

**THE NEED AND PROCESS FOR CHANGE FROM A  
MANAGEMENT TO A LEADERSHIP CULTURE IN  
ORGANISATIONS**

by

**Gerhardus Francois Janse van Rensburg**

Submitted in partial fulfilment of the requirements for the degree of Master of Commerce  
(Leadership Studies) in the Leadership Centre, University of Natal.

September 2003

Pretoria

## ACKNOWLEDGEMENTS

I want to thank my wife, Yvette, for her love and support through all the tough times, as well as my four wonderful sons. The Leadership Centre unexpectedly became a significant part of my life. I want to thank all of the lecturers, in particular Shamim Bodhanya for his help and availability during the final hours of completion.



## ABSTRACT

Leadership and management can and should be differentiated. The differentiation gives insight in the nature of organisational practices, dynamics and cultures. By differentiating between management and leadership the need for leadership development to *compliment* the well established training practices of management skills and techniques, becomes clear. The focus on leadership development can furthermore be seen in the context of new challenges that organisations have to face. Challenges that need to be understood in a global context as well as new thinking paradigms that emerged in recent years. A holistic and transdisciplinary approach is followed in researching the challenges. Systems and complexity theories are essential to new understanding of organisational dynamics and change. The psychological dimension of working practices as a legacy from the industrial age is also reviewed in the study. The need to overcome the fragmentedness that we suffer from in the modern world is recognised.

The research was taken to the practice field where interview data was collected. Here, the focus was on the experience, or lack of it, of leadership with regard to various processes in organisations. The need for leadership development and a process to facilitate such development came out strongly in the quantitative research. Promotion and successful development of leadership will, in the end, have an impact on the organisational culture. The process that is proposed for such development and change make use of the theories that are highlighted in the study. Concepts that are central to the study are: Holism, process, relationships, leadership development and culture.

I, Gerhardus Francois Janse van Rensburg, hereby declare that this dissertation has not been submitted for a degree at any other university.

## TABLE OF CONTENTS

1	THE PROBLEM SITUATION .....	8
1.1	Receptivity to change.....	8
1.2	Changes in the South African society .....	9
1.2.1	South African transformation .....	9
1.2.2	Sustainable development .....	10
1.2.3	Globalisation and new economy .....	12
1.2.4	Changes in worldview .....	15
1.2.5	The impact on organisations .....	16
1.3	Research problem .....	17
1.4	Outline of the study.....	18
2	LITERATURE REVIEW .....	20
2.1	Introduction.....	20
2.2	Changes in worldview and paradigms .....	22
2.2.1	Meaning and significance of a worldview .....	22
2.2.2	Newtonian worldview and industrialisation (formula and control).....	23
2.2.3	The change to a new worldview (emergence and relationships) .....	31
2.3	Systems thinking.....	41
2.3.1	‘Why’ instead of ‘how’ .....	41
2.3.2	‘And’ instead of ‘or’ .....	41
2.3.3	Systems thinking and change.....	42
2.3.4	Limitations of systems thinking.....	46
2.4	Complexity and process thinking .....	48
2.4.1	Complex systems and chaos .....	48
2.4.2	Strange attractor and emergence.....	49
2.4.3	Science of quality.....	49
2.4.4	Complexity and organisational dynamics.....	50
2.5	Man, work and community .....	55
2.5.1	Free worker and knowledge economy .....	55

2.5.2	Spirit and soul .....	59
2.5.3	Community .....	62
2.6	Leadership.....	64
2.6.1	Management and leadership .....	65
2.6.2	Foundations - <i>being</i> .....	69
2.6.3	Functions - <i>doing</i> .....	82
2.6.4	Culture and leadership .....	86
2.7	Organisational transformation .....	87
2.7.1	Transformation.....	87
2.7.2	Organisational culture.....	89
2.7.3	Developing leaders .....	90
2.7.4	Focusing on process, learning and responsiveness.....	91
2.8	Summary .....	91
3	RESEARCH DESIGN AND METHODOLOGY .....	94
3.1	Research approach .....	94
3.2	Methodology .....	95
3.3	Data collection .....	98
3.4	Data analysis .....	100
4	RESEARCH RESULTS .....	102
4.1	The organisations.....	102
4.2	The interviews.....	104
4.3	General impressions and learning.....	113
4.4	Conclusions.....	115
5	FACILITATION PROCESS FOR CHANGE.....	116
5.1	Conclusions of the study.....	116
5.2	Process for change .....	120
5.2.1	Process .....	120
5.2.2	Premises .....	122
5.2.3	Leadership coaching .....	123

5.3 The business case.....135

6 SUMMARY.....137

REFERENCE LIST.....140

Annexure.....146

# 1 THE PROBLEM SITUATION

## 1.1 Receptivity to change

Although change always has been part of life, no-one will argue against the view that the necessity to adapt quickly and effectively is far more critical today than it ever has been in the past. The increase in the rate of change necessitates that we, from time to time, take a closer look at the major trends or waves of change that sweep through our world and societies. Understanding the changes at a more fundamental level than only what we see on the surface undoubtedly helps us to be better aligned to the forces of those changes. It helps us in the end to be more effective in what we try to achieve with our endeavours.

The problem with organisational change, be it as a result of new technology, leadership, procedures or structures, is primarily its impact on the minds and emotions of its members. Some people find it easier to adapt and to be constructive even when they initially don't like the changes. Others find it a lot more difficult and can become destructive. Some are convinced that change is needed; others can't see the need for it. In between these groups, leadership must make judgment calls on change initiatives. The challenge is complex and needs to be understood from various perspectives as will become evident in this study. As a general rule it is fair to say that the information and knowledge age world places huge pressure on our ability to be receptive to changes at all levels of society. The ability to be constructive and innovative in the face of the different kinds of changes that impact our organisations, has become an important differentiator between being successful and being a failure. Whilst we try to manage our organisations as efficiently as possible following the best management practices of our day, the complexity of most problem situations in organisations is such that it requires leadership with a wide range of competencies to steer the ship in the right direction and in the right way.

As Dehler and Welsh (1994: 17) conclude : 'Perhaps the predominant task facing decision makers in the coming decade is two-pronged: understanding and coping with a rapidly changing



environment; and responding by creating and implementing corresponding change in their organizations.’

## **1.2 Changes in the South African society**

### **1.2.1 South African transformation**

What are the major changes in South African society that impact everyone on a daily basis? Irrespective of our personal circumstances and challenges, we are influenced and challenged daily by the realities of changes, trends and shifts on societal level as we get along in our lives. The less aware and conscious we are of these changes, the less we will be able to pick up the signals to change in our thinking, behaviour, leadership and organisations.

I believe that the changes we experienced in the past decade are so enormous and fundamental to our lives, that we, as society, still find it very hard to understand and live with the consequences and full meaning of it. Becoming a full democracy in 1994 after the forty odd years of apartheid rule, is so much more than only a political change. The most obvious is the fact that a new nation cannot be built in a decade or two – not with the kind of diverse cultures and historical backgrounds that now constitute the nation. Indeed, the best description for it is ‘a rainbow nation’. As such we need a new kind of multicoloured thinking paradigm in our approach to the challenges in our lives every day. At all levels of society there are processes, with more or lesser degrees of success, to bring people together with huge differences in worldview, social habits, religion and levels of education. With all the good things that come with diversity, there is also a lot of fuzziness as to what the ideals should be for this new nation. For example, how far should the process of affirmative action be taken? What would the transformation of society still include? What are the national priorities regarding development? What must we understand by Black Empowerment? These are all issues that impact on decision making in organisations, their cultures, effectiveness and climate. It is a fact that many struggle with the kind of political agendas relating to the societal transformation within and outside their organisations. Granting the ideal that those who suffered under apartheid rule with limited opportunities to develop now must be empowered economically and otherwise, people don’t

always know how and at what cost it should be done. This creates an unhealthy level of uncertainty which is not conducive to the performance that is so much needed to stay competitive in the global economy. On a psychological level people in general fall into the trap of either being overly sensitive to the racism theme or shutting out the reality of our diversity. How to deal constructively and proactively with our transformation as part of our reality is evidently one of the most important challenges we face.

How the South African society is struggling to adapt and find new effective ways of bridging the obvious gaps that apartheid brought between people, is particularly evident in the world of sports. Being passionate about their sport, South Africans want both to see winning national teams and feel represented in those teams. In the process people very easily become suspicious of the prejudices and undisclosed agendas of selectors and administrators. The same pattern is painfully real in every sector of our society. It is a major challenge to our leadership ability, wherever we find ourselves.

### **1.2.2 Sustainable development**

Not only because South Africa is classified as a developing country but also in the context of our interconnected global village, sustainable development is not merely optional and a subject of interest to some, but vitally important for everyone. It requires a new holistic and systems paradigm of thinking such as I will discuss in depth in Chapter 2.

The tragedy of our world history in this regard is captured in the words of Tennyson & Wilde (2000: 1): 'In the past century, we had opportunities like never before to produce and distribute food equitably, to provide access to education and healthcare for all, and to create democracies in which different voices and views could have found their place without violent conflict. But we fundamentally failed. What other word can we use to describe the squandering of the potential that globalisation offered for improving the quality of life for everyone?'

Sustainable development should be a lot more than environmentally sound economic development. Rather, it should include other dimensions such as the political, ecological, cultural, social, human and spiritual. To attain comprehensive sustainable development (Perlas, 2000) it is important to



plan for a social process where it is the aim of all involved to bring about healing and wholeness. Awareness of the necessity to look at larger and larger systems for better understanding, quality of life and more effectiveness was amongst other developments spurred on by environmental and ecological disasters. A lot of early research in ecology had aimed at improving knowledge of the natural environment and at increasing understanding of how ecosystems worked. This moved the worldview away from that of human beings dominating and controlling nature. But it also tended to make people think of sustainable development entirely in terms of the natural environment. This led to situations in which natural and renewable processes were viewed as being in conflict with economic development and social needs. Integration and consultation therefore began to be seen as essential. Capra (as cited by Simon, 2001: 360) formulated it lucidly: 'The new vision of reality is based on awareness of the essential interrelatedness and interdependence between all phenomena - physical, biological, psychological, social and cultural. It transcends current disciplinary and conceptual boundaries and will be pursued within new institutions. At present, there is no well established framework, either conceptual or institutional, that would accommodate the formulation of a new paradigm, but the outlines of such a framework are being shaped by many individuals, communities and networks that are developing new ways of thinking and organising themselves.' The central aspect to these new ways is collaborative thinking and participation of all stakeholders. It implies new sets of skills and it implies strong and brave leadership.

People need to look far beyond the realities of their day to day work, their immediate frustrations and systems solutions for underperforming or falling short of targets. They even need to look beyond the realities of the organisation they work for to be able to see the importance and value of collaborating and partnering where different situations arise that can be addressed much better by working together. To replace a culture of competition almost for the sake of competition, a new spirit that values and appreciates the worth of all stakeholders in building our society should take root. Clearly, greater success in business alone is not going to save the world. Likewise good national governance, whichever way we see it, will not on its own be able to structure and deliver the kind of societies that are healthy and sustainable. All the good intentions, values and motivation of civil society will always fall short in creating sustainable solutions for poverty, health care, education and other basic needs if trying to work on its own. One of the principal issues that South African leaders will have to address is the continued role they will have to play in South Africa's reconstruction and development where millions of people still need to be provided of basic health

services, schools, and houses. It is no longer merely a case of social responsibility as if it is an option to those with a surplus of goodwill. It is economically sensible. The complexity and interdependence of our information age world today is such that we will only make a lasting difference in any area when we empower ourselves by pooling our energies across all sectors and work towards common goals. We therefore need collaboration and we need partnerships. A partnership can be described 'as a cross-sector alliance in which individuals, groups or organisations agree to work together to fulfill an obligation or undertake a specific task; share the risks as well as the benefits; and review the relationship regularly; revising their agreement as necessary' (Pantjadarma, 2001:1).

### **1.2.3 Globalisation and new economy**

Globalisation can be described as the process 'in which constraints of geography on social and cultural arrangements recede and in which people become increasingly aware that they are receding' (Waters as cited by Spear, 2001: 796). The economic process is one in which different countries offer different commercial and production advantages. Free international trade should therefore make it possible to combine the advantages of one country with the advantages of another, resulting in more effective production than either country could produce alone. The more efficient system of production and exchange that results should benefit all those involved. Conversely, this idea implies that regulatory protectionism and other barriers to trade would reduce efficiency, and that in the long run, this would damage the economy and well-being of the countries and organisations involved. Businesses find that their ownership and trading relations are becoming more international. The globalisation of financial markets gives a competitive advantage to large multi-national corporations compared to national organisations and small and medium enterprises. The multi-nationals are better placed to search for the best bargains globally, and exert their muscle to secure terms to their own advantage. The internationalisation of corporations through merger and acquisition gives advantages of size and power, as well as providing access to a greater diversity of responses to challenges to the business environment, compared to national players. 'Liberalising' the national regulations and institutions which used to protect a nation's own organisations obviously means that this protection is removed, and unless these organisations find new means to compete in the wider market, they may well lose out.

The above-mentioned global developments changed the rules in such a way that many people talk of a new economy. Fundamentally the world experienced a shift from an economy based on relatively local heavy industry, to one based on global processes of communication and the management of knowledge. “The World Bank has charted the rise of ‘knowledge economies’: ‘The balance between knowledge and resources has shifted so far towards the former that knowledge has become perhaps the most important factor determining the standard of living...Today's most technologically advanced economies are truly knowledge based’” (Knell, 2000: 3). It has brought enormous change and many benefits. It also has its downsides and its risks.

The demands of the new economy are such that organisations have to be very flexible, creative, innovative and willing to restructure and reposition themselves. Traditional views that might have seen knowledge as static and reserved for a few must be replaced by views and actions that recognize the dynamic role of knowledge at all levels of the organisation. In simple terms it means that the manager can no longer afford to look at a worker in the organisation as functionary but see him/her as a thinking person who possibly can have a vital insight in a problem area far removed from his/her immediate responsibilities. Once more it is the attitude of the leader who can look further than appearances and technicalities that is needed. The manager who has not grown into a role whereby he/she can connect with people on an interpersonal basis will find that more and more doors are closing for him/her and the organisation. People, who had a taste of being productive in the new economic environment or are looking in that direction as a further step in their development, will not be satisfied to go or be held back in an organisation where they don't get to be engaged with their knowledge and thinking capacities. Equipped with sought-after knowledge and networks today's worker moves quickly between jobs and assignments, transferring ideas, skills and attitudes. They are independent but not individualistic. They distrust structures but depend on networks. They want equity but they want excitement too. And they know that companies need them more than they need companies.

As stated by Castells (2001: 112) the new economy is based on culture: ‘on the culture of *innovation*, on the culture of risk, on the culture of expectations, and, ultimately, on the culture of hope in the future.’ It is true that the new economy, apart from its obvious benefits, also comes with some side effects such as a personal feeling of lack of control, of acceleration of our lives, of an



endless race toward unknown goals - or to goals whose meaning evaporates on close inspection. The extent to which the flow of information is growing can be imagined when we look at this piece of information about our information network: 'A recent survey of Internet host computers, which form the basic building blocks of the system, showed that 6.6 million Internet hosts existed in 106 countries worldwide. Based on the growth rate of the last three years, there will be 101 million computer hosts by the end of the decade. This growth in the Internet as a distribution system helps us understand the astounding increase in the volume of E-mail. In November 1992, approximately 279 million messages were sent over the Internet. In November 1994, the number was over 1 billion - a growth rate of more than 90 percent per year (Morrisett, 1996: 6).

To be able to stay on the winning path and to realize the potential of the organisation, a good measure of resilience and finesse is needed. Knowledge-based markets demand constant awareness of its day-to-day movements. At the beginning of this century, industrial economies were based largely on the bulk processing of resources. At the close of the century, they are based on the processing of resources *and* on the processing of knowledge. Economies have bifurcated into two worlds - intertwined, overlapping, and different. These two worlds operate under different economic principles. Replacing the world of piling, control, and hierarchy, the world of materials, processing, and optimization is the world of increasing-returns (the term refers to the phenomenon that through networking, typically assisted by the Internet, one innovation put into the network leads to increasing returns) characterised by observation, positioning, flattened organizations, missions, teams, and cunning. It is a world of psychology, of cognition, of adaptation. Many managers have some intuitive grasp of this new increasing-returns world. Few understand it thoroughly. The following questions need to be asked as suggested by Arthur (1996: 7): Do I understand the feedbacks in my market? Which ecologies am I in? Technologies exist not alone but in an interlinked web, or ecology. It is important to understand the ecologies a company's products belong to... Technology comes in successive waves. Those who have lost out on this wave can position for the next.

It is not hard to imagine the impact of turbulent markets on the mood of managers of companies looking at the prospect of facing tough questions on the next board meeting. There are simply infinitely more things that can't be answered with the kind of certainty and conviction of the past. It has become too complex to follow the interrelationships and patterns. Most problems in a global

context cannot be anticipated; rather, they must first be sensed - and defined - by active participation among members before viable solutions can be derived and implemented. Furthermore, one person, by himself, cannot possibly solve a complex problem, because one person's knowledge and information are decidedly limited by the specialized mental categories that exist in one mind/brain. The challenge is to collaborate and draw in as much expertise as possible. At the same time the manager needs to have his eye on the moves of the competition and latest innovations in his/her field.

#### **1.2.4 Changes in worldview**

With our new democracy we also began to experience a new worldview. As is typical of systems, once a closed system as the apartheid system has been found wanting, a lot of new thinking finds its way into that old system, transforming it. Suddenly people's mental models shift from modernist thinking where grand schemes and blueprints dictated everything to the freedom and critical thinking that is common to postmodernism. The modernist belief is that, by our reason, we can work out absolute explanations or answers to all questions. Modernist knowledge is seen to rest on solid foundations. 'The use of reason is connected to the idea of progress, whereby reason leads continuously to ever-greater "enlightenment." There is faith in technology, which is seen as being able to provide ever-greater control and domination over the natural and human environment. Time is linear, and novelty succeeds upon novelty to create an effect of ever-changing, ever-improving newness and originality' (Rossi as cited by Montuori & Purser: 183). Postmodernism realizes the limitations of modernism. One therefore finds that there is a 'weakening of reason, a breaking down of homogeneous, unifying models of knowledge, and a plurality of non-homogeneous models and paradigms of rationality, which cannot be linked, but are tied together only by the specificity of their particular domain of application...In other words, knowledge becomes relative and contextual, any pretense at linear progressive development is removed, and the fascination and faith with the new is replaced by a sense of irony and severe doubt in the ability of science/technology/reason to improve the human condition. Indeed, efforts at improving or controlling the human condition are often viewed with great suspicion...' (Montuori & Purser: 183).

When you think of the waves of changes that hit the South African society, it is quite understandable that people are finding it hard to adjust and to internalise what has been happening to them. The changes that democracy, a global economy and postmodernist thinking brought to them, impacted people on the following levels:

- People's sense of personal identity: How and where do I fit into this kind of world?
- Relationship systems: How do I maintain wellness and effective communication in the midst of mounting pressures and changing values?
- Organisational systems: How to create an organisation that will fit into a new kind of world and keep up with the pace of progress?

### **1.2.5 The impact on organisations**

Everything that has been discussed under the heading of changes in the South African society has a profound impact on the life of organisations. Thinking of the democratisation and particularly policies of affirmative action after years of oppression, the impact on organisations in all sectors is huge. Horwitz (1996: 6) discusses the implications for organisations when he says that the removal of apartheid has seen the scrapping of racial laws but the upward mobility of black managers is more difficult. Workplace diversity has increased as labour markets become increasingly open and skills become portable across border. It requires an organisational culture which values diversity to move forward effectively. The question is if leadership in organisations is ready to welcome diversity and model the behaviour that uses diversity as a creative force and strength rather than only tolerating it. It culminates in a completely new understanding of the role and functions of the manager. The social reality necessitates that managers re-evaluate what they should be doing and what their primary role is. Leadership competencies such as the abilities to 'work' effectively with the emotional forces in people, to constructively deal with conflict, to build trust and synergy between people, to name a few, is dearly needed to go along with the well-known and mastered management skills. Clearly the leader must be comfortable with change in the midst of a major process of societal transformation.



Hock (2003: 3) states emphatically ‘it doesn’t take much intelligence to realize we are in the midst of a global epidemic of institutional failure.’ There is abundance of evidence that the corporate world finds it difficult to adapt to the changes and pressures they are experiencing. It is in particular a challenge for the leadership to demonstrate their leadership abilities. They however are most of the times so caught up in their struggle to cope with the day to day demands of their businesses that they unconsciously function only in a problem solving mode, using the techniques and perspectives that they have learned in the beginning of their careers and are most comfortable with. They know that the people of their organisations are more important than anything else, yet they don’t feel they have the energy for the complexity of relationships. It is much easier to attend to the hard issues that can’t talk back and look for leverage points there to improve the situation. Researching that complexity to get to a better understanding and insight of what is needed to effectively bring a new situation of hope and fulfillment motivates the study.

### **1.3 Research problem**

To clearly define the research problem would be to point to the following:

- There is general agreement that people today are experiencing accelerated change at all levels and in all areas, including working and organisational, of their lives
- Major global trends and forces such as democratization, networking and the knowledge economy as well as ecological disasters and institutional failures impacted and continue to impact our lives in a profound way
- In South Africa we are experiencing painful realities that relate to the past rule of apartheid as well as the new challenging reality of being in transformation in a very complex environment
- A plethora of books on management and leadership all indicate to their readers that it is a matter of urgency to revisit our old paradigms and particularly our understanding of management and leadership in present-day context

- In this context, what can we learn from researching organisational culture as it is today, and secondly, how can we use these insights for a process that facilitates change on a continuous basis? As the title of the study suggests, I will be looking at culture by distinguishing between management and leadership culture and I will be looking at change from the perspective of the change from management to leadership culture. It would be incorrect to deduct from the above that management and leadership are opposing forces or realities. The idea is to look into a problem situation that is often described in the following words: Our organisations are overmanaged and underled. Where that is the case, it can be said that the organisation suffers from managerialism.

In my literature research, I want to familiarise myself with the various theories that have a bearing on leadership, change, organisation and culture. In my practical research I want to find out what paradigm the organisational cultures of large corporations fits by using quantitative research methods and by applying principles and approaches from my theoretical research. I then want to integrate theory, practical experience and research results into the description of a facilitation process that can best facilitate the changes needed

## **1.4 Outline of the study**

The outline of the rest of my study is as follows:

### *Chapter 2- Literature review*

In the introduction I explain the main threads that guide my choice and study of literature. As I cover a vast territory, this will give an understanding of the underlying interest I have in the various fields, related to my study. The various fields of interest come up for discussion. I discuss worldview, systems and complexity thinking, leadership, organisational transformation and perspectives on the relevance of spirituality and community for the workplace.



### *Chapter 3 - Research design and methodology*

Building on the principles of the previous chapter, I explain my research approach, design and methodology.

### *Chapter 4 - Research results*

The research results are the interpretation of the data from my interviews. The categories I used are the emergent themes when people share their views and feelings about the organisational culture *and* expressions of their personal thinking, their emotions, and their hope.

### *Chapter 5 - Facilitation process for change*

This chapter aims at the integration of the theoretical component and the practical research component in the design of a facilitation process for change in organisations. The applicable theories are used to address the need for change as identified by the practical research.

### *Chapter 6 - Summary*

The summary gives a review of the study.

## 2 LITERATURE REVIEW

### 2.1 Introduction

The world we live today is characterised by fragmentation. Fragmentation is not only at the visible level of growing numbers of disciplines, faculties, specialities, industries and product offerings, but also tangible at a subconscious level in the individual. As Bohm, (as cited by Wheatley, 1999: 2) put it: 'For fragmentation is now very widespread, not only throughout society, but also in each individual; and this is leading to a kind of general confusion of the mind, which creates an endless series of problems and interferes with our clarity of perception so seriously as to prevent us from being able to solve most of them . . . The notion that all these fragments are separately existent is evidently an illusion, and this illusion cannot do other than lead to endless conflict and confusion.' Systems theory has come a long way in helping us to reverse the process of reductionism that influenced our thinking and practice for hundreds of years. Parallel to the development and application of systems thinking in organisations, is the development in the invisible dimensions of spirituality and psychology. As Bohm indicates, it is also in the mind, and I would add the spirit, of man that the desire exists for wholeness to replace fragmentedness. Johnson (1997: 8), for instance, relates the meditation movement that arose in the 1960's to 'an attempt to lose one's self-consciousness and to sharpen one's awareness of the whole and humankind's participation in it.'

Once our thinking has been reversed, transformed, from reductionism to expansionism, it knows no boundaries. The inter-relationships between different parts, different disciplines, faculties, specialities and the different dimensions of our being become clear. Johnson (1997: 7) explains the role of systems thinking: 'Systems thinking says that to understand anything, we must grasp the larger systems of which it is a part, but that we will never reach a complete explanation for everything. Nevertheless, the larger the system we comprehend, the wider and deeper our understanding becomes overall. In analysis, where we focus on smaller and smaller elements, our knowledge grows, but with synthesis, it is our understanding that increases as we focus on ever larger wholes.' So, clearly the underlying shift is from simply accumulating knowledge to

interpreting and understanding. That is why the perspective of changes in worldview is so important for our leadership in organisations. It helps us to understand better the world we live and work in. It gives a much needed perspective to take strategic decisions, internally and externally.

As important as it is to look outside to the ever larger wholes, it is to look inside for a process of integration. This process is what psychologists call the process of healing. In our understanding of the challenges in organisations it is important to be aware of the need of the individual to be valued as mind, body and soul. It is important to be aware of our struggle to integrate in our lives and to be healed, to feel whole. As I will demonstrate later, self-awareness is the cornerstone for social awareness and effectiveness. These aspects are surfaced by more and more writers on leadership and the human side of organisations. Its implications are that we no longer can focus only on the measurables in our efforts to manage. We need to understand and work with the qualities such as in the realm of the normative, our assessment of right and wrong, appropriateness or inappropriateness etc (Goodwin and Reason, 1999: 7).

As we expand our interest in understanding more and more of life, in all its dimensions, we become acutely aware of its complexity. From the perspective of the leader or manager in the organisation, it is to be expected that he/she would feel mentally and emotionally overwhelmed. The feeling most probably would be, life is *too* complex and everything becomes too fuzzy. From the perspective of specifically the traditional manager that is accustomed to the functions of control and regulation, the option of reductionism is far more attractive. But, there is good news. Complexity and chaos theory revealed the dynamic of self-organising and the vitality and natural principle of life to be at the edge of chaos. The important thing to highlight here is that complexity theory contributes significantly to a new understanding of organisation. The two most valuable insights for my thesis of change are the emphasis on *processes* and the emphasis on *relationship*. Stacey (1993: 312) makes a clear distinction between systems thinking and process thinking. He explains that in process thinking ‘people are not thought of as parts producing a system but as people in relationships producing relationships, which produce them at the same time... It focuses attention not on abstract wholes but on the actual micro, local interaction between people in the living present.’

It is my view that there is no need to choose between systems thinking and process thinking. Both have its value for, for instance, the manager or leader in an organisation. Attention to abstract

wholes helps, amongst other, our understanding of the world we and our organisations live in. Process thinking with its emphasis on local interaction as described by Stacey, helps our practice of leading the organisation, building culture, community and alignment between the elements of organisations. That is, we know not to try and design blueprints in the isolation of our studies or boardrooms for implementation by others and the control of managers; we know that meaning is formed by conversation, also the silent conversation of the individual mind (Stacey, 1993: 411), and we know that themes emerge from these conversations that in the end the organisation needs to respond to in an effective and constructive way. It is my view that vision is sparked by both ‘big picture’ thinking *and* emerged meaning from individuals and groups in their interactions *and* the spiritual.

How does all of the above impact our thinking of organisational transformation or change? To start with it has bearing on the traditional role of the manager. This I will explain in detail but suffice to say here that in his/her traditional role the main tasks were that of planning, organising and controlling. The thinking was linear, recipe-driven and top-down. Without the flexibility, responsiveness and connection with people, it is hard to find an inspiring vision. Leadership, as I will define it, emphasises the dynamic of relationship of vision, values and community. As Maxwell (1998: xi) correctly says: ‘Leaders touch a heart, before they ask for a hand’ and ‘People buy into the leader, then the vision’. Relationships are fundamental.

I will now discuss the aspects I touched on in more depth.

## **2.2 Changes in worldview and paradigms**

### **2.2.1 Meaning and significance of a worldview**

A worldview, as Johnson (1997: 1) explains it, is the most general theory that each of us holds as theory of reality, of the nature of the world. A shared worldview is the cement that holds a culture together, and it characterizes what historians call an age. An age is a period of time in which a culture has a single, shared view of the nature of reality. A shared worldview can be compared to



the operating system of a computer. Everyone works on the basis of it and with its rules but no-one is really aware of it on a continuous basis. That is also the scary part of it as we then fail to see why we struggle with the same kind of problems even though the situations can be very different. We fail to question our own assumptions about why we do things the way we do them.

What most people will agree with today is that things have changed in recent years more than anyone would have been able to imagine a number of years ago. The fact that these changes are experienced in every single aspect of life indicates to us that a much deeper and more fundamental change than only that which we can see, has taken place. We can therefore speak of a change of age in which worldview is transformed. The better we understand this change, the better we will be able to understand the changes and riddles plaguing us in our lives, many of which take place in our working environments.

Insight in the worldview of the recent past is important as it sheds light on the everything that we have inherited from previous generations in terms of our education, our introduction into the adult world of work, debate, cultural views and customs. Insight in the worldview that is starting to replace the 'operating system' of mankind is important as the sooner we can understand and translate it to our personal, social and working lives, the sooner we will be able to skillfully ride the waves of change and be creative in doing it. Our worldview, therefore, is highly significant to our daily lives.

## **2.2.2 Newtonian worldview and industrialisation (formula and control)**

### **2.2.2.1 Renaissance and machine thinking**

A study of history with the intention to find the patterns that emerged around discoveries, breakthroughs, catastrophes and all the pivotal world events that are written up in the history books, reveals the story of the shared mindset or worldview that people had. As we know, life was miserable during the Middle Ages. The time when the Roman Catholic Church ruled and indoctrinated most of the lives of people. It was the church that had all the answers to people's

questions about life. In the distressful life that they had, the only hope and outlook that they could have, was everlasting life after death. Life as they knew it simply had to be accepted and endured. The Renaissance period, as Johnson (1997) explains, served as a bridge between the Middle Age period and the Modern Era. With the kind of impact that the movement of people during the crusades had, a new awareness of life with possibilities and variety, as in different cultures, took root and found its expression in the arts. What followed was a completely new awareness and in the end belief system as articulated by René Descartes that man's ability to reason is paramount. His well-known words 'I think, therefore I am' established a foundation for a whole new world to rise.

If Descartes laid the philosophical foundation, Newton announced the scientific design that was supposed to explain anything that man ever would want to know about this world, if not now then later. The three pillars that were erected since the Renaissance, as Johnson (1997) indicates, were the following:

- The universe is completely understandable
- The method of inquiry is analysis – until the last undividable part
- The relationship between parts is one of cause and effect

To explain the universe in a single word on the basis of these premises was the next obvious step. Isaac Newton came up with the answer that impacted thinking for generations and generations to come: The world is a machine. As God created the machine-world, so should man follow to create his own.

Mankind then, was ready to enter the amazing age of science, technology and industry. The outcome is explained well by Hock (2003: 3):

*Newtonian science... has dominated the whole of society and the mass of our thinking for more than two centuries to an extent none of us fully realizes. It declared that the universe and everything in it, whether physical, biological, or social can best be understood as a clock-like mechanism composed of separate parts acting upon one another with precise, linear laws of cause and effect. We have since structured society in accordance with that perspective, believing that with ever more reductionist scientific knowledge, more efficiency, more hierarchical command and control, we*

*could pull a lever at one place and get a precise result at another, and know with certainty which lever to pull for which result; never mind that human beings must be made to perform like cogs and wheels in the process. For two centuries, we have been designing and pulling those levers, all the while hammering people to behave in the compliant, subordinate manner one expects from a well-trained horse. Rarely have we gotten the expected result.*

### **2.2.2.2 The dominance of science**

The application of the most wonderful and powerful instrument that God created in his machine, the human mind, was in science. Science became to be valued as the generator of freedom, progress, knowledge, power and basically anything that is worthwhile in this life. In a similar way did reason and knowledge get prominence over emotions and experience. What was seen to be scientific in the centuries to come following the Enlightenment, dominated every area of life. No-one obviously argued with the importance of education and scientific studies as their preparation for a career, but no-one also was fully aware of the hidden rules that would dictate the way they approach issues, problems, work and people. In a way, the scientist in his isolated laboratory became the metaphor for life. One only needed the right formula and dedication and results and success will follow. As for the long term use and value of our creations, we need to control and regulate according to the prescriptions of the scientific formulas for control and regulation. This image can be recognised in Flood's (1999: 80) account of the necessity of a closed systems view in the use of reductionism as the method prescribed by the Science Revolution: 'Coupled to reductionism in physics is a closed systems view. The closed systems view assumes phenomena can be explained as completely isolated events. These systems are thought to operate effectively without reference or response to an external world. This view is in large part a consequence of thinking that both 'the system' and 'the environment' are separate, deterministic and predictable. Fundamental principles and laws are assumed to exist that define the behaviour of their parts. An example is Isaac Newton's closed mechanical universe.'

Another assumption of the Newtonian worldview that had a profound effect on humankind is the objectivity of the observer. In other words, the assumption is that object and subject can be completely detached and no relationship exists that can influence the findings of the observer. This



belief formed the foundation for certainty and absoluteness with which people positioned themselves as ‘observers’ of all kinds of phenomena. As we will see, not less so in the field of management.

### 2.2.2.3 Modernism

Another term that is used to depict the worldview and era that was seeded by the Renaissance, followed by the Enlightenment and Industrial Revolution, is modernism. The term is defined as the movement to reconcile developments of 19th- and 20th-century science and philosophy with historical Christianity. It arose from the application of modern critical methods to the study of the Bible and the history of dogma and stressed the humanistic aspects of religion.<sup>1</sup> The premise of the movement is reason. Reason leads to the truth independent of belief systems (Flood, 1999). This came to be seen as the key to progress as the improvement of life for all through the power of knowledge and technology. Modernist knowledge is seen to rest on solid foundations. ‘The use of reason is connected to the idea of progress, whereby reason leads continuously to ever-greater "enlightenment." There is faith in technology, which is seen as being able to provide ever-greater control and domination over the natural and human environment. Time is linear, and novelty succeeds upon novelty to create an effect of ever-changing, ever-improving newness and originality’ (Rossi as cited by Montuori & Purser: 183). A positivist view fueled our expectations for many decades of technological progress. As long as most people of the world were convinced that the respected and gifted few who can think up the innovations and those who can dictate how and where it should be used can be trusted, so long were they happy to accept the black or white declarations they made. The Second World War, Communist rule and other catastrophic events of the last century resulting from such misplaced trust in modernist thinking and its exponents, forced people to rethink their subjection to modernist thinking. Flood (1999) concludes furthermore that even though the technological developments of the modernist era were impressive, ‘technological progress has led to changes in biological and social behaviour that some people experience as oppressive. For example, some people are doomed to a life of drudgery as a result of monotonous work in factories and offices. Oppression of this kind often results from managers' obsession with technology under their control, rather than the technology itself. Technocrats have lost touch with

---

<sup>1</sup> The Concise Columbia Encyclopedia



people and this includes their own self. Modern living it turns out has in certain senses led to impoverishment rather than improvement of the human condition.’

In summary the premises and views that were foundational to behaviours and actions in the modernist era were the following:

- Rationalism - The theory that the exercise of reason provides the only valid basis for action or belief and that reason is the prime source of knowledge and of spiritual truth.
- Humanism - Human values and capabilities are the central focus.
- Positivism - A doctrine contending that sense perceptions are the only admissible basis of human knowledge and precise thought.
- Objectivism - Holds that all reality is objective and external to the mind and that knowledge is reliably based on observed objects and events.
- Reductionism - An attempt or a tendency to explain complex phenomena or structures by relatively simple principles.
- Cognitivism - The study of the nature of various mental tasks and the processes that enable them to be performed.
- Absolutism - An absolute doctrine, principle, or standard.
- Individualism - Belief in the primary importance of the individual and in the virtues of self-reliance and personal independence.
- Separation of facts from values – Facts are more important.
- Body/spirit dualism – Focusing on either body or spirit but not both in unity.
- Determinism - The philosophical doctrine that every event, act, and decision is the inevitable consequence of antecedents that are independent of the human will.

#### **2.2.2.4 Science and management**

As my interest in this study is in the field of management and organisations, the question would be how the Newtonian worldview and modernist thinking influenced the views and practices that prevailed in our organisations. As one can imagine, the application of Newton’s machine metaphor to organisations was too tempting to resist. Organisations became machines designed, built,

monitored and serviced by their managers. One of the scientific applications to organisations is cybernetics as the theoretical study of control processes in systems. Stacey (1993: 37) explains the role it played and still does: 'Thus, in the cybernetics tradition, organisations are driven by attraction to a predetermined desired state which is equilibrium adaptation to the environment. The state a given organisation comes to occupy is determined by the nature of its environment. Cybernetics is the science of control and management is the profession of control. At the heart of that science and that profession lays the design of regulators. You can see how this kind of thinking accords with a major management concern - that to do with being in control.'

The interesting but also crucial aspect of this practice is that it uses feedback in its endeavour to control but without understanding the feedback structure of the organisation itself. In other words, the application of mechanical processes is adapted in a mechanistic, linear way without interpretation and an attempt to understand. The process of management, and thus the direction and life of the organisation, become dependent on the ability of the authority, the manager, to apply the standardised body of expert knowledge in designing plans that can be monitored for any deviations in practice. It is not difficult to see that this kind of approach has a 'hard' view of the role that people have in the organisation, comparable to a part of a machine. Kotter (1990: 62) describes it distinctly: 'In a well-managed factory, this means the planning process establishes sensible quality targets, the organizing process builds an organization that can achieve those targets, and a control process makes sure that quality lapses are spotted immediately, not in thirty or sixty days, and corrected. In a well-managed marketing department, a project that goes over budget will get the same treatment. One way that management achieves controls by "motivating" people to comply with the standards or the plan. This is often done with economic incentives - that is, a certain amount of compensation is made contingent on a person's ability to minimize deviations from plan, or at least unfavorable deviations.' Mark the assumption that all members of the organisation are the same and that they would react similarly to the same motivational fact.

How does the manager get to his/her design or plan for the organisation? How does he/she decide on the strategy to follow? It is important to understand how certain strands in psychology and epistemology played their role in the prevalent thinking of the day. Stacey (1993: 410) helps us to see the underlying paradigm in strategic choice thinking:

*Strategic choice theory takes a cognitivist view of human nature. Here mind is understood to be a property of the individual brain. The brain/mind processes symbolic information, forming representations and models of a pre-given reality. Humans then act on the basis of their mental models. The individual is primary in that knowing and behaving do not depend fundamentally on relationships between individuals. Knowing and behaving, including relating to others, are characteristics of individual minds/brains. Individuals form groups and being part of a group may then affect individual behaviour. This theory places great emphasis on the importance of the intentions formed and expressed by individuals. Emotion is seen as a dangerous disruption of rational choice capacity and power is understood as an attribute of an individual, mainly in terms of official authority. Creativity is an attribute of an individual.*

The primacy of the individual and more particularly his/her thinking ability when formally educated in that field, so as to have the necessary credibility for the position of managing and controlling others, is evident. It is defined then by the specific established role that the individual has in the organisation but does not allow for diversity beyond those roles. Differences between individuals, deviant and eccentric behaviour have no role to play in how an organisation evolves. They are seen as dangerous distractions to be removed by more controls or additional motivators. The emphasis is on everyone sharing the same values to produce uniformity and conformity.

#### **2.2.2.5 Specialisation and fragmentation**

One of the most influential combination of consequences of reductionist thinking was the way it played out in specialised faculties of science and concomitant specialised career paths. That created the very valued and respected experts in the different fields that resulted from more and ever more specialized research, with unbelievable outcomes for the human race, such as putting a man on the moon. 'But the immense success of specialization has also resulted in a daunting progression of unintended consequences: *Specialization has created widespread fragmentation* - in people, organizations, and nations. Problems no longer fit within strict scientific specialties or traditional management functions but, instead, exist in *between* the specialties, fields, disciplines, and categories that evolved from prior centuries. Complex problems now swirl across - and encircle - the entire globe. The new millennium finds itself deeply entangled with the intermingling of all



social, economic, political, biological, psychological, spiritual, and environmental problems' (Kilmann, 2000: xiii).

When confronted with a problem, as keeps on happening despite the continuous creation of new ideas, recipes, models and techniques, people revert to what they were taught: Find the cause by a process of linear thinking until a prime cause can be found which then can be analysed and resolved either by adjustment or preferably new invention. New inventions remain an attractive option as society has high regard for novelty of any kind. The system (is it capitalism?) becomes a merry-go-round spinning faster and faster threatening to break down at some point. The materialistic incentive as part of it, I will discuss later in the context of community values.

What we see is that the weight of man's focus in life shifted significantly to matter, technology, simple, quick and easy solutions as in recipes, formulas and models. As we will see in more depth later, it was to the detriment of consciousness, intuition and vision. Consciousness for instance, is excluded in the design of formal systems (Kilmann, 2000). As we came to understand with the help of systems thinking and Einstein's insight that a problem cannot be solved by the same consciousness that created it, the solutions we create in hoping to simplify life, only make it complex.

The machine-and-its-parts-thinking implicitly advocates the idea of fixed boundaries. The way it impacted organisations and business is well described by Wheatley (1999: 27): 'In a machine, every piece knows its place. Likewise, in Newtonian organizations, we've drawn boundaries everywhere. We've created roles and accountabilities, drawing lines of authority and limits to responsibilities ... in business, information is portrayed in charts that chunk up the world. Pie charts tell us about market share, employee opinions, customer ratings ... In this world of things, there are well-defined edges; it is possible to tell where one stops and the other begins, to observe something without interfering with its identity or functioning.' All of which contributes to our fragmented thinking and view of life.

As for most workers in the organisation they find themselves in narrow demarcated jobs that are externally controlled with the only expectation that of being efficient and reliable. No wonder that

work in such an environment only means earning a living by blindly performing given tasks, thereby hopefully contributing to society.

The whole system that was created along these lines, unintentionally became distinctly inhuman: 'Classical physics transmuted the living cosmos of Greek and medieval times, a cosmos filled with purpose and intelligence and driven by the love of God for the benefit of humans, into a dead, clockwork machine. . . Things moved because they were fixed and determined; cold silence pervaded the once-teeming heavens. Human beings and their struggles, the whole of consciousness, and life itself were irrelevant to the workings of the vast universal machine' (Zohar, 1990: 18). Even though science helped us to understand many a 'what' and 'how' about life, it did not help us in answering the 'why', in spite of attempts to arrive at a theory of everything. The inescapable implication is that the answer to the final question about the world has to come from a mind that transcends our material universe. The 'what' gives us the stuff of existence; it is the 'why' that provides the glue to all that we live for and the larger interpretation of why we are here in the first place. Polanyi, according to Zacharias (1994: 2) argued that science is a normative form of knowledge and that society gives meaning to science, rather than the reverse that science gives meaning (and/or 'truth') to society. He cautioned that if science misapplies its role it is in danger of destroying life, not contributing to it. Says Zacharias, 'Intellectual assent to the reduction of the world to its atomic elements acting blindly in terms of equilibrations of forces, an assent that has gradually come to prevail since the birth of modern science, has made any sort of teleological view of the cosmos seem unscientific and woolgathering to us. And it is this assent, more than any other one intellectual factor, that has set science and religion (in all but its most frothy forms) in opposition to each other in the contemporary mind!'

### **2.2.3 The change to a new worldview (emergence and relationships)**

When I reflect on the description of modernism and the Newtonian worldview, I recognise the correspondence in patterns, strategies, arguments and motivation for actions in our daily life in South Africa over and over again. At the same time I also recognise the shift in many people's thinking about the world, reality, human nature and what they want from life. Unfortunately, it is also perceivable that most people are more disillusioned than anything else. Things have changed

tremendously, they know, but what they don't know is what to do with their own feelings of doubt and powerlessness to get a more fulfilled life. The endless stream of newspaper and magazine articles about the loss of simplicity as it was common in the old days, the degeneration of society as is evident in poor morality and ethics, and the relentless pressures to perform and be financially successful, have many people in despair and depression. In South Africa there is strong focus on the performance of the economy as the long awaited saviour of the poor and disempowered masses that were left behind in the days of apartheid rule. Yet, the dream is undermined by crime, ineffectiveness in many areas of service delivery and the instability of global markets to name a few. The message, I think, is that the social fiber and spirit of the nation yearn for reparation. It places a high premium on leadership. As we shall see in the study of leadership and organisational transformation with the help of systems complexity and process thinking, the time is ready for it.

Quantum theory was a catalyst in the change to a new worldview. The importance of the breakthroughs in the field of physics lay in the element of relativity and uncertainty that emerged from research. It, for instance, is impossible to determine both the position and momentum of a subatomic particle (such as the electron) with arbitrarily high accuracy. The effect of this principle is to convert the laws of physics into statements about relative, instead of absolute, certainties.<sup>2</sup> Wheatley (1999: 29) has the following to say about the change that discoveries at a subatomic level brought about: 'In science, the beginning of the twentieth century heralded the end of Newton's domination. Discoveries of a strange world at the subatomic level could not be explained by Newtonian laws, and the path was opened for new ways of comprehending the universe. Newtonian mechanics still apply to our world and still contribute greatly to scientific advances, but a new and different science is required now to explain many phenomena. Quantum mechanics, the most successful theory ever developed in physics, does not describe a clock-like universe. It tells of a very different world.'

---

<sup>2</sup> The Concise Columbia Encyclopedia



### 2.2.3.1 Relativity

Clearly the fact that science could no longer deny the fact those measurements need to be qualified in some way or another sent shock waves through the world. We can measure position and so get a hold on the particle aspect of a wave, or we can study momentum and observe the wave, but we never can measure both simultaneously. ‘The most we can hope to know about any given wave packet is a fuzzy reading of its position and an equally fuzzy reading of its momentum’ (Zohar, 1990: 27) Thus, absolute claims were beginning to get challenged and relative formulations to be seen as authentic.

### 2.2.3.2 Relationships and inter-connectedness

Relativity implicates relationships and interconnectedness. As Johnson (1997: 6) explains as he highlights the cracks that started to show in the machine worldview, no amount of study of the parts of a motorcar can help us to understand the essential property of the car namely to carry us from one place to another. The motorcar is not simply the sum of its parts but the product of its interactions. The method of reductionism prevents us to see the essential properties on things. One loses sight of the meaning of relationships and the inter-connections.

In the old paradigm with its dualistic approach to mind and matter, there were boundaries and then empty space between those boundaries. New understanding of the universe and life, facilitated by systems thinking as I will demonstrate, is to value the relationships even though we can’t see them. Indeed, they are crucial. ‘None of us exists independent of our relationships with others. Different settings and people evoke some qualities from us and leave others dormant. In each of these relationships, we are different, new in some way... In organizations, which is the more important influence on behavior—the system or the individual? The quantum world answered that question for me with an authoritative, “It depends”... What is critical is the *relationship* created between the person and the setting.’ (Kilmann, 2000: 84)

Understanding the importance of relationships leads in the end to the idea of holism. The rationale behind holistic thinking is not to grow our knowledge, but to get better understanding of whatever

we are studying. It is furthermore not simple cause and effect relationships that help us to understand but the influence of the specific context or environment. It is about dynamic relationships that have their own preferences to create patterns that emerge over time. Emergence is therefore a central principle in the new paradigm.

### 2.2.3.3 Fuzziness

The preceding understandably results in a feeling of fuzziness. The world we created on the basis of the hard and secure facts that science offered layer after layer, is falling apart. Indeed, fuzzy thinking and fuzzy logic have become new areas of interest in the world of science. Fuzzy logic is a form of logic in which variables can have degrees of truth or falsehood. What dawns on the student is that fuzziness actually is commonplace. As soon as we are relaxed and just in the flow of life, we are quite comfortable with fuzziness. Our daily communication is full of fuzziness: ‘maybe’, ‘approximately’, ‘depending’ etc. Yet, those kind of expressions would not satisfy environment strongly influenced by modernist thinking. As Goodwin and Reason (1999: 7) say: ‘One of the major constraints on conventional science that limits the ability to gain insight into the realm of complex phenomena is the restriction of data to quantifiable, measurable aspects of natural phenomena. These are the primary qualities of things, as described by Galileo, such as mass, position, velocity, momentum, and so on. The qualities are considered to be the only reliable source of scientific information about the world. Secondary qualities - the experience of colour, odour, texture, aesthetic pleasure in beholding a deer or a landscape - are not taken to be reliable indicators of ‘objective’ nature.’ Fuzzy logic is instrumental in bridging the gap between the technical specialist (working with primary qualities or physics) and natural language (using secondary qualities or metaphysics).

As can be expected in the kind of world described above, paradoxes make people uncomfortable and will only be accepted as exceptions that, in time, can be worked out. Although Bertrand Russell founded a mathematical paradox (the set of all sets has both things in it *and* not in it)<sup>3</sup> in the 1920’s,

---

<sup>3</sup> Consider the set of apples. Is it a member of itself? No. Its members are apples not sets. The same holds for sets of things like people or stars or universes. They contain people or stars or universes. They do not contain sets. What about the set of all sets? Is it a member of itself? Yes. The set of all sets is a set and so wins membership in its own club. Other sets can also be members of themselves. Infinitely many sets fall in this category. Now what about the set of all sets that,



it is only through the introduction of fuzzy thinking that it became evident that paradoxes are the rule and not the exception. 'Pure black-and-white outcomes are the exceptions... There are two Aristotelian extremes of black and white, 0 and 1, and infinitely many shades of grey between them. A grey shade means A and not- A holds to some degree' (Kosko, 1993: 102). Today there is growing appreciation for the fact that fuzziness, like chaos, serves as a catalyst for creativity.

Typical of modernist thinking is the creation of blueprints or unifying structures. In the process generalisations were the order of the day. Fuzzy logic helps to transcend the duality of unifying and differentiating ways of thinking by naturally working from the known to the unknown.

Differentiating thinking is used to go deeper into the known phenomena so that to characterize them as precisely as possible. 'Unifying thinking is used to approach processes in their integrity, keeping in mind that the knowledge available about the wholeness is inevitably fuzzy. However fuzzy the knowledge of the wholeness, it always conveys meaning to those who are able to zoom into the *fuzzy granules* of its description, releasing their intellectual, emotional or spiritual contents...

Society is only an abstract word. What really exist are the individuals with their physical, emotional, mental and spiritual fractality, granularity and above all, *integrity*. With each other and with the universe.' ( Dimitrov, [2] 2003: 3). Fuzzy logic doesn't fight diversity but recognizes it as a more productive base than homogeneity.

Fuzziness and the emergence of meaning inseparably relate to each other. Yet, there is obviously a threshold in the degree of fuzziness expressed through a fuzzy statement. At a certain point it does not carry any meaning. As we often experience in our communication, just the slightest change in the degree of fuzziness ('I think I saw you crossing against the red light' as opposed to 'did you perhaps cross against the red light?') can provoke enormous change in meaning or lead to misunderstanding. "Social Fuzziology explores the 'butterfly effects' manifested in the emergent dynamics of meanings out of the fuzziness of communication. Fuzziness inherent in the processes of communication and emergence of meaning is also in the focus of Social Fuzziology" ( Dimitrov, [1] 2003: 9). Just think how our ability to discern the fuzzy language of politicians has developed from times when we uncritically accepted their words and explanations. With traditional thinking

---

like the set of apples, do not belong to themselves? Most sets we see around us belong to this set. Does it belong to itself? Suppose it does. Then by definition it does not because the sole criterion for membership is that the set be a set that does not belong to itself. So suppose it does not belong to itself. Then it does because it satisfies the membership criterion. A and not A. (Kosko , 1993: 88)

in the Aristotle paradigm of this is *A* and that is not *A*, it is natural to work with compartments or sets. It is the kind of thinking that, from a political perspective, also finds it easy to follow a divide and rule policy. It impacts negatively on integrity. As Dimitrov (Dimitrov, [2] 2003: 3) explains: ‘A mind that is filled with the notions of “I” and “my” is almost deprived of ability to “compute” with words like *integrity*, *unity* and *wholeness*. These words are equally meaningless for a mind that thrives mostly on control, power, prestige, possession, and search for selfish pleasures.

Unfortunately, the mental space of today's humanity is filled with such type of minds. We are forced to live in an exhaustive competition that inevitably strengthens the selfishness of our thinking. We are forced to live in a continuous comparison that tends to emphasise that which separates us rather than that which unites us, hence making difficult to see how *A* can be linked with not *A*’.

Once we depart from our closed systems paradigm and world of absolute boundaries, we discover the practicality of fuzziness. As I already have stated, no thing can exist in itself or for itself but only in relationship to other things and beings. This creates an infinite number of interrelations and levels to be taken into consideration which ‘immediately ‘injects’ a dose of irremovable fuzziness into the description of each level, which is again reflected in the description of the dynamical structure as a whole’ (Dimitrov, [1] 2003: 3). At the same time the process invites creativity and spontaneity. Where an authority laid out the plan, the structure, the rules and regulations and the processes of an organisation with which every member simply has to comply, spontaneity and creativity is smothered. ‘The unfolding of our potential to think and act in harmony with nature is hardly compatible with any rigid mental and emotional pattern persisting in the way we see ourselves and the world around us. Evolution thrives on fluid patterns, that is, patterns with fuzzy, easily permeable boundaries’ (Dimitrov, [1] 2003: 3).

Managing in the modernist paradigm is to control the functions of everyone with his or her specialised tasks. There is no use for real participation on other levels especially not by thinking freely or critically. With an emphasis on individual participation fuzziness is welcomed in a process of negotiation to achieve strong and real group coherence. It ‘softens’ the conditions of choice.

It is common experience to embark enthusiastically on a particular project, confident about the knowledge we already have and our ability to apply it in creating solutions. Then, the more we get

involved the more we discover the complexity and indeed the fuzziness of the situation. Experientially we discover the truth of Socrates' paradox: The less we know the more certain and precise we are; the more we know, the more we realize the limitations of being certain and precise. The questions that come up in our minds are questions such as: How much information do I need, as every new bit changes my mind? How much precision do I need, as the more precise I want to be, the fuzzier it becomes? Where do I draw the boundary, as the more involved I get, the more relationships and new elements I discover? The advocates of fuzzy logic want to support those who might feel overwhelmed by these challenges and would like to find their way in a responsible defensible manner. Fuzzy logic directs us to look between the black and white answers for the optimum choice in every situation. Finding its application foremost in technology and computer software design, it is yet another development that points to the change of worldview.

#### **2.2.3.4 Postmodernism**

Postmodernism simply refers to the set of ideas and views that started to replace modernist ideas and views. It is in reaction to modernism. The whole movement reminds one of the images of a dam wall that perishes under the pressure of water that keeps on filling the dam. Much the same as happened to the Berlin Wall when resistance to communist rule became too strong. The resistance that swelled amongst postmodern thinkers can mainly be seen in their scepticism. Anything that is remotely familiar to an ideology or rational construct that can serve as a blueprint for the world is looked upon with great skepticism. 'In postmodernity...we find a weakening of reason, a breaking down of homogeneous, unifying models of knowledge, and "a plurality of non-homogeneous models and paradigms of rationality, which cannot be linked, but are tied together only by the specificity of their particular domain of application"...In other words, knowledge becomes relative and contextual, any pretense at linear progressive development is removed, and the fascination and faith with the new is replaced by a sense of irony and severe doubt in the ability of science/technology/reason to improve the human condition. Indeed, efforts at improving or controlling the human condition are often viewed with great suspicion...' (Montuori & Purser: 183). The outcome of postmodernist rejection of absolute, simplistic and final solutions is emergence and complex systems thinking, the theories of which I will explicate in depth. An awareness of the nature of open systems, the interrelatedness of various systems and the role of the



environment and the inquirer, all have become fundamental to postmodern thinking. Sensitivity to the influence of space (context/ecology/interconnectedness), time (evolution/history/process/genealogy) and knowledge (paradigms/mental models/mindscape) is necessary to be able to cope with the complex challenges of our time and from the perspective of sustainability.

The postmodern view of reality is a constructivist one, meaning that reality is not something ‘out there’ but that which we construct in our own particular way. It argues that our world, and our knowing of it is best seen as created rather than given: knowledge and truth are created, not discovered by mind. Developments in the quest for truth and what is real understandably impacted research methods. Denzin and Lincoln (as cited by Heron & Reason, 1997:278) identify a series of “moments” or “successive sets of new sensibilities” in the story of qualitative research developing from the clarity and unity of a positivist perspective to current times of relativism, pluralism and constructivism. ‘Their first moment is the 19th century colonial enterprise of understanding ‘primitive people’; the second is the positivist mode which becomes the dominant approach to social science by the third quarter of the 20<sup>th</sup> century. After World War II, an ‘interpretivist’ mode emerges which is pluralistic, interpretive, and open ended, taking cultural representations and their meanings as being appropriate points of departure in the social sciences.’ As the world moves towards a global village with the phenomenal advances in technology, it establishes democracy as the political vehicle for this new world. It brings a whole new dynamic after the years of colonisation with the southern hemisphere and third world countries raising their voices as nations who want rightfully to take their place in the world community, bringing with them their own cultures and views of what is legitimate. This challenge also impacts on science and is part of the postmodern movement. Constructivism underscores the value and legitimacy of different ‘stories’ as accounts of what really has meaning for people.

Related to the postmodernistic ideas presented above, is the poststructuralist view of language. The structuralist view holds the belief that there can be scientific objectivity in the realm of literary studies. Scientific objectivity is achieved by the study of the structure of a system in the abstract. The ‘individuality of the text disappears in favor of looking at patterns, systems, and structures’ (Klages, 2003: 1). As such, language and culture only acquire meaning insofar as they participate in a complex pool of structural relations. This implies that there is ‘an ever-active, transcendent

center or ground' (Bush, 2003: 1). Poststructuralists point out that language does not have such a centre. Language is inherently unstable and shifting. Meaning can not be determined objectively in a text. The reader and his/her response is therefore fundamental to the creation of meaning. The implication of the poststructuralist view is that multiple perspectives co-exist and need to be recognised as such. By deconstructing the binary oppositions which is typical of structuralist thinking, the boundaries between oppositions are erased and the thinking is no longer rigid.

The values that can be associated with postmodernism would be the following:

- Holism - The theory that living matter or reality is made up of organic or unified wholes that are greater than the simple sum of their parts
- Constructivism – Individuals construct their own reality
- Relativism - A theory that conceptions of truth and moral values are not absolute but are relative to the persons or groups holding them
- Connectedness – The idea to consciously be in relationship with 'others'
- Consciousness - The state or condition of being conscious. A sense of one's personal or collective identity.
- Spiritualism - .An emphasis on the spiritual aspect of being.
- Relationships – Everything is connected with everything
- Pluralism - The doctrine that reality is composed of many ultimate substances. The belief that no single explanatory system or view of reality can account for all the phenomena of life.
- Poststructuralism – Any of various theories or methods of analysis that deny the validity of structuralism's method of binary opposition and maintain that meanings and intellectual categories are shifting and unstable.

#### **2.2.3.5 Consciousness and spirit**

As I demonstrated, much of the Newtonian worldview corresponded with the dualism of mind and matter. As we know, the brain was applied in sciences but in a way that always made a clear distinction between the object and the subject. To do science is to study an object in a deliberate and

legalistic way. Even Christian theology followed strict rules in its disciplines to interpret the Bible. In the process of following prescribed rules in a mechanistic fashion, people's awareness of that which is invisible but very real in life, has been left aside. Watching people and listening to people repeating the same ideas and same behaviours over and over again, I personally would at times get the distinct impression that the Newtonian model indeed transformed many people into robots. People would go through the motions as if unconscious. People would have dull expressions in their eyes as if their spirit has left them. Many a manager of organisations would hope silently that something very significant will wake up the members to a new spirit and feeling of significance. Flood (1999: 81) says that modern living has in certain senses led to impoverishment rather than improvement of the human condition. As a consequence of these misfortunes of modernisation, the current and oft said to be postmodern era has witnessed a decline in belief of purpose as well as a rise of suspicion in divine law and scientific reasoning. People's experiences at the present time are said to make them feel hollow and purposeless. This new sensation may well be a driving force behind waves of enthusiasm in the western world for spiritualism, where anxiety over meaningless life becomes tranquillised. Being out of touch with people and ourselves may in fact mean that we have lost touch with our human spirit.

George Gilder (as cited by Ray, 1992: 27) states the 'central event of the 20th century is the overthrow of matter. In technology, economics, and the politics of nations, wealth in the form of physical resources is steadily declining in value and significance. The powers of mind are everywhere ascendant over the brute force of things.'

Kilmann (2000: 40) pleads for quantum thinking, being aware and conscious of the interconnectedness of everything, as the link that is missing 'The essence of quantum thinking is that it is the thinking that precedes categories, structures, and accepted patterns of thought, or mind-sets. It is with quantum thinking that we create our categories, change our structures, and transform our patterns of thought. Quantum thinking is vital to creative thinking and leadership in organizations. It is the key to any genuine organizational transformation. It is the key to shifting our paradigm. Quantum thinking is the link between the brain's creativity, organizational transformation and leadership, and the ideas found in the new science.'



## 2.3 Systems thinking

### 2.3.1 ‘Why’ instead of ‘how’

Much of what I have described so far in the shift of thinking from a Newtonian worldview to one that can be called Quantum or Postmodern, has already demonstrated the underlying principles of systems thinking. In my description of the meaning of relationship as opposed to only focusing on parts, the concept of systems already was established. A system is a whole that consists of a set of two or more parts. Each part affects the behaviour of the whole, depending on the part’s interaction with other parts of the item. In addition, the essential properties that define any system are properties of the whole, and none of the parts are those properties (Johnson, 1997). The sentence that captures the meaning of systems thinking best is the one saying: the whole is more than the sum of its parts. Systems thinking are the new worldview’s replacement of ‘analyses as scientific discipline. The limitation of analysis is that it offers nothing more as to give us know-how, or knowledge. By contrast, synthesis reveals *why* a system works the way it does.

### 2.3.2 ‘And’ instead of ‘or’

An ancient Sufi teaching explains the awareness that systems thinking creates: ‘You think because you understand *one* you must understand *two*, because one and one makes two. But you must also understand *and*’ (Wheatley, 1999: 8). In trying to think holistically as opposed to reductionistic, systems thinking is the tool that can be used to great effect. In the case of the motorcar, as I have explained, the idea is not too complex to comprehend. To apply the same thinking in organisations though, is much more difficult without a tool such as systems theories and diagramming.

#### 2.3.2.1 Social implications

Reductionist thinking inevitably impacted social rules and practices. The tendency to seek solutions for all problems in terms of causal awareness took root. In conflict situations the instinctive reaction



to look for a scapegoat is a similar approach to the scientist going to his/her laboratory to analyse the data or process for deviance. The change of mind that is needed in our social relationships as is typically the case in organisations, will evidently be a difficult one.

### **2.3.3 Systems thinking and change**

Systems thinking is a wonderful tool to use in understanding the effects or necessity of changes. In our experience of the complexity of life we usually have the tendency to analyse and focus on the immediate things that enter our minds and seek simplistic solutions. We become very fragmented, which creates an endless series of problems. The notion that all these fragments are separately existent is evidently an illusion. As soon as we discipline ourselves to identify all the factors that can influence the particular situation that we are struggling with, we begin to discover how limited our thinking was. We also discover the interrelatedness of various elements and the fact that we are not able to control these things. In the context of change management it is an important point of view as it put our responsiveness to test rather than our ability to pin down the presumed first cause of the chain of changes.

Systems thinking, then, clearly want to facilitate change processes. It requires specific focus on holistic thinking, relationships, influences, relativity etc. It necessitates engagement of right brain functions such as imagination, playfulness, images, intuition and emotions. The different sets of principles that will guide our thinking in change initiatives will be the following as depicted by (Steinke, 1999 : 26):

Table 2-1

Separate Parts Thinking	System Thinking
Atomistic	Holistic
Problems belong to the individual	Problems belong to the system
Problems are <i>intra</i> (within a part)	Problems are <i>inter</i> (between parts)
Whole can be understood by reduction into parts	Whole can be understood by interaction of the parts
Parts explain the whole	Whole explains parts
Understanding comes from breaking down into smaller and smaller pieces	Understanding comes from looking up (larger and larger wholes)
Parts can be understood in itself	Parts mutually influence one another
Think in lines	Think in loops
Cause and effect thinking	Co-causal

The more distance we get from our first emotional reactions to the challenges of change, the more we also allow for our intuition to guide us in understanding the system. As Felkins and Chakiris (1993: 72) put it: ‘The systems perspective of change is attractive in many ways because it combines some rational scientific perspectives with other more intuitive aspects that go beyond our direct experience. We cannot see all the interconnections or the outer realms of a complex system, but we can work with models and imagination to understand the impact of this functional structure. Systems approaches recognize new linkages, relationships, and options, but always within certain

boundaries and structures that are not everywhere distinct. A general systems perspective gives us great flexibility in visualizing organizational relationships and operations through creative and complex mental models. These allow us to step back and take a more objective look at the big picture.’ Mintzberg’s (as cited by Felkins & Chakiris, 1993: 73) description of the basic components of the organisation is helpful: ‘the *operating core* that performs the work of producing a product or delivering a service; the *strategic apex*, made up of one or more managers who oversee the whole system; the *middle line*, or the hierarchy of authority between the two sectors; the *technostructure* of analysts who form the organization as they plan and formally control the work of others outside the hierarchy of line authorities; the *support staff* that provides internal services including personnel, legal, and public relations functions; and the *ideology*, or culture, of the organization built on its own unique traditions, beliefs, and values.’

Looking at change from a systems perspective, the art is to respect every component for its value and possible impact on the system; moreover to examine the role of every component in relation to the rest. With the specific change in mind a coordinated plan must see to the alignment of the components for the best possible results. For this to be effective, as in any relationship, communication is of critical importance. A visual illustration of the system and its effectiveness in responding to change will be helpful (see diagram 2-1).

Diagram 2-1

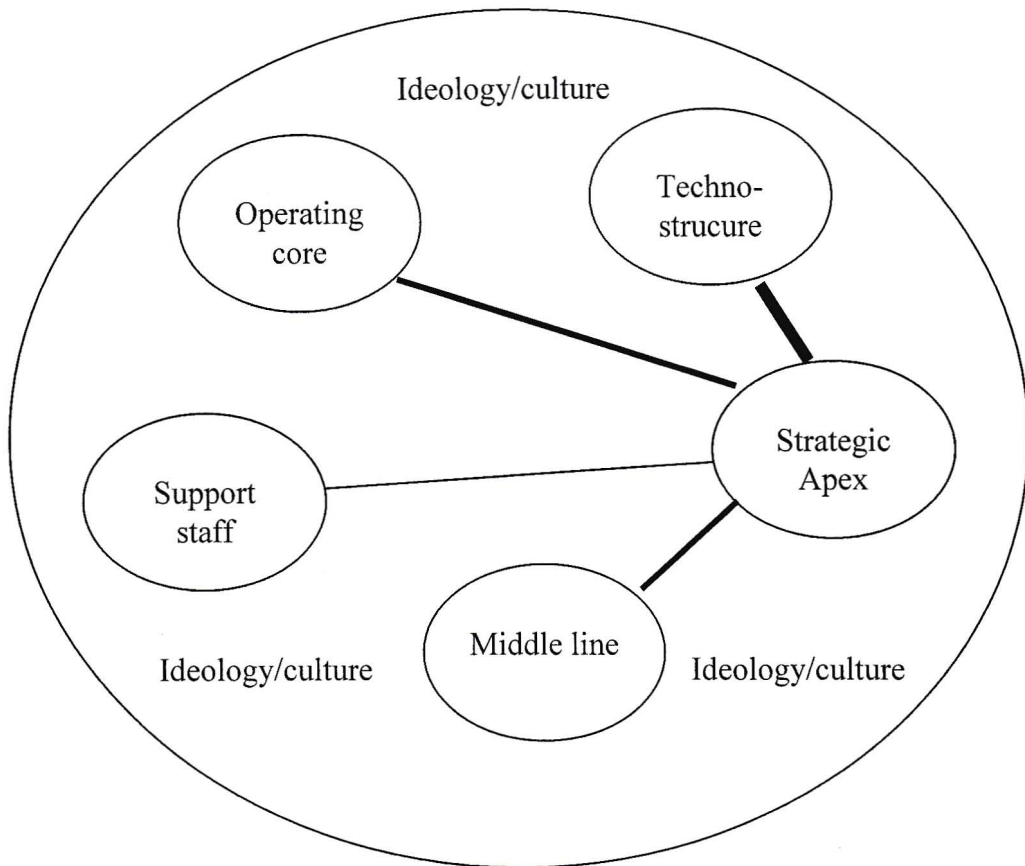


Illustration of the alignment and communication between strategic apex and other components by the thickness of the links. The same exercise should be done with every component. The question would be if there is good alignment and communication between the components and whether the change is congruent with the values, ideology and culture of the organisation. If not, lots of work need to be done on the cultural level for the change to be effective.

Various systems diagrams can be used effectively. Diagram such as spray diagrams (simple relationship of ideas), systems maps (snapshots showing the structure, components and environment), influence diagrams (main structural features and the influences among them), multiple cause diagrams (used to explore why events occur), and sign graphs (used to investigate the relationships between variables).

It is by studying change from a systems perspective that very useful insights become evident. Insights such as these highlighted by Senge (1990: 57-67):



- Today's problems come from yesterday's "solutions"
- The harder you push, the harder the system pushes back
- Behavior grows better before it grows worse
- The easy way out usually leads back in
- The cure can be worse than the disease
- Faster is slower
- Cause and effect are not closely related in time and space
- Small changes can produce big results – but the areas of highest leverage are often the least obvious
- Dividing an elephant in two does not produce two small elephants

Systems thinking therefore helps us to see interrelationships rather than linear cause-effect chains. According to Senge (1990: 70) it also helps us to see processes of change rather than snapshots.

As stated earlier, systems thinking should be seen as a tool that can be used at all levels in an organisation, helping people to better respond to changes within the organisation. In terms of the reality of change processes, process thinking and emergence in relationships, as proposed by Stacey (1993), helps us to facilitate in the dynamic of organisations. It underscores the role of relationships as being fundamental to life and not only as an aspect of systems thinking. As a discipline, it goes beyond work processes or organisational structures but includes important aspects in the development or transformation of an organisation that traditionally did not form part of management thinking. Flood (1999: 26) highlights this fact by referring to Senge: 'Systemic thinking is the discipline that brings together all five of Senge's disciplines in pursuit of a combined body of theory and a mode of practice for the learning organisation.' The disciplines being personal mastery, mental models, shared vision, team learning and systems.

### **2.3.4 Limitations of systems thinking**

Is systems thinking the all-inclusive answer to organisational and management practices? Does it explain organisational dynamics? Does it fully explain why so many change initiatives of the past

failed? Does it sufficiently show the way to becoming effective in our organisations and specifically deal with complexity? Stacey's comprehensive work in his book, *Strategic Management and Organisational Dynamics – the Challenge of Complexity*, suggests the answer to these questions is 'no'. However important and progressive systems thinking is, it is still limited as theory in explaining novelty, it 'cannot be explained in systemic terms, only in individual-centered terms' (1993: 24) and the dynamics of organisations. To meet the challenge of complexity, further insights in our thinking paradigms, specifically with reference to the scientific method, are needed. 'The manager continues to be equated with the natural scientist, the objective observer, and just as the scientist is concerned with a natural phenomenon, so the manager is concerned with an organisation. Now, however, the organisation is understood, not as parts adding to a whole, but as a system in which the interactions between its parts are of primary importance' (Stacey, 1993: 29).

Stacey's critique has to do with the way Kant's theory of formative causality for nature was applied to human action using systems concepts. He explains 'when later forms of systems thinking were developed in the middle of the twentieth century, they were directly applied to human action, and individuals came to be thought of as parts in a system called a group, organisation or society. It immediately follows that any such explanation cannot encompass individual human freedom, or individual agency. Nor can a systemic explanation encompass the origins of spontaneity or novelty. To explain these phenomena within systems thinking, we have to rely on the autonomous individual standing outside the system' (Stacey, 1993: 413). Theories such as cybernetics and systems dynamics were closely related to the development of computers and cognitivist psychology. Stacey's point is that the autonomous individual who is primary and prior to the group, and the concern with the control of systems remained central themes running through all developments in systems thinking - even though the principles of non-linearity and non-equilibrium were increasingly accommodated.

With systems becoming more and more complex in our world of inter-connectedness and the prolific escalation of variables, the focus shifted to complexity theory and process thinking, as Stacey differentiates it from systems thinking.

## 2.4 Complexity and process thinking

### 2.4.1 Complex systems and chaos

A complex system can be described as one whose behaviour cannot be described concisely, even though it has definite elements of organisation. Complex systems are neither ordered nor random, but combine elements of both (Martiny, 2003). Complexity can also be seen as the cousin of chaos. Traditionally we would view the idea of chaos negatively. It implies a state beyond control and therefore undesirable. Studies in biological evolution, amongst others, lead us now to recognise that 'the game of life ... is cycles of creative emergence' (Goodwin & Reason, 1999: 8). Instead of looking at life only as a struggle to win and survive (Darwin), it should be recognised as creative emergence and expression of appropriate novelty. For a system to respond appropriately to changes the best state to be in is one that could be described as the 'edge of chaos'. That is where order and disorder 'are combined in such a way that the system can readily dissolve inappropriate order and discover patterns that are appropriate to changing circumstances' (Kauffman as cited in Goodwin & Reason, 1999: 10).

The underlying principle that was automatically accepted as the ideal for life and thus also for organisations, is equilibrium. The assumption is that the optimum that we can strive for is a state of eternal equilibrium. The new science introduced different views backed up by interesting discoveries in biology and computer science amongst others. Wheatley (1999: 77) explains the lessons from studying living systems: 'Equilibrium is neither the goal nor the fate of living systems, simply because as open systems they are partners with their environment. The study of these systems ... has shown that open systems have the possibility of continuously importing free energy from the environment and of exporting entropy. They don't sit quietly by as their energy dissipates. They don't seek equilibrium. Quite the opposite. To stay viable, open systems maintain a state of non-equilibrium, keeping the system off balance so that it can change and grow.'

The implications of new understanding of complexity and chaos are that we revisit our preoccupation with control. If organisations are machines, control makes sense. If organisations are



process structures, then seeking to impose control through permanent structure is suicide. The intent is not to push and pull, but rather to give form to what is unfolding (Wheatley, 1999: 110).

#### **2.4.2 Strange attractor and emergence**

One of the discoveries, this time a mathematical one, that further paved the way for a different approach to organisations, was that of Lorentz. In studying non-linear systems on his computer he discovered something which he named a 'strange attractor'. 'Lorentz realized that he was dealing with a radically new type of behaviour pattern whose properties led him to an immediately graspable metaphor: a butterfly flapping its wings in Iowa could lead, via the strange dynamics of the weather, to a typhoon in Indonesia. Stated in another way, very small changes in initial conditions in the weather system can lead to unpredictable consequences, even though everything in the system is causally connected in a perfectly deterministic way" (Reason & Goodwin, 1999: 3). Learning about complex systems the strange attractor makes us aware of the fact that small changes can lead to unforeseeable results. To translate this insight to the organisation, the parallel is that whilst the manager has a sleepless night worrying about his strategic choices for the organisation to meet its targets, a small insignificant change in the information systems culminates in big but unforeseeable repercussions. Emergence is the act of coming out or becoming apparent as the typhoon from the weather system.

#### **2.4.3 Science of quality**

From an era of applying scientific formulas in various settings of life, thereby taking the blueprints of the experts and implementing them with learned management skills, complexity studies take us to life itself as it is in all its complexity. What do we learn by observing various systems in its natural behaviour? Studies of complex systems in this way found new and interesting patterns that evolved unexplainably. The science of complexity has its focus on the study of these emergent properties. The problem that confronts us is if it is measurable in the same way as things are measured by mass, position, velocity, momentum and so on. We need to go beyond orthodox empirical and rational Western views of knowing, and assert that knowing starts from a relationship



between self and other, through participation and intuition. It points to the importance of sensitivity and attunement in the moment of relationship; the importance of knowing not just as an academic pursuit but as the everyday of acting in relationship and creating meaning in our lives. Thus, Goodwin and Reason (1999: 7) motivates a science of qualities: ‘This is the science that was practiced by Johann Wolfgang von Goethe in the late 18th and early 19<sup>th</sup> century. ..The assumption is that our feelings in response to natural processes are not arbitrary but can be used as reliable indicators of the nature of the real processes in which we participate. Qualities include the realm of the normative, our assessment of the rightness or wrongness, appropriateness or inappropriateness, of particular actions in relation to our knowledge. A science of emergent qualities involves a break with the positivist tradition that separates facts and values and a re-establishment of a foundation for a naturalistic ethics ...’ By turning to meaning as opposed to mere problem solution thinking, a science of qualities is much needed and urgent.

#### **2.4.4 Complexity and organisational dynamics**

The high failure rate of many change initiatives indicates the relevance for managers of understanding the processes of change. How can they better understand the emergence of those self-organised processes that seem to account for the actual adaptation and evolution of organisations? The sciences of complexity provide an alternative means to achieve that understanding. Ortegon-Monroy (1999: 15) says ‘It has been found that many initiatives and interventions ... fail possibly because they are too restrictive in what they allow as change. Thus the emergence of new organisational behaviours and structures involving a multiplicity of creative outcomes is not recognised. This might mean that little attention is paid to the nature of change and to the network of social inter-relationships which forms the social infrastructure of the organisation. An alternative approach is suggested by the theories of complexity, which do take into account these characteristics considered to be shared by all complex systems.’ Complexity refers to situations that we sometimes might call messes. Whereas ‘difficulties’ usually refers to smaller scale problems that are well defined and bounded, messes are bigger, poorly defined and unbounded. That is, one is not sure what the problem is, there are no solutions but lots of uncertainty. Further differentiation can be made between hard and soft complexity where hard complexity refers to mathematical puzzles or technical problems and soft complexity involves people and emotional involvement. ‘Complexity’

in this study refers to soft complexity as one typically finds in organisations but the theories derived from observing the behaviour of hard complex systems as simulated with computer technology.

A different perspective or paradigm that will better serve leadership of the corporate business, is one in which the complex nature of organisations and life in general is acknowledged and respected. That paradigm is one in which the following principles are primary:

- Rich interconnections between diverse components – the interactions multiple and varied
- Iteration – a pattern of activity gives rise to coherent order
- Emergence – Unpredictable order emerges
- Holism – Not a privileged set of components but the interactions between all elements
- Fluctuations – Fluctuations in the variables occur and become organised in rhythmic activity patterns
- Edge of chaos – a dynamic space with a mixture of order and chaos where the system is both robust and flexibly responsive to context (Goodwin & Reason, 1999)

These principles clearly represent a shift from the control by a control expert, the manager, to self-organising. The practical implications are well illustrated by Weick (as cited by Stacey, 1993: 91): ‘Rigid rule-bound organisations that spell out exactly how people should behave are incapable of generating new forms of behaviour to meet new situations. To be able to meet the unexpected new situation, organisations need to be loosely coupled, self-designing systems. That requires establishing the following patterns:

- valuing improvisation more than forecasts;
- dwelling on opportunities rather than constraints;
- inventing solutions rather than borrowing them;
- cultivating impermanence instead of permanence;
- relying on diverse measures of performance rather than on accounting systems alone;
- encouraging doubt rather than removing it;
- continuously experimenting rather than searching for final solutions;
- seeking contradictions rather than discouraging them.

#### **2.4.4.1 Complexity and change processes**

We might see complexity theory principles in a passive sense, simply accepting them as more accurate descriptions of the world than the mechanical metaphors. This approach is fatalistic: we used to live in a mechanical world in which we could to some extent predict and control; now we see that our ability to do this is circumscribed by the dynamics of complexity. Alternatively, we can accept the principles of complexity theory in an active sense, working with them as offering the possibility of creating the conditions in which creative order can emerge. This offers a particular challenge to leadership and facilitation to find ways to create the conditions in which creative order can emerge in inquiry projects. The challenge lay in the facilitation of processes, valuing the dynamics of interpersonal relationships in its most natural form. 'Process' can be understood as a sustained phenomenon or one marked by gradual changes through a series of states. It is recognised as something that happens over time as opposed to a particular event.

So what is the theory that process thinking offers in terms of organisational dynamics? The answer is in the way the process of iterative interaction between people novelty emerges. The differences between people become the creative force that emerges through interaction. The individual is not prior to the group and the group not prior to the individual. There is nothing above, below, behind or in front of interaction exercising any causal power on it. Instead of thinking in terms of dualism, process thinking is conducted in terms of paradox and dialectic (Stacey, 1993: 313). Important is also the psychological basis for process thinking not individualistic psychologies of cognitivism, constructivism, humanistic psychology or psychoanalysis, but relational psychology. Stacey (1993: 330) explains: 'The essence of the complex responsive processes view of psychology is the notion that an individual mind is a silent conversation of voices and feelings, more or less hidden from others... The two - relationships between people and relationships between voices in a silent conversation - are equivalent to each other. They form and are formed by each other at the same time. Unlike any of the other psychological theories, this one does not see individuals at one level of description and groups at another.'

Other distinctions that Stacey makes between systems and process thinking are (stating the process thinking perspective):



- Non-linear notion of time – the past is not given but being reiterated, retold in the present in the light of the expectations people are forming in the present for the future
- Participation – direct interaction between people in local situations in the living present, not participating in a system

We are intended to be with one another. Life is not so much ‘out there’ or ‘in here’ as between. Reality is known in reciprocity. It therefore draws our attention to the act of communication between people.

#### **2.4.4.2 Conversations and dialogue**

The unique capacity of human beings is the capacity to break the link between instinct and behaviour by developing a system of symbols (language) thereby becoming a ‘medium of social orientation in the world and to the self...Language orients one in the world...and its themes organise experience’ (Stacey, 1993: 323). By using language in our communications we share our orientations and by sharing it we co-create meaning.

How people talk, what patterns that talk displays, is of primary importance to what the organisation is and what happens to it. In fact, organisations can be thought of as patterns of conversation and organisation. The organising themes that management should be aware of and able to respond to are for example:

- Fantasies
- Myths
- Rituals
- Ideology
- Culture
- Gossip
- Rumour
- Discourses and speech genres
- Dialogues



- Discussions
- Debates
- Presentations

In all of these forms of relating, narrative and propositional themes are organising that experience of relating in a number of ways, for example by:

- selecting what is to be attended to;
- shaping how what is attended to is to be described;
- selecting who might describe it;
- accounting by one to another for their actions;
- articulating purpose in the form of themes expressing intentions;
- justifying actions in the form of themes that express ideology.

(Stacey 1993: 363)

Lastly, the rhetoric people use reveals a lot and functions as organising principles. Springnett (as cited by Stacey, 1993: 382 ) gives an useful account of rhetorical ploys:

- Those that influence the path of conversation.
  - ‘these are *the* objectives’
  - not responding to a point made but rapidly raising another
  - binding the path – ‘this is really Stone Age stuff’
  - contract the line of conversation – ‘let's concentrate on the key points’
  - expand the line of conversation – ‘there must be other ways to think about this’
  - give emphasis – ‘this is the way we must go’
- Make claims to be the truth
  - ‘the latest research shows’, or ‘customers feel’

- Destabilise
  - ‘does that really add anything?’
  
- Influence beliefs about what is real and possible
  - making the intangible seem tangible, talking about a merger as a ‘marriage’
  - referring to a company as if it were a person, using statements like ‘let me walk you through this’
  - a move that implies pre-existence, such as talking about unlocking a company's potential
  - construct urgency, such as ‘there is a short time window’

Managers in general are not used to emphasising process. They are so often chosen for their technical skills, the focus on content, that it is not surprising that attention to process comes a bad second. Yet, as Stacey (1993: 393) points out: ‘the irony is that process is, in some respects, more strategic than content, because it is the process (how a person, group or organisation functions) that determines the quality of the content (what they achieve).’ Leadership, as I will illustrate, understands process and understands that it is in the end a form of relationship. I will now, as part of my literature review of the relevant areas to the subject of study, turn to the new awareness of man, work and community.

## **2.5 Man, work and community**

### **2.5.1 Free worker and knowledge economy**

Work in the era of atomistic or Newtonian thinking, was seen to be the application of energy to matter. Work was most of the time reduced to elementary tasks than the simpler the task, the easier it was to mechanise. As Johnson (1997: 10) explains the process that followed: ‘Following the dictates of analysis, we then aggregated the tasks, that we had a network of elementary jobs

performed by people and machines to create a product. That network is known as the modern factory. The production line and assembly are the logical, direct outcome of this view of work and its mechanization.’ The end result was the dehumanisation of man because people as workers had to fit in the machine-like operations as parts fit to the whole. People had to behave like machines on their own. Work no longer was expression of man in its creativity and diversity.

The tragic effects that the Newtonian worldview and Industrial Era can be seen in the way people perceive their work as nothing more as a way to earn a living. That is when it becomes only a job. Fox (1994, 5) quite clearly writes that work, in contrast to the external limitations of a job, ‘comes from inside out; work is the expression of our soul, our inner being. It is unique to the individual; it is creative. Work is an expression of the Spirit at work in the world through us. Work is that which puts us in touch with others, not so much at the level of personal interaction, but at the level of service in the community.’ All kinds of distractions became part of the working environment to make life a little bit easier; to distract from the reality that the work itself has become meaningless to the worker. As it fails in giving people a sense of significance, much effort is devoted to strategies that can minimise the amount of work performed. Enforcing rigid demarcations is one such strategy. It provides the kind of excuse often heard amongst workers: ‘that is not my job’. Even when the same person has nothing to do in terms of the specifications of his/her position. In other situations one will find that six or seven workers are standing around waiting for others to do their particular part of the job. The spin off from such practices is not only a requirement for far greater numbers of people to do the work, but also that planning and coordination becomes exceedingly difficult. Getting the right people together at the right time with the appropriate tools and equipment then requires a major planning and scheduling infrastructure. From a systems perspective it could be seen as a nice challenge, but the sad thing is that better systems, control and procedures won’t cure the fundamental illness. The impact on the worker’s psyche is evident. The task carried out by each employee is so segmented that it is almost impossible for individuals to see where their contribution fits into the larger purpose of the enterprise. In short it is difficult for the individual to see how he or she can ‘make a difference’. It illustrates the problem of fragmentation that is so familiar in the world that has been created by separate parts thinking.

It doesn’t end there as there is another unhealthy dynamic that takes place in the workplace. The dynamic between management and the workforce. The relationship is typically adversarial since

each group sees the world through its own paradigm filters, blaming the other. Management only sees a lack of commitment and sense of responsibility. As it is clearly lacking, the automatic response from management is 'close control, lots of directive supervision, detailed measurement of performance and a myriad of performance indicators, all in the name of 'Quality Management'! The worse things get, the harder management tries to improve-using the same approach' (Scott & Harker, 1998: 1). From the workforce perspective they blame management for incompetence. They can find a hundred reasons that they can lay before the door of management for the unhappy environment. It is, after all, management that created the curtailing structures. It is management that does not involve the rest of the organisation.

But we live in times of change and the power of the individual. As Knell ( 2000: 2) is telling us about the more deep-seated impact of the new economy: 'The real impact of the new economy is not on corporate structures, communication methods or the wage structure, but on the relationship between companies and employees. A quiet revolution is taking place in the employment contract, the effects of which will continue to be felt long after the hubbub around the new economy has died down... Hearts hardened by the decline of corporate job protection, these workers are demanding, mobile and self-reliant. They are high on human capital and low on loyalty ... They are independent but not individualistic. They distrust structures but depend on networks. They want equity but they want excitement too. And they know that companies need them more than they need companies.'

The economic driver to this new kind of arrangement that can be called, as Knell does, the quiet birth of the free worker, is the rise of the knowledge economy. 'The World Bank has charted the rise of "knowledge economies": "The balance between knowledge and resources has shifted so far towards the former that knowledge has become perhaps the most important factor determining the standard of living... Today's most technologically advanced economies are truly knowledge based"' (Knell, 2000: 3). Technology and the knowledge on which it is based is an intrinsic part of the economic system. Not only is it an intrinsic part, but economic growth today is driven by the accumulation of knowledge. Technological breakthroughs serve as technical platforms for further innovations and thus become key drivers of economic growth. An important understanding of the nature of knowledge is that it strives to be a public good unlike capital and labour. Once knowledge is discovered and made public, there is zero marginal cost to sharing it with more users. Knowledge about facts is therefore diminishing in relevance whereas 'know-why' and 'know-who' have



increasing relevance. Knowledge creation should be viewed from a process perspective. It is an evolutionary process of reproduction and potential transformation at the same time. It is neither stored nor shared because it is not an 'it' but a process. Knowledge cannot be grasped, owned by anyone or traded in any market. (Stacey, 1993: 405)

The catalyst for a new kind of economy was evidently the development of information technology and specifically the internet that led us into a new world with a global economy. The effects of these developments are extensive and far-reaching. It changed the world we live in various ways: on the economical, social and philosophical levels. The shifted emphasis to the human mind as opposed to purely technical and labour skills led to a growing demand from workers to be valued for their full potential and not only for the narrow requirements as prescribed in the job descriptions of large organisations. The workforce became mobile and motivated by opportunities where they can develop and apply their minds and thoughts more so than simply by job security for a lifetime. Moreover, did the acceleration in economic growth that was stimulated by the explosion of information technology, led to a very competitive business environment with many big corporations that went down. All of these developments led to a new kind of worker.

There are younger, highly educated people coming to work in our corporations and social institutions today who focus on self-fulfilment values. It is logical that these values are carried into the workplace when these young people enter the job market. They are no longer willing to accept the values and expectations of their parents or of their supervisors. They see work as merely another extension of their lives, another venue to practice their own style of relationships and an additional arena where they can receive the intellectual, emotional and spiritual stimulation they want.

Holbeche (as cited by Knell, 2000: 17) articulates the shift from old success values strikingly when she says: 'The ingredients for success change from know-how to learn-how, from job-security to employability, from organisational careers to protean careers, from "work self" to "whole self"'

Clearly, these developments have huge impact on organisations. It poses a completely new set of challenges to leadership particularly in relation to their ability to align individuals to teams to the vision and mission of the organisation to the environment in which it operates. They need to lead conscious of values as loyalty will only be attained when people are intrinsically motivated with what they themselves really value.

### 2.5.2 Spirit and soul

The statement that Bohm (as cited by Wheatley, 1999: 2) made, as I already quoted earlier needs to be looked at again, for how are we going to reverse the process: 'For fragmentation is now very widespread, not only throughout society, but also in each individual; and this is leading to a kind of general confusion of the mind, which creates an endless series of problems and interferes with our clarity of perception so seriously as to prevent us from being able to solve most of them. . . . The notion that all these fragments are separately existent is evidently an illusion, and this illusion cannot do other than lead to endless conflict and confusion.' We must feel fragmented, because we talk about ourselves as if we were cats with several lives. "This is my work life", "this is my personal life", "this is my spiritual life." In compartmentalising our lives, we are constantly setting aside parts of ourselves, even at times giving ourselves away. This fragmentation is also reflected in our organisations. There are all the debates between being people-oriented and task-oriented, hard-nosed and soft-nosed, values-driven and results-driven (Bohm, 1983: xix). The basic psychological principles that people live by, which incorporate their beliefs, ideals and aspirations, belong to their whole lives and, if they are to be effective, they must understand them and live in congruence with them in all of life's settings. What is so dearly needed is a sense of wholeness that only will be attained once we re-engage our spirit and soul in everything we do, especially when working.

Konz and Ryan (1999: 1) stresses the point about the move towards spirituality in the workplace: 'The nature of work appears to have changed fundamentally. Work has ceased to be an endeavor totally removed from personal development. Work has been transformed into the forum in which individuals develop themselves. People are searching for meaning in work that transcends mere economic exchanges between isolated, autonomous individuals. People are searching for a way to connect their work lives with their spiritual lives, to work together in community, to be unified in a vision and purpose that goes far beyond making money.' According to them organisations are slowly evolving from arenas of purely economic and social activity into places of spiritual development. More so because 'Neck and Milliman (1994) found that spirituality positively affects organizational performance. Other researchers also report increases in creativity, satisfaction, team performance and organizational commitment in organizations that attempt to promote the spiritual development of their members ...' (Konz & Ryan, 1999: 2). As one can imagine, diversity of religious beliefs makes it more difficult for anyone to lead initiatives whereby the spiritual side of

people is not only recognised but actively encouraged to develop as everyone embarks on a path of growth. Yet, however difficult it may be, no amount of political correctness will make the need go away. People will find their workplace where they can experience the reintegration of their spirit and soul to what they do every minute of the day. Places where there are opportunities to make personal, individual contributions in response to their spiritual goals. 'Spiritually-tuned workers want to do something great and feel guilty if they fall short' (Fairholm, 1998: 17). Peck (1993: 60) suggests that people start questioning their organisations in terms of its spirituality or civility and their own vocation: 'Is this organization in which I participate a godly one? Is it a civil organization that genuinely serves people well, thereby serving God? If not, what role can I play to make it more civil, more godly? And if there is nothing creative I can do in this regard, does God desire me to remain in such an uncreative role? Or might God be calling me elsewhere, to an organization more civil and a role more creative? These are some of the often painful questions of vocation in its deeper sense.'

It is to be expected that most managers will find the ideas of spirituality in the workplace difficult to associate with the roles and views that they got used to. So much of their identity was formed by the typical mental categories of the Newtonian worldview and the way it shaped work and organisations. The situation implies transformation in our thinking of leadership roles. As Fairholm (1998: 17) rightly remarks: 'Based on 300 - year- old Newtonian science and equally ancient philosophies, traditional leadership theory is insufficient to explain and predict contemporary corporate life. Past theory is inadequate to deal with the radical change and creativity that is typical of today's business world. Spirit as the core idea in leadership theory is a radical notion.' The powerful story of Bob Buford, *Half Time – From success to significance*, is fast becoming the story of everyone who devoted their lives to money and career success as the Western capitalist dream prescribed. Yet, success has nothing to do with titles. It has everything to do with the faith, the vision and the love we bring to our work. Sound moral principle is the only sure evidence of strength, the only firm foundation of greatness and perpetuity. Where this is lacking, no one's character is strong, no nation's life can be lasting. Spiritual leadership is more than a new leadership ideal; it is a seminal mind shift (Fairholm, 1998: 125). We can judge ourselves on a different measure: not by what we do, but for what reason we do it. No matter what the work we do is, it can be done better with heart and spirit.



An aspect of being more spiritually aware is to admit to the shadow side of our spirit, our hidden self, the aspects of our personality that we don't like to acknowledge or that society discourages us from showing. It too is part of what makes us human. We need to bring this less attractive self to the fore of the mind occasionally for scrutiny or these negative aspects of self will turn toxic. Thinking about our negative inclinations and forming strategies to counter them is also part of sensitivity to our spiritual side. In being spiritually aware whilst at work, means that we are more aware of our values, ethics and beliefs and can place them in context. We set our inner standards of conduct to live with integrity. Our inner sense of the spiritual gives us a value system beyond the boss or the corporation and their policies and procedures. 'The Christian Bible and all other spiritual value systems suggest a similar prioritized ranking of an inner moral standard above materialistic rewards. The spiritual standard of moral conduct we adopt as our guide cannot help but shape our behaviors on the job, whether or not it is formally included in theory and practice. It increases and focuses caring behaviours. It changes the character of internal communications systems. It is the source of our most powerful and personal values. It increases effective team membership. It creates a dynamic, appealing and creative culture' (Fairholm, 1998: 18).

Dehler and Welsh (1994: 18), from psychological perspective, analyse the role of spirituality on organisational transformation. They point out that spirituality does not require taking a position on religion, although it does not preclude discussion of spirituality with reference to the sacred, divine, or otherworld. Spirituality is subconscious feeling that energises individual action in relation to a specific task. As such it is very important to the process of organisational transformation. 'Spirit has been defined as "an animating life force, an energy that inspires one toward certain ends or purposes that go beyond self"... emotion in general, and spirituality more specifically, represent core concepts within the organizational transformation framework. As such, a vital concern shifts to the source of spirituality' (Dehler & Welsh, 1994: 18).

Briskin (1996: 139) uses the concept of soul to say much the same things about man are longing for integration: 'But breaking things down meant that work lost its internal coherence. The soul's desire, in contrast, is to understand how fragments can be viewed as part of a whole. The soul seeks *logos* (literally *the word* in Greek), which is associated with qualities such as meaning, understanding, voice, language, and expression. From ancient times to the present, logos has been associated with the expression of inward thought that tries to understand the principles of wholeness



and universal action. For the ancient Greeks, the recognition of logos gave the cosmos its character and its coherence.'

Lastly, I found the following quote from an unknown author is apt in this context:

*A master in the art of living knows no sharp distinction between his [sic] work and his play, his labour and his leisure, his mind and his body, his education and his recreation. He hardly knows which is which. He simply pursues his vision of excellence through whatever he is doing and leaves others to determine whether he is working or playing. To himself he always seems to be doing both.*

(Scott & Harker, 1998: 1)

### 2.5.3 Community

My personal journey is one in which I, in my previous profession as minister of religion, came to understand profoundly that the processes of industrialisation, specialisation, urbanisation and secularisation had telling impacts on society that probably most people are not conscious of. I am referring to the fact that only a few decades ago, most people were used to living in rural or suburban (with still much of the rural community culture in place) settings where community leaders were held in high regard and formed a significant part of people's frame of reference for the choices they make, their values, their sense of security, and so on. Spirituality was strongly associated with the community, and the community had a strong sense of spiritual connectedness. That unity had been broken up as people became more mobile in their work, the era of specialisation accelerated and urbanisation followed. In the urban as well as suburban settings, societal changes followed wave after wave on various levels of people's lives. Churches however, being the centre of community in the past, setting the standards and community culture, suddenly found themselves no longer in the centre. Church buildings are no longer standing out, the highest building in the centre of a village, but the skyscrapers of business. More importantly, people, women and mothers included, no longer spend their time with neighbours and at a host of community functions where everyone knows everyone, but at work buildings. The old sense of community and powerful spiritual connectedness that was part of it could not prevail in the same

way as in the past. Even though people would still value the role of church, for instance, their lives evolved to a new world of work, often with very different worldviews and cultures. Many assumptions of the past got to be shattered and new patterns of thought and values formed. For most people, almost necessarily, the religious community became peripheral. Many other developments influenced and still influence people's views of the role and place of church life in their own lives, but the end result for society as a whole, was that reality of life in urban and secular environment 'pushed out' the traditional role of church .

What I am trying to picture in my personal account of what has been happening as society evolved to the 21<sup>st</sup> century, is that man's need for the spiritual, his/her centre that must hold everything else together, has not been attended to in the kind of workplaces that modern society has, as we have seen. The need to establish community in the workplace is supported by many organisational studies as I will now turn to.

As usually happens, once you start researching phenomena, you discover that you are not alone in your thinking and experiences. Here, Fairholm (1998: 152) echo's my thoughts:

*The family and the small social neighborhoods of the past recognized and legitimized spirit. Contemporary social and work structures have divested modern organizations of a place for our spirit or soul. Free individuals require a community that backs them up against encroachments on their sense of independence by society's formal institutions, including economic ones. The resurgence of the idea of community is a reaction against a controlled social process that robs people of their sense of self and substitutes a senseless conformity to a sterile, abstract and spiritless system. As people come to recognize the power of the corporation to shape not only their own lives but those of their children, they are forcing business to change to be more accommodating to spiritual values.*

Community is from the root word meaning "with unity." Community-oriented corporations operate out of shared visions, beliefs and values. Leaders build a workplace community by providing this common vision. No community or society can function well unless most members behave most of the time because they voluntarily heed their moral commitments and social responsibilities Leaders bring unity to organisations. They strengthen and use corporation culture, and they define new

ceremonies and rituals that bring people together to form communities. Leaders transform work teams into communities (Fairholm, 1998: 130).

Peck (1987: 65) highlights the fact that community enables humility. 'Individualism predisposes one to arrogance.' By appreciating others one begins to appreciate one's own limitations. By witnessing others sharing their brokenness, you will become able to accept your own, inadequacies and imperfections. Nothing is as powerful to facilitate transformation as community. By building community you also build trust and that forms the basis for quality relationships that can absorb the uncomfortable aspects of change but also facilitate new commitment. As Peck (1993: 68) explains, people need a safe place to work through their pain in the context of loving, caring relationships, thereby healing. 'Most of the time, however, this thrust, this energy, is enchained by fear, neutralized by defenses and resistances. But put a human being in a truly safe place, where these defenses and resistances are no longer necessary, and the thrust toward health is liberated. When we are safe, there is a natural tendency for us to heal and convert ourselves.'

Is the idea of building community too lofty and idealistic? Is the economic imperative too strong to enchant the dream of true community in the workplace in the 21<sup>st</sup> century? Apparently not for everyone: 'Fortune magazine introduced a six-page feature story on emerging trends in business (October 8, 1990) saying, "Visionary thinkers are rejecting the by-the-numbers approach to enterprise and seeking a new paradigm for viewing the world. Love and caring in the workplace? The profit motive less than preeminent? Major corporations are buying in"' (Rensech, 1992, ix)

What are the leadership qualities that effectively can meet the challenges of a new worldview, new economic drivers, new levels of complexity, new patterns in work and the need for community that will support the soul and spirit of people, individually and collectively?

## **2.6 Leadership**

Leadership can be differentiated from management as a different set of skills. All the influences and dynamics that I have described as the context within which organisations find themselves, indicate that merely relying on traditional management training will not be enough to ensure the health of



21<sup>st</sup> century organisations. It is on its own not the set of skills that will be able to effectively help organisations to be in the position where they can make sustainable contributions to society and the world community.

Whereas management implies control and coercion, leadership implies offering an example others will follow willingly, in other words influence. Leaders are more personal in their orientation to group members, more global in their thinking and focus more on values, expectations and context. They impact followers and constituent groups in a volitional way, not through formal authority mechanisms. The focus is on sharing information, building a common vision, building community, self-management, high levels of inter-dependence, learning from mistakes, encouraging creative input from every team member, and questioning present assumptions and mental models.

From the foundations that leaders master in their personal lives, they fulfil certain functions that result in the kind of organisations we hope to see. As leaders don't develop in a day, but daily (Maxwell, 1998), their continuous development is inherently part of their leadership.

### **2.6.1 Management and leadership**

Up till now I have used the terms 'manager' and 'leader' interchangeably. It is important though to clearly differentiate between the two. More so if, as we saw in the argumentation about the challenges that face organisations, we find that we are in need of a new understanding of the dynamics that produced the kind of organisational problems we have today. What are the roles, functions and behaviour that shaped the organisational systems to what they generally are today? We will find most of the answers to these questions by studying the training that those who are in leadership positions, those that members of organisations look at for direction, received in preparation for those positions. The short and obvious answer to that, as we all know, is management; they are trained in management. Understanding the thinking behind the development of management as a discipline further explains the dynamics that followed, once more and more trained managers were sent to the practice fields of our organisational life. This I will make clear when I will attend to the worldviews and paradigms that influenced generations as people applied their minds to the 'business' and evolution of life. What we have discovered now in practice



compels us to look further. By looking further our minds instinctively go back to the role models of our history, those who impacted society and the world in a majestic way. We called them leaders, but we did not necessarily understand leadership.

What has happened to those role models of leadership? The industrial revolution and the concurrent worldview that took root over the past centuries placed a new role on centre stage. Fairholm (1998: 6) states that a shift from leadership to management has taken place. 'This is the same shift that we have seen in the decline and fall of the ancient church, the Roman Imperial Army and most older social institutions. The obvious intent is the same in both systems, to produce respect and obedience in subordinates. The perquisites of managerial power inspire a decent awe for the professional manager (or teacher, or lawyer or doctor, etc.). They add an air of pseudo-sacred solemnity and mystery to replace our innate needs for inspiration. For most of this century headship was seen as much more of a matter of ceremony than of personality and vision. The logistics expert has supplanted the charismatic hero in the military. In government, the shift has been from the appointed, hereditary or revolutionary leaders to the calculating, power-preserving, authoritarian master-bureaucratic managers of today. The religious prophet has been replaced by the managerial bishop. We have come to distrust charismatic powers in every aspect of society and have replaced them with pseudo-ceremonies that can be timed, organized and controlled.'

Leadership and management are not mutually exclusive; the two concepts can and should be clearly differentiated though. 'Management' and the 'manager' are the well known terms that respectively refer to the activities of organising, controlling and regulating and the person being in the position to execute those functions. Traditionally, good management is seen to be the determining factor for an efficient organisation and an efficient organisation, as an efficient machine, is the ultimate that we could hope and work for. To have been trained and skilled in management therefore, is to be respected and sought after. Leadership is regarded as the natural ability of a selected few. A particular manager could, to lesser or larger degrees, by nature have leadership traits - in which case it would be a bonus for the organisation. Whereas management was conceptually well defined and understood, leadership was more 'felt' and experienced. With the kind of radical and comprehensive changes that the world experienced in the past few decades, introduced mainly by democratization and technological innovations and advances, the outcry for more and better leaders as it has been recognized through the ages, has become louder and louder. As Peters and Smith

(1998: 1) remarked 'a somber view of current leadership potential is advanced again and again. James Bolt's remarks are typical: "The dearth of leadership is apparent throughout society" and "At a time when leadership is more crucial than ever to our very survival, there is a severe shortage of people to lead corporations into the next century."'

Kotter (1990: 4) took to the task to differentiate between leadership and management. The contributions that management made are there for everyone to see. Good management brought a degree of order and consistency to key dimensions like the quality and profitability of products. In the past century, literally thousands of managers, consultants, and management educators have developed and refined the processes which make up the core of modern management. These processes are summarized as:

*Planning and budgeting* - setting targets or goals for the future and establishing detailed steps for achieving those targets with the allocation of resources

*Organising and staffing* - establishing an organisational structure and set of jobs

*Controlling and problem solving* - monitoring results versus plan in some detail, identifying deviations, which are usually called 'problems' and then planning and organising to solve the problems.

These processes will be recognized as important for any organisation. Yet, it often happens that they become 'as meaningless as the size of the typeface on executive memoranda' (Kotter, 1990: 4).

Leadership is very different in that it does not produce consistency and order but, as the word itself implies, it produces movement. The processes that explain leadership as defined by Kotter (1990: 5) are the following:

*Establishing direction* - developing a vision of the future, often the distant future, along with strategies for producing the changes needed to achieve that vision

*Aligning people* - communicating the direction to those whose cooperation may be needed so as to create coalitions that understand the vision and that are committed to its achievement.

*Motivating and inspiring* - keeping people moving in the right direction despite major political, bureaucratic, and resource barriers to change by appealing to very basic, but often untapped, human needs, values, and emotions.

A fundamental difference between management and leadership is the fact that leaders want change and see it as integral to their role to lead change. The focus of management on the other hand is on stability, order and predictable results. Taken together, as Kotter (1990: 7) explains, all of these differences in function and form create the potential for conflict. Strong leadership, for example, can disrupt an orderly planning system and undermine the management hierarchy, while strong management can discourage the risk taking and enthusiasm needed for leadership. It is clear that both are needed but the art is to be able to distinguish between the competencies and to correctly 'read' the situation and its context. This very competency is one that will be found in all true leaders whereas it will not be found in all good managers. The ability to sense what is needed and to act intuitively in a constructive way, is a hallmark of the real leader.

What happens when you have more than enough management but insufficient leadership? You will most probably find that there is a strong emphasis on shorter time frames, details, and eliminating risks, with relatively little focus on the long term, the big picture, and strategies that take calculated risks. Secondly there would be a strong focus on specialisation, fitting people to jobs, and compliance to rules, without much focus on integration, alignment, and commitment. Lastly there will be a strong focus on containment, control and predictability, with insufficient emphasis on expansion, empowerment, and inspiration (Kotter, 1990: 8).

It can be said that management assumes an environment where it is relevant to have systems and structures that will help the following would be relevant: normal people who behave in normal ways to complete routine jobs successfully, day after day. It's not exciting or glamorous. But that's management. Leadership is different. Achieving grand visions despite the obstacles always requires an occasional burst of energy, the kind that certain motivational and inspirational processes can provide. Such processes accomplish their energizing effect, not by pushing people in the right



direction, as a control mechanism often does, but by satisfying very basic human needs: for achievement, belonging, recognition, self-esteem, a sense of control over one's life, and living up to one's ideals (Kotter, 1990: 63). Reflecting on this view, we should be asking ourselves what is more appropriate in our context today.

Managers, as a rule, tend to be impersonal and passive. They prefer security, take only calculated risks relate to people in role terms and focus on control, accounting and accountability. Whereas management implies control and coercion, leadership implies offering an example others will follow willingly, in other words influence. Leaders are more personal in their orientation to group members, more global in their thinking and focus more on values, expectations and context. They impact followers and constituent groups in a volitional way, not through formal authority mechanisms. The focus is on sharing information, building a common vision, self-management, high levels of inter-dependence, learning from mistakes, encouraging creative input from every team member, and questioning present assumptions and mental models.

## **2.6.2 Foundations – *being***

What I will discuss as foundational to the leader is much the same as Senge's discipline of self-mastery.

### **2.6.2.1 Spirituality and inner security**

Previous arguments implicitly motivated that people would be looking at leaders with an expectation to find someone who is spiritually connected and demonstrates spiritual depth. It becomes evident in various ways if it is the case or not. One of the most fundamental is the level of inner security that will be evident. When things go smoothly and according to management's strategic plans, it is obviously so much easier for the manager to hide his/her insecurity. It is when things don't go according to plan that everyone expects from the leader to have that inner security that is not dependent on circumstances or other's applause for all the good things he/she had done in the past. The lower the level of inner security, the more defensive is the person who is under



pressure. Spirit is about what we are. It is who we are, and why we think we are here in life, that ultimately guides our behaviour. Our spiritual dimension conditions our relationships with others and their relationships with us. The idea of spirit is central to life. It is also central to any activity like leadership that purports to order and direct our human condition (Fairholm, 1998: 112). Inner security comes from knowing the answers to those questions.

Leadership positions and business successes are often traps for people that put their confidence in the external world. They regard the inner life as illusory, as a waste of time, as a magical fantasy trip into a region that doesn't even exist. But the link between leadership and spirituality calls us to re-examine that denial of the inner life.

Some of the meanings that are associated to spiritual leadership are listed by Fairholm (1998: 116):

- Recognising the spirit in self and others and the spiritual basis of interpersonal connections.
- Being servant of people in the sense of wanting to support them rather than being only givers of directions or disciplinarians.
- The beliefs, values, dreams that the leader is focused on and committed to at an intimate level.
- Focusing team energy and commitment in line with the internalised vision of the leader.
- An inner certainty
- The essence of self
- the basis of comfort, strength, happiness
- The source of personal meaning, values, life purposes
- A personal belief system

- An emotional level, a feeling
- The experience of the transcendent in life

The position of inner security is also well described by Jantsch (as cited by Wheatley 1999: 22): ‘I want to act from that knowledge. I want to move into a universe I trust so much that I give up playing God. I want to stop holding things together. I want to experience such safety that the concept of “allowing” - trusting that the appropriate forms can emerge - ceases to be scary. I want to surrender my care of the universe and become a participating member, with everyone I work with, in an organization that moves gracefully with its environment, trusting in the unfolding dance of order.’

#### **2.6.2.2 Allowing for fuzziness and emergence**

Even though every one of us experience life as multi-faceted, full of surprises and unexplainable, we also often believe that assertiveness implies that we should be able to explain our world in black or white terms. However uncertain we may be personally, it seems to be more important to give the impression that we know where the boundary between black and white lies. The more certain and self-assured we can appear, the higher we can climb the ladder to be entrusted with more and more decisions to be made on the basis of our ability to discern between black and white: what will work and what not; what is a good idea and what not; what lever should be pulled for what result etc. This is the kind of ability that is valued by society and this is the kind of ability that befits the efficient and successful manager. It also fits in perfectly to the kind of worldview that dominated society for the past two centuries but is now being exposed for its lack of credibility by many, for example Hock (2003: 3): ‘Newtonian science... has dominated the whole of society and the mass of our thinking for more than two centuries to an extent none of us fully realizes. It declared that the universe and everything in it, whether physical, biological, or social can best be understood as a clock-like mechanism composed of separate parts acting upon one another with precise, linear laws of cause and effect. We have since structured society in accordance with that perspective, believing that with ever more reductionist scientific knowledge, more efficiency, more hierarchical command

and control, we could pull a lever at one place and get a *precise* [own italics] result at another, and know with *certainty* [own italics] which lever to pull for which result; never mind that human beings must be made to perform like cogs and wheels in the process. For two centuries, we have been designing and pulling those levers, all the while hammering people to behave in the compliant, subordinate manner one expects from a well-trained horse. Rarely have we gotten the expected result.'

The comparison between machines and gardens as metaphors for organisations is a useful one to also illustrate the natural behaviour of organisations, as with gardens, and the necessity of fuzzy logic in unpredictable, dynamic and uncontrollable systems. 'But what if organizations are more like gardens than machines? (see Stacey, 1992). Managers can certainly *affect* events in the garden, but much of what happens is beyond the gardener's control in a far more radical sense than that implied by the fires that break out in machines. Gardeners have virtually no control over the fortunes of the weather, which is a chaotic system whose prediction is difficult. In effect, we can discern the 'strange attractors' that impose an overall limit to climatic fluctuations, but within these boundaries the weather is rather chaotic. Yet, just because it is chaotic does not mean that gardeners are impotent. On the contrary, it means they have to manage their gardens in a much more fluid way: they plant seeds only after certain conditions, like frosts, have *probably* disappeared; they thin out the plants only after they have grown - though exactly when this criterion is satisfied depends upon the gardener. Sometimes a late frost will be forecast - perhaps only a few hours before it happens - and the gardener must rush out and cover the plants if they are to be saved. But the frost *may not* come after all; or the covers *may* be knocked aside by a hungry rabbit. *If* organizations are more like gardens than machines, the style of management that has developed for hundreds of years may not be the most appropriate in the circumstances' (Brint, 1997: 60). Fuzzy logic, as described and studied, is the kind of logic that leaders will want to use more and more as the appropriate style for effective development of organisations.

We are not looking at a puzzle with missing pieces which we only have to find, but at problems with different possible answers of which we must find the most effective and satisfactory answer or combination of answers. Only with the inner security as I explained, can the leader allow for fuzziness and emergence instead of trying endlessly to get back in control of anything or at least pretend to be in control.

### 2.6.2.3 Being servant

The true leader is a servant first. To have the selflessness that allows a leader to passionately serve others, he/she will have to have that sense of inner security first. The concept of 'servant' captures the leadership in its purest form. Consider this quote from a speech by the most widely recognised leader in the world today, Nelson Mandela: 'Friends, comrades and fellow South Africans. I greet you all in the name of peace, democracy and freedom for all! I stand here before you not as a prophet but as a humble servant of you, the people. Your tireless and heroic sacrifices have made it possible for me to be here today. I therefore place the remaining years of my life in your hands' (Purnell, 1994: 555).

Leaders lead because they choose to serve others. They serve by making available to followers information, time, attention, material and other resources and the higher corporate purposes that give meaning to the work. The leadership of service asks leaders to create and facilitate a culture of self-leadership.

In the practice of servant-leadership, people confront their weaknesses, their egos, and their limitations, and so are empowered to deal with them. In the practice of servant-leadership, they come to see the missed opportunities to serve and be served, and to appreciate how difficult it may be to accept the serving of others. It is easier to make a "leader" than a "servant," to indulge hierarchies and control than to embrace service and collaboration. Practice begins with serving, not because it is more important than leading it can't be more important because it is part of leadership, but because it is more difficult. (Greenleaf, 2002)

A New Kind of Leadership is illustrated underneath in table 2-2.



Table 2-2

<b>Traditional boss</b>	<b>Leader as servant</b>
Highly competitive; independent; seeks to receive credit for achievement.	Highly collaborative and interdependent mindset; gives credit to others generously.
Understands internal politics and uses to win personally.	Sensitive to what motivates others and empowers all to win with shared goals and vision.
Focuses on fast action.	Focuses on gaining understanding, input, buy-in from all parties.
Relies on facts, logic, proof.	Uses intuition and foresight to balance facts, logic, proof.
Controls information in order to maintain power.	Shares big-picture information generously.
Spends more time telling, giving orders.	Listens deeply and respectfully to others.
Feels that personal value comes from individual talents.	Feels that personal value comes from mentoring and working collaboratively with others.
Sees network of supporters as power base and perks and titles as a signal to others.	Develops trust across a network of constituencies; breaks down hierarchy.
Uses personal power and intimidation to leverage what he/she wants.	Uses personal trust and respect to build bridges and do what's best for the "whole."
Accountability is more often about who is to blame.	Accountability is about making it safe to learn from mistakes.

#### **2.6.2.4 Being steward**

I am thinking of stewardship not only in the sense of being accountable but more in the sense of an understanding that we are not in this world in a contest to acquire as much possessions as possible for ourselves. The steward has a different view of money and material things. It is not that of objects that can be possessed by people but simply resources to be used in the most responsible way as stewards, not owners. Responsible would be to not look at own interest not bothering about the rest, but in the spirit of the servant to look at the needs of others and balance it with own needs. Stewardship implies that the world as much as my own life can be entrusted to God. It implies trust and thankfulness for Someone bigger than ourselves. Stewardship in this sense means a position that the leader takes, that will have decisive impact on the strategies and culture of the organisation. Financial figures will have a different meaning than what is usually the case: measuring the performance of the organisation and the personal success of its leaders. Profits will be met with the question: How do we responsibly manage the money that has been entrusted to us? Losses will be met with the question: How can we demonstrate both our faith that God will provide the necessary resources and our commitment and application to serve the organisation with more effectiveness where needed?

#### **2.6.2.5 Self-differentiation**

Still reflecting on what the foundation of the leader is, I now introduce the important concept of self-differentiation. Steinke (1999: 7) makes the statement: 'If leaders are as anxious and reactive as the people they serve, those served will not be served well.' The concept of self-differentiation helps us to understand better what leads to anxious and reactive behaviour. As Steinke (1999: 10) explains: 'Differentiation is to take a position in the midst of emotional forces and still remain in touch with others. In an emotional system, the leader's self-differentiating capacities greatly influence the entire organization.'

Every human being experiences two forces in themselves. One is the need to be separate and the other is then need to be close. We need to be separate (to be alone, to stand on our own two feet) and to be close (to be together, to stand hand-in-hand). The two forces are in tension; they are

anxiety-producing. How can you stand alone and still embrace another? How can you be close to someone and not lose your ‘self?’ How can you go in both directions? (Stienke, 1993: 10). Self-differentiation is about maintaining the two forces in balance that is being responsible for yourself and to others. The balanced position that one seeks in the leader. It means that you can maintain your integrity and well-being without intruding on that of others; allowing the enhancement of the other's integrity and well-being without feeling abandoned, inferior, or less of a self; having an ‘I’ and entering a relationship with another ‘I’ without losing your self or diminishing the self of the other. ‘Self-differentiation means “being separate together” or “being connected selves.” It is a life-long learning process, never attained, always tested’ (Steinke, 1999: 30). The table illustrates the differences in between being differentiated and undifferentiated.

Table 2-3

Undifferentiated	Differentiated
1. quickly offended, easily provoked, too sensitive, slow to recover	1. self-managing, shapes environment, resourceful
2. reactive, instinctive, automatic	2. responsive, intentional, thoughtful
3. underhanded, covert, flourishes in the dark	3. open, light-shedding, aware
4. demanding, wilful, stubborn, resistant (especially to reason and love), unbending	4. resilient, has sense of proportion
5. think in black/white or yes/no, intolerant of ambiguity, seek final solution, want all or nothing	5. have breadth of understanding, allow time for things to process
6. blame, criticize, displace, fault-finding, have poor discrimination	6. take responsibility for self, learn when challenged, define self from within self
7. uptight, serious, defensive	7. relaxed, at ease, sensible
8. competitive, either with or against, see life as a contest, contemptuous	8. take turns, collaborate, stay in touch even when tension grows
9. vague, non-specific, cloaked	9. clear, objective, purposeful
10. create too much or too little space and one-sided solutions	10. create space, options, and common goals

To be a leader requires self-differentiation and maturity. It is the leader's responsibility to work on those aspects where he/she is still showing immaturity, struggling to find the balance between being separate and being close with resulting anxiety and reactivity. The challenge is to find the balance and necessary maturity in order to lead people who have their own struggle to maintain the balance. The appropriate responses for a leader can be summarised as follows:

- self, not others
- strength, not weakness
- process, not content
- challenge, not comfort
- integrity, not unity
- system, not symptom
- direction, not condition

(Steinke, 1993: 109)

#### **2.6.2.6 Learner**

It is paramount to the leader's foundation to be a learner. That is not a learner in the sense of studying, which is important to get new insights and perspectives, but a learner of life. I am thinking of an awareness or consciousness of self, others and the 'bigger pictures' of community, society and the world in an open and responsive way. It is important to know that learning only takes place when there is reflection, meaning that the lesson must become a habit and as such a new behavioural pattern. Handy (1989) emphasizes the importance of taking responsibility for yourself, reframing, meaning to look at things or problems from different perspectives, and having the ability to live in uncertainty, mysteries, and doubts.

To get to the point of changed behaviour and practice of leadership, people in leadership positions will need to go through personal transformation processes. Learning something new is not a simple matter of getting information, for instance about leadership theories, but a deep existential process. As Scott and Harker (1989: 84) have discovered: 'the genesis of learning is normally a state of



incongruence between the outcomes we experience and that which our cognitive maps predict.’ When we start to ask why we open up to new possibilities, new formation of our mental maps.

To become a good learner is not a mere factor of willpower. Our need to simplify our lives by simplifying our thoughts to limited thought patterns is a very strong force. Mental models are deeply held, often subconscious sets of assumptions about how the world works. They affect our perception and evaluation of the situations we encounter (Balle, 1994).

It is therefore one of the hard realities of life that we find it very difficult to learn new insights and behaviour by only studying the learning from someone else. We much rather learn when we experience with some level of pain and discomfort that the results our mental models predicted are not forthcoming. In other words, when we consciously or unconsciously make mistakes in our judgment. It is then by exploring our uncertainties and doubts with questions to be resolved, that we learn. John Keats (1817) spoke of negative capability when referring to the position of a man who is capable of being in uncertainties, mysteries and doubts. Such negative capability which paradoxically is a positive characteristic for a leader is contradictory to the typical view of what a good manager in the Newtonian era is, as I will discuss later.

The temptation is always there, as we become comfortable in our specific role at work, home or wherever we need to make a contribution, to follow the easy way and rely on our successes and thinking of the past. We do not always realize the implication is that we, out of our own choice, inhibit our personal growth and leadership potential as well as that of others around us. What we should value to maximize our learning is the following as pointed out by Burning (1991):

*Being non-defensive and growth-oriented*

Learning can be painful because it can involve admitting you are wrong, have made a mistake, and are confused or that someone else has a better understanding of a situation than you have. So if you have protection of your own self-esteem as a high priority goal, you will instinctively turn away from or distort potential learning situations so that you don't feel bad in the short term. When protecting your own self-esteem ceases to be such an issue, you become free to grow - to open yourself to new and perhaps scary ways of looking at things.

*Being open and curious*

Just because you are non-defensive doesn't mean that you are necessarily open-minded and curious to learn. The older and more experienced you are, the more likely it is that learning will involve departing from some firm beliefs that have served you well in the past. So for optimal learning to take place, you need to be actively seeking new insights and ways of operating with the curiosity and openness of the young.

*Being analytical and questioning*

At the heart of action learning is the skill to know what questions to ask. Learning from experience (both in the immediate past and the here- and-now) comes from being sufficiently detached to analyse and question what is, what has been or what is intended. We are all learners in life, but only to the extent that we are analytical, questioning and reflective.

*Being creative and conceptual*

Moving from what is currently known to a new insight inevitably involves a creative leap. How do you get an insight? What is the creative process of idea generation? Whatever it is, it is fostered by providing a supportive but stimulating group environment. That is the climate that is typically achieved in the learning set.

*Being innovative and risk-taking*

Taking action involves a risk. Learning involves a risk. Passive, conservative people don't learn a lot because they don't take many risks. (The irony is they inadvertently take the biggest risk of all - not to learn). So a willingness to have a go, to take a chance, to try something out is central to the ethos of action learning.

*Being supportive and collaborative*

Much of western society and formal schooling emphasizes individualism and competitiveness. This ethic is brought to organizational life and reinforced by the reward system. Yet we are social beings and most of us function best and learn best in a supportive, collaborative climate that creates a synergy impossible when acting alone.

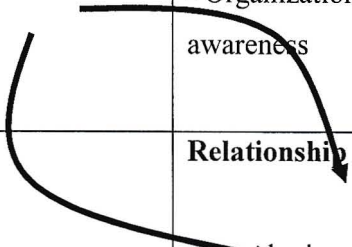
**2.6.2.7 Emotionally intelligent**

The work and research of Daniel Goleman and others in the field of emotional intelligence is of paramount importance to leaders. The simple message that it conveys is that effective leaders are emotionally intelligent and demonstrate emotional competence. Emotional intelligence has been defined as the capacity for recognizing own feelings and those of others, for motivating ourselves, and for managing emotions well in ourselves and in our relationships (Goleman, 1995). With what we have seen about the importance to have a learning attitude in life, the theories of Goleman cast light on the significance of our emotions in our management of ourselves and our relationships. The less aware we are of the dynamics of our own emotions and those of others, the less we will be able to learn in various situations and from our experiences.

Goleman (1998) uses a framework of four clusters to explain how the recognition of personal competencies forms the cornerstone for regulating it as well as the cornerstone for the recognition and regulation of social competencies. It can be illustrated as in table 2-4.

Table 2-4

	<b>Self</b> Personal Competence	<b>Other</b> Social competence
<b>Recognition</b>	<b>Self-Awareness</b> <ul style="list-style-type: none"> <li>- Emotional self-awareness</li> <li>- Accurate self-assessment</li> <li>- Self-confidence</li> </ul>	<b>Social Awareness</b> <ul style="list-style-type: none"> <li>- Empathy</li> <li>- Service orientation</li> <li>- Organizational awareness</li> </ul>
<b>Regulation</b>	<b>Self-Management</b> <ul style="list-style-type: none"> <li>- Self-control</li> <li>- Trustworthiness</li> <li>- Conscientiousness</li> <li>- Adaptability</li> <li>- Achievement drive</li> <li>- Initiative</li> </ul>	<b>Relationship Management</b> <ul style="list-style-type: none"> <li>- Developing others</li> <li>- Influence</li> <li>- Communication</li> <li>- Conflict management</li> <li>- Leadership</li> <li>- Change catalyst</li> <li>- Building bonds</li> <li>- Teamwork &amp; collaboration</li> </ul>



It is ultimately the ability of the leader to influence its people and align their values in such a way that everyone voluntarily participate in building the organisation, that makes the biggest difference. As has been proved conclusively, the internal dimension of our lives is a lot more critical than the external. Things like character, values and emotional competence accounts for more in the long term success of an organisation than the technical abilities and intelligence of people. Goleman's (2002: 17) research gave evidence to the claim that 20% of a person's success in his/her work can be attributed to IQ, 80% can be attributed to EQ (emotional intelligence). 'Organizational consultants have long assumed a positive link of some kind between a business unit's human climate and its performance...now we have results from a range of industries that link leadership to climate and to business performance, making it possible to quantify the hard difference for business



performance made by something as soft as the "feel" of a company...In 75 percent of cases, climate alone accurately sorted companies into high versus low profits and growth...our analyses suggest that, overall, the climate—how people feel about working at a company—can account for 20 to 30 percent of business performance.' (Goleman, 2002: 101)

### **2.6.3 Functions - *doing***

#### **2.6.3.1 Leading with vision**

It is a typical tendency of management culture to be drawn into the whirlpool of current realities. The manager's preoccupation is to control and regulate the systems. The power of vision is seldom realized. Vision energises and gives hope to people which is one of, if not the most, important role of a leader. As quoted by Daft (1999: 139), 'Where there is no hope in the future, there is no power in the present.' A powerful vision frees people from the mundane by providing them with a challenge worthy of their best efforts. Many people commit their time and energy voluntarily to causes they believe in, for example a political campaign, the animal rights movement, environmental causes. These same people often leave their energy and enthusiasm at home when they go to work, because they don't have anything to inspire them. The difference that vision makes is well illustrated in the following example: 'Consider three stonecutters talking about their jobs. The first stonecutter says, "I'm cutting stone," the second says, "I'm carving a cornerstone," and the third says, "I'm building a cathedral." The third stonecutter saw the vision that gave his work larger meaning' (Daft, 1999: 129). Vision is that dream that can be put in a picture in the visionary's mind. It will be something highly desirable but still vague. The leader's vision for the organisation pulls a variety of things together such as his/her personal aspirations, sense of calling backed up by experience, vision of the 'bigger picture' of which the organisation is part, and the intuitive feeling of what will give meaning to the people of the organisation.

Indeed, as Fritz (cited by Senge, 1990: 153) says, 'It's not what the vision *is*; it's what the vision *does*.' Truly creative people use the gap between vision and current reality to generate energy for change. This is the creative gap that Senge writes about. On the context of organisations the leader

would want to share a vision that energises, give meaning, gives direction, unifies, aligns and motivates. As (Fairholm 1998: 140) says: ‘Spiritual leadership recognizes the simultaneous need we all have to be free to act in terms of our own reality *and* to be part of a similarly focused group.’

### **2.6.3.2 Leading with values**

The true essence of leadership is not in procedures. It is in setting and teaching values to followers. Relating his or her behaviour to fundamental principles of life lets the leader survive even as details of the situation change. Leadership based on these principles allows the leader to lead group members over time. ‘The fundamental values of leader-follower relationships are not responsive to fleeting situational vagaries. The leader's role becomes one of internalising these value principles and teaching them to followers, who in turn, can internalize them in their independent actions. The result is to have independent followers capable of and desiring to, apply commonly held principles in their work. It is one of learning and then teaching principles so followers can lead themselves’ (Fairholm, 1998: 76).

As Ackoff (1999: 427) puts it: ‘most large social systems are pursuing objectives other than the ones they proclaim and ... the ones they pursue are wrong. They try to do the wrong thing righter and this makes what they do wronger. It is much better to do the right thing wrong than the wrong thing right, because when errors are corrected it makes doing the wrong thing wronger, but the right thing righter.’ Doing the right things is what leadership is about.

### **2.6.3.3 Building community**

The process of building community as a function of the leader encompasses all the other aspects of leadership. Peck (1993: 274) gives an insightful account of community building practices. One of the outcomes of these workshops is the realisation by everyone that in effectively building community, everyone should see themselves constantly as leaders irrespective of whom the designated leader is.

The group phases that Peck (1993) identified are:

Pseudo community – a stage of pretence/manners

Chaos – a stage of uncertainty and disunity

Emptiness – hard work emptying themselves from everything that stands between them and community; time of risk and courage

Community – a spirit of peace pervades

The principle that guides community building in organisations, is phrased by Peck (1993: 306) as: ‘Community building first, decision making second.’

The threshold that you aim to cross in the process of community building is for people to get real with each other. When they start sharing the things that are closest to their heart, you know that the foundation of trust is laid and that the underlying feeling has shifted from fear to love and care. People whether they are from management, or the lowest level on the pay-roll, are becoming confident that they are respected for their individuality; confident that others really care about them; confident that the bond of community that has been established goes far beyond the interest in people’s contributions or their positions; confident that there is integrity and a shared sense of significance as a community that is not only looking within to keep one another happy, but more so looking outside for opportunities to make a positive difference to society. It is the leadership though that sets the tone, the example, for building community.

Getting real is risky in that the reality of people’s lives is not only the nice things such as their dreams or holiday stories, but their pain and disappointments in life. It is to be expected that there will be hurts that need to get healed, but that is exactly what community is able to facilitate without having to stop all production at the same time. Community in the workplace can offer that balance between work and play, laugh and cry, being serious and being light-hearted. As Peck (1993: 312) says: ‘The reason to introduce community into a business has nothing to do with making it easier. It has a great deal to do, however, with making that business more ethical and civil, more painfully honest, more healthy and disturbingly alive.’ The risk to have to work through pain, for instance being confronted as manager by the team’s honest feedback about his/her incompetencies, that is a deterrent to community building: ‘Community building is transformational, and the plain fact of the matter is that most people in positions of power do not want their organizations or themselves

transformed. They would like higher profits, yes. But transformation, no. No matter how healthy it might be, transformation is inherently painful. There isn't a CEO in the world who theoretically doesn't want his business to be healthier - painlessly. There are few who don't wish for a greater sense of community in their organizations - as long as they don't have to go through chaos, much less emptiness, to get it. What they really want is just to be able to "do" pseudocommunity and pseudoconsensus a little bit better' (Peck, 1993: 331).

An organisation can benefit so much by community to community building. Once the ice is broken, it will make so much sense, no-one will want to return to the old day of hierarchical modes of interaction. 'Flexibility is one of the primary characteristics of mental health in organizations as well as individuals. An organization capable of functioning solely in a hierarchical mode is unlikely to be particularly healthy, conscious, or civil. Community increases consciousness and vivacity. An organization flexible enough to vibrate between hierarchical and community modes of functioning will be a particularly vibrant one. Indeed, when it so evolves it becomes a higher organizational life-form' ( Peck, 1993: 336).

#### **2.6.3.4 Facilitating process**

A last function of leadership that I want to highlight is the role of facilitator. From his/her foundation of spirituality, inner security, servant and stewardship orientation, emotional competence and openness to new learning, the leader enjoys playing the role of facilitator to processes of personal and team development, change, growth and healing. The opposite to this role would be the desire or urge to control, to always have the answers, to talk a lot and to steer away from feelings.

Next, I will review the dynamics of organisational transformation.



#### 2.6.4 Culture and leadership

A central aspect of the study is organisational culture. A workable definition is that of Schein (1985: 6): "...the term 'culture' should be reserved for the deeper level of *basic assumptions* and *beliefs* that are shared by members of an organization, that operate unconsciously, and that define in a basic 'taken-for-granted' fashion an organization's view of itself and its environment." Building on the above-mentioned definition for organisational culture, management culture will refer to the following basic assumptions and beliefs: work in the organisation has to be arranged according to the job definitions, structures, procedures and processes as determined, regulated and controlled by management who has positional power over others. Expectations of management that influence the day-to-day operations and behaviour of the workers focus on aspects such as performance, productivity, system, control and measurement. The message that people will get from management is that they prefer security, take only calculated risks, relate to people in role terms, has all the answers and focus on control, accounting and accountability. Leadership culture will refer to the following basic assumptions and beliefs: people should feel free to experiment, be encouraged to innovate, be motivated by vision, feel valued for who they are and what they can contribute, be aware of the 'big picture' and be able to adapt relatively easily to changes.

The relationship between leadership and culture is reciprocal. Leadership directly influences the organisational culture. Conversely, the organisational culture has a lot to do with the extent to which leaders are developed in that organisation as Kotter (1990: 137) rightly pointed out: '...leadership *can* expand far beyond the norm today...with careful selection, the nurturing of talent, and encouragement, dozens and dozens of people can play important leadership roles in a single organisation. The key is culture.'

I will demonstrate the significance of organisational culture in the next chapter but want to point out here the relationship between leadership and culture. Kotter (1990: 38) makes it clear when he says: 'Leadership and culture are subjects that are as closely related as management and structure (or systems). It takes strong leadership to create a useful culture. And only with certain kinds of cultures does one find competent leadership emerging throughout an organization. Just as we clearly need more people who can, collectively, provide leadership to the complex organizations that dominate our world today, we desperately need more people to develop the cultures that will

create that leadership. In a sense, institutionalizing a leadership centered culture is the ultimate act of leadership.’

For the purpose of my study I differentiate between a management and leadership culture in the following way:

Management culture will refer to the following basic assumptions and beliefs: work in the organisation has to be arranged according to the job definitions, structures, procedures and processes as determined, regulated and controlled by management who has positional power over others. Expectations of management that influence the day-to-day operations and behaviour of the workers focus on aspects such as performance, productivity, system, control and measurement. The message that people will get from management is that they prefer security, take only calculated risks, relate to people in role terms, has all the answers and focus on control, accounting and accountability.

Leadership culture will refer to the following basic assumptions and beliefs: people should feel free to experiment; they are therefore encouraged to innovate. They are intrinsically motivated by vision, and should feel valued for who they are and what they can contribute. They are aware of the ‘bigger picture’ and able to adapt relatively easily to changes. People enjoy taking initiatives that can improve not only the balance sheet but more importantly the lives of others.

## **2.7 Organisational transformation**

### **2.7.1 Transformation**

The clear message from various contemporary perspectives on the status of organisational life, is that organisations need to transform to something that is fundamentally different to the overwhelming majority is now. Organisational transformation, as Dehler and Welsh (1994: 17) explains ‘transcends the rationality associated with the traditions of scientific management to invoke a new management paradigm that addresses concepts at a deeper level in the organization

than those traditionally targeted for change by OD.’ The role of emotion and organisational spirituality is not in the focus of traditional change projects. Change and improvements are associated with variations of downsizing, and re-engineering, in other words structural solutions. As is widely acknowledged and validated in research, very few of these initiatives had the positive results that were hoped for. ‘One potential explanation for such disappointing results is that these efforts at structural change, while fundamentally consistent with management theory, are necessary but not sufficient for implementing real behavioural change. The missing component is the emotional side of the equation’, say Dehler and Welsh. (1994: 17)

A question that should be asked about change processes is whether it is reactive or only on operational level or if it is aiming at the deeper level of the organisation where real transformation can take place. Youngblood (1997: 153) uses a triangular diagram (2-2) to illustrate the different levels of change projects:

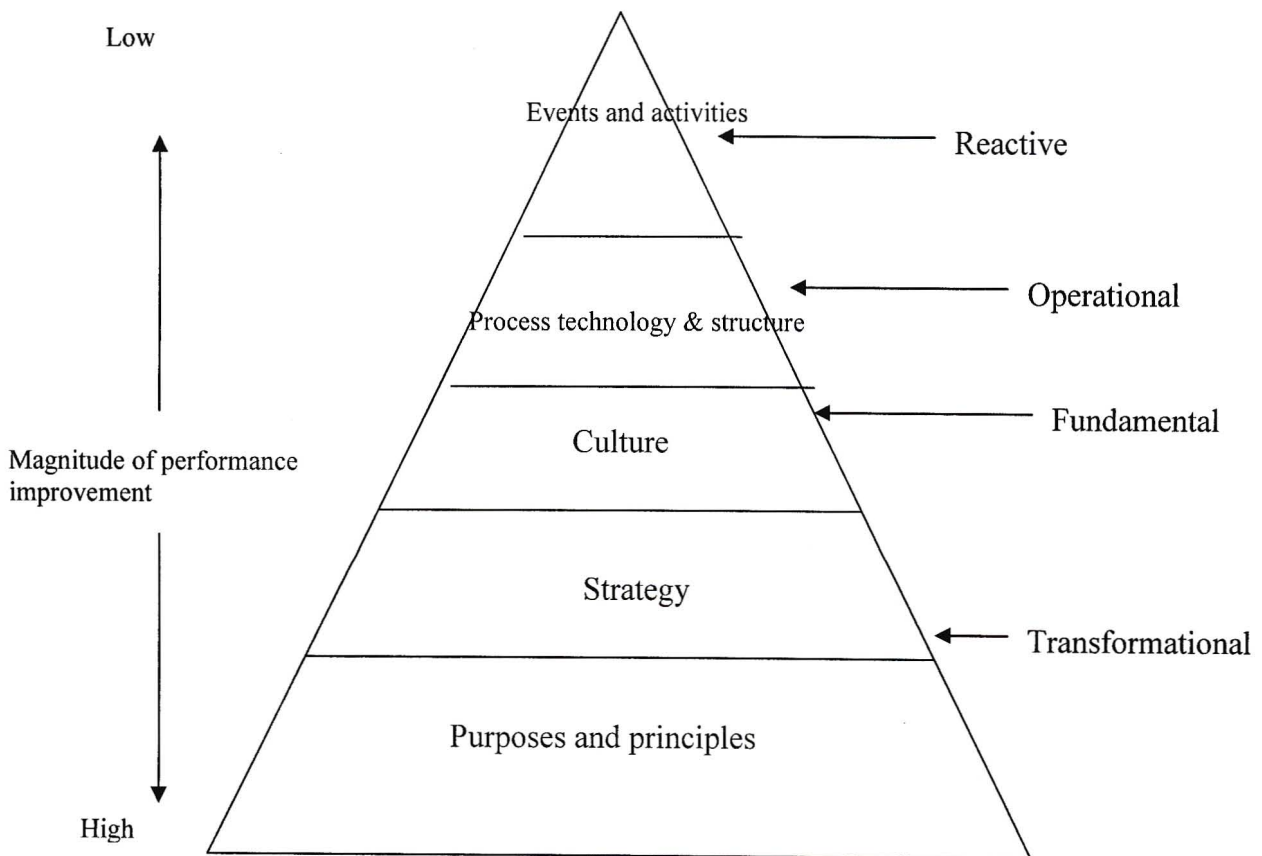


Diagram 2-2

Whilst it is the most difficult to bring about change at the level of purpose and principles, it clearly has the most impact and potential. It is the level where leaders have to lead the change. I already discussed their foundation and functions for effective leadership and the transformational role they would play where it matters most. To be effective in transformation of organisations it is crucial to understand the organisational culture.

### 2.7.2 Organisational culture

If vision is the guiding light of organisational achievement, *culture* is the vehicle (Scott & Harker, 1998: 31). Culture embodies the answer to the question, ‘How do we do things around here?’ Culture is the set of organisational norms that guide us in our day to day work. It incorporates organisational traditions, the unwritten laws and all the environmental pressures that impinge on our mode of working and relating to each other in an organisation.

Shein’s (1985) excellent work on organisational cultures differentiates the areas where people would have basic assumptions. Culture can be seen as a pattern of basic assumptions – invented, discovered or developed by a given group as it learns how to cope with its problems of external adaptation and internal integration – that has worked well enough to be considered valid and therefore to be taught to new members as the correct way to think, perceive, and feel in relation to those problems (Schein, 1985: 9). Some of the questions that need to be addressed are:

- What are the organisation’s basic assumptions about itself? Basic identity and role; relevant environments; position vis-à-vis those environments
- What are the organisation’s basic assumptions about reality and truth? On what do they base their decisions?
- What are the organisation’s basic assumptions about the nature of time? Orientation towards past, present and future
- What are the organisation’s basic assumptions about the nature of space, its availability, structure and symbolic meaning? Status, power, formal/informal
- What basic assumptions are held about human nature? Lazy, self-seeking, good, committed, neutral, fixed at birth, perfectible



- What is assumed to be the proper and natural stance of humans vis-a-vis their environment?  
Proactive, reactive, harmonising
- What are the organisation's basic assumptions about how relationships should be conducted? Collaterality, individuality, autocracy, paternalism, consultation, participation, delegation, collegiality

Doing a cultural assessment, probing with these questions in groups, will play a significant part in transformational processes as it opens up the internal conversations to a deeper level where new understanding and sense of identity can be reached. The dominant thinking paradigm, the set of assumptions about how things are, is important knowledge for everyone but particularly leadership. It will also help when the vision, purpose, principles, values, processes and procedures need to be aligned with the environment in which the organisation exists.

### **2.7.3 Developing leaders**

‘The higher you want to climb, the more you need leadership. The greater the impact you want to make, the greater your influence needs to be’ (Maxwell, 1998: 6). The mechanistic paradigm coincided with the age of industrialisation when national economies, in most cases with the help of government policies and regulations, ensured the stability and growth of the key employers. The key personnel were those who were trained and educated in management and line specialists who know how to fill the expectations attached to a position. This environment dictated organisational cultures to a large degree. In the information and knowledge age the world has become dramatically more competitive, complex and unstable with the combined advance of the information technology and a free, global economy. This development resulted in vulnerability for everyone: employees, managers and organisations. Good management, procedures, processes and discipline no longer safeguard the organisation and its people (positions). This environment calls for rapid development and growth of leaders in all sectors of society and the concurrent leadership culture in organisations. Felkins et al (1993: 27) acknowledges this truth when they say: ‘While the traditional approach to change management is prevalent in many organizations, the realities of a diverse workforce, a reduction in the number of middle managers, complex technologies, new alliances and coalitions, and a highly competitive global market are creating a need for leaders.’

In the context of organisational transformation, leadership development will be the foundation to build on. The process that needs to be followed I will look at later.

#### **2.7.4 Focusing on process, learning and responsiveness**

In the shift to a new worldview, as we have seen, there are new principles that replace the old focus on control, regulation by procedures and systems and results, no matter how they come. The assumption was that management through their expertise already has the right answers and the organisation only needs to be pushed and pulled to fit the newest blueprint. An understanding of the organisation as a complex adaptive system that self-organises turns the change process upside down. It is more about what can be learned from the interactions at the bottom level and the patterns that emerges spontaneously than manipulating by authority in a top down direction. What are valued by everyone in the organisation are effective responses. ‘A significant measure of the health of the organisation is not where it stands in moments of comfort and ease, but rather, where it stands at times of challenge and crisis. In healthy organisations, leaders focus on their *response* to conditions, not the conditions alone’ (Steinke, 1999: 43). Instead of thinking in terms of dualism, process thinking is conducted in terms of paradox and dialectic. It has major implications for the way we look at change in organisations.

### **2.8 Summary**

In my literature review I took a holistic approach to leadership and organisational dynamics. In the research of cultural change in organisations and the differentiation of leadership and management, the insights attained from such a holistic approach, I believe, is important. As I have argued in chapter one and in the introduction of this chapter, I have the view that the challenge to leaders in organisations is one that best can be met by understanding the changes in worldview, *and* by taking full cognisance of the individual as mind, body and soul with his/her natural desire to relate, and from these relations find and create meaning. Both approaches aim at repairing the damage of

fragmentation. The theories of systems thinking and complexity thinking are both valuable to this end.

The understanding of the patterns of a new worldview gives the philosophical foundation for all our thinking about 21<sup>st</sup> century leadership and organisational dynamics. The change from an old to new worldview helps us to understanding many of the organisation's cultural issues. It helps us to understand our markets and our role in society. It helps us to make sense of the changes we experience from day to day as well as how we need to respond to them.

Systems thinking as a tool contributes to and stimulates our understanding of wholes as being more than the sum of its parts, and relationships as fundamental to systems. Systems thinking stimulate our ability to question and interpret.

Complexity theory takes up the challenge of complex systems and helps us to understand and embrace the nature of natural systems as self-organising and emergent. At the same time it explains chaotic behaviour of systems as being natural processes. It answers the dilemma of the manager who always and at all cost wants to control. It helps us to shift our deterministic thinking to allow for the flow of process. The question that these theories evoke when we talk about leadership in organisations, concerns visionary leadership and the strategies that flow from it. Is visionary leadership in contradiction with strategy as the 'evolving pattern of organisational identity' (Stacey, 1993: 390)? I believe it is not. When the leader articulates a vision it is only the end result of inter-relationship dynamics and the meaning it creates. To repeat the two aphorisms of Maxwell (1998: xi): 'People buy into the leader, then the vision' and 'Leaders touch a heart before they ask for a hand'. No vision will have any significance if the leader does not live that vision. Secondly, no vision will have any significance if the leader does not connect with people; if the vision is not built into that connection as a two-way connection. Thirdly, no strategy will have any real significance if the leader does not touch the heart of people. It will only be a case of complying.

I have reviewed literature that gives insight in how people today view work; how they want to integrate their spiritual side in their work and the need for community at work. The differentiation between leadership and management is central to the study. The example set by those who are in leadership positions, directly influence the kind of culture that forms in the organisation.

Management alone will do in environments where there is no or little change. Leadership is essential, particularly in times of turbulence. Leadership is comfortable with process and comfortable with people and relationships. Leadership is comfortable with the role of facilitation.

In the next chapter I will discuss the research design and methodology I used in my practical research to find out what paradigm, management or leadership, the organisational culture of large corporations in South Africa fits and what the need for change to a leadership culture is.



### 3 RESEARCH DESIGN AND METHODOLOGY

#### 3.1 Research approach

My research approach is based on certain assumptions which are part of my worldview and paradigm. With regard to a person's view of reality there is determinism at the one extreme and voluntarism at the other. As Burrell and Morgan (as cited in Cohen & Manion, 1994) stated, the assumptions of many social scientists are pitched somewhere in the range between. Reality can either be seen as a given 'out there' or a creation in the individual's mind. In other word, reality is what we believe is real. 'We don't see the world *as it is*, we see the world *as we are*', is a statement that I would agree with. This research was done with a view that favours the subjectivist (anti-positivist) rather than objectivist or positivist viewpoint. In other words the social world is viewed 'as being of a much softer, personal and humanly-created kind' (Cohen & Manion, 1994: 7). A positivist view would for instance have it that a leader is either born a leader or formed as one by circumstances. The idea that leadership can be taught and coached to a willing individual, thereby influencing and changing the environment, is a subjectivist view - as is the view that organisations are invented social reality, dependent upon people and their goals and not real entities with a life of their own, independent of people. My epistemological assumption is one in which I see knowledge to be of a subjective, spiritual or even transcendental kind, based on experience and insight of a unique and essentially personal nature. Doing research does not mean that the researcher will end up with a complete and accurate representation of what has been researched. Research is rather understood from the perspective that the process of co-creating reality by sharing and reflecting on different perspectives is stimulated by it.

The implications for research with the above-mentioned worldview are an approach whereby listening to individuals, interpreting their remarks and finding meaningful relations is of critical importance. At the same time it is important to stay aware of my own assumptions. Such an approach corresponds with a dynamic view of the role of science. As described by Cohen and Manion, (1994: 14) 'the dynamic view...conceives science more as an activity, as something that

scientists *do*. According to this conception it is important to have an accumulated body of knowledge of course, but what really matter most are the discoveries that scientists make. The emphasis here, then, is more on the heuristic nature of science.’ The challenge is to understand social reality as different people see it and to interpret their views. Social science therefore does not reveal ultimate truth, but offers explanation and clarification in the process of discovery. Theory is emergent, arising from particular situations and grounded in the data that has been generated by the research act.

The research approach for the study can therefore be described as qualitative as opposed to quantitative, admitting to the value-laden nature of the study (Creswell, 1994). It also admits to the fact that the project is embarked upon with ‘...an imaginative preconception *of what might be true* - a preconception which always, and necessarily, goes a little way (sometimes a long way) beyond anything which we have logical or factual authority to believe in.’ (Medawar as cited in Cohen & Manion, 1994: 18).

### 3.2 Methodology

The aim of methodology, according to Kaplan (as cited in Cohen & Manion, 1994), is to help us to understand, in the broadest possible terms, not the products of scientific enquiry but the process itself. Where the choice for the study has fallen on a subjectivist paradigm, the methodology will be about the process of representation of reality for purposes of comparison. It will involve analysis of language and meaning. The main form of reasoning can be described as retroductive: ‘using inferences from observations or data in order to construct or “infer” an explanation of such observations’ (Mouton, 1996: 118).

As an organisation grows bigger and bigger in terms of the number of employees, one would find that the development of systems and procedures also grows as does the need for more management. It becomes a lot harder to have the quality of communication and synergy as before. It tends to become impersonal. It can therefore be assumed that big organisations face bigger challenges in their culture to have qualities such as flexibility and responsiveness. The feeling that large numbers, many and different processes and systems need to be controlled is probably understandable. Yet, the

economical demand is to be innovative, flexible and responsive to change. Schein (1985: 272) discusses the growth stages of organisations and then explains that organisations in their maturity phase lacks the motivation to change, whilst cultural change is necessary and inevitable. Leadership is probably most challenged in the tension field between large bureaucratic structures and the highly competitive global business environment. I therefore decided to do my research in this kind of big corporation where leaders and the members probably face the biggest challenge with regard to the change from management to leadership cultures.

I established relationships with three organisations in the category of listed companies. They were in the banking, insurance and telecommunications industries respectively. I discussed my written proposal for research with the respective contact persons, explaining what the intent of my research is. Within the constraints of time and working conditions, I wanted to immerse myself in the realities of the organisation. I therefore got as much relevant documentation as I could. The main research method was one of data collection through interviews. Different arrangements were made to set up appointments. The interviewees were briefed about the research prior to the interviews. The differentiation between management and leadership was however not given not to influence the responses about management. In most cases they showed interest in the research and asked for feedback after the data is interpreted. I am giving report feedback to all of the organisations and the participants. I offered feedback to the CEO's but one didn't reply, the other wasn't interested and the third one referred me to the Human Resources director. It is an open question if these responses indicate a lack of interest in what people in their organisations are saying and if they are satisfied that they know well enough through their own feedback systems, though none of those addressed the issue of evaluation of leadership as differentiated from management.

In planning the interview structure I had in mind that I want to get perspectives as an employee would see the organisation 'looking up' the hierarchy, as well as 'looking down'. I did get both those perspectives. I also wanted to hear historical perspectives, 'looking back' as well as that from people that are still new enough to give the perspective of 'looking in' from the outside. I gave everyone the opportunity to share their views when 'looking ahead'.

I approached the interviews from the perspective of emergent theory. Although I did have a structure, I allowed for a free flow of communication. I was conscious of and sensitive to qualitative



factors. What do a person's emotions tell me? How passionate are they? What are their concerns, their disappointments, their sorrows, their joys and their personal visions? I tried to get intuitive responses. I wanted them to reflect on their working conditions and their personal lives, their aspirations and their imagination.

My questions were relevant to the cultures and the experiences of management and leadership. What are the strongest messages that come across when members of the organisation respond with their mind, emotions and spirit? I was conscious of the limitations to understanding the culture coming from the outside: 'The outsider cannot experience the categories of meaning that the insider uses, because he has not lived long enough in the culture to learn the semantic nuances, how one set of categories connects to other sets of categories, how meanings are translated into behavior, and how such behavioral rules apply situationally' (Schein, 1985: 112). I was also conscious of the advantage of standing at a distance and observe the patterns that emerge as more and more information comes out.

After a day's interviews I reflected on the process and what I have learnt from it. In an effort to improve I introduced new questions that arose from the interviews but remained conscious of the focus of my study. As stated by Phillips and Pugh (1994: 48), '...the classical position of a researcher is not that of one who knows the right answers but one who is struggling to find out what the right questions might be!'

Consistent with the theories presented in the literature review the research was done with the following considerations and views:

- As the research relates to organisational theory, it is important to emphasize as a methodological premise that the process is not to be seen as one in which I, the researcher, is the objective observer and student who prescribes a successful model for all organisations to follow. Such a methodology will contradict complexity theory that holds that new forms emerge unpredictably in a complex system through the process of self-organisation. The methods of research as well as proposed intervention are therefore sensitive to the possible expectation that a particular view is imposed.



- The research intervention is not a closed project that delivers certain results at a certain time. It is part of the ongoing process of organisational development in the relevant organisations as well as part of the ongoing process of learning about leadership, management and organisational dynamics.
- Even though leadership and management have been differentiated and two kinds of corresponding cultures have been described, the research does not make use of oppositional logic but stimulates thinking and reflecting on the areas of organisational life that can be related to leadership.
- All participants in the research are in a leadership role of some kind. The interviews did not resemble a hard, structured question and answer exchange but much more of a spontaneous freeflowing form. In the process the participants often reflected verbally on their own practice of leadership in the context of a particular theme that I introduced. The process can therefore also be seen as a learning one for all participants.
- The areas of organisational life that served as a framework for the interviews mirrored the behaviour of those in positions of leadership. It served as a yardstick of the quality of the relationships and communication; the desire to control and use positional power or alternatively to serve and empower others with emotional competence; the ability to facilitate process and participation whilst being open to emergence and creativity; the attitude towards learning; the consciousness and utilization of deeper levels of motivation in people and the ability or lack of it to influence culture and community in a positive way.

### **3.3 Data collection**

I did 40 interviews varying from 45 to 90 minutes per interview. That gave me on average 40 hours of conversation. With that amount of data, patterns emerged clearly enough to confidently draw conclusions that can support a theory on the research question. The selection of interviewees was not prescribed by me but randomly selected from the middle to senior management groups. Some were old-timers and others were relatively new to the organisation. Some could compare their experiences to other South African companies, and other to European companies that they worked for. The 40 interviewees were representative of all races and both sexes. I met with them mostly at their offices. I wrote down the conversations but, with previous experience under my belt, was able

to keep good eye contact and felt that I had good rapport with all participants. The questions I used can be seen in the next chapter where I discuss the results. Apart from probing for the answers to those questions, I encouraged storytelling, knowing the power stories have in capturing the culture of an organisation, whenever it would come up.

My interest was in the following areas of the organisational life as indicators of either management or leadership behaviour and the areas in which people would possibly express their need for change:

- *Empowerment* – Are people empowered to grow and realize their full potential? Are they allowed and encouraged to take full ownership of their area of responsibility?
- *Participative decision making and transparency*– Is it practice to be inclusive in the process of decision making? Do people get unpleasant surprises when strategic decisions, implicating their areas of responsibilities, are made on higher levels?
- *Flow and control of information* – Is information controlled by the powerful in a political way or is their free flow of non-confidential information that empowers all levels in the organisation.
- *Communication* – What is the quality of communication in general? Is it superficial and limited to only the necessary or is it helping to build good and workable relationships?
- *Trust* – What is the level of trust between members of the organisation, between management and staff, and between different business units or divisions?
- *Care for people* – What in the end is valued more: What people *do*, their competencies, skills, technical abilities and contributions, or who they *are*?
- *Leadership* – What do people experience from their leaders? What are their impressions of their leadership or management styles?

- *Innovation, lateral thinking and learning* – Is the environment conducive to ‘out of the box’ thinking? How flexible and adaptive is the organisation? Do people see the bigger picture?
- *Motivation* – What motivates people in their daily work? What is the role of vision and community in their motivation?
- *Morale* – What is the morale like in the organisation and why? What threatens the morale?
- *Desired change* – What would the interviewee do if he/she was to be the CEO?

Other, themes that emerged and became part of the conversations was:

- Office politics
- Management/staff divide
- Structures – desentralization/sentralization
- Role of Human Resources
- Employment Equity
- Reward systems
- Ethics/values
- Work and meaning
- Community involvement/social responsibility
- Strategies
- Recruitment
- Teamwork

### **3.4 Data analysis**

In analysing the data I searched for meaningful relationships and the discovery of their consequences for action. I remained aware of the specific contexts within which it was given as well as the systemic effects that are relevant. The discipline I applied in the process of analysis, again, was that of emergent patterns and meaning. Even though I need to systemize the results, I

had to let the data 'speak for itself'. As indicated earlier, I had to be aware of both quantitative factors, such as the number of persons that said the same thing, and be aware of the qualitative factor: how strongly did the person feel about his/her statement? With what kind of emotions did they express themselves?

Building from a specific interview to the group of interviews in an organisation, and eventually to the context of South African corporations, I went through a process of enrichment in terms of a growing number of correspondent evidence on the areas of interest as well as the general mood and profile I encountered.



## **4 RESEARCH RESULTS**

### **4.1 The organisations**

Three South African corporate organisations in the banking, insurance and telecommunications industries respectively were researched.

#### **Organisation X**

This organisation is in the banking industry. The bank has a strong culture (although divisional subcultures recently grew stronger) with very low turnover of staff. The average period of service of the interviewees is 12 years. Valuable input was given by three interviewees who are two years or less with the bank.

The culture is described as one of 'go-getters', high passion, competitiveness and commitment. Several of the interviewees also mentioned the 'work hard, play hard' attitude. Most said their customer focus is very strong. It is also known for being very results driven with lots of acknowledgement and celebrations when targets are met. With many members having had long and happy careers in the organisation, there are strong family-like relationships. The organisation structure changed in the last 4-5 years with more desentralisation and flatter hierarchy.

There are high levels of loyalty but a newcomer experienced it as artificial. The same person describes the organisation as settled but at the same time complacent with a lack of critical thinking and new blood.

Artifacts indicate an inspirational and energetic, performance-driven culture. Motto's and value statements were highly visible. People were friendly and enthusiastic. They seemed to be focused in what they were doing.

### Organisation Y

This organisation is in the telecommunications industry. The average age of employees is in the low twenties. There is a relatively high turnover of staff. The average period of service amongst the interviewees is 6 years.

The culture is described as dynamic with many growth opportunities, one that has experienced a surplus of changes, and entrepreneurial. It is therefore not a very strong culture or one with entrenched patterns. Compared to other corporations the mindset can be described as a young, open and more individualistic. In general, there are not many close relationships. It is noticeable that the question about the organisational culture was often answered by references to immediate frustrations in the specific working area of the person rather than typical organisational characteristics. The structure is flat and team-based.

The artifacts suggests a young, modern and fast-paced environment with an emphasis on creativity.

### Organisation Z

The organisation is in the insurance industry. Four CEO's headed the organisation since its establishment. The staff turnover is relatively high (10-20% per annum). It has changed from being an owner business with a strong entrepreneurial culture to a large bureaucracy. In the last few years the strong hierarchical structure with concomitant autocratic leadership styles changed to team structures and more democratic leadership styles. There has been an almost complete change of top management after a merger has taken place. The culture has been described as one that still has a lot of command and control behaviour, is much regulated and one that is not very tolerant of failure. Several mentioned the existence of a culture of blame. Everything has become more technical and Human Resources is playing a big and sometimes irritating role in the operations. 'Everything is geared towards administration systems', says one of the interviewees. The impact of government legislation on organisational dynamics has been pointed out by a number of the interviewees. It necessarily regulated a lot of the processes in organisations. High standards are set but it is less innovative as in the past. Younger people coming in now challenges the old ways of doing. Some interviewees do experience innovation and flexibility in their department. A relative newcomer to

the organisation described it as an egotistic environment. Another interviewee said the organisation is built on talented, charismatic individuals rather than synergy and effective teams. Due to a recent appointment of a new CEO, there is a lot of expectation of new things to come. Some experience definite changes of traditional culture. Several mentioned a high and unhealthy occurrence of office politics.

The artifacts, suggests here a somewhat formal and sophisticated environment.

## 4.2 The interviews

A total of 40 interviews were held with people varying from supervisory level to senior management, aged between 23 and 56. 30% were women and 30% black. The questions were mainly aimed at the organisational culture in an attempt to determine the needs for changes relating to a leadership culture.

Interviewees' reactions were prompted by questions such as: What are the unwritten rules in the organisation? What is typical of your organisation? If you would informally introduce a newcomer to the organisation, what would you tell him or her? What are the kinds of expectations that are typical of your organisation? What kind of behaviour gets rewarded?

Thereafter the following themes were explored in more detail:

*Empowerment* – Are people empowered to grow and realize their full potential? Are they allowed and encouraged to take full ownership of their area of responsibility?

---

There is very little variance in the responses with regard to empowerment. All three companies are represented in the quotations of interviewees' comments that I give. People in general clearly don't feel empowered to fully realise their potential in the context of their work. Psychologically they feel that they are working in a controlled environment. Mostly due the management style of authoritarian managers, but also due to bureaucratic procedures that are part of the system that does not reflect the flexibility and responsiveness that present-day business demands. Some of the

remarks were: 'people are treated like children'; 'I am surprised that they are so successful with the low level of participative management'; 'Management still has the attitude: we do strategy, you are operational'.

Some accounted their experience during the years of growing bigger and bigger as one in which the entrepreneurial spirit of the early years had been replaced by bureaucracy. In this process people became disempowered. This is what one loyal employee said after close to thirty years of service in the company: 'The professional manager replaced the entrepreneur with management skills rather than business skills ... Management has dominance over the business itself ... People in general get removed from passion ... technocrats are more loyal to the system than to the person.' These developments obliged him to say: 'there are more followers now than 30 years ago'. Is it possible to run the company without management? He answered with a new paradigm, self-organising statement: 'In many ways yes... lots of things produces itself.'

Another limiting factor to empowerment is the absence of alignment between business units or different levels and functions in the organisation. Management fails in creating the alignment and communicating across the boundaries of their direct area of responsibility. This failure clearly has a disempowering effect in that people don't get to see and understand the bigger picture which would have empowered them to take initiatives or respond to situations in a more effective and satisfactory way.

Empowerment and simply absence of control is not the same thing. In changing the structures to more democratic and less hierarchical ones led to abdication of responsibility instead of empowerment in some cases. 'There is a fine line between empowerment and abdication' said one interviewee. The same problem has been identified by some of the black participants when Black Empowerment was discussed. 'Blacks are sometimes put up for failure where there is no support', said one of the black employees. 'There is subconscious racism. We need an environment that is helpful', said another.

Other feedback from a significant number of people on empowerment through building and investing in competence was their disappointment in the slowing down of training. On the process of Black Empowerment the view that racism exists was expressed boldly: 'We are still not talking



freely about our frustrations’. In general many expressed their views that, as a matter of urgency, there is a lot to be done. One pointed to the fact that his organisation excels in meeting financial targets. Why can’t they under the same leadership meet their equity targets? Interesting was the fact that the only person that almost in principle viewed the process negatively, was a black person who was seriously disappointed by her experiences of affirmative appointments. One person put a figure of 70% to his experience of failure in the process (one remark summarised this perception: ‘Black Empowerment is only about compliance to the correct numbers’), but the overwhelming majority were, in principle, positive about Black Empowerment with comments like ‘there is so much talent that is not harvested’ and ‘we need a proper mentorship programme and guided process to develop the necessary skills’.

An important feedback in the context of the study was that the lack of empowerment has more to do with the legacy of autocracy than with resistance to the principle. In other words, top management doesn’t have the necessary leadership skills to build a new culture of empowerment. In this vacuum of leadership skills many view empowerment as encouraging people to take initiative in getting new business, which will be the only measurement of success. As one person said: ‘you are empowered only for the sake of new business. Real empowerment goes hand in hand with authentic interest in the development or growth of the individual.

In summary I have to conclude that there is a definite need for leadership with regard to empowering people.

*Participative decision making and transparency* – Is it practice to be inclusive in the process of decision making? Do people get unpleasant surprises when strategic decisions, implicating their areas of responsibilities, are made on higher levels?

---

What came out as the clearest message on participation was the opinion that participation is policy but in practice it is only valued with regard to technical aspects or the products. In one of the organisations a number of interviewees, particularly those who were new to the organisation, shared their amazement about the fact that simple decisions are being referred to higher levels for approval. In the same company the name of the CEO is often mentioned in the context of fear for being reprimanded by him. In one of the other organisations there was feedback that, although the

opportunities for participation are there, people don't use them. There was general agreement that from time to time they get unpleasant surprises when decisions were made without consultation but with direct implications for their work. One person expressed the following critique and suspicion about the lack of consultation that he experiences: 'Managers make decisions only based on financial considerations. They don't talk to people. There is lack of consultation. The problem is that 90% can walk out without financial concerns. Their mindset is different.'

In summary I would say that the ideal of active participation and consultation about more important matters where shared learning and responsibility can take place is the exception. The expectation of those who would like to be part of the thinking about their working environment is that their seniors must actively lead participative processes and not only announce an invitation or principle about it. Again, it is a leadership function to facilitate such processes in an open and relaxed atmosphere. I came across excellent examples of the leadership of particularly two of the participants in the research with regard to their participative style.

*Flow and control of information* – Is information controlled by the powerful in a political way or is their free flow of non-confidential information that empowers all levels in the organisation.

---

The comments that most interviewees made on this aspect referred to the IT process. The information that is distributed through the intranet is extensive and informative. Some perceive it more as propaganda than significant information that can enable them to take informed decisions. Others said that it is only about procedures and systems. There were those that felt there is secrecy and a lack of transparency, but they were not in majority.

The flow and or control of information are obviously related to the practice or lack of consultation. Once leaders embark on open participative and inclusive processes important and even contentious information is shared as well.

*Communication* – What is the quality of communication in general? Is it superficial and limited to only the necessary or is it helping to build good and workable relationships?

---

A common complaint is about the mass of meaningless communication. ‘We need more awareness and feedback’, said one and ‘my direct boss does not know anything of me outside of the working environment’ said another. At least 30% of participants voiced their frustration about the lack of communication that goes beyond the trivial or task-related communication. What I understood by meaningful and effective communication is more communication in the smaller teams or direct environment that would make a difference to the synergy and vision on those levels.

Several people referred negatively to the culture of email communication. Despite the obvious advantages that it has, it does not help people to face one another where more natural interaction could lead to healthier and stronger relationships. People will often hide their feelings behind email communication and in the end become impersonal. As one person said: ‘People don’t like face to face communication. They are scared of problems.’ Wording in email communication can easily be misinterpreted or lead to speculation in the absence of other signals such as facial expressions or body-language. To the contrary of an opinion that everyone has so little time to communicate one to one, some of the interviewees argued that email communication becomes more time consuming as so many misunderstandings occur.

The responses on this aspect clearly indicated a desire to be heard and to have the opportunity to share ideas and feelings at deeper levels as the ordinary – the facilitation of which is a leadership challenge. Where there is lack of trust, people are evidently scared to communicate whilst they actually need to get in the open and resolve conflict or misunderstanding.

*Trust* – What is the level of trust between members of the organisation, between management and staff, and between different business units or divisions?

---

Roughly half of the interviewees indicated that there is little or no trust - more so in two of the organisations than the other one corresponding to the responses about morale. In one organisation many identified a trust problem between management and staff in particular. In the other organisation the lack of trust clearly corresponded with lack of respect resulting from rumours of ethical misconduct. ‘It is scary to hear about senior people implicated in getting kickbacks.’ In one of the companies where the drive for results is particularly strong, an interviewee pointed to the fact



that it become counter-productive when ‘trust is not in place’. Experiences of breach of confidentiality impacted negatively on the levels of trust.

In an ideal world there should not be problems when all systems, processes and procedure run smoothly under the competent control of an efficient manager. We don’t live in an ideal world and once things don’t go according to plan even the efficient manager can make a mistake and blame the wrong person at which point there is an obvious loss of respect and trust. Building relationships and trust is associated with the role of a leader. It takes character but also skill and personal development to grow in the role of leader that can effectively build a culture of trust. Lack of trust goes with an atmosphere of fear as one person pointed out: ‘No, there is fear of truth ... Executives need to admit and bring things in the open.’

*Care for people* – What is valued more: What people *do*, their competencies, skills, technical abilities and contributions, or who they *are*?

---

Here, the responses varied significantly from one organisation to another. In one organisation there were several interviewees who testified to the fact that they indeed experienced care. To the other extreme the feeling that people are only numbers was strongly communicated. Overall between 40% and 50% indicated that they do not experience high levels of care. Evidently, where employees worked together for many years, some strong and caring relationships were formed. Yet, the following comment were made: ‘Not as caring as before. Personal interests became more important.’; ‘This is hard nose business. Caring for people is not seen as part of the business.’; ‘We are very task driven. People skills are important but maybe it’s not something we’re good at.’; ‘First profits, then people.’; ‘Customer focus must be balanced with people focus inside the organisation.’

In general, I got the perception, as can be seen from the quotations, that the view that business and people can be separated in a way that caring for people is viewed as a luxury or the ‘business’ of other institutions, prevails. It could well be that leaders are not comfortable to show care and not comfortable to receive care for fear of becoming vulnerable. One person remarked: ‘Top management is not in touch with people’s feelings.’



*Leadership* – What do people experience from their leaders? What are their impressions of their leadership or management styles?

---

Interviewees were unanimous in their opinion that leadership development should be a high priority. 'The company should place more emphasis on *how*, the way things are done, than performance. If we need to slow down to get the skills, we should', was how one person put it. In one of the organisations the general picture that was sketched was one that could be seen as leadership crises. In another 50% referred in some way or another to their experience of management by fear in the organisation. One of the members depicted the environment as one of 'submissiveness'.

It is noticeable that on the issue of leadership people made more unqualified statements than on the other related issues.

Some statements relate to *positional and personal interest*: 'Many are still in old school with closed doors protecting their positions'; 'There are lots of insecurity. People are not focusing on the right things, only on their personal security';

Other statements to *lack of connection* with people: 'They are not visible or in touch with staff. I don't know much of the top structure';

Others to *lack of vision and alignment*: 'There is no unity or common goals, no long term building of identity, consistency or sustainability'; 'They are only chasing spotlights around. There is no forward thinking. Only problem solving mode'; 'There's no clear vision';

:

Others to *authoritarian style*: 'A handful dictates to the rest'; 'People are scared of the CEO'; 'The directors are still in the old style of operating. They manage rather than lead';

Some of the other comments referred to the experience that there were changes to the effect that the organisation became more democratic, but it appears in many cases only to be a superficial change in style. One person noticed for instance: 'The style is casual and open door *but* don't come through

when we don't like what you have to say.' In the same company someone estimated 'only 30% think in the new paradigm'.

In summary a strong message was conveyed to the effect that no single business development or other kind of change will have as much positive effect as the development of more and better leaders. Leaders who, apart from their technical and managerial skills, can touch the hearts of the people as one so strikingly said: 'People need to talk not from ego or intelligence but from the heart.'

*Innovation, lateral thinking and learning* – Is the environment conducive to 'out of the box' thinking? How flexible and adaptive is the organisation? Do people see the bigger picture?

---

In the mind of the manager, trained in management science, one will probably find the sentiment 'no surprises please'. If anyone has the task of innovative thinking it would be the manager him/herself. The organisation therefore will be very rigid and predictable in the way people function. It is not expected from lower level staff to think about organisational matters such as how the future for the organisation can look.

In responding to this area of leadership 60% to 70% of all interviewees indicated that lateral thinking 'big picture' thinking is only an ideal. When asked if people feel free to experiment and learn from it, many said a strong blame culture prevents it. Learning was usually interpreted as going on training. Other comments were: 'People are scared to teach one another; because someone else might take their job' and 'you get the feeling management feel you trespass when you question. They don't realize that criticism fuels change and improvement.' A complaint was also that their can be great innovations but due to lack of leadership commitment there is no follow-through.

Clearly, I could not find evidence of learning organisations in the true sense of the word. Apparently there is still too much defensiveness and reactivity in the systems.

*Motivation* – What motivates people in their daily work? What is the role of vision and community in their motivation?

---

In the 'just do my job' scenario, motivation does not play such a big role. It is a scenario that assumes job security and general stability. In turbulent environments people need to find deeper levels of motivation. Not one response indicated that people are motivated by a sense of significance in their work or the vision that their leaders cast. All the answers related to recognition and reward as the motivational factors. Either recognition for performance on a personal level or the achievements of the organisation as recognised by company ratings motivated people in their work. One of the responses was: 'Beating competitors and being the market leader is what motivate the people here.' There also were responses that suggested that the external motivators have their limits and downside: 'A strong reward and recognition practice is not always as effective as the leadership probably would like to think. Lots of the time its more tactics than reality based.' Once the leaders focus their people on numbers and positions as the prime motivators that are what they will have to have to keep their motivation to the same levels. There is usually no 'what if' scenario built into that thinking.

When prompted, some interviewees admitted that the company's community projects inspire them. They also believed that more can be done.

The new era leader has the challenge to motivate people with the kind of vision that touches their hearts and not only their pockets.

*Morale* – What is the morale like in the organisation and why? What threatens the morale?

---

Answers to these questions varied significantly between the organisations. In one of the organisations the overwhelming majority did not think it is good at all. In the others responses varied from 'very good' to 'too high', meaning that there is too much complacency. The threats to morale that people identified were related to the company's performance, 'if we loose our position', lack of empowerment and too much pressure to perform.

The question on morale also indicated how strong or weak the organisation as a community is. Is the morale built on the power of vision and community or on performance, recognition and financial results?

*Desired change* – What would the interviewee do if he/she was to be the CEO?

---

If the interviewees were to be given the chance to lead the companies one could expect to see that empowerment of people and specifically black empowerment would be one of their top priorities. Apart from that observation, studying the responses I can say that for every one response referring to business initiatives there were one referring to values and three referring to people focus.

Some of the responses were the following:

‘I would work very hard at building trust and eradicate politics’

‘Revisit the people aspect’

‘I would introduce new values that focus on our involvement in the development of the country’

‘Do the small things right. People are not impressed by big things’

‘Do coaching. What’s good for the people, is also good for the organisation’

‘From meaning come passion, care and love’

‘People want a culture and mindset change; leadership skills and styles’

### **4.3 General impressions and learning**

I here only want to list general impressions of the research as well as my personal learning before I get to the conclusions of my study in the next chapter.

- As some of the interviewees reflected I also often wondered if things can be much different to what it generally is in big corporations. Several people would at some point remark: ‘I suppose this is what you can expect in organisations that became so big.’ When I then asked them if they don’t think it can be different, their reaction indicated that they never really have thought about it. From my own past experience as minister of a 5000 member congregation I learned that I needed paradigm shifting experiences that sparked new visions of how things can be different in the congregation. I don’t know to what extent it is practice for leaders in secular organisations to be exposed to other organisations where things are done very differently as part of their learning.



- I have the profound impression that employees wholeheartedly would have welcomed the opportunity to become part of a process where they can share ideas and insights about their organisation – an experience they currently don't have.
- If the people I interviewed were in any way destructive in the building process of their organisations, I certainly could not deduce it from what I experienced. That again let me wonder if corporate culture in general is such that people act differently once they are inside and not looking from the outside.
- The way people responded enthusiastically in the interviews convinced me, if I was not already convinced, that personal interaction in a safe environment about working conditions will go a long way in creating an atmosphere of unity and community. For that to happen, trust is a prerequisite.
- The leadership coaching that was done by a leadership coaching company in one of the organisations created a common language and reference to leadership that laid a foundation for growth of a leadership culture. The programme that was run over a period of eighteen months was accredited by several as the catalyst of positive change in behaviour in themselves and in others.
- It appeared to me that, as the companies grew, the motivation to work there became more and more extrinsic and less intrinsic. That let me wonder about the sustainability of systems that are driven by extrinsic values. People are becoming increasingly skeptical about external motivation as with impersonal recognition and reward systems
- Only to have an open and less regulated environment does not in itself lead to participation. Leadership in terms of vision setting and communicating, and relationship building is needed.
- Structural changes sometimes bring unexpected results due to lack of training, skills and empowerment that are needed for those structures to be effective. Negotiated structures that fit a particular area of the organisation will have better results.
- Creation of business units brings more focus to the bottom line but also more unhealthy competition in the same organisation.
- The necessity of a Black Empowerment process plan that is transparent and has the buy-in of the employees, is evident to me.
- Community projects are not yet part of the corporation's vision of upliftment and sustainability.

- People are reasonable in their evaluation. Not aggressive or emotional. Sometimes genuinely sad about the deterioration of an organisation as they are experiencing it.
- In two out of the three organisations corporate governance and strong ethical values appeared to be in place.
- Too much control stifles people's passion, and is unnecessary.
- Where there are real leaders, they don't wait for top management before taking initiatives and develop own successful cultures with their teams. There are brilliant examples of leadership in practice in the organisation. I wonder if these examples are used to their full potential as learning opportunities for the others in the organisation.
- The problem of affirmative action has as much to do with the insecurities of current leadership as with the lack of skills of people brought into the system.

#### **4.4 Conclusions**

As I indicated in the explication of my research problem, I wanted to determine the need for the change from a management to a leadership culture. I reviewed literature that gives different perspectives on leadership and organisational dynamics. I then applied principles of complexity theory in my practical research by focusing on the emergence of patterns and meaning from the micro level (Stacey, 1993: 313).

My further interpretation of the research results will follow in the next chapter as I make conclusions on the basis of both my literature review and my practical research to use in the proposal of a facilitation process for change.

## 5 FACILITATION PROCESS FOR CHANGE

Both my literature review and my practical research support the need for change in organisational culture, specifically the change from a management to a leadership culture. Systems and complexity thinking provide the tools and insights needed for a change process. I will now share my conclusions and then propose a facilitation process for change that builds on the fundamental themes throughout the study: holism, process, relationships, leadership development and culture.

### 5.1 Conclusions of the study

The title of study indicates research in the need for change from a management to a leadership culture. I described the two different kinds of cultures previously in the following way:

Management culture refers to the following basic assumptions and beliefs: work in the organisation has to be arranged according to the job definitions, structures, procedures and processes as determined, regulated and controlled by management who has positional power over others. Expectations of management that influence the day-to-day operations and behaviour of the workers focus on aspects such as performance, productivity, system, control and measurement. The message that people will get from management is that they prefer security, take only calculated risks, relate to people in role terms, has all the answers and focus on control, accounting and accountability.

Leadership culture refers to the following basic assumptions and beliefs: people should feel free to experiment; they are therefore encouraged to innovate. They are intrinsically motivated by vision, and should feel valued for who they are and what they can contribute. They are aware of the 'bigger picture' and able to adapt relatively easily to changes. People enjoy taking initiatives that can improve not only the balance sheet but more importantly the lives of others.

In describing the problem situation as I see it in chapter one, I pointed to the major transformation in South African society. The complexity of challenges that face leaders and organisations in this



regard is definitely not a minor issue. The reality of diverse cultural backgrounds and the process of affirmative action will not go away. People need to think about it and demonstrate leadership in being constructive towards nation building. I also pointed to the importance of sustainable development with its environmental and social implications. Globalisation and the knowledge economy further set the scene of challenges for South African organisations. Broadly speaking, looking at the South African context and all the changes that were discussed above, there are two distinct sets of challenges that face organisations and their leadership – which in the end is no different for any organisation in the world today. The one set has to do with the people in the organisation, the other with the dynamic of the organisation as it is exposed to an ever growing number of variables and network of relationships. With regard to the first set of challenges the emotions, thinking, beliefs, values and dreams of people need to be fully integrated in the working environment over and above their technical, specialized competencies. To put it differently, people must be understood, valued, treated, and welcomed in the working community as unique individuals but holistically with their mind, spirit, body and soul. One sometimes finds an assumption that most people work for money and wealth is a trade off for their competencies. It is probably a popular way of thinking because it would fit in with the simple cause and effect or linear thinking paradigm that I will explain fully in the next chapter that we became so used to. It is also a convenient way of seeing the relationship between man and work when the duality of body and spirit governs our thinking. When asked what motivates people in their work, the results of a survey (Sunday Times) that was conducted in South African companies, are significant:

54% said "realizing my full potential as a person", 43% "interesting work", 38% "being innovative" and only 36% "making money". In the same survey 69% said that they do not feel they are living their passion or fulfilling their life's mission. More than 60% said they seldom or never are able to express their full creativity at work and more than 40% say they are often depressed because of their job or organisation.

The other set of challenges that I referred to can be described as the challenge of complexity. If we compare the life of a farmer thirty to forty years ago with that of a CEO of a big company today, what are the significant differences with reference to the different kinds and range of information and knowledge that need to be integrated for sound decisions to be made and practices to follow? The basic change is that from simplicity to complexity. The changes described above did not



change the nature of life in itself, life has always been complex, but it did surface the complexity of life in such a dramatic way that most people feel life has become chaotic. In many ways we did not know in the past how complex life is. We, for instance, did not know how interrelated the elements of weather systems are, or even what all those elements are. The more we discover, the more we realize how complex the universe as a system is. As sciences progress and new innovations see the light every day, the market becomes all the more competitive, all the more difficult to interpret and understand. Even the farmer today has to grapple with the complexity of modern day farming to be able to survive in the very competitive global market. The farmer also finds himself as a part of a complex system. Whilst the workings of the universe are complex in itself, we as human beings added to that complexity by our own creations. How does the manager deal with the complexity that is own to his/her organisation or is he/she trying to escape from it by holding on to the thinking of the past? Is he/she able to deal with it in his/her personal life so that he/she can be free to lead others through the woods of complex problems?

After reviewing the literature that is relevant in one way or another to organisations, management and leadership I now can make following conclusions with regard to cultural change in organisations:

- It will become increasingly difficult to remain unchanged by the forces of change that sweep through the world. The patterns of those forces can be recognised and translated to a specific context. The more aware leaders are of the postmodern worldview, the better they are prepared to work with it and not against it. Working against it will have the effect that the organisational culture is not aligned with the worldview of our day which in the end probably will prove not to be sustainable.
- Especially big companies and institutions can't afford to operate in closed system cultures with narrow-mindedness. The more 'big picture' thinkers in an organisation, the better equipped it is for the future. Yet, it is not 'either or' thinking but 'both and' thinking that will prove the most valuable. 'Think globally and act locally', captures the mindset.
- Sustainability and wellness in organisations are 21<sup>st</sup> century values. Cultures that likewise value the emotional and spiritual health of its members while remaining effective in its core

business, will have a huge advantage over others that don't. That includes the powerful process of community building around a vision that communicates meaning and significance.

- The paradigmatic change in organisational thinking can be described as the shift from formula and control to emergence and relationships. From the preoccupations to find the right formula and then control the implementation of it in an organisation, the evolvement of human understanding of natural systems resulted in understanding the dynamic of emergence from relationships. Vision then is not the dreams or ideas that form in the mind of the individual as a mental exercise in isolation, but as emergence in the context of relationship dynamics. Even if articulated by the leader, it is not produced by him/her on his/her own. If the vision articulated by a leader inspires and resonates with others, it is because it already was there in their hearts and minds.
  
- The research results indicate
  - People in South African corporations, when reflecting on the kind of culture they would prefer to work in, express the set of values that can be called a leadership culture as differentiated from a management culture. For instance, no-one in the research indicated that they would prefer to work in a command and control culture. No-one challenged the importance of flexibility and responsiveness. No-one indicated that they would be happy with being excluded in thinking processes, leaving strategy to others and only concentrate on operational functions.
  - In freely sharing their experiences and evaluation of present culture, specifically leadership styles, levels of empowerment, participative processes, transparency, new learning, people focus, trust, communication and motivation, they generally described cultures that, whilst trying to move away from bureaucracy, lack in leadership skills and therefore remain to a large extent stuck in management cultures.
  - The need exists for fundamental change or transformation at the level of organisational culture.

What would the change involve? How will the change be set in motion?

- A change to a leadership culture implies the development of leaders. As the number of members that demonstrate leadership skills grow and those skills improve, a new culture will take root and grow at the same time.
- Leadership as I described it in this study is markedly more intrinsic than management. It implies nothing less than personal growth in various areas of an individual's life. The facilitation of that growth is key to the process.

## **5.2 Process for change**

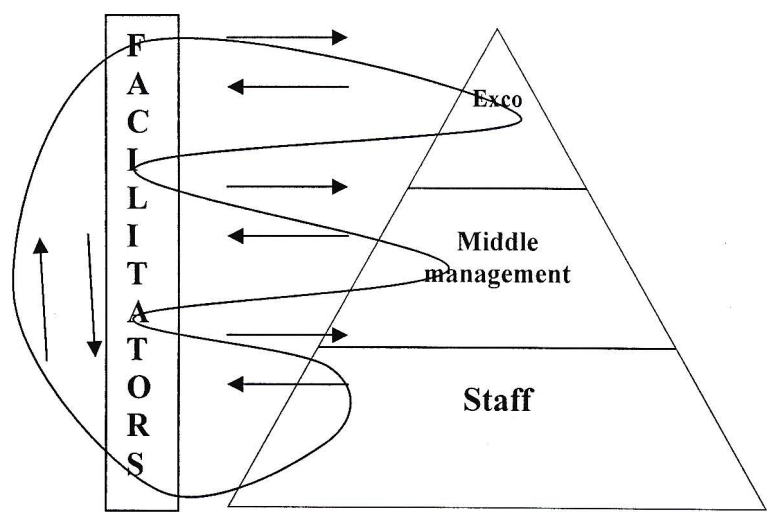
### **5.2.1 Process**

Many attempts to institutional change fail as a result of leaders not facilitating the changes that the people need to make emotionally and cognitively to adapt to the structural or technological changes that were introduced. The changes that people have to make to adapt can only be understood by thinking process. Process is open-ended and allows for emergence. Process is relationship-friendly. It allows for the unpredictable dynamics of relationships. Process is flexible and allows for patterns to evolve.

The process of change that I am going to describe is from the perspective of external facilitators who are contracted to facilitate the change process towards establishing a leadership culture in the organisation. In establishing the relationship with the client and the terms of agreement, the process approach should be made very clear. The proposal is not one in which a list of action steps against target dates can be ticked off. It is not a programme that are going to be implemented as something that can be bought from a shelf. The agreement should be on a process that is focused on the outcome of a leadership culture. The agreement is on the goal, the premises and proposed sub-processes within the bigger one. The agreement is that creativeness and responsiveness should characterize both parties as the process unfolds. It is the leadership facilitation and coaching

competency of the consulting team that gets to be sold in the contract. Moreover, the whole project is relationship driven. The foundation to other relationships is the relationship between the CEO, as *the* leader that needs to model leadership to the rest of the organisation, and the person that heads the facilitation and coaching team. It will be the perspective of the consulting team that they partner with the CEO and his/her Executive Committee in the project. Lastly the role that the facilitating team is going to play is one in which continuous communication will be fundamental to everything else. In particular it is the view of the team that they assist in creating continuous feedback cycle throughout the organisation. The reason for this is to play a facilitating role in alignment of everyone to the desired culture but also to form a learning cycle for everyone, the facilitators included, to benefit from. It can be illustrated as follows:

Figure 5-1



The arrows indicate the two-way flow of communication and learning in building the leadership culture. The process facilitates shared meaning and common language and understanding of leadership that in the end has its own momentum in the creation of a leadership culture. The process is not one in which ideas are imposed on people but one in which leadership behaviour is enhanced as a result of personal growth and collective learning. The changes in thinking paradigms result spontaneously from this learning and discovery processes.



### 5.2.2 Premises

It is important that the client has full understanding of the premises that the process is based on.

#### *Emergence versus control*

In change management the emphasis on emergence would mean that the *process* of change, rather than ticking off of predetermined milestones, would be valued. What do we learn from the process of change? What emerges in this process? On an intrapersonal level a question such as what emotions do I experience from the process of change is more significant than my plans for controlling things.

#### *Dialogue versus self interest and specialization*

The outstanding characteristic of the South African society is its diversity. From a certain perspective it can be seen as a problem but from another perspective it can be viewed positively for its creative potential. This, I believe, is true but only when that potential is exploited through dialogue. Whatever the change process might be, extensive dialogue between people in the organisation should be facilitated and encouraged.

Fostering continuous intimate dialogue is to fight the culture of self interest, defensive behaviour and entitlement that goes with specialization in bureaucratic environments. It is through serious dialogue that the chasm between management and staff is bridged. It is through dialogue that understanding of differences grows and creativeness flourishes.

#### *Meaning versus results only*

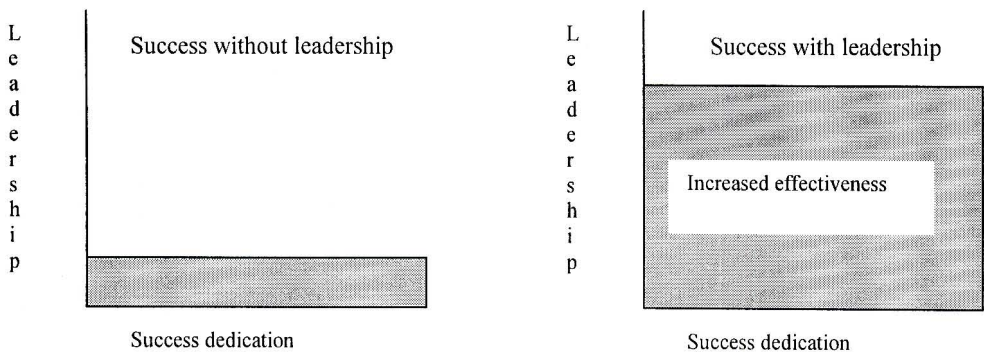
‘If there is a single common feature that characterises these workplaces it is that, within them, work has largely become meaningless. In essence the people do not come there to work. They might come there to earn a living’ (Scott & Harker, 1998: 7). Listening to what people have to say nowadays, it is unmistakable that there is a groundswell of people asking for more than just the means to live. They want to actualise themselves. ‘Gone will be the merit in being a superworker

with some rather annoying administrative tasks that get in the way of the real job which is to show workers how a superworker does it. Instead there will be a heavy emphasis on helping workers to make sense of their environment... Developing the 'making sense of' abilities of employees will be one of a manager's prime functions in years to come' (Whiteley, 1995: 8).

5.2.3 Leadership coaching

The premises about leadership are that it can be coached. In other words people can through a coaching process that focuses on leadership grow in their leadership ability and effectiveness. Maxwell (1998: 6) uses the following illustrate that competency without leadership has limited effect whereas development in leadership increases someone's effectiveness exponentially:

Figure 5-2



With the same dedication but improved leadership ability, a person's effectiveness grows significantly.

The proposed process has five elements, the first one being a foundation lying phase.

### 5.2.3.1 Foundation laying

In a two or three day workshop the facilitators lay the foundation for groups of maximum twenty people. The first of these workshops is for the CEO and his/her management team. The aim is to twofold: to create an awareness of the leadership potential in every person; to lay a foundation of what leadership is about. Learning the differentiation between management and leadership and the principles of leadership is facilitated. The power of this process lies in the fact that a common language about leadership is created that people start using. In this way there is continuous reflection on leadership behaviour.<sup>4</sup>

In the role of facilitating key principles are adhered to: listening actively, get 'buy-in', surface concerns, bring everyone into discussions, paraphrase regularly, keep an open attitude, stays neutral, manage conflict constructively, using questioning skills and summarise.

### 5.2.3.2 Follow-up clinics

After the foundation laying phase participants are given the option to embark on the follow-up clinics process. They are given the option as it is important that the locus of control remains with the individual when he/she goes on the journey of self-development and leadership growth. The clinics can be seen as stations along the journey. The process is coaching where qualified coaches facilitate personal mastery and the leadership principles in practice. Enrichment material, such as case studies, is given to every participant to study and reflect on. Small groups of three members per group are formed for the follow-up process. These groups become small learning communities that join in their journey to internalise the leadership principles, helping each other in reflecting on their day-to-day behaviour. During the follow-up process one-to-one coaching is offered for anyone that would like to make use of it. Again, the locus control remains with the individual, not with the

---

<sup>4</sup> In acknowledgment of The Lead Africa Group's model of leadership facilitation and coaching. I have witnessed Lead Africa's leadership coaching that incorporates the *21 Irrefutable Laws of Leadership* of John Maxwell (1998). The coaching process has been successfully launched in a number of corporations where the results that I refer to have been achieved. Their coaching clinics are branded POTENT (Personal mastery; Optimising influence, Think like a leader, Energise others; Navigate towards the vision and building Trust.)

CEO or coaches. During one-to-one coaching the following self-concepts and self-management process questions are attended to:

- Identity: Who am I? What makes me special or unique? What emotional attachments (ego investments) should I make?

What is the process by which you define your essence and what makes you special and unique?

- Competency: How effective am I at being who I am? Are my decisions, actions, and attachments ethical?

What is the process by which you develop skill and consistency at being who you are?

- Value: Have I contributed what others need or want? Is my organization benefiting from my decisions, actions, and attachments?

What is the process by which you create value for yourself and contribute value to other people's lives?

- Worth: Am I a good or bad person? Do I deserve to be happy?

What is the process by which you judge whether you are a good or bad person and whether you deserve to be happy?

- Responsibility: Who controls who I am, what I do, what emotional attachments I make, and whether I am good or bad, happy or sad?

What is the process by which you control who you are, what you do, and whether you are good or bad, happy or sad?

(Kilmann 2000: 280)



One of the leadership principles that are of paramount importance is the development of other leaders. Becoming a leader who develops leaders requires an entirely different focus and attitude from those of a developer of followers. Maxwell (1998: 210) illustrates this point with the following differences:

Table 5-1

<b>Develop followers</b>	<b>Develop leaders</b>
Need to be needed	Want to be succeeded
Focus on weaknesses	Focus on strengths
Develop the bottom 20 percent	Develop the top 20 percent
Treat their people the same for "fairness"	Treat their leaders as individuals for impact
Hoard power	Give power away
Spend time with others	Invest time in others
Grow by addition	Grow by multiplication
Impact only people they touch personally	Impact people far beyond their own reach

### **5.2.3.3 360 degree assessment**

To assist people in their journey of growth, a 360 degree assessment tool is used in their working environment. '360 degree' refers to an assessment process where the whole circle (for instance supervisor, peers and subordinates) of people that works with an individual helps with the assessment. The assessment instrument is developed to assess the practice of leadership principles.

I am using the four phases identified by Maxwell (1998: 24) to explain the growth journey that a person embarks on.

*I don't know what I don't know*

Even though leadership principles can be taught as theory, it is the exception if a person would learn and practice new behaviour from a classroom situation. The first step though in the process is to understand and 'buy' into the principles.

*I know what I don't know*

Feedback as the 360 degree assessment creates an awareness of the fact that a person doesn't know how to behave in a more effective way. This awareness on the basis of the inner circle that a person works with is different only the awareness based on reflection when confronted with principles. Getting feedback from people that you have relationships with engages mind, heart and soul. It is an emotional experience that has the catalytic potential to transform a person. That is when he/she realises that he/she needs to develop. The growth process becomes entirely internally driven. Clearly the process needs to be absolutely confidential as well as carefully managed and backed-up with coaching.

*Grow and know and it starts to show*

An emotional process of shock, mourning, fight or flight feelings, disorientation, rage, anxiety, depression and feelings of loss might follow after the announcement of the 360 degree results. Then only come the realisation that a person needs to let go of certain ideas about him/herself and behavioural patterns that were based on that thinking, or mental model. As the process of new growth gets under way and he/she experiences positive results he/she focuses on exploring new things for his/her life. New purpose, new structure, hope and internal commitment emerge.

*I simply go because of what I know*

The last phase flows naturally from the previous phases. The new learning and has been completely internalised and there is a natural state of flow as the person continue on his/her new path. Things

aren't as complicated as during the chaotic phase of internal conflict. New behaviour has been mastered and the person is ready to become a mentor of someone else on a similar life journey.

#### **5.2.3.4 Community building workshops**

The process of building a leadership culture involves relationship building processes. The vision of a new working environment entails the idea that every person is a potential leader. Different situations call for different persons to demonstrate leadership. As I have argued, those leadership qualities can be developed along the ever-valid leadership principles. Leaders want to create a domain in which everyone continually learn and become more capable of participating in their unfolding future (Jaworski, 1996: 182). The domain that fosters a culture of learning, growth and care is one of community. As I have illustrated earlier, community has to a large extent been broken down by processes of industrialisation, specialisation, urbanisation and secularisation. The centre of gravity in modern people's lives has shifted from neighbourhood or village life to office life and networks of working 'partners'. The human need for meaningful relationships and places of safety has not disappeared. What has disappeared to a large extent in the secular world is the ability to build and nurture community, places of trust and authenticity. That is intrinsically a leadership role and therefore is part of the process of facilitation as I am advocating here. It is the exciting process where the force of love is unleashed in an organisation. As Wheatley (1999: 37) points out: 'What gives power its charge, positive or negative, is the quality of relationships. Those who relate through coercion, or from a disregard for the other person, create negative energy. Those who are open to others and who see others in their fullness create positive energy. Love in organizations, then, is the most potent source of power we have available. And all because we inhabit a quantum universe that knows nothing of itself, independent of its relationships.'

#### *Conversation and dialogue*

The central aspect to the process of community building is the dynamics of dialogue and conversation. As Briskin (1996: 139) explains the concept: 'The word "dialogue" comes from the Greek *dia-logos*. Logos means *meaning* or *word*. Dia means *through*. The original meaning of the word "dia-logos" was *meaning moves through* or *flow of meaning*. When a group of people talk

with one another so that there is a flow of meaning, this is a very special type of conversation. We become unconcerned about who says what, about whose view prevails, or who saves face. We enter the domain of truly thinking together.'

The proposed workshops draws on, amongst others, the experience of Peck (1993) and his work in The Foundation for Community Encouragement. Earlier I have referred to the stages that he described as the process of forming community: Pseudo community, chaos, emptiness, and community. Youngblood (1997: 272) defines and discusses four stages of group communication (as in working environments):

Open debate – Each person brings a point of view and personal agenda to the meeting. It becomes a contest of wills.

Polite debate – Persons talk one at a time, don't interrupt and follow protocols.

Skilled discussion – Meetings become more thoughtful and focus more on learning. The intention of discussion is to make a decision.

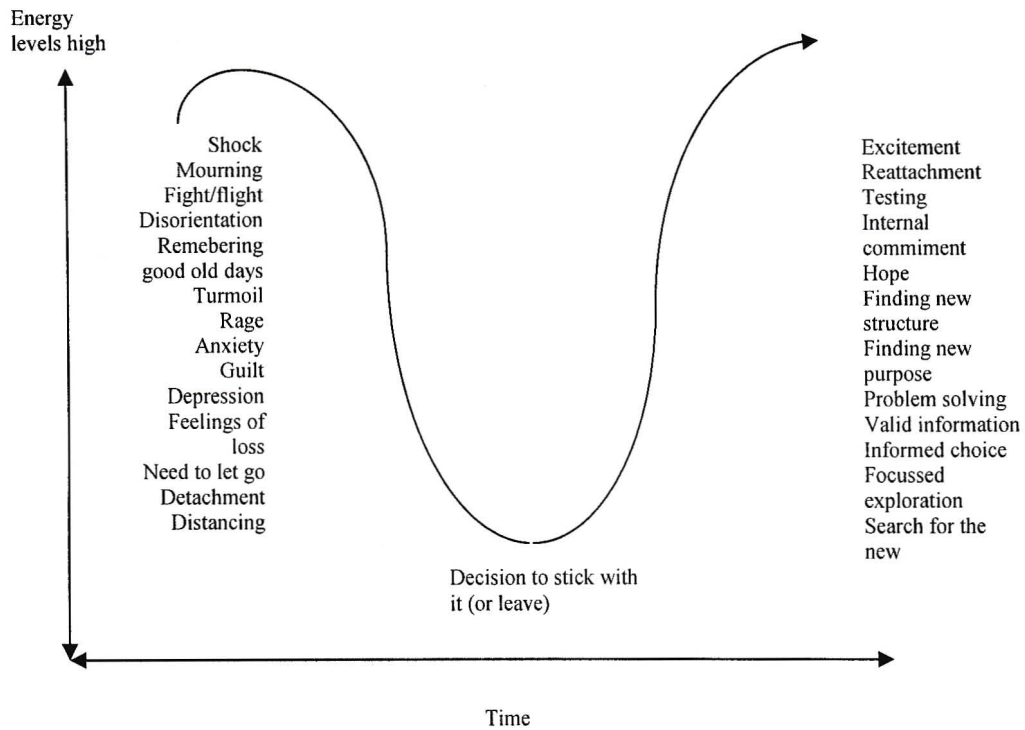
Dialogue - Focuses on developing a common understanding, not on making decisions or taking actions. Focus on process and change.

### *Working through change*

As change and its impacts on people is not ignored in community settings, an understanding of the typical pattern of emotional, emotive and cognitive responses on change is an important element of community workshops. An example of such a pattern is the roller coaster of change. The roller coaster of change illustrates people's reactions to change over time as can be seen in diagram. The illustration helps understanding and empathy. It can be used effectively in storytelling in groups where past experiences are shared and reflected on with the aid of the roller coaster. It further helps understanding story and process as metaphors for life. As such, by reflecting on group and individual stories people are experience much needed integration. The process can go a step further and to visualising or scenario planning looking at the future with the question: how will our story evolve from here on? Where will the roller coaster of change take us?



Figure 5-3



Rendle: 110

What is important when we study the diagram is to know that people don't go through the different phases and emotions at the same time and in the same way. People will at a certain point in time be at different stages of adaptation with regard to the same change. Consequently are there different processes within another process. The roller coaster can be summarized in the following four phases:

- Denial: a refusal to acknowledge that change is necessary
- Resistance: active opposition to change
- Exploration: testing out various aspects of change
- Commitment: a realisation of the benefits of change

Facilitation of workshops that focus on people's reactions to change will have the following corresponding elements to stimulate and help people in their progress on the roller coaster track.

**Verbalise** the situation: People in the midst of transformation need the opportunity to verbalise their thoughts and feelings. This stage represents an effort to answer the question: What is going on?

**Interpret** the dynamics: After the expression of raw or unedited thoughts and feelings the participants need to interpret the dynamics of the situation. To be constructive one needs to come to a point of deepened self-understanding, albeit in personal or corporate terms. This stage deals with the question: What do we feel or think about the situation?

**Enrich** understanding: People in resistance need to be connected to a larger realm of knowledge. They need to see the mega-trends and paradigms affecting their own context. They need to establish connection between three sets of information: 1) their present circumstances and interpretation thereof, 2) the broader picture of the kind of world and/or business that we are currently in, and 3) their own story (be it that of the company, organisation or community) with special reference to the vision and values, the sense of meaning that it conveys. The leading question at this stage is: Are we responding to reality in meaningful ways?

**Decide** on action: At this point in the process two possibilities are available: 1) to maintain the resistance, or 2) to decide to explore constructive responses. The former will inevitably lead to further decline and destruction. The latter will open up new possibilities. This stage is about standing in the gap between what is and what can be. Facilitation in this phase is about helping people to recognise the crucial moment of deciding on a future course. The leading question at this stage is: What kind of decision will be an expression of wisdom?

**Develop** new possibilities: At this point in the process the transition is made to a more constructive approach. A person is now faced with the exploration of alternatives. The facilitation process is of an encouraging nature. It may be a time for some thorough research. It may be a time for personal empowerment through a deepened self-understanding. The leading question at this stage is: In what areas do I/we need to be empowered for a better future?

**Master** new behaviour: Given the assumption that denial and resistance reigned before, and given the reality that people had to rethink their own paradigms of being and doing, and given the dissonance and discomfort that go with transformation, it is realistic to accept that new behaviour will have to be mastered to ensure fulfilment and success in a transformed dispensation. The facilitation process at this stage moves into a mentoring mode. The leading question at this stage is: What is necessary to stay on course?

**Internalise** the outcomes: To a large degree this part of the process has already been introduced in the preceding phase. It is necessary however to come to the point where the learning curve that the client has gone through is revisited, where evaluation of the whole experience is being done, where the new state of awareness has been properly owned and integrated and an experience of “at-home-ness” in the new situation is being reached. The leading question at this stage in the process is: What have I/we learned and achieved and what is yet to come?

### *Tolerance and understanding of diversity*

The more we work in a context of the ‘global village’, the more we will be confronted with diversity. In South Africa cultural diversity is a very real issue that needs to be attended to in community building workshops. Understanding of cultural differences becomes naturally part of storytelling exercises where people are reflecting, for instance, on what they remember of their thoughts and emotions during the years of apartheid rule and then the transition to a full democracy. What images fill their minds and what were their perspectives at the time and why? What has changed and what not since those years?

The work of Armour and Browning (1995) based on the research of Graves is another valuable model that can facilitate insight in and understanding of differences between human beings. He uses a framework of thinking systems that gives insight into people’s thinking and behaviour. The development of these systems can be recognised in the development of our history as well as the development of a human being in his/her life cycle. The eight systems are latent within us at birth but they activate, one by one, at various stages of existence. Of the eight systems, one or two will always dominate our personal outlook. The systems shape human values and account for much of our diversity. ‘Because they establish our outlook and priorities, these “systems within us” have an

immense bearing on the "systems between us." Or as we say on many occasions, differences in our *intrapersonal* systems conspire to create problems in the *interpersonal* systems...' (Armour & Browning, 1995: 1).

From one system to the next we change the way we

- define our sense of self
- organize our lives
- group our priorities
- structure relationships
- analyze ideas
- and respond to innovation and new initiatives.

I have a summary of the systems in the *Annexure*.

### **5.2.3.5 Culture assessment and diagnosis**

The last element of the change process is as the others a continuous intervention to follow the principle of feedback right through the organisation. An assessment of the culture of the organisation, as it evolves, is necessary in the feedback cycle through which all members can better align themselves with the heart and mind of the organisation. The structure for these assessments will be based on Schein's (1985: 9) work who sees corporate culture as a 'pattern of basic assumptions that has developed over time as a result of coping with external and internal problems in the environment.'

The following is Schein's (1985: 66) framework on external and internal issues:

#### **External issues**

- Consensus on core mission, primary task, manifest and latent functions
  - Ultimate survival problem or most basic sense or 'reason to be'
  - What is our function in the larger scheme of things?



- Who are we ... our strenghts and weaknesses
- Consensus on operational goals derived from mission ...working repeatedly
- Consensus on means
  - Design of tasks; division of labour; structure; reward and incentive systems; control systems, information systems; skills
- Consensus on criteria for measuring results
  - Debt/equity ratios; return on sales; return on investment; stock price?
- Consensus on remedial and repair strategies
  - In what 'style' do they respond to success or problems/crisis

### **Internal integration issues**

- Developing a common language and conceptual categories
- Group boundaries and criteria for inclusion/exclusion
- Power and status
  - How one gets, maintains and loses power; consensus help people manage their feelings of aggression
  - Formal (rank, seniority)/informal(personal characteristics and track record)
- Intimacy, friendship and love
- Rewards and punishments
  - Short-run/long run?
  - What is regarded heroic and what 'sinful'
- Ideology and 'religion'
  - Stories and myths about how they dealt with competitors in the past; how it survived a downturn; how it developed a new product; how it dealt with a valued employee ...
  - How do we respond to unexplainable and inexplicable events? How do we give meaning?

### 5.3 The business case

After everything has been said, the CEO probably still wants to know how does a change process of this kind improve his/her business. The motivation behind and assumptions about improvement needs to be discussed openly. As Scott and Harker (1998: 82) argues: 'A business that is not profitable, can not long survive. But is that the highest measure of success? Profit can sometimes be extracted from a-business at the expense of the well-being of the employees. Surely that can't be success? Businesses can be profitable whilst the employees detest the work they have to endure. Would that be counted as success?... In the final analysis, success comes to those who do not seek it for its own sake. The highest level of managerial success that can be lived with can never be directly pursued as an end in itself. It is the unintentional by-product of not caring for it for oneself, but extending it as a daily opportunity to all those people one is asked to 'manage' in the workplace.'

Peck (1993: 353) believes that the economic impact of building community in the workplace is cost-effectiveness. 'Business will adopt community as a standard mode of operation for the sole reason that community is cost-effective.' Tichy (as cited by Dehler and Welsh, 1994: 23) motivates spirituality and attending to emotions in the workplace saying 'the most effective competitors in the twenty-first century will be the organizations that learn how to use shared values to harness the emotional energy of employees. As speed, quality, and productivity become ever more important, corporations need people who can instinctively act the right way, without instructions, and who feel inspired to share their best ideas with their employers.'

In spite of all these moral or 'soft' arguments, research in many areas is under way to proof the point. Goleman (2002) particularly has done extensive research that helps making the investment in people and particularly the value of Emotional Intelligence visible in financial or business terms. 'I have indicated how EI can affect an individual's success in an organization. But how does it affect organizational success overall? The evidence suggests that emotionally intelligent leadership is key to creating a working climate that nurtures employees and encourages them to give their best. That enthusiasm, in turn, pays off in improved business performance. This trickle-down effect emerged, for example, in a study of CEOs in U.S. insurance companies. Given comparable size, companies whose CEOs exhibited more EI competencies showed better financial results as measured by both profit and growth...' Proving the importance of climate, as determined by people who are either

feeling good in their workplaces or bad, Goleman (2002: 16) also states: ‘Quantifying the "Feel" of a Company Common wisdom, of course, holds that employees who feel upbeat will likely go the extra mile to please customers and therefore improve the bottom line. But there's actually a logarithm that predicts that relationship: For every 1 percent improvement in the service climate, there's a 2 percent increase in revenue... our analyses suggest that, overall, the climate—how people feel about working at a company—can account for 20 to 30 percent of business performance.’

Lastly I quote Youngblood (1997: 88): ‘Consider this statement from Merck's Declaration of Strategic Intent: We are in the business of preserving and improving human life. All of our actions must be measured by our success in achieving this goal. Now compare it to the first sentence in Southland's Corporate mission statement: The Southland Corporation exists to maximize the long-term value of shareholder equity. Which of these two statements do you suppose would be more inspiring to the average employee?’

## 6 SUMMARY

The journey of the study was one that started with change as a reality of life. As we are experiencing the acceleration of change at all levels of life in this world, we are beginning to understand the importance of the ability to work with change and to be constructive in our responses to change. One area where we feel the need to respond effectively to change is our organisational life. We suffer from fragmentedness. We want to feel more whole in our being part of the world as well as in our being mind, body and soul. Much of our life is spent in the organisations where we work. The culture of an organisation is crucial to how we feel about our work but also how we feel about our lives. It either inspires us or helps us in feeling whole, or it demotivates us and let us feels like robots. The interest of the study was in organisational culture and the need for change.

The Newtonian worldview influenced our thinking of organisation in a profound way. We recognise that influence in the management theories of the modernist era. Our journey took us to the beginnings of the changes in worldview and the light that systems and complexity theories shed on organisations and their dynamics. In reviewing literature about man, work and the need for community, as well as leadership principles, themes emerged that run through all the different perspectives on leadership and organisational challenges today. The practical research component of the study followed some of the principles to determine what people in big corporations have to say about leadership and culture.

The suspicion that inspired the study was confirmed and immensely enriched by the research. There is a need for change from a management to a leadership culture in many organisations. The process for such a change should build on the fundamental themes in the study: holism, process, relationships, leadership development and culture. I proposed such a process for change to a leadership culture.

Maxwell (1998) makes a strong statement when he says that everything rises and falls on leadership. For some, it is too strong a statement about leadership. Consider however the South



African story of transformation in the 1980's to 1990's. Where was this wonderful country heading and what was the kind of future that we would have had for our children if nothing changed from the political dispensation of apartheid? Today, South African's of all races are thankful for the leadership of men like FW de Klerk and Nelson Mandela. In Mandela the country has the most respected leader the world knows. He serves as an inspiration to every person not because of his credentials as the President, but because of the kind of man he is.

Is it not the personification of the kind of cultures we would like to have in our organisations? One of servanthood *and* strong on principles and values. One that inspires with vision. One that is humble and embodies stewardship. One that knows the power of love and care. This is what he has to say in his biography:

*I never lost hope that this great transformation would occur. Not only because of the great heroes I have already cited, but because of the courage of the ordinary men and women of my country. I always knew that deep down in every human heart, there was mercy and generosity. No one is born hating another person because of the colour of his skin, or his background, or his religion. People must learn to hate, and if they can learn to hate, they can be taught to love, for love comes more naturally to the human heart than its opposite. Even in the grimmest times in prison, when my comrades and I were pushed to our limits, I would see a glimmer of humanity in one of the guards, perhaps just for a second, but it was enough to reassure me and keep me going. Man's goodness is a flame that can be hidden but never extinguished.*

His message to the people of South Africa about the road ahead can inspire every leader in our society to lead and grow other leaders to the benefit of society and the world:

*When I walked out of prison that was my mission, to liberate the oppressed and the oppressor both. Some say that has now been achieved. But I know that that is not the case. The truth is that we are not yet free; we have merely achieved the freedom to be free, the right not to be oppressed. We have not taken the final step of our journey, but the first step on a longer and even more difficult road. For to be free is not merely to cast off one's chains, but to live in a way that respects and enhances the freedom of others. The true test of our devotion to freedom is just beginning.*

*I have walked that long road to freedom. I have tried not to falter; I have made missteps along the way. But I have discovered the secret that after climbing a great hill, one only finds that there are many more hills to climb. I have taken a moment here to rest, to steal a view of the glorious vista that surrounds me, to look back on the distance I have come. But I can rest only for a moment, for with freedom come responsibilities, and I dare not linger, for my long walk is not yet ended.*

## REFERENCE LIST

- Ackoff, R.L. 1999. On passing through 80. *Systemic Practice and Action Research*, 12(4): 425-430.
- Armour, M. and Browning, D. 1995. *Systems sensitive leadership*. Missouri: College Press Publishing Company.
- Arthur, W.B. 1996. Increasing Returns and the New World of Business. *Harvard Business Review*, July – August 1996.
- Balle, M. and Hill, M. 1994. *Managing with Systems Thinking*. England: Prentice-Hall
- Bless, C & Higson-Smith, C. 1995. *Fundamentals of Social Research Methods*. Lusaka: Juta & Co.
- Bohm, D. 1983. *Wholeness and the Implicate Order*. London: Routledge Publications.
- Brint, K. 1997. *Fuzzy Management: Contemporary ideas and practices at work*. London: Oxford University Press.
- Briskin, A. 1996. *The Stirring of the Soul in the Workplace*. San Francisco: Jossey-Bass.
- Burning, C. 1991. Turning experience into learning: The strategic challenge for individuals and organizations. *Training and Development in Australia*. Vol 18 No 4 December.
- Burrell, G. and Morgan, G. 1979. *Sociological Paradigms and Organizational Analysis*. London: Heinemann Educational Books.
- Bush, H.K. Poststructuralism as Theory and Practice in the English Classroom. Retrieved November 7, 2003 from the World Wide Web: <http://www.indiana.edu/ericrec/ieo/digests/d104.html>.
- Capra, F. 1996. *The Web of Life*. New York : Anchor Books.

Capra, F. 2002. *The Hidden Connections*. London: HarperCollinsPublishers.

Castells, M. 2001. *The Internet Galaxy: Reflections on the Internet, Business, and Society*. New York: Oxford University Press.

Cohen, L. and Manion, L. 1980. *Research Methods in Education*. London: Routledge.

Creswell, J.W. 1994. *Research Design: Qualitative & Quantitative Approaches*. California: Sage Publications.

Daft, R.L. 1999. *Leadership Theory and Practice*. Fort Worth: Dryden Press.

Dehler, G.E. and Welsh, M.A.. 1994. Spirituality and organizational transformation. *Journal Of Psychology*. Vol 9 nr 6.

Dimitrov, V & Dimitrov, J.B. Fuzzy Logic: A Key to Shared Wisdom. Retrieved June 2, 2003 from the World Wide Web: <http://www.zulenet.com>.

Dimitrov, V. [1] Introduction to Social Fuzziology. Retrieved June 2, 2003 from the World Wide Web: <http://www.zulenet.com>.

Dimitrov, V. [2] Fuzzy Logic in service to a better world. Retrieved June 2, 2003 from the World Wide Web: <http://www.zulenet.com>.

Fairholm, G.W. 1998. *Perspectives on Leadership*. Westport: Praeger Publishers.

Felkins, P.K. & Chakiris, B.J.& Chakiris, K. N. 1993. *Change Management Model for Organizational Performance*. New York: Quality Resources.

Flood, R. L. 1999. *Rethinking The Fifth Discipline: Learning with the Unknowable*. London: Routledge.



Fox, M. 1994. *The Reinvention of Work: A New Vision of Livelihood for Our Time*. San Francisco: Harper.

Goleman, D. 1995. *Emotional Intelligence*. New York: Bantam Books.

Goleman, D. 1998. *The Emotionally Intelligent Workplace*. New York: Bantam Books.

Goleman, D. 2002. *Primal Leadership*. New York: Harvard Business School Press.

Goodwin, B. & Reason, P. 1999. *Toward a science of qualities in organizations: lessons from complexity theory and postmodern biology*. Paper to be published in *Concepts and Transformation*.

Greenleaf, R.K. 2002. Essentials of Servant-Leadership. In L.C. Spears & M. Lawrence (Eds), *Focus on Leadership: Servant-Leadership for the Twenty-First Century* (pp. 19-27). New York: John Wiley & Sons, Inc.

Handy, C. 1989. *Age of Unreason*. Business Books.

Hock, D.W. The chaordic organization: Out of control and into order. 21<sup>st</sup> Century Learning Initiative. Retrieved March 3, 2003 from the World Wide Web: <http://.newhorizons.org>.

Hopkins, D. and Putman, R. 1993. *Personal growth through adventure*. London: David Fulton Publishers.

Horwitz, F.M. 1996. Executive development: facing the new realities in *Journal of European Industrial Training*, April 1996 v20 n4 pi 1(6).

Jaworski, J. 1996. *Synchronicity*. San Francisco: Berrett-Koehler Publishers.

Johnson, L. 1997. From mechanistic to Social Systemic Thinking. *Innovations in Management Series*. Cambridge: Pegasus Communications.

- Kilmann, R.W. 2000. *Quantum Organizations*. California: Davies-Black Publishing.
- Klages, M. Structuralism/Poststructuralism. Retrieved November 7, 2003 from the World Wide Web: <http://www.colorado.edu/English/ENGL2012Klages/1derrida.html>.
- Knell, J. 2000. *Most wanted, the quiet birth of the free worker*. London: The Industrial Society.
- Konz, N.P. & Ryan, F.X. Maintaining an organizational spirituality: no easy task in *Journal of Organizational Change Management*, Vol. 12 No. 3, 1999, pp. 200-210.
- Kosko, B. 1993. *Fuzzy Thinking*. New York: Hyperion.
- Kotter, J.P., *A Force for Change: How Leadership Differs from Management*. New York: Free Press.
- Martiny, S. 2003. Transparency used in module. Pretoria. June 8, 2003.
- Maxwell, J. C. 1998. *The 21 Irrefutable laws of Leadership*. Nashville: Thomas Nelson Publishers.
- Montuori, A & Purser, R.E. Ecological Futures: Systems theory, Postmodernism, and Participative Learning in an Age of Uncertainty. Study Material University of Natal.
- Morrisett, L.N. 1996. Habits of mind and a new technology freedom. *First Monday*, pp. 1, 8. Retrieved January 18, 2002 from the World Wide Web <http://firstmonday.org/issues/issue3/morrisett/>.
- Mouton, J. 1996. *Understanding Social Research*. Pretoria: J.L. van Schaik.
- Ortegon-Monroy, M.C. 1999. Chaos & Complexity Theory: A review of its status, perspectives and implications fro management. *Faculty of Business & Management*, 36 (Oct): 1-24.

- Palmer, P.J. 1990. *Leading from within: Reflections on Spirituality and Leadership*. Washington: The Servant Leadership School.
- Pantjadarma, D. 2001. *Tools for managing Partnership in development*. Indonesia: PT Grafika Multi Warna.
- Perlas, N. 2000. *Shaping Globalization*. Quezson City, Philippines: CADI, Globenet and The Novalis Press.
- Peters, J, & Smith, A.C. 1998. Action learning and the leadership development challenge in *Journal of Workplace Learning, Vol 10 Issue 6/7 Date 1998*.
- Phillips, E.M. and Pugh, D.S. 1994. *How to get a Ph.D.: A Handbook for Students and their Supervisors*. Buckingham: Open University Press.
- Ray, M.L. 1992. The Emerging New Paradigm in Business. *New traditions in Business*. San Francisco: Berret-Koehler Publisher.
- Renesch, J. and DeFoore, B. 1996. *The New Bottom Line: Bringing Heart and Soul to Business*. San Francisco: New Leaders Press.
- Robbins, S.P. 2001. *Organizational Behavior*. San Diego State University.
- Schein, E.H. 1985. *Organizational Culture and Leadership*. San Francisco: Jossey-Bass.
- Scott, T. & Harker, P. 1998. *Humanity at Work*. Queensland: Phil Harker & Ass. Pty Ltd.
- Senge, P. M. 1990. *The Fifth Discipline: the art and practice of the learning organization*. New York: Currency Doubleday.
- Simon, S. 2001. Environment and Sustainability. *T 205 Webzone Open University*.

Spear, R. 2002. Globalization and Information. *T 205 Webzone Open University*.

Stacey, R.D. 1993. *Strategic Management and Organisational Dynamics (4<sup>th</sup> ed)*. Harlow: Pearson Education Ltd.

Steinke, P.L. 1993. *How your Church Family works*. Illinois: The Alban Institute.

Steinke, P.L. 1999. *Healthy congregations*. Illinois: The Alban Institute.

Tennyson, R. & Wilde, L. 2000. *The guiding hand: Brokering partnerships for sustainable development*. USA: United Nations Staff College and The Prince of Wales Business Leaders Forum.

Wheatley, M. 1992. *Leadership and the New Science: Learning about Organizations from an Orderly Universe*. San Francisco: Berrett-Koehler.

Youngblood, M.D. 1997. *Life at the Edge of Chaos*. Dallas: Perceval Publishing.

Zacharias, R. 1994. *Can Man live without God*. Dallas: Word Incorporated.

Zohar, D. 1990. *The Quantum Self: Human Mature and Consciousness defined by the New Physics*. New York: Quill/William Morrow.



## **Annexure**

### **Systems sensitive leadership**

#### **System 1**

##### **The quest for safety**

Physical survival is almost its exclusive concern. Values prioritise around physiological needs: nourishment, elimination, warmth, physical comfort, etc. Life is a stream of short-term reactions.

#### **System 2**

##### **The quest for safety**

System 2 looks for an alliance with forces who keep evil people and evil things at bay. Repetitive rituals and building of tribes is typical. Personal identity is largely inseparable from "tribal" identity. I become "one" with those who are fellow-members of my tribe.

#### **System 3**

##### **The Quest for Power**

Lives by the rule of might. In the ethics of System 3 the strong survive and the weak perish. Winners make the rules, not by virtue of moral or intellectual superiority, but simply because they have prevailed in the struggle. Might makes right. More than anything else, System 3 wants to be respected. Powerful, but insecure. In summary, System 3 is absolutely essential to personal and cultural achievement. At the same time, it is potentially more dangerous than any other system.

#### **System 4**

##### **The Quest for Truth**

System 4 infuses a high moral sense into human affairs – it gives us our sense of absolutes, the commitments we make are nonnegotiable. It thus provides an ethical framework to counter System 3's impulsiveness. System 4 works tirelessly to define principles and rate on their implications. Both of these skills require degrees of abstract thought. System 4 promotes harmony on the basis of shared beliefs. In place of System 3's passion for power, System 4 substitutes a hunger for truth. It seeks out ideas which are so compelling that everyone can unite behind them. System 4 therefore pursues knowledge with ardor. It builds great educational systems. In System 4 every individual is

important, a creature of worth and dignity. Because of this towering regard for the value of the person, System 4 engenders selfless and wholesale humanitarianism. Beyond the worth of an individual life, System 4 longs to know the meaning of life itself. In System 4's mind there must be a "why" for our presence on this planet. Yet, this stance has cosmic ramifications. It implies that there is some meaning, some purpose behind nature. System 4 not only acknowledges that conviction, it builds an entire moral code around it. Our duty, according to System 4, is to grasp the purpose beneath existence, then devote ourselves to its advancement. System 4 ushers in a new outlook on time. System 4 commonly posits an invisible hand behind events, guiding them in a predetermined direction.

Institutional loyalty, a commonplace throughout System 4, is especially pronounced in religion. In none of the previous systems did people build their personal identity around a particular form of religious expression. System 4 is highly susceptible to fear. It equates well-being with social stability and is afraid of anything that might upset that balance. To be certain that nothing gets out of hand, System 4 likes lots of checks and balances. It wants everything organized, under control. To that end System 4 is an avid builder of organizations and institutions. It then entrusts authority to those with managerial prowess. System 4 tries to win by out-organizing the competition, not out-muscling it. In politics, System 4 replaces warrior-kings with presidents, prime ministers, and chancellors. In commerce, System 4 brings in the age of the business owner who holds all the reigns of power. Even though System 4 promotes the worth of the individual it is by no means fully egalitarian. It is very class-conscious.

## **System 5**

### **The Quest for Achievement**

As a reaction to System 4's caution, System 5 promotes the drive to achieve, to get things moving. It has little patience with policies and structures that hamper what it perceives as needed change. It looks for elbow room, a place to try its wings. It equates security with personal effectiveness. We are deeply indebted to System 5 for the high standard of living in America. It is a tremendously energetic system and extremely inventive. It innovates tirelessly and delights in experimentation. Whatever its investment - whether in time, energy, or money - it wants decisive bottom line results. It therefore puts a premium on freedom, creativity, and efficiency. System 5 believes that anything worth doing should be done with excellence and professionalism. It therefore endlessly seeks ways to simplify processes, streamline operations, and maximize returns.

Once System 5 took over the university, it spawned a degree offerings. System 5 threw open the door of learning by setting aside the authoritarianism of the pusher in what we today call the scientific method. It is exploring truth by comparing the opinions of great authorities. System 5 goes at the task of truth by examining the results of fully executed experiments. Anything open to experiment is therefore open to study. All truth, no matter how long revered, is subject to re-examination and verification. So do specialists in every field. By promoting specialization, System 5 assures itself that it is constantly and immediately accessible. System 5 is likewise the realm of entrepreneurs who re-engineer entire businesses or industries. System 5 continually asks, "Is there a way this could work better?" It is inquisitive, eager to explore new approaches. That is why it excels at inventiveness. It is fascinated by technology and loves to surround itself with the latest gadgets. It thrives on the cutting edge, at the point where technologies converge in unprecedented ways. Its technical prowess allows it to harness previously untapped sources of natural power, probe mineral deposits deep within the earth's crust, and pull vast harvests from the sea. Thus, the exploitation of nature, which we first saw in System 3, goes forward apace in System 5.

System 5 creates its own brand of heroes. Heroic figures in System 3 perform feats of strength. In System 4 the hero is a giant of intellect, self-discipline, and duty. System 5 draws its heroes from men and women who succeed through shrewd innovation or by "beating the system at its own game." System 5 loves the story of high school dropouts (a symbol of being a misfit in System 4 structures) who go on to build vast commercial empires. For System 4 the path from rags to riches is self-discipline and hard work. System 5 opts for a different path. When it sets its eyes on wealth, it learns how to market itself and leverage its strength. Because it prizes innovation so highly, System 5 creates many a technology that induces social and economic revolution. Yuppies have a quintessential System 5 outlook, as do most suburban neighborhoods. The marketing industry is a master at targeting System 5. Advertising plays the recurrent theme, "You deserve it. Do yourself." Thumbing its nose at homogeneity (a cornerstone of System 4 values), System 5 wants to stand out from the crowd, to separate itself from the herd. The surest way to throw its distance from the pack, it believes, is to surround itself with tokens of success. System 5 can therefore spawn crass materialism. In its rawest form System 5 relishes big houses, Rolex watches, and BMWs in the driveway. It pushes its children away from the liberal arts toward professional and business degrees that promise status and financial reward. System 5 is an avid resume builder, for it derives its sense of self-worth from its pattern of achievement. Its instincts tell it that "bigger is better," whether in



businesses, churches, or bank accounts. One reason it tries to quantify everything is to determine who is on top. "The one who dies with the most toys wins."

Second only to effectiveness, System 5 worships variety. It wants countless choices on the shelf. System 5 sees options as freedom to choose, to tailor-make things to personal taste and preference. System 5 beliefs the community will be strongest when everyone in it has genuine self-fulfillment. System 5 are notorious burnout factories. Businesses driven by System 5 demand long hours and sacrificed holidays of their employees. But when these incessant demands lead to emotional or physical breakdown, the worker may be quickly abandoned. At a personal level, System 5 is often blind to damage it does to key relationships.

## **System 6**

### **The Quest for Intimacy**

System 6 sees itself as a healing presence in a deeply injured world. Its bumper stickers read, "Envision World Peace" and "Have You Hugged Your Child Today?" In contrast to System 5, which seeks self-empowerment, System 6 works to empower the entire community by undercutting the elitist remnants of previous systems. It works to replace alienation and indifference with unity and wholeness. System 6 defines well-being as a genuinely caring community where everyone bonds together in a lifestyle that is ecologically and socially sensitive. It is eager for dialogue and listens for feelings as viewpoints. Its goal is to identify sensitivities and protect from roughshod treatment. System 6 also seeks a sense of "oneness" with others.

It excels at creating activities other would describe as "touchy-feely." It promotes sensitivity training, is the frontline advocate of multiculturalism and political correctness. System 6 insists on nonjudgmental acceptance and an atmosphere of mutual encouragement. Thus, where System 5 reads self-help books, System 6 forms self-help groups. To be sure, one hazard in System 6 is vulnerability to care-giver burnout.

In the realm of religious expression, System 6 is highly experiential. Worship, it believes, should touch deep emotions and enlarge the feeling of community. System 6 warms to the spiritual impact of music and drama, but downplays preaching, especially the variety that delves into doctrinal intricacies. Because it needs a feeling of community, System 6 spirituality seeks out interpersonal settings.

In a word, System 6 is a well-meaning system. Critics of System 6 also toss other pejoratives its way, like "narrow," "rigid," and "intolerant." Blinded by its own perception, System 6 typically dismisses such charges out of hand. There is often glaring incongruity between Systems 5's



promise and its reality. Moreover, when System 6 tries to take the moral high road, critics swarm from the woodwork. On the other hand, System 6 eventually disillusion many of its own kind. Independent spirits who depart too far from the "group-think" of System 6 may find themselves on the outs with their fellow System Sixers. Others, wanting to see wholesale change, become put out with System 6 ineptness in the political arena. Then there are those with a sense of impending crises who become frustrated with System 6's slow and inefficient consensus-building.

## **Systems 7**

### **The Quest for Holistic Solutions**

Today only about one person in eight is predominantly a System 7 or System 8 thinker. A hundred years ago almost no one was. But the influence of these systems is rising rapidly. They will probably become dominant more quickly than any of their predecessors. System 7 believes they must be endlessly flexible. Otherwise change will overwhelm you. To System 7's way of thinking the key is knowing where and when to adapt. To that end System 7 continually looks for patterns that are not immediately apparent. System 7 sees a big-picture of the world. System 7 examines life through a wide-angle lens. For that reason, generalists frequently fare better than specialists. System 7 looks for connections and relationships. Because of that realization, System 7 is no longer satisfied with simple cause-and-effect explanations. Instead, it looks for multiple lines of causality. Its elaborate models are an extension of this outlook. In the same vein, System 7 also seeks multifaceted actions. System 7 is suspect of "simpler fixes". It promotes systems harmony. It is the viewpoint of all the systems so that they interact as an integrated whole. Rather than working *against* each other, which has been their historic practice, they must learn to work *with* each other. In addition, System 7 is so pragmatic that other systems (System 4 in particular) often think it unprincipled. That may or may not be the case.

## **Systems 8**

### **The Quest for Holistic Solutions**

System 8 looks at the entire planet as a living unit. Political boundaries and ethnic enclaves disappear from sight for System 8. In its eyes all humanity forms a unit, struggling with one ultimate issue, namely, finding a way by which we can all survive this planet. System 8 is merely an enlargement of System 7, which is itself deeply concerned about the threat of disaster. But there are important differences. System 7 focuses on dangers to society, its institutions, and specific ecological structures. These dangers, as System 7 sees it, are the product of polarization and narrow

perspectives within the various modalities. System 8 has a far broader concern. It sees the ecosystem itself in jeopardy, primarily because the entire human community is acting nearsightedly. System 7, especially in its earlier phases, seeks solutions primarily within traditional political and institutional structures. System 8 is convinced that we must move beyond those structures to find ultimate solutions. System 8 science operates at point where dividing lines between thought and matter become essentially indistinguishable.

Armour and Browning (1995)