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# **Leading in Complexity**

New Ways of Management

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# **Positive Leadership – The New Paradigm for Leadership**

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## **Why do we need a new Model for Leadership?**

“Just in time” a new approach to leadership shows up in literature and discussions of experts and practitioners – helpful for the current situation of organizations and the whole economy, called: “crisis”.

This crisis is a “whole scale” crisis that affects the global social system – top down from our political leaders to business leaders to every single person who lost money or job or both.

If we consider the core task of leadership to balance all the different interests within a system for the benefit of the whole system we must say: leaders of all levels failed:

- On the political level in almost all nations of the “developed” countries we have had leaders for the last decades who did not care for the benefit of the whole society of their countries but supported mostly one part of society –the business – by making laws for business and by “selling” these laws to the public as a benefit for all. They tried to lead their countries and society as if they were (their) business companies. They told us a lot about the self-steering ability of economy and markets, and we heard a lot about the necessity to keep the state (the public) away from business.
- Business companies – especially shareholder driven organizations – put leaders at their tops who first of all tried to maximize their own personal benefit and did not focus on sustainable success of the companies and their employees.
- Leadership in organizations became a meaningless and unclear job. Companies on one hand expect leaders to be “charismatic”, to show “personal and emotional competency” or to just have the right “intuition” but on the other hand did not and do not offer resources – like time – for professional leadership. Organizations still measure leaders by their economic outcomes and not by their long term efficiency as leaders. Measurement criteria for the latter have not even been developed yet.
- Our moral and ethical leaders (in religious or in academic fields) do not give any ethical guidance or orientation to our society.

Some of them are not even good role models. The Pope acknowledges Holocaust deniers, scandals of sexual abuse hit the news on a regular basis and universities drew back from giving ethical or moral input a long time ago.

The result is that we face a worldwide crisis of trust in leadership, in business and in politics. From the beginning of public awareness of the “crisis” everybody realized: we need new models for leadership. But newspapers and other commentators still call for more of the same: more charisma, more control, more morals – things we have heard during the last years at corporate Christmas parties.

The problem is: it is a common model of leadership that failed – not the individual leader. Leaders did what seemed to be expected and appropriate. This is why we do not talk about the crisis of leaders but the crisis of leadership.

Right now in this crisis of trust and leadership a new movement is emerging that has the potential to give hope and orientation that may enable us to get out of this disaster: positive science has emerged to provide the foundation for positive leadership.

### **What is Leadership?**

Let us first start with an understanding of what we mean by “leadership.” It is a professional function that supports organizations as they steer themselves within their environments (like societies, markets, clients, competitors, owners, employees). Leadership helps organizations/systems to achieve their goals and create sustainable success.

Organizations are complex systems that create and organize communication around and along their tasks, their work and their products. Organizations permanently create high degrees of complexity that must be coped with. Leadership has to work with this complexity in order to give people orientation and to enable them to do their work.

Leadership also supports and fosters the connection between people – who are driven by their personal yearnings, interests and goals – and the organization as a social system that is driven by tasks and goals.

## **Leadership is a Practice**

Leadership is a specific activity that shows three perspectives to face and to deal with:

1. leading oneself
2. leading people
3. leading an organization

### **Leading Oneself**

- Leadership must be a self-reflecting activity with the goal of professionalizing one's own attitude to the greatest possible extent, avoiding getting blown away by the complexity of the task or despairing at the loneliness of one's position and giving in to the demands of specific employees.
- Leadership has always been embedded in the conditions of society and its values and beliefs. When talking about positive leadership this means that under fast changing conditions one needs to be aware of the new challenges for the professional role of leadership.
- The more complexity in organizations increases and the more the environment becomes uncertain the more leaders have to find stability and security within their own personality. This is the task of self-leadership.
- Facing the new challenges the role description of leadership changes fundamentally. No more heroes are requested but enablers, supporters, servers for the whole. Leaders have to take their time and reflect on their new roles and tasks.

REFLECTION means to look at oneself from an “external” perspective. Reflection is the way and the medium of self-leadership.

### **Leading People**

There are two big issues and tasks involved in leading people within organizations:

#### **Establishing a connection between people and the organization**

People are “living systems” driven by their own needs and desires. They cooperate with organizations in order to satisfy their needs and wishes. Organizations need to take this into account and provide an appropriate

environment. Organizations, on the other hand, are driven by their goals and tasks – and these are not always compatible with employees' needs. “People leadership,” therefore, means building a bridge between these two different systems ensuring that tasks are completed and employees are willing to perform accordingly. In everyday language, this aspect of leadership usually runs under the heading of “motivation”. The work of leadership is to create an organizational culture within which both individual and organizational needs are met.

### **Providing orientation and enable people to work:**

The second task in “people leading” is working on the complexity of organizations insofar as to allow individual persons to find orientation as to what to do in what time frame and in which degree of quality, who to work with, who they report to, and who reports to them. While orientation may be provided in large or small extent, orientation per se is a must in order to achieve cooperation based on division of labor within an organization.

These two tasks are achieved by way of communication. COMMUNICATION is THE medium for leading people. Communication can be overt or covert. Providing orientation is building culture, and culture provides the cues that guide individual behavior.

### **Leading an Organization**

Leading an organization basically means: enabling the organization to be successful within its environments – like market, society, nature. Thus, the main element in organizational leadership is dealing with complexity by making decisions and communicating these decisions.

Decisions reduce complexity. Decisions provide orientation. Decisions provide assurance. Decisions are made about goals, resources, relationships, conflicts, strategies, processes, structures as well as decisions themselves by asking: how are decisions made? Leading an organization, of course, refers to one's own area of responsibility: department, team, projects. In this case, leadership means making relevant decisions and deciding which decisions are the relevant ones.

The core instrument of leading an organization is DECISION MAKING.

The practical work of leadership has three underlying fundamentals that give this complex role a framework and basis.

### **Leadership is a Profession**

When asking people to define professionalism in leadership, answers provided are usually very hazy: terms like “open-mindedness”, “honesty”,

“social skills” or “sensitivity” and even “charisma” are brought into play. Other commonly mentioned characteristics are “ability to assert oneself”, “goal-orientation” and “determination”. All these terms describe what leaders should be like. They describe individual characteristics, but not the profession of leadership.

Professionalism is about “what to do” instead of “how to be”. Professionalism describes the quality of the job – not of the person – and its necessary underlying conditions. What do all professions need to deliver quality in their profession?

To answer this question we relied on the model of professionalism originally developed by Stefan Titscher for consultants, which we adapted to leadership. According to this model, professionalism – that is, every profession – relies on three pillars:

1. **Knowledge:**

Every professional needs a solid theoretical base for his or her job. Theories provide answers to the following question: *Why am I doing this?* However, one needs to continually evaluate theories and to check which models are helpful and relevant to one's needs.

2. **Role clarity:**

To be a professional means acting in the context of pre-defined role expectations. The one question calling for an answer on a continuous basis is the following: *What is my role in this given context? What am I expected to do/what am I allowed to do? What am I responsible for – what not?*

3. **Instruments:**

Every profession develops its own set of tools for its respective tasks. When developing tools, the main question is: *How do I do it?* Tools must be appropriate for the tasks in question as well as for people who will be using them. Executives seem to have a craving for tools and there is a cornucopia of “how to” books on leadership. Yet tools alone will not make anyone a professional. A fool with a tool is still a fool!

These three basics of professionalism give a definition and a measurement for the QUALITY of leaders.

### **Leadership is a Process**

Leadership is neither a one-time heroic deed nor a project with a beginning and a clearly defined end. It is not simply a position in the structure.

Leadership is a permanent task in an organization. Leadership is an ongoing process of reflection, communication, and decision-making. This is why we need to understand social processes before making statements about leadership.

Usually we imagine processes as a line: the way from A to B, from the decision to the goal. In earlier times people described processes as a circle, such as the circle of the four seasons. We describe the process of leadership as a spiral that shows three moments:

**1. Awareness:**

Leadership processes start with collecting information about processes in the inside and the outside of the organization. Awareness describes an attitude of curiosity and open mindedness, but also activities like asking, listening, and reading. Awareness is the business of our sense organs.

**2. Appreciation:**

The processing of information: after collecting information we have to reflect on what we experienced and have to make a selection of what is useful, productive and new for us. In this sense appreciation means: what aspect of reality do we appreciate and how can we give information an appreciative meaning? Appreciation is the business of our brain.

**3. Activity:**

Based on information and meanings we may decide what to do and then to be active. Usually our activities are triggered by the meaning we give to our impressions.

The process of leadership always takes place in a spiral in which these three phases continuously succeed one another. Leadership means being attentive to development and change, constantly being observant, and regarding this process of observation as an essential task of leadership. Observing does not mean doing nothing.

Observing refers to collecting information, which is the basis for all further action. Any activity will be merely fortuitous without conscious and targeted observation, focused attentiveness, and alertness as a basic attitude. Attentiveness calls for curiosity and the recognition of not knowing.

Leadership is an impossible thing to do unless there are resources leaders can rely on. Attentively collected information always contains components that must be evaluated and put to use. Evaluating information means to select useful elements.

In this context, here is another long-standing misconception that needs to be clarified. Just like professionalism in leadership does not solely rely on good tools, the process of leadership does not solely consist of actions. It is the combination of observation, acknowledgment, and activity that allows for a professional and good process of leadership.

Following the idea of leadership as continuous process this model describes the professional ATTITUDE of Leadership.

### **Leadership is Lead by Principles**

If we connect all of these aspects of leadership we see a new model of leadership:



Figure 1: New model of leadership.

This model is a useful guideline for leaders to reduce complexity of their own professional role.

In the middle of the model we find the principles, like the heart of leadership. Leadership is – or should be – done out of this middle.

Leadership is always built on certain principles and values. Either these principles were consciously created – like in a process of defining leadership guidelines – or they emerged somehow as the result of the organizational culture. However: leadership always follows certain rules and principles.

Of course every organization has to define and to commit to its specific principles for its leadership. Leaders and their professional behavior then can be measured and changed. For positive leadership we determined three core principles:

- meaning
- optimism
- influence

These principles/values are the basic foundations. They appear in everything we do. Because they are so central to positive leadership we will delve more deeply into these principles in a later section.

### **The Positive Revolution Started Long Ago**

In the past several years, an extensive field of research and practical application dealing with the correlation between strengths, satisfaction and the success of people and organizations has been evolving, mainly in the United States. These schools of thought have now evolved into a positive development, converging as one positive revolution. The four dominant legs of this new science are:

- positive psychology (Martin Seligman)
- appreciative inquiry (AI) (David Cooperrider)
- strengths-based management (Marcus Buckingham)
- positive organizational scholarship (POS) (Kim Cameron)

One of the pioneers of the positive development is Martin E.P. Seligman, a clinical psychologist and professor at the University of Pennsylvania. An internationally renowned expert in depression research, Martin Seligman decided, after 20 years of studying depression and anxiety and publishing his reference work, “Learned Helplessness”, to focus his research activities on the question of human happiness and satisfaction. Using the same scientific methodology he formerly employed to study the dark sides of the human soul, their circumstances of emergence and their manifestations, Martin E.P. Seligman has, for almost ten years, been studying the bright sides of the human soul, their manifestations and circumstances of emergence: happiness. He published his findings in his best-selling book “Authentic Happiness”, which has been translated into 20 languages. Martin Seligman defines happiness and life satisfaction on three conceptual levels:

- positive emotions: the ability to approach life with optimism, trust, appreciation and joy
- commitment: the willingness to use one's own strengths for the benefit of others
- meaningful life: refers to feeling part of something that you believe is larger than you are yourself

AI was developed by David Cooperrider, a professor at Case Western University in Cleveland, Ohio, Diana Whitney and other organizational researchers and management consultants. Appreciative inquiry has been applied in consulting and in organizations for a long time.

AI is a philosophy and methodology that is focused on resources and solutions and oriented on positive change management. As a philosophy, AI relies on the systemic-constructivist assumption that living systems, like organizations, grow into the direction of what they persistently ask questions about. The questions that precede all processes of change and which provide a direction to the process are thus the pivotal point of AI. When asking questions about resources, potentials and skills, we will end up discovering resources, potentials and skills and using them for the process of change. AI pursues the three main intentions of interventions:

- accentuating strengths and resources, making them perceivable and readily available
- interconnecting strengths to allow the development of a new “chemistry of strengths”, paving the way for positive change
- expanding strengths, skills and potential and broadening them even beyond the system in question

In 2002, the Gallup Institute published research findings in the Journal of Applied Psychology proving what everyone had surmised: committed employees are more successful, loyal and trustworthy leading to more profitable, customer-oriented organizations.

“In your job, do you mainly get to do what you are actually best at?”

“What issue do you address most frequently when talking to your employees:

- their shortcomings?
- their strengths? ”

In the US, the Gallup Institute asks thousands of executives and employees questions like these on a regular basis. The results have barely changed

through the course of the years: Employee review sessions mainly focus on problems and weaknesses:

- In 36% of all review sessions, the employees' weaknesses are addressed.
- 40% indicate “not talking about such things at all”.
- only 24% of those interviewed address employees' and executives' strengths.

This result is all the more astonishing considering that the motto “strengthen strengths and weaken weaknesses” has not only been the order of the day for years, but because extensive research is available on positive approaches, which is testimony to the fact that working on strengths, developing them and taking them seriously is much more likely to lead to success than working on weaknesses.

The Gallup Institute has found, in a survey of almost 200.000 employees working in approximately 8.000 teams in 36 different companies that the entire team and the entire organization are demonstrably most likely to succeed if employees have the opportunity to capitalize on their strengths.

Despite findings like these, problems, weaknesses and shortcomings seem not to have lost any of their appeal. We still strive to “work” on our weaknesses, to “eliminate” them, hence giving them a lot of attention.

Thinking of positive leadership we may define positive principles and values which emerge from different origins:

- Positive Science brought up new results from researching.
- New challenges in business demand for new principles of leadership.
- A change of global social values and beliefs wants different principles.

The question that followed from these findings was the following: how can we make employees be more committed? The Gallup Institute provided four answers to this question:

1. Make your employees be responsible for the results they obtain.
2. Teach your employees to identify their strengths, to accentuate them and to expand them.

3. Make all of your reviewing and remuneration systems contingent on the identification, strengthening and expansion of your employees' strengths.
4. Define and develop all positions in a way to allow employees to make the maximum use of their strengths.

Marcus Buckingham is one of the best-known Gallup authors. Thanks to his numerous books, he has made the concept of strengths-based management internationally known. The objective and intention of strengths-based management is creating strengths-based and strengths-oriented organizations with a positive corporate culture – not for moral or ethical reasons, but because it has been proven to make organizations more successful, efficient and profitable.

Finally, the Ross School of Business at the University of Michigan is home to POS, an academic discipline. One of its leading representatives is Kim Cameron. POS studies extraordinary performance within organizations and the question how managers can make their organizations become more efficient and effective. POS has two large areas of research and activity:

1. On the one hand, the positive attitude of employees and its effects and performance on productivity is studied.
2. On the other hand, positive phenomena in organizations, such as positive deviance and unique highlights and achievements as well as their interrelations are analyzed: how do these phenomena originate?

POS partially relies on Martin Seligman's positive psychology to describe personal strengths and virtues. But POS also looks for benchmarks to define positive organizations as a factor that facilitates successful work: which standards, values, structures etc. do organizations need to have in order to provide the environment that will enable strengths in individuals and accentuate professional excellence?

Just like other studies about positive change, POS has unequivocally established a correlation between personal satisfaction and positive results obtained in organizations.

### **The Common Ground of the Four “Positive Communities”**

Now that the four communities have interacted, there are indications of what might change in the future:

### **Focusing on strengths, resources and potential**

This is the most evident common ground shared by the four communities. At first sight, the change in perspective addressed here might seem very straightforward, even obvious. However, having applied appreciative inquiry for a long time, we know how difficult it is for most people to do without the negative prism they have gotten so used to. Problems and deficiencies are incredibly appealing and take up a lot of energy. Problems and deficiencies have a voice that constantly calls for “repair” and “rectification”. Very often, this voice is louder than the voice addressing strengths and skills we all have within us.

### **Positive change is more than mere “problem solving”**

We know from systemic consulting that long-term change always means changing the fundamental patterns of a system. That is nothing new. But positive change can and wants to go beyond a “mere” shift in patterns. Positive change takes the entire system to the next level. It maximizes a system's potential and in doing so, makes organizations progress in their development. A new kind of power arises within organizations thanks to the permanent focus on strengths, enabling organizations to take yet another giant leap and opening up unexpected possibilities. By employing positive change, organizations not only do things differently, but also take the entire organization to the next level.

### **Addressing the aspect of “life” in living systems**

As systemic consultants, we are very well aware of the rigor of systemic thinking, its reticence about ethics, morals and issues like energy. Even though rigor, structured thinking, order and complexity are major characteristics of systemic thinking, the theory of living system is, after all, missing something that gives life to these systems. This aspect is now (once again) becoming the focus of attention. Issues like energy, lively stories, joy, spirit (not spirituality) and appreciation have now found their way into research, consulting and management. They are being regarded as decisive factors for success and being studied and confirmed as such.

### **Ethics**

Awareness of one's own responsibility for a collective whole, experiencing meaning as being an integral part of that whole, commitment to others – these are some of the new virtues that are also being scientifically proven to be decisive both for a happy life and for successful organizations. Therefore, a shift is taking place, away from the concept of a materialistic, number-oriented perspective to a value-based perspective. This is not

surprising considering that there had been a development in this direction in past years, manifesting itself in CRS (Corporate Social Responsibility), among others. Many examples, including the concept of “Zweite Bank” testify to the fact that it can pay off economically to create a value-oriented organization.

### **Happiness is valuable**

According to Seligman (see Seligman, 2002), happiness is not only measurable and “achievable”, but it is also a valuable resource that increases any organization's success. Wherever “flow” experiences are part of the job, there is no need to worry about employee loyalty. Happy employees save their organizations a lot of money. They are not disloyal, de-motivated, and burned-out, nor do they disclose information to individuals outside the company or create employee turnover which leads to significant financial damage.

### **Core Ideas of Positive Leadership**

If we try to explain what “positive leadership” is about we have to know about this overarching superstructure of our daily activities. Positive leadership is one result AND one driver of the paradigm shift we are experiencing right now.

Positive leadership:

- replaces rules with principles and thus gives us responsibility for our actions and decisions
- focuses on the future
- focuses on potentials, strengths and abilities
- says “yes – and”
- enables us to enlarge our image of the world and of people
- deals with aspects like energy, joy, participation

Referring back to the positive principles of leadership in our model and building on the underlying theories and concepts we believe that the essence of positive leadership lies in the ability of leaders to focus their organizations on three things: meaning, hope (optimism) and influence (power). When leaders are able to instil these three qualities in their organization they create systemic momentum in the direction of their shared vision.

## **Creating Positive Leadership Principles**

As we mentioned earlier, positive leadership is determined by three core principles. We will now take a moment to describe each:

### **Meaning**

Meaning (engagement) comes from the recognition that people are a part of something bigger than themselves. It is the embracing of purpose, direction and plans of the organization. It is achieved when everyone in the organization (1) sees the benefit of the whole system and (2) connects her or his contribution and the contributions of others to the whole. When people feel that they are pursuing a profound purpose or engaging in work that is personally important, significant positive effects are produced (see Cameron, 2008) A higher experienced sense of meaning has been found to be associated with positive outcomes and extraordinary individual and organizational performance (Wrzesniewski, McCauley, Rozin, & Schwartz, 1997).

Leaders must keep the meaning fresh and alive for everyone. Everyone wishes to be a part of communities that are bigger than themselves. Everyone wishes to make a difference and contribute to the success of the system. Leaders are key to keeping the energy alive in this way.

### **Optimism**

Optimism (hope) comes from having a positive attitude about the future and people. It is about having a positive prejudice towards people and the world. Optimism creates positive energy. Positive energy creates results and results re-enforce this optimism (see Dannemiller Tyson Associates, 2002). Leaders can nurture optimism when they (1) enable the organization to learn and apply its lessons learned as it moves forward and (2) communicate and make visible results in the direction they wish to go. Leaders keep hope alive by connecting people to the small wins, little successes and progress everyone yearns for.

### **Influence**

Influence (power) is the ability to have our voices heard and have an impact on the situation. Influence occurs when the system is able to pull the resources, talents, potentials and successes of the organization into the situation. Such action mobilizes everyone. The more individuals experience their ability to influence (change) their situations, the more energized they become. When people feel powerful, it becomes easy to make the things that matter to them happen. Leaders influence by engaging diverse

microcosms of people in the situation. Kotter (see Kotter, 2008), for example, suggests that leaders should:

- listen to customer-interfacing employees
- not shield people from the data
- send people out to experience and impact the world they see
- bring people into the situation, diverse perspectives, divergent points of view
- bring data in – but bring it in the right way

When leaders do these things they unleash the strengths of the organization in an empowering, impactful way.

### **What Positive Leadership Could Be**

Based on these principles positive leadership means a new paradigm with new perspectives and instruments:

#### **Focus on “What Works”**

Positive leadership seeks to determine the underlying reason(s) an organization or the individuals in it have been successful in past. The premise is that the organization can leverage what works into its future, saving time and money and speeding the rate of success. A focus on what works enables the organization to build on its core capabilities and move through their circumstances with a minimum of energy loss. Research has demonstrated that it requires less energy and resources to enhance what is working than it does to fix what is broken.

#### **Measure Positive Deviation of Organization and Personal Performance**

We believe that the focus on improvement in the direction of the goal is a much more meaningful and effective way of managing through complexity. Addressing improvement and building on it creates more energy toward the goal, than focusing on the lack of achievement and its consequences. We focus on positive improvement and the reasons for this change. We look at what has happened to create positive movement and what we can do to continue this in order to achieve the end goal. Focusing on the end goal and the gap between where we are and where the organization needs to be, does not offer insight into what must be done to close this gap.

### **Focus on Strengths, Potentials and Virtues**

Positive leadership means to be aware, to appreciate and to operate with people's strengths and potentials. Positive leadership means to fit people's talents with interesting tasks and not to "educate" people in a certain direction. By focusing on strengths leaders enhance strengths.

### **Learn from Success Development**

Success development creates and sustains energy in the direction of the goals. Early research at the University of Michigan by Ron Lippitt (1972) and others demonstrated that over time, a focus on problem elimination and resolution only served to sap the energy of groups. The longer it took to solve the problem, the less energy people had to solve the problem. Eventually, they walked away from the problem, frustrated and upset. A focus on success development, what must we do to create our future, always lead to increased energy. We can do it. Our small successes give us hope and energy and sustain us as we move towards the change.

### **Bringing Positive Leadership to Life**

What we have discovered is that as our understanding of complexity has risen, so has our understanding of what leaders must do to manage in these situations. We have identified four things leaders must do to create and enable sustainable change within their organizations. As we write this article we are inspired by the U.S. elections and the contrasting leadership styles of the two candidates as they engage the electorate in deciding the future of America. There is much to be learned from both candidates, but one seems to have inspired more energy in the direction of change than the other and the principles outlined below, seem to help explain this difference.

### **Widen the Circle of Involvement**

The first principle of positive change is to widen the circle of involvement within the organization. Leaders typically engage a few trusted advisors and direct reports. They focus their energy not on the divergent points of view but the converging points, excluding a wide perspective. We believe that in order to create positive change, leaders must reach out to the broadest stakeholder group possible - they must connect with people. The circle of involvement begins with a microcosm of a very few. These few engage others and soon a critical mass is created. This is precisely what Mr. Obama did during his campaign. He began with a small group of believers, each touched others and soon a critical mass was achieved. Believers

turned others into believers and soon a tipping point was reached, assuring Mr. Obama the nomination by his party.

- Operate with a maximum mixture of viewpoints. Leaders must utilize microcosms of the whole – creating a holographic approach to creating and sustaining the strategic direction of the business.
- Have the whole organization support the business direction. This enables the organization to change in real time, both incrementally and in major paradigm shifts. It creates a common shared experience which the organization and all of its components can reference and operate out of in the future that is taking shape.
- Create teams of people who can become a facilitating and catalyzing force for larger organizational progress. Bringing new people into this configuration enables them to be used in different ways and in different configurations.
- Include those who will be impacted by the situation and circumstances, as well as those with information, authority, and those who might be opposed.

### **Connect People to Each Other**

Complex systems are often nothing more than constellations of employees, customers, suppliers, politicians, labor and others. What we have discovered is that people want a sense of belonging and to be a part of communities that have meaning and impact. When people feel as a part of something bigger than themselves it unleashes an energy that is not possible under other circumstances. To connect people to each other leaders must

- Create contactful environments. They need to enable people to make contact with each other. As leaders facilitate points of contact among different views, energy rises and momentum occurs. Leaders can enable each person – leader, member, management, union – to articulate what they believe, they can support each person in listening to the other's truth and not arguing about it.
- Embue a common sense of caring among employees, striving toward a community working with one brain and one heart.
- Regularly share vision and values as the foundation for all work that is being done.

- Enable people to come fully to the process and invite others to do the same. Sharing personal stories, anecdotes, visions of possibility and commitments creates connections between people that are meaningful and long-lasting.
- Make a personal commitment to truly connect (needs as better word) in any personal interaction, of expressing feelings and expectations, and a willingness to do so in as close to real time as possible.

### **Create Communities for Action**

In complex systems, the ability to energize people is but the first step in creating change. Leaders must mobilize in the direction of the change as well. Positive change requires action on multiple fronts simultaneously. Connecting people assures alignment; creating communities (teams and microcosms) taking action assures progress toward the end result. Enabling divergent groups to come together for a common good creates individual energy and meaningful work. Positive leadership requires:

- moving people from passivity to activity: the activity of mind, of action, of faith, of trust, of engagement of people with each other and in their work
- keeping people active: moving from one configuration to another, standing for one process and sitting for the next, changing configurations and mixing groups, with a continual focus on the future everyone longs for
- self-reflection and self-diagnosis in individuals and the organization
- specific, realistic, and supported action plans with commitments made to take action on them
- building a tradition of supportive and empowered people who achieve their full potential as individuals and as groups and live in a positive humane way

### **Create Context and Give Voice to Possibilities**

Finally, in order to create and sustain positive change, each person impacted by the system must feel heard. If their voices are not acknowledged, people feel alienated and powerless in the moment. To create positive change, leaders must embrace democracy. By this we neither mean that everyone impacted by the change must vote nor that a majority should rule. We simply suggest that the essence of democracy is

every individual believing that someone is listening and that their opinion matters, whether it changes the situation or the decision or not.

Positive leadership in complexity means

- supporting people in taking in and reflecting on what others have said
- inviting people to take time to listen to themselves before speaking
- creating interactions based on embracing a positive perspective of the multiple realities, helping create an environment where each person realizes that they bring their own truth and that there is no right or wrong way
- that responsibility is shared by all - everyone is responsible for their own behavior and contribution
- freeing up the flow of valid information within the system, supporting that flow and helping people to develop and fully use the skills that will enable them to fully make use of the information
- providing people with choices and options - choices about topics, choice about who to talk to, choices about contribution, etc.

## **Summary and Conclusion**

Today's crisis is a result of the fact that we can, for the first time, truly see that the world is a very complex place. This is the chance and the crisis at once. We need to find new ways of managing the complexity around us. As a result we need new leadership paradigms that enable us to embrace and survive in this complex world. For thousands of years we had ways to manage the complexity we experienced. We relied on our religious, political and familial structures to make sense of it all for us.

We believe that the essence of managing in the ever increasingly complex environment of today lies in the ability of leaders to focus their organizations on three things: meaning, hope (optimism) and influence (power). When leaders are able to instill these three qualities in their organization they create systemic momentum in the direction of their shared vision.

Meaning comes from the recognition that people are a part of something bigger than themselves. It is the embracing of purpose, direction and plans of the organization; it is achieved when everyone in the organization (1) sees the benefit of the whole system and (2) connects her or his contribution and the contributions of others to the whole.

When people feel that they are pursuing a profound purpose or engaging in work that is personally important, significant positive effects are produced (see Cameron, 2008). A higher experienced sense of meaning has been found to be associated with positive outcomes and extraordinary individual and organizational performance (Wrzesniewski, McCauley, Rozin, & Schwartz, 1997).

Leaders must keep the meaning fresh and alive for everyone. Everyone wishes to be a part of communities that are bigger than themselves. Everyone wishes to make a difference and contribute to the success of the system. Leaders are key to keeping the energy alive in this way.

Hope (optimism) comes from having a positive attitude about the future. It is about having a positive prejudice about people and the world. Optimism creates positive energy. Positive energy creates results and results re-enforce this optimism (see Dannemiller Tyson Associates, 2002). Leaders can nurture optimism when they (1) enable the organization to learn and apply its lessons learned as it moves forward and (2) communicate and make visible results in the direction they wish to go. Leaders keep hope alive by connecting people to the small wins, little successes and progress everyone yearns for.

Influence is the ability to have our voices heard and have an impact in the situation. Influence occurs when the system is able to pull the resources, talents, potentials and successes of the organization into the situation. Such action mobilizes everyone. The more individuals experience their ability to influence (change) their situations, the more energized they become. When people feel powerful, it becomes easy to make the things that matter to them happen.

## **Ten Pieces of Advice for Managers: Bringing a New Leadership Paradigm to Life**

### **1. Hold on**

Take your time to become focused, centred and to gain new energy and new ideas. Create some quiet zones for yourself. Do not leap before you consider!

### **2. Ask and listen**

Give up the role of the knowing/telling/doing leader and go into the role of an asking leader. Ask a lot more questions than you answer. Listen to your employees, your clients, your colleagues, your competitors.

### **3. Get yourself out the box and inspire other to do the same**

Invite experts into your company to bring in dynamic new

perspectives. Look for new ways of whatever you do. The old ways lead into the crisis.

4. **Create new contexts for communication**

Connect people in your company who usually are not connected. Be curious about what emerges.

5. **Show respect**

Take your own anxiety serious, as well as those of your employees. Do not paint things pink, do not paint them black, be realistic. Show your feelings, be touched by others and make sure to connect with them.

6. **Make yourself predictable**

Create trust by making decisions transparent. Be consistent in your behavior. Make clear the 'why' of the decision along with the 'what' of the decision.

7. **Use the entire potential of the system**

Be attentive to and use the strengths and qualities of your employees, your company, its environment and yourself. Defer from analyzing weaknesses, mistakes, failures and setting goals. Refrain from gap analysis and goal management.

8. **Take daring decisions**

Take decisions with your heart and on the basis of information. Ask yourself: who will be affected by your decisions, who are your partners and how will you uncover and unleash the energy to bring these decisions to life.

9. **Be aware to the early signals of the new**

Listen carefully to the soft voice of the chances right now. Where and how does the new show up already? How do you realize and then nurture the tender seed of the future?

10. **Appreciate the past – and leave it behind**

Give the crisis an honourable place in your history. Give it your own meaning, focused on the positive. Realize what this situation is useful for, what opportunities it creates that were not there before. And then go forward.

Excerpt from Der Standard, March 21 2009, citing Ruth Seliger.