

# Stanford SOCIAL INNOVATION Review

*Informing and inspiring leaders of social change*

## NONPROFIT MANAGEMENT

# The Dawn of System Leadership

The deep changes necessary to accelerate progress against society's most intractable problems require a unique type of leader—the system leader, a person who catalyzes collective leadership.

By **Peter Senge, Hal Hamilton, & John Kania** | 5 | **Winter 2015**

**W**ith the passing of Nelson Mandela in late 2013, the world celebrated a remarkable life. But the spotlight on Mandela's accomplishments relegated to the shadows much of the reason that he has had such a lasting impact, in South Africa and beyond. Above all, Mandela embodied a system leader, someone able to bring forth collective leadership. In countless ways, large and small, he undertook interventions aimed at bringing together the remnants of a divided country to face their common challenges collectively and build a new nation.

### Magazine Extras (Winter 2015)

Supplement to the article “**The Dawn of System Leadership**.”

#### **Leading Systems**

**System Leaders for Sustainable Food (sidebar)**

**Systems Map for the Treatment of Asthma (illustration)**

In the four delicate years between Mandela's release from prison in 1990 and the first open election, he supported a scenario process that brought together the formerly banned black political parties to work through their alternative visions for the future of South Africa. Exploring their different ideologies and their implications openly and together resulted in the moderating of potentially divisive differences that could have ripped the nation apart, such as whether or not to nationalize critical industries.<sup>1</sup>

Perhaps the most transcendent example of Mandela as a system leader was the Truth and Reconciliation Commission, a radical innovation in the emotional healing of the country that

brought black and white South Africans together to confront the past and join in shaping the future. The simple idea that you could bring together those who had suffered profound losses with those whose actions led to those losses, to face one another, tell their truths, forgive, and move on, was not only a profound gesture of civilization but also a cauldron for creating collective leadership. Indeed, the process would have been impossible without the leadership of people like Bishop Desmond Tutu and former President F. W. de Klerk.

Even more, the process invited the thousands who participated to step forward in co-creating a new reality for South Africa—and, in so doing, to embody an ancient understanding of leadership; the Indo-European root of “to lead,” *leith*, literally means to step across a threshold—and to let go of whatever might limit stepping forward.



(Illustration by Paul Rodgers)

At no time in history have we needed such system leaders more. We face a host of systemic challenges beyond the reach of existing institutions and their hierarchical authority structures. Problems like climate change, destruction of ecosystems, growing scarcity of water, youth unemployment, and embedded poverty and inequity require unprecedented collaboration among different organizations, sectors, and even countries. Sensing this need, countless collaborative initiatives have arisen in the past decade—locally, regionally, and even globally. Yet more often than not they have floundered—in part because they failed to foster collective leadership within and across the collaborating organizations.

The purpose of this article is to share what we are learning about the system leaders needed to foster collective leadership. We hope to demystify what it means to be a system leader and to continue to grow as one. It is easy when we talk about exemplars like Mandela to reinforce a belief that these are special people, somehow walking on a higher plane than the rest of us. But we have had the honor to work with many “Mandelas,” and this experience has convinced us that they share core capabilities and that these can be developed. Although formal position and authority matter, we have watched people contribute as system leaders from many positions. As Ronald Heifetz has shown in his work on adaptive leadership,<sup>2</sup> these leaders shift the conditions through which others—especially those who have a problem—can learn collectively to make progress against it. Most of all, we have learned by watching the personal development of system leaders. This is not easy work, and those who

progress have a particular commitment to their own learning and growth. Understanding the “gateways” through which they pass clarifies this commitment and why this is not the mysterious domain of a chosen few.

Today, many of us are “swimming in the same river”—trying to cultivate collective leadership in diverse settings around the world even while our larger cultural contexts remain firmly anchored to the myth of the heroic individual leader. This search for a new type of leadership creates a real possibility to accelerate joint learning about system leaders. For undoubtedly we are at the beginning of the beginning in learning how to catalyze and guide systemic change at a scale commensurate with the scale of problems we face, and all of us see but dimly.

### **Core Capabilities of System Leaders**

Though they differ widely in personality and style, genuine system leaders have a remarkably similar impact. Over time, their profound commitment to the health of the whole radiates to nurture similar commitment in others. Their ability to see reality through the eyes of people very different from themselves encourages others to be more open as well. They build relationships based on deep listening, and networks of trust and collaboration start to flourish. They are so convinced that something can be done that they do not wait for a fully developed plan, thereby freeing others to step ahead and learn by doing. Indeed, one of their greatest contributions can come from the strength of their ignorance, which gives them permission to ask obvious questions and to embody an openness and commitment to their own ongoing learning and growth that eventually infuse larger change efforts.

As these system leaders emerge, situations previously suffering from polarization and inertia become more open, and what were previously seen as intractable problems become perceived as opportunities for innovation. Short-term reactive problem solving becomes more balanced with long-term value creation. And organizational self-interest becomes re-contextualized, as people discover that their and their organization’s success depends on creating well-being within the larger systems of which they are a part.

There are three core capabilities that system leaders develop in order to foster collective leadership. The first is the ability to see the larger system. In any complex setting, people typically focus their attention on the parts of the system most visible from their own vantage point. This usually results in arguments about who has the right perspective on the problem. Helping people see the larger system is essential to building a shared understanding of complex problems. This understanding enables collaborating organizations to jointly develop solutions not evident to any of them individually and to work together for the health of the whole system rather than just pursue symptomatic fixes to individual pieces.

The second capability involves fostering reflection and more generative conversations. Reflection means thinking about our thinking, holding up the mirror to see the taken-for-granted assumptions we carry into any conversation and appreciating how our mental models may limit us. Deep, shared reflection is a critical step in enabling groups of organizations and individuals to actually “hear” a point of view different from their own, and to appreciate emotionally as well as cognitively each other’s reality. This is an essential doorway for building trust where distrust had prevailed and for fostering collective creativity.

The third capability centers on shifting the collective focus from reactive problem solving to co-creating the future. Change often starts with conditions that are undesirable, but artful system leaders help people move beyond just reacting to these problems to building positive visions for the future. This typically happens gradually as leaders help people articulate their deeper aspirations and build confidence based on tangible accomplishments achieved together. This shift involves not just building inspiring visions but facing difficult truths about the present reality and learning how to use the tension between vision and reality to inspire truly new approaches.

Much has been written about these leadership capabilities in the organizational learning literature and the tools that support their development.<sup>3</sup> But much of this work is still relatively unknown or known only superficially to those engaged in collaborative systemic change efforts.

### **Gateways to Becoming a System Leader**

Many years ago, a mentor of ours, William O’Brien, past CEO of Hanover Insurance Companies, posed an important question, “Many business leaders espouse ideals like vision, purposefulness, and growing people to grow results. If these aims are so widely shared, then why are such organizations so rare?” O’Brien’s answer was simple, “I think it is because very few people appreciate the nature of the commitment needed to build such an enterprise.” We believe this insight also applies to budding system leaders seeking to help build collaborative networks for systemic change.

Watching people grow as system leaders has shown us repeatedly the depth of commitment it requires and clarified the particular gateways through which budding system leaders begin their developmental journeys. These gateways do not define the whole of those journeys, but they do determine whether or not they ever commence. Those unwilling to pass through them may say all the right things about system leadership, but they are unlikely to make much progress in embodying their aspirations.

**Re-directing attention: seeing that problems “out there” are “in here” also—and how the two are connected** | Continuing to do what we are currently doing but doing it harder or smarter is not

likely to produce very different outcomes. Real change starts with recognizing that we are part of the systems we seek to change. The fear and distrust we seek to remedy also exist within us—as do the anger, sorrow, doubt, and frustration. Our actions will not become more effective until we shift the nature of the awareness and thinking behind the actions.

**Roca, Inc.**, is a community youth development organization founded in the Boston area in 1988. Roca works with youths whom, by and large, no one else will work with. Many of the organization's staff are former gang members who now work on the streets to help current gang members redirect their lives.<sup>4</sup> In 2013, 89 percent of the high-risk youth in Roca's program for parolees and ex-convicts had no new arrests, 95 percent had no new technical violations, and 69 percent remained employed. On the strength of these outcomes, in 2013 Massachusetts entered into a \$27 million social impact bond with Roca, whereby Roca will be paid to keep at-risk youth out of prison, receiving remuneration directly in proportion to the positive outcomes they achieve.<sup>5</sup>

Critical to Roca's success has been its ability to build transformative relationships with the young people it works with. It does this by what it calls “relentless” outreach and relationship building. “Our first job is simply to ‘show up’ for kids,” says founder and CEO Molly Baldwin. “The truth is that many have never had someone they could count on consistently in their lives.”

Showing up for young people means using processes like “**peacekeeping circles**,” a Native American practice that Roca has adapted and applied in diverse settings, from street conflicts to sentencing and parole circles. The practice begins by getting all the critical players in any situation into a circle and opening with each person saying a few words about his deepest intentions. The central idea behind the circle is that what affects the individual affects the community, and that both need to be healed together.<sup>6</sup> “We learn to listen to each other in a deep way in circles,” says Roca youth worker Omar Ortez. “You see that a problem is not just one person's problem, it is all our problem.”

Developing peacekeeping circles has not been easy, including for Baldwin herself. At Roca's first circle training 15 years ago, “Forty people came—young people, police and probation officers, community members, and friends,” recalls Baldwin. “Halfway through the opening session, everything blew up. People were screaming, the kids were swearing, everyone was saying, ‘See! This is never going to work!’ Watching the session break down was wrenching, but eventually I understood how committed I was to divisiveness and not unity, how far I was from being a peacemaker. I understood on a visceral level the problems with ‘us and them’ thinking, and how I perpetuated that, personally and for the organization. Continuing to insist, ‘I'm right, you're wrong! The issue is you, not us, because we hold the moral high ground!’ was a big source of what was limiting our ability to truly help people and situations.”

In their book *Leading from the Emerging Future*, Otto Scharmer and Katrin Kaufer describe three “openings” needed to transform systems: opening the mind (to challenge our assumptions), opening the heart (to be vulnerable and to truly hear one another), and opening the will (to let go of pre-set goals and agendas and see what is really needed and possible). These three openings match the blind spots of most change efforts, which are often based on rigid assumptions and agendas and fail to see that transforming systems is ultimately about transforming relationships among people who shape those systems. Many otherwise well-intentioned change efforts fail because their leaders are unable or unwilling to embrace this simple truth. Baldwin’s development as a system leader started with her willingness to face her own biases and shortcomings (and how these shortcomings limited Roca’s effectiveness in their work) and her openness to gradually setting a tone for the whole organization.

Today, this willingness to open the mind, heart, and will has extended far beyond the four walls of Roca as the organization has evolved into a critical interface between gangs, police, courts, parole boards, schools, and social service agencies. Indeed, many of Roca’s important allies are the police departments in the communities it serves. It has been a long journey for former social activists who often saw the cops as the enemy.

**Re-orienting strategy: creating the space for change and enabling collective intelligence and wisdom to emerge** | Ineffective leaders try to make change happen. System leaders focus on creating the conditions that can produce change and that can eventually cause change to be self-sustaining. As we continue to unpack the prerequisites to success in complex collaborative efforts, we appreciate more and more this subtle shift in strategic focus and the distinctive powers of those who learn how to create the space for change.

For Darcy Winslow, the journey to becoming a system leader began in 1998 when she was responsible for Nike’s advanced research department and was reviewing a gas chromatograph toxicological analysis that showed, she says, “for the first time the chemicals embedded in one of our top running shoes. Our VP of product looked at the results—the known toxins embedded in our products and processes and the many chemicals that posed uncertain risks—and then surprised us, by asking what we thought he should do. We figured he was the head of this part of the business and would know. But after some time, we understood. The stuff that was in our products was there because of cost, function, and our design and material choices. The real question became, ‘Who could—and should—lead in tackling this truly complex problem?’”

Over the ensuing weeks and months came an epiphany for Winslow. “Nike creates products,” she says. “Our first maxim is, ‘It is in our nature to innovate.’ The people we had to reach were the designers. While Nike had about 25,000 employees at that time, there were only about 300 designers. Five to 10 percent of our designers represented only 15 to 30 people. Suddenly, building an

initial critical mass seemed far less daunting. So I went knocking on doors.”

With the report in hand, Winslow simply showed the results to designers and asked what they thought. “You could tell within two minutes if the person was stirred up to do anything,” says Winslow. “If they weren’t, I moved on. If they were, I asked for a second meeting.”

Soon Winslow was bringing together groups of engaged designers and others in related product creation functions, and a new network started to emerge. “If you tell a great designer something is impossible—like you cannot make a world-class running shoe without glues—they get very excited. It is the challenge that engages them.” Within two years, about 400 designers and product managers convened for a two-day summit where leading sustainability experts and senior management explored together the concept of design for sustainability. A movement was born within Nike.

Today, Nike’s efforts have spurred collective leadership throughout the sports apparel industry on waste, toxicity, water, and energy. For example, the Joint Roadmap Towards Zero Discharge of Hazardous Chemicals, a joint initiative of Greenpeace, Nike, Puma, Adidas, New Balance, and others, aims to systematically identify major toxins and achieve zero discharge of hazardous chemicals in the entirety of the sport apparel manufacturing industry worldwide, starting in China.<sup>7</sup> (Winslow left Nike in 2008 and is now managing director of the Academy for Systemic Change.)

We are all on a steep learning curve in understanding this gateway of creating space for change, but it seems to be crucial not only in initiating collaborative efforts but in what ultimately can arise from them. A few years ago, one of us co-authored an article describing five conditions for achieving progress at a large scale through a disciplined approach to collaboration called “collective impact.”<sup>8</sup> Today as we research and observe effective collective impact initiatives, what stands out beyond the five conditions is the collective intelligence that emerges over time through a disciplined stakeholder engagement process—the nature of which could never have been predicted in advance.

Systemic change needs more than data and information; it needs real intelligence and wisdom. Jay Forrester, the founder of the system dynamics method that has shaped our approach to systems thinking, pointed out that complex non-linear systems exhibit “counterintuitive behavior.” He illustrated this by citing the large number of government interventions that go awry through aiming at short-term improvement in measurable problem symptoms but ultimately worsening the underlying problems—like increased urban policing that leads to short-term reductions in crime rates but does nothing to alter the sources of embedded poverty and worsens long-term incarceration rates.<sup>9</sup> Another systems thinking pioneer, Russell Ackoff, characterized wisdom as the ability to distinguish the short-term from the long-term effects of an intervention.<sup>10</sup> The question is, How does the wisdom to transcend pressures for low-leverage symptomatic interventions arise in practice?

System leaders like Baldwin and Winslow understand that collective wisdom cannot be manufactured or built into a plan created in advance. And it is not likely to come from leaders who seek to “drive” their predetermined change agenda. Instead, system leaders work to create the space where people living with the problem can come together to tell the truth, think more deeply about what is really happening, explore options beyond popular thinking, and search for higher leverage changes through progressive cycles of action and reflection and learning over time. Knowing that there are no easy answers to truly complex problems, system leaders cultivate the conditions wherein collective wisdom emerges over time through a ripening process that gradually brings about new ways of thinking, acting, and being.

For those new to system leadership, creating space can seem passive or even weak. For them, strong leadership is all about executing a plan. Plans are, of course, always needed, but without openness people can miss what is emerging, like a sailor so committed to his initial course that he won't adjust to shifts in the wind. Even more to the point, the conscious acts of creating space, of engaging people in genuine questions, and of convening around a clear intention with no hidden agenda, creates a very different type of energy from that which arises from seeking to get people committed to your plan. When Winslow went to the designers, she went with basic data and a big question, “What do you think about this and what should we do?” Her success in building an extraordinary network of collaboration and shared commitment over 15 years, whose ripples are still spreading, started with this basic shift in strategy. System leaders understand that plans and space are the yang and yin of leadership. Both are needed. But what is needed even more is balance between the two.

**Practice, practice, practice: all learning is doing, but the doing needed is inherently developmental** | Bringing together diverse stakeholders with little history of collaboration, different mental models, and different and even apparently competing aims is a high-risk undertaking. Good intentions are not enough. You need skills. But skills come only from practice. Everybody wants tools for systemic change. But too few are prepared to use the tools with the regularity and discipline needed to build their own and others' capabilities.

This is why system leaders like Baldwin and Winslow never stop practicing how to help people see the larger systems obscured by established mental models, how to foster different conversations that gradually build genuine engagement and trust, and how to sense emerging possibilities and help shift the collective focus from just reacting to problems to releasing collective creativity. The practice is internal and external, and it requires discipline.

Fortunately, a rich set of tools has emerged from diverse fields over the past few decades for developing these core system leadership capabilities. The tools that matter have two functions: they produce practical benefits *and* they affect how people think and see the world. As the inventor



Buckminster Fuller said, “If you want to change how a person thinks, give up. You cannot change how another thinks. Give them a tool the use of which will gradually cause them over time to think differently.”

What follows are examples of a few of these tools and how they can be applied to develop each of the core leadership capacities.

*Tools for seeing the larger system.* Tools that help people see the larger system integrate the different mental models of multiple stakeholders to build a more comprehensive understanding. Often this starts with simple questions, like Winslow’s “Do we know what is in our product?” For educators, it might be “What happens for the child when she or he is outside of school?” Systems mapping can be used to extend this inquiry by helping stakeholders build a visual picture of the relationship and interdependencies beyond the boundaries they normally assume.

For example, in an initiative focused on improving children’s asthma outcomes in Dallas, a steering committee composed of doctors, hospital administrators, community agencies, insurance providers, the city health department, faith based organizations, built-environment executives, philanthropists, and public schools worked together to map out the system of children’s health of which they were all a part. Leaders of the effort agreed up front that they needed all these different views of children’s asthma in order to develop a full perspective. It was also clear, as the group engaged in initial dialogue, that each person’s perspective on the causes of poor asthma outcomes, and the solutions to produce better outcomes, was different.

The systems map the group developed helped all involved to see the entire system better, and for each professional to see aspects affecting children’s health that were less evident in their own work. Eventually, the group created what it called the “asthma wellness equation,” which translated insights from the systems map into an illustration that knit together the science of asthma triggers, the practices of asthma management, and the leadership of families and community in creating support structures that promoted a sense of efficacy within asthmatic children themselves. (To see a copy of the illustration, go to <http://www.ssireview.org>) This map especially helped clinical professionals to put in perspective the often-overlooked influence of family and community on asthma, not just clinical interventions. It also helped non-clinical actors, such as schools and public housing administrators, see more clearly how their actions linked to those within the medical community.<sup>11</sup>

*Tools for fostering reflection and generative conversation.* Tools that help foster reflection and generative conversation are aimed at enabling groups to slow down long enough to “try on” other people’s viewpoints regarding a complex problem. These tools enable organizations and individuals to question, revise, and in many cases release their embedded assumptions. Examples include the

peacekeeping circles used by Roca and the dialogue interviews conducted by Winslow.

Two other tools we have often seen used by system leaders are “peer shadowing” and “learning journeys.”<sup>12</sup> Both tools have been used to build the Sustainable Food Lab, a network of more than 70 of the world’s largest food companies and global and local NGOs (half NGOs, half companies) working together to make “sustainable agriculture the mainstream system.” Starting in 2004, with Oxfam, Unilever, and the Kellogg Foundation as initial conveners, a team of 30 senior managers from food businesses and social and environmental NGOs spent time in each others’ organizations and traveled together to see aspects of the food system they had never seen. Corporate executives visited farmer co-ops and social activists saw the operations of multi-national food companies. “This almost never happens in our normal busy focus on tasks and results,” says Andre van Heemstra, a member of the management board at Unilever and the founding Lab team. Gradually, as business and NGO partners got to understand one another better as people and as professionals, the cognitive dissonance between them became less, and the power of their differing views grew. “We *do* see the world very differently, and that is our greatest strength,” said a corporate participant about a year into the process. Today the Lab has become a powerful incubator for collaborative projects, such as companies and NGOs learning together how to manage global supply chains for long-term reliability based on the health of farming communities and ecologies. Practices like Learning Journeys are regularly incorporated into projects and gatherings.

Embedded in tools like peacekeeping circles, dialogue interviews, peer shadowing, and learning journeys is a disciplined approach to observation and deeper conversations called the “Ladder of Inference.”<sup>13</sup> System leaders committed to practicing with the ladder learn to pay better attention to how their often unconscious assumptions shape their perceptions, from what data they notice and do not notice to the conclusions they draw. The ladder also provides a reorientation path for shifting behavior, from asserting subjective assumptions as reality, to identifying what facts people actually have and the reasoning by which they interpret those facts. Winslow calls it “an essential tool for the deeper listening that builds networks of collaborating change leaders.”

*Tools for shifting from reacting to co-creating the future.* Building the capacity to shift from reacting to co-creating is anchored in relentlessly asking two questions, What do we really want to create? and What exists today? This creative tension, the gap between vision and reality, generates energy, like a rubber band stretched between two poles. Helping themselves and others generate and sustain creative tension becomes one of the core practices of system leaders.

One approach embodying creative tension that we have seen help large, multi-stakeholder initiatives is the **Appreciative Inquiry (AI) Summit**. An initiative begun in 2010 used an AI Summit to bring together police, grassroots advocates, courts, probation officers, state agencies, private agencies,

education institutions, health care providers, and philanthropy to reform the New York state juvenile justice system.<sup>14</sup> At the outset, few thought it possible to get this group of 20 stakeholders to agree (one group was actually suing another). But no one had ever brought them together for real dialogue and to explore the visions they might share.

To start, people were encouraged to collectively imagine that “The rates of recidivism in New York state have become the lowest in the nation ... and the New York state juvenile justice system has become a model for other communities across the nation.” Buoyed, almost miraculously, by collectively imagining the dimensions of this compelling future, the group eventually was able to agree on two goals they could work together on: improving public safety and effectively rehabilitating youths who were involved with the state justice system.

Within ten months, the group had turned those goals into a full-fledged reform plan. A year later, components of this reform plan were adopted by the governor, passed into legislation, and rolled out in communities across the state. Today, three years into the reforms, New York has 45 percent fewer youths in the custody of the state juvenile justice system, without any increase in crime.<sup>15</sup> Many of those initially involved cite the AI Summit as a seminal event that turned the tide from people holding on to past realities into a network of organizations and individuals excited about a more compelling future.

This example illustrates something we have seen again and again. The basic idea of shifting from problem solving to creating is not complicated, but the impact can be immense. “As managers, we are all good problem solvers,” says Winslow. “But it is easy to get so caught up in reacting to what we *don't* want and completely fail to tap the heart and imagination of people’s genuine caring for what they *do* want, and to use this energy to transcend the ‘us versus them’ mindset.” We have also seen that nurturing the collective creative approach happens most reliably in concert with helping people see the larger system, fostering reflection, and having different quality conversations—each of which is also bolstered in the AI Summit.

Last, system leaders are ever mindful of the composition and character of groups practicing with learning tools like those above. Tools become truly developmental only in the hands of people open to their own development. But you can also have open groups who have little power to take action, just as you can have powerful groups with little openness. No group is perfect. This is why system leaders never stop working at the fine art of “getting the right people in the room.”

### **Guides for Moving Along the Path**

Clearly the path to becoming a system leader is not a simple journey. As in any daunting undertaking, it is useful to have a few simple guides to keep in mind.

**Learning on the job** | Growing as a system leader is a process that never ends, and to be successful it must be woven into the work itself. Although training and other episodic interventions can help, they are most useful when embedded in a work culture that fosters ongoing reflection and collaboration. Most organizations are consumed by the tasks at hand. Others spend large amounts of money on staff development with little return. The missing element is often a clear vision for how the work itself becomes developmental. This means employing models of change that weave together outcome, process, and human development—made operational via embedded developmental practices like Roca’s peacekeeping circles or the Sustainable Food Lab’s learning journeys.

**Balancing advocacy and inquiry** | All change requires passionate advocates. But advocates often become stuck in their own views and become ineffective in engaging others with different views. This is why effective system leaders continually cultivate their ability to listen and their willingness to inquire into views with which they do not agree. Leading with real inquiry is easy to say, but it constitutes a profound developmental journey for passionate advocates. As collaborative networks grow in sophistication, they learn how to institutionalize the balance of advocacy and inquiry. For example, the Sustainable Food Lab has a great many passionate advocates. Recognizing that passionate advocacy can put others on the defensive (even though they may agree with what is being advocated), the Lab’s NGO-Business steering committee declared that all major meetings would be “no pitch zones,” safe spaces for thinking together rather than a place where people come seeking to engage others in their own agendas.

**Engaging people across boundaries** | We are often most comfortable with those with whom we share a common history and views. But operating within our comfort zones will never lead to engaging the range of actors needed for systemic change—whether it is the police for Roca or the multinational food corporations for the NGO founders of the Sustainable Food Lab. Though always challenging, reaching across boundaries can have immense payoffs. “Innovation often only comes from seeing a system from different points of view,” says Winslow.

**Letting go** | System leaders need to have a strategy, but the ones who are most effective learn to “follow the energy” and set aside their strategy when unexpected paths and opportunities emerge. In the Sustainable Food Lab there are many companies that have become leaders who had little prior commitment to sustainable agriculture until artful system leaders helped them see a bigger picture. In one case, an internal corporate advocate for “pro-poor” business practices had made little progress. When she talked to her vice president about the plight of the rural poor, he was sympathetic but responded that this was the work of charities, and she should reach out to their corporate foundation. A colleague pointed out her boss’s deep concern about the long-term supply of important products and the implicit alignment with her concerns. When she showed the vice president how the company

might be unable to source critical food products if it didn't invest in the well-being of farming communities, he said, "Why didn't you just tell me that if we don't do these things we won't have product on the shelf?" Today, the company is a global leader in sustainable food supply chain innovations. "Once I could let go of my advocacy for the poor," she says, "I discovered how to help my busy managers see the problem in a way they could get their hands around."

**Building one's own toolkit** | The variety of helpful tools and approaches available today is large and growing, and system leaders should be knowledgeable about what is available. In our work, tools we use regularly come from a variety of places, including a few mentioned here: the "five disciplines" approach to systems thinking and organizational learning, Theory U and Presencing, Appreciative Inquiry, Immunity to Change, Roca's peacekeeping circles, and the Change Labs and scenario planning of Reos Partners.<sup>16</sup> Recently, several of us have started a process of organizing these tools to provide an integrated tool kit for systemic change.<sup>17</sup> But it is important to remember that building a tool kit is more than just putting arrows in your quiver. It is about learning, over time, through disciplined practice, how to become an archer.

**Working with other system leaders** | Growing the capabilities to become a more effective system leader is hard work. It needs to happen in difficult settings and under pressure to deliver tangible results. It is naïve, even for the most accomplished system leader, to think that she can do it alone. We know of no examples where effective system leaders achieved broad scale success without partners. You need partners who share your aspirations and challenges and who help you face difficult changes while you also attend to your own ongoing personal development—balancing task time with time for reflection, action, and silence. You need to engage with colleagues who are at different stages in their own developmental journeys. And you need help letting the unexpected emerge amid urgency and time pressure. Connecting with others who are also engaged in this journey can help lighten the load and foster the patience needed when organizations or systems seem to be changing at a slower rate than you yourself are changing.

## Dawn Awakening

We believe system leadership is critical for the times in which we now live, but the ideas behind it are actually quite old. About 2,500 years ago Chinese philosopher Lao Tzu eloquently expressed the idea of individuals who catalyze collective leadership:

The wicked leader is he whom the people despise.

The good leader is he whom the people revere.

The great leader is he of whom the people say, "We did it ourselves."

The real question today is, Is there any realistic hope that a sufficient number of skilled system leaders

will emerge in time to help us face our daunting systemic challenges? We believe there are reasons for optimism. First, as the interconnected nature of core societal challenges becomes more evident, a growing number of people are trying to adopt a systemic orientation. Though we have not yet reached a critical mass of people capable of seeing that a systemic approach and collective leadership are two sides of the same coin, a foundation of practical know-how is being built.

Second, during the last thirty years there has been an extraordinary expansion in the tools to support system leaders, a few of which we have touched on in this article. We have observed numerous instances where the strategic use of the right tool, at the right time, and with the right spirit of openness, can shift by an order of magnitude the ability of stakeholders to create collective success. With the right shifts in attention, networks of collaboration commensurate with the complexity of the problems being addressed emerge, and previously intractable situations begin to unfreeze.

Last, there is a broad, though still largely unarticulated, hunger for processes of real change. This is undoubtedly why a person like Mandela strikes such a resonant chord. There is a widespread suspicion that the strategies being used to solve our most difficult problems are too superficial to get at the deeper sources of those problems. This can easily lead to a sense of fatalism—a quiet desperation that our social, biological, economic, and political systems will continue to drift toward chaos and dysfunction. But it can also cause people to be more open to seeking new paths. Compared to even a few years ago, we find that many today are exploring new approaches that move beyond the superficial to ignite and guide deeper change. Organizations and initiatives like those described in this article have succeeded because of a growing awareness that the inner and outer dimensions of change are connected. As our awakening continues, more and more system leaders who catalyze collective leadership will emerge.

## Notes

<sup>1</sup> Adam Kahane, *Solving Tough Problems*, San Francisco: Berrett-Koehler, 2004.

<sup>2</sup> Ronald Heifetz, *Leadership Without Easy Answers*, Cambridge, Mass.: Harvard University Press, 1994. Explored in the context of social change by one of us in the article by Ronald Heifetz, John Kania, and Mark Kramer, “*Leading Boldly*,” *Stanford Social Innovation Review*, Winter 2004.

<sup>3</sup> Good summaries of the systems thinking and organizational learning tools can be found in the following books: Peter Senge, Art Kleiner, Charlotte Roberts, Richard Ross, and Bryan Smith, *The Fifth Discipline Fieldbook*, New York City: Doubleday, 1994; Peter Senge, Art Kleiner, Charlotte Roberts, Richard Ross, and Bryan Smith, *The Dance of Change*, New York City: Doubleday, 1998; and Peter Senge, Nelda Cambron-McCabe, Timothy Lucas, Bryan Smith, Janis Dutton, and Art Kleiner, *Schools that Learn*, New York City: Doubleday, 2013.

<sup>4</sup> With less than 5 percent of the world’s population, the United States has more than 25 percent of the world’s prison inmates, and incarceration rates are wildly uneven: according to the US Department of Justice, almost one in three African-American men can expect to go to prison in his lifetime, compared to 16 percent of Hispanics and 6 percent of whites.

<sup>5</sup> In the pay for success program, some portion of the \$45,000 per year it costs the state to incarcerate a person goes back to Roca for reductions in prison time. If they fail to keep enough out of prison, they lose money. If they succeed, they make money, which they will use to expand the number of youths they can serve. It is a simple idea, but it has never previously been

implemented on this scale. (*Boston Globe*, September, 2013).

<sup>6</sup> <http://www.restorativejustice.org/university-classroom/01introduction/> tutorial-introduction-to-restorative-justice/processes/circles

<sup>7</sup> <http://www.roadmaptozero.com>

<sup>8</sup> John Kania and Mark Kramer, “**Collective Impact**,” *Stanford Social Innovation Review*, Winter 2011.

<sup>9</sup> Similar problems afflict many foundation strategies, where it has become fashionable to focus on “accountability for measurable outcomes,” typically to be achieved within arbitrary time frames dictated by the foundation rather than the systemic reality of the situation at hand.

<sup>10</sup> Russell L. Ackoff, “From Data to Wisdom,” *Journal of Applied Systems Analysis*, 1989, vol. 16, pp. 3-9.

<sup>11</sup> Of the many approaches to systems maps, we favor those that come from the system dynamics methods that help identify key causal relationships and high- versus lowleverage interventions. See Jay W. Forrester, *Collected Papers of Jay W. Forrester*, San Jose: Pegasus Communications, 1975; and John Sterman, *Business Dynamics: Systems Thinking and Modeling for a Complex World*, New York City: McGraw Hill, 2000.

<sup>12</sup> For more on dialogue interviews, peer shadowing, and learning journeys, see Otto Scharmer, *Theory U*, San Francisco: Berrett-Koehler, 2008, and <http://www.presencing.com>

<sup>13</sup> See Senge et al., op. cit.

<sup>14</sup> David L. Cooperider, Diana Whitney, and Jacqueline M. Stavros, *Appreciative Inquiry Handbook*, second edition, Brunswick, Ohio: Crown Custom Publishing, 2008.

<sup>15</sup> New York State Division of Criminal Justice Services (DCJS): Uniform Crime Reporting and Incident-Based Reporting System, Probation Workload System, and DCJS-Office of Court Administration Family Court JD/DF Case Processing Database. New York State Office of Children and Family Services detention and placement databases.

<sup>16</sup> Peter Senge, Bryan Smith, Nina Kruschwitz, Joe Laur, and Sara Schley, *The Necessary Revolution*, New York City: Doubleday, 2008; Peter Senge, *The Fifth Discipline*, New York City: Doubleday, revised edition, 2006; Otto Scharmer and Katrin Kaufer, *Leading from the Emerging Future*, San Francisco: Berrett-Koehler, 2013; Cooperider, Whitney, and Stavros, op. cit.; Robert Kegan and Lisa L. Lahey, *Immunity to Change: How to Overcome it and Unlock Potential in Yourself and Your Organization*, Cambridge, Mass.: Harvard Business Press, 2009; Adam Kahane, *Transformative Scenario Planning*, San Francisco: Berrett-Koehler, 2012.

<sup>17</sup> So far we have identified more than 130 different tools used in systemic change processes ([www.academyforchange.org](http://www.academyforchange.org)).

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