Accelerating Transformational Change

A CHO Group session with Gervase R. Bushe, Ph.D.

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The January 2015 meeting of the Seattle CHO Group featured a presentation by internationally renowned author and organization development thought leader, Dr. Gervase R. Bushe, about the underlying mechanisms of successful transformational change processes. Following is a summary of that presentation.

A New Framework for Change: Dialogic OD

All organizations grapple with change. It's challenging to manage even when it is small-scale, specific, planned, and embraced by the organization. When it comes through unexpected disruption, and the organization faces the need for urgent, significant transformation in operations or culture, even the most experienced leader can feel overwhelmed by the complexity.

The CHRO is key to the success of large-scale transformative change. Companies look to HR leaders to articulate clear goals, develop effective change process, get people engaged, and guide them smoothly to the desired new state. A great deal of organization development theory and practice has evolved to support HR leaders in this role. Yet even the most proven and widely used techniques are not always successful in taking the organization where it needs to go – which can be disastrous.

Business leaders frequently seek a framework that will effectively reduce the complexity of the process and efficiently drive the organization towards a clearly defined desired result. But perhaps it is this paradigm that needs to change.

In January 2015, Dr. Gervase Bushe offered members of the Seattle CHO Group a new paradigm through a preview of his latest groundbreaking research – methods and process to help HR leaders respond successfully to adaptive challenges, and accelerate transformational change in their organizations.

Dr. Bushe, Professor of Leadership and Organization Development at the Beedie School of Business, Simon Fraser University, Vancouver, is one of the OD profession's most original thinkers. He helped develop the Appreciative Inquiry approach to change, and authored the bestselling book *Clear Leadership*. In 2009, Dr. Bushe and Dr. Robert Marshak of American University published the article "Revisioning Organization Development: Diagnostic and Dialogic Premises and Patterns of Practice," which challenged the diagnostic foundations of modern organizational change practice. Their co-edited book *Dialogic Organization Development: The Theory and Practice of Transformational Change* will be published by Berrett-Koehler in May 2015, and reflects the results of their collaboration with an international group of scholars and practitioners to develop the theory and practice of Dialogic OD. Various articles, papers and other resources on Dialogic OD can be found at www. dialogicod.net

Mindset matters

Dialogic OD, Dr. Bushe explained, "is not about having better dialogues." Drs. Bushe and Marshak coined the term to characterize a set of transformational change practices (e.g., Appreciative Inquiry, Open Space Technology, Search Conference, and many more) that violate central tenets of the prevailing Diagnostic mindset of managing change. These techniques are diverse, but the common success factor is whether we apply them from a Diagnostic or Dialogic mindset. Dr. Bushe contended that we have been trained to talk about organizations as if they are rational, controllable entities, and our change models mostly reflect that. But the experience that most people actually have is quite different. The Dialogic mindset, and the techniques that have evolved to help organizations change, come from accepting that leadership of organizations is itself complex, ambiguous and uncertain.

The Diagnostic mindset talks about…	But what we mostly experience is…
organizations in the abstract, as systems, as 'things', subject to impersonal, environmental and technological forces.	organizations as conversations and that what happens is influenced by who talks with whom, when and how.
independent, autonomous, rational individuals making choices and taking action.	our interdependence; how we constrain/enable each other and are dependent on consent from others to complete tasks.
wise, heroic leaders whose vision and acumen steer their organizations to success.	that no one can control what everyone else is choosing and doing and leaders often feel powerless to influence their own organizations.
rational, analytical ways of making decisions, using big data and increasingly automated decision processes.	far from being purely rational, people are emotional and often unconsciously driven by the anxieties aroused by organizational life.
generalizable tools and techniques of organizing and leadership in the belief that they will improve organizations.	situations so uncertain and the local contingencies so important that any generic tools we have are of very limited value.
results coming from the choices, intentions and strategies made by leaders and teams.	results emerging from the interplay of all choices, intentions and strategies of all stakeholders in both intended and unintended ways.
uncertainty and ambiguity but then proceeds to act, and encourages others to act, as if there was certainty and predictability, as if we can control large organizations.	sometimes we are surprised and sometimes we are not; we have very little control and we can never be certain about what will happen next.

The dominant Diagnostic mindset views organizations as systems and processes that can be woven into a structure suited to a particular environment. Dialogic mindset sees organizations as ongoing conversations in which the organization is constantly influenced by who talks to whom about what. "Organizations are stories," Dr. Bushe said. "When you change the story, you change the world."

Technical problem or adaptive challenge?
From a Diagnostic mindset, all organizational problems are technical problems: easy to define, with clear-cut operational solutions. But every organization also experiences adaptive challenges. These are by nature difficult to define and easy to deny. They require changes in numerous places across organizational boundaries. Situations feel uncertain because results emerge from the interplay of many factors. It's the nature of an adaptive challenge to generate anxiety, but, as Dr. Bushe noted wryly, "The number one force in organizational life is anxiety and the avoidance of it."

Dr. Bushe quoted leadership expert and Harvard Kennedy School of Government professor Ron Heifetz, "The single biggest failure of leadership is to treat adaptive challenges like technical problems."

No single OD technique solves every challenge. This is not due to flaws in these techniques; it is, Dr. Bushe asserted, a question of using the Dialogic mindset to leverage the process. Dr. Bushe's latest research, the heart of his current ideas about best practices in Dialogic OD, identifies three fundamental change levers that underlie successful results regardless of the specific OD techniques employed. These three levers are the "secret sauce" of successful, transformative change:

Technical Problems	Adaptive Challenges
Easy to define	Difficult to define (easy to deny)
Lend themselves to operational (cut-and-dried) solutions	Require changes in values, beliefs, roles, relationships, & approaches to work
Often can be solved by an authority or expertise	People with the problem have to be involved in solving it
Requires change in just one or a few places; often contained within organizational boundaries	Requires change in numerous places; usually across organizational boundaries
People are generally receptive to technical solutions	People often resist even acknowledging adaptive challenges
Solutions can often be implemented quickly—even by edict	"Solutions" require experiments and new discoveries; they can take a long time and cannot be implemented by edict

• Stimulate the process of *emergence* to facilitate self-organizing at a higher level of complexity.

• Change the *core narrative*, the story that the people have of the organization and themselves.

• Introduce or uncover a *generative image* that allows people to think or act in a way that they couldn't before.

The three levers
Emergence is the concept (identified in complexity science) that increasingly complex order arises from disorder; that organization emerges out of chaos. In an organizational development situation, we must recognize that we won't achieve transformation without disruption, but in the dominant discourse, disruption is perceived as failure. The audience laughed in recognition when Dr. Bushe described conversations from his early consulting days, "We want you to come in and change this big thing, but we want everyone to feel OK about it."

Dialogic OD sees disruption not as failure, but as an essential opportunity for new ideas to emerge. It is uncomfortable when the status quo is challenged by diversity and difference. Dr. Bushe noted, "Too much difference feels like we are going to spin out into chaos." But we must explore these differences if we wish the organization to evolve to new levels of complexity. Safe conversation about difference is vital to building community during change; it is what allows people to coalesce around new ideas and engage in action.

Leaders cannot impose answers to adaptivechallenges; solutions must emerge through leadership's willingness to tolerate the ambiguity of this conversation.

Leaders must also identify, challenge, and possibly change the organization's *core narratives* during this period. Humans are sense-making beings, and human organizations have collective stories that members use to make sense of decisions and actions. Some of these core narratives are sanctioned – they are "the stories we tell in the meetings and the boardroom." Other narratives – equally valid from the perspective of some members – are only told "in the hallway." All of these story lines, and the sense making that come from them, influence the organizational choices members make, and the actions they take.

Therefore, change leaders must not attempt to decide ahead of time what the "right" story is (or will be). Instead, they must help people look

at the consequences of stories currently held as true, and support the emergence of new stories

Maintenance change: Use of fix and maintain language and imagery. Repairs, tool kits, what's broke, etc.

Developmental Change: Use of build and develop language and imagery. Get bigger, better, faster, etc. Improve on a foundation, enhance, team building, org development. etc.

Transitional Change: Use of move and re-locate language and imagery. Going from...to...What's the path forward? Leaving X behind. Arriving at a future state, etc.

Transformational Change: Use of liberate and re-create language and imagery. Die and re-birth, re-new. Need a whole new way of being, get out of the box, unleash creativity, etc.

if that's where the process leads. One way to help the organization examine its own core narratives is to analyze the underlying metaphor(s) of change. Dr. Bushe shared a model developed by Dr. Marshak and suggested that reframing the metaphor can help people shift their perspective.

Finally, Dr. Bushe noted that much of the success of an adaptive change effort can turn on finding a *generative image* – language that focuses people on a shared perspective and changes the way they talk and act together. As an example, he cited how the phrase "sustainable development," coined by the United Nations' Bruntland Report in 1987, revolutionized the relationship between the previously completely oppositional ecology movement and business industries, by offering a concept that created common space for both interests.

Generative images are enormously powerful because they are compelling enough to engage people, but ambiguous enough to let people project new ideas onto them, and thereby enter into taking action.

Dialogic OD process and the leader's role

To face an adaptive challenge successfully, leaders must be willing to embrace a different role. Instead of "I drive the vision," the leader's mindset must become "I create the space for things to emerge." The leader's task is to frame the adaptive challenge in a way that inspires stakeholders of all kinds to show up and get engaged; to accept that a diversity of ideas will emerge; and then to monitor the results and support the ideas that work. This can be hard – leaders like to have answers, and it's difficult to confront complexity. But until they do, the solutions they create will not work.

Dr. Bushe offered the following six process steps to support leaders in applying the three levers to managing transformation, regardless of the specific technique used:

1. Identify the adaptive challenge in a way that mobilizes stakeholders to engage and commit. A powerful generative image is particularly useful in helping people engage.

2. Create containers – spaces where stakeholders with common interests, ideas and motivations can find each other and build new relationships to respond to the adaptive challenge.

3. Disrupt the prevailing narrative, and embrace the complexity that emerges. Create opportunities for alternative narratives to spread.

4. Emphasize generativity (creating

conditions for new ideas) rather than solving a problem. Focusing on the desired future, rather than analyzing what went wrong in the past, is more generative. What's most needed are new ideas that people want to act on.

5. Stimulate self-authorized individuals and self-authorized groups to take small, fail-safe actions (which Dr. Bushe termed *probes*) to adapt to the challenge.

6. Monitor activity, identify successful probes, amplify and embed. Leaders cannot decide ahead of time which ideas and proposals to support; they can only know by seeing what works.

Find the generative path

A Dialogic change process can be uncomfortable to everyone involved because it feels (and is!) improvisational. The Diagnostic/technical problem mindset takes the traditional approach of setting change goals, forming action teams, and executing against a plan. The Dialogic/adaptive challenge mindset focuses on generating a collective sense of what needs to be achieved, then creates opportunities for people with ideas and motivation to find each other, and unshackles them to do what they think is right--without knowing ahead of time what that will turn out to be. No wonder it makes us anxious.

But it also works. Dr. Bushe cited numerous examples of large-scale transformation using Dialogic OD methods, at companies such as Hunter Douglas, the world market leader in window coverings, whose Windows Fashion division increased sales 30%, profitability 37%, and on-time delivery 97%; and Roadway Express (a leading subsidiary of multinational corporation YRC Worldwide), where production efficiency increased overall 59-64%, and the sites that used a Dialogic engagement approach realized seven times the cost savings of those that did not.

As Dr. Bushe concluded his presentation, an audience member asked, "Most of us are trained to be diagnostic, and to, in the words of Jim Collins, 'analyze our organization's brutal truths.' Should we be spending time in this analysis, or looking at the future?" Dr. Bushe responded that there's no right answer; it depends on what will be disruptive to your current storyline, and what will lead your people into a generative process. "Any change process that is transformational is going to, in some way, be countercultural to the system in which it is being implemented."

With his latest work, Dr. Bushe continues to create that kind of conversation in the organizational development field, with Dialogic OD as a generative image that disrupts accepted ideas and narratives about navigating change, and that allows new practices – and successes – to emerge.

About the CHO Group

The CHO Group is a membership organization that provides strategic business leaders in HR access to leading-edge ideas, practices, and wider perspectives that help them add bottom-line value to their organizations. The group operates in several locations in the Western United States. For more information, email chogroup@waldronhr.com.

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