibilities are being seen. From those possibilities a new vision starts to emerge, the sixth stage, "vision." The vision stage is both the end and the beginning. It is the end of the old and the beginning of the new.

Obviously no leader conducts an organization through these stages, but the leader can be supportive of those individuals involved when an organization or department comes to an end. This

is the process of an organization coming to terms with the death of its previous way of being. Effective leadership is able to be present for the organization throughout the process and to support what is, in fact, a fresh development of the new future.

What can a leader do? Attempts to intervene and redirect this process can abort the process. These efforts often come out of the image of the leader as a parent or a master, protecting people from the pain of grief at exactly the moment when in fact they need to experience it fully and take responsibility for their own futures, to be able to move on. Leaders who assume that the organization is incapable of healing itself often create a self-fulfilling prophecy.

Top management may leave the middle manager to carry out the ugly work of downsizing, saving their own reputations for the eventual rebuilding process with the survivors. The struggle to stand with colleagues during the grieving process is much more difficult for those who have to carry out the procedures that cause the grief. The leader has to create his or her own way. Those who are present and authentically care will contribute to the next phase. It is a time of trial, which colleagues will remember—for good or ill—for a long time to come.

Sometimes the grieving process works, and sometimes it doesn't. When it does not, spirit is not revived. When the spirit is dead, a hollow organization continues without ever functioning effectively, like a factory in which a caretaker maintains the facility but production capability rusts away. Alternately, the organization dissipates. There may be remnants that remain.

When the grieving process works, the possibility of something new is created. The vision evokes spirit. Equally, spirit inspires vision. Leaders are attuned and present to spirit, and when the time is appropriate enable the creation of vision.

CONCLUSION

A great deal has been written about leadership. How-to manuals, ethics, qualities, characteristics, and more have been developed in response to the problems of the leaders we seem to be inflicted with.

Leadership is about spirit; caring for others' spirit and your own. As Dee Hock (1999) says, the first person you need to manage, as a leader, is yourself. Taking care of yourself is not just the

occasional massage; it is an essential component of being a leader. Traditionally, a leader has had time to step aside to think through a decision and to reflect on what is needed, but that option is less and less available today.

The former mayor of New York City, Rudolf Giuliani, was in a meeting when someone walked in and said, "There's a fire at the World Trade Center. They think a twin-engine plane hit the building . . ." (Giuliani, 2002, p. 4). He had no time to go aside and reflect. He had to act immediately even though many of the emergency plans were of no use. Giuliani acted, as we all do, out of the character that he had developed over all of his years of experience up until then. Caring for yourself is preparing the character you want to have when difficulty arises. It will take more than an occasional massage to do that.

Leadership is also about interacting with groups. The old decision-making processes are dying. Frontline employees are necessarily involved in the decision-making processes because only they have some of the critical aspects of the information needed to make these decisions. They are also expecting to be involved in the decisions. You hear the occasional complaint that they don't want the responsibility for these decisions. "Managers are paid to make decisions, not us." The longer-term and stronger trend is toward participation.

Decision-making processes are becoming more transparent. Smoked-filled rooms are out, not only for health reasons. Increased transparency is being required legally and socially.