chapter
ONE

Reading the Room

Introduction and Framework

In the past decade, significant progress has been made in describing and finding good-to-great leaders and coaching them toward greater success, but both experts and high-placed leaders themselves still overlook this fundamental:

A leader falls short of greatness without great skill in face-to-face talk.

This is as true in the corporate world as it is in government, communities, and families. On some level, we "know" that effective talk in face-to-face relations and small group conversations lies at the heart of leading, but by and large, when we lead, we do not examine closely what dynamics are at work in a conversation, nor find ways to improve them.

The title of this book refers to a priceless leadership skill: the ability to *read the room* to understand what's going on as people communicate in small groups, including how the leader himself or herself is participating, when the conversation is moving forward, when it may be just about to leave the rails, and possibly even how to guide it back on course.

First, the leader is able to read the room; second, the leader knows how to contribute in the moment to keep the team talking on track.

What do you know right now about your own skills at reading the room? These skills can be learned at any age and any point in a coach's or leader's career. From penthouse to White House, no matter how high a leader has risen, becoming truly skilled at reading the room will elevate one's game.

A CEO CHANGES JOBS

Throughout this book I will trace the story of a CEO called **Ralph Waterman,** "the room" of the leadership team he directed, the members of his team, and a

leadership coach called **Duncan Travis.** As the story begins, Ralph has already achieved much in his corporate leadership career.

At age forty-eight, Ralph was not the stereotypical CEO, but he had a glowing and well-earned reputation for turning around companies that had stalled or declined. In fact, he'd just done that before coming to ClearFacts. People joked about his love of quixotic slogans like "Think and ye shall find. Create and ye shall be given!" but they also considered him brilliant, visionary. Did they also notice how restless he was at how much his current company continued to rely on the status quo and how far it fell short of any great sense of moral purpose? Perhaps **Martha Curtis,** director of HR, could tell. Of the leadership team, she was closest to Ralph. He appreciated her warm and engaging way, the fact that she spoke out a lot, and her high emotional intelligence despite being only thirty-four. A short eight years before, right after college, she'd gone into management training and from there into human resources.

Of course, Ralph and Martha had personal lives as well. Ralph was married to **Sonia Waterman,** and for him the barometer of their relationship was the quality of lovemaking. By that standard, despite his working late many nights, he thought of his home life as "better than ever." Sonia, of a different nature, also loved Ralph and was committed to their marriage, but came at it from a different perspective. Martha Curtis's marriage was passionate, but also stormy at times. One tension was that her husband, **Lance Curtis**, was an artist, which made her the primary breadwinner. They had no children at this point.

At the outset of our story, Ralph had just left a company to take over the reins at ClearFacts, a fast-growing green tech company. The move was something of a pattern for him—tearing free of one organizational yoke whenever it got too tight, in favor of a new and looser one. His vision now was of "an organization every one of whose members would be treated with dignity, given meaningful work, and a place they could voice complaints and be heard." With that in mind, he convinced Martha to accompany him to ClearFacts, where she could head up a strong HR department "with a reach to every satellite office in the firm."

In addition to the dignity theme and Martha's coming with him, Ralph had made other stipulations to the ClearFacts board of directors about his entrance as CEO. One was that he would go about creating "a management team with a *model*." He'd been introduced to this "models" concept at a training program in Cambridge, where he'd also met his new leadership coach, Duncan Travis.[1] Ralph had taken keen interest when Duncan said that if a company needed a model to

achieve its profit-making and larger purposes, it also needed some sort of model of a strong leadership team with imaginative strategy and a willingness to change and grow individually.

A skilled sixty-year-old executive coach, Duncan Travis had spent much of his career in organizational consulting with a prominent firm, where he started at age thirty-five. Over time, the rewards of being paid as a star performer grew thin; troubled by the lack of fit between, as he put it, "who I am and what I'm asked to do," he'd searched out practices with a closer fit. At fifty, he'd gone his own way. In the course of his transition to independent consultant, Duncan became familiar with an approach called structural dynamics, and proficient with its methods. In this period, presenting at a conference Ralph attended, he and Ralph instantly clicked. Ralph, himself about to take a new position, hired Duncan as coach.

Ralph had made and been granted two last, large stipulations. One was that he be free to create and personally lead an R&D team to explore new green technologies that he knew ClearFacts needed and about which he was passionate. (I won't say much more about the actual business ClearFacts was in. For our purposes, as you will see, it matters fairly little.) The other was the creation within ClearFacts of a leadership training program, to be overseen by persons other than himself.

So far, our main characters are three newcomers to ClearFacts: CEO Ralph, coach Duncan, and HR director Martha. When Ralph arrived, he found three more who were to be part of his leadership team. The foremost, naturally, was the CFO and COO, **Ian Maxwell,** age fifty, a man admired for his clarity of purpose and unfailing precision, although many also called him "rule-fanatic" and "Sheriff Max" behind his back. At work, most subordinates kept a distance from him. Divorced, Ian hadn't a clue why he almost never saw his two grown children. Evenings, he exercised, ate lightly, and read military history and theory in honor of his high-ranking, career-soldier father.

Duncan got a clear sense of Ian right away at the first weekly meeting Duncan attended of the ClearFacts leadership team, which Ralph had asked Duncan to attend "to see me and our team in action."

"You know, Dr. Travis—" Ian began.

"I prefer Duncan," said Duncan.

"Okay . . . Duncan," Ian conceded. "Under Ralph's style of leading, our meetings are at times too freewheeling for my taste. As CEO it is his prerogative.

Yet we follow rules. Enforcing them here and throughout ClearFacts helps me, as chief financial officer, to keep things financially and culturally on track."

Also there at the table as Ian spoke were the final two members of the leadership team. Whereas Martha now reported directly to CEO Ralph, director of sales **Howard Green,** thirty-six and unmarried (except to the organization—he barely slept, and took his computer on Club Med vacations), and director of marketing **Arthur Saunders,** forty and married with children, both continued to report to Ian.

Ralph had already recognized Howard as a model worker in terms of quality and output, with a keen ambition (to become a CEO before age forty), and had mentioned these qualities to Duncan. What Duncan noticed now was Howard's nodding support of nearly everything Ian or Ralph might say. Colleagues at ClearFacts described Howard as a "must-win" guy, and Howard stayed closer to Ian than did Ian's other subordinates. Recent circumstances at ClearFacts had catapulted him and his sales crew into fierce competition with Art and marketing, and their sharing reports to Ian probably amplified the personal competition between them.

That is not to say that Howard and Art were equally competitive by nature, though Art's colleagues sometimes said he worked harder than he had to, and he and his marketing team consistently turned out great materials. At the same time, Art's subordinates loved and respected him and knew him as a great listener. In high gear at work, Art wrote sparkling prose, and his leadership bore fruit. He got more work done in less time because he knew when to break for walks and, until recently, when to call it a day. On the home front, Art felt deprived by his working late night after night. In two weeks, he hadn't once been home in time to put his three-year old, elder daughter to bed. She cried. His wife was furious and telling him, "I will save this marriage or bust." Her biological clock was ticking, and she wanted another child. Art was not so sure he agreed. He was also beginning to wonder whether he belonged in his ClearFacts job.

After the team meeting, the CEO and coach reconvened to debrief—a routine they would keep up every week from that point on. Part of it went like this:

RALPH: I imagine as a coach you got a pretty quick intuitive "read" on Ian, my redoubtable COO.

DUNCAN: A "read" yes. Intuitive? No. I'm using what I observe of him to begin to build a behavioral profile of Ian, and everyone else in the room.

RALPH: "Behavioral profile"?

DUNCAN: A systematic profile of how each of you communicate in the room.

RALPH: Some better than others.

DUNCAN: Yes. The behavioral profile isn't a value judgment; it comprises three objective characteristics. It's part of the model or theory of group communications that I've mentioned to you earlier, called structural dynamics. The behavioral profile lies at the core of what structural dynamics calls a leader's personal model, and the personal model lies at the core of his leadership model. The endpoint of the work we do together is your developing a leadership model. *(Duncan sits back in his seat and eyes Ralph.)* But let's not get ahead of ourselves; the best times to begin to understand a person's basic profile are when the stakes are generally low.

RALPH: "Low." As far as I'm concerned, there's nothing *low stakes* about ClearFacts. This company can do great things.

DUNCAN: That's not what I mean by low stakes or high. In structural dynamics, the stakes are low or high depending on how high they feel right at that moment, in a personal way, to the people who are communicating.

RALPH: Well, the meeting was fairly relaxed, even if Howard opposed my idea that you would facilitate our meetings.

DUNCAN: But overall, this is a fairly routine moment as your weekly meetings go, isn't it? Low stakes in that sense.

RALPH: Agreed.

So this book and the ClearFacts story begin in low-stakes situations, when "plain talk" seems easy. What makes that ease of communication evaporate when people feel stakes rising? How can we still make communication work in that future meeting, when everyone is "sick of talking" yet no decision has been reached? What is talk's connection not only to productivity but even to—dare I say it?—personal fulfillment?

As coaches and leaders inevitably learn, climbing higher in an organization does not mean that the conversation gets easier. As stakes rise, so do pressures. As this happens, every member of a team, no matter how experienced, falls back more and more on deeply ingrained behaviors and life patterns of action and defense. When stakes are really high, people also often act in ways that truly surprise them. This book does not leave off where matters grow truly complex, where formulas collapse, where talk degrades or flies out of hand, where tempers explode. Although it begins in the relatively "normal" atmosphere of a high-powered team, it continues beyond the point at which members are really at their best, even from their own perspectives.

STRUCTURAL DYNAMICS: A LENS ON THE NATURE OF HUMAN DISCOURSE

Structural dynamics is the broad term for a body of research that colleagues and I began in the 1970s in an effort to understand the nature of face-to-face human communication. As noted in the Preface, we first studied families and couples. Since then, for many years my own work has focused on corporate leaders and teams.

Structural dynamics is also a basic theory and model or tool, if you will, for *reading the room. Structural* connotes the idea that there is an underlying, largely unconscious *structure* to all human verbal exchange: when people converse, they construct and follow certain implicit understandings and patterns in which their conversation takes place. In turn, this structure—recognized or not—affects the outcome of the conversation. Those who want to be aware of this structure can become so, through the lens of structural dynamics. *Dynamics* connotes the idea that *ongoing patterns,* functional and dysfunctional, are inherent in all continuing talk, and that dysfunctional ones result from clashes between people and the structures they bring into conversation.

Structural dynamics is not a lens that most of us habitually wear. Mostly our attention is elsewhere: actively listening for and analyzing not the *structure* but the *content* and *style* of the communications in which we take part. We learn to frame our differences and conflicts in those latter terms. In a meeting of neuroscientists, a meeting of cardinals at the Vatican, a team in a workplace, or a family at the dining room table, we hear enormous differences in *style* (forms of etiquette, rules of order) and *content* (topics, opinions, and facts). But structural dynamics asserts that beneath style and content there exist deeper *universal struc-*

tures of how conversations proceed. I will argue that as the foundation on which all communications are built, these structures are the most significant predictors of the outcome of any verbal interaction.

Why make this invisible structure visible? *Because problems in face-to-face communication are often due to the unseen influence of this deeper, invisible structure.* So long as it remains unnoticed, the structure can violate and undermine people's communicative intentions. Without understanding why, people try to communicate and end up passing each other by, clashing and repeating old battles when they meant to connect and conciliate. Once the structure is made visible, individuals can learn to observe and even change it.

What is the structure? Let's begin with that part of it that we call the *behavioral profile,* which you will see Duncan teaching to Ralph as his main tool for reading the room and what each person in the room is doing to make communication more or less productive. Within the behavioral profile, let's begin with the basic unit of communication—an individual speech.

Speech as an Act

Structural dynamics regards speech as an **act,** so its basic unit of consideration (or measurement) is a personal utterance—for example, "Let's start the meeting, shall we?"

In structural dynamics research and in this book, we focus heavily on the actual *words* that people use. That may sound limiting, considering that context, body language, eye contact, and other evidence can enter into what a person's comment really means. In fact, we won't entirely overlook those nonverbal forms of communication; clearly much of what we say to each other is not exactly what we are thinking or even what we *mean* to say. Structural dynamics uses a concept it calls *voice* to capture these other forms of communication.

But a record of words is a powerful handle, allowing us to encode a speech act in measurable terms. After a contentious meeting, we can look back on the record and surmise what was going on down below. Being able to encode what goes on at the level of words also enables us to see when people's conversational practices actually change and improve.

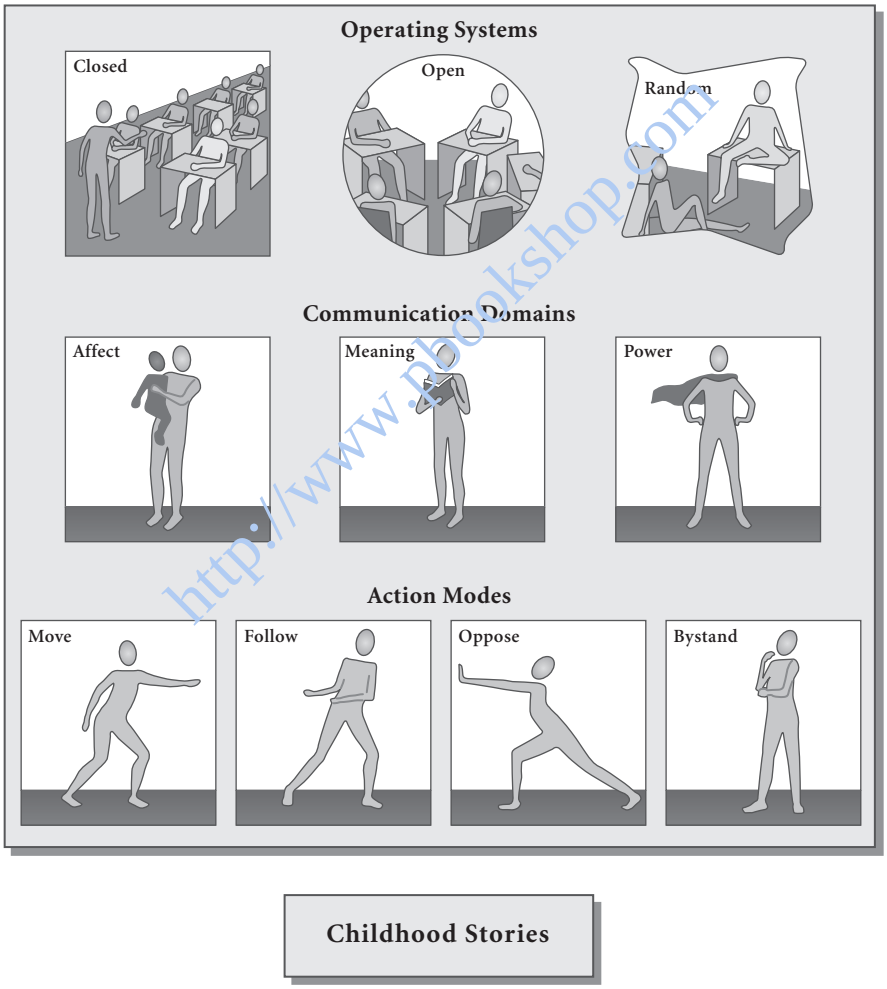
Speech acts often follow one another in recognizable patterns. For example, you state an opinion, one listener disputes it, then another supports it, and eventually your opinion carries. We call such combinations of speech acts **sequences**; and when they keep occurring, we call them **patterns.**

Speech Acts and Four Levels of Structure

Figure 1.1 shows four interacting levels of structure that describe a speech act and help us describe the dynamics of a conversation. Three are visible and can be coded; the fourth, story, plays a major role but usually remains invisible.

Here follows a brief overview of the four levels of structural dynamics. Later chapters will explore them more deeply and show how the first three levels

Figure 1.1
Structural Levels of Communication



coalesce to make up one's behavioral profile (as summarized in Chapter Five). Other chapters will show how our stories have structures embedded in them that directly influence the more visible levels.

Level I: Action Stances Most overtly, all speech takes one of four stances in relation to some action. We call this the **four-player model.** Each of the four **action stances** occupies the "interaction space" in a unique way:

- A **move** initiates action or suggests direction. It takes the center of the space: "Let's start the meeting, shall we?"
- A **follow** validates and completes an action. It closely adjoins the move: "I'm ready also."
- An **oppose** challenges and corrects the action. It blocks the way of moves and follows: "Hold on. Ralph's not here yet. We need our CEO."
- A **bystand** provides a perspective on the overall interaction, and attempts, in some way, to reconcile competing actions. It stands at the periphery where the speaker can view the entire interaction space: "It's no secret that he's typically late. Are there reasons you should not confront him directly?"

As we shall see, communication is effective when individuals move fluidly between different action stances, making full use of the interaction space. Frequently, however, speakers become "stuck" in one or more positions, constricting the conversational space.

Level II: Communication Domains Every action stance also takes place within one of three **communication domains**. These domains or "fields" define the focus and direction of the speech. Incidentally, Ralph tends to arrive late to team meetings, which the rest of the team talks about now and then.

- The **affect domain** concerns itself with feelings and the connection between individuals: "Whenever Ralph forgets time, he leaves me with a sense that he doesn't care about how it affects me."
- The **meaning domain** attends to ideas and ways of understanding: "When he gets immersed in ideas, he forgets the whole world."
- The **power domain** takes on action and the issues of completion, achievement, and influence: "We can get things done while we're waiting. Let's do what we can."

As we will see in Chapter Three, an action stance in one domain is very different from the same stance in a different domain. For example, a move "in affect" ("Let's have a show of hands—how many of us really care if he's not here?") is different from a move "in power" ("For me it's about our agenda, so let's start anyway") and both differ from a move "in meaning" ("For me it's the ideas behind his inputs; we need them in this meeting").

As we shall see, talk frequently becomes confused when several individuals are unaware that they are speaking from different domains.

Level III: Operating Systems Structural dynamics applies what is called **systems thinking** to face-to-face relations. It takes two concepts from systems thinking: the concept of circularity, and the signature idea of positive and negative feedback loops. In circularity, Person A does something that has a controlling effect on Person B. Person B, reacting in turn, does something that has a controlling effect back on Person A. As this pattern repeats, A and B begin to anticipate each other's acts. This anticipation leads both parties to behave in ways that ultimately bring those acts about. Circularity, the absence of true cause and effect, is now in place. As for feedback loops: in brief, two kinds of feedback loops regulate behavior. Positive loops amplify, negative loops contract.

Structural dynamics applies these notions to three types of operating systems:

- In a **closed system,** where negative loops predominate, speakers are regulated by formal rules and orient themselves to the larger system.
- In an **open system,** governed by both positive and negative feedback loops, speakers are regulated by one another and orient themselves toward the collective.
- A **random system,** regulated by positive feedback loops, gives priority to individuals over any rules of the system; it encourages speakers to self-regulate.

Individuals and groups have preferences for different operating systems. A person's preferred system can cause him to interpret a second person's action stance or choice of communication domain in ways the second person did not intend. In other words, when we operate according to the rules of our own preferred or dominant operating system, we may unknowingly violate others' preferences and conventions.

Behavioral Profiles and Effective Communication Speech acts can be coded. Anyone can be taught to code the four Level I action stances (move, follow, oppose, and bystand). Levels II and III are more difficult to code rigorously, but my colleagues and I have verified that they, too, can be coded reliably.[2]

Teams develop different patterns of speech acts, and individuals make their own characteristic inputs to these patterns. For example, an individual who prefers a *closed* system, prefers the language domain of *power,* and is a frequent *opposer* will be recognizably distinct from someone who prefers an *open* system, uses the language of *meaning,* and is a frequent *bystander.* Repeated speech acts in sequence form what I refer to as patterns.These tendencies can be codified and described; they make up what I referred to as a person's behavioral profile, explored further in Chapter Five. Awareness of a person's profile greatly enhances our ability to predict and recognize what that person is likely to say—at our structural levels—in response to someone else's speech.

Because each person has her own profile, when communicating with others she is often attempting to do so across important differences. The ability to effectively do so distinguishes a good leader from a great one.

Level IV: Childhood Stories Level IV is not part of the systematic, speech-by-speech coding that make up a person's behavioral profile. It runs much deeper.

The power of story pervades modern culture. Its value is exploited in every aspect of life—in computer games, war games, entertainment, literature, and science. The Bible is a story, as is every theory. Storytelling is our age-old way of explaining where we've been and what we've experienced. In the personal sphere, story gathering, the act of creating a story from experience, is central to identity; and identity stories are central to our personal approaches to communication.

We all gather stories about ourselves. From the age when we are first able to observe ourselves as objects in the world, we form and store our own experiences and identities in narrative form. Our identity and its supporting stories shape what we say and how we react to what others say. To truly comprehend the structure of talk, we want to know as much as we can about our own underlying stories and those of others in the group.

The level of personal story and identity is not an easy one to enter, and most books on leadership avoid it. But the truth is, why a CEO like Ralph comes late to his own meetings and how his team reacts to that (and to his leadership in

general) are hugely affected by their own identities, their self-told stories, and the state of their private lives.

Structural dynamics identifies a specific set of stories that determine how we communicate. This Level IV perspective helps explain why people's profiles differ and how the stories that form identity complicate or defeat communication. It attempts to fathom whom we select as lovers and spouses and why we partner most closely with certain colleagues at work. By recognizing our own stories, we enable ourselves not only to lead better but to live more fulfilling lives.

THE BASIC CHALLENGE OF ALL CONVERSATION

As I suggested earlier, each of us reflects a certain behavioral profile in how we speak with others; we also have certain expectations about how others will speak to us. All human communication is driven by *models.* Each person's communication is controlled in part by a model he or she carries around about how conversations ought to work.

The **model** is an explanatory system that includes how the person typically perceives and processes events outside himself, and how his inner stories prompt him to respond. We call this automatic and instantaneous screening mechanism one's *personal model.* Conversations succeed or fail based on the interaction of different personal models. Thus we are all often engaged in **cross-model conversations**—a pivotal concept in structural dynamics.

Inevitably, interpersonally, models sometimes clash, though even a repeated clash usually remains benign until some event raises the stakes for one or both parties. But significant **model clashes** between people in close and regular contact are more common than we like to think. Then communications can break down, and relationships get messy, even miserable. When a couple fights over the large amount of time one partner is away, they likely are in a model clash, an unsuccessful cross-model conversation. So is a team, often, when it erupts over different points of view about a key decision at a moment of crisis.

From the concept of the cross-model conversation, structural dynamics has built a number of principles and guidelines that can help you recognize model clash and take steps to ameliorate its problems. Among other things, structural dynamics is an invaluable way of decoding and understanding the model of conversation that is operating in the head of any individual, and how his or her model resembles or differs from your own and those of other members of the group.

LEADERS AND COMMUNICATIVE COMPETENCY

Communicative competency refers to understanding one's own behavioral profile and being able to expand one's own repertoire of choices as needed. Communicative competency is essential for successful cross-model conversation, which is central to effective communication and to leadership itself.

Structural roles are complementary. Movers need followers (and even opposers) and vice versa. Speech acts in the affect (emotional) domain need supporting acts spoken in terms of the power domain. All combinations are needed. Yet what often happens is that, because structural differences are also a source of confusion and conflict, individuals unknowingly surround themselves with others who have their same limited structural repertoire. This book can counter that and improve your interactions by expanding your behavioral profile—the range of such action stances you are comfortable taking in conversation. Expanding your own profile will also open more space for others to play a wider range of complementary roles.

In my view, communicative competency is the apex of leader development and thus difficult to summarize briefly. However, its full meaning will unfold in the course of this book.

REAL LIVES AND REAL LIFE STORIES

Most twentieth-century business organizations expected their leaders to achieve many difficult things at once: explore for and exploit new ideas *and* maintain focus on core business execution; keep a global perspective on the business *and* be open and accessible to employees; "delight" customers, motivate employees, be responsible "corporate citizens," *and* maintain a sizable bottom line . . . Little has changed in the past few decades.

The rewards offered are status and money. Rarely does a board ask whether the CEO has a happy and personally fulfilling life. Many top leaders are so focused on their work that they have little idea what the good life is.

In their hearts of hearts, next-in-line leaders see all this coming and, like their predecessors, settle for the status and money. But leaders are currently in transition in terms of their attitude toward this devil's bargain. Thankfully for them and us, increasingly they know that there is something better, something more. Increasingly they press for acknowledgment that *they have real lives*—partners, children, private pursuits—and expect to live them even while they lead.

My point is not only that leaders deserve to be able to pursue a life worth living. It is also that, insofar as they are leaders of teams, that pursuit is not contrary to but an indispensable additive for their teams' deepest success.

One conclusion of structural dynamics research is that this area of private relations (and personal histories) cannot be ignored, any more than most voters ignored the presence and influence of candidates' marriages and other love lives when they voted in 2008. The higher the stakes, the more these influences dog the events. This book gives both early personal history and adult intimate relationships the place they deserve in discussion of leadership.

As a coach, you probably understand that this line of thinking is true, but you may still resist addressing it in your coaching work. Few people are eager to look themselves squarely in the mirror, and leaders clearly don't want to talk with coaches or clients about these issues. In fact, they make sure the line stays firmly drawn so that the work world—and all its coaching and consulting—doesn't get involved with thorny subjects of love or private longing, except behind closed doors.

I ask you not to ignore the dark. We all have shadows. Unacknowledged and unattended, they do untold damage in our private and organizational lives, especially when stakes are high. *Reading the Room* will address these realities and can help you explore your awareness of them in your own life and among the leaders you coach. In turn, those leaders can expand their own awareness and become more effective in their leadership teams.

You may have noticed that I slipped in the dreaded four-letter word *love.* Our society has developed an unhealthy schism between work and love. *Reading the Room* is about the ways leaders learn how to think, how to talk, and, yes, how to love. I know my risk in confessing this. For decades, consulting practitioners have carefully observed the line between one's personal life and work life, and everyone in business is trained not to cross it. Anything that even remotely sounds like therapy or deals with one's personal life and early experiences is highly suspect.

But *Reading the Room* is about what is involved in a whole, unified, fully integrated life, and leaders want to be loved. That's why they do what they do, even when their motives may look simply material or power centered. Love is connection. Connection is the bridging of difference, and difference is bridged through words, language, talk.

THE COACHING PERSPECTIVE

This book takes the coach's perspective, but in a way that I believe will make valuable reading for leaders, too. I've included many illustrative dialogues like the short one shown earlier between CEO Ralph and his coach, Duncan. Throughout, we'll be seeing what the coach who is trained in structural dynamics looks for in group interactions and how he can train a leader in the same observational skills and enhance the leader's overall communicative competency. Many coaches already use the principles of structural dynamics as part of their work with leaders. I hope this book will be useful to them—for example, in showing how to pass on specific techniques. I hope also that leaders will gain a richer sense of what benefits are possible from structural dynamics coaching.

I am not suggesting that all coaches or coaches-in-training reading this book should necessarily take up all levels of intervention that the book presents, especially those that involve deep interpersonal techniques. Eliciting a "childhood story" *when appropriate* is a mainstay of my own, long coaching practice, as is talking to my executive clients about their life challenges wherever they appear. But this psychotherapeutic type of approach can cause much harm in the hands of untrained "helper" interventionists. Guiding another person in looking at his or her dark side does take a certain level of skill and experience not usually taught in business and coaching schools. My upcoming handbook of intervention technique, *Making Change Happen,* will explore ways to bridge this gap in greater detail.

Also keep in mind that coaching or consulting services in corporations are typically paid for by the company, usually with the tacit understanding that those services must help contribute to the goals of the organization in some way. If the individual needs personal "therapy" for other reasons, he or she should get it outside the corporate setting, regardless of its relation to performance. In the structural dynamics coaching model represented here, and in the Duncan-Ralph relationship, much work is done on the personal front without therapy.

In this book, a coach is teaching a leader how to incorporate structural dynamics into his repertoire of skills. The coach has in mind four stages of growth that I will introduce in the next sections. The first three stages fall within the coach's purview. In stage 4, the leader proceeds without further assistance from the coach regarding structural dynamics. Note that the same theory of face-to-face communication I am presenting here applies in both work and family settings.

Stage 1: Functional Awareness

In the **functional awareness** stage, the leader first comes to understand how the structure and patterns of communication in all his relationships play out in face-to-face relations, differently with each of his management team members and with his private partner or spouse.

Once the leader can recognize behavioral profiles in action and can read them in himself and in the room, the coach can take him to the origins of these behavioral patterns in himself. These are key stories gathered from childhood through young adulthood and determine his typical ways of interacting with key others.

Later in this stage, coaches round out leaders' discovery of the self in action by helping leaders see their *shadow behaviors* or, more dramatically, their *dark sides.* These too originate in stories, inconveniently and often destructively rising to the surface in high-stakes situations. The leader gains much in understanding what they are and where they come from.

Stage 2: System Awareness

Systems thinking relies on circular rather than linear ideas about cause and effect. No theory in my opinion has contributed more to our understanding of how organizations work. Many leaders have been exposed to it, but the greater part have yet to grasp it to any meaningful degree. Repeatedly the coach will focus the leader on system awareness. For example, he might point out circularities at the heart of a controlling system: "What is it in your behavior that causes X, whom you can't stand, to behave toward you in such a way that you can't stand him?"

A leader who fails to understand circularity in communication risks cutting off valuable feedback about goings-on in the organization. Poor insight into systems may be at the root of why his or her most valued close relationships fail. Without good systems thinking skills, the leader may also not understand how the organization works, how its parts interact—how, for example, if people in marketing fail to communicate effectively with people in sales or product design, the product may ultimately just sit on a shelf.

Stage 3: Moral Awareness

The moral dimension of leadership behavior has come to occupy a central place in structural dynamics theory. This stage of the process aims at promoting moral

awareness in leaders, meaning basically an awareness of the forces that tempt fundamentally good people to do basically bad things.

Kilburg and others have begun calling attention to moral behavior and its corruption in leaders and their organizations.[3] Business schools, the most prolific generator of our future leaders and decision makers, are adding moral behavior to their curricula. If the fall from moral grace of some of their best and brightest graduates is indicative, however, that curriculum has a long way to go.

Stage 4: Responsible Self-Evolution

Advocates of structural dynamics insist that leaders and their coaches make the demanding but rewarding effort to develop and continue to "build their models." The advocates also hold themselves and their coach-trainees to this same standard.

The *capacity for responsible self-evolution* is my phrase for addressing the question, "When does the power to acquire skills and knowledge shift from 'others' to the self?" In this stage, when leaders have achieved functional and moral awareness and a high enough level of communicative competency, structural dynamics recommends that they take responsibility for developing two models of their own making: a leadership model that is uniquely theirs, and a model of a life worth living. This is the point of closure, ideally, when the coach can *leave*.

HOW THIS BOOK WILL WORK

In Part One, I elaborate the structural dynamics model at each of its four levels, including the behavioral profile that encapsulates Levels I through III. I point out ways that the model can be useful, and apply it, by way of example, to the weekly meetings of the ClearFacts executive team. For simplicity, Part One confines itself to communication in relatively low-stakes situations. Parts Two and Three up the ante. In these chapters, we see CEO Ralph and his team grapple with high-stakes problems, including and fueled by fraud within the team. The final chapter examines our current U.S. president, Barack Obama, in structural dynamics terms.

Reading the Room uses the story of a prototypical team to explain its concepts and to put them in a vivid, real-life context. This book covers a wide territory—conceptual, practical, and prescriptive—in three parts. Part One, Chapters Two through Five, lays out a conceptual framework for understanding why and how

all people, with a special emphasis on leaders, act as they do under "relatively" low-stakes conditions. Our behavioral propensities, as measured in our instrument, the Behavioral Propensities Profile, determine how members of the ClearFacts team act and speak to good and ill effects when conducting business and making key decisions. Provision is made at the end of these chapters for you to get a good estimate of your behavioral profile and to compare it with those of the team members.

Reading the Room offers critical insights into how and why behavior changes when there is a shift from low- to high-stakes situations. Part Two, Chapters Six through Ten, first provides a theoretical foundation for understanding the origins of leader behavior in high stakes, and then puts the theory in dramatic context as the ClearFacts management team is catapulted into crisis when one of its members is suspected of fraud, seriously threatening the integrity of the organization, and possible charges by the SEC.

Reading the Room has its own carefully articulated view of how to bring the development of future leaders to new heights of professional and moral behavior. In Part Three, Chapters Eleven through Fifteen, it lays out the course in detail. By following Ralph Waterman, ClearFacts CEO, as he does the hard work of building his own models under the direction of coach Duncan Travis, you will gain insights about your own leadership model and how to bring it to a higher level of development.

As you will see, the ClearFacts story delves into the private lives and histories of the members of the team, showing how those become part of the team's structural dynamics. You have already met most of the major characters. You will meet a few more, including **Ron Stuart,** who will join the team in a later chapter. I created the cast as composites of personalities and behaviors I have encountered in my consulting and counseling work. I believe you will find them real and familiar, if not classic types. The ClearFacts case will include few facts about the actual business or even about its product, but it tells you what you need to know.

As a start, these spare additional details should suffice: new CEO Ralph was brought in as part of a major restructuring of an organization that had plateaued. He was charged with putting together a strong executive team and with launching the company into Asian markets. The action takes place over a number of months. Figures 1.2 and 1.3 remind you who the various team members are at the outset. You will come to know them well.

Figure 1.2
The ClearFacts Team at Work

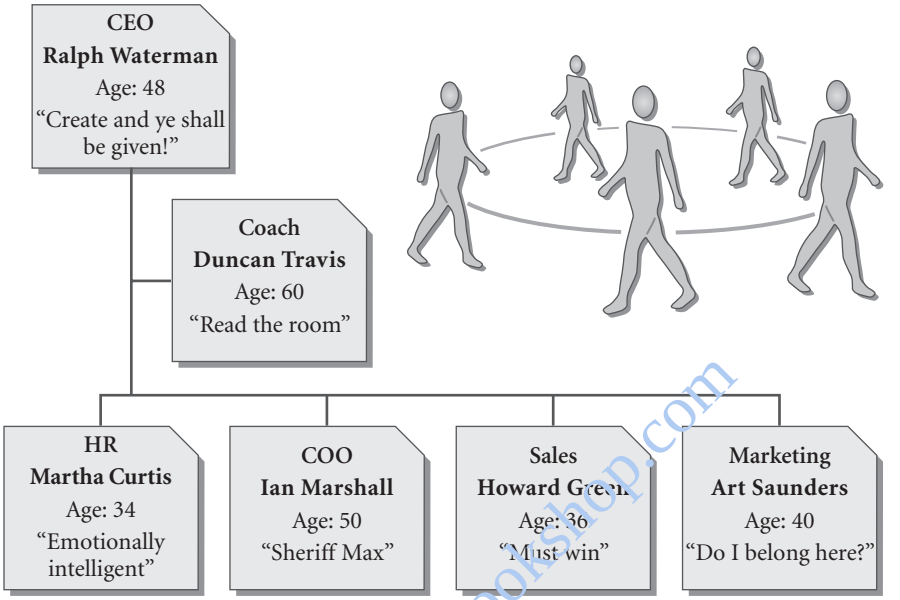
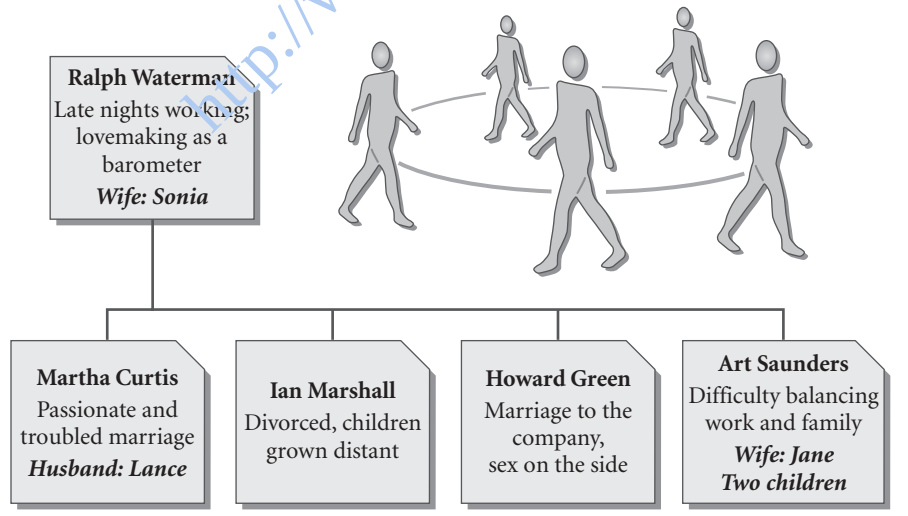


Figure 1.3
The ClearFacts Team at Home



From Insight to Action

If a book needs a mantra, let ours be this:

Great leaders are great in face-to-face talk.

Once you understand the theory of structural dynamics and learn how to use the four-level framework on which it is based, you will be able to understand the essence of verbal interactions and the underlying dynamics of communication between individuals and in teams and other small groups of people in close contact with each other. The room in which these interactions take place is not confined to a 20-by-30 conference room. Through policy statements and other means of communication, the room can grow beyond physical space. CEOs must go beyond their teams to communicate with an entire organization. In Chapter Fifteen, we apply everything we've learned about structural dynamics and individual behavioral profiles to the case of a sitting president, whose leadership is evidenced in his ability to communicate his model to a broad constituent base.

As a coach of leaders, you will be able to pass these same insights on to the leaders you serve and train them how to read and guide communications "in the room" and throughout their organization (and their lives outside it) for the rest of their careers.

If you're not a coach but a leader who wants to work with a coach to master these insights and skills, read on. The more you know about the challenge from the coaching side as well as your own, the better equipped you will be.