Leading Strategy as a Journey of Not Knowing

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We are a CEO and a leadership consultant with a common interest in enabling organisations to fulfil their purpose and to do that in a way that stretches their ambition and delivers sustainable gains in performance.

In our experience, many organisations get caught in a boom-bust cycle in which they make leaps forward and then lose their way or worse still, simply fail to leave the starting blocks.

We want to exchange reflections and ideas about how to deliver sustainable improvements in organisational performance particularly in the face of difficult and complex challenges. We want to give and gain inspiration with others who share our interest.

In a world of chaos and uncertainty

On the 14th October 2010, in a moment that gripped the world, the last of 33 men who had been trapped for over 3 months in a collapsed Chilean mine were pulled to safety. The world watching on was transfixed by their ordeal. Video link-ups were established, food and medicines passed down and an amazing array of technology deployed to recover them alive. So remote did the men feel and so surreal was the technology that a small, rescue pod arriving into the mine tunnel more than 600m underground seemed to have

parallels with the first moon landing. Days later, the first miner emerging from that same pod onto the surface of the earth to be greeted by his crying son was the culmination of a story that touched something in many of us.

These twin threads – an amazing technological ability and our overwhelming desire to connect in common concerns across the globe – contrast starkly with a growing sense of helplessness in the face of what appear to be intractable global problems. Why, with so much evidence of our ability to achieve the seemingly impossible, should we feel like this?

Strangely, this sense of powerlessness seems to be driven by a greater global connectedness. Local happenings are shaped by events occurring many thousands of miles away. The dramatic decline in the US housing market wiping out the savings of individuals and families across Europe and the volcanic eruption in Iceland which brought the Kenyan horticultural business to its knees are both recent examples that bring this vividly to life.

Alongside this is a growing uncertainty about what is known and unknown. Whilst "expertise" has never been either as widespread or in such demand as it is today, public willingness to challenge that expertise has also never been as high (Nowotny 1999). This strange contradiction is the result of rapid and accelerating developments in the generation of new knowledge. Not only does this new knowledge contradict past certainties, the new knowledge itself is quickly overtaken by further insights. This generates the sense of a constantly moving panorama of "truths" in which certainties seem to hold for shorter and shorter periods of time. Such an impression is heightened by our ability to share knowledge globally in an instant, so that contradictions are constantly revealed and played out in the public domain.

By being continuously forced to ask ourselves, "what is true?" the question of what we do in response to that truth can feel meaningless because we know that some other unknown truth is all the time hurtling towards us. In the face of this barrage of uncertainty, we ask ourselves "What is the right course of action for us and our organisations?"

And if this weren't sufficiently disempowering, it is becoming clearer that some problems are just stubborn and will inevitably keep coming back to haunt us. For example in certain corporations safety will always be a challenging issue (think BP Texas City followed by Prudhoe Bay and Deepwater Horizon), or quality (think Toyota product recall) or service (remember your recent experiences of hotels, restaurants and air travel).

Or take the enormous global challenges of poverty and climate change. Ten years ago, the largest gathering of world leaders in history came together to agree the Millennium Development Goals. These were to galvanise global action to tackle poverty behind a set of clear and time-bound targets.

In 2011, with four years to go until the deadline, we are still way behind in meeting these targets. Against some targets, we have gone backwards. Climate change is a similar story. It is over 18 years since the Earth Summit in Rio de Janeiro where governments agreed the United Framework Convention on Climate Change and 13 years since the creation of the Kyoto Protocol on greenhouse gas emissions. Today in 2010 at Cancun and following in the wake of the 2009 Copenhagen Climate Summit, the world is asking "what real progress has been made?"

How should we react as leaders?

Faced with global uncertainty and the disempowering effect of chronic problems, how should we react as leaders? Don't we first somehow need to overcome inertia and ineffectiveness? If in the face of uncertainty we can at least know the nature of the problems we face, then we give ourselves an opportunity to design the most appropriate responses.

In their seminal 1973 paper *Dilemmas on a General Theory of Planning,* Horst Rittel and Melvin Webber made an important distinction in characterising problems faced by society as "wicked" or "tame".

Tame problems they say are effectively conundrums or puzzles. Although, they can be enormously complicated and challenging – like the Chilean mining disaster - there is a linear, technocratic process for solving them. The mission is clear – get the miners out – and ultimately, we know whether or not the problem has been solved. The leader is effectively a manager ensuring the information is available to understand the problem and to engage the right process and team to solve it (Grint 2010). This is management as "science".

Wicked problems are quite different. Wicked problems are complex as opposed to merely complicated. Whilst analysis can help, analysis only reveals an ever greater complexity. This complexity means that each problem is unique and unlike any other, even if they appear to be similar to problems faced before. It means they cannot be solved in isolation because any solution has a ripple effect that creates impacts across society often creating new problems. Nor is there any point at which the problem is ultimately solved because the repercussions of any solution go on and on. Wicked problems are social problems that as Rittel and Webber (1973 p160) put it "*are never solved. At best they are only re-solved – over and over again."* Success can never be declared and the implication is that failure is inevitable.

When a leader proposes a simple solution to a wicked problem this might appear useful, giving people the certainty they crave. Yet we know that "success" as we commonly understand it will always be the elusive gold at the end of the rainbow as far as "wicked" problems are concerned. This means a different approach is needed if we are not to destroy the faith of those we lead. While conventional action is futile, we also know that the future of humanity depends on finding an effective response to certain apparently intractable problems.

What do we know?

So in the face of all this uncertainty, what DO we know? At TREE AID, the international forestry and development organisation that Philip leads, we know that people, like trees, are happier when rooted, given place and space to flourish. This is evidenced in countless successful community projects and borne out by our wider experience of leadership in diverse organisations worldwide.

We have seen African villages transported from the brink of deforestation and desertification by facing up to their "wicked" challenges of poverty and environment using

trees to provide food, shelter, a lasting income for local people as well as restoring the fertility of the land. Each field worker in TREE AID is not only ensuring that trees are planted but is also building local capacity and supporting community members to move out of disabling poverty and despair into a viable future that draws from and reconfirms their own ability to positively influence their lives. How can this success inform our responses to other wicked problems?

It is curious that in so many organisations (be they charities, government departments or private multi-nationals) the truths about how humans best function in conditions of uncertainty seem to be largely ignored in the big annual rituals of planning and strategy. (For more on rituals in business see Tony's article with Chiara Vascotto 2011). When we announced last summer to TREE AID staff that once again it was time to complete a three year plan, the staff told us they dreaded the arrival of log frame exercises and long hours completing Gantt charts. They told us they could ill-afford "a long drawn out exercise that pulls us away" from the real work of planting trees and helping communities move out of poverty.

Log frames – the logical framework approach to give it its full name - have long been used by many development organisations as tools to help focus the efforts of individuals and teams in delivering the best results. Like many other similar planning tools, they help create organisational rigour based on rationality and an evidence-based approach to planning. But such an approach assumes first that the complexity of problems can be contained within a single rationality and second, that people are mobilised by and understand issues through logic alone.

The end result is that organisations spend a lot of time completing detailed documentation which first, fails to capture the constantly evolving nature of the challenge and second, fails to mobilise the organisation behind the logic of the plan. By over-emphasising control rather than flexibility (Hummelbrunner 2010), completing the planning exercise creates a false sense of security for the organisation – "we have defined the problem and now we know our response" - and the plan can now happily sit on the shelf gathering dust until the next planning exercise when it will be dusted off and reviewed, often with surprise!

Tina Wallace (2006) who undertook 10 years of research looking at use of such planning tools in organisations observed "What is written is often divorced from reality, both at the planning and reporting stages of the cycle. … The plans and guidelines often prove irrelevant at best, distorting at worst, and do little to support or enhance the … work being undertaken." For us, it seemed a different approach was needed as it was just absurd for an organisation to consume any of its precious staff time on a huge planning exercise that actually deflects people from delivering results and makes them less confident to cope with uncertainty. This brought us back to the fundamental questions of what we know, what is not known by us but known to others, and what is simply unknowable. It appears that many leaders (think of bosses and politicians) often feel pressure to be knowing, charismatic and persuasive towards those they lead, but this is unrealistic and dangerous in uncertain environments when a leader's declared strategy is in time often likely to be proved wrong.

Tempted back to reflect on the village recovering from deforestation, we realised the leader is failing if they merely preside passively over the problem creating a defensive community that is paralysed by uncertainty. They need to find a way to re-build

momentum, starting slowly and surely to produce a rising spiral of success sparking learning and greater confidence to take action.

It seemed a useful start in the face of so many “unknowables” would be to spread the known information as fast as possible amongst staff. We needed to link people up and get the information flowing! From this start emerged a shared ambition and an agreed way forward for this organisation over the next three years. This is in the form of an understanding in the minds and a trust in people’s hearts, more than a written down detailed plan.

This - we think - valuable outcome has grown out of a highly participative, conversational and narrative approach to strategy that is light but just sufficient in terms of data and paper. While this has surprised some members of staff in a positive way and has required some to hold onto their disbelief, we feel we have made significant progress in building capacity in the organisation to adapt and expand its influence in today’s environment. We will now reflect on this emerging approach compared with the more familiar alternatives and look forward to exchanging thoughts in due course with other business leaders.

Start by linking people

Spreading the known information involved a lot of shoe leather. As the new CEO, Philip visited a lot of external people, meeting the influential, visiting crucial bigwigs in government departments and funding institutions and getting to know partners and supporters. He went back to the founder to understand the organisation’s original purpose and intent. He found staff dedicated and highly disciplined with clear job plans and rigour in their progress reporting, but the ambition to pack such a lot into each day was producing gaps in communication and understanding, not only between the UK and Africa but within each office. In effect Philip was recognising a large number of stakeholders who had insights, resources or needs and that his role was somehow to build connections between them.

Realising we would have to justify every minute of time away from the job we gathered staff, plus some associates, partners and government representatives for workshops first in Burkina Faso, West Africa and shortly afterwards near Stroud in Gloucestershire. In spite of initial wariness (“If I get one cringe moment I’m out of here!”) we had a lot of fun as we drew out the achievements, resources and the unique strengths of the organisation. We spent time exploring the needs and perspectives of each stakeholder. Then through brainstorming we produced a vision of success for the organisation in 3-5 years time.

The achievements identified were even bigger than expected. For example over the last 5 years annual income had almost doubled and the organisations work had benefitted over one and a half million people in African communities, costing TREE AID less than £7 per person to deliver. But the challenges were also greater than expected: for example getting paid on time for a big contract, constantly seeking income for new initiatives, addressing diverse stakeholder needs from villagers to funders, extending to meet the founders’ ambitious vision of a continuous green line of trees through the dry desert margins joining the coasts of West and East Africa.

Using story to hold complexity and anxiety in check

In this organisation, people had so much desire and ambition they were inspired and inspiring each other with how much they can do. They began talking with passion and in some detail about what the organisation might do and at one point a long list of their activities in natural resource management was being shared (Tree planting, tree nurseries, protection of new seedlings and existing forests, land use, increasing crop yield, increasing biodiversity, composting, bush fire management, skill sharing…). While it was inspiring to notice how much was being done, the expansion of possibility in the conversation was staggering and overwhelming. Someone complained vividly about "tumbleweed" and her worrying sense of being uprooted and blowing around directionless in a bleak landscape.

At times we lost sight of the forest for the trees! A small organisation that from the outside appears simple (raise money, to ensure trees are planted to benefit communities and the environment) is actually a complex tangle of relationships, resources and needs. Someone said "it's quite a complicated story to tell" then someone countered this with "No it's a human thing, it's all about how we tell our story everyday" and this seemed to set us on a useful track of deciding how to tell our stories of TREE AID in its four main activity areas (Natural Resource Management, Enterprise, Food Security and Forest Governance).

Letting go of inhibitions they began to tell their story from need to seed to tree to community in terms that a small child could understand. Here is an abridged version….

> *There was a time when the field was surrounded by forest and in spite of the 40 degree temperatures it provided enough food for the family. The villagers chopped down the forest to provide fuel but with a growing population the trees soon disappeared, the birds and animals vanished and the soil was swept away…..mother had to walk 5km each day for firewood and there was not enough food for the family.*
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> *The villagers met with TREE AID, set up a tree nursery, planted and nurtured seedlings at the edge of the field. The project taught the villagers how to work together. They learned new farming methods using walls, deep holes and compost. When the rains failed one year the trees provided enough food. Birds, insects and animals returned. The soil became richer, the villagers grew stronger and the children who had been involved throughout knew the value of trees and how to look after them.*

The story brought inspiration into the room: we were moved to hear it said out loud and so clearly! We gained clarity about what the organisation actually does. The complexity we had discussed earlier that morning was not reduced but the anxiety it produced was effectively being held in check. Those involved in funding seemed particularly uplifted by the story, but why?

They said the stories would help them show supporters how each pound they put in translates into something tangible and valuable on the ground. When we look at this the reason the organisation can continue is because each fund-raiser and community developer gets out of bed in the morning wanting to do their job 150%. The effect of the story is to make sense of complexity and to reveal inter-connections between the efforts of staff and the results for beneficiaries. The story answered the question "why?" and

somehow this was refreshing the motivation of participants to continue doing what they were doing for the organisation. Story as a leadership tool is described in greater detail in a recent conference paper by Tony (Harmon, A and Page, T 2011)

Facing up to their biggest challenges

Useful as they were, the stories had done little to pinpoint the "wicked" problems requiring effort. So we asked participants to identify the three biggest challenges faced by the organisation as a whole, and to describe a core dilemma in each case that is very difficult if not impossible to tackle. For example, in the big challenge of scaling up, they struggled with how to put trust in partners while also achieving the tight accountability needed to ensure their targets and promises could be kept.

We worked the dilemmas in a way that involved each person in taking positions, telling others why and then jointly identifying a "step change" or ideal future state in which together stakeholders are making sure the problem no longer exists. This enabled everyone to own the real complexity in the problem. Instead of creating long and complicated action plans we then asked each person for two doable actions they can take during the next two months towards the step change. Afterwards someone said:

> *"You kept us positive initially, then when you made us talk only about the problems I could only think about solutions. It was weird!"*

A second challenge they worked on was "capacity". We realise that no organisation ever has enough resource, but here the funds are so tight and the needs in their core areas of poverty and the environment are enormous. They noticed "the harder we work, the less we look up and the more disconnected we become from one another". Their "Step Change" was "to have enough time to do the job and talk to one another and think about the future". This caused them to discuss their deeper assumption of fixed capacity, which is the number of staff hours available, equal to say X people times 35 hours per week. With the knowledge of how they have transformed villages through trees it was not a huge leap for them to describe the different culture they wanted to create that is curious, open, learning, innovative and attractive:

> *"We can work in a new way to connect up all the knowledge we have. Our team can be connected with other teams of partners and volunteers in a very powerful way!"*

Continuing the journey of not knowing

A truly participative strategy process offers a kind of awakening of many to problems and realities that are traditionally only confronted by the few on the Board. When we bring people together in this process, they can gain clarity and tap into the power of a team to address wicked problems in a fashion that is building a more adaptive organisation. At the end of the West African workshop a local mayor told us that in spite of his fasting for Ramadam today's meeting had been "so exciting I was able to stay awake throughout!" Another participant a university professor and government advisor told us:

> *"Today was a great surprise – instead of getting us to fill in lots of forms you are actually building our capacity. We can use this method as a great way to engage our communities!"*

On hearing they wanted to take our method and use it in villages a penny dropped for us with some sense of irony. Here we were working with an organisation that builds capacity in villages, achieving results literally from the ground up on the truly wicked problems of poverty and environment. We worked with them in a way that actually built *their* capacity. We had not only worked explicitly with them on the challenge of "capacity", but also implicitly we had created an enabling environment that was actually releasing and growing their capacity in the moment.

Our hunch is that in the future the next steps to address our global wicked problems will be less through large-scale global jamboree events promising grand solutions (like Copenhagen and Cancun) and more through the small-scale ground up solutions that are already working. These can be multiplied through creative capacity building.

As to TREE AID, the workshops sent a clear message throughout the organisation of the ambition to do more, combined with an agreement as to the biggest challenges (building our influence, extending our programme, growing our funding). Hearing this, the Trustees were able to work with this and map an exciting path forward over the next three years. Rather than being reluctant or risk averse, we found the Trustees ambitious and supportive: ready perhaps to expand a little bit faster than we expected. The programme will be deepened and extended, the "know how" of TREE AID will be offered more widely and new relationships will be forged with partners and governments towards a global campaign.

A first stage in the campaign is being formulated under the title "*Starting a Tree Revolution*". One insight we bring to this from our strategy work is to look for resources in unexpected places, specifically not to play into a one way expectation of funds from UK to community projects in Africa. Why would we not look to reverse the flow? When you look more deeply, as happens so often, those with resources (the UK with funds) live in a country with significant needs (fragmented communities with endemic problems) and those with needs (Africa with deforestation) actually has significant resources (e.g. know-how in planting trees to develop communities, alleviate poverty and protect the environment). Might it not be useful to re-balance the exchange, by bringing unexpected resources from Africa to address unrecognised needs in the UK? Might this not be a more powerful and sustainable model for addressing the wicked problems we all face, wherever we live. Perhaps we are touching on a real and different approach that can over-turn the sense of helplessness at the start of this piece to create a sense of "agency" or "can do" towards some of our deepest trickiest problems.

So what is this journey of not knowing? If there were a high degree of certainty, leaders could simply pull certain levers with a predictable effect. This is the world of "tame" problems and the traditional approach to strategic planning. When we face wicked problems these only appear intractable because we adopt a linear mono-causal approach that further adds to the difficulty of the problem by producing highly unpredictable effects (Mitleton-Kelly 1998). Progress requires the leader to adopt an unconventional approach in which they relinquish a great deal of control (Goodwin and Page 2008). They bring the many actors with a stake in the problem into an interaction that integrates perspectives and voices - up, down and across – transcending boundaries to explore problems and possibilities for action. This is iterative because every action produces an effect that in turn redefines the problem.

During this “journey of not knowing” each player is learning and co-evolving in relation to the behaviour of others. In an earlier paper Philip (Goodwin 2010)
set out some of the conditions to build the needed inter-connection, confidence and trust:

- a willingness to work with and embrace difference
- the possibility for influence and change from all actors
- an awareness of dependencies and inequalities in the interaction across boundaries, and an attempt to mitigate against those

Whilst the leader is out of control in the sense of not knowing the answers, they do control the framing of the challenge and the conditions in which people interact. In effect the leader is creating an “enabling” culture of inquiry, of reflection, creativity, flexibility and adaptation. Ideas and solutions can emerge from interactions rather than being imposed through hierarchy. It is this emergent behaviour that starts to generate a purposeful order from the apparent chaos. As Christopher Langton (1990), a leading researcher on emergent behaviour, points out: “Living systems flirt with the boundary between complete randomness and order and in doing so ensure the survival of species and ecosystems”.

We think of this as “leaders creating other leaders”, distributing intelligence as in a swarm, by producing in each person a clarity that informs their everyday actions. A stretched elastic band inside them keeps them constantly aware of the problem while also creative in their actions. Across the organisation everyone constantly and intelligently refocuses their resources achieving powerful joint action.

In summary, we can only ever begin from what we know which is:

1. The world is not predictable or controllable. Adopting organisational approaches that pretend it is simply undermine our chances of success
2. Leaders still have a big job to do: to create the organisational conditions in which people can be innovative in the face of uncertainty and address our biggest problems.
3. A collective story can help each person find meaning, face difficult problems and contribute from a place that best serves the organisation’s purpose - like trees it gives them the necessary roots that help them survive and grow in a stormy and changeable environment
4. A participative approach to strategy can generate creative solutions by spanning boundaries and connecting up knowledge, insight and ideas
5. One of the most powerful things a participatory approach to strategy can do is build capacity and confidence to deliver.

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