

Leading Transformation: from Visionary leadership to a leadership of Co-Creation by Matthieu Daum

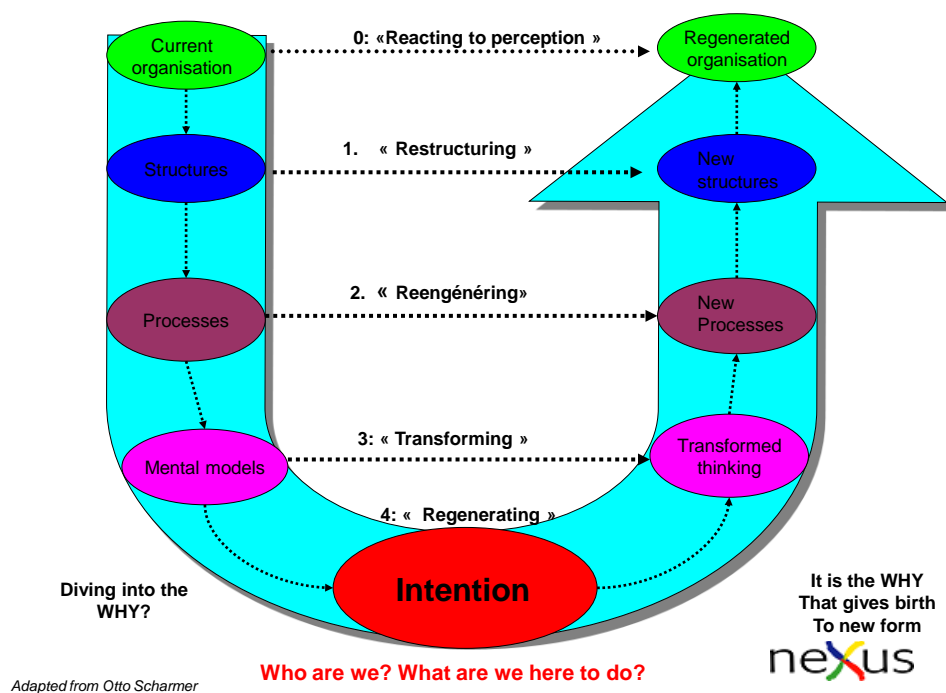
I was in Rome the other day to facilitate a Leadership Training for the General Government of a religious congregation – the equivalent, in the religious world, of a CEO and his executive team.

Their request sat within a broader intention: to lead the transformation of their organisation, made up of some 6000 priests missioned over 5 continents, living in several hundred communities (the basic organisational unit) spread over some 70 countries.

Two key questions structured their intention:

1. How can we engage the whole organisation in this transformation?
2. How can this transformation be more than a restructuring, i.e. more than just closing down some existing realities, merging Provinces (the equivalent to geographical managerial units), or “simply” reallocating human and financial resources ?

In order to help them, I initially introduced them briefly to Otto Scharmer’s Theory U, and in particular the lesser known use of the U figure, the one suggesting that in order to go beyond restructuring and a reengineering of processes, one has to engage in the transformation of mental models, i.e. the way in which, consciously but more often unconsciously, we construct in our mind our organisational reality: the purpose of the organisation, the various roles, and the key relationships and processes that enable the organisation to function.



As the figure shows, it is only when we have made explicit our current mental models, and connected to our own Intention (what is the new that we want to generate?) that we can develop new mental models, which will lead to new processes and structures for the organisation.

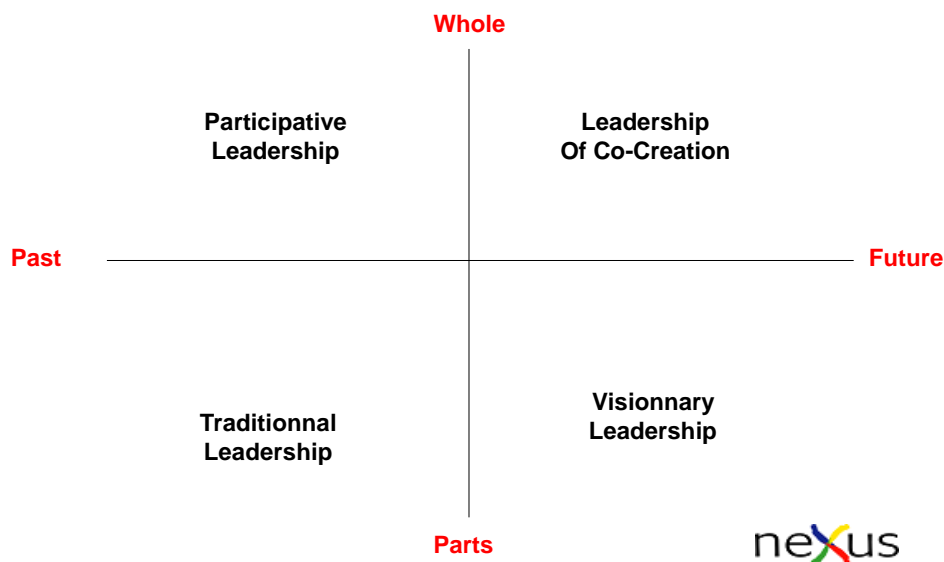
The 3 phases of the other, better known use of the U model would still apply: in order to engage in transformation, the organisation will need to *Sense* the emerging reality (both internal and external), imagine a new way of engaging with it (*Presencing*), and then engage in *Realising* it.

Whilst these two U frames were helpful to situate at what level the transformation should happen, and the key phases of the process likely to generate it, a core question remained: what kind of leadership was requested of them to fulfil their Intention?

To answer that question, I presented to them the Leadership matrix that I have developed through engaging with many organisations in consulting to their organisational transformations. This matrix is structured by 2 axis:

- The horizontal axis is linked to time, and defines whether the leadership is primarily turned towards the past, or the future
- The vertical axis is linked to the level of engagement of the organisation, i.e. whether the process intends to engage parts of the organisation, or the whole organisation

4 Approaches to Leadership



In my experience, most organisations still engage with change through *Traditional Leadership*. They entrust a small part of the organisation (the CEO, an executive team, or special project team) to think about what doesn't work in the current way of functioning, and then to come up with solutions. The assumption here is that a small group of smart people who takes the time to really look into it will understand what is not working, and know how to fix it.

Unfortunately, Traditional Leadership has shown time and again that it doesn't work! Here are a few reasons why:

- *It remains focussed on the past.* Traditional Leadership doesn't question the model itself (key structures/processes/roles, products, markets, image, business model, etc.), and whether it is still fit for purpose, but rather tries to fix and repair the recurrent dysfunctions, seeing them as unavoidable rather than symptoms. It does not, therefore, check whether the current way of functioning is adapted to what the future is likely to

become (given internal and external trends), and whether it might actually be the very model that needs to evolve.

- ***It does not access collective intelligence.*** Assuming that a small group of smart people knows best is not only erroneous, it is risky! The broader you can extend your net to capture what is really going on in the business, the more chance you have to understand and therefore react appropriately. Limiting your access to real data to a small group increases the risk of missing out key information
- ***It does not access your biggest resource: the collective will.*** How many more “change management programmes” will we need to integrate the evidence from the field that if you don’t engage people in being authors of the evolutions, you will only ever manage to get a minority on board; the rest will either disengage (i.e. passively resist) or actively resist.

Given the shortfalls of Traditional Leadership, some organisations have tried different approaches.

Amongst them, ***Participative Leadership*** has displayed some promising features, primarily in engaging a much greater part of the organisation in exploring what changes may be necessary. As people are being consulted, their knowledge of the issues at stake, and the proposed solutions, increase, which then feeds into a greater sense of and desire for engagement. However, Participative Leadership too is problematic:

- ***It often remains turned towards the past,*** i.e. exploring possible changes to be made rather than the transformation that is required (as in Traditional Leadership)
- ***The core analysis, and the core solutions-building,*** are often still left to a few, the participative dimension of the process being synonymous here of consultation, rather than co-creation.
- As the responsibility and authority for analysis and solution finding is not distributed, ***commitment based on a sense of shared meaning and authorship*** tends to fade away relatively quickly, pointing to the low level of resilience of such processes

Another way of avoiding the pitfalls of Traditional Leadership is to engage in ***Visionary Leadership***. In this approach, the focus is clearly on the Future: what is the future that we are likely to encounter? What is our current level of resources, and our mode of operating, and can we, as we are, really embrace the future or do we need to evolve? Are our products, or is our Mission, adapted for this emerging Future? Are they what this Future calls for?

In the 21st century, these are leadership questions every organisation needs to ask itself, and explore in truth: looking at what is, not just at what we wish to see.

In that way, a Visionary Leader, or a Visionary Leadership team, are clearly going in the right direction: looking at the future, and trying to prepare the organisation for it.

However, Visionary Leadership does display some major shortfalls too:

- ***Too few involved:*** as in Traditional Leadership, handing the Visionary task to a few only limits access to data and creativity in solutions.
- ***Resistance more than engagement:*** once the visionary person or team has identified what needs to evolve, it then has the task to engage the rest of the organisation into implementing the transformation. But most of the organisation has not had a chance to connect to what the Future may be, and therefore how we might need to evolve. Their sense-making of why we must change, and of what changes are needed, is therefore very limited. As a result, they will not be able to espouse the proposed changes just like that. A great amount of time and energy will therefore be needed to either convince them, or, if all fails, to coax them into implementing the changes. In either cases, even if the small

group had come up with great ideas, their implementation may prove to be inefficient, and the process itself to have low positive impacts

- **Low organisational resilience:** when only one person, or a small group, is engaged in exploring the future and proposing necessary evolutions, what happens to the organisation when they leave? Whilst Visionary Leadership may produce highly innovative ideas and strategies for the future, it fails in delivering one key elements needed to embrace this future: the capacity of the organisation as a whole to implement it quickly and efficiently, over time.

The fourth type of leadership in this matrix is the one that, at the beginning of this 21st century, holds most potential for organisations. Indeed, Leadership of Co-Creation holds on to both of the 2 key parameters:

- **It looks wholeheartedly at the future**, anchoring the organisational conversations in an exploration of what the future may be, and therefore will require of the organisation
- **It engages the whole organisation in doing so.** One of the key features of the leadership of Co-Creation is the transformation of the very perception of what the role of the leader is. Here, the central role of leadership is to provide and sustain the conditions in which the whole organisation can engage in a truthful exploration of what the future is likely to include, and take responsibility for proposing and implementing the solutions that seem most conducive to the organisation fulfilling its purpose in this emerging future.

Whilst the Leadership of Co-Creation manages to deliver a transformation that makes sense to all parties involved, and not just parts of the organisation, it does not equate to some kind of enlarged, referendum-based democratic process. Nor does it require the dissolution of traditional roles of authority and decision-making. To the contrary, existing roles are very often crucial to the success of a Co-Creation transformation process; what is transformed, however, is not the role, but the way it is taken; not the role itself, but the mental representation held so far in the psyche of the organisation of what the role is. For example:

- At the heart of a process of co-creation, **everyone is involved in making sense** of the strengths and limits of the current model, from their own experience in their role, in their part of the organisation. Connecting to future trends in and around the business, everyone is then involved in imagining what transformation may prove vital for the organisation. Those in leadership roles bring their own perspectives, from their role, in order to contribute to the collective sense-making. Their decisions will then be based on the collective sense-making, not on the partial views they inevitably had at the beginning of the process
- They are **accountable** for the decisions they will take; those are based on proposals generated by the collective, which the process invites to be responsible – and accountable – for the solutions it offers. This **mutual accountability** means that the main task of leadership is no longer to convince, or “sell” good solutions – but to ensure that the conditions are not only conducive for people to be co-authors, but also for them to feel responsible and accountable for its outcome
- Co-Creation doesn’t mean putting everyone in a big room for huge collective discussions – even though such social technologies as World Café or Open Space can make this possible. It means, however, a constant transformation of how leaders engage with their teams; a change in disposition in which the leader’s task transforms into ensuring that others create solutions, rather than be recipients of them.

Once I presented this matrix to the General Government of that congregation, they were able to name the kind of process, and of leadership, that they wanted to engage in: Co-Creation.

All we needed to do then was to look in more details at how they could do this ...