

An Everyone Culture: Becoming a Deliberately Developmental Organization

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Overview

For **deliberately developmental organizations** (DDOs) human potential and organizational potential are not tradeoffs -- they are a single mission. It's possible for a company to create a culture where people can grow and thrive, yet still stay in business. The authors studied three companies that have done just that, and the result is a distillation of the aspirations, communities, and practices that make them successful.

The book stresses the importance of workplace culture and provides some background about how human development works so that those two things can align. Each of the companies studied implement things a bit differently, and the authors provide numerous examples of how those companies are successful *because of* rather than in spite of being more people-focused than a traditional company.

The last two chapters provide some "homework" for the reader. First is the Immunity To Change map, where you find something you want to improve and do the introspective work of figuring out why the change isn't already happening. Second is a list of things to start considering or doing to help transition yourself (or your company) to have a DDO mindset.

An "everyone culture"

- does what human development science recommends
- takes concepts to scale so everyone can develop
- intentionally and continuously nourishes a culture that puts business and individual development front and center

Some resonating quotations:

"Because 'the company' is, at any given moment, the emergent result of the existing processes of people working together in communities, everyone is expected to contribute to the observation, diagnosis, and revision of the processes at the heart of the work."

"I mean, really. Over these same fifty years have we made no similar, game-changing gains in our basic knowledge of human beings, how we learn and grow -- and how we resist doing both of those things? Do we have no genuinely new ways of applying the knowledge we do have? Are we to expect that mere tweaks of the existing paradigms for people development will be enough to unleash unrealized potential? Are we left with nothing more than hoping that doing the same thing, only harder, will lead to a different result?"

"There are indeed places for labor that can transform the meaningfulness of the single greatest use we make of our waking hours of our lives."

Intro: Culture as Strategy

"In an ordinary organization, most people are doing a second job no one is paying them for. In businesses large and small; in government agencies, schools, and hospitals; in for-profits and non-profits, and in any country in the world, most people are spending time and energy covering up their weaknesses, managing other people's impressions of them, showing themselves to their best advantage, playing politics, hiding their inadequacies, hiding their uncertainties, hiding their limitations. Hiding. We regard this as the single biggest loss of resources that organizations suffer every day. Is anything more valuable to a company than the way its people spend their energies?"

Research shows the single biggest cause of work burnout is not work overload, but working too long without experiencing your own personal development.

DDO: deliberately developmental organization; creates a safe enough and demanding enough culture that everyone comes out of hiding

Everyone culture:

1. doing what human development science recommends
2. taking concepts to scale so everyone can develop
3. intentionally and continuously nourish a culture that puts business & individual development front and center

"What is the most powerful way to develop the capabilities of people at work?" We typically do this through executive coaching, off-sites, special development programs. However, these are not continuous, they're "something extra" beyond typical work, and are usually only provided for a few. They're like fuel additives, but what we need is a better engine.

For DDOs human potential and organizational potential are not tradeoffs -- they are a single mission.

People are looking for more than just paychecks, health benefits, and hours in a workweek: they want personal satisfaction, meaningfulness, and happiness.

Meet the DDOs

DDOs are built for human development; they support people in overcoming their limitations as part of contributing to the profitability of the business.

Next Jump - e-commerce tech startup company

- "Our goal is to build a top-ten global technology company. And we want to change the world by changing workplace culture."
- If you're completely able to perform your role, it's no longer the right role for you; it has no "stretch" left.
- When they onboard people, they go through a program to identify *backhands* (areas where you feel less comfortable, less natural, less skillful)
- Everyone knows everyone else's backhands (or it's acceptable to ask)
- After onboarding "boot camp", they have a plan, highlighting targeted situations to actively practice. They're given peer mentors, who coach them, hold them accountable, and help them stick to the practice plan.
- Better Me + Better You = Better Us
- Better Me: constant improvement; healthy lifestyle (gym, snacks, trainers)
- Better You: When jobs are not meaningful, employees are more likely to volunteer outside work to derive that sense of purpose. Next Jump provides a place to give people a chance to give and practice leadership
- Salary review: 50% about contributing to revenue, 50% about contributing to culture
- FLO (follower-leader organization)
- Captain -- heads up a culture initiative
- Coach -- person who most recently did something similar
- Right hand -- second in command to the captain
- Left hand -- helper second in command to the right hand

Decurion -- property management

- Axioms that state the company's beliefs
- Work is meaningful
- People are not only means but also ends into themselves
- Individuals and communities naturally develop
- Pursuing profitability and human growth emerges as one thing
- Meetings start with a check-in; share what mental state they're bringing right now

Bridgewater -- global investment manager

- How they deal with problems
 - Set goals (you can't have everything, so prioritize what you want)
 - Identify and not tolerate problems ("problems are potential improvements screaming at you")
 - Diagnose the problems logically
 - Design the plan
 - Do the tasks
- Foundational beliefs
 - Trust in truth (radical transparency)
 - Create a culture in which it is OK to make mistakes but unacceptable to not identify, analyze, and learn from them
 - Get the right people
 - Recognize that people are built very differently
 - Manage as someone who is designing and operating a machine to achieve the goal
 - Probe deep and hard to learn what to expect from your "machine"
 - Evaluate people accurately, not "kindly"
 - Train and test people through experiences
 - Sort people into other jobs at Bridgewater, or remove them from Bridgewater
 - Know how to perceive problems effectively
 - Diagnose to understand what the problems are symptomatic of
 - Design your machine to achieve your goals
 - Recognize the power of knowing how to deal with not knowing
 - Synthesize
- Every meeting is recorded and available (exceptions for client-sensitive info)
- Pain + Reflection = Progress

These companies refuse to separate the people who make up the business from the business itself.

Most companies make little room for vulnerability (shame, imperfection, unworthiness). These companies realize these are human issues and shouldn't be kept locked away.

What do we mean by development?

New research in human development has shown that we don't stop developing in our 20s. Adults take greater responsibility for thinking and feeling, can retain more layers of information, and can think further into the future. People move through "evolutions" at different speeds. There are periods of stability and periods of change.

Three plateaus of adult mental complexity

1. *Socialized mind* -- team player, faithful follower, seeks direction, reliant
2. *Self-authoring mind* -- agenda-driving, leader learns to lead, own compass and own frame, problem solving, independent
3. *Self-transforming mind* -- meta-leader, leader learns to learn, holds contradictions, problem finding, interdependent

Per Stanley Milgram's obedience-to-authority research, groupthink and obedience to authority may owe their origins less to culture than to complexity of mind.

Mental complexity strongly influences whether you orient your information toward getting yourself behind the wheel so you can drive (self-authoring) or getting yourself included in the car so that you can be driven (socialized).

DDOs intersect continuously with its members' developmental position, whatever that position is, offering invitations to grow beyond the limits of their current mindsets, if they're ready for the move.

For the self-transforming, it's not about you driving the car, but considering whether to remake the road map or reset the direction.

Formerly it was usually enough if people were good team players, pulled their weight, loyal to the organization, and could be counted on to conscientiously follow the directions and signals of their boss (socialized mind).

The US has shifted from a manufacturing society to an information society. We now live in an environment of rapid change, scientific breakthroughs, and an unprecedented level of competitiveness. These things also create demands on our psychological resources. Specifically, we need a greater capacity for innovation, self-management, personal responsibility, and self-direction.

We need leaders that can run and reconstitute their organizations -- their norms, missions, and cultures. We need to move from good soldiers (socialized) to self-authoring; we need leaders to shift from self-authoring to self-transforming. Organizations are asking for a quantum shift in individual mental complexity across the board.

In a DDO...

1. Development is a specific, describable, and a detectable phenomenon
2. Development has a robust scientific foundation
3. Development has a business value

Admitting people's interior life into the realm of what can be improved, acted on, and managed is what makes a DDO's culture truly developmental -- namely, the development of mental complexity.

The "making" of our thoughts and feelings is a mystery to us when we are in the socialized mind, precisely because we do not yet see ourselves as the author of them.

DDOs continuously stir things up, troubling the waters; ordinary organizations try to calm things down, instituting repeatable routines. Ordinary organizations don't move you into a new role as soon as you've mastered the old one; instead, they commend you for having mastered it and call you reliable and dependable, appreciating the way you can be counted on now to keep performing the role indefinitely.

A conceptual tour of the DDO: Edge, Home, and Groove

Edge = aspirations; **Home** = communities; **Groove** = practices

Edge

1. Adults can grow

Need to answer "yes" to these questions:

- Does your company help you identify a personal challenge (meaningful to you and valuable to the company) that you can work on to grow?
- Are others aware of this growing edge and who care that you transcend it?
- Are you given support to overcome limitations?
- Do you experience actively working on this edge daily/weekly?
- When you achieve it, is it recognized/celebrated? Given the opportunity to grow further?

Continuous improvement of processes is different than continuously improving the people that do the work.

2. Weakness is a potential asset, error is an opportunity

People uncover and value their growing edge, experiencing themselves as still valuable even if they screw up; they can be potentially even more valuable by overcoming the limitations they're exposing.

3. Run on developmental principles

Instead of focusing on "survival", focus on new life, emergence, new capability, and evolution.

Are your organization's principles negative ("Avoid bad quarterly results") or affirmative?

4. The bottom line is all one thing

These two things depend on one another: bold institutional aspirations (e.g., profitability, finding a niche market) and developing human capabilities.

Home

Growth happens where people are deeply valued as individual human beings, constantly held accountable, and engaged in real and sustained dialogue.

1. Rank does not have its usual privileges

Most companies protect senior folks from being taken to task. DDOs recognize leadership's tendency to use its power to design and sustain structures to protect itself from challenge.

2. Everyone does people development

In most orgs, if it's everyone's responsibility, it's no one's responsibility. In DDOs, everyone is held accountable to do people development.

3. Everyone needs a crew

Development requires a willingness to surrender a familiar equilibrium for what will eventually be a new, more adaptive one. You need a community to help you.

4. Everyone builds the culture

If people are to develop, they require the right processes -- both for doing excellent work and for their own growth.

DDOs process improvement also involves developing people's interiors, communities, and the work.

Because "the company" is, at any given moment, the emergent result of the existing processes of people working together in communities, everyone is expected to contribute to the observation, diagnosis, and revision of the processes at the heart of the work.

Groove

1. Destabilization can be constructive

If you can perform all your responsibilities to a high level, you're no longer in the right job.

Most companies have employees who seek to reduce the complexity of the work by establishing and mastering its routines; the company support employees by finding ways to keep them happy in those routines for as long as possible.

2. Mind the gaps

To keep ourselves safe in the workplace, we allow gaps to form between ourselves and others. These gaps are conversations we aren't having, work we're avoiding to self-protect.

Leaders support others to work through breaking silences, confronting weaknesses, or openly experience interpersonal disagreement.

Gaps are part of natural human defensive routines; DDOs seek to create conditions for people to work through those gaps, speaking through trust and truth.

Members come to trust the organization as an ongoing engine for growth.

Change the tone: "If I risk showing my weaknesses, it will be horrible" becomes, "If I risk showing my weaknesses, I'll probably learn something and I will be okay in the end."

3. Set the time scale for growth, not closure

The three companies studied had time for people processes and business processes. If you eliminate the waste of covering weaknesses and making good impressions (a.k.a. our second job at work), you free up time to do better things.

4. The interior life is part of what is manageable

Most organizations only value tangible things (KPIs, deliverables, goals, strategies), so those get attention. With DDOs, internal things are no less real (behaviors, patterns of thought, psychological strategies).

Work is intensely personal; we bring our whole selves to work each day. Most companies find this inconvenient; DDOs make room for welcoming people to be people.

Current thinking is aimed at focusing on strengths and not fixing (or just ignoring) weaknesses. DDOs look at weaknesses too, either to be acknowledged as part of a whole person or as opportunities should a person want to work on a weakness.

Companies guided by growth-focused principles implement an aligned set of practices in the context of a community that is devoted to learning and unfolding.

Leaders need a passionate interest in the business and its success. They also need a passionate interest in people, and to recognize that the people are tied to the business' success; he/she is a full participant in the program.

In the groove

The examples in the book are not meant to be copied/pasted into your organization. They're practices that those companies use to be DDOs. You have to find what works for you.

Practice -- it's a signal we're experimenting, trying something on, working at improving. When we think about practice, we think about sports or musical instruments. The culture of most organizations is not designed for practice; it's designed for performance. Everyone is trying to look good, display expertise, minimize and hide any mistakes or weaknesses, and demonstrate what they already know and can do well.

Bridgewater's practices

- Dot Collector -- app used during meetings to let people give feedback (thumbs up, thumbs down) about things in real time
- Issue Log -- anything that is broken (including process) gets logged; people praised for active use; deliberately not a blame tool
- Baseball Card -- small card for each employee that has two columns: "Rely-ons" (strengths) and "Watch-out-fors" (weaknesses)
- Daily Update -- people submit updates to their supervisors
- Daily Case -- for 15 minutes each day, people review a teachable moment about their culture; "what would you do in this situation and why"

Next Jump's practices

- Talking Partners - paired discussions about how things are going and how the other can improve
- Weekly Situational Workshop -- 1 hour, five people (half of five Talking Partners) with a more experienced colleague to mentor/coach
- Monthly 10X Factor - 90 minute all-hands meeting where 10 people present their contributions (revenue, culture) to the company, and panels vote on the best one; it's about publicly showing that people are improving themselves

Decurion's practices

- Touchpoints - managers meet with their reports daily to connect work experience to personal growth and larger goals
- Line of Sight - helping connect what an employee is doing to the "why" to show impact
- Pulse-check Huddles - during a work shift the team will get together to make sure everyone is aware of what's going on, who's responsible; lets people see the operation as a whole as opposed to only your unit/job
- Competency Board - literal poster boards hanging in the break room that shows employees and their competencies; growth is public

- Business Leadership Meeting - day-long once per quarter of all management to discuss what's going on internally/externally

Five qualities of practice in a DDO

1. Helps externalize struggles that are interior
2. Connects the work of the business to working on ourselves
3. Moves us from focusing on outcomes to the processes that generate outcomes
4. Language is a practice (internal words for things)
5. Systemic stretch involves everyone, every day across the org

Without systematic transparency and trustworthiness -- clarity about the intentions of the company and its leaders -- the practices could end up being meaningless charades, things people pretend to do to keep their jobs but nothing more.

DDOs are always works in progress; they are never done.

But is this any way to run a business?

Most people dismiss DDOs -- "Nice impulse; lousy way to run a business."

However, it is possible to be a DDO and make money and be successful. NextJump reduced their year-on-year turnover to < 10%, while the industry remains at 40%.

NextJump uses mentoring and coaching with a defined curriculum (what to learn) and pedagogy (how to learn). Regarding retention, in most organizations you stay conservative (master the job you have, dependably deliver), but at NextJump as soon as you're comfortable, it's time to learn something more complex. Appeal to people's intrinsic "income" instead of just compensation.

Most companies are not good schools (i.e., have people to coach others). The workplace is a poor school because people take the same curriculum over and over. Instead of feeling that they're failing, being forced to repeat the class rather than be promoted, people find their reliability and dependability labeled as success that earns rewards.

Startups are poor schools because they have challenging curricula, but inadequate teaching support or pedagogy.

You can't create a DDO culture unless you can retain people for long periods.

The two worst dynamics in organizational life are (1) being someone else at work by covering up vulnerabilities, (2) talking about people behind their backs. People waste time looking good; people waste time making others look bad.

At crew checkins (ArcLight), they repeatedly described discovering they were more capable than they knew, because they were treated, and invested in, like budding businesspeople. And this discovery often extends outside work to family, relationships, college study, and new life ambitions.

The authors aren't saying that to be successful as a business, you need to be a DDO. But if you care deeply about people development, this might be the most powerful way to organize your culture -- and it's possible to do so and still run a very successful business.

You can't take a mediocre business and apply DDO principles -- you need both business excellence and an interest in developing people.

The authors posit that if you look at companies at the beginning of the 20th century compared to the end, the workplace is healthier (child labor, workweek length, safety, benefits). So maybe the next "healthier" transition would look like a DDO.

Uncovering your biggest blind spot

Having self-awareness of your genuine "backhand" enables you to identify and experience your own version of the personal learning curriculum you'd have the chance to take up in a DDO.

This chapter helps us develop our Immunity To Change (ITC) map:

Commitment (improvement goal)	Doing/not doing instead	Hidden/competing commitment	Big assumptions

Column 1: Commitment

Identify what you want to improve. For example:

- How can you be more effective in your current job?
- What would you need to get you closer to operating as a DDO?
- What's most important in your life and how could improving yourself make a big difference for that?
- Is there something you tried in the past but weren't happy with?

Criteria for your goal:

- It should be about getting better at something (not just an outcome)
- Stated affirmatively
- Something you haven't yet achieved
- It should mean something to you personally

Examples:

- I am committed to getting better at "being with" others, to being less controlling, to being more open to others' ways of doing things
- To get better at making things happen reliably in projects by getting in sync on the goal and coordinating the parts

Column 2: Doing, Not Doing

Be brutally honest about things that work against your goal; get input from others.

Criteria:

- Concrete behaviors (if feelings come to mind, ask "what do I do when those feelings arise")
- Items listed work *against* your goal

Examples:

- I regard my plans with too much confidence
- I don't delegate
- When someone presents an idea that doesn't match my view, I follow up too much and micromanage

Column 3a: Worry Box

For everything you listed in Column 2, name the fears and worries that come to mind when you envision *doing the opposite*.

Examples:

- Ideas from others might be better than mine
- Leading in a different way means losing who I am
- Being held back by others
- Not being able to do what I want to do

Column 3b: Hidden Commitments

These are the things we're doing to protect ourselves from feeling the things in our worry box.

Examples:

- Avoiding being shown up or that my ideas are less valuable
- Avoiding being taken advantage of or walked over
- Doing what I want to do when I want to do it

These hidden commitments are your immunity to change. They're the wasted effort of being a different (protected) version of yourself at work.

Guidelines:

- Keep the language of the fear out. Ex: "I fear others won't think I can do the job" becomes "I'm committed to people not thinking I can't do the job".
- These commitments are a form of protection
- These statements should show the Column 2 behaviors make perfect sense

Column 4: Big Assumptions

These are the core beliefs that hold your immune system in place. We have these beliefs about ourselves and the world, and we tend to treat them as truths. Are these things really true?

Examples:

- I assume my accomplishments might be more about good fortune than about my abilities
- I assume I care more about myself than others
- I need a certain kind of stimulus to be effective
- My best route through is to jam through the plan
- If I try to do what I want, others will say no and hold me back

Guidelines:

- Regardless of how true the assumptions feel, list them all
- You should be able to trace back to see how the assumptions make your Column 3 commitments necessary, which lead to Column 2 behaviors, which undermine your Column 1 goal.

To test big assumptions, fill out the following:

- My big assumption says:
- So I will (change my behavior this way)...
- And I will collect the following data...
- In order to find out whether...

Afterward, fill out the following:

- My big assumption says:
- So I tested it by doing...
- This is what I observed happening...
- This is what it tells me about my assumption...

Creating Home

If you're in the early or middle stage of your career and you don't work in a DDO, what can you do?

- Become developmental buddies with someone
- Seek input about your growing edge
- Create an Immunity To Change map on your growing edge goal
- Seek bite-size, regular, meaningful feedback from trusted observers
- Bring your manager into your growth agenda
- Watch for modeling by others

The book goes on to discuss several companies where this transition is happening, and shares interviews with their employees

- Frazier and Deeter (CPA firm)
- WellMed (medical management)
- SunCorp (insurance)
- Flashpoint (tech startup)

"If there's not a robust, reciprocal enthusiasm for the ways the organization and its people help each other thrive, then the invitation to bring your interior into the shared work space moves toward forced confessional exercises in self-flagellating 'self-improvement,' and the place will become toxic."

The practices you put in place need to be safe, dependable, and collectively ascribed to. You need shared norms, rules, and agreements.