Design for a New Kind of Leadership and a New Kind of Leader

WHITE PAPER

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Introduction

Organizations around the globe are struggling to adapt to an increasingly complex and turbulent social, economic, technological, and business environment—whether they be banks, product development companies, or city councils. Many are responding by embracing agility as a way of working—some with a primary orientation around *operational* agility (Agile software development methods such as Scrum and SAFe), others focusing on *customer* development agility (e.g., Lean Startup), while others are embracing a broader *business* agility.

In almost all of these cases, the prevailing notion of agility is concerned primarily with processes and practices, with systems and structures—a form of **outer agility**. But, as seasoned agilists (of whatever stripe) are finding, the biggest challenges with agility revolve not so much around its *outer* aspects—its processes, practices, deliverables, and business outcomes—but around the sensemaking, communication, and relationship intelligence of an organization's people: its *inner* aspects. This is where we find the characteristically *human* problems of resistance, conflict, communication breakdowns, broken promises, people going through the motions with little passion or conviction, deteriorating product quality, managers micro-managing—the world, that is, of mindset and culture—the world of **inner agility**.

Many organizational leaders and managers take an **outside in** approach to the growing of inner agility in which mindset and culture are viewed as behavioral attributes that exist somewhere out there: in *those* people out there; in *those* behaviors out there; in *those* habits and beliefs out there. From such an *outside in* perspective, the tendency is to think about and treat mindset and culture as those aspects of organizational reality that we can somehow fix or change from the outside, whether through inculcation, motivational inducement, reasoned argument, or training and mentoring.

In this article, I propose a leadership development philosophy and practice framework that takes an alternative perspective—one in which we view mindset and culture not from the *outside in*, but from the **inside out**. From this perspective, we are interested in growing and developing the *inner*

capabilities that determine how people think; how they make sense of complex situations around them; the (often unexamined) beliefs and values they hold, both individually and collectively; people's ability (or inability) to hold perspectives that are different from their own; their ability (or lack thereof) to relate with others in ways that leave those others empowered and enabled. Again, not from the *outside in*—the world of processes and structures or even behaviors; but rather from the **inside out**—from the world of sensemaking and consciousness, and from there out into the world of relationships and, beyond that, out into the world of organizational environments.

It is from the growing of these inner capabilities—from the level of consciousness outward—that the possibility for a genuine agile leadership, as I am defining it, emerges. Such a leadership is one that arises wherever people have the urge to take responsibility for their world—whether that be a team or a company—and a willingness to influence others toward a commonly held vision.

Such a notion of leadership sees itself as arising from an *inner* capacity for complex sensemaking and consciousness. When coping with the volatile and complex world in which we live and work, each and every one of us— software delivery team members and executive leaders alike—need to have at our fingertips, at any given moment, the capacity to sense, the capacity to respond and—more importantly—the capacity to *make sense* in ways that enable the creation of something *new,* as-yet *un-thought*, and as-yet *undone*, whether it's a new idea, a new tool, a new approach, a new vocabulary, or even a new self-definition.

Only by such an act of *creation*—not just in terms of what *action* we take, but also in terms of how we *think* and how we *make sense*—is it possible to generate outcomes that can have the intended impact on an ever-changing and ever-evolving world.

To do this, people need to be able to step beyond their fear of the unknown, of the un-tried, of the un-tested. They need to be willing to question cherished assumptions and to challenge well-established habits of mind. They lead not by telling, not by directing, not even by "going first," or "eating last." They do so by "pointing the way," to use Peter Senge's term.[1]

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[1] Peter Senge, *The Fifth Discipline: The Art and Practice of the Learning Organization* (Doubleday, 2006).

> *When people engage in such a form of creation, they are **already leading**. They are pointing the way, not to a right strategy or goal, but toward a different way of **sensing**, a different way of **responding**, and—most importantly—toward a different way of **making sense**.*

I call such a leadership *Sense-and-Respond* leadership[2] to emphasize the highly adaptive nature of leadership to which I am pointing and its inherent grounding in the *sensemaking* dimension by which it is necessarily defined. Just as the term "Sense-and-Respond" more generally captures the spirit and practice of *outer agility*—emergent software design, adaptive customer development, inspect-and-adapt project delivery, the build-measure-learn cycle of Lean Startup, and so on—so too does it evocatively capture the spirit and practice of *inner agility*, specifically in its holding of leadership as an inherently *sensemaking* capability.

Given this way of understanding the notion of *Sense-and-Respond* leadership, we can now define a "leader" as:

- Anyone willing to take responsibility for their world[3] and able to influence others in creating that world

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[2] The term "Sense-and-Respond" has a number of sources and references. My first exposure to the term was in Stephan Haeckel's book, *Adaptive Enterprise: Creating and Leading Sense-and-Respond Organizations* (President and Fellows of Harvard College, 1999), which views "Sense-and-Respond" through a management and organizational lens. More recently, the focus that Jeff Gothelf and Josh Seiden give in their book *Sense & Respond: How Successful Organizations Listen to Customers and Create New Products Continuously* (Harvard Business Review Press, 2017) is on adaptive business delivery and the kind of culture that sustains that. But more than anyone else, my adoption of the term was influenced by the work of Dave Snowden. For him "Sense-and-Respond" points to a leadership stance in the face of situations that are inherently complex, referencing a large body of research in complexity science. See David Snowden and Mary Boone, "A Leader's Framework for Decision-making," *Harvard Business Review* (Nov. 2007).

[3] The phrase "taking responsibility for your world" comes from the definition of leadership in the Coaches Training Institute's (CTI) Co-active Leadership Program. See http://www.coactive.com/leadership/program.

- Anyone who is guided by a deep inner compass founded upon a profound sense of purpose

- Anyone willing to recognize and evolve beyond the limitations of their current ways of seeing the world, of seeing others, and of seeing themselves

By "anyone" I mean anyone in *any* role, at *any* level of the organization, and within *any* part of the organization.

Evolvagility is a specific human technology which brings together a body of ideas, research, and practices from professional and executive leadership coaching, developmental psychology, transformational learning, and relationship systems coaching in order to synthesize a *human technology*—a set of tools and practices—for growing agile minds *from the inside out*.

Five Main Ideas

There are five main ideas, or themes, at the heart of *Evolvagility*—they are, in a sense, the philosophical **vertebrae** of *Evolvagility.*

A Paradigm Shift from Predict-and-Plan to Sense-and-Respond

The first idea points to the nature of the mindset shift needed at both the level of organizations and of individuals if we are to grow our capacity to function effectively in the face of the increasing volatility, uncertainty, and complexity of 21st century life. This relatively new and recently accelerating condition can be seen as a threat; but it can also be the source of opportunity for those who are able and willing to *evolve* how they think and how they act.

> *In order to fully embrace the challenges and possibilities of 21st century reality, we need to shift from a Predict-and-Plan way of thinking about and acting in the world, to a Sense-and-Respond way.*

This is essentially a shift in how people think about their world; it's one that moves us from an assumption of stability, predictability, continuity, and

reliability—to an assumption of volatility, uncertainty, change, and ambiguity.

As we make this dramatic shift in our assumptions, we find it increasingly necessary to shift our mode of thinking and action from up-front planning and deciding, and relying on hierarchy, chain of command, and siloed expertise, to planning and deciding as we go, and relying on learning, emergence, and distributed wisdom of the whole to see us through.

I refer to this radically different orientation as *Sense-and-Respond*. As will become increasingly clear as we proceed, *Sense-and-Respond* is not just a different way of doing things; it is a different way of seeing and making sense of the world around us. It is, ultimately, a different way of *being*.

Sense-and-Respond Organizations Require Sense-and-Respond Minds

Evolvagility focuses on how to create conditions that grow the capacity for broad organizational agility—for growing *Sense-and-Respond* organizations. A number of books and other resources teach us how to do this. Many of these resources regard organizational agility from the perspectives of "leaning out" an organization's processes, structures, and processes.[4] Others bring in an agility frame that has a customer-centric focus.[5] Still others focus primarily on organizational culture, and how we might influence and shift the nature of the beliefs and values that underlie organizational performance.[6]

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[4] For a representative example of a process, structures, and systems orientation, see James P. Womack and Daniel Jones, *Lean Thinking: Banish Waste and Create Wealth in Your Corporation* (Free Press, 2003). Also see Jeffrey Liker, *The Toyota Way: 14 Management Principles from the World's Greatest Manufacturer* (McGraw-Hill, 2004).

[5] For some examples of resources that reflect a customer-centric focus, see Marty Cagan, *Inspired: How to Create Tech Products Customers Love* (John Wiley & Sons, 2018); Steve Blank, *The Four Steps to the Epiphany* (K & S Ranch, 2013); and Gothelf and Seiden, *Sense & Respond.*

[6] For an example that works in an explicitly Agile context, see Pollyanna Pixton, Paul Gibson, and Niel Nicholaisen, *The Agile Culture: Leading Through Trust and Ownership* (Pearson Education, 2014). For books that don't talk about "agility" per se, but which have direct relevance to the cultural dimension of agility, see William Schneider, *The Reengineering Alternative: A Plan for Making Your Current*

These are critically important perspectives and resources for growing broader organizational agility. Yet, for the most part, these perspectives and approaches reflect a bias and orientation that favors the exterior aspects of *Sense-and-Respond*—what I am calling *outer* agility. This is an orientation that focuses on the objective, observable aspects of organizational agility that include the processes, structures, and systems that determine how people work together. Or, when the approach falls more overtly within the domain of human performance, its orientation is largely *behavioral*, its focus primarily on skill and competence. Or, as is the case with organizational culture, the approach tends to be focused on how to create conditions that affect the collective behavior of people but primarily from the *outside in*.

Regardless of whether the focus is on processes and structures, organizational culture, or customers, one commonality of all such approaches is this: Unless people "get it,"—unless they are able to truly internalize it within their deepest sensemaking—whatever it is you're trying to make happen won't happen. For instance, unless individuals "get" what it means to create and sustain organizational structures and systems that are inherently flexible and adaptable—and unless individuals can learn to be comfortable with whatever anxiety they experience from the uncertainty and unfamiliarity of the structures and systems they would be helping to create—they will resist. But it usually won't *look* like resistance; it will look like they're "being slow" or "making mistakes" or "merely going through the motions" or "not seeing the bigger picture." You may find yourself scratching your head, wondering things like "How could they not see that?" or "Why do they keep making that same mistake?" In the end their efforts, which, on the face of it, may seem genuine and compliant, will lack authentic commitment, intelligence, and ingenuity.

The same is true whether you focus on processes and structures, culture, or customers: It all depends on the inner capacity of individuals to "get it" and to be able to deal constructively with the anxiety that accompanies any kind of change, particularly change whose nature is to challenge an idea or value that is close to their hearts.

Culture Work (Irwin Professional Pub, 1994), and Kim Cameron and Robert Quinn, *Diagnosing and Changing Organizational Culture: Based on the Competing Values Framework* (John Wiley & Sons, 2011).

*The ability to grow organizational agility rests ultimately on growing the inner **sense-making** capacity of **individuals**, whether alone or in relationship with others. In order to grow Sense-and-Respond organizations you need to grow Sense-and-Respond **minds**.*

What I am talking about here is not individual *behavior*. If we want to "crack the code" on organizational agility, we need to be able to look beyond organizational structures, organizational culture, and human behavior itself. We need to peer into the nature of the *minds* that produce those structures and generate those behaviors. As such, while other authors have written about *Sense-and-Respond* capability from the perspective of processes and structures, of customer development, of strategy and management, of business delivery, and of organizational and team culture—all important and necessary perspectives—here I am talking about *Sense-and-Respond* from the perspective of the inner *sense-making capacity of individuals*—and of individuals in relationship with others.

As the inner sense-making capacity of individuals, and individuals in relationship with others, grows—and as those individuals alone and in relationship with others come to be able to take responsibility for their world and for the ability to impact others in creating that world—a quality of *Sense-and-Respond* leadership emerges.

I refer to this aspect of agility as *inner* agility. And, it is this capacity for inner agility, and how it might be grown from the *inside out*, that I am calling *Evolvagility*.

Sense-and-Respond Leadership Means Creating That Which Does Not Yet Exist

Here is where *Sense-and-Respond* leadership begins to become fully distinguished, and where its full potential begins to be realized. Rather than how to bring about the emergence of agility across organizational structures and processes, or even human behavior and culture, here we want to understand *Sense-and-Respond* in terms of **what it takes to bring about anything *at all***.

This brings us to the fourth, and perhaps **key** premise of this way of understanding *Sense-and-Respond leadership*:

> *Sense-and-Respond leadership is the ability, within yourself and in engagement with others, **to bring about that which does not already exist.***

It is this deep capacity for what Bob Anderson calls *Outcome-Creating* leadership[7]—both in oneself and with others—that is at the heart of what it means to lead in a highly volatile and complex world.

In such a world, we rarely know ahead of time what is coming at us; we rarely see the full complexity of what is happening at any given moment; and we oftentimes don't know what to make of what is happening.

And yet, here we are: We are either moved to, or *called* upon, to lead.

Therefore, our reliability as leaders—whether as top-level organization leaders or as a software team member who has taken a stand on something important for the team—comes from our ability to quickly **sense** what is happening—in all of its unpredictability, in all of its complexity, in all of its ambiguity—and to **respond** in ways that leave us and others, in some way, closer to realizing, or becoming more congruently aligned with, our vision in, and for, the world.

Our effectiveness as leaders, regardless of role or title, comes from the deftness with which we are able to navigate this dance of *sense* and *respond*, and from the complexity of mind (both *cognitive* and *affective*) that we are able to bring to bear in the execution of that dance. From such deftness and complexity of mind comes the capacity to *create newly*—from chaos, from uncertainty, from ambiguity—as opposed to adapting, without thought, to what is.

This last point is key to what I mean by *Sense-and-Respond* leadership: If all we're doing is adapting to "what is," the opportunity to introduce anything new to the mix will be limited, and no real *evolution* will happen. It is in our

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[7] Robert Anderson and William Adams, *Mastering Leadership: An Integrated Framework for Breakthrough Performance and Extraordinary Business Result* (Conscious Leadership, 2016).

capacity for *creating newly* that it becomes possible to transcend the limitations of the current moment, and to find and leverage the *opportunity* that is latent within it.

This is the very essence of *Sense-and-Respond* leadership.

Sense-and-Respond Leadership Arises in Relationship

As a capacity to create that which does not exist, *Sense-and-Respond* leadership, as I am defining it here, is a function of the sensemaking capacity of individuals—it is a product of individual minds. And yet, individual minds don't exist *individually*; they arise within the context of human relationships. The thoughts we have, the feelings we experience, the aspirations we hold—all have a social basis in relationships, and in the feelings, language, and discourse through which those relationships are sustained and leveraged in any number of shared pursuits.

> *Sense-and-Respond leadership is an individual capacity that arises within **relationship**.*

From birth through childhood, how we see others, the world, and ourselves has its basis in our relationships with primary others (mother, father, and later friends, teachers, etc.). This basis in relationships continues into our adult lives when we start to bring work colleagues, close friends, and marriage partners into the mix.

Language is one aspect of this. Throughout all phases of our lives, language remains a key conveyer of the substance of who we are, in relationship. It could be said that, as much as we *use* language to convey our thoughts and feelings, it is also true that our thoughts and feelings are also *determined by* language. The fact that northern-most indigenous peoples have many different variations for the word "snow" demonstrates that language is that which makes important distinctions in the world possible.

But language is not the sole constitutive social basis for who we are as individuals. Relationship *itself* is foundational. The nature of the emotional connections we have with certain others signals deeper and far-subtler psychological exchanges, on the basis of which our own individual sense-making—both cognitive and affective—gets formed. The nature of how we make sense of the world—our thinking and feeling experiences—finds

its very *form* in the relationships and relationship systems in which we find ourselves. Indeed, it is in relationships that we *find ourselves* as individuals.

Sense-and-Respond Leadership is an *Everywhere* Phenomenon

In a complex and ambiguous world, we are *all* called upon to lead at some moment and in some way. The notion of leadership that happens only at the top can't possibly address the needs of the 21st century. Therefore, the term *Sense-and-Respond* leadership applies to *anyone*—regardless of position or role—who holds a vision for their world and who takes responsibility for that world; *anyone* who is able to influence others in positively creating that world; *anyone* who is guided by a deep moral compass; and *anyone* who is willing to recognize and evolve beyond their own inner limitations.

> *Sense-and-Respond leadership is an "everywhere" phenomenon; it is realized when individuals everywhere, at all levels and in all kinds of roles, take responsibility for their world and are willing to influence others in creating that world. Sense-and-Respond organizations arise when Sense-and-Respond leaders show up* **everywhere***.*

Given this, we start to see agile leadership as a quality of *leaderfulness*[8]—of "small-l" leadership—that arises anywhere people organize themselves, and influence others, around the creation and realization of shared goals and outcomes.

We still need people who hold positional roles as leaders and managers. However, top-level leaders have the same inner developmental work to do as everyone else. What is different for them is that in their role as organizational leaders, their job is to design organizational environments in which *Sense-and-Respond* leadership can grow and flourish throughout the organization.

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[8] Joseph Raelin, *Creating Leaderful Organizations: How to Bring Out Leadership in Everyone* (Berrett-Koehler Publishers, 2003).

Defining "Sense-and-Respond" Leadership and "Inner Agility"

Taken together, these ideas point to a new way of understanding and practicing agile leadership and manifesting a deeper *inner agility*. Such a leadership is an *everywhere* phenomenon, in which individuals, throughout all parts of a given organization, show up as "small-l" leaders. Such a leadership entails a willingness to take responsibility for one's world and to recognize, and evolve beyond, the limitations of one's current ways of making sense of one's world. It means being guided by a deep inner compass that is founded upon a profound sense of purpose and a recognition that to lead means to create that which does not yet exist, in oneself and in relationship with others.

Bringing these thoughts and considerations together, we can now begin to coalesce around a definition of *Sense-and-Respond* leadership:

> ***Sense-and-Respond leadership*** *is the leaderful capacity of individuals, in relationship with others—and manifested throughout an organization—to* **sense acutely**, *in the midst of complexity and ambiguity, and to* **respond gracefully**, *within that same complexity and ambiguity, in ways that* **catalyze** *the creation of outcomes congruent with our deepest purpose and mission.*

The word "catalyze" is key here. What we're talking about is a leadership not so much of *acting* and *doing*, or of *directing* and *telling,* but of **sensemaking** and **relating**. It is a leadership that rests on our ability—whether individually or collectively—to take complex and ambiguous situations that surprise and confuse us, and to make sense of them in ways that help us, and others, navigate that complexity, ambiguity, and confusion. Just as importantly, it is a leadership that rests on our ability to forge relationships and relational activity in which similar sensemaking capacity gets generated collectively.

Such a *Sense-and-Respond* leadership doesn't just *happen*: It is a capability that must be developed and nurtured. It is the body of distinctions and practices by which that development and nurturing happens, which I call *Evolvagility*.

Evolvagility is the activity and practices we engage in, and the philosophical perspective we incorporate into the fabric of our thinking, which grows within us the capacity for Sense-and-Respond leadership.