

THE POSSIBILITY HORIZON

In recent years, the exponential rate of change, globalisation and market forces have put enormous pressure on organisations to re-think their structure (1980's thinking) and their processes (1990's thinking).

In the early 80's, organisational structural thinking was particularly impacted by the 7S Framework (*Waterman, Peters, Phillips - Business Horizons 1980*) and in the early 90's, business process was heavily influenced by business process re-engineering (*Hammer and Champy -Re-Engineering the Corporation*). Retrospectively, we can see how neither structural change nor process re-engineering have provided lasting success, and in many cases just the reverse. We suggest this is because these approaches regard organisations as machines, and it is this mechanistic thinking which limits their effectiveness. Organisations that are led and managed as machines, and people as simply cogs in the corporate wheel, are organisations that are heading exponentially fast towards the scrap heap.

Structural and process changes represent the very necessary tip of a profoundly important underlying iceberg. It will come as no surprise to say that this iceberg is the way people think, the way they find meaning in their work, the way they interpret the world around them, and ultimately create their sense of personal purpose. This deeper sense of who we are, our dreams and aspirations, the possibility of what we could be in service of organisation and community – this *possibility horizon* – is now at long last emerging as the thinking of the 21st century.

'When you are inspired by some great purpose, some extraordinary project, all your thoughts break their bonds; your mind transcends limitations; your consciousness expands in every direction; and you find yourself in a great new and wonderful world. Dormant forces, faculties and talents become alive and you discover yourself to be a greater person than you ever dreamed yourself to be.'

Patanjali

It is the possibility horizon that provides corporate glue to hold the organisation together during structural or process change. It is the fundamental basis of organisational leadership, team working, and personal achievement. It is not measurable in isolation, but its absence and the adverse effects of this on performance, certainly are. It has no

location except in the hearts and minds of those who see it in their mind's eye. It is the stuff of dreams, yet powerful enough to quadruple turnover in one year, reduce absenteeism to zero, elevate customer satisfaction to customer delight, and provide purpose and meaning, even joy, to the working day. Joy is not a word easily associated with work. It certainly was not on the structural agenda of the 80's or the re-engineering agenda of the 90's.

But we live in a new world, worker expectations are high, and the organisational competitive edge lies in the commitment and ingenuity of our people, who increasingly ask deeper questions about the meaning of their work and their lives. The tragedy of September 11, 2001 in New York has highlighted to millions of workers in the world the fragility of the threads that hold us together, and the interconnectedness of our lives across cultures and business. It also demonstrates the extraordinary power of common purpose.

Underlying all this are conversations between people – and it is the deeper mutual understanding that these conversations bring that allow for new possibilities and previously unimagined emergent horizons.

ORGANISATIONAL STORIES

The creation of new possibility horizons requires conversation. We suggest that it is the role of every leader, manager and coach (and often we are all three rolled into one) to generate these conversations for their people and for themselves. It is only through conversations about possibilities, learning and action that transformation can be sustained. Stop the conversations and you stop the process.

At their most superficial, organisational conversations are constituted of *white noise* – grapevine, moans, gossip, whinging and all the froth and drizzle of daily working life. Beneath that is the hard crust of *old stories* that need to be re-written and re-told to create *new stories*:

Old organisational stories tend to

- Focus on past history
- Maintain, and be limited by, by the status quo
- Make assumptions based on past experience (narrow angle lens)
- Get told by those with more power and knowledge to those with less (the expert telling others how it is or should be)

New organisational stories tend to

- Focus on the future
- Encourage risk-taking
- Be open to possibilities and new ideas (wide angle lens)
- Get told by those with more vision and interest in learning (the leader enrolling others in how it could be)

New organisational stories are not idle chats. They are focused, attentive, purposeful and always action-oriented. As a leader, we share our vision of what could be and speak a new organisational future into existence. As a manager, we might be discussing objectives and ensuring the team has the support necessary to achieve them. As a coach, we create thinking space for our people to re-invent the way they work to re-discover the joy of learning and achieve outstanding results.

Whether leader, manager or coach, purposeful conversations are directed towards the three P's – **Purpose, Paradigm and Procedures**.

THE 3P APPROACH

Purpose

More than ever before, people are questioning the purpose of their lives and how they spend at least half of it – at work. It is well proven that money is only a basic incentive – what we are looking for is fulfilment, and there is a direct correlation between those who enjoy their work and the higher level of performance they produce as a result. Joy at work is not a nice-to-have but a *must-have* to improve performance and help people give of their best.

Key to this is a sense of purpose; the sense of knowing that one is contributing to a future that is bigger, bolder and brighter than exists today. Great leadership is that which enrolls others into such a possibility and galvanises action, even when the chips are down.

Underpinning organisational and individual purpose are the core values that are espoused by both. For any organisation to be successful, its values and those of employees must be aligned – not the case in many organisations. Moreover, new leadership is not only effective in delivering results but is also ethical in that it allows others to feel good about themselves, to feel valued and powerful in their own right. Great leadership raises personal and organisational self-esteem to the point where people are confident enough in themselves to question, admit mistakes, give feedback, be honest and learn from each other.

Paradigm

Paradigms are patterns or mental models we hold, both individually and organisationally, to create the context within which we understand our world.

If I were receiving a tennis serve from Pete Sampras, say, my model of the ball would not be the same as his ('tennis ball') but more like 'dangerous speeding object'. His feelings and choices about the ball (guiding his instincts about the most appropriate positioning and hitting sequence and action) would be considerably different from my own (guiding my instinctive avoidance strategy, such as ducking extremely quickly).

Our perception of the world and of people around us shapes how we interpret and then react to it. The context in which Pete Sampras sees a professionally served tennis ball is, for him, one of everyday practice. For me, it is a physically dangerous and potentially humiliating experience.

Our paradigms affect our actions at a very deep level. They both serve and limit us. They are useful for a while, but then begin to inhibit learning and growth. We have a model of '*how it is*' upon which we predict '*how it will be*'. If we get stuck in a certain way of thinking or in certain attitudes then we are restricting the choices that we see available to us, and have less room to manoeuvre. This is just as true of organisations as it is of individuals – after all, an organisation *is* the individuals that constitute it. Without people, it is just marks on a page.

It is incredibly valuable to enquire into our current thinking on both a personal and organisational level and to ask what assumptions are we making about ourselves, and the world around us. Had they done so, the traditional Swiss watch industry, decimated by competition from the Japanese, might have seen quartz coming. Or maybe IBM might have seen the writing on the wall for mainframes, or British Airways been more aware of the devastating competition of low-cost airlines, that are more agile and flexible in times of trouble.

To be successful, we must be clear about our vision or goal and how we must be different *as human beings* to achieve that end. We need to be more aware of our current thinking about where we are today and we need to ask difficult questions, challenge long-held assumptions and push at the status quo. This requires of us absolute belief in that vision and the personal courage to see it through.

Courage in this context means trusting other people and admitting that we don't have all the answers. Moreover it requires us to let go of how we personally see that vision so that others can invest in it for themselves and then return it to us in a way that has meaning for them. Doing different things, or doing things differently is not enough anymore. We need to *be* different in our interactions with other human beings.

This is a journey of learning and development that will take all our lives, so no wonder quick fix change programmes falter at the first major hurdle.

Procedures

Procedures are the way we want the organisation to go about its business, the overarching rules of behaviour. They are the links between Purpose and Paradigm. If Purpose is the reason for travelling (and includes a worthwhile destination), and paradigm is the way we choose to travel (agile, interested, inquisitive, committed) then procedures are the vehicles we choose to facilitate our journey and which we construct as we travel. The important word here is *facilitate*. If an organisation

concentrates too much on identifying and documenting all the processes that flow from procedures, it will reduce peoples' ability to be aware of the overall context of their work, and so they will be less willing and able to change. We create the classic 'Jobsworth' approach, people who stick to the letter of the process whatever the circumstances. This lack of adaptability is our inheritance from the mechanistic approach of the last century.

Many organisations seem to be defined by their processes, rather than using them as a means to an end. So they end up using totally inappropriate vehicles and fail to move forward.

Processes are vital, but in constantly changing competitive landscapes, they must be as agile and flexible as the people they serve. We can only expect our people to react flexibly if we help them understand the purpose behind what we are asking them to do. The resulting adaptability is key to customer delight because understanding releases both creativity and responsibility.

THE 3P MODEL FOR ORGANISATIONS

PURPOSE	Vision Direction Values/culture /learning
PARADIGM	Surfacing hidden organisational strategies Increasing self awareness Purposeful conversations
PROCEDURES	Feedback/Monitoring Action highways Rewarding new behaviours

Organisational Purpose

As human beings, we are unique in that we are able to consciously create a vision for our own future, and take action to bring that vision into being. We are often blocked in that endeavour by stories or paradigms from our past history (see Paradigm section), yet the fact remains that a powerful and deeply held vision of how things *will* be creates its own momentum for committed action and responsibility that generates a new reality. Organisations are living organisms (unless all the employees are brain dead, which is often the case in poorly-led organisations), and the same

applies – a powerful vision for the organisation will generate a momentum of its own.

Visions are not cerebral or logical, or measurable. They are emotive, passionate, and possibly even spiritual, in the sense of being inspirational. They do not describe action, but define a *way of being*. They call to the heart and enable individuals to write themselves into an emerging new story, one that breaks old boundaries (and old stories). More importantly, they will have a sense of authorship in this new 'story worth writing' which creates a sense of common ownership and mutual responsibility for contribution.

The role of the leader is crucial in creating and sustaining the vision. Just as a vision describes a way of being, so the leader must embody in her/his actions and behaviours the spirit of what the organisation is holding out for as its future. The leader speaks the future into existence, and then sustains it with conversations to enrol, inspire and focus. This requires something rather different from leaders than the traditional model.

TRADITIONAL LEADERSHIP

Expert / arrogant
Hard worker
Knows the business
Keeps a firm grip
Controls
Does a lot
Focus: maximise stakeholder value

NEW LEADERSHIP

Learner/ humility
Great communicator
Knows the people
At ease
Comfortable with allowing
Lives the vision
Focus: maximise the new story

The new model of leadership as it emerges in the 21st century is a real challenge to traditionalists. The old paradigm of looking just right in the boardroom, having answers, being in control and demonstrating brilliance through being busy – this simply won't cut it in the next decade. What's right in the boardroom today will change tomorrow, there are no easy answers anymore, no one is really in control, and so what if you're busy – no one wants or needs busy leaders.

What we all want and need is *authentic* leaders. Those who are prepared to give up the certainty of today for the possibility of tomorrow. This requires courage, openness, transparency and humility. It requires the ability to forgive as well as have a tough streak. It requires leaders to have the emotion and sensitivity to convey what is in their own heart to others, and to listen to others from the heart. Above all, it requires the leader to understand how they see and think about the world, as this shapes their every conscious choice and action.

No wonder there is a leadership crisis in this country. Yet everyone has it in them to be this kind of leader. What it requires first and foremost is a

game worth playing – a vision so compelling that the shift from traditional to new leadership is so necessary, so unequivocal, that it becomes easy.

Having established a clear vision, the leadership team must create direction. One could say that this is the mission, specific and measurable intended outcomes over a set period of time, and success in which would indicate alignment to the vision. Often the two get confused at this point, and if there's a problem, measurable outcomes take over as the important issue and the vision loses its prime place. This is because it is easier to say to ourselves '*what is it we're not doing*' rather than to confront the primary issue, which is '*what is it we are committed to be*'.

This is when the organisation's values and supporting culture can re-energise the vision. A culture that allows for exploration, safe appropriate disclosure of feelings and 'no blame' will encourage conversation and sharing. It is only authentic dialogue that will shift organisational 'stuckness' – and again it is the role of the leader to model such dialogue, in service of the possibility of what the organisation could become.

Organisational Paradigm

We all move in a hidden, personal landscape shaped by our own thinking and interpretations of the world around us. Organisations are no different, and they develop their own peculiar (often, very peculiar) interpretation of what is happening 'out there', and how they might react to that. Whether it is a manufacturing company, a pharmaceutical giant, an IT provider, a service company, central or local government, we are all the same in this regard. These set ways of thinking about the world – paradigms – are useful as far as they go, but in an exponentially changing world, they have an increasingly short shelf life.

The irony is that many organisations become 'victims' in their own landscape, even though they themselves generated the landscape in the first place. The key is awareness – being constantly aware of the models and assumptions one holds as true gives us greater choice. This in turn allows us to generate other, more powerful assumptions to operate from in service of our vision.

Re-inventing organisational context is the role of the leadership team. Maybe it is *the* job. Any vision is a dream, but it will remain an impossible one without re-inventing the context from which action takes place to fulfil it. It is the breaking of old habits, questioning previous assumptions, challenging the status quo, asking 'what if...?' questions, and engaging in open dialogue that allows for discovery and new meaning at work.

In the process, leaders will come up against hidden organisational strategies, or what Peter Scott-Morgan calls the *unwritten rules of the game*. Problems occur when, in order to achieve goals, new behaviours are needed, which are not overtly rewarded, or are a break with previous tradition. For instance, many organisations talk up team-working, and encourage their staff to enthusiastically adopt this style, yet the appraisal

system may still reward individual effort, with the result that team-working initiatives stall. Or the CEO may publicly ask for feedback on her/his leadership style, whilst being positively grumpy when receiving it from a subordinate. The unwritten rule is to tell the boss what they want to hear about their style, so as to look good and cultivate favour, rather than tell the truth. This is in direct contradiction to the cultivation of behaviours that encourage exploration and learning.

Surfacing these hidden strategies is fairly simple but not easy. Many of the rules are deeply ingrained, so much so that people *think* they are doing what they say, yet unconsciously they are behaving contrary-wise. This is one of many occasions when a performance coach can highlight and raise awareness around these issues both for individuals and for teams. It is not a question of an external person imparting expert advice or guidance. It is an impartial, acute observer giving feedback about what is actually happening, so as to raise individual and group awareness. This then allows choice about how to minimise the impact of hidden strategies once they are revealed.

Purposeful Conversations

In organisations, purposeful conversations are those that are genuinely in service of the vision, and of all actions that emerge from it. Purposeful organisational conversations:

- Allow the sharing of meaning and ideas
- Are driven by the vision
- Deepen mutual understanding
- Create purposeful action

Such conversations leave little room for ambiguity or misunderstanding, and at the same time create real thinking space for individuals and teams. They create new opportunities and generate action, leading to a quickening of the corporate 'pulse' – information flow increases, individuals become more intelligent and more able and willing to share that intelligence with colleagues. As a result, the organisation learns.

To us, that is indicative of a true learning organisation – one composed of intelligent beings who, by understanding the context of their work, adapt quickly, flexibly and accurately to change.

Organisational Procedures

It is important not to throw the baby out with the bath water. All organisations need procedures to structure the organisation and to monitor progress. Many organisations mistake process for procedure, and suffocate beneath a mountain of red tape and bureaucracy. Procedures describe what needs to be achieved, and imply the purpose of the activity, while process describes the activity itself. Many traditional organisations have documented their processes in great detail, and as a result have

limited individual freedom of action and flexibility. Over-emphasis on process has diminished the scope for individuals to be responsible, free-thinking adults.

We believe that there are three key areas for organisational procedure that lead to organisational success. These are:

Feedback and Monitoring

The human being is a living system, and all living systems need feedback from their environment to survive, let alone flourish. An organisation likewise needs feedback from its environment.

There are numerous models – for example, the Balanced Score Card and competitive benchmarking - which offer some insight into organisational progress, and other purely empirical measures such as share value or financial projections which measure success in bottom line terms. These give an indirect sense of how the organisation is doing vis a vis its vision, but direct feedback is often harder to come by. After all, how do you measure progress towards a dream, except through indirect methods? In this situation, an organisation can benchmark itself against itself, using its own invented criteria and with the full involvement of all staff as well as other key stakeholders. Asking – and listening – to customers should be part of a constant organisational 360 degree procedure to get feedback, learn and take action.

The important issue here is not to get bogged down with the process itself – this is typically what happened with TQM (Total Quality Management), where the process became all-important, and the purpose of the activity often went out of focus.

Action Highways

Only action makes things happen. Taking action, learning from the feedback, then correcting and taking more action, is what turns dreams into reality and keeps them there. By far the most important procedures are those geared to facilitating learning and action in organisations. A procedure that facilitates rapid sharing of information, rapid autonomous action and rapid feedback, we call an *action highway*. There may be certain speed limits in places, some people may be accountable for larger loads or faster deliveries, but all employees are responsible for driving with due care and attention.

Structure, culture and procedures often prevent appropriate and effective action in organisations. Communication lacks rigour, urgency becomes diluted down the line, feedback loops are not in place (and when they are, they are usually 'contaminated' by blame and putting down), success is not systematically celebrated; tasks overshadow purpose and blot out the very reason for the endeavour in the first place.

The introduction of cross-functional teams, hot-groups and project working goes some way to support the ideal of an organisational action highways, yet such activity is often also associated with burn-out, high levels of stress, and the emergence of a few individuals as 'heroes'. For these kinds of activities to maintain their success and effectiveness, a high degree of support through coaching is necessary as they work through team and personal issues associated with their ability to perform at peak level.

Rewarding new behaviours

This is often the point at which the organisation loses its nerve and the pressure point that often causes change to fail.

People in general find that it is easier to stick with the current set of process based targets than to take the risk of throwing them out in favour of new, harder to measure objectives. Each initiative brings a clutch of new targets which are added to the existing list so that it is not unusual to find dozens, even hundreds of targets, indicators and goals all competing for attention. As a result there is no focus, the energy of the organisation is dissipated and performance, as well as morale, decreases.

Put simply, for change to be sustainable it must result in changed behaviours, so behaviours that move the organisation towards its vision must be rewarded and the rest discouraged. Leaders have to invest the time to think through what the new vision means for the way people need to behave in all parts of the organisation. As we have explained earlier, sharing knowledge and learning is vital but hoarding information, in the mistaken belief that doing so creates powerful individuals, is seriously detrimental. This means that, for instance, information sharing, contribution to teamwork and problem solving should be rewarded.

Rewards can be many and varied, from team bonus and innovation schemes to simply being noticed by the CEO. However, unless the leaders model the new behaviours all the time, change will not happen. So, even if there is a bonus scheme that rewards success by reference to completing work within a 9 to 5 day, if the CEO always works late, ambitious individuals will follow suit. The measure must apply to everyone and everyone must be seen to be working towards it. If the team knows that the leader is measured by their success and so on, up the organisation, they will know that their contribution is real and valued – they have a clear line of sight to the vision.

Summary

We have attempted in this article to outline a model for organisation transformation that can be practically applied. It relies on leaders creating a vision of what could be and having the courage and tenacity to take their people with them. We have focused on organisational issues as these tend to be generic across sectors, and where leadership issues in particular are common. The 3Ps for Teams and Individuals will form part of a further article.