Adapting Quickly and Synergistically
Co-evolving Strategy, Culture and Leadership

By: Peter Stonefield, PhD

It's time to adapt our adaptive strategies. Adapting quickly to disruptive threats and opportunities may be the leadership challenge of the next century. We have come to rely almost exclusively on power and persuasion to lead change. Wouldn't it be faster and more effective if everyone could quickly sense and spontaneously align around what is already self-organizing? How? Facilitate self-discovered insight into what is self-organizing. Help people define the disruptive internal and external threats and opportunities and give them the opportunity to creatively discover how to respond as teams and individuals. Adaptive insight spontaneously aligns people and turns change into an intrinsic opportunity to actualize potential rather than just compliance with management edicts. It is like collectively charging a magnet and then spontaneously aligning like iron filings to the charge.

Charles Darwin described adaptation this way, "Change does not occur in a species until there is trouble: when oceans dried up, fins changed to legs. If a change proved effective, then the species was perpetuated." In todays global, fast paced, increasingly technological and converging business environment disruptions can dry up markets, opportunities and organizational effectiveness in weeks or months not decades. There are no long term straight line paths to success just a series of adaptations to disruptive changes. Leaders, individuals, teams and organizations must continuously adapt quickly or perish painfully.

Limits of Persuasion

Much has been written about leading change. Most of it focuses on understanding the change process and various means of persuasion from enrolling people in a new strategy to "my way or the highway." The downside of persuasion is that it can take a long time for people to come around. Telling people how to think and do things differently can stiffen reluctance. And how do you persuade the culture everyone is embedded in to change? Fish won't change the way they swim unless you change the water. People identified with the cultural success strategy "bet the company on a innovation and depend on heroes to deliver" will resist a strategy to improve quality or cut costs through process discipline. Heroes and innovators generally don't like data driven process discipline. They like to keep information under wraps until the appropriate moment. They like a little chaos and challenge. It gives them opportunities to be heroic.

Adaptive Insight

Rather than rely exclusively on power and persuasion give people the opportunity to experience insight into how to adapt the strategy, culture and their behavior as individuals and teams. This self-organizing co-evolutionary process accelerates change because the new organizational, cultural and individual success strategies synergistically reinforce one another.

Carl Rogers describes the intimate relationship between adapting and creativity this way; "The mainspring of creativity appears to be man's tendency to actualize potentialities as the organism forms new relationships to the environment. …This tendency may become deeply buried and awaits only the proper conditions to be released and expressed." The importance of self-discovery cannot be underestimated. It is the basis for the Discovery Method in adult learning, which is probably the most carefully studied innovation in learning methods since programmed instruction. Self discovered insight taps the mainspring of creativity and releases powerful self directed motivation to make it happen. Creative insights, especially in the form of images, metaphors and symbols are narratives that have immediate psychological traction. They become "attractors" that self-organize the various means of the

mind to their ends. With intention, attention, action and positive feedback they become living "visions" that take on a life of their own. Vern May, Director of Dow Chemical's Western Area Science and Technology Laboratories proclaimed; "every good thing that has happened, during the last two years, at WASTL is traceable to those images." A Sun Microsystems Director responsible for merging an acquisition told me "that the image of some people riding the crest of the wave and others struggling and drowning trying to catch up provided the breakthrough insight that enabled the teams to align in 3 hours after struggling for over 6 months."

Shared Insight
To illustrate, consider the following self-discovered shared insights of two teams from a communications equipment manufacturer with sales of 1.5 billion. An Executive level team consisting of the VP of Engineering and 9 Engineering Directors and Engineering Services Management Team consisting of a Director and 8 managers.

Executive Team
To facilitate self-discovered shared insight I organized a "back to the future" conversation about the evolution of organizational strategy, leadership and culture. The conversation began with the team reflectively thinking about the past. The focus was on surfacing past adaptive strategies and lessons learned. The core cultural adaptive strategy from the past was identified as "get the deal no matter what the price and depend upon engineering and operations to make it at a profit." Using this strategy the company gained a dominant 65% market share.

Connecting the Dots
One of the purposes of the reflective thinking was to stir up the dots for the subconscious creative process that self-organizes and connects them in the form of images, metaphors and symbols. The highly creative process moves people beyond current mindsets and their traditional ways of thinking. It taps the subconscious creative process to discover powerful new insights. At first glance, one's skeptic might dismiss the images as kids' fantasies. However, Einstein, Poincare, Kekule and many other brilliant scientists, engineers and executives have attributed their insights to symbolic images. Kekule's image of a snake biting its own tail gave him the insight into the closed structure of the benzene ring which was the foundation for all organic chemistry. An eagle's claw holding a molecule gave a WASTL researcher insight into how to stabilize a chemical process. Frequently, difficult to discuss issues are revealed in an impersonal, metaphorical and often humorous way. Albert Bandura expresses it this way; "Symbols serve as vehicles of thought that enable people to store the information required to guide future behaviors." "By symbolizing their experience, people give structure, meaning and continuity to their lives." Symbols are condensed narratives.
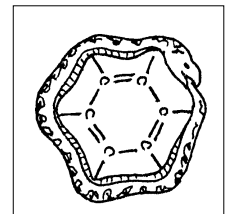
The Past
All the images are replicas of the originals. Two of the 10 images symbolizing the past are shown. The creators' comments were typed for clarity.

Figure 1. metaphorically captured what it was like in engineering, given the corporate cultural adaptive strategy, "get the deal no matter what the price and depend on engineering and operations to make it at a profit." The image on the left in Figure 2 and others depicted a Top Gun, My Way, leadership styles symbolized by Cowboys,
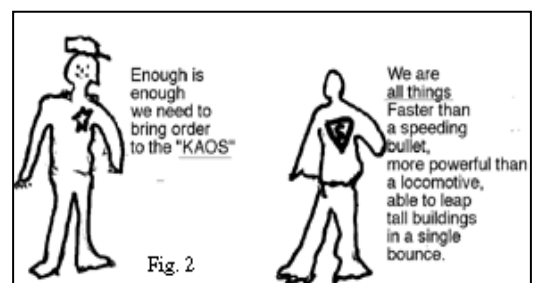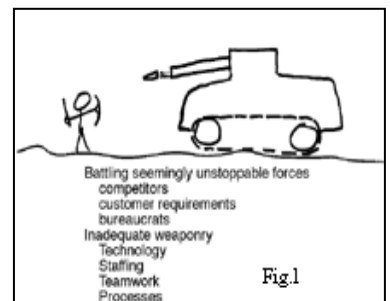
Sheriffs and Heroes working in chaos. Some of the specific behaviors and narratives attached to these images were: not making decisions until the very last moment because "changes were always on the way;" frequent management "shoot outs;" hiding information, no trust and poor employee / management relationships characterized as "us versus them." Once the images were interpreted, the self-organizing process moved towards the future with an environmental scan.

The Future

The Executive Team identified the current environmental pressure as losing market share due to regulatory changes, increasing technological innovation and new competitors. In addition there was increasing pressure to shrink product development cycle times and costs. If that weren't enough, a recent organizational survey, showed morale in engineering was at an all time low.

This time the creative thinking exercise generated insights into how to adapt. The image on the right in Figure 2 suggested they would become like a speeding bullet and make changes rapidly. The most profound insights came from the image in figure 4. It was first seen as a chess game. It took awhile for the creator and others to interpret it as an adaptive design architecture that would support a wide range of product features. This would enable customers to quickly customize services to end users at minimal cost. Within minutes they recognized the potential need for several design architectures for different market segments. Each would support a specific range of functionality. The Product Development Director immediately turned the architectures into adaptive manufacturing platforms. Each platform would support agile or lean manufacturing strategies.
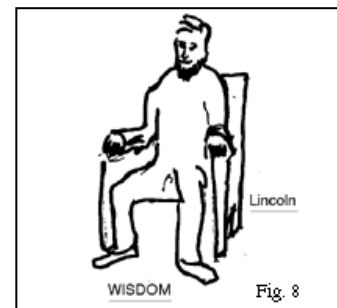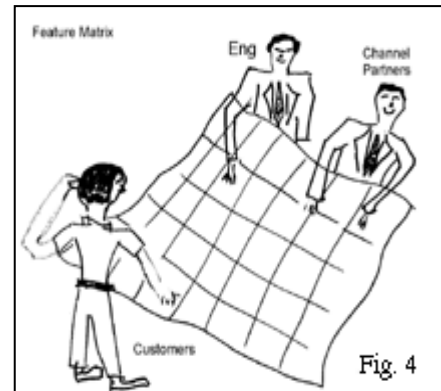
Three images suggested decentralizing engineering. Selling adaptive design architectures rather than a specific product would require engineers in the field. An image of engineers exiting an airplane in China pointed to a complementary strategy of deploying product development engineers, perhaps full time, in China to better coordinate manufacturing.

The remaining three images focused on the need for honest, wise enabling leadership and revitalizing the engineering community. A wise owl and honest Abe Lincoln in figure 8 symbolized the new leadership. The Egyptian symbol in figure 9 of the Phoenix Rising from the ashes symbolized revitalizing the engineering community. Everyone expressed complete surprise as there was no discussion of any of these ideas prior to the session.
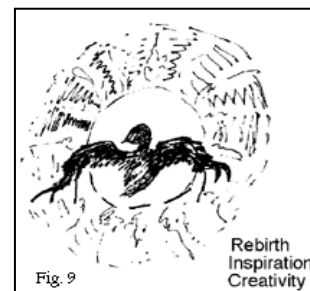
Co-evolutionary Next Steps

The images pointed to co-evolutionary adaptive next steps for Engineering strategy, overall leadership and culture. Adaptive architectures and manufacturing platforms would be created that enables rapid product customization at minimal cost. The leadership would focus on wisdom, integrity and empowerment. The core cultural strategy would evolve to "get the best deals no matter what the price." The best deals would be those that fit in the adaptive architectures.

I was struck by how quickly a very combative group became spontaneously aligned and committed to their shared insights. It was as if some hidden organizing field spontaneously emerged through their complementary insights. One Director noted the obvious excitement and expressed concern about how to keep the momentum alive.

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The Past-Engineering Services Management Team
The Engineering Services Management Team's images of the past reflected a war time and cowboy combative atmosphere as shown in figures 10 and others.

Fig. 10

Figures 13 and another image offered shared insights into the low morale of the management and staff of engineering services. Engineering Services personnel were treated like second-class citizens with little positive recognition and no "respect." Figure 13 indicates that recognition only went to one piece of the overall engineering activity, the design teams.

Fig. 13

The individual who had image Figure 14 wasn't sure what it was. Once it was identified as a Hydra, it became particularly insightful. In Greek mythology, the Hydra was a dreadfully feared creature that would ferociously devour its competitors. However, once its enemies were at bay it would frequently turn on itself. Like a Hydra, they gained a 65% market share then turned on each other. The Team connected the Hydra to several current behaviors within their group and throughout the organization. One company-wide example was an e-mail issue escalation system. It was designed to quickly escalate issues to senior management's attention by red flagging them. However, not long after it was established people began to use it to embarrass other groups and individuals by red flagging issues without any significant attempt to reconcile them at lower levels. In some instances insignificant issues were flagged to "out draw" someone. Shortly after this session the Engineering VP, Director of Engineering Services and I explained the image of the Hydra to the new CEO. Thirty minutes later the issue escalation system was halted.

Fig. 14

What worked so well for twenty years was now threatening to destroy itself. Over identification with any one adaptive strategy can have serious unintended consequences in individuals, teams and cultures. Long term sustainability requires agility-the continuous development and effective deployment of new complementary adaptive strategies.
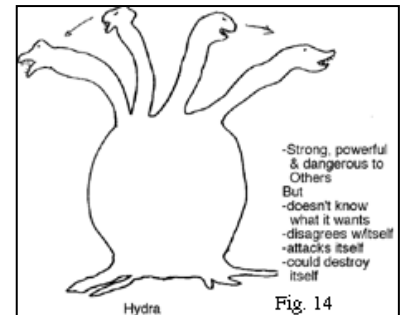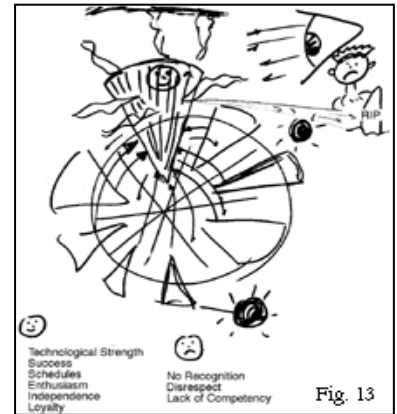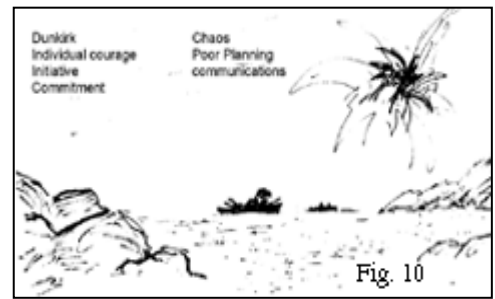
The Future
**Engineering Services Management Team**
Like the Executive team the Engineering Services team identified the environmental pressure as low moral, increasing innovation, new competitors, user pressure to standardize, shrinking cycle times and reducing development costs. The Director also introduced the new overall engineering strategy of adaptive architectures.

Fig. 16

Their images for the future pointed to new adaptive strategies for Engineering Services. Figures 16, 20 and another image suggested a team adaptive strategy of defining and facilitating product development processes with particular attention on clear handoffs between groups. Figure 20 was particularly interesting. The nodes in the image represented the architectural design groups, product development groups and manufacturing. The new role of engineering services would be to weave the connections between the nodes. They would define the processes, establish standards, and leverage knowledge. Just interpreting the image lifted the moral and raised the self-esteem of the group in the moment. Everyone present could see the importance of

Fig. 20
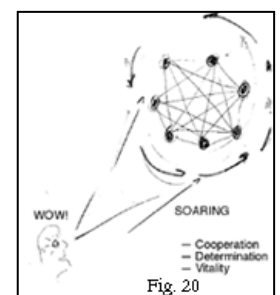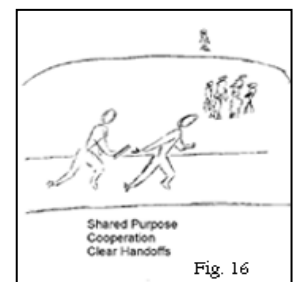
their contribution and expressed excitement around making it happen. Figures 18 and another image pointed to an individual development focus on developing collaborative leadership and teamwork.

Fig. 18

They forged shared commitments to model collaborative leadership within the management team and with partners from the project groups and operations. They will approach all partner nodes to establish a shared purpose, vision, commitments and performance measures for defining and facilitating the product development processes.
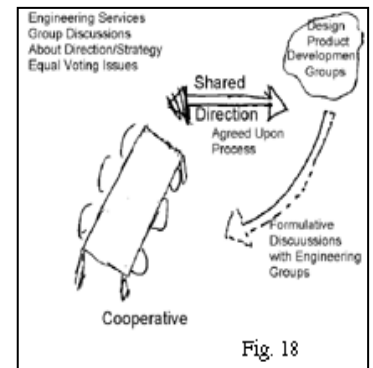
Measurable Goals
After the Engineering VP enrolled the CEO, Marketing and Sales in the new strategy both teams established measurable goals based on the adaptive architectures strategy. Goals were established for decreasing product development cycle times and costs as well as reducing manufacturing costs and revitalize the engineering community.

Co-evolution of Individual Leadership
None of this can happen unless individuals on both management teams walk the talk. Intellectual understanding, endorsement and advocacy are not enough. The Sheriffs, Generals and Combatants must co-evolve with the strategy. Each individual on both teams was guided through an individual self-organizing "back to the future" creative process to self-discover an image of their new adaptive leadership strategy. Most of the images of the past were consistent with Sheriffs, Generals, Combatants and embattled Heroes. A few were quite different. One Director's image of his past adaptive strategy was a cat resting on a couch. He interpreted it as finding a niche in the scheme of things where he was safe. Another manager had an image of a resentful midget looking up at an oracle (design group).

There is no effort to confront the Sheriffs, Combatants and Embattled Heroes directly. Making the Sheriff or Maverick bad or pushing against them just increases resistance. Firm direct leadership will always be a part of the mix. The focus is on developing self-management and evolving their self narratives by developing new complementary adaptive strategies or roles with different mindsets.

Complementary Next Steps
All the individual next step images were unique to each individual and consistent with overall new leadership strategy of wise authentic and honest leadership. Most complemented or balanced the individual's old adaptive strategy. Those that were most identified with the role of Sheriff or General had images that expressed receptivity, understanding or camaraderie. Elephant ears pointed to the wisdom of listening. Standing under and supporting a bridge represented understanding and mediating both sides of the divide. A medieval Knight symbolized honor and integrity. Two brains using signal flags to communicate across a bay represented collaborative leadership. The Director's cat image for the past became a cat with nine lives. Each "life" would produce a new adaptive strategy. In his next "life" he would become a lion leading the pride on a hunt. Not as a Sheriff or Maverick Cowboy looking for trouble but as a forceful leader engaging his engineers and managers to take more cross organizational collaborative leadership. The world views, mental models, qualities and competencies associated with each individuals image became the organizing principles for their leadership development plans. With a little coaching and positive feedback the new adaptive strategies developed rapidly and synergistically.

Adaptive Synergy

By co-evolving strategy, leadership and culture simultaneously they gained adaptive synergy. In effect the teams established a new standard for their collective functioning and performance. The new level of functioning and performance became the environmental pressure on each individual. Team and individual learning efforts were linked with the success of a team's business strategies. Parallel but highly interdependent action learning tracks unleashed a powerful combination of motivational forces. Adapting is accelerated because organizational, cultural and individual success strategies positively reinforce one another.

Adaptability

In an increasingly fast paced, changing, converging and complex business environment, companies have to become agile and adapt quickly and synergistically. Long term sustainability depends on developing adaptability. They have to be able to turn on a dime, reconfigure processes, partners and people from different cultures into more complementary arrangements. The biggest challenge is getting everyone on the same page quickly and walking the talk. Fiat alone won't do it. Facilitating self-discovered insights and co-evolving strategy, culture and leadership through creative self-organizing processes is more efficient and effective than "forcing change." The strategies at every level of the system are aligned and mutually reinforcing. Positive feedback on any level will also reinforce the other levels and thereby create synergy and accelerate the change. Adaptability results from successfully and consciously completing many adaptive cycles. The more adaptive, the more control the individual and the organization has over their respective destiny.

Peter Stonefield, BSEE, MA, PhD. is President of Stonefield Learning Group, consultant, psychologist and author of numerous articles. He was an electronic systems engineer and marketing director for the Bunker-Ramo Corporation.

He has successfully completed over 125 consulting engagements, created more than 20 different training and development programs and coached over 350 executives and engineers. Some of the training programs are Agile Communications, Agile Leadership, Managing Innovation, Knowledge Management, Managing Change, Creative Thinking, and Architecture for Teamwork He has facilitated the development of 15 knowledge leveraging "Communities of Practice" in engineering and marketing organizations. His client list includes Apple Computer, Baxter Laboratories, Dow Chemical, Hewlett Packard, IBM, Intel, Motorola, Stanford University, US Government, PPG and Sun Microsystems. He was the principal consultant to the winner of the US President's Quality Award for Managing Change and the winner of the GSA Administrators Award for Managing Change in Government. Peter's mission is to catalyze and accelerate the evolution of organizations and people.

Send comments to peter@slgllc.com and visit www.slgllc.com