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DANCE, PROD AND SHUFFLE

ENJOYING THE MESS

This is about being flexible, agile, adaptive, sensitive and responsive. It is taking what emerges from the instability you have caused, building on it and passing it on. It is improvisational rather than scripted and there is enjoyment in the iteration, mess and confusion. It is creating momentum in yourself and others by moving, pausing and moving again with changes in circumstances. It is collaborative and interdependent, giving others the freedom to act and create, trusting their judgement. It is taking graciously what others offer in the organization and not seeking to constrain or block. It requires a deep understanding of the rhythms of change in yourself and others, seeing the occasional drama for what it is, treating it compassionately and continuing to keep moving.



Establishment organizations are mostly hierarchical, slow, inflexible in their processes, rigid in their structures and difficult to move. They are often led by a small number of strong individuals who rely on control, power, process and structure to determine the future direction of 'their' organizations. Agreement, stability and consistency are valued.

We find ourselves going through a budget round four times a year. I often wonder – what would the founders of our company think about this? Wouldn't they be horrified?
(Ian Armstrong, European Marketing, Honda.)

Stability is built into the Establishment organization through rigorous processes, review boards, leaders with long experience, many layers of management and a received wisdom on how things are done around here.

There is an immutable conflict at work in life and in business, a constant battle between peace and chaos. Neither can be mastered, but both can be influenced. How you go about that is the key to success. (Phil Knight, Founder, Nike.)

Challenger organizations are more biological than industrial. They need to be adaptive, mobile, open, sensitive to their environment and responsive. Diversity, dis-agreement, creativity and relationships are valued. That is not to say that no controls are needed. The leadership challenge is that a gentle touch on the controls AND an openness to difference, diver-

sity and disagreement is required. Successful Challengers maintain enough control to manage their business without it suffocating the energy flows that a Challenger Spirit requires to grow.

We wanted to reconnect with and expand this aspect of our organizational DNA. One of the ways we do this is to move away from traditional communication – the top down press releases etc. We are moving towards opening the organization up to far more transparent and dynamic communication. Information is free; people make up their own stories. So we have been sharing our stories with each other, using the traditional and new vehicles. Chat rooms, Internet fora, blogging, wikis, and conferences. We also sit in an open floor plan, everyone from the CEO down. Visible, accessible and ready to talk to anyone that wants to. We ensure the freedom of information, that it flows and that it moves at a fast pace. The surprise was how much this internal communication improved the external communication with customers, regulators etc. We find that once the ball starts moving it is impossible to stop. The technocrats and bureaucrats get scared and are still trying to stop the flow but they can't, the human will is too strong for them. We decided let's not waste our leadership energy trying to control this communication, it's a myth that we can control it, let's work with it, not against it. (Glenn King, CEO Servco, National Australia Bank.)

Challenger organizations are typically built to be unstable – smaller groups of people that are working under less super-

vision. Sometimes making up the process as they go along, relying less on exhaustive research and more on instinct. Their conversations are more contentious, intense and passionate.

PARADOX AND PERFORMANCE

"The thing about inventing is you have to be both stubborn and flexible, more or less simultaneously. Of course, the hard part is figuring out when to be which!" (Jeff Bezos, Founder, Amazon.)

Many of the Challenger Leaders we have worked with were in organizations of significant size despite in many cases not being the market leader. Being second, third or fourth in a market didn't mean they were small. They still had a need to emphasize centralization, structure, process discipline, planning and long-term focus: all aspects of providing a degree of 'certainty' for their organization. What made the successful ones stand out was that they managed to lead through the paradox of needing certainty and uncertainty at the same time if they were to challenge the Establishment organizations.

As Challenger organizations grapple with the certainty/uncertainty paradox, leaders find themselves faced with a number of other paradoxes that are connected to it: co-existing states that are not always compatible with each other. In Challenger organizations they are often being asked to be: persistent and adaptive; centrally led and locally led; structured and chaotic; disciplined on process and challenging of process; planned and opportunistic; long term and short term; customer led and

leading the market; growing and efficient.

Inevitably organizational leaders have difficulty leading through these paradoxes. Efforts to meet the challenge can give rise to an over emphasis on which side of the paradox is right rather than leading both positions. All too often in Establishment organizations the default positions take on the qualities of either/or, win or lose, top dog or underdog. Challengers find a way to live with paradox rather than getting stuck in it or letting it be a cause of internal conflict.

Howard Schultz, the founder of Starbucks, is one of the most celebrated Challengers in recent corporate history. Recently taking back the reins at Starbucks in order to get the performance back on track has challenged his ability to lead through paradox.

"I've had to change my own mentality and thinking," he says. "It's always a fragile balance between creativity and discipline, but it's much more acute than it was in the past."

Spend enough time with Schultz, and one thing becomes clear. Despite the recent reversals and reckonings, he still wants it all. Starbucks must be powerful and benevolent, respected and passionate, ubiquitous and imaginative. There is no point telling him that no big corporation, certainly not one with some 16,000 stores in 50 countries, has ever found such a balance. He simply doesn't buy it. Yet he concedes the strain of trying to stay true to his shareholders and his original vision.¹

MORE COMEDY STORE, LESS SHAKESPEARE

The contrast between improvisational theatre and traditional theatre in some ways reminds us of the contrast between Challenger organizations and Establishment organizations. Traditional theatre follows a standard script with little room for deviation from it. There is an inherent inflexibility built into the form, with repetition, night after night, creating a particular dynamic in the relationships between the cast and the audience. Improvisational theatre has a dramatically different form with the potential for much more uncertainty, diversity and disturbance. And of course this correlates with more risk. So one of the questions in the improvisational form is the same as in Challenger organizations – how can we be both more uncertain and more effective at the same time? The traditional form keeps you focused on an expectation of what is coming next. You know your lines and are thrown into real difficulty if the line offered is not the one you expected. In the improvisational form you have no idea what is coming next, which encourages a stronger focus on the present moment than the past or future moment.

A powerful aspect of the improvisational metaphor is that it teaches you how to keep moving when a situation is particularly ambiguous, complex, pressurized and interconnected. An improvisational scene is an extreme example of an environment that successful Challengers have learned how to thrive in. In both environments you make small changes quickly and then have a high sensitivity towards what happens next so that you can respond and adjust.

We started with no strategy, nothing, no research, nothing, no understanding of our competitors, nothing. We borrowed £17k and we started and then we worked with what happened next. There is no glamorous spin to this story. We were simply driven by a belief that it must be possible to do it a little bit better than the guy around the corner. That is still the same.

(Julian Metcalfe, Co-founder and CEO, Prêt a Manger.)

One of the first realizations that hit us in learning about this form is how a competitive mindset is consciously and unconsciously present in most relationships. If this is not brought to the surface and paid attention to then it becomes particularly limiting. In improvisational terms this way of relating is labelled as a block. Your partner makes you an offer that they need you to accept and build on but your competitive mindset generates a block. When you have experienced and watched others do this a few times you notice how poor it makes the performance. The audience of an improvisational theatre scene want you to commit to each other, not to block each other. The Challenger teams we have worked with have realized this and they consciously work with it. The benefit is one of speed and as we recall from an earlier pattern of behaviour: momentum overcomes mass.

The next realization is that when operating in uncertain or ambiguous environments you can progress more safely and quickly once you have generated some shared meaning together. In an improvisational setting you work together, listening, accepting offers and committing to each other until

some shared meaning has been created between you. In theatrical terms this relates to questions of character, relationship between characters, location and ultimate destination of the scene. It fascinates us how positive, bold choices help to establish shared meaning faster than tentative ones. It is easier to respond to a partner who wholeheartedly takes on the character of an elephant drinking a pint in the local bar than one who is someone anonymous walking down the high street!

Everything up to the point of commitment had been data analysis from me, I was looking for the data to make the decision for me which of course it never can. At the moment I realized my commitment was more compelling than the personal risk then everything changed. My mindset flipped from 'why not?' to 'how?'. My language changed from 'try' to 'will'.

I notice that when leaders are committed people really sense it because commitment leaks out in big and small ways, and so does being uncommitted. Once I was committed, people began to follow. You can smell commitment.

(Graham Payne, Managing Director, MBNL.)

In the terms of a Challenger, once you have made some positive, bold choices, created your dream together and engaged people in it, the uncertainty of the environment quickly becomes much easier to navigate.

Thirdly, there is a particular spirit that gets created through the experience of improvisation that provides another par-

allel to the experiences recounted to us by Challenger leaders. This comes through having to progress with minimal resources, working with whatever becomes available, being interdependent, building on each other's contributions, creating an output in the moment, not knowing what is coming next, enjoying the surprises along the way and the relief at the end. All of this generates a kind of addiction; a quality of wanting more of the same, which, we believe, is a consequence of these conditions. Both the short lived experience of improvisational theatre and the longer experience of leading a Challenger organization makes you feel more alive to your capability, the relationships you have and what together you might make possible.

If you think about Japan in the 1950s it was a difficult place to be, he (Soichiro Honda) had a view at the time that was far reaching. He was so confident in the development of his motorcycle he decided he would declare his ambition to the world. He runs a newspaper ad that says we are going to win the biggest motorcycle race in the world (which at the time was the Isle of Man TT). He declared his interest and declared it as publicly as he possibly could. Honda ran this as a newspaper ad and then he turns up on the Isle of Wight rather than the Isle of Man! Eventually gets to the Isle of Man, loses every race he enters, takes away machine parts from his competitors, comes home via Germany, can't transport all of his luggage, (so bins some in order that he can get the machine parts home) and then studies everything that his competitors were doing. Honda has now been in TT for 60 years and dominated the

thing. With this original ambition of the company's founder he was shouting about something he hadn't achieved... yet. (Ian Armstrong, European Marketing, Honda.)

Finally, in order to be entertaining an improvisational scene usually has introduced at some point a 'tilt' – a source of conflict, a twist that the improvisers have to respond to. Most comedy in an improvisation is the product of a tilt and how it is responded to. We go on in the section on 'Leading Through The Noise' to look at how an unhealthy organizational response to a tilt can derail key initiatives and projects.

We have learned a lot about Challenger cultures from looking at them through the metaphor of Improvisational Theatre. We don't have time to outline all the insights here but if you are interested in further reading we can recommend the writing of some of our teachers: John Cremer,² Neil Mularkey and Keith Johnstone.³

PRODDING THE BEAR

The establishment brand in BA we thought of as 'prodding the bear'. Every time we prodded the bear, he got angry and that was a result for us, it became newsworthy.
(Chris Moss, former CMO, Virgin Airlines.)

Challengers benefit from prodding the bear, whether the bear is a dominant competitor or an Establishment group culture. The act of prodding in the first place is one way of causing the disturbances we explored through the pattern of Purposeful

Instability, creating an environment through which the Establishment Spirit becomes more vulnerable to Challenger Spirit. The second part of prodding the bear is that you inevitably get a reaction whether from the competitor or your internal group culture. The problem is you have no idea when you prod what the reaction is going to be; more often than not the bear surprises you. This is when your capability as a Challenger to dance, prod and shuffle comes into play.

I was at a meeting with a potential client a few weeks ago and they asked me which parts of the work we'd discussed would add the most value. They were rather taken aback by my response of "I don't know". I explained that, in all the organizations that I've worked with, the success of the change and the activity which drive it have never been predictable.

This truth is uncomfortable to many Establishment organizations that prefer certainty and a highly structured approach, even if, as is my belief, that is not how change in organizations ever really works.

At the Establishment end of the continuum, Executive Teams tend to believe that it is enough to declare what you want to happen. And then they get increasingly frustrated as the desired change doesn't happen or doesn't happen fast enough. The Executive Teams of Challenger organizations realize that they have to work through the change with the people involved, responding moment by moment; putting themselves into the pattern of behaviour that they are intending to change. To

Dance, Prod and Shuffle through the work they have initiated.

This came to life recently with a Challenger client that wanted to differentiate themselves in their sector by providing a customer experience that was superior to and clearly distinct from their competitors. Through a series of interventions a new customer experience was initiated resulting in a tangible improvement in the customer interaction. In reflecting together on this success we realized how the point of greatest impact was not where they would have originally expected.

The first step included a series of Summits that involved employees and customers exploring and amplifying the best of the current Customer Experience. This resulted in a tangible improvement in the customer interaction. The Summits, however, were not the intervention that made the biggest difference.

Leaders talked to those involved in a different way than they had before. They admitted that they didn't have all the answers and that they needed help in designing the future. This was sometimes difficult for the team and many of the leadership talked about feeling a sense of vulnerability and being exposed in a way that they weren't used to. But it wasn't this that made the biggest difference.

Within a few days of the Summits, members of the frontline teams started acting in ways that hadn't been asked of them. They were being proactive in speaking about and offering

services the customer hadn't mentioned; they were talking to customers in a far less formal and more relational manner.

They were taking it upon themselves to apply the spirit and the freedom that had informed the Summit. But it wasn't this that made the biggest difference.

The frontline team members were testing and experimenting in a new way with some anxiety in the background. What would be the reaction to their creative first steps from the leadership team that usually insisted on controlling things very tightly?

With some help and some deliberation, the response of the leadership team was to overcome their own instinctive nervousness and instead, to celebrate this innovation and risk-taking. Including a celebration of experiments that didn't result in an improved customer experience. It was this reaction that made the biggest difference to the change effort.

The organization now had reason to believe that the change was real and authentic. The scene was set for momentum and a competitive spirit emerged across departments as to who could best improve the customer experience. The change in atmosphere was palpable.

So in summary, what should you consider when embarking on this kind of change? When you make a provocation or intervention are you prepared for what comes back? If it isn't exactly what you expect (or want), how will you react? Which

reaction will you choose in order to accelerate the change?

Change happens as you learn to relate differently to the issue at hand. By putting something into the organization and working with what comes back, the real change happens in your response to their response to your request!

Dance, prod and shuffle. (Roger Taylor, Relume)

LEADING THROUGH THE NOISE

I've learned that it's always better to sit down with people in advance and communicate that we're about to take a different type of journey. Give them the opportunity to enrol emotionally and decide, not right away, whether they wanted to lead, follow or get out of the way. In about 3 months I would do the same again. I would warn them that we were going to make a lot of mistakes; hopefully none of them would be fatal. This was not going to be a circle on a Ferris wheel. This causes anxiety but in my experience it's better in the long run and provides much more fortitude and stamina for the journey. (Clent Richardson, former VP Worldwide Developer Relations & Solutions Marketing, Apple Inc.)

In an emergent environment which depends on improvisation as a way of moving forward, the easiest way to destroy momentum is simply to stand in the way in some form; for example, by requesting more and more information before being willing to act; or by pointing out what the risks of an action were rather than saying a strong 'yes' or a strong 'no' to it. This expression of lead, follow, or get out of the way

encourages people to make an active contribution and to ask themselves where they stand. Being 'in the way' simply isn't an option. Perhaps it would be more accurate to say that being in the way would be tolerated if you had a strong but creative contrary view; however, it would be incumbent to bring that view out into the open rather than to let people infer that you had a particular view from the way in which you dragged your heels.

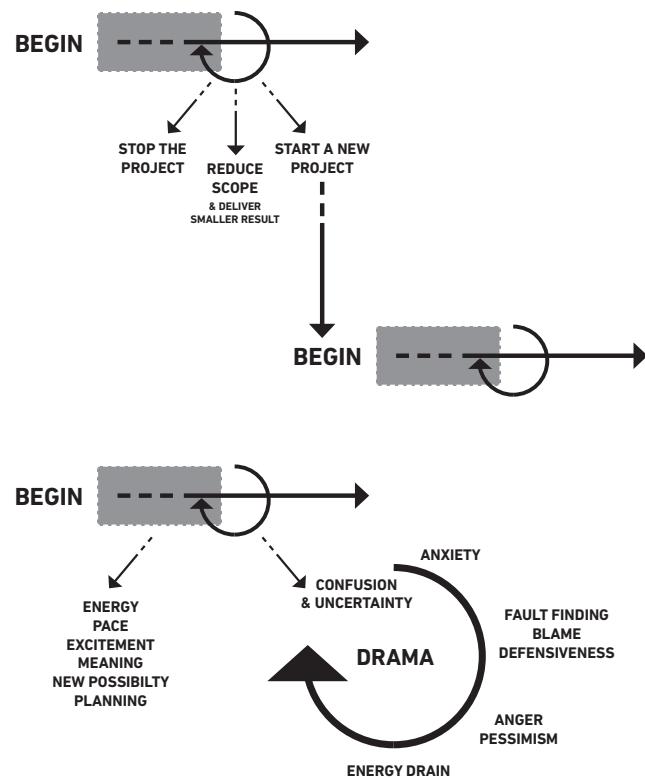
This is particularly pertinent when a team or organization has reached a difficulty on the Challenger path they were travelling. This can manifest as an unexpected turn of events, a loss of performance, reduced levels of sponsorship, disbelief in the cause, new fears or a breakdown in understanding of some kind.

This often generates a dramatic quality of response, with energy, excitement, new possibilities and pace being infected by fault finding, blame, pessimism, loss of energy, distancing and disengagement. At this point of a Challenger journey it is very tempting to either stop (and start again) or reduce the scope of the ambition and deliver a smaller (substantially different) result. The excitement felt at the start of the Challenger project can then be felt all over again with a new project. A new project that inevitably has to begin because the old situation was never resolved, it was just avoided.

The sorts of questions and statements that stimulate this drama have a familiar tone to them once you have seen a few

of these situations occurring. Is this the right thing to be doing? Have we got the right focus here before we progress? Is this the right time to be doing this? Are we clear enough? Let's get more clear on this before we progress. Have we enough time to be doing this? We are too busy. Let's prioritize before we progress.

FIGURE 6.1 LEADING THROUGH THE NOISE.



Different people react to this drama in different ways depending on their personal response to the anxiety they are feeling. There are those who exaggerate the pattern, creating more drama, looking for others to blame, defending themselves and lining up behind the most politically powerful force in the situation at the time.

There are those who expect the drama from the very beginning and therefore stay emotionally disengaged from the beginning. They describe this as a way of protecting themselves from the inevitable disappointments to come. This population often contains leaders who have started with the best of intentions and found themselves worn down by the repetitive experience.

There are those who see the drama coming and disengage themselves, focusing on what they do from their comfort zone. This approach can still lead to something being delivered but it is done in an isolated way; hot housing ideas and plans within an area of functional expertise. There is little trust or faith in the possibility of a bigger result being achieved by working together outside of the silo.

Many Establishment organizations have this pattern repeating itself over and over again. They become participants in this drama of starting a new project with lots of excitement, allowing the drama of a difficulty to stop it, sweeping it under the carpet and starting again. There are lots and lots of political effort expended, giving the impression of an organi-

zation that is moving forward, but in reality it is stuck without any traction.

A successful Challenger organization learns how to expect and predict these moments and develops a capability to dance, prod and shuffle their way through the anxiety and occasional drama. They do not stop or reduce their scope; they flex, fight and invent their way through the difficulty, learning as they go.

One of the Executive Teams we worked with came up with the following principles once they had understood their own dramatic pattern of behaviour. This was their version of dance, prod and shuffle.

- We notice when we are about to repeat our usual pattern and make some new choices.
- Fluctuations, disturbances, imbalances, uncertainties are seen as sources of creativity rather than as a loss of control that will damage us.
- We recognize our individual contributions to the beginning of the drama or its continuation.
- We find a way of experiencing the drama and converting its energy into a productive one that can be used for learning.
- We change our relationship to breakdowns, seeing them as opportunities for breakthroughs rather than opportunities to slow down or stop.
- We value telling each other our truths as we see them. We care enough about each other to do so.

THE PRACTICE GROUND

What lies at the heart of this pattern of behaviour is a commitment to work with everything that comes at you, even if it is not the way you want it to be. In Buddhist practice we sometimes describe this as “roll it all in”. We stay up close and personal to everything as it presents itself, even the parts of our thinking or emotions that we would rather we didn’t have; we don’t suppress anything and we don’t avoid anything by occupying ourselves with thoughts and feelings that are more acceptable to us. We don’t achieve growth and change by doing that. If we avoid these feelings in others, or ourselves, they simply stay there waiting for a moment to arise again. If we try to suppress them, they grow in energy as a form of resistance to our efforts and seem to trip us up under pressure. In Challenger leadership terms we do not distance ourselves from difficulty, we come up alongside it; we even waltz with it if we can! We don’t expect to dictate a change in mindset or understanding, we accept that we will have to keep returning to prod, shuffle and be light footed.

This is not a failure although it may feel that way to those who don’t like the natural messiness of this approach. It’s not about being a patient saint, it’s about staying close to people who try to defend the establishment or thwart your ambition. It’s also about welcoming and building on the unintended consequences of your initial actions. It is healthier and more transforming to keep unexpected responses to your ambition surfaced and part of the total leadership discourse, than to



suppress them, attempt to gloss over them or repress them with sanctions. When this happens as it frequently does in Establishment organizations it appears to divert a lot of the energy and life-blood away from the ambition into dissention and avoidance. It is costly in terms of money and service; it kills creative energy and slows things down.

At the centre of this practice ground are Challenger leaders learning to overcome the more primal sensations that are mediated by the limbic area of the brain. Our fight, flight, and freeze responses are activated whenever we sense danger. The limbic system in our brain is constantly assessing whether the world, people or issues are safe for us. When we encounter difficulty, or resistance or aggression in others that we are trying to lead, the limbic system stands ready to protect us. Regulating your own emotional reactions and attuning to the intentions and feelings of others to minimize the effects of this activation is critical.

A characteristic of people who work at this practice is their ability to trust emergence. They are prepared to open their minds to possibilities that emerge from the field in which they are operating, rather than assuming that everything of value arises purely from planning. Ideas and opportunities seem to flow through them a little more easily because they are spacious on the inside even in times of heightened stress. This quality of spaciousness is an example of the mind working the brain to everyone's advantage.

If all of this sounds a little too good to be true to you, perhaps it is time to think of all the experiences you have encountered where these skills and attitudes have not been present. And perhaps more importantly what the human and commercial costs are of not having senior leaders in businesses with these kinds of skills. What do blame, control, emotional outbursts, protectionism and avoidance cause in our workplaces?

You can strengthen and deepen yourself as a Challenger leader if you manage to stay close to those who offer you an unexpected response to your intentions. Even resistance and dissent taste better to you if you are intimate with them. It is more agile and invigorating to adopt this approach, than the dead formulas of Establishment change.

GETTING STUCK IN

INNER WORK

How do you manage strong emotions
when you don't get your own way?

**What is your instinctive view about resistance,
and how is this helping or hindering you?**

What types of situations are invoking your avoidance?

How do you keep your energy refreshed?

How can you moderate your reactions
to keep yourself on track?

OUTER WORK

What 'yes buts' are you encountering?

How much time are you devoting to breakthrough thinking?

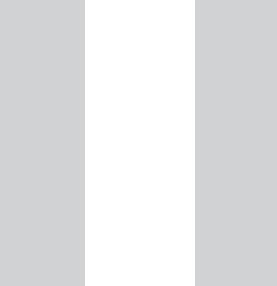
What strategies do you have for leading through the noise?

How do you know you are making an impact?

**How are you staying light on your feet
and keeping things moving?**



**YOUR NOTES,
INSIGHTS AND SCRIBBLES**



WHAT GOOD LOOKS LIKE

DISPLAYS A FLEETNESS OF FOOT.

Acts with speed and decisiveness.

Is able to respond quickly and effectively in complex and ambiguous situations.

Is able to make the best use of a situation when things haven't gone as expected.

Is opportunistic rather than sticking rigidly to a plan.

Holds firm to a underlying purpose.

Is enthusiastic about new developments.

Relies on instinct not exhaustive research.

Balances the short and the long term.

KEEPS THINGS IN PERPETUAL MOTION.

Restlessness.

Creates pauses to cause just as much momentum as a push.

Continually building on things.

Treating changes in circumstance as a opportunity to improve.

Staying the course.

Setbacks don't dent enthusiasm.

Injects energy into challenges.

Maintains energy in the face of setbacks.

Commits swiftly to actions and doesn't get held up.

**HELPS OTHERS LEARN HOW TO DANCE,
PROD AND SHUFFLE.**

Coaches others in how to be flexible and adapt.

Shares stories about success and failure to move things forward.

CAN IMPROVISE AND ADAPT.

Is sensitive to what is happening in the team / organization environment.

Is able to respond effectively when things get messy.

Takes on challenges with enthusiasm.

Takes the best from all situations.

Is able to take advantage of new situations.

Builds on the ideas of others.

Shows a willingness to experiment.

Uses every recourse at their disposal.

Doesn't let organization boundaries and processes get in the way.

Make good calls with all the information.

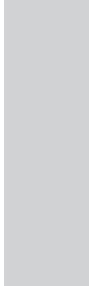
**GIVES FREEDOM TO OTHERS TO ACT, ADAPT AND SIT
AT THE DYNAMIC EDGE OF CHAOS.**

Gives people trust and freedom to act independently.

Happy to hear others using their language and ideas as a source of infection rather than ownership.

Allows people to use their judgement and doesn't second guess.

Is patient to see what emerges.



Encourages people to trust and respect others effort.

Frees up people to act decisively in the face of resistance.

Tackles head on negative thinking. Doesn't allow dissention to spread.

Is willing to rely on others.

Develops strong relationships at all levels that encourage experimentation.

Breaks down boundaries for people in order to move things forward.

Takes risk on people to get the best out of them.