

Generative Leadership

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A growing chorus has voiced concerns in recent years that conventional ideas about leadership are not adequate for responding to today's complex organizational challenges. The notion that good leadership astutely analyzes a problematic situation and provides a vision that shows the way to success doesn't work in complex situations. In this article I offer a very different image of leadership that has proven effective for managing conditions of uncertainty, ambiguity and volatility; I call it "generative leadership". This article will first describe when conventional modes of leadership (in complicated situations) and generative leadership (in complex situations) are most appropriate. Then some behaviors and perspectives that characterize generative leadership will be presented. It concludes with some thoughts on generative leadership in healthcare and some of the challenges leaders face in leading generatively.

The Difference between Complicated and Complex

The right kind of leadership depends on the kind of challenges leaders face. Heifetz¹ was one of the first to provide a taxonomy of decision situations that contrasted complicated "technical problems" with complex "adaptive challenges" (see Table 1), arguing that the single most common failure of leadership was to treat adaptive challenges like technical problems. Snowden² offers a different but complementary model focused on the ability of decision-makers to understand or uncover cause-effect relationships. Complicated decision situations are those where the application of technical expertise can uncover cause-effect relations. In

complex decision situations, however, there are too many interdependent and unpredictable variables so that cause-effect relations are only understandable in retrospect. Some argue that any decision situation that requires the consent of human agents is a complex one³. They argue people are not simple stimulus-response organisms, but rather interpret and make sense of their experience in idiosyncratic ways; how decisions, plans and proposals will be interpreted and acted upon is never fully predictable.

The Problem with Conventional Images of Visionary Leadership

Pick up any book or article on leadership and chances are pretty high that "vision" will be a central defining characteristic. The popular distinction between transformational and transactional leadership rests on this notion that real leaders can see a solution, or a preferred future, and can articulate this in a way that captures followership. This includes the expectation that leaders provide "winning" goals, targets and strategies that others can steer by. While the business press, and leadership texts, laud the visionary attributes of founders of highly successful companies, they tend to ignore the high percentage of failed visions. Nor is there much recognition of the increasingly complex and even chaotic situations leaders face and for which there are no clear solutions or even solution paths. Studies of actual strategy implementation and of companies that succeed in complex, fast changing environments find that those that followed a singular vision provided by "charismatic" leaders tended to fail.⁴

Table 1. Characteristics of Technical Problems and Adaptive Challenges

TECHNICAL PROBLEMS	ADAPTIVE CHALLENGES
Easy to operationally define.	Difficult to agree on what the “problem” is.
Lend themselves to operational (process and procedures) solutions.	Require changes in values, beliefs, relationships, and mindsets.
People are generally receptive to technical solutions they understand.	People generally resist adopting other-defined values and beliefs.
Often can be solved by authorities or experts.	The stakeholders have to be involved in solving it.
Requires change in just one or a few places; often contained within organizational boundaries.	Requires change in numerous places; usually across organizational boundaries.
Solutions can often be implemented relatively quickly by changing rules or work processes.	Adaptation requires experiments and new discoveries as well as wrong turns and dead ends.
Technical problems stay solved until something else changes.	Adaptation creates new problems that will have to be adapted to.

From Bushe & Nagaishi, 2018

So Then, What Works?

The argument proposed here, consistent with a variety of studies over the past decade⁵, is that in complicated situations, conventional top-down approaches to leadership and decision-making are appropriate. When effective, state of the art solutions to problems exist, or when cause-effect relations can be analyzed and understood, then applying technical expertise, identifying best practices and implementing them using change management approaches can work, given the usual caveats about the need to manage structural, political and cultural issues during implementation.

Under complex situations, however, a different, *generative* leadership style is appropriate.

Essentially, generative leadership requires identifying the issue or problem that needs to be addressed and framing it in a way that will motivate the variety of stakeholders who are “part of the problem” to engage in coming up with new ideas. They are invited into conversations intended to stimulate many self-initiated, fail-safe innovations and see what works. Those innovations that do work are then nurtured and scaled up. As opposed to a top-down, identify and then implement the best solution strategy, this is a top-down-bottom-up learn as you go strategy⁶.

Actions of Successful Generative Leadership

Rather than saying “I know the answer, follow me”, generative leaders say “I know the challenge, and I invite you to decide what you will do about it”. To do this successfully requires identifying not a problem, but a “purpose” that captures something the stakeholders who ultimately have to act to successfully address the challenge, care about. A vision identifies, in concrete terms a future state. A purpose identifies what the group or organization is trying to do every day, and often is not something that will ever be fully realized. For example, a purpose might be to eliminate AIDS, while a vision might be to have 10 needle exchange clinics operating throughout a city. Generative leadership reframes issues and goals into compelling purposes that capture stakeholder attention and motivate them to initiate innovative actions. One or more conversations are hosted⁷, where the key stakeholders are invited to discuss the issues, self-organize into groups that have a common set of interests and motivations, and design, proto-type, or otherwise come up with ideas they are willing to act on. There is no attempt by leaders to “pick winners”; people are asked to just go do it. An environment of creative possibility, with the expectation that not all innovations will succeed, is created. An important role of generative leadership is to closely track what takes place after these conversations and events, support promising initiatives, remove barriers, spread what is being learned by both successes and failures and scale up and embed successful innovations.

As an example, a Materials Handling group responsible for securing and distributing over 5,000 items to regional distribution centers scattered across a wide geographical area, was faced with a very complex situation.⁸ For a variety of reasons, it was difficult to ensure that

the right supplies were in the right place at the right time. Attempts to force both their internal customers, and their employees, to follow the procedures and processes intended to ensure that, only exacerbated problems. There were daily situations where employees “broke the rules” in order to support their customers, and this created even more uncertainty and processes that were out of control. This resulted in daily conflict and stress for everyone in Materials Handling, where employees really cared about providing good service to their customers, but where there was a great deal of uncertainty about how they should do that. The management team reasoned that they would create happier employees and more satisfied customers if they could increase the standardization of their supply processes but recognized that such a purpose would not be compelling to employees. Instead, they reframed their purpose as “creating stress free customer service” and invited their employees into a series of events where 30-50 employees at a time were encouraged to identify and self-organize “pilot projects” they would be willing to champion. Within a few short months employees self-initiated and implemented a number of innovations that greatly increased their ability to have the right supplies in the right place at the right time, reduced stress, improved morale and employee engagement and created a culture of continuous, adaptive change.

Generative leadership is enhanced through the use of “generative images”, a combination of words that can create new conversations and stimulate people to discuss and imagine things they weren’t able to before⁹. A highly generative image is compelling; people want to talk about it and act on it. “Sustainable development” is the iconic generative image of

our time, a combination of words that transformed the conversation about “environmentalism” when it was first coined, and continues more than 25 years later to catalyze innovative ideas and actions. Important qualities of generative images are that 1) it hasn’t been discussed before, 2) no one is sure how to do it, but 3) it seems like an attractive notion. It is the ambiguity that allows for innovations to emerge, and the attractiveness that compels people to act on them. Few generative images have the widespread appeal of sustainable development; most, like “stress free customer service”, are only generative in the contexts in which they are used.

There are a variety of methods for hosting conversations and for architecting a sequence of conversations to take on complex, adaptive challenges, documented and described in the field of Dialogic Organization Development¹⁰. However, as Bob Marshak and I have emphasized, the success of these methods depends more on the mindset of the leaders and change agents using them, than on the methods themselves¹¹.

The Mindset for Generative Leadership

Generative Leadership is not a description of a person, but a style of leading that works in specific situations. A single leader could (and probably should) utilize different leadership approaches in different situations. To successfully utilize a generative leadership style requires ways of thinking or a mindset that includes several key assumptions about organizations and the processes of organizing which are briefly described below.

1. Organizations are social networks of meaning making that create the

organizational realities people experience and react to.

Generative leadership assumes people are sense-making beings that operate on the interpretations they develop about what things mean¹². Often, these arise out of the informal interactions people have with their networks of trusted others with whom they talk with to make sense of what others are doing and saying¹³. Different groups in the organization can develop very different perspectives, assumptions and narratives that guide their thoughts and actions. Generative leadership is sensitive to the ways in which organizations are streams of conversations and that resolving complex problems requires changing the conversations that normally take place and the narratives people hold¹⁴.

2. Groups and organizations are continuously self-organizing and re-creating themselves, but disruption to repetitive and limiting patterns is required for adaptation to complex problems.

Generative leadership assumes that patterns of organizing are created, maintained and changed through the day to day conversations people have in ways that are mostly out of awareness¹⁵. A change in those patterns requires them to be disrupted in some way and generative leadership recognizes disruption as an opportunity for new, more adaptive patterns to emerge.¹⁶ This is in stark contrast to conventional managerial mind sets which see disruption as a failure of leadership. Disruption does not have to be conflictual or scary (though it sometimes is). Inspiration can be just as disruptive as fear. In general, enough disruption has occurred when the people involved believe that the way things have been no longer works and they can’t go back.

Table 2. Contrasting Planned Change and Generative Change

Aspects	Planned Change	Generative Change
Approach:	Social engineering: Identify problem and desired change, analyze required interventions, direct implementation	Social innovation: Identify desired outcome/purpose, engage stakeholders in ways to stimulate innovative possibilities, motivate and support stakeholders to innovate
Use when:	State of the art approaches and solutions exist. Leadership believes it has enough clarity about the situation to sanction a planned change effort	Beyond state-of-the-art approaches and solutions are needed. Leadership is uncertain about how to achieve agreement or specify solutions for the desired state.
Methods:	Scientific and engineering oriented <ul style="list-style-type: none"> • Analyze data • Problem-solving approaches 	Social interaction (Dialogic) and social agreement oriented <ul style="list-style-type: none"> • Focus on desired futures • Possibility-inducing approaches
Change through:	Convergence on a solution and effective top-down implementation. Sense – Analyze – Respond	Generate many possible innovations, and effective top-down-bottom-up improvisation. Experiment – Learn – Amplify
Desired Outcomes:	Acceptance and implementation of changes that address problem(s) or achieve desired results as quickly as feasible.	Self-organizing adaptive actions and/or transformations that can be scaled up and embedded in timely ways
Role of Leaders:	Performance oriented and directive; front loaded effort Provide <i>vision</i> of desired future state Provide resources and clear roles and goals Provide/resource tools and techniques that will diagnose the real issues and provide practical solutions Accept or reject proposed solutions and direct others to implement	Possibility oriented and supportive; back end loaded effort Name the <i>purpose</i> that motivates stakeholders Provide resources and clear boundaries Provide/resource opportunities to strengthen the relationships and communications that will stimulate the emergence of adaptive actions people will self-implement Support, scale up and embed most promising innovations

3. When problems are too complex for anyone to analyze all the variables and know the correct answer in advance, the best approach is to use emergent change processes to develop adaptive ideas and solutions.

Generative leadership operates, implicitly or explicitly, from a “generative change” model.¹⁷ Table 2 contrasts conventional planned change with generative change. Rather than attempt to deal with complex situations with a planned change approach, generative leaders utilize an emergent, more bottom up approach that incorporates insights from complexity science.¹⁸ Emergence is nature’s way of changing, in which order arises out of disorder, and increasingly complex organization comes out of disruptions to existing order. Utilizing any of the dozens of Dialogic Organization Development methods available¹⁹, or just their intuition, leaders lead a process that stimulates stakeholders to self-organize and initiate action, then monitor and embed the most promising initiatives.²⁰

4. Any solution to a problem of organizing will inevitably create a new problem, so instead of trying to find the “right” answer to how best to organize, accept any answer that stakeholders will run with. Managing adaptive challenges is a never-ending process, and increasing the adaptive capacity of the team, organization or larger network, while tackling a specific complex issue, is an important objective.

No model of organizing will ever be right for every organization, nor can any organization perpetuate itself without evolving its model of organizing. Human beings will never develop a definitive solution to how to divide up work, and then coordinate that work, in a conclusive way since effective collective action rests on a set of tensions. Paradoxes²¹, polarities,²² and competing values²³ are different ways

of describing these tensions. For example, organizations have to adapt to external demands while at the same time, standardizing internal operations. Working through people and relationships and working through impersonal processes and routines are both necessary. Because effectiveness is bi-polar, there are no timeless solutions to problems of organizing; today’s solution will be an unavoidable cause of a new set of problems to be solved tomorrow. Everyone who is reading this article has experienced the iterations of adaptive actions organizations go through over time. First, we centralize, and then we decentralize only to centralize again. It is hubris for leaders to believe complex organizational issues can be solved “once and for all”. This is not a new insight; the origins of sociology go back to the seminal proposal that a variety of social forms evolve through this dialectical process²⁴.

Generative Leadership in Healthcare

Generative leadership can be used in small groups, and large organizations. It can be used by physicians managing a family’s mobilization to support a loved one’s treatment, by hospital administrators to tackle organizational issues, and by government agencies to work on system wide issues.²⁵ The first step is to be able to identify the difference between complicated and complex problems. Table 3 provides a few healthcare examples that contrast what are essentially technical problems, where a more scientific-engineering approach to management and change is appropriate, to the kinds of adaptive challenges that may best be addressed through the social-dialogic approach of generative Leadership. Table 1, above, provides useful guidance on how to identify the differences.

Table 3. Examples of Complicated, and Complex Problems in Healthcare

Complicated, Technical Problem	Complex, Adaptive Challenge
How do we ensure nurses know the safest methods for lifting patients?	How do we improve the health and wellness of nurses?
How do we ensure accurate information is provided during handoffs between care providers?	How do we increase collaboration among care providers?
How do we reduce errors in medications delivered to patients?	How do we get patients to take more responsibility for taking their meds?

From Bushe & Nagaishi, 2018

While there are now decades of studies that show the superiority of generative change processes for producing rapid and transformational results²⁶, utilizing generative leadership processes require courage and a higher than average level of socio-emotional intelligence. Leaders have to “let go to let come”²⁷, a difficult process that will evoke anxiety in both themselves and their followers. Some of this anxiety will be due to the dominant leadership narrative that effective leaders have the right vision and are responsible for setting goals and organizing plans. While the virtues of engagement, empowerment, and participative leadership have been extolled for decades, the reality is that a certain percentage of people expect their leaders to have all the answers, or else why are they the leader? Basic beliefs about leadership are violated, in both those they report to and those who report to them, when a leader says “I don’t know the answer” and “I am going to engage stakeholders in an emergent process that I cannot predict or control”. Letting go of control is likely to make more visible the underlying paradoxes and polarities that are part of the reason adaptive challenges are so complex and not amenable to technical

solutions. The ability to see, appreciate and work with paradox, to “hold the space of not knowing” in a way that avoids either/or polarizations, and at times even transcends both/and to a place of “because...” is a hallmark of later-stage, post-conventional socio-cognitive development²⁸. This will require physicians who want to use generative leadership to engage in personal development processes quite different from skill training and knowledge acquisition²⁹, which instead develop the emotional, social and systemic intelligence of the whole person.

The main point of this article has been to describe, and explain the need for, a new form of leadership that is emerging to take on the increasing complexity of organizational life. Generative leadership is different from transformational or transactional leadership, in that it doesn’t provide a vision, goals and roles, or analyze problems in order to make decisions. Instead, generative leadership articulates the purpose that inspires stakeholders to take on complex issues, stimulating as many self-organized initiatives as possible, seeing what works and learning as they go, in a never-ending process of adapting to the complexities of collective life.

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