

Adaptive Leadership

- Peter Kaldor

Organizations of all types need to navigate the permanent white water of continuous and complex change. Leadership is more than steady state management of what is (as important as that might be). It is also about living out purposes and engaging change. While some changes are easier than others, it is rarely straightforward because it involves journeying into unknown territory, letting go of the safety of the known for the uncertainty of the possible.

The work of Ronald Heifetz since the 1990s has been an important contribution to thinking about leadership in times of change, challenge or uncertainty on many fronts. First, he distinguishes *adaptive* challenges from *technical* problems and, second, identifies the reality that people engage in *work avoidance*, seeking cost free solutions to challenging problems. Third, he emphasises the importance of *pacing change* in adaptive situations, of carefully balancing risk and safety and, fourth, of taking *time on the balcony* to observe and learn. Fifth, is his recognition of the importance of *experimentation* when facing unknown territory.

In all of this are many key principles for engaging complexity, change or possibility. Leadership in adaptive challenges may need to look quite different to the daily management of technical issues. Heifetz is concerned to build adaptive capacity in organisations and communities.

1. Adaptive challenges

Some problems can be solved through expertise or information. Budgeting problems may, for instance, be solved using better software, or expert *technical* solutions that don't create deep disturbance to anything. Other issues run deeper. If an organisation becomes disconnected from its purposes or the community it seeks to serve, trying to reconnect may raise very difficult questions about how to move forward, what is possible and what could be lost in the process?

Adaptive challenges are commonly about going in new directions, responding to changing circumstances or seemingly intractable dynamics. They require deep reflection on priorities, core purposes and how to live them out¹.

Identifying the nature of the challenges we face is critical: Heifetz suggests that a key reason leadership fails is because they attempt to solve an adaptive challenge with technical fixes.

Adaptive challenges are all around us. Think, for instance, about climate change. No one person has the solution: not a politician, a mining company executive or a member of the Australian population. An effective response will involve everyone making significant contributions and generating a quality collective response.

Adaptive challenges: Some examples:

A factory employing hundreds shuts down, affecting an entire community as people move out. How might the local school respond to dramatic drops in student numbers?

Several organisations are amalgamating. How might they create a vital new culture?

How might a city deal with increasing traffic congestion?

A family is stuck in a damaging cycle of criticising each other, causing hurt, frustration, anger and hopelessness. How might they find a way out of the cycle?

2. Work avoidance: Change is not straightforward

Ron Heifetz identifies the reality that, in the face of challenging problems, people engage in *work avoidance*, seeking cost free solutions to avoid the hard work that they themselves might need to do. Work avoidance is part of human nature. It is a process of not facing up to real and serious issues that may affect our lives because they seem too hard to deal with.

Individuals may engage in *personal work avoidance*, not facing important but threatening issues, because it may require us to own (to ourselves or others) that we are not the person we aspire to be. So we put things off, look for an easier road, or become paralysed by choices. We say growth is important, but retreat to safe places so as not to deal with it.

Groups may engage in **corporate work avoidance**, together not facing up to hard questions of change and the discomfort that may be required to fully live out who we aspire to be as a group. So we develop patterns of behaviour that are comfortable. Even if we voted for change, it doesn't mean we will own it as it proceeds, because of our anxiety or fears. Real change will involve not just external actions but also internal reorientation that might be just as challenging. The cost seems too high so we engage in corporate work avoidance. We set up a committee, discuss meeting procedures, deal with technical matters or carry out research or feasibility studies.

There are many ways we may not face up to the 'work' we need to do. But there can be great costs in doing so. Complacent work-avoiding individuals or organisations in a world of rapid change can be a huge danger to themselves.

3. Pacing the journey: Keeping the heat on, but not too hot!

Systems theory suggests that elements of a system can only tolerate so much overload. Heifetz emphasises the importance of making sure an adaptive challenge is 'survivable'. While daring to dream, agile learning organisations will always keep a handle on reality, recognise the potential dangers and assess the risks involved.

"Keeping an organisation in a productive zone of disequilibrium is a delicate task; in the practice of leadership, you must keep your hand on the thermostat."
Ron Heifetz¹

Leadership in an adaptive challenge need to hold a critical tension. On the one hand it is important to push hard questions, helping people engage challenging realities they might wish to avoid. At the same time leadership will need to carefully pace that journey and provide enough safety on the way to allow the group to keep going. People require enough predictability and certainty in the present in order to take risks in shaping the future².

In carefully **pacing a journey** of change it is critical to '*keep the heat on but not too hot*'. We must keep the heat up so that a group makes progress, but not make it so hot that people are immobilised by fear. Pushing urgently and insensitively can generate insecurity or hostility, making new directions even more difficult. An over-emphasis on safety is equally dangerous, creating a self-satisfied group harmlessly declining into oblivion, as critical windows of opportunity pass and momentum is lost.

Managing uncertainty, allowing it to be a creative crucible for wrestling with deep issues of purpose and direction, is an important leadership contribution, and the pathway towards hope. It can be a fine line, and by disposition each of us might tend to err in one direction or the other.

Leadership is often seen as about avoiding conflict, but in fact conflict, chaos, and confusion are commonly part of adaptive challenges. The art of leadership involves orchestrating well such disturbances so that they are productive rather than destructive. People need to face up to uncomfortable questions or make difficult decisions at a constructive pace.

4. Taking time on the balcony

Heifetz highlights the importance of spending **time on the balcony** as well as on the dance floor. Time on the balcony is about getting perspective: who is dancing with whom, what are the patterns to the dance. It is about learning from a broader, birds-eye perspective.

In complex adaptive challenges we easily get caught up in frenetic activity on the dance floor, lose critical perspective and miss things. Often the more pressing and complex a situation the less likely we are to take time out on the balcony, concentrating rather on feverish activity to try to change things. Yet the more complex a problem, the more critical is balcony time.

Timing is about knowing when to be on the dance floor and when to move to the balcony. There is a time and season for each: at times leadership needs to contribute single-mindedness, determination and resolve, at other times the ability to stop and reflect on what is happening around them.

5. The importance of experimentation and innovation

Typically organizations engage challenges with a comprehensive plan detailing a big leap forward. Heifetz cautions against such approaches, encouraging **experimentation rather than detailed planning** because adaptive challenges involve complex systems that can easily generate unpredicted responses. The development of grand detailed plans too early is likely to be dangerous, particularly if people far removed from the situation develop them.

Flexibility is important when journeying into the unknown. Without clear reference points, ways forward will be found through experimentation. Some will fail, yet others may provide important new information. A less direct path towards outcomes yet Heifetz suggests it will generate an organisational culture more able to effectively engage ongoing change and complexity: *“Corporate adaptability usually comes not from some sweeping new initiative dreamed up at headquarters but from the accumulation of micro-adaptations originating throughout the company in response to its many microenvironments. Even the successful big play is typically a product of many experiments, one of which finally proves path-breaking”*.⁴

Adaptive challenges need adaptive leadership responses

Movies and television are filled with images of special superheroes who, seeing something about to collapse, come decisively to the rescue before jetting off again equally quickly as the credits roll. Whenever things get difficult up goes the call for someone to get us out of our mess - at no cost to ourselves! We seek *‘leaders’* who appear to have strength to provide simplistic cost-free solutions to problems in order to avoid the hard work we ourselves need to do. In fact deep change requires us all to be active participants and contribute leadership.

When would-be superheroes fail impossible expectations it is a loss-loss scenario. We feel let down (and possibly also manipulated, hurt or abused), while the failed superheroes wear the scars of failure and loss of self-belief.

An organisation needing to make significant, urgent but difficult changes may employ a bright new director who they believe can bring in the desired changes at little or no cost. They are seeking to solve an adaptive challenge with a technical solution. The new leader, if wise, will declare the problem an adaptive challenge and encourage working together, incorporating the individual skills and strengths of the team members.

In a world that still perceives leadership as something to do with special people – superheroes – who can solve complex problems, Heifetz is pointing to a very different view of leadership.

Heifetz suggests that the leadership needed in an adaptive challenge is very different to that needed with a more technical issue because readjustment is needed at many levels. In the face of complex adaptive challenges those in positions of authority need to **hand work back** to people. Finding ways forward will require a wide range of leadership contributions from many people. It will require organisations to become **agile learning organisations** empowering as many people as possible to contribute to ways forward.

In adaptive challenges groups will need to **explore direction, purpose and priorities**. This is likely to require leadership contributions from many to help people face their fears, engage the difficult issues, and find constructive ways forward.

Leadership involves everyone

Heifetz supports **notions of shared leadership**: *“Individual executives just don’t have the personal capacity to sense and make sense of all the change swirling around them. They need to distribute leadership responsibility, replacing hierarchy and formal authority with organisational bandwidth, which draws on collective intelligence...By pushing responsibility for adaptive work down into the organisation, you clear space for yourself to think, probe, and identify the next challenge on the horizon”*.⁵

In facing adaptive challenges we will need not just leadership from those in key roles at the head of the table but also from those 'at the foot of the table'. In this he reflects learning going back to the 1960s from social action and grassroots community development.

Engaging an adaptive challenge will require the contributions of many to find constructive ways for two reasons. First, facing an adaptive challenge needs all hands on deck because ***no individual will be able to see the full picture***. A wide group of people can provide the best possible lens with which to understand what is to be faced. Senior and junior people, long-termers and newcomers, those in the centre and those on the edges, the history-holders and the dissident voices all have important contributions to make.

Second, assisting groups move through uncertainty requires ***understanding how everyone is experiencing the changes around them***, in order to help them move forward. People and groups must be assisted to face their personal or group work avoidance and to move beyond it.

For those in key roles

People with formal roles and responsibilities have critical roles in adaptive challenges. They can make or break new directions or initiatives, adding legitimacy to them or creating serious blockages. They can ask provocative questions, create space for key conversations, turning up the heat on the group to face critical questions. They can be critical permission-givers to people to try something new, to creating a culture that empowers people, or promotes dependency.

They can be central to creating a quality learning organisation, empowering people to discover what leadership contributions they have to offer. They can build quality teams with the right people around the table and that include the range of leadership contributions needed.

Those in positional authority can be central to the pacing change in response to adaptive challenges, achieving an effective balance of risk and safety, enabling appropriate forward progress. They can model single-minded commitment and resolve, and also a willingness to reflect on and learn from experiences.

Adaptive challenges require leadership from all, well harnessed and encouraged by those in positions of responsibility.

Taking it further:

Heifetz, R. A. (1994), *Leadership without easy answers*, Cambridge MA USA, Harvard University Press.

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Heifetz, R., Grashow, A. and Linsky, M. 2009a, *The Practice of Adaptive Leadership*, Boston, Harvard Business Press.

Heifetz, R., Grashow, A. and Linsky, M. 2009b, *Leadership in (Permanent) Crisis*, Harvard Business Review, July–August 2009. Reprint R0907F.

Notes

¹ Heifetz 1994, 70.

² Edgar Schein in Tichy, N. and M. A. Devanna (1986), *The Transformational Leader*, New York, Wiley, 27.

³ Heifetz 1994, Heifetz and Linsky 2002.

⁴ Heifetz, Grashow and Linsky 2009a, 4.

⁵ Heifetz, Grashow and Linsky 2009a, 6.