

### 3. Change Management – A Personal Perspective

This chapter will introduce major themes that are relevant to this thesis. The chapters start to introduce the ideas and theories I want to engage with and expand on within this thesis.

The thesis starts from my Living Inquiry how success rate of change implementations can be increased, and what the role of a Change Agent is in that process. The first chapter explores what change is, and what this concept means.

This thesis then goes on to explore the nature of Change Agency; what is it that Change Agents actually do? This is a fundamental question within this thesis, both as a Living Theory, an Action Research inquiry; the thesis has as its main theme '*How can I as a professional Change Agent improve my practice?*' Therefore I want to set a perspective around the concept of a Change Agent.

Change Agency assumes that there are processes that are used, implemented within the practice of Change Agency that can make changes transparent the incremental or step-changes in terms of what the beneficial outcomes are perceived to be from any Change Process. There is no definition that I have found that describes where a step-change starts or where incremental change stops. The texts in general refer to these two different types of change in terms of a different magnitude of change. This thesis argues that within a Change Process there could be a combination of the two types of changes occurring at the same time. This thesis will also argue that different individuals in the same group could be experiencing the speed of change in both ways depending on their living experiences and viewpoints. This chapter sets the scene for some of that discussion.

As a Change Agent, I have been influenced by various management theories and concepts. Appendix 7.1.2 (pp. 357) list and engages with some of the relevant ideas which underpin some thoughts within this thesis, for instance; Learning organizations (de Geus, 1999): Data representation (Tufte, 2004), Deming Cycle (1986) <sup>Footnote 14</sup> and Development of individuals (Various authors, see Diagram 9, pp. 143). Hence they have been included. There are many concepts within this chapter, and they should be seen as contributory ideas, rather than main engagement themes.

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Footnote 14: <http://en.wikipedia.org/wiki/PDCA>

Chapter 3.5 (pp. 123) introduces economic history and financial theory from a systems perspective. This thesis will argue that financial barriers are a major reason why Change fails to occur, because the financial system as such is not recognised as a significant legal and bureaucratic power. This chapter introduces the concept for further discussion.

In order for people, including myself, to change there needs to be a development that takes place. In fact, Sen (1999) argues that the development of 'Human Capital' is a fundamental part of social formation to enable Change for the better. This chapter will engage critically with the concept of development, and will introduce some original concepts about development, and how development levels can be represented.

No Change initiative can ever be undertaken without conversations. In fact conversations and how conversations and behaviours allow an identity to be forged are concepts that are important parts of this thesis. This chapter engages with some key notions. A Change Agent, or Co-Creative Catalyst has to be able to utilize the full range of communication possibilities, including emotional, to engage with the social formation that requires help in changing.

Change, fundamental lasting change, happens when the people involved are fully engaged in a critical emergent way. Chaos theory (Flood; 1999, 2000) and the concept of the 'Edge of Chaos' are important theories and points of engagement within this thesis, as are boundaries and the concept of Inclusionality (Rayner, 2004), hence separate chapters to ensure that the concepts are fully engaged with for the purposes of this thesis.

## 3.1. Descriptions of Change

I have come to understand over time that change means many things to many people. Change and the management of change is complex. This chapter is meant to engage with concepts and theories that have framed my thinking in relation to change. This chapter will also describe various viewpoints on what change could be.

### 3.1.1. A Perspective on Change

Change is “to add to, to make different in some way” (Wikipedia <sup>Footnote 15</sup>). Change is also a metamorphosis.

Change is associated with the following key words and concepts:

- Change is associated with action. (This is a definition found on the Wikipedia website, but I would also state that change could be a response or a naturally evolving situation).
- Respect for authority and revelation cramps the prospects of change.
- Change is cyclical, and circumstances reoccur.
- Change in society is observed through slow, gradual modifications of the mindset and beliefs as well as dramatic actions.
- Change means doing something different.
- Change occurs in the nature, the social institutions, the social behaviour or the social relations of a society, community of people, or other social structures.
- Any event or action that affects a group of individuals that have shared values or characteristics.
- Any acts of advocacy for the cause of changing society in a normative way (subjective).

Change can be seen as an action (response, evolving engagements) that is chosen or forced (induced) upon people. A person can choose to form a partnership with another person, and this is a change in personal circumstances. A different person might be forced to flee his home due to natural disasters, and have no other choice than to rebuild a shattered life. This is equally a change.

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Footnote 15: <http://en.wikipedia.org/wiki/Change>

In the case of persons forming a partnership to run a business, there are other people affected by the choices made by the individuals concerned; these are the internal relationships (Chapter 5.1, pp. 289) a person (for instance a Co-Creative Catalyst or a Change Agent) can have, and these will be examined in more detail; relationships (internal – external relationships) that have to be (re)built and constitute a change. There are also external relationships that will have to be re-examined and changed.

In the case of natural disasters, there could be large numbers of people forced to make a similar choice, which leads to a form of cooperation which might or might not be for the better of all. These examples are about a change in relations and social structures. It could also apply to organizations.

These changes are usually difficult, emotional and far from clear cut. They are emergent and often require various iterations to get them right. These changes are often unpredictable, disorderly and uncontrollable:

*“In studies of organizational change which is frequently planned as orderly, rational and controlled and turns out to be unpredictable, disorderly and uncontrollable.”*

*(Gabriel, 2005, pp. 2)*

*This thesis will describe both sides of organizational life as described by Gabriel (2005) and link this with my own development. I will demonstrate throughout this thesis that organizational as well as personal development is based on the same underlying issues; core values and how these are lived (Reflective Comment, 2009).*

I have changed due to some significant emotional events (See also Harvard Business Review, 2004, Developing Leaders; Bennis and Thomas, pp. 151) in my life. These were events that were forced on me by others who objected to parts of my behaviour, and were painful personal events. The cause for events can often be traced back to an unconsciously established pattern at an early stage in a person’s life. To find out what the repetitive process was, I used a process called ‘Shadow Work’. Carl Jung’s work forms a basis for the Shadow Workshop Foundation <sup>Footnote 16</sup>;

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Footnote 16: [www.shadowwork.com/about.html](http://www.shadowwork.com/about.html)

*“As we grew up, however, we learned that certain slices of our 360-degree pie were unacceptable to the people around us. Maybe we were shamed for crying or punished for being angry. Maybe we were ridiculed for wanting attention or acting proud of ourselves. So, we learned to repress those slices of our pie; the ones that got us hurt. According to Bly, it was as if we threw these unacceptable qualities over our shoulder into a bag, which we’ve been dragging around behind us ever since”.*

*(Shadow work web introduction page <sup>Footnote 16</sup>)*

Change can also come from a need to improve relationships and communication. In my case, these events escalated to a crisis. I had a crisis in my work, a crisis in my personal life, and a limited ability to hold friendships or return affection. I was made aware that this was a repetitive pattern and set about to find out what the cause was. See Section 4.5 (pp. 251 onwards).

Deutschmann (2005) states that behaviour is important, and a crisis is not the most powerful motivator for change:

*“The conventional wisdom says that crisis is a powerful motivator for change. But heart disease is among the most serious of personal crises, and it doesn’t motivate. Why do we fight even what we know to be in our own vital interest?”*

*(Deutschmann, 2005, pp. 56)*

Change isn’t automatic! Change is about behaviours. And this is why change is difficult to achieve. Particularly if the people concerned aren’t aware of the influences they have on others.

Change is also how the knowledge (tacit or explicit) is brought to bear, and how other people receive that information. The transmission of change requirements is through communication.

*“It is therefore my proposition that stories are the means by which tacit knowledge is held and stored, and are the means by which tacit knowledge is transferred from one person to another, and this is true however explicit the story may be. This transfer is an encouragingly critical process, because people are better able to hear stories critically than less narrative forms of communication.”*

*(Sims in Jeffcutt, 2004, pp. 165)*

Change is dependent on institutions around us. The functioning of these institutions is related to our development. This thesis will contend that these institutions’ processes of power can hinder

changes occurring. Why institutions exist are historically determined, and needs to be put into context.

*“Individuals live and operate in a world of institutions. Our opportunities and prospects depend crucially on what institutions exist and how they function. Not only do institutions contribute to our freedoms, their roles can be sensibly evaluated in the light of their contributions to our freedom. To see development as freedom provides a perspective in which institutional assessment can systematically occur.”*

(Sen, 1999, pp. 142)

Sen makes a case for systematic assessment of opportunities within a particular context; institutions, social formations or individuals. Sen sees development as a contribution to our freedom to gain advancement in economic, political and social context, based on education. This connection will be explored in more detail in Chapter 3.5.3 (pp. 138), specifically in terms of the influence of financial institutions.

This is not in conflict with the work by Deming (ten Have et al., 2003, pp. 66 – 68) <sup>Footnote 17</sup> and others in founding the Total Quality Movement. TQM is a model and tool to enable the realisation of part of Sen’s philosophy, to help create better living standards and use of resources. Most organizational theories or personal development theories in general do not conflict with the points Sen makes within his theory of human capability; Sen describes advancement as a form of overriding liberation and freedom. A state of being that is an enabler for everything! But TQM, and many other theories, are too narrow a concept to capture Sen’s meaning; it is not Inclusional enough.

Change re-occurs; change is a constant theme in our history.

*“Every few hundred years throughout Western History, a sharp transformation has occurred. In a matter of a few decades, society altogether rearranges itself,*

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Footnote 17: [http://en.wikipedia.org/wiki/W.\\_Edwards\\_Deming](http://en.wikipedia.org/wiki/W._Edwards_Deming)

*its world views, its social and political structure, its arts, its key institutions. Fifty years later a New World exists.”*

(Obeng, 2001, pp. 3)

Change can be both fast and slow. Change is never the same, except for the fact that change occurs and is sought.

Often small changes can be anticipated over a short time horizon. Change is predictable. It is seldom that change could not be foreseen, what is unclear is the precise nature of the change and its effects. Mostly it seems change is gradual. Change can be instant, and then usually this change has a major effect and impact.

In terms of energy production, for instance, there are very clear change moments that can be pinpointed. Dung was an original source of heating. When tools became available turf was cut, and then coal was used with the availability of better tools. Now it is oil and the trend is switching to gas. Every time new technology opens up a new resource there is a change. In these examples there were changes brought about in society because of these changes. Change in one area is amplified by changes in other areas, change is relational. Coal power brought the industrial revolution in the UK. Oil brought superior naval power at the start of the century, as the switch to nuclear energy in the US navy brought with it a strategic advantage.

I often use the metaphor of a fishbowl floating in the ocean, and I am in the fishbowl. Imagine that we are inside a fishbowl and we are aware of small changes within the fishbowl (the bowl being our horizon of understanding). Imagine that this fishbowl is caught in a major ocean current. The current is washing the fishbowl along and the fishbowl walls prevent me seeing change outside the fishbowl, because of the fishbowl walls (boundaries). Change happens around us and we are not aware of this. This is an issue between the concept of change and the awareness of the speed of change. We are only aware of the speed of change of the issues that directly affect us.

Change means doing something different, but what exactly? De Geus (1998) asks the question and made the following observation:

*“Identifying the opportunity or the threat was one matter; stimulating the change necessary to take advantage of the opportunity was another. There is a considerable difference between companies that stared blindly at threat and opportunity and those that reacted and changed”.*

(de Geus, 1998, pp. 32)

De Geus is referring to the many companies, and individuals, who do understand that a change is required, and yet do not take action. This is a theme echoed by Stack (1992) where the point is made that only very few companies survive over time, because of an inability to change.

The Learning Organization is the term de Geus used for this (1998), and at the heart of this capability to learn (de Geus, 1998) is changing yourself:

*“The essence of learning is the ability to manage change by changing yourself – as much for people when they grow up, as for companies when they live through turmoil.”*

(de Geus, 1998, pp. 26)

These comments are supported by Collins (2001) in his findings on how good companies go on to become great companies. Collins states that there is a single reason why people and companies do not change; ‘Good enough is the enemy of Great’ (2001, pp. 1). This is his main reason why people do not anticipate change and embrace the need to change; see Appendix 7.1.2 (pp. 357) related to curvilinear logic (Handy, 1994). Successful people on the whole see limited reasons to change.

‘Satisficing’ (see pp 262; doing enough to satisfy to your own position given a particular bounded rationality) is a complex personal question that is at the core of sustainable change.

*“Organizational scholars, however, have long known that decisions are only partially knowledge based. Decisions are frequently made in conditions of considerable uncertainty. Thus many decisions are driven by politics, values and decisional routines. Rationality is always bounded.”*

(T. Haas & S. Deetz in Jeffcutt, 2004, pp. 208 )

It could also be issues that are resident within organizations, to do with their culture, politics and the way values and beliefs are transferred. These are emotional, power related issues, and as will be demonstrated in this thesis, dependent on personal development levels (Chapter 3.6). Gabriel states this very clearly below, although I find this statement only partially resonating with my Living Practice. His views illustrate the point made, but are ‘angry’ and almost ‘distrustful’.

Change and the ability to change and construct a better future for the individual or the social formations concerned are thus firmly rooted in personal change. Personal change is rooted in values and behaviours displayed at an interpersonal level. And this is a difficult and complex



issue that does not reside easily within individuals. This is why self-development (see also Chapter 3.6.1 – pp. 141; and Diagram 9; pp. 143) is difficult.

*“Organizations are undoubtedly systematic generators of anxiety. They breed anxiety in many forms by making unyielding demands on individuals – that they should control their spontaneity and emotion; that they should work with people they do not necessarily like, doing tasks which they do not necessarily enjoy, often being treated in an impersonal and a cold way they do not necessarily appreciate; that they should display loyalty and commitment towards an entity that may casually dismiss ‘redundant employees’; that they should do tasks for which they do not feel adequately prepared or clearly briefed, that are psychologically demanding, and sometimes, physically dangerous. In addition, they exacerbate anxieties which individuals may carry with them, over their self-worth, their competence and their ability to get on with others.”*

(Gabriel, 2005, pp. 9)

De Geus (1999) and Collins (2001) imply that people, social structures, companies and other institutions can influence change by correctly anticipating changes that will improve the wellbeing of the people in that social structure or the individual themselves. This thesis will contend that change in one structure automatically has an influence on other structures, and cannot be ignored through the connective effects that are inherent in Inclusional behaviour, which is emergent and influences boundaries. Gabriel points out that change causes major stress and difficulty for the people involved. This is a further element that this thesis will engage with, because in order to have honest, open communication, this barrier needs to be recognized.

Change could be acts that change the inner values of individuals and groups of people.

Quinn (2000) recalls a conversation with a person at a seminar:

*“That event meant a great deal to me. It meant that I had made a difference in her life.”*

(Quinn, 2000, pp. 3)

Quinn (2000) calls this the ‘*Sacred part of Change*’. It is clearly important to him that change is not just a difference in a material way, but also in a more spiritual, interpersonal and emotional way.

*“There are feelings of personal joy that only come with a personal achievement in which we feel we have made an essential contribution. Oddly enough, those same feelings of achievement are often mixed with a sense of awe and humility. I believe the awe stems from experiencing the magnificence of transformation. The humility stems from knowing we are necessary but, alone, are insufficient. The process of transformation is always bigger than we are. It requires a supportive universe. As we take part in this process, experiencing the transformation of energy, becoming aware that the universe actually needs us and that we need the universe, we join the dance of co-creation. We become aware of our own simultaneous potential and dependence. We awaken to our sacred potential that is living systems. What I want to suggest is that all human systems, no matter how secular, are also sacred because the seeds of potential transformation exist there. Individually, we can contribute to the transformational Change Process. We can each become transformational Change Agents.”*

(Quinn, 2000, pp. 3)

We can become transformational Change Agents. We can transform and join in co-creation. This quote is only part of what a Transformational Co-Creative Change Agent is. This notion, and how a person can become a Transformational Co-Creative Catalyst, is at the heart of this thesis.

Senge et al. (1997) built on these points and created the building blocks (Senge's terminology) for a learning organization (See *'The Fifth Discipline', Chapter III; 'The Core Disciplines'; pp. 139 - 273*). Senge et al. stated laws that govern change. In common with de Geus and Collins, Senge talks about personal transformation ('Personal Mastery' and 'Mental Models'). De Geus and Senge believe 'Team Learning' is a vital element in transformation and this can be done by building a vision. Anticipation change and building a vision of a future state that people can align with. As will be argued in this thesis, single individual theories, for instance Systems Theory by Senge (1990), that aim to create recognisable solutions for particular issues, reductionistic approaches, are made for very specific situations. If these situations do not occur the theory does not quite 'fit', and it is here that boundary conflicts with other theories start.

*“Senge argues, that we are taught from an early age to make complexity apparently more manageable by breaking the whole into parts. This makes understanding wholes pretty much impossible since we can no longer appreciate the results of actions because the whole is stripped of essential quality – interrelatedness.”*

(Flood, 1999, pp. 14)

*What is important here is that there are distinct and yet related areas of inner and spiritual development. One is within an individual, and one is within a team. This thesis will argue that these are not separate. A team doesn't develop without individual development, and vice versa. We develop and influence each other through an Inclusional space between, in and around us (Reflective Comment, 2009).*

Biteler (2008) contends that change happens when there are positive consequences:

*"We, and others, tend to embrace change when the consequences work for us. How much more does this principle work for the leaders we are working with?"*

(Biteler, 2008, pp. 31)

*I address the issue of 'Boundaries' more in Chapters 3.9 (pp. 188) and 4.4.4 (pp. 249), since rationalization and reductionism are issues that are important in understanding boundaries and discord. As Flood (1999) points out, the re-integration of the theories or models is often difficult and problematic. This paradox is one of the Living Contradictions that I now believe I can hold and live with through the concept of an Inclusional epistemology (Reflective Comment, 2009).*

### **3.1.2. Change – A different perspective**

This chapter can be read in conjunction with Appendix 7.1.8 ('Winning a Contract', pp. 419). What is it that managers who hire a Change Management consultant actually want these people to do? How do these managers view Change Management and what are the specific outcomes they can expect?

A quick look at a number of management consultancy agencies reveals the following claims that are made:

RLG International<sup>Footnote 7</sup> : *Deliver a four to one return on investment through coaching personnel to develop their business acumen to increase financial and operational performance.*

KPMG <sup>Footnote 18</sup>: *Business efficiency is about driving value through the business; improving productivity; making the most of supply chain and procurement processes; optimising technology; enhancing financial processes and creating a culture that is focused on making the business even better.*

Mackenzie and Associates <sup>Footnote 19</sup>: *Management development and organizational development.*

The Bridge <sup>Footnote 20</sup>: *We implement performance improvement for clients. As a result our clients implement their strategic goals quicker and at lower cost.*

What can be seen is that most Change Management consultancies set the expectation that performance will be improved, and that the companies or social formations that use these services can expect significant efficiency gains, and other associated benefits. Most websites talk about working with the social formations and organizations and their people to deliver these improvements in ways that benefit and help the people involved.

Clip 11, Terry Tate, Office Linebacker, on CD 3 shows a deliberately accentuated view of Change Management. I often use this clip as an 'ice breaker' with groups to discuss certain points related to Change Management.

The clip opens with a C.E.O. of Reebok stating that the introduction of Terry Tate as a Change Management specialist has been a very good addition to his team. He states that his style encourages 'paradigm breaking' and 'out of the box thinking'. The way that this is stated with the way the coach 'breaks these paradigms' shows that these words are very difficult to describe. The clips show how Terry Tate is coaching people through an extremely hard regime of physical pain for very minor transgressions.

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Footnote 18: [http://www.kpmg.co.uk/advisory/performance\\_mv/](http://www.kpmg.co.uk/advisory/performance_mv/)

Footnote 19: <http://www.mackenzieandassociates.com/sitemap.php>

Footnote 20: <http://www.thebridgesi.co.uk/>

'Productivity is up' the C.E.O. states and they are getting more from every employee than ever before. The regime is deliberately painted as oppressive. People are avoiding Terry Tate the management consultant as much as possible, which makes a complete mockery out of the C.E.O.'s next statement: 'Terry Tate is part of the family. I wish we had 10 Terry Tate's'.

This clip is a parody on what most management consultancies promise and on how managers use management consultants. There is no real effort visible to coach the employees, except to threaten them. There is no real effort made to fundamentally change the attitudes and behaviours through development and training. This is done through control and extreme sanctions. Terry Tate at no stage in this video seems to have won the respect and trust from the employees, but the management does see value. This is presumably because the belief is there that when I tell someone to do something new and different, then they will understand it and do it.

A further reason for including this clip is also to demonstrate that through humour, Change Management can be made visible and discussable. This clip does this in a very good way.

The essence of this different viewpoint is that Change Management, in the terms stated above by Change Agencies, and from my practice as a consultant working within the field of Change Management, is that the praxis of Change Management as implemented by 'Change Agents' and as required by 'Managers' is fundamentally different to what is required to gain change. There is no talk of inner development, there is no talk of creating a transformational place, and there is no talk about co-creation. It is this dichotomy that this thesis also engages with, because if the two viewpoints could be combined, then a new type of Change Agencies could be created.

## 3.2. Change Agency and Change Agents

The aim of this chapter is to build on the concept of how change can be created, with the help and guidance of individual Change Agents.

### 3.2.1. Change Agents – What are they and what do they do?

What is it that Change Agents actually do? What is the role that they fill, and what is the identity that they create and how people see them?

*“You may be the kind of person who shies away from the difficulties of managing change because the people side of things isn’t your strong suit. You’re better at the functional tasks – getting out the product, delivering the service, providing the professional assistance – than you are at managing the human beings who do those things. You don’t have all the skills or the training to be a psychologist – you don’t want to get into all that personal stuff. You just want to get results. But many years of working with people in your organization has convinced me of 2 things.*

*Firstly, you simply can’t get results you need without getting into ‘that personal stuff’. The results depend on people doing the things the ‘old’ way and start doing things the ‘new’ way. There is no way to do that impersonally.*

*Secondly, Transition management takes some abilities you have already and some techniques you can easily learn. It’s a way of dealing with people that makes everyone more comfortable.”*

(Bridges 2002; introduction pp. i)

William Bridges (2002) divides Change Management into 2 parts: There is the actual physical change and an emotional management of the change. He makes the point that the second part is often ignored.

Curren (2001) translates Bridges’ points into a decision-driven part of change, a functional change that requires no change in the people implementing this change, and a behavioural dependent element of change. This seems equivalent to the emotional management that Bridges describes. A Change Management process is therefore a combination of both elements, and often Change Agents and Managers concentrate on the physical part, and not enough on the

behavioural part. Curren and Bridges state that failing to pay attention to the behavioural element is a major reason why Change Management projects fail.

Kotter (1998 – Harvard Business Review Article 95204) makes a point that many Transformation Efforts fail. He states.

*“A few efforts have been very successful. A few have been utter failures. Most fall somewhere in between, with a distinct tilt toward the lower end of the scale.”*

(Kotter, 1998, pp. 1)

This is supported by Shapiro (2004; pp. 3) where she quotes Paul Strebel as stating that 50 – 80% of change efforts in Fortune 100 companies fail. The causes are that employees do not recognize what is driving the change and the value it can bring. This is related to the transfer of learning or development for instance. People involved in a Change Process have to be able to learn, to assimilate, to visualize, and importantly they have to believe what is learnt is worthwhile. This could also be seen as describing sustainability within a change project, because learning is an inner construction, a new value, habit or belief.

*“The notion of transfer is always a metaphor here; there is no object to be transferred, and learning is always a construction on the part of the learner, not a literal transfer from the instructor.”*

(Huxham, Sims and Beech, 2005, pp. 4)

The quality of the argument helps create momentum for change. The better the quality of argument, the more thought has been given to the issue for change with regards to core issues and identifying barriers. If the story is allowed to develop from an Inclusional perspective, a participatory perspective, then the chance for a successful change will increase, because of ownership of the story by all the participants.

*“If we take it that memory is narrative based (Hardy, 1968), people need rehearsal in order to prepare and develop their stories; that is, to develop the memories they are going to retain. Stories are not developed without considerable work, and the work is achieved through rehearsal of the story. Individuals start to rehearse the story on their own, maybe trying out versions silently, telling it in their minds to a fantasy audience, changing it when it does not sound right to themselves as audience. The story as retold to others is not the same as the story told by the high profile speaker, because they develop their*

*own personal lines of narrative to retell through these stories, and imbue them with our own purpose.”*

(Huxham, Sims and Beech, 2005, pp. 31)

Increased awareness within social formations as to the complexity, the management of the behavioural aspects, and the specialized nature of Change Management has led to the use of Change Agents. There is recognition of a distinct, specialist role.

*“Whilst decisions about the research process were made in collaboration with the client, the roles were distinct. The client had a practical problem and was assumed to be more interested in learning how to resolve the problem rather than in contributing to a formal body of research.”*

(Bray, 2000, pp. 33)

Flood (1998) believes that as a result of more complexity in the world today, there is far less certainty over the potential outcomes.

*“Traditional management strategies that were deemed sufficient as recently as a generation ago are found wanting today. To survive and/or to improve in the current era requires up to date knowledge of contemporary management strategies as well as skill and competencies needed to work them.”*

(Flood, 1998, pp. 1)

It is the latter that I believe, based on my current knowledge, Change Agents provide. This is the knowledge of contemporary management strategies.

A Change Agent has to understand the elements that need changing (both the functional and behavioural changes associated with creating change) – as implied by the theories of Bridges (2002) and Curren (2001). It is particularly the behavioural, emotional changes that are difficult to manage, and when looking at the descriptions of what Change Agencies offer, often ignored.

*“How is an organization recognized by its members and others as an (more or less) agreed upon entity, but yet also a ‘plurality of heterogeneous mentalities’ (Bate 1994; 136) or ‘temporary and fraught coalition of coalitions’ (Watson 1994; 111)? Organization is an endless process of identifications and divisions – not either one or the other.”*

(Parker in Pullen, Beech and Sims, 2007, pp.79)



This quote is about organizations, but this equally applies to individual members, or 'outsiders' brought in to help facilitate change.

There seems to be a notion that change (participatory research) is for social reasons only. A Change Agent also has to understand the relational aspects within an organization, a social formation or any grouping that is engaged with.

Budd L. Hall (2005) includes a definition of participatory research (work, *sic.*), in which he says:

*"PR remains a tool which social movements, activists, trade unionists, women or welfare, the homeless or any other similar groups use as part of a variety of strategies and methods for the conduct of their work!"*

(Budd L. Hall, 2005, pp. 7)

This thesis will show how these concepts can be used successfully in an industrial setting, and argue that these concepts are universal and can be used in any setting. Participatory Research or Action Research as a social tool for the sole purpose of improving social relations is a too limited use of these theories. This thesis will argue that these concepts can be used to embrace and help create change everywhere, and not just in a social context, by being utilized in an Inclusional way with scientific and economic systems; see Chapter 3.5 (pp. 123).

If a Change Agency only uses one tool, for instance the Deming cycle (diagram 12, pp. 154), or Covey's model (Chapter 3.4, Diagram 9, pp. 143), or any other model, as the sole instrument on which change is being created, then due to the rationalist construction of most models & theories, due to the limited capacity to integrate physical and emotional changes into the Change Process, and because of ignoring either the social aspects or the economic aspects, there will be sub-optimal results. Success will only be achieved if all elements of a change requirement are accommodated in the solution. And that is not possible by following a single theory approach to Change Management.

*I will argue this in later chapters, and the reader will see that I believe that social theories need to be integrated with scientific and engineering theories as well as economic models and theories to get an Inclusional result to change that recognises all barriers and opportunities and builds them into any change design process (Reflective Comment, 2009).*

A Change Agent therefore needs to be aware of the 'physical' nature of the Change Process (the technical nature) and the behavioural side (the non-technical side). If Change Agents have a combined technical and non-technical background, then that would be of benefit. What I mean by this is that within industry, but also in other sectors, there are benefits to engaging individuals who actually understand the work that is required, and who also have skills in managing people and helping people through changes within their lives as well as technical competences. These are also people who understand the complexity and models that underpin any Change Process.

The makeup of members of management consultancy firms, Change Agency firms, is often defined; either a technical background or a social background. Few Engineers attempt to become involved in the behavioural side of Change Management as 'Co-Creative Catalyst', as implementers and coaches. Few socially trained Change Agents are involved with structural and technical changes. It seems, however, that the backgrounds of Change Agents are dominated by the social sciences, with limited 'engineering' or 'natural sciences' experience.

This thesis will argue that having both enables a better integration of the various aspects of change – behaviours, systems, structures, finances and engineering for instance. Inclusivity allows the integration along the boundaries of these different groupings to be more permeable and mutually inclusive, rather than divisive, and therefore allows the integration of physical and emotional boundaries to be managed in a more permeable, fluid and integrated way. This is an observation, and not a researched fact within my practice. Most of the best Change Management projects in my practice have been when I was teamed up with an internal Manager. This allows, providing we as persons can form a relationally dynamic 'togetherness', the physical and emotional change requirements to be integrated in a local dynamically continuous way.

This thesis will argue that if 'selected' combinations of people are used as Change Agents who have these complementary and relational skills, that Change Projects will have a better chance of success.

Torbert (in Reason et al., 2001, pp. 251 – 259) looks for reasons why an inquiry into a social or other issue could start. Torbert examines ways for personal and collective re-visioning of both social science and social action; the individual(s) are in social formations, and the goal is to improve that individual or individual's interactions with the environment they are in to obtain a change that they seek. People seek a change, and it is a change they often seek for their own personal situational improvement. He describes 3 inquiry methods.

First –person Inquiry is about discovery of our own capacity. Second-person Inquiry is in broad terms a discovery of one’s own capacity with others, within a local setting. It is a group of people enquiring with each other about what matters to them. Third-person inquiry is an engagement with the wider community and looking to generate an inquiry and response (change) to a particular issue. This implies that individuals and groups can and do learn, and that groups can transform their situation!

*“The main result of our action may be not the consequence we had explicitly strategized, but rather the future amendment of our tactics (single- loop learning), or a broader (double-loop learning) reconstruction of life strategies. Triple-loop learning not just transforms our tactics and strategies but also our very visioning, our very attention.”*

(Torbert, in Reason 2001; pp. 251)

The point Torbert raises is how a change is generated, develops and forms in a particular person’s head, and is modified and aligned within a smaller group and then transcends that group into a wider audience. He states that the outcome cannot be entirely predicted. I will argue in this thesis that there are processes that can help structure this ‘emergence’, and make the whole process manageable and ‘clean’. What I mean by ‘clean’ is reduce the influence of interpersonal issues, minimize power issues and soften or remove cultural barriers to participation. Torbert does not explain how the change is then translated into a transparent and specific process.

Transformational Change Agents can link both the theoretical concepts of Change Management with a practical ability to help people learn and shape their destiny. Change Agents could be catalysts to help people start a Change Process through inner development, or within groups or teams where common goals and objectives can be established for collaborative implementation and/or influencing the wider community. Common goals and objectives are a choice of language that is not Inclusional. It sounds ‘forced’ and implies that there is no voluntary engagement. And yet the process that is described in Chapter 4 is all about creating conditions where conversations can be had and emergence can be accepted as a ‘non-threatening’ and liberating process. The outcome of this process is that the group of people have found a set of common goals and objectives, can talk about these in a unified way, because they have created these goals and conditions. The language used does not do the process justice, and yet I have difficulties finding a different language to describe the ownership around certain objectives, goals or even a commonly owned picture of the future and what might be done to create this.

This means development of people in terms of skills to ‘think for themselves’ and to empower their voices. It is not just people who are barriers to change; it could also be powerful and dominant systems that could be transformed in this way.

Sen (1999) calls development of people the single most powerful way to transform whole communities and to take them out of poverty. This thesis will argue that changing ‘One person at a time’ can achieve this, by developing this person into a transformative, Inclusional Co-Catalyst. This is not solely the domain of Change Agents. This could be in the form of changes to systems, practices and even laws.

This thesis will raise observations about relational and Inclusional social change and scientific change; these backgrounds can build on the others’ strengths. Change Agents need an ability to work with both scientific tools and social tools.

As will be demonstrated in this thesis, the distinction between scientific and social tools is in the way they are applied. The strength comes when they are applied in a complementary fashion. I do not wish to create a view that there are boundaries and exclusions between these domains.

### **3.2.2. Change Agents – A Profession**

My role within organizations has been varied, with my current role being described as a professional Change Agent. I am seen as an external expert to help organizations in designing and implementing a Change Process. Translation of ideas into practical steps that transform the way work is done. There is an expectation on the organization’s part; my role and identity are already defined in people’s minds.

How did I get to this position? I have been through various cycles of development as a technical trainee, then a senior technician, then junior technical manager. Blanchard <sup>Footnote 21</sup> describes this as the growth cycle individuals go through in terms of competence development with the required management support, see Chapter 3.6.1, diagram 10 (pp. 149). Argyris (1990, 1996) describes this more in terms of personal growth and archetypes that are recognizable in individuals, see Diagram 9 (pp. 143).

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Footnote 21: Ken Blanchard: [www.kenblanchard.com](http://www.kenblanchard.com)

and quantity. The product had defined qualities technically. As time progressed I was increasingly responsible for managing stocks, interfacing with clients, managing people and resources and writing reports. The role expanded from technical interfaces, to include commercial, communication and people interfaces. This describes a normal progression for most people.

As a team member the structure in which I worked was hierarchical with direct lines of communication, see also diagram 19 (pp. 197) – a linear structure. There was a specific accountability and responsibility for the tasks that were part of my job. The structure was flat, and there was a top down approach - Maslow (Huczynski, 2001, pp. 243); see also diagram 19 (pp. 197). There were defined boundaries around tasks that people had to fulfil, and there was specific communication and explanation where the boundaries were, Checkland (1999).

I was a 'do-er'. I was someone who did not part-take in planning exercises, group dynamics evaluation, I was told what to do. With hindsight I now believe that I was not 'equipped' to do anything else, I did not have the skills to advance my development in this environment. There were limited opportunities for training and development, and these would be tailored to the job required to be done. This is part of my learning and formative experiences.

I chose to start a master's degree in Business Administration on a part time basis. I had sub-consciously started to be able to manage the work force as their junior leader and manager. I was increasingly taking an empowerment approach and trusting the people who had to perform. I instinctively felt that this was the right approach, because in the majority of cases the work ran smoothly and was executed well. When it did not go well, there were blame and recriminations. Often the reason was confusion, late plan changes and a lack of communication. I felt miserable when this happened, and I felt blamed for something out of my control. A friend has called me a 'perfectionist', and someone who likes to be in control. She is right, and in later chapters I will describe the root causes for this behaviour. It is this combination that makes me vulnerable in situations like this, because I believe that I could have done something about it, even though I now realize that I couldn't and can't. I now realize that I cannot take responsibility for another person's actions, only my own. I can not control the environment that is created around me; I can only influence that. How I react to that environment, through my actions (speech, non verbal communication or any other way) is something I can change. This thesis demonstrates that I have sought these changes through repeated cycles of reflection.

With hindsight I can see that when the work execution failed, that it was a lack of understanding on my part; that empowerment also comes with the responsibility of educating people and making sure that the support is there as it is needed. This is interplay between the levels of personal

development and competence of the individuals involved. I will discuss this more in later chapters, but I believe that there are responsibilities on the part of the person(s) with the 'higher' development level to guide, help, coach, empower the person(s) with the lower levels. 'They don't know what they don't know' is a phrase that Senge (1990, 1994, 1999) uses. I see my role to help, only if the help is required and wanted. How this offer of help is made is important in establishing relationships.

After gaining my Masters in Business Administration (MBA) I became a Change Agent for a management consultancy. The time period spans from 1998 to the present. I had finished my MBA in 1997, and joined a management consultancy firm whose speciality was performance improvement in the natural resources industry. I entered the industry in the capacity of an 'observer' and Change Agent, in relation to work that I had previously executed myself. I was 'looking' and evaluating others based on my technical skills.

My first project was a success; see Appendix 7.2.1 (pp. 437). I got on with the people, and the performance improvement areas targeted were areas that I knew well from a technical perspective. In fact I could be described as an internal and external consultant using my existing knowledge in the technical side, and I combined that knowledge with my emerging understanding of Change Processes and the requirements of that process. I now think that the main reason for success was my very detailed knowledge of the industry and the fact that I spoke the local language, rather than my understanding of the Change Processes and behavioural competences. When comparing Appendix 7.2.1 (pp. 437) with Appendix 7.2.2 (pp. 467) (a similar project, but chronologically later) a different approach can be observed. The approach is more developed, which can be verified by the client recognition letters that are included. The letters included in Appendix 7.2.1 (pp. 462) from Kåre Pederson and the way, for instance, Bill Anderson describes my performance (pp. 464) are far less relational than the letters of support given in Appendix 7.2.2 (pp. 510 - 523), for instance, by Dave Durkee and Egil Eide. I was much less involved in the technical side (internal Change Agent) and much more in processes and coaching (external Change Agent domain) of change.

*I re-read these letters now, and I can state that there was a different feeling within me about the sense of achievement in both projects. In the first project, I gained friendship, built relations and gained trust, I tried hard. There was something about me analyzing people, about trying hard to build the relations. But there was an edge; I was too focused on results before relationships.*

*A few years later, the letters of support are less adversarial; they carry more warmth towards me. I was not trying to force relationships. I was happy with developing relationships, and I think that this was more due to me, and a change in my inner values. I think that I have started to build on care and respect for others, as they are, without judgement, in a more natural, internalised and a relational Inclusional way. I also became more aware of my own needs, and looked to fulfil these (Reflective Comment, 2009).*

On reflection it is clear that I understood the technical side better than the social side. I also feel that I had in me the makings of an Action Researcher or a collaborative inquiry agent, because I started to use cycles of reflection, involving other people more and more. I was actively seeking feedback as a positive element in my Change Process. I started to transform my identity consciously; I was starting to become aware how others saw me, and how I created my identity. This approach did not cause me any concerns in terms of personal acceptance, the approach felt instinctively correct. I am a naturally extrovert and social person, and interpersonal contacts are important to me. I have always valued, and still value contacts and relationships. In fact I think I would describe myself as a connector (Gladwell, 2005):

*“The point about Connectors is that by having a foot in so many different worlds, they have the effect of bringing them all together.”*

(Gladwell, 2005, pp. 51)

A claim supported by Roger Laign in Appendix 7.2.2 (pp. 522 - 523):

*“Modelling a process for others to follow must include some new aspects of our work. Within the European Operations Graham has been one of our strongest advocates of experimenting with new ways of bringing ideas to our clients. Drawing on his formal studies in Action Learning at Bath University along with his amazing informal networking system, Graham has brought some new and useful tools that we have incorporated across the team.”*

(Roger Laign, Appendix 7.2.2, pp. 522 - 523)

The next challenge was a project where the managers of the company wanted the success of unit A transferred to unit B. It was a disaster. Relationships were so bad, that I was removed from the project. The management team of this second unit were very angry with me. They had not asked for my help and the management had failed to state the reasons for this change. I came as a

'*Spy in the night*'; there was nothing that could be improved, they said!. This was a significant emotional event (See also Harvard Business Review, 2004, Developing Leaders; Bennis and Thomas, pp. 151) for me.

The project had to be abandoned because of the unit's managers rejecting any further cooperation with me in the role of facilitating Change Management. The important reason for failure was the lack of involvement in the design phase of the people in unit B. There was no involvement in the design of the Change Process, and therefore they did not feel any responsibility and ownership in the process.

I make sure that this lesson is part of my design criteria and engagements in everything I do as a Change Agent. This is also a reason why I have changed the name from a Change Agent to a Co-Creative Catalyst. I want to co-create a change implementation with the people who matter, the people who will benefit. And I want to be a catalyst, not the person who executes the Change Process.

Sabyani (2005) defines organizational games that consultants and managers play as:

*"An organizational game is defined as an out-of-awareness for the individuals within an organization in which player's interactions lead to pre-determined outcomes. Because they are played out-of-awareness, the players do not understand how they keep on ending up in a similar situation."*

(Sabyani, 2005, pp. 36, 360<sup>o</sup>, 2005)

This seemed to apply to me in this example, and this thesis is a response to my wish to improve my practice in situations like this. I would not describe the situation as a game; it was a lack of awareness on my part that has significant emotional consequences. The physical part could be demonstrated to work, the emotional part was ignored by many.

Bruce Moore (2007) refers to the political situations that inside researchers can end up in, and the effects that this can have on individuals. This is what happened to me after this situation of failure. He says:

*"I exposed perceptions I had not previously encountered and feelings that I must have suppressed that forced me to challenge previous appreciation of myself, the people I worked with and the nature of the organization that I had helped to create."*

(Moore, 2007, Action Research 2007; 5; 27)



Argyris (1990) refers in his writings how difficult it is to expose these games, as organizational defences cover up the game-playing, and make the issues impossible to discuss.

The example was more than a game of power between the units and managers. I think that I aggravated the situation by not understanding the difference between an internal and an external position. I mixed them up.

*An example could be, for instance, how an organization could and should view some technical Key Performance Indicators. I might have strong views on what the numbers represent, in fact I might know exactly how to interpret these, but since I am not part of the organization, I need to understand that I cannot and should not tell 'them' what to do. The best learning and understanding comes from their own efforts. What I can do is ask incisive questions that invite or induce them to think. But that is as much as I would engage with as a transformational Inclusional Co-Creative Catalyst (Reflective Comment, 2009).*

What I had to learn was not something that was described in management theory. Roth, Shani & Leary (2007) describe this learning as:

*“An emergent inquiry process in which applied behavioural and organizational sciences are applied to solve real business problems. It is simultaneously concerned with bringing real change to the organizations concerned, in developing self-help competencies in organizations and adding to knowledge creation.”*

(Shani & Leary, 2007, pp. 42, Action Research 2007; 5; 41)

I had to build up skill levels in a collaborative approach, which I now term Action Research and personal inquiry. I had to build the skills to be able to hold an inquiry with the collaboration, support and acceptance of the people involved, and to build frameworks for them to have a voice in creating a way forward. I was struggling to combine and understand the relevance of various academic readings I had studied, and how to integrate this research into my practice, to achieve this. I found this difficult, because I had just experienced two approaches which I thought were similar, and yet two hardly more contrasting outcomes with the same approach.

*In June 1999 (see Appendix 7.2.1, pp. 437) I had just received an internal award for outstanding work on a KCADeutag drilling installation, the PT 2000 (see also Appendix*

7.2.3, pp 525). Part of the process was rig move optimization. The achievements had been a reduction from 12 days to less than 8 days.

Management wanted this result 'replicated' on a sister drilling rig in Holland, the PT 46. I was asked to implement this, because I had been the architect of the success on the PT 2000. Within 2 months of arriving on that location (August 1999), I was asked to leave.

I was utterly confused, I had used the same approach, the same methodology, I personally had not changed or developed, the rig and technical issues were identical. But the people were different, and I had not built up a case with them to highlight the need for change. They did not own the process; I did. And I did not realize this, because I was not in a position to understand Inclusionality yet from a developmental perspective. (Reflective Comment, 2009).

I needed a different approach. I needed to be able to integrate various theoretical approaches, theories, as the situation demanded. There was no handbook that told me how to do this.

Roth, Shani & Leary (2007) in the same article describe how Insider Action Research is also different from the historical notion of Action Research as a process to change a social need as described by Lewin (1946/1948). In fact the first one of his principles is:

*"Action Research combines a systematic study, sometimes experimental, of social problems and endeavours to solve it."*

(Shani & Leary, 2007, pp. 42, Action Research 2007; 5; 41)

Roth et al. state in their article:

*"Common to the variety of approaches is the complex dynamics of Internal Action Research that are triggered by the pre-understanding of the business context, the multiple role set of the Insider Action Researcher and the organizational politics."*

(Coghlan & Brannick, 2005)

The quotes describe issues I had to contend with. I gradually felt that I understood the requirements that were being made of me. I started to question how I could make sense of the literature for practical purposes. An example for me is the value that 'good' conversations have in exploring issues. Nicholls (April 2006, Converse, pp.16-18) in an article on Facilitating Good

Strategic Conversations, introduces the 6P <sup>Footnote 22</sup> facilitation framework of good conversations. This framework is based on the six defined elements for achieving good conversations according to Nicholls; Participation, Preferences, Power, Past patterns, Personality drivers and Parental position. Shaw (2002) describes a different and less structured framework around facilitating conversations; see Chapter 3.7.1 (pp. 166 – 167).

The more I facilitated, and was immersed in change project executions, the more I read. The more I wanted to know. The more I read, the more different viewpoints I encountered, and the more it became clear to me that pieces of research in particular areas did not overlap and did not complement each other. So how was I to integrate this knowledge with my practical experiences? This is why I became engaged with Action Research, and this is why I based my research on my work. This work has become a Living Theory (Whitehead, 2004), because it now involves a constant testing and attunement in my practice. This thesis, for instance, is used with my clients to explain particular issues, and the comments and feedback I receive are integrated on a continual basis. This is how I create my Living ontology.

I was searching for explanations within theories to find answers to issues that I had encountered in my practice, for instance how to deal with emergence or how to engage with people in creative space. I read literature, I attended personal change workshops, I engaged in 360° feedback, I joined CARPP at the University of Bath to learn more, to develop. I couldn't find any explanation of how to link the various contradictions within the existing theories, ideas and approaches. For instance the contradiction in how communication and change is best achieved: Shaw (2002) talk about unstructured conversation, whilst Kline (2001) talks about a highly structured approach through a facilitated question process. Partial answers were there, but it did not quite fit the situation I was in. I needed something else.

*“As one of the streams of collaborative Research, Insider Action Research cannot be classified as one single methodology; rather it includes a wide range and levels of inquiry, approaches, activities and methods.”*

(Reason & Bradbury, 2001)

From 2005 onwards I started work as an independent Change Agent. The main reason was that I

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Footnote 22: [http://www.ashridge.org.uk/Website/IC.nsf/wFARATT/Facilitating%20Good%20Strategic%20Conversations/\\$file/FacilitatingGoodStrategicConversations.pdf](http://www.ashridge.org.uk/Website/IC.nsf/wFARATT/Facilitating%20Good%20Strategic%20Conversations/$file/FacilitatingGoodStrategicConversations.pdf)

felt comfortable enough not to have to use an approach that the consultancy I was employed by prescribed. I believed that this approach could be improved, and I equally thought that there is no propriety way to create a Change Management project. I was hired into a large natural resources company, in the role as Technology Process Advisor. The aim was to set up a new Integrated Technology Department within exploration and production group (subsurface) of an oil company. These were and still are hierarchical organizations, and reporting is directly to a senior manager.

It is in this time that the feelings and expression expressed by Brian Moore (2005, pp. 279) are starting to make sense. There are very clear differences between what internal Action Researchers can do and what an external Action Researcher can do. My feelings are reinforced by observations made during my time as an external Change Agent, where I consider the best change initiative projects to have been when the company I was working with supplied an internal Change Agent to help drive the process from within, in addition to my external role. There are clear role differentiations which are very much complementary. This is especially so if the persons chosen are well matched, i.e. have horizontal relational empathy with each other. Simpson and Carrol (2007) call this a well developed sociality.

Change has to be beneficial to those affected and it has to be sustainable. There has to be an internal capacity to maintain the changes and to enhance the changes made. To have Change Agents continuously work a process of creating change doesn't work in my opinion, because the social formation will remain at the same level. The capacity to learn has not been internalized. There has to be a period of change and then stability. This is represented by some of the work done in chaos theory (Flood, 1999, 2000), see also diagram 16, Chapter 3.8 (pp. 186). Different skill sets are required for these different periods of stability and chaos. What I have learnt from being an internal Action Researcher is how to transform inquiry into process, structure and roles. This means that there has to have been a role as an educator and mentor, and this is an aim of this thesis.

What is becoming clear for me is that there is not a given point or entry position, where to start any Change Process, and that one element isn't more important than another. Conversations are at the heart of any Change Process and this is a starting point. It is with conversations that ideas and issues are raised. Simple models of interacting concepts that are important for me are shown in diagram 1.

I will attempt to describe the concepts contained in this model in the description and discussion of an epistemology for change in this thesis. This model, diagram 1, is also starting to show some of the "mixing and matching" of theories, concepts and tools as described in the research outline. Some of these concepts are enablers to start a process of change, and others are concepts that I bring with me as "expertise". Others again are dynamics that are unique to a group or individual settings. How I hold all these concepts in an Inclusional way is different, and that is what this describes as a new and authentic account of my practice.

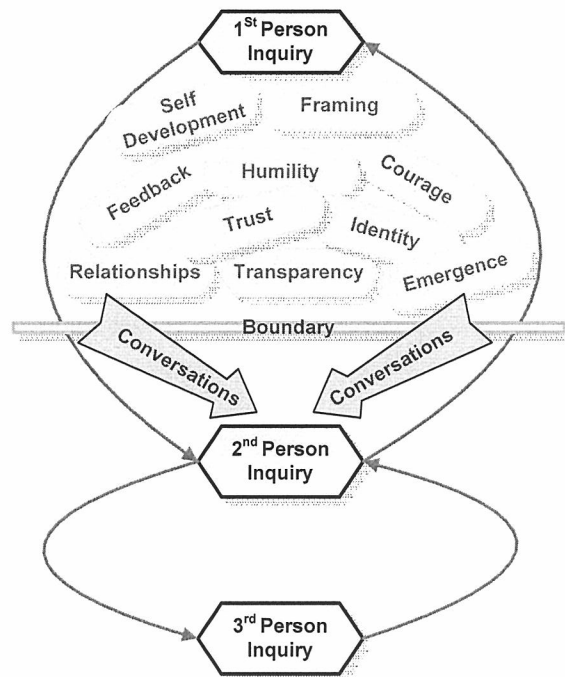


Diagram 1

### 3.2.3. Change Agents Evaluating Change Agents

*September 2008. I am working as an independent consultant in Austria. As this thesis will demonstrate in Appendix 7.1.8 (pp. 419) and onwards, I have a cooperative approach to helping individuals and groups managing change. I find out what needs changing in terms of what would make their lives better, but also with a view that this change has to create genuine business results. I do not see these as being in conflict. I am settled into my job, and have started to work on an agreed process.*

*A large UK based consultancy company has just arrived to do an assessment of the division I work in. The goal is to understand how they can be the best mature oil field operator in Central Europe. In order to find this out, there are 10*

*consultants with structured questionnaires asking questions. It is clear that the interfaces are and will be exposed when this detailed set of responses is analysed.*

*What is also becoming clear in comments made by people is that these individuals are MBA graduates; 2 years' experience and they do not know the industry and have no management skills. What they do have is a strong process that is based on taking exact notes. 'You said this, others confirm this, and therefore this is the situation'. The employees do not like this approach.*

*A report is then presented to management for discussion, with a view to being retained to do the work. There is nothing wrong with this in principle. For me this is a mechanistic approach that people often do not accept and leads to problems in Change Management and the implementation of change on all fronts. At the heart of this approach are confrontations that result in a lack of trust. And yet, from a corporate perspective this is a powerful and attractive methodology.*

*Simplistically, this is how this process seems to work in my view, and why this fails;*

*'Have we asked you what can be improved?' Yes, tick in the box.*

*'Have we collected information, and told you what you said?' Yes, tick in the box for a collective viewpoint.*

*'Have we engaged you in solutions strategy?' Yes, tick in the box.*

*'Have we told you what to do next or proposed training courses?' Yes, tick in the box.*

*'Have we left a roadmap, a paper describing what to do next?' Yes, tick in the box.*

*Change will now happen! We have done our work.*

*Where is the support, where is the behavioural help? Where is the physical help to demonstrate how it is done, how do people see live examples of people living the dream, and who will share the struggles with them? Where is the relationship and where is the personal element that allows the change to be embedded within the people? Where is emergence and co-creation in this process? It seems I have a different view of a Change Process, and this different view is expressed in the body of this thesis.*

*This is Change Management that is advertised by Change Agencies and required by management. For me there is a definite 'Tick in the box' approach, and I would want to avoid change implementations like this at all costs.*

(Graham van Tuyl, Oct 2008)

What I learnt here from this experience is that it is often not difficult to find areas that could be changed, in order to be more efficient or better in different ways. The process of involvement of the staff in order to find out what is actually the issue is a wise and a sensible one to employ. It is these people who on a day-to-day basis see the effect of their actions. The engagement and how the initiatives are transformed with the people are important. That is missing in the story above.

The question is then 'how do we proceed'?

Putting all the problems on a table, with a ranking, either based on estimated impact or importance to the individuals or as an indexed average of people comments and valuations, does not promote a solution. It does not foster the communication. It does not change anything, if there is no deeper understanding about the issues raised in Chapter 3.3 (pp. 108) in this thesis. Chapter 4.4 (pp. 227) and onwards will detail how I propose that a deeper understanding can be developed, through development and an Inclusional approach to current management theories.

### 3.3. Change: Incremental or in Profound Steps

Fonseca (2002) observed the following:

*“What is important here, for my purposes, is the emergence of a dissipative structure is not deducible from previous conditions. When the system is far from equilibrium, it faces multiple possibilities; the entities comprising the system engage in a collective process that none of them controls and it is the collective interaction that discovers new orderly behaviour. Far from equilibrium, one pattern of behaviour succeeds another and each is predictable.”*

(Fonseca, 2002, pp. 84)

This is echoed by Kaufmann (1993), Gell-Mann (2002) and others when they describe the process of bifurcation (*a dynamic of disorder that breaks up existing patterns*). There are usually 2 states where disorder gravitates to. This is back to a state of equilibrium, a status-quo or a new energy level; this could be a higher or a lower level.

If the assumption is correct that people can emerge from a chaotic situation, a situation where there is no certainty and no order, a situation that Stacey calls the Edge of Chaos (1996, 2000) and this leads to a personal transformation as described in the work of Quinn (2000), Obeng (2001), Covey (1990), Argyris (1990), Senge (1990, 1999) and many more, then the question becomes how could it be related to the process of bifurcation?

A Change Process takes place within boundaries. The boundaries are a department, a social formation, or within a person themselves. These groupings are looked at as distinct systems. The aim of the Change Process is to make these boundaries permeable, and alter the system in a way that is 'better'. In terms of Change Process possibilities, various writers have introduced the concept of incremental change and step (transformational) change. Incremental being a gradual linear change, building on what was there before, whilst step changes are changes brought about with wholly new processes and technologies or modes of thought. There is distinctiveness between the two approaches which arise from discontinuous logic. There is also an element of language which somehow, as described, seems to highlight step change as superior. I want to emphasise that both types of change are exactly that, they describe a form of change. They can both be in co-existence and be used to describe parts or the whole of a Change Process. One is not better than the other. Literature links step change with personal development through the



concepts of enabling double and triple loop learning. The latter being seen as more developed (see also section 3.6, pp. 141).

Quinn describes this as follows whilst talking about Gandhi:

*“What we have here are examples of two types of change. Incremental changes are those that happen within the normal expectations. For the crowd to lose its courage in the face of the policeman’s brutality is an incremental change. It is a relatively small and predictable change. For the policeman to be suddenly frozen in his tracks by a wounded and seemingly powerless individual, however, is an instance of transformational change. It is outside normal expectations.”*

(Quinn, 2000, pp. 8)

Quinn describes a scene from the film Gandhi (1982), when he offers peaceful resistance to a South African policeman whilst trying to burn his identity card. It is a gripping scene within the film, and shows a highly developed person in action. This clip shows what development within people can do to change the world (Sen, 1999, pp. 123). In Gandhi’s case a transformation of the Indian Sub-Continent was the result.

It seems that society comes to a crisis point, and then finds the ‘next solution’ in order to survive. Roberts (2004) adds:

*“From the earliest experiments with animal-drawn ploughs in what is now Iraq, the march of material progress has been accompanied by – and, one could argue, driven by – increasingly sophisticated mastery of fuel and energy systems. Animal power made agriculture possible. Firewood let us cook food, heat our homes, brew barley into beer, and smelt metals ores into ploughshares and spearheads. The wide-scale use of coal in England set the conditions for the Industrial Revolution. A century later resources like oil and natural gas, followed by a plethora of “advanced” technologies ranging from nuclear to solar, completed the transformation, dragging the industrializing world into modernity and in the process fundamentally and irrevocably reordering life at every level.”*

(Roberts, 2004, pp. 5)

This is changing today. Kunstler (2005) foresees that as individuals and occupants of this Earth, we will have to change:

*“Our war against the Islamic fundamentalists is only one element among an array of events already underway that will alter our relations with the rest of the world, and compel us to live differently at home – sooner rather than later – whether we like it or not. What’s more, these world-altering forces, events, and changes will interact synergistically, mutually amplifying each other to accelerate and exacerbate the emergence of meta-problems. Above all, and most immediately, we face the end of cheap fossil fuel era.”*

(Kunstler, 2005, pp. 2).

Lewin (2001, pp. 197) describes the ‘*Connected Society*’ as being on par with the ‘*Industrial Revolution*’ in terms of changes it brought with it. What these writers support is the existence of structural interconnected emergent changes and smaller predictable changes.

Covey (1990), Senge (1990, 1999) and de Geus (1999) link behavioural change as an enabler for step changes to occur. For simplicity, and based on the described synergies between the various descriptions of personal change, I have developed a change improvement curve (the measure of change arbitrarily set a 100 – Y axis) and an improvement scale based on Covey’s (1990) ideas on personal development. I have overlaid the curve with Covey’s descriptions of development, but they could equally be other authors as described in Chapter 3.6, pp. 141.

The discussion was about technological advances and this diagram relates this to personal change. This is a theme within this thesis that at the bottom of any change, personal development and inner behavioural change needs to take place. Collins (2001) makes that point throughout his writings, that at the basis of every change there is a person and the key is how this person interacts and develops his/her idea.

Diagram 2 below shows that combination of concepts.

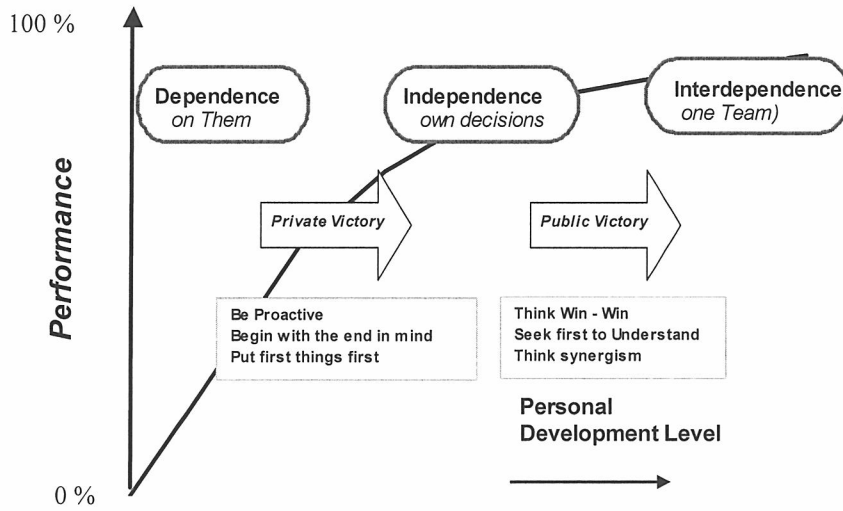


Diagram 2

What this graph shows, due to the combined nature of the concepts is that only if development happens, then there is a chance of a step change. If this doesn't happen, then an incremental change is the best that can be hoped for. Diagram 3 shows this concept, and is based on the propositions made in diagram 12 (pp. 154). If only single loop learning occurs, then only incremental changes will occur, without having changed the underlying reasons why they occur in the first place. Learning is done through systemized processes and structures. The process is rigid, not flexible, and suited to incremental change only.

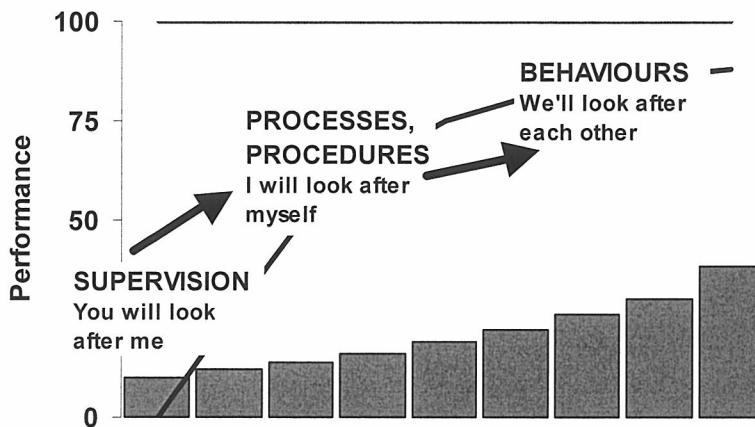


Diagram 3

Diagram 3 shows improvements, or change in an incremental profile. The curve represents step (transformational) change. What has been added to this graph is how the BIIC Model, see Chapter 3.6.1, diagram 12 (pp. 154), could be seen to interact with development levels that will need to happen to support a step change. Equally the 'direct supervision' (people telling other people what needs to happen, a non-relational approach and very hierarchical) approach needs to change in the same way.

Within systems strong sets of rules exist (process and structures enforce this). These rules are there to preserve a steady state and avoid chaos. At the same time these rules create boundaries, and it is these boundaries that preclude conversations and discussions to happen that allow the 'fulcrum' of the boundary to move and evolve, see video clip 5 (Chapter 6.2.5, pp. 328) and Appendix 7.1.10 (pp. 431).

A further discussion observation by Deutschmann (2005) relates to the scale of a change and potential success rates of the change:

*"Paradoxically, he found that radical, sweeping, comprehensive changes are often easier for people than small, incremental ones."*

(Deutschmann, 2006, pp. 54)

Why I want to engage with this thought is that when designing a Change Process, then I would suggest that steep targets and goals should be set from the start, one should aim for the 'Transformational Change' and plan for that! This is dependent on the development level of the individuals in the social formation concerned, i.e. is the social formation ready and willing to take this step, and are they able to take this step?

*I am not so concerned anymore whether the process that I bring helps create an incremental change or a step change. What I am concerned with is pedagogic transparency of the process in everything I do. From relational skills, technical skills, process skills, whatever, my main aim is to transfer these skills to the people I work with by being transparent, open and honest. It is in this way that people learn best, and they might choose to internalize various 'concepts'. This is why I have introduced a pedagogical element into my ontology.*

*My experience is that this is well accepted by the people and social formations I work with, providing this is done in a respectful way and tailored to their development levels (Reflective Comment, 2009).*

### 3.4. Frameworks to Make Sense of Experiences

In this chapter the aim is to set out and introduce some concepts and theories that are helpful for the initial framing of my inquiry. The concepts in this chapter are important to help frame some basic assumptions and modes of thought that are significant reference points for me in constructing my Living Practice. They help understand the logic approaches in how I am exploring Change Management within my practice, and where the emphasis for my specific inquiry has come from.

There is no sequence or relative importance as to why the concepts are introduced in the order that they are. The idea is that the reader can go forwards and backwards within the thesis, because the concepts and thoughts are all relational.

We each have experiences that we can all think about. Some other stories that I profoundly remember in my life are:

- My oldest son James nearly drowning when he was 3, and how Gerry and I ended up rescuing and resuscitating him.
- My Father's death and funeral over Christmas and New Year in 1980.
- My Father's continued influence over me, long after his death in 1980. Gerry still tells me how long it took to get over my first Mankind <sup>Footnote 23</sup> workshop, where this theme became clear to me.

As can be seen from these examples, they are significant emotional events for me (see also Harvard Business Review, 2004, Developing Leaders; Bennis and Thomas, pp. 151). These adverse memories are big learning experiences for me. Some learning experiences are happy ones, for instance the birth of my sons. There is learning in these stories that I enjoyed, and there is a learning that I never want to have happen again. At least not in the way it has happened to me before. I have learnt something that I believe is good, or I want to influence my present situation for the better, based on what I believe I have learnt from bad experiences.

There is also an element in these stories that I cannot control. I don't know what I want, but I definitely know what I don't want or want to have happen again. Additionally I am not the only person influencing a situation; there are others or a 'system' that I have to interact with.

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Footnote 23:

[www.sahdowwork.com](http://www.sahdowwork.com)

In Chapter 3.5.3 (pp. 138) I have described the concept of 'Human Capability' (Sen, 1999, pp. 293). The question this thesis raises here is 'Who is the change for'? This is related to what the behavioural consequences for individuals are.

Aubry C. Daniels (1994, pp. 26) links a particular behaviour with defined effects and consequences.

- Get something you want (Positive Reinforcement R+)
- Avoid something you don't want (Adverse Reinforcement R-)
- Get something you don't want (Punishment P+)
- Don't get what you want (Extinction P-)

Daniels used these terms as guidelines for behavioural effects that should be managed in terms of Responses by other individuals, normally higher developed people who coach, mentor or manage these individuals. He states that the way the response is given has the most effect on the behaviour.

*"Foundationally, 'people do what they do because of what happens to them when they do it' (Daniels, 2000, pp. 25). In other words, it is all about the consequences people experience following behaviour. Daniels stated, 'Technically defined, behavioural consequences are those things and events that follow behaviour and change the probability that behaviour will be repeated in the future' (pp. 25). Consequences are neither bad nor good; they are simply defined by their impact on behaviour. Every person that we work with has a history of consequences that they bring to the current situation."*

(Biteler, 2008, pp. 29)

People in general look to avoid adverse reinforcement R-, punishment P+ and Extinction P-. These options explain my statement where I state that I generally know what I do not want to have happen again.

For a Change Agent this opens up possibilities to start and continue conversations. It allows for instance social formations to make transparent through narrative where boundary conflicts are.

This allows a Co-Creative Catalyst, for instance, through positive reinforcement to have certain constructive behaviours, for instance starting performance or change conversations, to be rewarded. Especially if the outcome is helping the people concerned to make transparent in a clear and concise way what the Change requirements are.

This behaviour can be planned in advance by the Change Agent / Co-Creative Catalyst. They can choose to reward certain behaviours by public positive recognition. This is demonstrated in video clip 7, CD 3.

*Based on my experiences to date, most people learn in this way. This is why it is an important concept to understand, because it allows me to start asking people for their experiences and why they think the way they think. There is no blame attached to the reason. It is just if one understands then there is a better chance of engaging the individuals concerned. I can use this concept, by empathic listening, and trying to understand what it is that is being said, to generate positive reinforcement (looking for a pre-selected type of behaviour to reward) or general encouragement (which is more spontaneous) (Reflective Comment, 2009).*

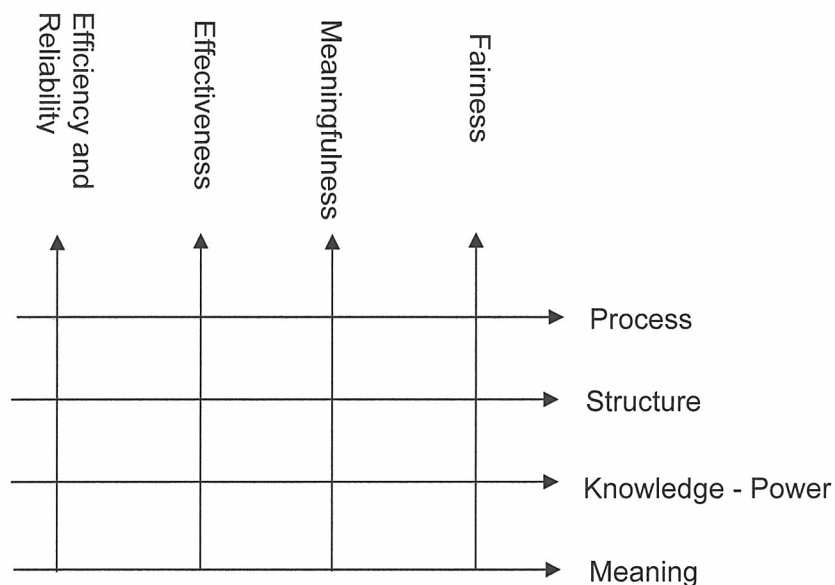


Diagram 4 (Flood, 1999)

A different and complementary methodology to look at various situations is provided by Robert Louis Flood (1999, pp. 94 – 97) where he describes a systematic way to deepen appreciation of a bounded area. This is represented in Diagram 4. This framework complements diagrams 11 (pp. 151) and 12 (pp. 154), it explores results and interfaces.



There are 16 different combinations that can be looked at (two dimensional) and worked with. This is not related to development levels of individuals, but processes and systems, and allows engagement with an identified system in a neutral and objective method. For instance a question could be 'is this process fair?'

As a researcher of my own behaviour and experiences, I see a number of common themes arising from this method of inquiry. There are choices to be made with regards to the 'meaning' of the situation, why is it important and what are the effects on me? What is, for instance, the fairness in a situation (and who is involved?) like the stories described (Appendices 7.2.1 – pp. 437 and 7.2.2 – pp. 467), or what is the structure that I am in and how can that structure be influenced? What is the Knowledge – Power dimension, and which one is valid in a situation: is the medical dimension (knowledge power) more important than the organizational dimension in Appendix 7.1.1 ('Missing a Beat', pp. 339)? These are questions that are not rationally addressed in situations of change, but do play an important role in directing the way the solutions are shaped. These are questions that help me reflect on the nature of boundaries.

A further framework that is helpful in describing some of the characteristics of my experiences is by Covey (1990, pp. 149), diagram 5, where he describes time management principles.

|                      | <b>Urgent</b>   | <b>Not Urgent</b>  |
|----------------------|---|--|
| <b>Important</b>     | <p><b>I</b><br/><i>Activities:</i><br/>Crisis<br/>Pressing Problems<br/>Deadline-driven projects</p>  | <p><b>II</b><br/><i>Activities:</i><br/>Prevention, PC Activities<br/>Relationship Building<br/>Recognizing new opportunities<br/>Planning, Recreation</p> |
| <b>Not Important</b> | <p><b>III</b><br/><i>Activities:</i><br/>Interruptions, some calls<br/>Some mail, some reports<br/>Some meetings<br/>Proximate, pressing matters<br/>Popular activities</p> | <p><b>IV</b><br/><i>Activities:</i><br/>Trivia, busy work<br/>Some mail<br/>Some phone calls<br/>Time wasters</p>  |

*Diagram 5* (Covey, 1990)

This model represents a pro-active or a re-active mode a person can be in with regards to the activities that are chosen to be important. Quadrant 1 is where the story of my Mother in Poole

hospital is played out. It's a place where you are placed on the back foot. There is no time to reflect on the best course of action. This is a re-active mode, and causes individuals not to be able to be in control of their destiny. Covey argues that a person should be in quadrants II and sometimes in quadrant III. This is a pro-active mindset, where regeneration, emergence and inspiration occur. This is the quadrant that a Change Agent would like to see the people they work with in, and this is the quadrant where a Co-Creative Catalyst will have most success if the people they are engaged with are able to create an emergent future for the better. Activities in quadrant IV should be eliminated all together. This model allows the user to channel their energy more effectively.

*Covey's model allows me to reflect on what it is I do. If I feel that I am constantly being driven, have no time for myself, am doing other people's bidding, particularly in a Change Management situation, then I am not properly engaged in co-creating an emergent paradigm. It could be that I am taking other people's problems on; it could also be that I am trying to solve a problem myself, and not using the process and systems described in this thesis to the benefit of all. Covey's model gives no answers and is helpful in making observations about myself, for others to describe their utilisation of time, and shows where their priorities are or how priorities have been imposed by others (managers) or the system they work in (Reflective Comment, 2009).*

I also want to introduce two models which have been of particular use to me when analyzing situations where it seems that there are different "groups" with different interests involved. In particular this is the work of Checkland (pp. A33 – 1999) where he introduces the LUMAS concept within Soft Systems Methodology. Here a user (U), appreciating a methodology (M) as a coherent set of principles, and perceiving a problem situation (S), asks "What can I do?" This is then tailored into a specific approach (A), from which learning (L) is generated to re-iteratively review the situation again. Checkland believes that the User (U) is part of the problem statement. Checkland works from within a boundary rational and defined problem. The defined problem has been reduced and disassociated from anything else other than key influences. This is synonymous with the approach taken within systems thinking (Senge, 1990, 1994, 1999). This poses questions around boundaries within boundaries. Should we, or should we not limit the problem statement? This model is shown in Chapter 3.9, diagram 17 – pp. 189 (Checkland, 1999).

The individual is part of the dynamic process and involved in the direction the outcomes take. So how will the facilitator, either the Change Agent or the Co-Creative Catalyst, know what his/her influence is in the process, and how they affect the emergent process?

There is a potential for the work on identity, how you build an identity and how others then understand and interpret that identity, to be of use in understanding how much a Change Agent, Co-Creative Catalyst, influences the emergent process. This has not been examined in this thesis.

A model is required to examine these influences, and I have used a model from the University of Newcastle to reflect on my own interactions in the process. This model, diagram 6, is from The University of Newcastle – Diploma in Business Coaching (2001, BC/M5, module 2, pp. 4).

This is a systematic and profound methodology for examining the intent in conversations, or to reflect on physical feelings that happen during conversations or interactions. It is a model to systematically examine the emotions and the effect they have on conversations. I needed a system to look at myself in order to reflect, learn and change. I use this model to reflect on diary entry notes after conversations and to make sense of my feelings during conversations. This practice has become a habit and has helped me to make better decisions on how to engage with the people I work with. It is not the only way of looking at individuals, but it also a way of looking at my own behaviours and feelings.

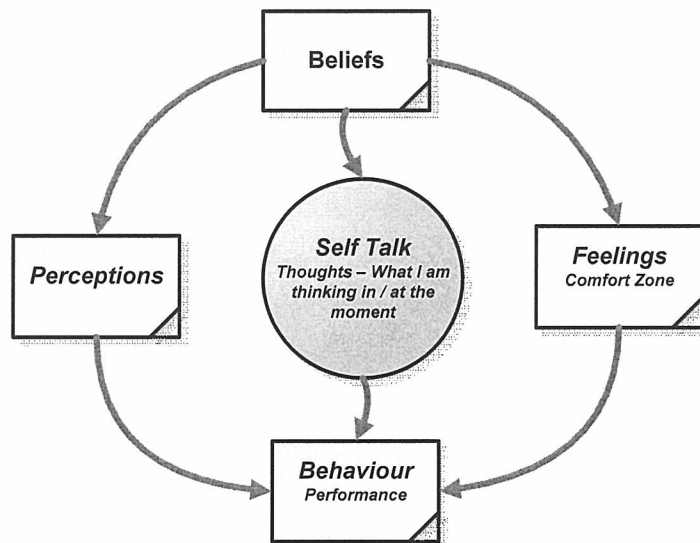


Diagram 6 (University of Newcastle)

In my practice as a Change Agent and a Co-Creative Catalyst, I have always sought to combine a scientific approach with a human approach. It is too easy in industry to divorce profit and loss from the individuals involved in generating this profit and loss. This is about making sure that both elements of transition management (physical change and emotional change – Bridges, 2002, pp. 1 – see also section 3.2.1, pp. 90, in this thesis). The use of data has been part of starting conversations and understanding what the boundaries around issues are.

I believe conversations need to be meaningful and with a purpose when looking to change issues. The initial conversations can be very wide and exploratory. What the 'Edge of Fluidity' process shows is how these conversations can be focussed to create the changes sought, see chapter 4.4, pp. 227. Conversations need to be around understanding key points in improving a particular position; conversations that are pertinent to changing a particular situation need focus.

Thayer-Bacon (2003) writes:

*“The fields of philosophy and science (and religion) are not nearly as sharp and as distinct as we have historically tried to represent them. Like the individual/others split or the human being/nature split, the general/particular split dispels when we explore connections. Thus the reader will find in this project not only philosophical influence, but scientific and religious ones as well.”*

(Thayer-Bacon, 2003, pp. 11)

This text makes clear that there is no barrier and boundary to incorporating pure scientific data into an inquiry. The main question is how it can be made relevant to the inquiry. This text states that the imposition of a division is a chosen and deliberate boundary imposition, rather than a real one. How to integrate these fields is further explored in this thesis, and it will be argued that the concept of Inclusionality can enhance the integration of not just these fields of theory, but many other subjects, divided by an imposed and artificial boundary.

A writer who has shaped some of my thinking on 'data representation' has been Edward Tufte (2004). The observations he makes, are primarily that data are often displayed in such a way that it is not objective and doesn't allow clear observations to be made, and secondly that there is a language around data, a language for discussion, that is not very helpful. He likens it to the influence of art, architecture and prose. On pp. 41 (2004) he shows a completely new way of showing the losses suffered by Napoleon in his Russian campaign; see diagram 7. Tufte (2004) has influenced me to experiment with data representation in my practice, and to use data

wherever I can to complement discussions. Appendix 7.2.2 (pp. 467) shows some new ways to present data (particularly on Non Productive Time).

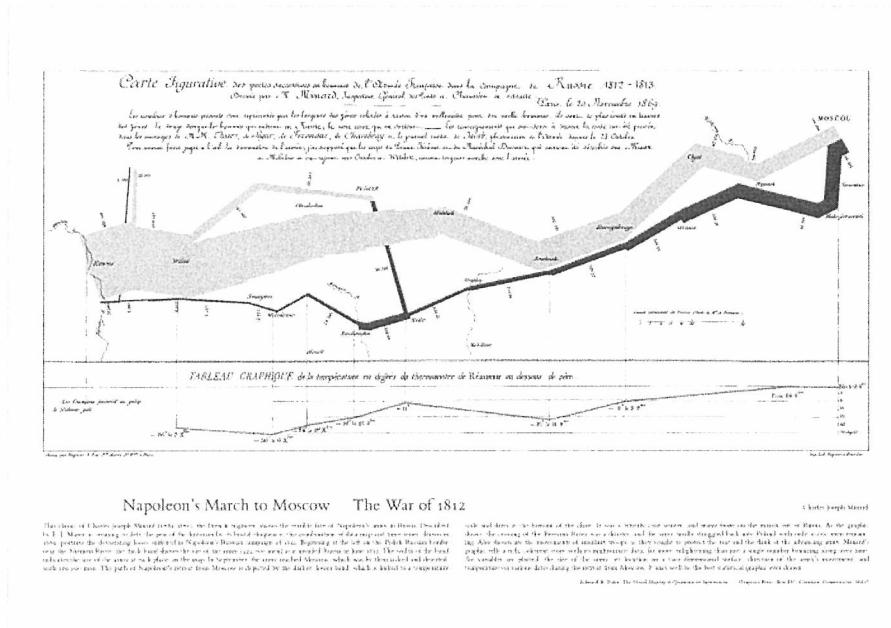


Diagram 7 (Tufte, 2004)

Data is important. Dave Durkee (Appendix 7.2.2, pp. 512 - 513) states:

*“Another important learning (something that we know, but frequently forget), is the use of data. This is an incredibly powerful tool for making change happen in the right direction. There are several examples like the 5th man.”*

(David Durkee, Appendix 7.2.2 , pp. 512 - 513)

Data are a different media to display and learn about your environment. It is an integral part of the 7 Learning Intelligences, the different ways people learn <sup>Footnote 24</sup>. Learning through data is part of the logical, visual/special and possibly the inter-personal learning intelligences. It is important to me, just like for instance art or music can arouse emotions, data can be used to explore in any change situation. This assumes that data can be important in helping to understand a situational context.

Footnote 24:

*The 7 Learning Intelligences; Esteem Information Consultants, Glasgow*

Edward Tufte (2004) has spent a large amount of his life dedicated to the use of data and graphical information. He believes that the data, if used well and that is the issue, can generate huge insights.

*“Modern data graphics can do much more than simply substitute for small statistical tables. At their best, graphics are instruments for reasoning about quantitative information. Often the most effective way to describe, explore, and summarize a set of numbers – even a very large set – is to look at pictures of those numbers. Furthermore, of all methods for analyzing and communicating statistical information, well-designed graphics are usually the simplest and at the same time the most powerful.”*

(Tufte, 2004 ,introduction page)

Tufte (2004) bridges the traditional gap between data and meaningful data. In this thesis I will explore the use of meaningful data in conversations more. Meaningful data are used to inform a conversation, the data should not dominate a conversation. Data are just that, data – viewpoints. My observations are, that the more accurately people are informed, the more simple the information is displayed, the more informative the debate can be around the information.

### 3.5. Inquiry and Impact; a Financial Dimension

In this chapter, the aim is to build a foundation for part of my practice, that economic theory and social theory are important and interrelated influences when implementing a change project.

I will explore some parts of economic theory that I believe are relevant to my practice.

*“Although social relationships are influenced largely by sentiment, they are by no means exempt from economic logic.”*

(Robert H. Frank, 2007, pp. 192)

Money has become an important expression of value in modern day terms. Money, as used today, is to express the value of barter, as an exchange mechanism for goods. Money or the value expression of barter is today used in the various micro-economic functions (Davies, 2002, pp. 27).

Davies states that the way money is used as an instrument for barter, is not perfect, and depends on a parallel development of the markets and the trading mechanisms (Davies, 2020, pp. 17). The point that is being made is that money is the common measure of value. The question is: *‘the value of what’*? It seems in the way that this is written, that it measures the value of everything?

Economics is an extension of the political prevailing system:

*“With the exception of the Principles of Economics (Marshall), most writers of economic theory have not only influenced the economic thinking, but also the political thinking at the time.*

*Who thinks that economics is only interesting for professors, has forgotten that it is a science that has caused people to storm barricades. The world is governed by economic and political thinkers.”*

(Andriessen, 1976, pp. 36)

Money is therefore related to social issues and political issues, and all three are an extension of the other. They cannot be seen in isolation. The current prevalent model to view the national income and expenditure, was developed by François Quesnay (1694 – 1774), and is called the economic spending cycle, a depiction of economic spending flows between different sectors (Andriessen, 1976, pp. 50). This is represented in diagram 8, pp. 124.

*Circulation in macroeconomics*

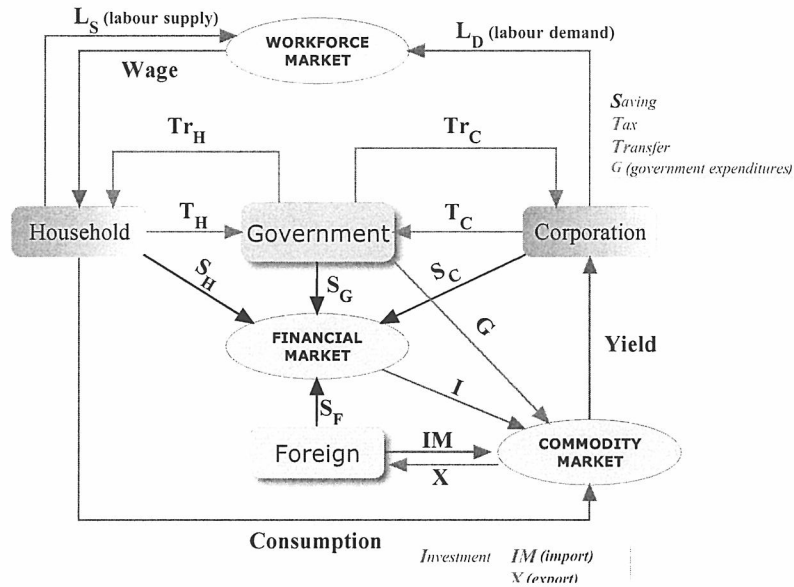


Diagram 8 (Andriessen, 1976)

In economic theories ‘the public’ or households are seen as individual and collective units of production. What diagram 8 shows is that in the political framework, economics are an integral part of the wider methodology of governing, enshrined in a set of regulations that governs people’s lives. This is reflected in laws and economic models which are far from perfect.

This relationship in diagram 8 shows that households (individuals or small social groupings) and corporations (larger social grouping or ‘living organizations’) are all related to each other by a system, a set of rules; Newtonian, rationally bounded operative systems.

There are two main economic streams that have emerged from economic and political thought and development.

- Free market economy
- A centrally driven economy

This is known as the economic philosophies of the Western World (mainly central Western Europe and later the USA) and the communist states (Russia and China).



Andriessen (1976, pp. 13) states that in practice there is always a combination of these two extreme sides of economic thought, and that the price mechanisms in our society regulate how these two streams of thought interact with each other (1976, pp. 14) in terms of distribution of consumption and production. 'Price mechanisms' regulate behaviours and patterns. And this in turn regulates the opportunities for development of people. The markets, whether free or centrally driven, define behavioural patterns within those markets, and where these markets meet.

Yunis is challenging this view in a practical and successful way. He states:

*“At Grameen Bank, I have tried to demonstrate that credit for the poor can create self-employment and generate an income for them. By not recognizing the household as a production unit and self-employment as a natural way for people to make a living, the economic literature has missed out on an essential feature of economic reality.”*

(Yunis, 2007, pp. 54)

But Yunis is doing something else also at the same time. He is not ignoring the basic principles of business as defined in economic theory in terms of how they should relate to each other. Andriessen (1976) summarizes these as follows:

- Labour (labour costs)
- Capital (interest)
- Nature & Resources (ground rent)
- Management (profits)

What this implies is that for every human activity that is undertaken, there is a form of reward that will be expected, and on which our economy is based. As will be seen in the next chapters on economic theory, that principle has been the starting point of almost all the important economists. What Yunis has done is change the relationship of rewards and where they should go. The reason this was possible is because Yunis could write the rules himself, because he had the power to re-direct these rewards elsewhere. He and his enterprise were big enough to become sustainable sub-systems.

A return on investment, as expressed in 'The General Theory of Employment, Interest and Money' (Keynes, 1883 – 1946) or the Wealth of Nations by Smith (1723 – 1790), is always the end goal and a requirement for any transaction or trade made in provisional thinking (logic).

Rayner points out:

*"Any system that continues to be structured solely on the basis of competition will remain strife-torn, subject to all the threats to self-fulfilment that I have described. In human societies, the existence of competition in itself has a whole set of consequences which can only serve to perpetuate strife."*

(Rayner, 2003, pp. 280)

Rayner points out that competition causes strife, and Sen (1999) supports this as a reason for development of people not occurring, and therefore adding to the potential of conflicts to occur.

Reinert (2007) implies that economics is based on history and that the current economic theories are a reflection of formulas that attempt to regulate the flow of capital and goods around the world. The formulas and theories in themselves are flawed. They are too simplistic and as a consequence anomalies and unintended consequences occur.

*"One result of twentieth century development of economics is the loss of two important dimensions; time (history) and space (geography). The world of economics became a fairy-tale world, lacking time, space and friction, a world of automatic and timeless harmony, where an oak grows to enormous proportions in the same time that it is cut down (i.e. zero time). One result of this high level of abstraction is that things repeatedly happen that are not supposed to happen."*

(Reinert, 2007, pp. 36)

What transpires from these theories is the fundamental aspect that underlies almost all regulated activity between people, and that is:

*"The mother of all economic ideas is the cost-benefit principle. It says that you should take an action if, and only if the extra benefit from taking it, is greater than the extra costs. How simple could this principle be?"*

(Frank, 2007, pp. 11)

Sen describes how the regulatory systems influence the development of people, and how this is linked to these systemic economic policies:

*"Individual freedom is quintessentially a social product, and there is a two-way relation between (1) social arrangements to expand individual freedoms and (2)*

*the use of individual freedoms not only to improve the respective lives but also to make the social arrangements more appropriate and effective. Also, individual conceptions of justice and property, which influence the specific uses that individuals make of their freedoms, depend on social associations – particularly on the interactive formation of public perceptions and on collaborative comprehension of problems and remedies. The analysis and assessment of public policies have to be sensitive to these diverse connections.”*

(Sen, 1999, pp. 30)

*“There is no reason why vested interests must win if open arguments are permitted and promoted. Even as Pareto’s famous argument illustrates, there may be a thousand people whose interests are a little hurt by the policy that feeds the interests of one businessman, and once the picture is seized with clarity, there may be no dearth of a majority in opposition to such special pleading. This is an ideal field for more public discussion that claims and counterclaims on different sides, and in the test of open democracy, public interest may well have an excellent prospect of winning against the spirited advocacy of the small coterie of vested interests. The remedy has to lie in more freedom, including that of public discussion and participatory political decisions. Once again, freedom of one kind (in this case political freedom) can be seen as helping the realization of different freedoms (particularly economic openness).”*

(Sen 1999, pp. 123)

What has been argued in this chapter is that economic systems and models are very much interwoven with political systems. From macro-economics down to individual choices that people make, change will happen if this affects any income stream or flow of capital, resources or money (barter) in a positive way for individuals. Change is unlikely to happen if the income stream is negative for people or governments concerned. In most macro-economic considerations governments take precedence over individuals, and therefore it could be that a government could force a negative income stream on the people it governs, as long as its own income stream is positive. The assumption is that this is a centrally controlled and dominated system, of great power. The bureaucratic-legal system has been set up to enforce this ‘constructed process’ in the Western economic models.

The economic system needs to be taken into account when a development of people is envisaged, and therefore all Change Projects need to include economic considerations. It might

be that different viewpoints need to be developed, incorporated or expanded upon to make this work.

An issue that has to be taken into account is the free market notion of making a profit on any action taken. A profit can be defined in any way possible as an additional value created. For an individual acting alone, this is a relatively simple choice, for individuals who control large amounts of resources, this is equally not a difficult choice (and that include governments). It becomes very difficult for individuals who have very limited choice, and who cannot afford to take any chances with their current position (power base). The economic, and by association the political and social system which the person lives within become repressive and restrictive. It is in this connection that I also see that the notion of how ideas are taken up in the world needs also to be viewed from an economic viewpoint.

### **3.5.1. Economic Theories and Perspectives**

Adam Smith (1998) in 'The Wealth of Nations', states:

*"The real price of everything, what everything really costs to the man who wants to acquire it, is the toil and trouble of acquiring it. What is bought with money or with goods is purchased by labour as much as what we acquire by the toil of our own body. That money or those goods indeed save us this toil. They contain the value of a certain quantity of labour which we exchange for what is supposed at the time to contain the value of an equal quantity."*

(Adam Smith 1998, Book 1, Chapter V)

In Book 4, Chapter 2 Smith brings in the concept of the Invisible Hand.

*"As every individual, therefore, endeavours as much as he can both to employ his capital in the support of domestic industry, and so to direct that industry that its produce may be of the greatest value; every individual necessarily labours to render the annual revenue of the society as great as he can. He generally, indeed, neither intends to promote the public interest, nor knows how much he is promoting it. By preferring the support of domestic to that of foreign industry, he intends only his own security; and by directing that industry in such a manner as its produce may be of the greatest value, he intends only his own gain, and he is*

*in this, as in many other cases, led by an invisible hand to promote an end which was not part of his intention. Nor is it always the worse for the society that it was no part of it. By pursuing his own interest he frequently promotes that of the society more effectually than when he really intends to promote it.”*

(Adam Smith 1998, Book 4, Chapter II)

Smith was describing economic reality that is that people act in their own self interest, rather than a greater social good. Smith is not claiming that self-interest has the best interest at heart of the community. He is not stating that self-interest is bad, but in doing so Smith has created a boundary based on self-interest.

Parker (2007) sees what Smith advocated as the original creation of division within our current system. Here is a case where what is proposed has a rational benefit, but at the same time is in conflict with an emergent individual approach. He states:

*“If we leave the treatment [of the people in this period, sic.] aside for a moment, what we have is a very suggestive theory of the divisions of identification that result from organization. Organizing results in dividing in order to produce organizations. Hence, organizing produces identities in the sense of locations or stations that enable particular classifications of similarity and difference. Identification in this sense is something like ‘perspective’ – a particular site from which certain things are identified as this and not that. However, the divisions between organizational identities then disrupt the idea of the unified organization.”*

(Parker in Pullen, Beech and Sims, 2007, pp. 64)

Smith makes statements of fact. If I translate his principles to myself, then I work for a purpose. I do what I do with my best interests at heart. My purpose is the wealth, health and well-being of my family and those around me. This is a limited circle of influence. If I choose to control everything that affects my purpose and that has a bearing on my values, and extend my circle of influence in such a way that I have access to resources that could help me control my circle of control better, then I could enhance my values that I live by. This is difficult to do because of the lack of control that I have in a wider sphere. I have learned that when I talked about my best interests, they are inherently linked with the interests of others. They are interwoven with a collective success, with interests of others who I work and live with. I would translate Smith's texts in that way, whenever I see self-interest.

Charles Handy states the following about self-interest:

*“The pursuit of self interest has to be balanced, as Adam Smith’s two books remind us, by ‘sympathy’, a fellow feeling for others which is, he argues, the real basis for moral behaviour. Only if we are conditioned by this ‘sympathy’ will we want to take any risks with our fellow men and woman, will we trust them farther than we count them, or want to make life better for those we never meet. As Arthur Okun put it: the invisible hand needs to be accompanied by an invisible handshake.”*

*(Handy, 1994, pp. 81)*

Handy seems to indicate that a form of integration, of softening the boundaries needs to happen around the concept of self-interest, the economic boundary.

Most people work within a system that dictates what it is that has to be done. For instance, if I want to use my labour, or interest or rent to do some good, then I have to comply with the rules within the systems and boundaries that I employ these wealth generators in, and I am forced to do certain things that I would not necessarily choose to do. If I wanted to help alleviate a housing shortage, then there are all sorts of planning laws, tax laws that govern what I can and can’t do. Often these systemic pressures ensure that a different outcome than the one intended is achieved, usually a lower quality change. I would not choose to put my mother in a gynaecology ward if she had a heart attack (see Appendix 7.1.1, pp. 339) as an example of systemic pressure. The hospital with its own ‘invisible hand’ guiding its actions chooses to allocate resources as the best option available at that time. My self interest is not served in the best way, and is in conflict with the healthcare system. It is here that I choose to act in self interest, based on my values. The systems collide. There are different interests at work all for the optimum outcomes within that system, but not in terms of the best outcome for all. The boundaries are defined, and when questioned, harden. ‘Organizational Defences’ (Argyris, 1990, 1996) come into play. There is an Action – Reaction, and it is not an integrated, Inclusional outcome that is sought.

It is here that I make a decision to not live a ‘living contradiction’. I made a choice with regards to my mother’s health to intervene on her behalf, and choose a confrontation. It is here that I cannot accept a solution that is grey. It is here that the invisible hand directs my actions. It is here that I am seeking a change, and it is here that I have to live with the transition that the change I seek causes.

The ability to be able to engage with these systems would be called an element of 'Human Capability' by Sen (1999).

Sen (1999) explores what the connection is between 'Human Capital' and 'Human Capability'. His theory stresses the importance of valuations that both enrich one's well being in being free, well-nourished and being healthy as well as expressing human qualities that can be employed as 'capital' in production.

*"What, we may ask, is the connection between "human capital" orientation and the emphasis on 'human capability'?"*

*Both seem to place humanity at the centre of attention, but do they have differences as well as some congruence? At the risk of some oversimplification, it can be said that the literature on human capital tends to concentrate on the agency of human beings in augmenting production possibilities. The perspective of human capability focuses, on the other hand, on the ability - the substantive freedom - of people to lead the lives they have reason to value and to enhance the real choices they have. The two perspectives cannot but be related, since both are concerned with the role of human beings, and in particular with the actual abilities that they achieve and acquire. But the yardstick of assessment concentrates on different achievements."*

(Sen, 1999, pp. 293)

Jack Whitehead in an AREA 07 presentation writes:

*"I find that economic theories of human capital have helped me to understand the power relations of capitalist social formations that serve a reproductive interest. The economic theory of human capability that stresses the importance of living values such as freedom reinforces my commitment to enhance the flow of values, skills and understandings, serve my transformatory interest of creating a world of educational quality."*

(Jack Whitehead , AREA 07)

Whitehead starts to formulate more what the non-quantifiable measure of value is. It seems interpersonal and personal development, as I have described in this thesis, and living values.

A paradox raised by Sen (1999), Smith (1998) and Whitehead (2007) in the narratives is the question about the value of common good versus personal good. If we are indeed always in a relationship with others, then this means that within the boundary of that relationship, compromises and balances need to be made, a form of integrated approach needs to be accommodated. This is assuming that there is a hierarchy of values, and that (a) person(s) feel strongly enough to exercise the hierarchy within their own values. The value statement therefore has elements of severity (impact) and immediacy, and importance attached to it; i.e. what's in it for me if I take action X, Y or Z, and what could I achieve as a group or community? How is the choice made, and based on what?

The economic, social and political considerations are all geared towards improving the conditions of people. Sen (1999) states:

*“There is no reason why vested interests must win if open arguments are permitted and promoted. Even as Pareto’s famous argument illustrates, there may be a thousand people whose interests are a little hurt by the policy that heavily feeds the interest of one businessman, and once the picture is seized with clarity, there may be no dearth of majority in opposition to such special pleading. This is an ideal field for more public discussion of the claims and counterclaims of different sides, and in the test of open democracy, public interest may well have excellent prospects of winning against the spirited advocacy of the small vested interests. Here too, as in many other areas already examined in this book, the remedy has to lie in more freedom – including that of public discussion and participatory political decisions. Once again, freedom of one kind (in this case political freedom) can be seen as helping the realization of freedom of other kinds (particularly, that of economic openness).”*

(Sen, 1999, pp. 123)

Sen argues here for an action which I support in this thesis. My practice has always been to look at the economic system as an enabler (or a block) in the process of helping social formations or individuals develop (Sen calls this a freedom enabler). I will add to this that a further enabler is the use of scientific data as a support to make further enhancements or change. This is a capability (freedom) to understand the current limitations. The problem is that having these sets of skills; behavioural, social, technical and economic all in one person is a combination not often seen.



Dave Durkee (Appendix 7.2.2, pp. 512 - 513) states:

*“One of the biggest benefits of coaching for the leadership team and me was to have another set of “thinking ears” in the group. Having a trusted member of the group working in the field and the office and transmitting information, emotions, and situations about the health of the organization is powerful tool. The success of this tool is very much dependent on how the coach himself interacts with the two groups (office and field) and what the management does with the information (actions). In our situation the coach was able to maintain the trust relation, and the field personnel realized they could use the coach to help them effect the changes they thought were important. In hierarchical organizations or new organizations where the lines of communications are not yet fully established this is important.”*

(Dave Durkee , Appendix 7.2.2 , pp. 512 - 513)

This is an ability to think as a manager, but also as a member of the technical and financial teams. I will make a claim that I have a certain level of skill in all, and that this skill is an enabler in helping people to change. I will argue in this thesis that having this skill set is linked to development and is a differentiator between a Change Agent and a Co-Creative Catalyst. I will show and demonstrate that skill or development level in the examples that I bring forward in this thesis.

### **3.5.2. The History of Economics**

This chapter is based on the economic works by Andriessen (1976), and its purpose is to set a historic context.

Adam Smith was part of an economic movement that is known as the Classic School (1780 - 1850). Smith and economists such as David Ricardo (England, 1772 – 1823), Thomas Robert Malthus (England, 1766 – 1836) and for instance Jean-Baptiste Say (France, 1767 – 1832) are credited with establishing economics as a science.

It is particularly the work of Quesnay (France, 1694 – 1774), who was a member of the ‘Physiocratic’ economic school (18<sup>th</sup> Century) that is seen as laying the foundation for viewing the economic process as a continuous circle of money and production. This is the first time that the concepts of production, barter and consumption are seen as interacting and dependent on each

other. But the Physiocratic school concentrated this model on agriculture and not so much on trade. Exploitation of the French agricultural production through taxes was essentially the cause for the French revolution.

This 'Physiocratic' view was developed from the 1<sup>st</sup> recognised economic grouping called the Mercantiles (17<sup>th</sup> Century). This contained economists such as Thomas Munn (England 1571 – 1641), William Petty (England, 1623 – 1687) and others. The main thrust of their economic principle was that the economic wellbeing of a country is governed by exports; the balance between exports and imports being positive for the exporting country to generate wealth. Reinert (2007) states that this period has created the dominance of the Western society in the present day. This 'mercantile' view fits perfectly with the prevailing conditions of the times in terms of colonialism. Today this viewpoint is seen as short-sighted and inappropriate.

Smith and the Classic school contribution to economic theory is the introduction of the concepts of price-mechanism. And more importantly that economic activity should be free of government intervention; economic liberalism. This can be seen as a distinct merging of economic thought into political thought and vice-versa. Ricardo developed Smith's ideas further in the spheres of monetary theory, and the theories governing international trade. Ricardo, in contrast to Smith, noted that the main advantages of the economic policies would be for the benefit of land owners.

Althus (17<sup>th</sup> Century) is the first economist to be credited with looking at the growth of world population and the effects that might have on economic prosperity and distribution. A theme echoed and enhanced by economists such as Sen (1999), Yunus (2007) and Reinert (2007).

In 1848 Carl Marx and Friedrich Engels publicised the Communist Manifest. This follows years of social and economic depression and disorder, especially in the feudal areas of Russia. What Marx pointed out were the many adverse sides that resulted from economic models as put forward by the Classical School and in use with the colonial powers of those days. The main thrust of his arguments, stated in '*Das Kapital*', is the exploitation of Labour. Marx can be credited with putting into perspective the value of the Labour movement into the economy in general, and putting forward the notion that the gentry did not necessarily have the monopoly and knowledge to run the economy. In fact Marx showed that the fact that Labour was a fundamental input into the economic cycle, and that if withdrawn the cycle would cease to work. This is a first attempt at forming social values in the strictest sense of the word.

John Maynard Keynes was a British economist whose ideas have been a central influence on modern macroeconomics, both in theory and practice. He advocated interventionist government

policy, by which governments would use fiscal and monetary measures to mitigate the adverse effects of business cycles, economic recessions, and depressions. His ideas are the basis for the school of thought known as Keynesian economics, and its various offshoots. Keynes lived during the great American (and European) depression. His contribution to economic theory is that in terms of employment, there is no automatic mechanism that will lead to full utilisation of all production capacity. In other words, he recognised that long term high levels of unemployment could systemically occur. Keynes is credited today with the notion that governments can spend their way out of a recession / depression by generating employment by creating consumption. This notion relates back to the economic cycle by Quesnay. Keynes makes the following observation:

*“Thus the behaviour of each individual firm in deciding its daily output will be determined by its short term expectations.”*

*“These short term expectations will depend largely on long-term expectations of other parties.”*

(Keynes, 1997, pp. 47)

What Keynes shows is a reactive mindset, with parameters such as output, employment and interest being very fixed and related to each other. There are defined expectations on what can change and how.

From this brief and short history, it can be seen that economic theory was created by the times the economists were living in. This chapter reinforces is that economic policy, political governance and the development of the people in the systems are linked.

What this chapter starts to explore is that there are different economic systems in operation, and therefore in terms of systemic interfaces, boundaries, there are areas of overlap and areas where there are conflict.

*“Most important in my view were several mechanisms that emerged from Europe’s large diversity and fragmentation (geographical, climatic, ethnic and political). This diversity and fragmentation – created a large pool of alternative ideas and approaches in the ‘market’ for ideas, and was the starting point for the rivalry that created the continuous emulation between different states. Above all, Europe’s history of how economic policy was able to overcome the formidable barriers to wealth that had been created by geography, climate and also culture.”*

(Reinert, 2007, pp. 14)

Reinert further states that the creation of wealth is not driven by the desire to do 'good'; it is created by the desire to make money. The creation of money is and was seen as a good cause.

*"This book suggests that, based on the presence of diversity, fragmentation, emulation and rivalry, capitalism as it developed in Europe can be usefully understood as a system of unintended consequences, sub-sequentially systematically observed and disciplined into policy tools and institutions. This way of viewing capitalism as a somewhat accidental phenomenon revives the analytical tradition of the German economist Sombart and later followed by Schumpeter. Adam Smith (1776) remarked that we get our daily bread not from the kindness of the baker but from his desire to make money."*

(Reinert, 2007, pp. 17)

A final thought for this chapter is the unintended consequences that Reinert mentions. Economics includes probably the most reductionistic and generalized theories in use. The Social-economic theories-in-use are very Newtonian, indifferent to any social issue that might affect humans. The outcome under the current rules is defined; either a profit, dividend or rent is gained from the investment and use of recourses or it is not done. This was and is a measure of success.

Reinert states it thus:

*"Assuming away all differences – between human beings, between economic activities, amongst nations – the economic profession has made its choice. Simplicity has been chosen at the cost of relevance."*

(Reinert, 2007, pp. 35)

A different (more extreme) way of stating this:

*"Stein (2000, sic.) argues that the religion of the bottom-line (like most religions) grows on the systematic dissemination of the belief that no-one is good enough – no employee is good enough, no venture is good enough, no action is good enough (Bunting, 2004; Gabriel, 2005). Of course all organizations inflict blows to our narcissism (Gabriel, 1996), but what we have here is a sequence of blows to our entire personhood, the product of a principle of managed social and organizational change, whose model, Stein insists, is nothing short of the holocaust."*

(Gabriel, 2005, pp. 20)

It is this that has made the story of the Fifth Man (Appendix 7.1.2, pp. 357) so relevant, because the economic system does not allow easy comparison of 'human' benefit. How, for instance is safety measured on an industrial location? The answer is in terms of economic costs, not in terms of pain and human loss. There is no measurement system for this, because this never fitted into the economic system of the day and how this has evolved.

A further paradox in economic theory is that wealth and poverty are explained by recognizing that the different economic activities were qualitatively different as carriers of wealth. For instance we see economic activity and wealth creation in the West as high technology industry, whilst we see economic prosperity in developing countries as being more related to agriculture and the extraction of mineral resources.

Reinert points out that this is a fundamental flaw in economic theory and systems which will always render one advantaged over the other. The mechanism is to do with trade and export, and the fundamental theories go back to the times of the Mercantiles, who advocated 'Free Trade' as long as the balance was in their favour. The paradox that Reinert points out is that four fundamental concepts in economic theory are linked in an adverse spiral. There is a systemic pattern to this.

*"It is important to understand these four concepts are intimately connected. Generally increasing returns go with imperfect competition. Diminishing returns go with perfect competition."*

(Reinert, 2007, pp. 6)

What Reinert is saying is that within the agriculture and natural resources industries there is perfect competition. The more people produce these the less return there will be. Whilst in high technology and highly differentiated markets, there will be no perfect competition and therefore high returns.

It is this spiral that both Sen (1999) and Yunis (2007) are trying to break by developing people and by using a different economic model, where return on investment is looked at in a different way. There is a major paradigm shift introduced, by turning economic theory inside out. He changed the way the playing field can be looked at, he set some different standards.

### 3.5.3. Economic Theory Meets Social Responsibility

Yunis (2007) is the main proponent of the social responsibility theory. It is fundamentally different from classic economic theory in the sense that the return on investment is not required as a cost of labour, a dividend or a management profit or land rent.

*“What is wrong? In a world where the ideology of free enterprise has no real challenger, why have the free markets failed so many people? As some nations march towards ever greater prosperity, why has so much of the world been left behind?”*

*The reason is simple. Unfettered markets in their current form are not meant to solve social problems and instead may actually exacerbate poverty, disease, pollution, corruption, crime and inequality.”*

(Yunis, 2007, pp. 5)

Yunis is echoing the complaints made against current economic systems that Reinert (2007), Sen (1999) and others have made.

So what is the current business model? What is the model universally used in almost all For-Profit Organizations? Corporate managers are responsible to those who own the business to show an increase in the monetary value of their investment. This will increase the value of the company, and the only way to do this is by increasing the company's profits. But often this is in conflict with social demands and Yunis (2007, pp. 17) points out that profit always wins, because of the structure of a For-Profit organization. The problem lies with the very nature of business, and the underlying economic concepts.

*“Stein offers much of the evidence of a symbolic equation between ‘corporate cleansing’ [of miasma later] and ‘ethnic cleansing’, both of which view the survival of the whole (the organization, the society) as depending on ‘the expulsion of unwanted parts.’”*

(Gabriel, 2005, pp. 21)

Yunis states that this is a failure of our current economic system (2007, pp. 18). He states that the way the survival of ‘the whole’ is guaranteed is by the using current economic system against the ‘development’ of the poor and un-educated in India. The admirable and imaginative way in which

he has solved this paradox for him (running a solvent business and lending in a 'high risk' segment), is by not 'expelling the un-wanted parts', but actually embracing them.

What Yunis states is that if a change is required, a way needs to be found to show that the change is profitable for the business owners or a different concept is found altogether. Yunis found a different way.

In this thesis I am stating that the economic concepts of any change initiative need to be integrated with the social changes required, and that ignoring one in favour of the other will lead to sub-optimal or no change at all.

Yunis makes the following observations:

*“Simply willing to extend credit to the poor was a revolutionary step in terms of conventional economic thinking. It meant ignoring the traditional belief that loans cannot be made without collateral. This assumption, which the vast majority of bankers hold without analyzing it, questioning it, or even thinking about it, in effect writes off half the human race as being unworthy to participate in the financial system.”*

(Yunis, 2007, pp. 53)

In terms of helping people to develop, by gaining economic freedom (Sen, 1999) and not addressing this point, is a systematic economic blockage, and this will stop development. There is no win-win situation here. It furthermore ensures that in Reinert's (2007) view these people stay dependent and cannot develop economically. They stay in the realms of diminishing returns. Development might actually be regressive, or the development gap between the people concerned might actually widen.

Yunis defines how he can enable the people to develop as follows:

*“To me, the essence of development is changing the quality of life of the bottom half of the population. And that quality is not to be defined just by the size of the consumption basket (see classic economic theory – sic). It must also include the enabling environment that lets individuals explore their own creative potential. This is more than any mere measure of income and consumption.”*

(Yunis, 2007, pp. 56)

Yunis believes that development is turning on the engine of creativity in each and every person (2007, pp. 56). This essentially fits with the various levels of development as described in chapter 3.6 (pp. 141) and onwards. But this sense of development and way of living goes much further in terms of having effects on the way change is created and sustained, and I will return to this in Chapters 4 and 5.

How Yunis solved this paradox, is by ploughing back any profit made into helping more people. In other words, he has removed one key element of the prevailing economic system, and that is the requirement for profit for the owners.

What is important about the work that Yunis has done is that this combines in a powerful way the functions of money and labour in a way to change the lives of people. The Grameen Bank is an example, albeit a single example of its kind that is enlightened. The bank is 'Inclusional' and has a very different value and measurement system in place than that of others. It has managed to combine social responsibility with economic theory and has made it work.

It is this combination that I state is an important part of my practice, and what is demonstrated throughout in this thesis. Based on the economic theories and the dominance they hold in our political and social systems, they almost certainly need to be regarded as powerful barriers against change or systemic drivers for change. Therefore they have to be at least acknowledged as important factors in any form of development. Economic and social theories should be seen as Inclusional and as extensions of each other if development of people is to be sustainable and successful.



## 3.6. Personal Development

This chapter will discuss individual development levels. This thesis will argue that personal development and the level of development is important to achieve change. This thesis will argue that there is a correlation between development levels and Change Management projects results. This thesis will also argue that the difference between a Change Agent and a transformational Co-Creative Catalyst is development levels.

A further argument that will be made in this thesis is that the higher the development levels of the individuals are within Change Projects, the better these people can hold concepts such as Inclusional, 'Edge of Fluidity' and work with emergent, creative processes.

### 3.6.1. Development Levels – An Attempt to Generalize

Shapiro (2004) describes '*Four Types of People*' which she believes influence whether a change project succeeds or not. She describes these as follows:

*“Advocates are people with experience in the change who really believe that it will make a difference. They are interested in sharing their expertise and enthusiasm with others – in the hope of making the implementation of the change successful.*

*Incubators are thinking about the change, but they are not sure if they believe that it will work or if management is fully behind it. They are thinking and learning about it and testing the concepts against their experience with work in the organization.*

*Apathetics are people who are apathetic if they have not heard of the change or if they simply do not care. Based on previous experience, many people believe they can ignore a change and it will go away.*

*Resisters come in two varieties. Resisters who openly challenge the change can be an important source of information. Their concerns may represent potential issues that need addressed. On the other hand, people who are covertly undermining the change can be a dangerous hindrance to success.”*

(Shapiro, 2004, pp. 94)

Shapiro's main concern in this description is to understand what effect these '*categories*' (pp. 93) of people will have in implementing a change project. The language that Shapiro uses is one of

choice by the individual to lend his/her cooperation or not. This is a matter of *'I will or I won't'* choose to participate. What Shapiro states is that people deliberately include or remove themselves from a Change Process. This behaviour reflects core values within that person. This reflects on the development level of that individual.

Other authors have identified various stages of development. I have combined 3 Authors in Diagram 9 (pp. 143) to understand if there are commonalities that can be seen in stages of development. What I am trying to do is combine in a 'reductionistic' and rational way, the work by the various authors to a more general level. The aim is to see if there is a generalisation possible, and to define development levels further. These development stages are based on the development of knowledge and behaviour patterns within individuals that they display. These models assume that people want to learn and develop and that this is a cognitive element of who they are. The implication is that through training, coaching, mentoring, real life learning and experience people can reach to a deeper level of development.

Covey (1990) defines three stages of development. Torbert (2001) et al. identifies eight stages and Quinn (2000) four different stages of development. Each has different definitions and descriptions. I have created this overview (Diagram 9, pp. 143) to see if there is a pattern in the literature with regards to development and if this is consistent and useable to define at what development stage a person or a group of people are. These descriptions/models are complementary and enhance each other well, and yet none is identical. It seems difficult to overlay these models with each other and state that they are describing in detail the same effects. This is in essence why I have tried to integrate these models at a 'higher' and more interpretative level. Although not identical, and although there is no defined starting point, they do support each other well when looked at in unison.

What I conclude from this exercise is that there are recognisable descriptions of behaviour and development that can be used in my practice. These descriptions are not definitive, but a guide, and as such can indicate possible 'human capability' within an individual or social formation. The higher the development level, the higher the capacity is for change is my general observation, because there is a better capacity to build a relational and integrated vision, hold dualities and embrace emergence. Shapiro has published a checklist for change (2004, pp. 165 & 166). In this she advocates strategies to enable change to happen. The assumption is that change could happen faster or that change would be more effective if the different strategies stated were followed for a particular development level. Shapiro confirms a link between Change outcomes and development level.

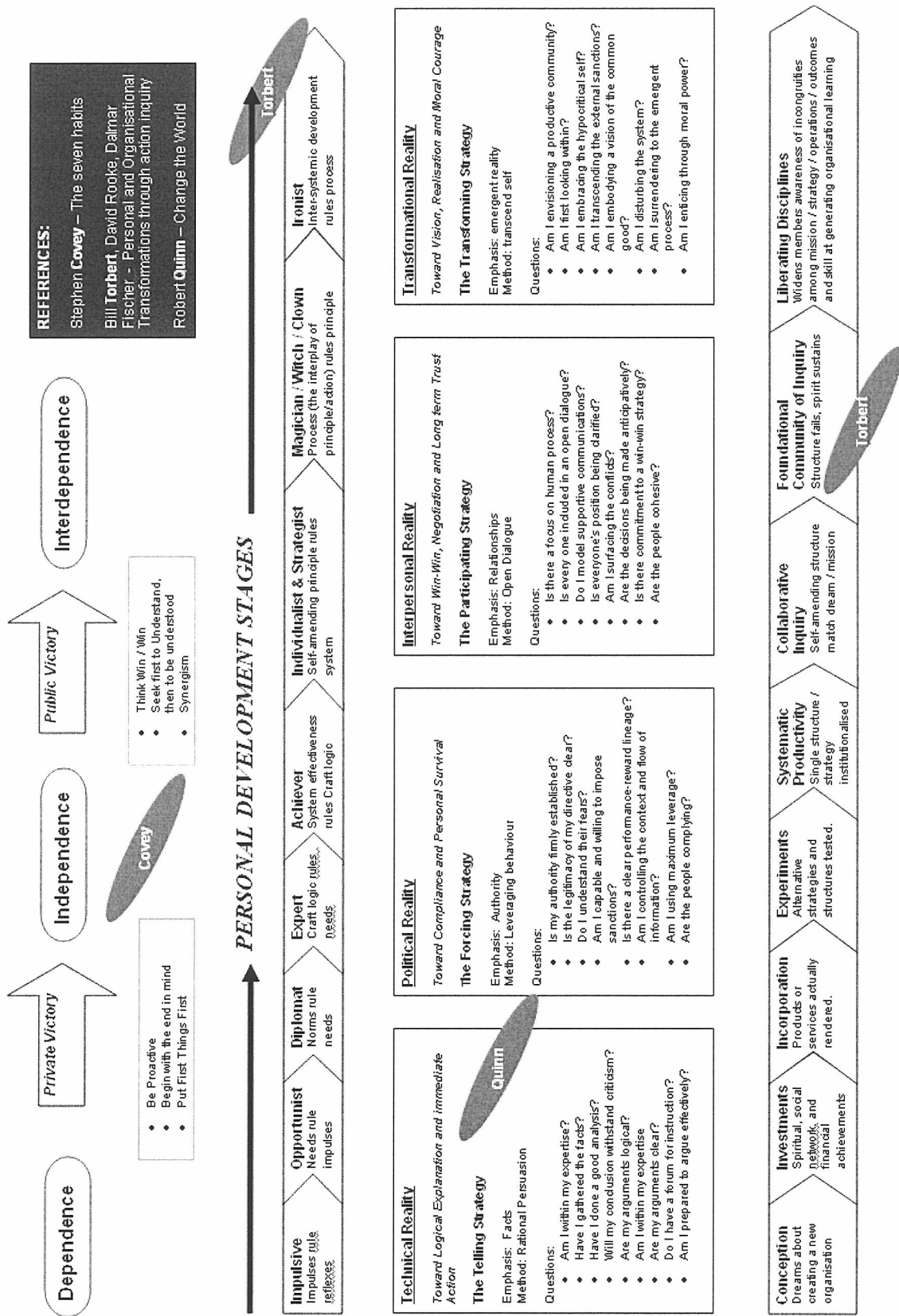


Diagram 9

Shapiro talks about changing the balance of the various development levels within the groups looking to design and implement the changes, by changing the balance of people with various development levels in Change Projects. She talks about changing the development balance in social formations. She is not talking about education, mentoring and coaching people to reach deeper development levels in contrast to Whitmore (2001) and Gallway (2003). I find this concept interesting as a departure point for designing the makeup of groups of people involved with a Change Project. I find it unhelpful in other aspects; notably that a choice is made to exclude people. Shapiro has introduced a 'measure' of success based on the development levels of the individuals involved in terms of a successful outcome.

Shapiro's concept is also opposed to the principles of Participatory Research, where the emphasis is on giving all people a voice. In practice, this is not a practical idea. One cannot go and remove and change personnel just because a change needs to happen, and certain people aren't responding in a way that is required.

Equally important is the quality of the narrative that allows people to learn, or to be able to 'assimilate the transfer of learning' (Huxham, Sims and Beech, 2005, pp. 31), how the learning will be transformed (Oswick, 2008, opening page conference notes). He states that such transformations '*may be accomplished through the interplay between actors and structures, agents and agency, time and space, and/or connecting micro-discursive manoeuvres to wider macro-institutional shifts.*'

A different way of stating this could be:

*"How can we understand the detailed processes by which people are 'enjoined to develop self-identities' that are congruent with external inputs (such as managerial intentions) and the processes through which they can transform meaning and potentially resist identity regulation?"*

(Beech, 2008, pp. 51)

It seems that development levels of the individuals concerned are important in transferring learning and transferring the learning into a different level of being, creating a change. The question is how do people do this together? What is the process and how can a Change Agent or Co-Creative Catalyst help? How is development addressed in this exciting new theory (Field of Organizational Discourse), which clearly has a role to play in the generation of an epistemology (ways of knowing) and a person's ontology (way of being)?

*It seems that the theories that writers like Pullen, Beech and Sims, (2007); Huxham, Sims and Beech, (2005); Hibbert and Huxham, (2005); Simpson and Carroll, (2008); Gabriel; (2005) and Oswick, (2008) are developing need to be integrated with co-creative, emergent change in organizations. How individuals internalize and make sense of narrative (discourse) is at the heart of creating change. Their theories are about making sense from conversations. In a way this can be linked to Inclusionality, see Chapter 3.10 (pp. 201). The way the narrative and discourse is transmitted and received has an effect on how a receptive space can be created. The 'sense making' that occurs, fluidizes the space around people, and can be felt inside the people who are receptors and emitters of the narrative, but also in the space around them. The content of the message that is heard and emitted, if Quinn's model is used, is either technical, political, inter-personal or transformational. In the latter case, the transmitted message is clearly heard by all and acted upon. Gandhi was, for instance, such a powerful narrator. In their paper, Huxham, Sims and Beech (2005, pp. 3) talk about 'circuit speakers' (well-known personalities or major achievements - pp.5) and 'experience sharers' (implementer of a new technique or policy - pp. 6). From the paper, it could be understood that there are differences in the achievement levels and personalities. In Quinn's terminology the 'circuit speaker' could be at an inter-personal development level, or at a high political development level, whilst the 'experience sharer' could be at lower levels in Quinn's development levels. It would stand to reason, if Quinn's model, or for that matter Covey's model were taken, to assume that the narrative is better transferred and understood (in terms of self-development or development by others) if the development levels were higher. I wonder if this is the case, and see an opportunity to expand this research to link this with self-development and Inclusionality (how the narrative influences permeable boundaries?) (Reflective Comment, 2009).*

Quinn (2000) has a level which he calls a political development. This is a level where a person is technically competent, who is surviving and compliant. This person, according to Quinn, is about making sure directives are followed and complied with, and there is control.

In Covey's normative structure this is a person who falls between being dependent and independent. There is a resident competence, but this person is in a self-serving mode. The individual comes first. This equally fits with the second stages described by Torbert (2001), where the norms within an organization or group or an individual rule the needs. There is no hard

and fast, definitive rule and measure here to understand where a person is, but if the change required was, for instance, to go from a line and hierarchical organization to a more fluid matrix organization with more than one responsible person and possible multiple managers to report to, a group made up out of let's call them 'Politicians' would have difficulty in understanding these concepts and therefore have difficulties in designing the change. This could then serve as a 'Flag' or a design criteria for a change initiative.

*But this would only serve as a 'Flag' if the Change Agents or Co-Creative Catalysts understood these concepts. That, in my view, means that Change Agents or Co-Creative Catalysts need to be at a deeper development level than the individual(s) he is in a relationship with. Recognition of these patterns helps a Change Agent or Co-Creative Catalyst to find other methods to re-establish processes of transformation, and therefore the ability of co-creating to continue. This skill is also very important in order for the individual(s) to be able to create innovation at the 'Edge of Fluidity'. I have come to believe this because of the theories described in diagram 9 (pp. 143). I know from my own development that I have learnt a great deal from individuals who have a deeper personal development than I have. I particularly mean relational and Inclusional development. (Reflective Comment, 2009).*

In order to be more complete, there are various other writers who talk about development within individuals.

Winter (2003) talks about "How we learn to converse 'harmoniously' and in a state of 'mutual helpfulness.'" He states that there are four so-called 'sublime states of mind':

- Metta                Words of kindness for others
- Karuna             Sense of compassion for the general suffering and pain in others
- Mudita             Emphatic joy in others' achievements
- Upekha             State of equanimity in which joy and compassion are combined.

This is a complimentary and valid way to describe 'Distance Travelled' or an individual's development level. The main component of Winter's theories is how an individual responds to others; the quality and joy conveyed in communication. This concept is important, if it is seen in conjunction with the concept of Positive Recognition (Daniels, 1994) and celebrating success as a 'Planned Spontaneous Event', and also in the further context of building and maintaining relationships with other people.

*I use this concept of a 'Planned Spontaneous Response' in workshops. There is nothing like positive recognition, demonstrating that you have listened to people, and that what they say is genuinely important. How I use this concept in my practice, is to have a coaching conversation with managers in advance and ask them to recognise a significant contribution when they see it. And there has to be at least 1 if not more recognitions to be made! Often this is accepted without question once explained, and always the reactions are of engagement, pride and ownership (Reflective Comment, 2009).*

It is this understanding which relates to Merleau-Ponty's (2002) point of how we as individuals refine our skill of response. Merleau-Ponty writes:

*"We refine our skills, for coping with things; things show up as soliciting our skilful responses, so that as we refine our skills, we encounter more and more differentiated solicitations to act."*

(Merleau-Ponty, 2002, pp. 144)

Merleau-Ponty (2002) describes development as the 'acquisition of a habit/skill'. He describes all the ways individuals acquire a habit/skill, as the 'Establishment of an Intentional Arc'. The three main elements are:

- 1. Embodiment refers to the actual shape and innate capacities of a human body.*
- 2. As humans we have the capacity to refine our skills, as we encounter more and more differentiated solicitations to act.*
- 3. The cultural world is correlative with our body; this time with our acquired cultural skills.*

Merleau-Ponty then defines five different levels within the Intentional Arc, which fit well with the other identified stages of development in this chapter.

- Novice stage
- Advanced Beginner
- Competent
- Proficient
- Expert

Merleau-Ponty sees the body as a starting point for our actions and practices. The relations between the body and the external environment are not external, casual relations, but internal relations of expressions.

*“ ‘The world is wholly inside and I am wholly outside myself’ [1968; pp. 467]. The body cannot be seen as a thing, it is a situation; it is our grasp upon the world and the outline of our identity projects. At the same time our world is not a tableau of inert objects and things that we can comprehend passively, but a living and complexly interacting medium in which we as body-subjects are enmeshed [Gardiner, 1998]. Merleau-Ponty states: ‘ I am no longer concerned with my body, nor with time, nor with the world, as I experience them in the inner communion that I have with them’ [2004; pp. 84].”*

(Slutskaya & Schreven in Pullen, Beech and Sims, 2007, pp. 172)

Repetition, or habit, couples continuous flow and partial objects that are by nature fragmentary and fragmented. Repetition is the vehicle for the desire of identity. Repetition is a method that brings forward a way of creating likeness, structuring, consolidation and normalizing. Repetition reconfigures the self/other dichotomy at the embodied level, exposing the limits of one’s body, we accentuate the open self and the other as the self’s un-lived possibilities (Slutskaya & Schreven in Pullen, Beech and Sims, 2007, pp. 181 – 182).

These descriptions above clearly show that habits and skill as described as a repetitive bodily function, are linked with the concepts of Inclusionality (the spatial context is similar inner-outer connections) and the work on Identity. Habits create an Identity.

Merleau-Ponty uses the words 'habit' and 'skill' as synonymous.

*“We said earlier that it is the body which "understands" in the acquisition of habit. This way of putting it will appear absurd, if understanding is subsuming a sense datum under an idea, and if the body is an object. But the phenomenon of habit is just what prompts us to revise our notion of "understand" and our notion of the body. To understand is to experience harmony between what we aim at and what is given, between the intention and the performance - and the body is our anchorage in the world“.*

(Merleau-Ponty, 2002, pp. 144)



They are interchangeable in his view. It is here that Covey (1990) is in congruence with this view. Reflection on my practice and refining my practice continuously is how I have learnt to develop and turn this development into a habit and a skill level. This is a continuous process of reflection, learning, implementation and adaptation.

Blanchard <sup>Footnote 25</sup> has a similar approach, and calls this 'Situational Leadership'. Blanchard incorporates engagement strategies in his approach. A new dimension that Blanchard adds is one of mentoring and coaching of an individual from a superior position (Blanchard relates this to the workplace and a hierarchy and power) to developing an individual. The model is in use in industry to help managers understand the type of support they need to give a direct report. A diagram of his model is shown in diagram 10. Blanchard therefore supports the view of Merleau-Ponty and adds a coaching and management element to the concept of development. The notion is that development can be structured and is deliberate. See also Diagram 9 (pp. 143) in Chapter 3.6.1.

This combination of models and concepts show that development can take place at an individual level with the help of others. It shows that there is an iterative process that takes place within the distinct phases of development at various levels. This could include emotional and spiritual levels.

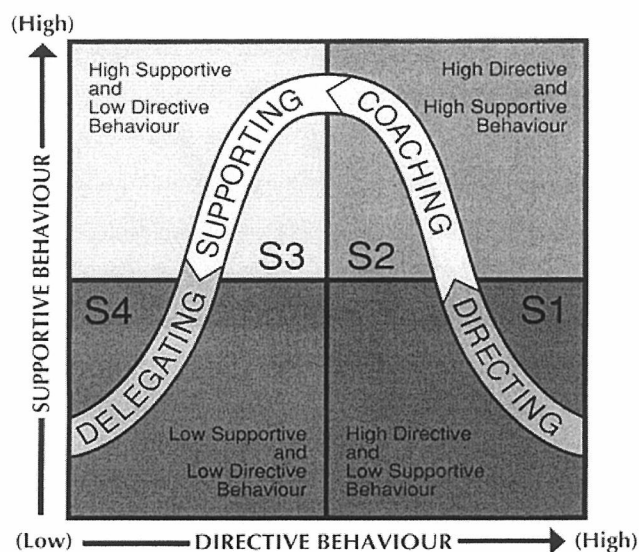


Diagram 10

Footnote 25:

Ken Blanchard: [www.kenblanchard.com](http://www.kenblanchard.com)

What is not clear from this model is that every time an individual gets promoted to the next level, how the next cycle of development takes place. This is a repeated model of coaching and management to get to different levels in a person's development stages. What are missing are the development stages that all the previous writers engage with. Blanchard described an additional development model within each of the stages described by Quinn (2000), Torbert (2001) and Covey (1990). This is an additional tool and model to understand what the maximum current level of competence is, but this 'tool' is difficult to situate within a model of personal development.

Blanchard's model suggests that managers and people who lead other people need to be at a higher level of development than the people they lead in all aspects. This will be discussed in more detail later in this thesis. There are no consequences spelt out in any text if they are not at a higher level of development. Often people aren't. And this for me is an observation that I have made numerous times in practice.

Other writers link behavioural change within people to an ability to influence key results within any organization. This is done by managing the interfaces between People through Structure, Competencies, Relationships and Processes. This model is captured in the *European Foundation for Quality Management Model (EFQM)* <sup>Footnote 26</sup>.

In Diagram 11 (pp. 151) I have attempted to show the relationships between behaviours and results, as a result of how the organization is structured.

This is not an existing model, but a construct made for this thesis to show a relationship between the various elements within an organizational environment. This diagram attempts to show relationships between Results, Interfaces and 'The Self' – individual and collective behaviours. It is a representation of Senge's work in a different way. This is my own interpretation and this is a new way on visualizing these concepts.

The five E's (Effectiveness, Efficiency, Economy, Environment and Ethics) are a well established set of business indicators widely used. Writers such as Stack (1992), for instance, show their importance. The Open University advocates this approach in its MBA modules. These describe results within a business environment, and are generally the indicators that are used when describing the health of an organization.

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Footnote 26:

[www.efqm.org](http://www.efqm.org)

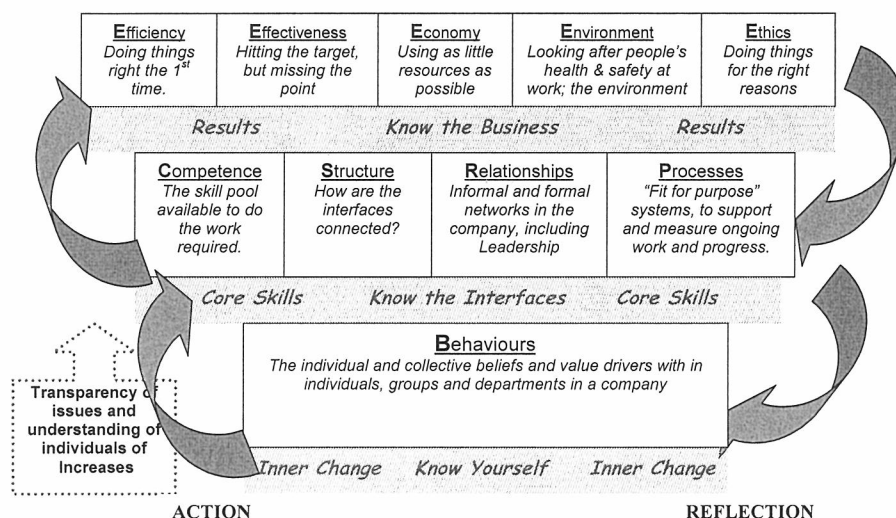


Diagram 11

How well a business is functioning, depends to a large extent on the structure of a business according to Mintzberg (ten Have et al., 2003, p. 142). He contends that there are a maximum of six basic parts to each organization; (a) Operating Core; (b) Strategic Top; (c) Middle Management; (d) Technostructure; (e) Support Staff and (f) Ideology. Elements (a), (b) and (c) are a single formal chain (the line) whilst elements (d) and (e) form a support role (the staff functions), the Ideology represents the norms and the values. Competencies (or development levels) within the business, or social formations, are equally important. This encompasses Leadership - Hawkings (2005) and how leaders and managers behave (Developing Leaders; 2004 – Harvard Business Review Series). It seems that good leaders have endured intense, often traumatic, experiences that have transformed them which then become the source of their distinctive leadership abilities. Bennis and Thomas (HBR, 2004, pp. 152) call these experiences 'crucibals'. Relationships with people are also an important part – Daniels (1994); Argyris (1990), see also Diagram 9 (pp. 143). These are the processes and systems for social formations to do effective and stimulating work in. Collins (2001) describes these processes and systems, and how they influence the survival of organizations in the longer term. 'Going from good to great social formations' is the issue that is buried within Diagram 11, and it shows the link between behaviours and results, and the processes in which we have organized ourselves (See also Appendix 7.1.4 (pp. 395) and particularly the impact of the legal bureaucratic system). I will call this model the Business, Interface and Inner Change Model, and will refer to this as the BIIC Model throughout this thesis.

This diagram shows that the Results and Interfaces can be used to show that there are issues within a social formation that have far deeper causes. It is for this reason that I will later make a link between data analysis and behaviours as an important part of my analysis of the organizational and personal situations.

It is the interfaces between people and processes, between people and the interpretation and generation of results that are deemed core skills within an organization. It is these core skills that are important in creating change. It is here that, for instance, Senge (1990, 1999) and de Geus (1999) point out that the ability to change, to cope with change, and to pro-actively change and to be able to provide a level of interest for the single individual and the collective needs more attention. De Geus (1999) makes the following observation:

*“What is the alternative view of a company if we do not see it as a living being?  
...Living beings are not controllable like machines are. They are ‘influenceable’.  
..Seeing a company as a living being means that it can evolve naturally.”*

(de Geus, 1999, pp. 2 - 3)

It is these thoughts that Natrass et al. (1999) describe in the Natural Step. It is about driving down to the core, and that is the behaviours of the people themselves. Each individual has a core set of behaviours that translate into a collective behaviour either within a social structure or an enterprise that ultimately governs success. It is behaviours that need attention, rather than the results. Natrass adds sustainability to the matrix. Sustainability means, in the ‘Natural Step’, that change must be of a specific nature as not to undermine the future needs of the people. This could reside in both Environmental and Ethical results. What Natrass shows is that good ecological and environmental awareness and management makes good sense from a change perspective. They are all interrelated, or as this thesis propose ‘Inclusional’. Covey (1990), Collins (2001) and others make the point that if the behaviours are right within individuals or a social group, then success will follow. It is the critical competence to be able to learn and develop, and to sustain learning.

An intriguing proposition would be to understand if a Change Agent who was at the same development level in terms of learning and inner change, could actually lead another person or a social formation further on a development path beyond their current ability. Quinn, Torbert and Covey conclude that this is probably not the case, not only due to the time it would take to acquire the necessary experience. Also the Change Agent would have to ensure that the correct processes were followed and that the learning experiences were relevant and within the abilities of the participants. The latter is, in my experience, difficult to achieve.

The change is both about a development in a Change Agent, and in helping other people to change. It is about them and their aspiration – making them visible, and enabling them to articulate and work these hopes and dreams, whilst the Change Agent has to constantly re-evaluate his/her own position to see if there are changes required to their behaviour.

It seems from the literature and based on my own personal opinion that the latter stages of development (i.e. more developed individuals), can 'hold' more diversity and can 'deal' with more creativity. It is the development level that allows people to understand and engage with the interfaces and boundaries and to be able to develop feedback routines.

### **3.6.2. Feedback Loops and Development Levels.**

Argyris et al. (1990, 1996) show that feedback loops are a key to development. Argyris (1990; pp. 104) indicates two types of learning mechanisms to move from 'Theory-in-use' to the 'New-theory-in-use'. There is Single-loop learning; changing an error or mismatch. This is an action that is taken to rectify any problem, but does not solve the root cause. Single-loop learning doesn't engage with the interfaces, with the boundaries or with personal development. This type of learning deals with technical issues only, and is sustainable through the second level in Diagram 11 (pp. 151).

The Double-loop learning model is where a deeper level of personal and structural learning happens. The development learning that takes place is about correcting or changing the governing values within people and organizations (social formations). It is this development and learning that results in the use of the new theory-in-use.

Triple-loop learning is how to deal with diversity, learning how to learn. The latter is a new concept by Flood (2000), and McNiff (2000, pp. 61). It is this that is a prerequisite to changing governing values over time.

*The way I interpret the difference is that in double loop learning a particular value was challenged, and I am forced to change that value that I hold. In essence how I have started on my journey of change. But over time I have sought the challenge myself, and in fact I now embrace living with emergence and ambiguity. It is the latter that I believe the concept of triple loop learning as introduced by Flood represents. One is an extension of the other, a further development (Reflective Comment, 2009).*

A point to remember is that learning is situation specific. How to transfer learning from one specific situation to another is not simple and straightforward and there is no mention of this in the theories. How to interpret one situation (the framework) and understand the commonalities with other situations (frames) is difficult, and this is why every situation is unique. It is a locally specific situation that needs changing, and not a generalized situation. This is part of the triple-loop learning process; Learning how to learn.

A question that emerges is how to understand these theories in relation to personal and social structures. Or specifically, how to understand these concepts alongside the organizational models that exist. How and where do these learning loops take place, and can this be compared with other models?

My attempt to do this and to show this overlap is shown in diagram 12.

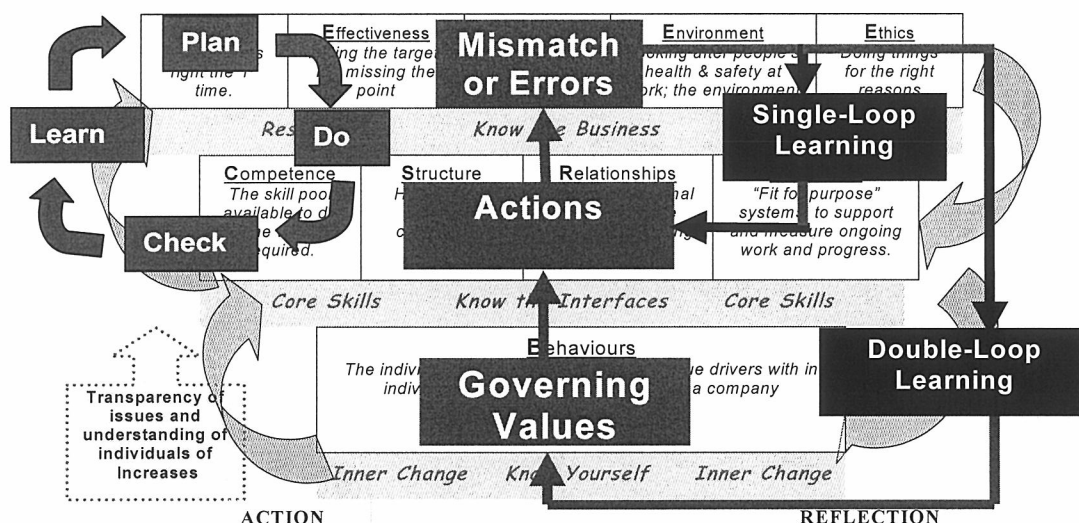


Diagram 12

I have observed that when a group of people talk about learning, particularly in the technical sphere, that a person talks about specific technical changes. These are the non-behavioural aspects of a change. This is the basic premise of TQM. Actions are taken to change the errors and change the results. This is single-loop learning at its most simplistic.

Therefore I have added the Deming or Shewart cycle model to the Feedback Loop Model in relation to where I believe this 'sits' in relation to the BIC Model (Diagram 11, pp. 151).

I see this as being a simplistic example of single-loop learning, in relation to diagram 12 (pp. 154). And it is here that I see that a TQM approach does not really address any deeper learning, and is best suited to single loop learning models. TQM addresses simple mechanistic changes at a low level. Changes made at this level do not result in behavioural change, and therefore if they rely on people for sustainability, then this cannot be guaranteed.

To make these changes more valuable to the way people relate to each other; changing processes, procedures, etc, needs to be addressed. This is a basic entry into the double loop learning process, because it often involves changing fundamental values. A deeper level of this relates to behaviours that people show towards each other. The development levels related to Interpersonal Development (Covey, 1999).

I do not know how to represent Triple-loop learning in this diagram, because it relates to fundamental base values – learning how to learn – which are personal and individual. It is possible to start to integrate the concept of emergence, of Inclusional, of how people learn to react in a positive way to suggested and emergent solutions of others. This behaviour develops over time, and represents the pinnacle of personal and organizational development. These are the top development levels as described in Diagram 9 (pp. 143).

Development is sequential, and specific to a starting point. Learning is dependent on where it takes place. There is an evolution in development that resonates with the concepts of learning organizations (de Geus, 1999), with concepts from the 5th Discipline (Senge, 1990) and would explain why certain companies are better able to adapt than others (Collins, 2001). All these individuals or collection of individuals are able to change governing values to adapt to new challenges. So “How do individuals and social groups learn how to learn?” (Flood, 2001). Stack (1992) describes many attributes within ‘great’ organizations that suggest a higher than average development level within the people populating these organizations. They all seem however to be personal rather than structural. Stack suggest that there are people with ‘transformational’ skills, who engage, listen and can reach out to other people in making their vision clear and transparent.

A view that Deutschmann (2005) expresses, and in support of the above is the following:

*“Kotter has hit on a crucial insight. ‘Behaviour change happens mostly by speaking to people’s feelings’, he says. ‘This is true even in organizations that are very focussed on analysis and quantitative measurement, even amongst people who think of themselves as smart in a MBA sense. In highly successful*

*change efforts, people find ways to help others see the problems or solutions in ways that influence emotion, not just thought’.*”

*“Unfortunately, that kind of emotional persuasion isn’t taught in most business schools, and it doesn’t come naturally to the technocrats who run things – the Engineers, scientists, lawyers, doctors, accountants, and managers who pride themselves on disciplined, analytical thinking. There is compelling science behind the psychology of change – it draws on discoveries from emerging fields such as cognitive science, linguistics, and neuroscience – but it’s insights and techniques often seem paradoxical.”*

(Deutschmann, 2005, pp. 57)

What diagram 12 (pp. 154) also shows, is that there are various points where a person can interact with a ‘mismatch or an error’. What is clear is that when this learning ability doesn’t exist, when this cannot be developed and internalized, then a sub-optimal performance can be expected and this will manifest itself in no real change, progress, or a decline. The interaction between people and the change required doesn’t work. Deutchmann addresses what this thesis will expand on, and that is that a way needs to be created to engage analytical and rational thinking with emerging science from social, behavioural and other non analytical sciences. When a change cannot be linked to a ‘double-loop’ learning process (see diagram 12, pp. 154) then change projects have a propensity to fail. If no triple-loop learning process can be established, then the question becomes how any change can be sustainable, because it has not become a habit, an ingrained behaviour, an identity that one has.

Krol et al. (1996) show what can potentially happen when a learning ability is suppressed and superficial processes and procedures are in place, and where interfaces are not well managed (each Company looking at their own profit scenario’s – oil was still being pumped to a burning Piper A because other companies feared the loss of a shut-down on production) in the report on the disaster with the Piper A oil platform in the North Sea. So where does one start?

Owen (2000) calls the 3rd loop learning a place where the Spirit has an open and constructive place to learn:

*“Opening space for the Spirit, as in High Spirit, Playful Spirit, Productive Spirit, is not (or certainly not only) an esoteric undertaking. Indeed, it can become a practical everyday experience for those who care to try.”*

(Owen, 2000, pp. 2)



It is clear from writings from Tolle (2004) and Egan (2003) that reaching this level of development is difficult.

Various papers (Lynch et al.: 1997, 2003; Scott et al.: 1998) discuss analyzing actual performance in a particular area, and then using a group – the group which executed the work – to analyze where improvements could be made. This is an action review at 'results level'. In an individual this could be for instance a review on a diet or a sport issue. In a social formation it could be business results, grades in schools. The process is useful, but often results in single loop learning, because actions for the next time will be implemented and there will be a gradual improvement over time. The strength lies in transferring ownership, and also demonstrating a practice to engage social formations in how to learn in a structured way. So how can this be done?

Millheim (1998) talks about a learning curve in industry. His proposition is that if the same work is done over and over again, that people can learn to do this in the most efficient way possible. Millheim introduces 3 factors in the equation which I think are useful to discuss:

- A factor to determine the planning and preparation of a project (C1)
- A factor that reflects the rate of learning (C2)
- A factor that reflects the technology used and the organizational capacity (C3). This is a one-off change.

$$t = C_1 * e^{(1 - n) * C_2} + C_3$$

Millheim shows the following formula:

What this means is that the time (t) taken for each consequent item (n) is less. This is a physical rate to show learning ability in an organization for instance. What this shows is that double loop learning is important (factor C2) and can generate benefits to social formations. This supports findings made by de Geus (1999) and others, and shows that technology can make a step change, but doesn't affect the internal learning process (factor C3) but that factor C1 can leverage the learning effects.

The interesting part is that Millheim identifies three factors in his equation. He calculates the effects, but what he doesn't do is to identify the underlying issues. The concept Millheim introduces doesn't show how to build a capacity for Learning when the situation changes. Millheim talks about learning in constant environments.

*“High values of ‘C2’ are produced by personnel and organizational when the following occur: an organizational structure has good communication between*

*well planners and the field, there is good documentation of analysis of drilling problems, there is competent implementation of drilling plans and there is a high level of preparedness”.*

(Millheim, 1998, pp. 4)

Millheim adds a number of different elements to the ‘Total Quality Management’ improvement cycle. Millheim adds that learning is enhanced by better planning and preparation, by using technology better and by a better organizational capacity. It could be argued that planning and preparation is part of this! Millheim argues that an increased learning rate is the result by re-iteration of a single process and making systematic improvement.

This thesis would argue that this is a demonstration of single and possibly double loop learning. The single loop learning process comes about because it is about measures to improve the technical process. Double loop learning is more difficult, because this depends on the team being able to recognise underlying structural and interpersonal issues which hinder the learning process, which they have created themselves. The capacity to live with emergence and creative error from the narrative give by Stack (1992) seems to be limited. This almost certainly eliminates this kind of process as a entry point to triple loop learning; learning how to learn and an ability to deepen one’s own personal development.

As a Change Agent, I think there is an observation to be made, in that science (results) can be used to help show progress of a social interaction. There is a link in diagram 12 (pp. 154) to show the effects of intangible development; for instance how to value or relate development of a person(s) to (diagram1, pp. 105) tangible results. This is important, because a problem that occurs is that a Change Agent needs to justify the costs and/or extra work required, and needs to engage with the economic aspects of Change. This is also a partial reason for justifying the use of scientific data in Change Management processes because it relates and allows progress in change to be made visible. This thesis would suggest that the scientific data is as important as the underlying emotional and personal ‘data’. They go hand in hand, they support each other. If, as this thesis argues, all data is Inclusional, the scientific data, emotional and personal ‘data’ are not necessarily different.

There are various points that are relevant in the way development levels can be separated and how development levels can be linked with learning models. Diagram 9 (pp. 143) shows how a start can be made with estimating development levels and how conversations can be started to engage people at various development levels in a non threatening way in a results orientated social formation. Diagrams 11 (pp. 151) and 12 (pp. 154) show the various interfaces which the

conversations could be about. The discussions can be started around the results of a business and the way that business is organized. These are usually readily available in most settings.

### 3.6.3. Timing in Development and Learning

If a person or a team or a social group has constant success, it is difficult to be pro-active and for the people involved to understand the need to change (Handy, 1994). Imagine a conversation where a manager tells an employee, who for the last 20 years was given constant promotion and financial rewards, that suddenly his performance isn't good enough anymore. What has suddenly changed, what is the frame of reference or the new benchmark? There have been no indications that a change is required. So why would he change?

*This is described in Appendix 7.1.2 (Sigmoid Curve - pp. 364 - 365). This is a paradox that is described in 'The Empty Raincoat' (Handy, 1994) (Reflective Comment, 2009).*

A model that is useful in this situation is the Blanchard model (diagram 10, pp. 149) or changes related interfaces in Diagrams 11 (pp. 151) and 12 (pp. 154). Note that the Blanchard Model is a model that starts all over again for the same person if (s)he is elevated to a higher position. It is a continuous loop of directive and supportive behaviour that the person receives, and therefore the observation could be related to the phrase: '*Promoted beyond their capability*'.

Why would an individual choose to change, if that person is successful (see also Appendix 7.1.2 – pp. 357)? The individual will inflict suffering and pain on him/her-self for an uncertain gain? Why change in the first place if all the indicators are that there is no need to change.

The Red Queen hypothesis<sup>26</sup> states:

*"At the top of the hill, the Red Queen begins to run, faster and faster. Alice runs after the Red Queen, but is further perplexed to find that neither one seems to be moving. When they stop running, they are in exactly the same place. Alice remarks on this, to which the Red Queen responds: "Now, here, you see, it takes all the running you can do to keep in the same place". And so it may be with co-evolution. Evolutionary change may be required to stay in the same place. Cessation of change may result in extinction".*

(Wikipedia – footnote 26)

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Footnote 26: [www.wikipedia.com](http://www.wikipedia.com)

Maybe 'choosing to change' is not possible, or can not be seen by the individuals, because of the effort that is required just to 'stay in the same place'. This could be the constant struggle in daily life to compete and to maintain the status quo.

*"I remember an employee with a major oil company in Aberdeen. This person had been a radio operator, and had slept in the same cabin for 20 years, in the same bed. The oil company wanted to change its cost structure and decided to outsource the radio operator position to a contract firm. The employee was given the choice, and moved to the new company. But when he arrived on the oil installation next time, he was shown a different cabin. His original cabin was on an oil company floor, and he was required to sleep in a new cabin. He resigned on the spot, and left the oil industry!"*

(Graham van Tuyl; diary entry)

This particular individual felt punished by a change in boundary conditions and his new role within the system. He remained the same, his job remained the same, but his environment didn't and his perspective was devalued. This is a failure in Change Management at various levels, and a lot can be learnt from a failure like this, if the choice is made.

Hawkins (2005) asks;

*"What has been your best failure?  
I shall never forget the shock of being asked this question in an interview. I was prepared to speak eloquently about all my successes, but failure was something I had learnt to sweep under the carpet and to hide, deny or ignore"*

(Hawkins, 2005, pp. 56)

From a personal perspective, I have been open to change when I have had to be, when I was confronted with a need to change. This was because the consequences were unacceptable to me. The bigger the failure, the more receptive I was, I had to be! The better I was performing, the more my behaviours were reinforced as being desirable and good, the less receptive I would be to change, particularly personal change. This is reflected in quotes from Appendix 7.2.2 (pp. 510 - 511), where Egil Eide writes:

*"The task was more demanding than we ever had thought of. We often went two steps forwards and one backwards simply because staff would not understand why they needed to change. The improvement slowly came as Graham started*

*coaching on a one-to-one basis and in incremental steps demonstrating to others that working in today's environment is about learning new things.*

*Simple things such as learning to use small software tools helped to break the ice. On this basis small successes could be demonstrated to the team and reduced some resistance in the system. The energy required to make these small steps was huge, only Graham's passion helped us to succeed.*

*There were moments that he had to take hard personal hits, however he never gave up. I would like to thank him for this tremendous effort, which went far beyond just being paid for doing a job. Without his leadership skills we never would have been able to continue the process".*

(Egil Eide, Appendix 7.2.2, pp. 510 - 511)

Eide describes moments of conflict, where I had to re-examine my behaviour. As a Change Agent, and particularly a Co-Creative Catalyst, this will be required because of the nature of the engagements. They are often highly personal, controversial and challenging to people's values. Working in this environment is about learning new things. This personal development as Bridges (1993, 2003) points out is a combination of learning a new behavioural change to sustain the new found competence. Behavioural change is concerned with development and overcoming personal 'barriers' against the change.

Quinn (2000) states:

*"Emergent reality requires new behaviours that the actors in a normalized system are not ready to embrace. Emergent reality tends to threaten deeply held values and to suggest the need for taking a risk by plunging into the unknown. It reveals how we all tend to be self-deceptive in interpreting the effectiveness of our own efforts. We become self-deceptive because we want to avoid the risk of what we presently have. A key assumption of normal life is self-interested survival."*

(Quinn, 2000, pp. 9)

This requires timing in the responses given to people. When is a response required if the change is sudden and impossible to avoid? Most people have little imperative to change. Handy (1994, pp. 49 - 64), Appendix 7.1.2 (pp. 364 - 365) describes this as '*the myth of the future*'. The situation will not come to pass, because people are inclined to look at the short term. Why change now, if we are visibly still having success? (See also Appendix 7.1.8, pp. 419; This is about

understanding the commitment to change and what clarity of vision is present with regards to the needs for change). The question is simply: *'Why will a person change, actively engage in change if there is no need to change? How can a Change Agent (Co-Creative Catalyst) generate that AHA-moment, that insight and engage with the people concerned?'*

Senge (1997) writes:

*"In most companies that fail, there is abundant evidence in advance that the firm is in trouble. This evidence goes unheeded, even when individual managers are aware of it. "*

(Senge, 1997, pp. 17)

Daniels (1994) contradicts the observations by Quinn, in terms of the timing of the delivery of a response with how people will behave after this, by stating:

*"Very little is known about how the selection, delivery, and timing of positive and adverse consequences in the workplace to influence the way people behave."*

(Daniels, 1994, pp. 6)

One barrier is sub-conscious behaviours. The Mankind Organization <sup>Footnote 27</sup>, based on work by Jung (1875 – 1961) helps people to get in contact with behaviours that cause the 'Shadow'. A behaviour that is visible to all except the person themselves. This person is usually aware that something is causing a consistent reaction to a particular set of behaviours displayed.

*"The term 'shadow' was first used by Carl G. Jung to describe the repressed or denied part of the Self. Robert Bly (see bibliography) says that we were each born into a '360-degree personality'. As infants we expressed the full breadth of our human nature, without editing or censoring.*

*In Shadow Work®, we define 'shadows' as all the parts of ourselves we have stuffed into the bag. These may be 'positive' parts or 'adverse' parts. Our shadows are the parts of ourselves we are afraid to show."*

(From the Shadow web site pp. – copied- see footnote 27)

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Footnote 27:

[www.mkp.org](http://www.mkp.org)

There are questions about the process of change and how to engage people within this process. It is important that the people/person engages, because without the engagement, the likelihood of no change and failure is very much increased.

*“Human beings have programs in their heads about how to be in control, especially when they face embarrassment or threat, two conditions that could lead them to get out of control. These programs exist in the human mind in two very different ways.*

*The first way is the set of beliefs and values people hold about how to manage their lives. The second way is the actual rules they use to manage their beliefs. We call the first their espoused theories of action, and the second, their theories-in-use. “*

(Argyris, 1990, pp. 13)

The question that Argyris poses is of interest to the concepts within this thesis, because they relate to what drives people to accept that they need to change or a change is required. This thesis will explore what influence divisions and boundaries have on people's ability to create change and to sustain change. These are 'inner' drivers. In Chapter 5.1 (pp. 289) some external drivers that create momentum for change will also be explored.

The way change is approached, initially as a 'forced' part of the process, and now as an emergent and sought change, was to look at issues in a bounded way.

*“Objective scientific methodology always starts by imposing a rigid frame, actual or theoretical, around some isolated fragment of nature from which the observer is excluded, and then proceeds to test “falsifiable hypothesis” about events occurring within this frame by means of quantification and experimentation. Nature is brought into laboratories, contained in various vessels, purified from “contaminants” and located in “controlled environments” where the effects of “one variable at a time” can be tested. But the question of how what can be quantified within this frame actually relates to the reality outside the frame cannot be addressed by this approach alone.”*

(Alan Rayner 2003, pp. 4)

There are boundaries around particular events that are important. Alan Rayner (see also Appendix 7.1.10, pp. 431) makes this clear in his video clip 5. He talks about the 'fulcrum' through which the dance of change (Senge et al., 1999) is reciprocated, where people can interact. My practice shows me that it is where the boundaries meet that there is the biggest chance of people

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not being able to communicate due to competing conditions within the bounded systems, and paradoxically the best place for people to start engaging in order to create change. It is here at the edge of the bounded systems that the differences between the various systems become visible, if enquiry and communication can be encouraged by creating the right conditions. These are usually the areas where there is conflict.

An example for this is the 5th man story (Appendix 7.1.2, pp. 357). It wasn't that people didn't want to change the situation; there were conflicts in measurements (accounting system v. operational efficiency), and other boundary conflicts that hindered change.

*“By explicitly or implicitly denying the existence of boundaries, holistic thinkers are prone to ignore the very place through which the dynamic relationships and diversity that they propound are mediated.”*

(Alan Rayner 2003, pp. 7)

When there are boundary conditions (see also Diagram 18, pp. 197) then it is here that people will be confronted with a need to change. Rayner points out that change, interaction; fluidity is only reciprocated if we are in a dynamically continuous relationship.



### 3.7. Conversations – How to Engage the Soul

Conversations as representation of meaning and empathy are at the heart of creating change and building consensus to enable change to happen. It is through the spoken word that intent and meaning can be understood, and a dialogue can be created to design the best way to change. It is through the spoken word that people can be heard.

Conversations can happen through a different medium; one of body language, and non-verbal communication. It's about the actions that accompany the spoken or written word. There has to be a consistency between both. Conversations convey my identity.

The communication of inner values and development, emergence and inquiry, about all the issues discussed so far, and how they are 'connected' through conversations. Conversations are important, conversations matter in my practice to create change, and it is how they are conducted that allows 'inner' and 'outer' change to take place. Conversations are the portal for transmitting ideas and information, and can penetrate to the heart of the matter in a sympathetic and yet constructive way. A conversation needs to expose the core issues, be these values or personal preferences, or the execution of issues.

Conversations that matter expose the interfaces for what they are. This is neither good nor bad; the outcome is a reflection of reality between the participants at that moment. Conversations need to leave the emotion intact, in a respectful way without avoiding the emotional content. The aim has to be listening with empathy, not to judge and holding and honouring the trust received.

Conversations are a means to engage with others. Having a conversation means listening and understanding the other(s). It means actively seeking clarification and understanding of what is being said, so that the meanings are clear and comprehensible. Even if this means that I or others do not agree, it clarifies the position of the other person. I often find that if I am asked to clarify what it is I am thinking, that the clarity of my thoughts can be improved – i.e. I might have difficulty explaining the emotional element that influences my thinking, and I am then 'forced' to modify my stance, because I choose to do so. It is living my values in the moment!

Within the conversations with other people is at the same time a place where I can create a role, an identity, where I can position myself on more than one side of a divide, a boundary, and create the space and acceptance for myself to act as a catalyst who co-creates an emerging viewpoint, and helps with the translation of these viewpoints.

This chapter engages with the importance of conversations in the role of Co-Creative Catalysts.

### 3.7.1. Conversations with Intent

Shaw (2002) identifies that conversations are the key point where change is identified, made transparent and takes shape. It is with conversations, in her mind, that change starts and it is conversations that sustain change. Shaw sees conversations as the single most important element in any Change Process. Shaw does not see the need for structured conversations.

*“Did I expect to be able to say what the result or impact of such a conversation might be? No, not at all! I was creating history (with a small “h”) whose meaning might turn out to become significant some time later. This attitude, that says I cannot know the meaning of my activities before acting, invites me to be as present as possible to the improvisational possibilities of what I am doing.”*

(Shaw, 2002, pp. 63)

Roy Ison <sup>Footnote 28</sup> states that Shaw’s contribution is:

- ✓ *“We are dealing with communicative action - Systems Thinking means engaging in a way which takes into account that kind of process”.*
- ✓ *“Patricia Shaw offers us as practitioners an invitation to find ways of speaking directly to ‘managers’ experience of interdependence and emergence’.*
- ✓ *‘ I have begun to make sense of my work with organizations by talking in terms of a joint inquiry into who we are and what we are doing together in such a way that we pay attention to how continuity and change emerges simultaneously from within the conduct of our sense-making conversation.”*

(Roy Ison, see footnote 28)

These statements appeal from an Inclusional viewpoint, but seem to have no structure and process to understand what is happening when these conversations take place? How does Shaw understand the fundamental issues underlying the unease (a need for change), that cause the conversations to start in the first place? Does she ‘deliberately’ start these conversations, and if so how is this done?

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Footnote 28:

*Roy Ison, Open University – Conference speech at St. Anne’s College Oxford, 15 – 17 July 2003 – Systems Practice for Management Complexity*

*"I recalled many occasions as both a manager and a consultant when I attended workshops, teambuilding events or management development courses where I had experienced some aspects of the way we worked together in this meeting. Role plays, line ups, group sculpts; biography work and so on were used as learning exercises. In each case the workshop leader or facilitator would introduce the activity, explain its purpose and instruct us in how to undertake it, debriefing afterwards to assimilate learning.*

*This meeting did not resemble that situation at all. Although we were drawing on our experience in different ways, we did not set up our activities in advance of engaging them, we moved into them, exploring and creating them together and learning in them as we went along."*

(Shaw, 2002; pp. 108-109)

It seems that Shaw espouses Inquiry, but not in a structured way as described above. Because of the used methodology, there is a question about the impact this sort of conversation has on the people you inquire with. There is no structure and system, rather improvisation, and although I embrace emergent elements and have made a case for non-rationalistic approaches, there is no focus and methodology to generate consensus on a translation and transformation of issues. It could be argued that because the focus of these conversations is too wide, that this is a barrier, a transgression that will cause any Change Process to fail. Open-ended conversations can be as non-productive as completely controlled conversations. There needs to be a balance struck for optimum results. This balance seems to depend on the development levels of the group to hold emergent thought. This argument will be further developed in later chapters within this thesis. This thesis will argue that a dynamic fluid structure can be created at 'The Edge of Fluidity', that allows emergent and spontaneous thought to be generated and acted upon in a dynamic and fluid way chosen by the people involved.

Covey (1990) introduces a way to differentiate conversations. He sees conversations in two different ways; a conversation within a particular sphere of control, i.e. the people can control the translation of the issues discussed. And Covey introduces the concept of conversations within a sphere of influence. There is no control, but a possibility of influence. There is a distinct differentiation between control and influence. This can be related to conversations that happen within a system with a boundary (circle of control) and conversations that happen outside the boundary (influence). The latter can only be influenced where there are points of contacts or boundary conditions that concern both system owners and individuals within that system, where there is fluidity within the boundary to allow a movement, conducted through conversations, to permeate the boundary.

*I often now have conversations to expand my sphere of influence. It is for this reason that emergence is important, chaos is important but stability and how the issues are dealt with today are equally important starting points, they open up possibilities. Progress, change is made if a transition and adaptation can be found between both. Huxham, Sims and Beech (2005, pp. 30) observe: 'The importance of an excuse to talk should not be underestimated in practice transfer' (Reflective Comment, 2009).*

This distinction is important in a number of ways. It is important that a change is thought out, and that the people who want to create a change actually have a chance to influence what it is they want to change. They should be the creative force, and no one else. This is the premise of Chapter 4.4.1 (pp. 227), where I argue that there are hierarchies within systems and that a change attempted at a level(s) below the system or process owner has a high probability of failure without the system owner's participation. There is an element of institutional power at play. This is an element within the writings of Sen (1999), where he argues that education, and other factors, is the highest enabler to bring people out of poverty. Sen states:

*"What people can positively achieve is influenced by economic opportunities, political liberties, social powers, and the enabling conditions of good health, basic education, and the encouragement and cultivation of initiatives."*

(Sen, 1999, pp. 5)

Sen argues that development of people is the biggest enabler to change. He singles out the economic system as an important barrier to change by stating this explicitly. This is not just helping people to achieve change; it is also enabling people to sustain a change. This is my intent of transferring knowledge, helping the people I work with to learn how to learn. This is the meaning of interdependence and this embodies being transparent in practice.

Sen talks about transparency in the following way:

*"In social interactions, how individuals deal with one another on the basis of some presumption of what they are being offered and what they can expect to get. In this sense, the society operates on some basic presumption of trust. Transparency guarantees deal with the need for openness that people can expect: the freedom to deal with one another under guarantees of disclosure and lucidity."*

(Sen, 1999, pp. 39)

So how can people interact and work with each other? How in particular could and should I do that as a Change Agent or Co-Creative Catalyst?

Downey (2003) uses the following visualization to show what a coach and mentor can do.

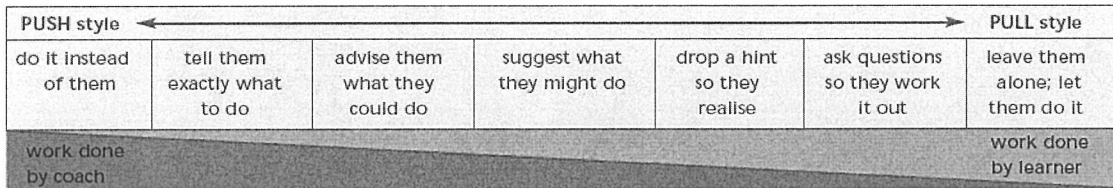


Diagram 13

Diagram 13 starts to integrate development levels of the individuals and the role of the Change Agent or Co-Creative Catalyst through engagement with conversations around behaviours. This model shows that there are a few Change Processes at work at the same time – a process around a change required and a parallel process to develop and enable the participants to create and sustain change themselves. A further element is to determine if the individual and or group can actually control a change or just influence and voice a wish for a change.

The latter requires influencing skills within different groups. Sims sees this in the context of how a story is actually heard. He suggests:

*“The actual means of doing this may vary, but I argue that this variety only reflects the variety of ways in which people tell – and hear – stories. To be heard a story needs the fundamental story properties of a setting, a build-up, a crisis, a learning and a new awareness (Davis, 1993).”*

(Sims in Jeffcutt, 2007, pp. 153)

It is for these reasons that I do not think Shaw’s (2002) proposals will generate many ‘quality’ conversations, because what Sims describes requires hard work, hard preparatory work, whilst the conversations should also allow for emergent qualities. This is reflected in the stories told in Appendices 7.1.2 (pp. 357), 7.2.1 (pp. 437) and 7.2.2 (pp. 467) particularly in demonstrating how difficult it is to start meaningful conversations. Chapter 7.1.8 (pp. 419) demonstrates that the conversations should start at the initiation of any contract or first intervention made.

Nancy Kline (2001) describes some of the skills that a facilitator, a coach, a leader, Change Agent or a Co-Creative Catalyst can employ. Kline discusses the detail behind Downey's (2003) model represented in diagram 13 (pp. 169).

*“The quality of people’s attention determines the quality of other people’s thinking”*

*“The most valuable thing we can offer each other is the framework in which to think for ourselves. In the presence of the question, the mind thinks again. It’s a way of removing your limiting assumptions.”*

(Nancy Kline, 2001, pp. 17 & 18)

Kline uses the following framework of ideas, see table 2 below. I have used quotes from her to explain the idea more.

|                   |   |
|-------------------|---|
| Attention         | <i>The quality of your attention profoundly affects the quality of other people’s thinking. The next time someone asks for your help with a problem, remember that the best help you can be is to let them form their own ideas, thoroughly, first.</i> |
| Equality          | <i>Even in a hierarchy people can be equal as thinkers. Knowing you will have your turn improves the equality of your attention.</i>  |
| Ease              | <i>Offering freedom from internal rush or urgency</i>   |
| Appreciation      | <i>Practicing a 5:1 ratio of appreciation to criticism</i>  |
| Feeling           | <i>Allowing sufficient emotional release to restore thinking</i>  |
| Information       | <i>Supplying the facts; dismantling denial</i>  |
| Diversity         | <i>Welcoming divergent thinking and diverse group identities</i>  |
| Encouragement     | <i>Giving courage to go to the cutting edge of ideas by moving beyond internal competition</i>  |
| Incisive Question | <i>Removing assumptions that limit our ability to think for ourselves clearly and creatively.</i>   |

Table 2

There are some important points in this narrative that I use systematically in my practice. At every possible opportunity, I reinforce the first three points that Kline (2001) makes in the structure of a planned conversation.

Where this is particularly poignant is in the BBC play <sup>Footnote 29</sup> based on Lord Cullen's report (Krol, 1996), where clear examples are given on how incisive questions can be used to understand the core of the matter better, and how incisive questions can have a liberating effects on the person who they are directed to. It forces them to think about what is true, and what really matters (Reflective Comment, 2009).

In addition, I use the term and concept of 'Clearing' <sup>Footnote 30</sup> in my practice. This is based on the different ways people learn, and this is a powerful way of demonstrating that all who are present in any meeting need to be heard. The more of the elements described by Esteem Information Consultants (see pp. 121) can be integrated in a Co-Creative Catalytic practice, the more successful the intervention will be, and the more the person involved will identify with the topics and own the outcomes of this conversation.

The facilitator or discussion leader states and asks permission of all to follow these rules by which the meeting will be run, and to reinforce the rules when they are not kept.

- ✓ *I statements – take responsibility for what it is you say only*
- ✓ *Listen to understand – open up your mind, open questions only*
- ✓ *Allow time to speak – state when you are complete and others can join*
- ✓ *One person will speak at any one time*
- ✓ *Use the 'Clear Speak' model – State what you base your statements on, state your emotions when this happens, state your needs clearly*
- ✓ *An agreement that everyone promises not to speak about others after leaving the conversation*

Table 3

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Footnote 29: [http://www.bbc.co.uk/iplayer/episode/b00gswn8/Saturday\\_Play\\_Piper\\_Alpha/](http://www.bbc.co.uk/iplayer/episode/b00gswn8/Saturday_Play_Piper_Alpha/)

Footnote 30: *The 7 Learning Intelligences; Esteem Information Consultants, Glasgow, UK.*

Daniels (1994) calls Appreciation Positive Reinforcement, and he uses a rule of four positives for one adverse comment, Kline uses a 5 to 1 ratio. The message is that positive re-enforcement can be beneficial. Daniels uses the term '*Planned Spontaneous Recognition*' <sup>Footnote 31</sup>. The value for me is that I can practice this and make this a habit for me. The point to emphasize is that I do not subscribe to a specific ratio, rather I subscribe to the general principle of looking for positive things to say in general, and then to select the one or two items that for me create tension.

I use this technique in meetings or visits to sites, or in coaching conversations. I have included Clip 7 on CD 3 (Attachments) and given a description in Chapter 6.2.7 (pp. 328) of the important moments. Moira Laidlaw demonstrates clearly how she singles out a student for feedback. It is visible that other students notice this behaviour. In Daniels' terms this will be seen as a positive reinforcement of a particular behaviour that promotes what has been determined as a catalyst for a particular situation.

How I integrate this in my practice or conversation, is in advance to set out parameters or behaviours that I would like to see. I deliberately watch for these to occur, and ask the owner of the meeting to be involved in this, so that (s)he can do the same. The effects are remarkable in the sense that this creates trust and relationships that are so important in conversations and changing behaviours.

The 'Incisive Questions' as in Kline (2001) is a further conversational 'tool'. Kline gives the following general formulation for 'Incisive Questions':

*"Questions generate thinking better than commands or statements. But some questions are more generative than others. The most igniting kind of question we call an 'Incisive Question'. It is any question that removes limiting assumptions from your thinking so that you can think clearly and dynamically again. An Incisive Question does this by replacing the untrue limiting assumption with a true liberating one."*

(Kline, 2001, pp. 54 – 55)

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Footnote 31: <http://www.youtube.com/watch?v=Z1jEOhxDGno> Moira Laidlaw non-verbal communication in teaching in China



*I have been told that I have developed the capacity for generating these questions, polite questions that go right to the 'heart' of the matter in combination with a skill to be able to be silent, to create a respectful place whilst demonstrating empathy. This can be seen on the video clip 3 (section 6.2.3) at 12:22 minutes. (Reflective Comment, 2009).*

In order to use this questioning technique, the questions have to be 'Clean'. 'Clean' communication means that each person takes responsibility for their conversations and meaning rather than placing the responsibility on the other person.

The Clean Talk <sup>Footnote 32</sup> tools help you prevent your shadows from leaking out and hurting other people. As a group leader, the words that come out of your mouth are what you're selling, creates your identity. They are your bottom line. Clean Talk helps you build trust, and that trust will make you more successful at what you do.

Clean Talk teaches you what none of us learned in school, that there are four distinct channels of communication: opinions, wants, feelings, and data. When you learn to recognize the four channels, you have a tremendous advantage going into any conversation. For example, you can open up a channel that's missing that might otherwise cause conflict later. Recognizing the four channels helps you reach resolution more quickly and effectively.

This is an important attribute or tool to master in conjunction with the Incisive Questions. The way a person handles conflict, the way a person handles himself in a conversation, is how that person is seen and respected. And this defines a person's success.

*This resonates with the concepts on Inclusionality (how space is permeated) and the work on role, identity and narrative. The emotional aspect plays a significant role in building relationships (being able to move across barriers) and how one defines one's identity. The latter is also about emotions, and how other people pick up on these (Reflective Comment, 2009).*

This is about me, and not the other person. This is about the facilitator's ability to think with the participant, or partner in a conversation, whilst at the same time having the ability to clarify inconsistencies or statements that aren't clear. The questions have to be open, non-threatening

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Footnote 32: [www.shadowwork.com/busclean.html](http://www.shadowwork.com/busclean.html)

and without any form of accusation or blame. And yet the question can also be very hard, and rip into the soul, the heart and deepest emotion that a person has. This is why the environment has to be free of blame. It is exactly for this reason that I take time to set up an environment where everyone can speak, and knows that they will be heard, and why I ask people to promise each other not to speak about others after they leave the meeting or conversation. It is here that I can see similarities arising between a Change Agent's role and the Co-Creative Catalyst's role in using this tool. The Co-Creative Catalyst would go further, and embrace the development potential within these conversations for the individuals concerned.

Barry (2008) states

*"Looking back at what I gained from those earliest workshops, I see myself preparing the way for what came later. I gradually removed my fear about being in groups, built a support system to help me as I grew, and acquired basic tools."*

(Barry, 2008, pp. 37 & 76)

The Co-Creative Catalyst would ensure that the support systems were in place, because otherwise it would not be possible to engage with creative thought for long, due to the emotional effort required to be in that space. There is fear of what the others think about you, and your own self doubt.

The question that is posed by the quotes above is what this fear is, and where this sits. Barry introduces the term 'Risk Manager' as an internal mechanism that is there to protect a person from getting hurt. A 'Risk Manager' is a protection mechanism that everyone has, to stop repeats of past adverse experiences. It is a mechanism that resides at a sub-conscious level. The term 'Shadow' comes from this, because most people present will see this reaction in an individual, and yet that individual will not know it is happening.

*"Most 'Risk Managers' have taken a lot of criticism in the past and become very resistant to change. Many of them, in fact, have become resistant to being seen at all, since they know they're likely to be criticized for resisting change. It's not surprising then, that some people believe they don't have a Risk Manager at all."*

(Barry, 2008, pp. 150)

The Incisive Question can connect with the area the 'Risk Manager' is looking to protect. An example of this can be seen in the video clip with Jason ('A Conversation with Jason', see

Appendix 7.1.5 pp. 401, CD 2 and the verbatim description in Chapter 6.2.2, pp. 327). There are examples in this clip related to the 'Incisive Question'. There is no simple rule which questions will work with a particular person in a particular situation. It is in these moments that people connect with what is really important to them.

I often use the phrase 'Learning by Doing', demonstrating the behaviours required. What I also do, either before or after a conversation or a meeting, is to explain my methodology to the people involved, if there is a receptive audience (space). I find that people are often receptive and intuitively understand the structure of the process. I aim to generate the double loop learning (Argyris; 1990, 1996) and the triple loop learning (Flood, 1999) within the individuals with this pedagogic intent. I practice the concept of 'Transparency'.

*I stated I did not agree with a completely emergent form of conversations, a conversation that was not designed around any 'rules' (Shaw, 2002). I am not stating that I enter all conversations with a pre-meditated plan. But what I constantly do is check and verify that I have understood what the other person says. I consciously or subconsciously switch in and out of the concepts that I have described in the last few pages.*

*It is my practice that tells me that the emergent approach Shaw proposed creates many lost opportunities for change. One of my starting points for this thesis was to improve the chances of a change initiative to succeed. It is therefore that I do not agree with a wholly emergent approach to change in the process and generation of change (Reflective Comment, 2009).*

An element that I see as important for a successful Change Project is gaining commitment and support from the power source within that team, system or social formation. Power and support needs to be in place, because if it is not, then management is by example stating that change is not important, and the people engaged with creating change will also know this, and stop.

In his article about the Games managers play (Atkins, 2004), Atkins states a number of scenarios where power play is evident and how this can be recognized. I have been in a similar position in a project where there was no intention of change by the company who hired me. I found out afterwards that I was hired on the insistence of a shareholder, who wanted to use a Change Management process to gain information, which they believed was withheld. The project was a disaster.

The lesson learned after this project was to involve the power sources in the process of design and progress of all new and ongoing Change Projects. An example of the way this can be done and made 'Transparent' is shown in table 6, Chapter 4.4.1 (pp. 236 - 237). If this means that a change initiative will progress slower, then so be it. Without all people fully on board, and that means understanding what needs to happen, and willing and ready to play an active role, then time will be spent by me on gaining commitment for a particular aspect of change. This is usually possible when the focus becomes narrower and more specific.

But what is important at this stage, is to start building an understanding of what the development levels are within a group of people, see Chapter 3.6.1 (pp. 141). I tend to interview people privately, and although the questionnaires are different for different localities, based on the situation in hand, there will be elements in there that are based on 'Learning Organizations'; Flood (1999) and Senge (1994, 1999). The questions are related to Communication, Roles and Responsibilities, Leadership styles. I then tend to repeat this exercise in a more public group session. This builds a picture as shown in Chapter 4.4.1, table 5 (pp. 232). The more people identified that are at a low development level, the more basic the intervention has to be and the more coaching and mentoring has to take place. This is about ensuring that the people involved are comfortable with the pace and the emotional content of the Change Process that they will develop and design for themselves. This is a subjective judgement, and not founded in fact.

In general, the more willing the people are to follow the process as outlined above, the less fear there is in an organization. The more willing people are to have conversations, the better and more daring the results will be. I use the diagrams below to show the difference in approaches, and the consequent results.

## Step Change

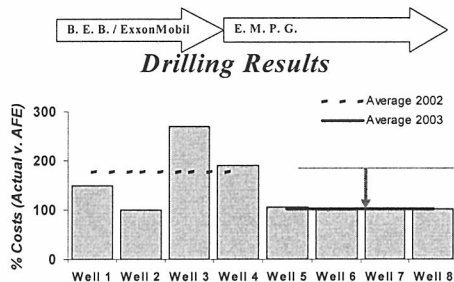


Diagram 14

## Incremental Change

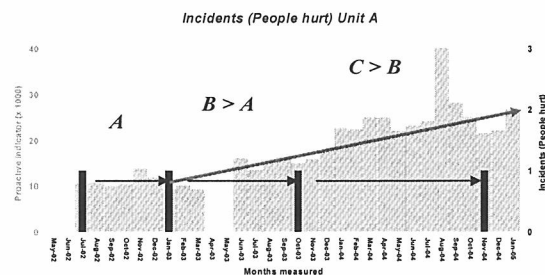


Diagram 15

A Step Change is a big change (Diagram 14). This is the result of a successful behavioural transition. This is when the people involved have learnt the art of double and triple loop learning. There are significant differences to be seen in either personal behaviours and/or results.

An Incremental Change is a deliberate approach to systematically changing an existing approach (Diagram 15). It is in a way optimizing what is already being done. This is the result of single loop, and possibly elementary double loop learning.

*“In contrast to the ‘rational’ approach of corporate planning, logical incrementalism does not require the identification of ends or objectives before the formulation of strategy. Indeed, the objectives are as much an outcome of the process as are the means to achieve them.”*

(Quinn, J.B. 1978, pp. 7 – 21)

This is a pictorial view of the difference that can be achieved, the prize that can be had. I believe that based on results, judgements can be made on a company or a group of people with regards to their development levels.

Jack Stack (1992) shows this concept clearly in how companies need to adapt to survive in the face of competition. It is through their ability to learn, that great companies are defined.

### 3.7.2. Being in the Moment

Conversations are instant, a moment comes and a moment passes by. It is in that moment that the essence of issues can be grasped, or they are gone. This is the moment of inspiration, the moment of insight, the moment when a conversation can identify a boundary. It is in this moment that change can happen, that connections can be made and that people are freed up to allow a change to occur.

Argyris (1990) states:

*"Human beings have programs in their heads about how to be in control, especially when they face embarrassment or threat, two conditions that could lead them to get out of control. These programs exist in the human mind in two very different ways.*

*The first is a set of beliefs and values people hold about how to manage their lives. The second way is the actual rules they use to manage their beliefs. We call the first their espoused theories of action, and the second their theories-in-use".*

(Argyris, 1990, pp. 13)

It is here that the self reflection model from the University of Newcastle works very well. This model allows reflection on: *'What do I do, and what do I actually feel'*. What would and should I do next time; See diagram 6 (pp. 119). In order to make these sorts of observations, and to evaluate the difference between espoused theories of action and theories in use, a person has to be able to hold both as being true whilst they are different. Whitehead (1993) calls these Living Contradictions.

Etiene Gibson in a foreword to St. Augustine (Bishop of Hippo 410 BC) in his book *City of God* (1958, pp. 13 – 33) argues that duplicity always contains a natural order, there is some form of organization in this duplicity, and he argues that this means that there are choices to be made between values. There are two cities – associations with people; one is holy and one is unholy.

*"One social, the other individualist; one takes heed of common utility because of the heavenly society, the other reduces even the commonweal to its own ends because of a proud lust for domination; the one is subject to God, the other tempestuous; the one peaceful, the other quarrelsome; the one prefers truthfulness to deceitful praises, the other is utterly avid of praise; the one is friendly, the other jealous; the one desires for its neighbour what it would desire*

*for itself, the other is desirous of lording it over its neighbour what it would for itself; the one directs its efforts towards its neighbours good, the other for its own”.*

(Gibson, 1958 – pp. 28)

On pp. 35 (1958), Gibson states that there has to be a unifying principle to unify all men. This means there has to be a hierarchy in what man chooses to do, and having Living Contradictions will lead to a suboptimal unification of men. This seems in direct opposition to, for instance, the views expressed in this thesis on boundaries. See, for instance, Appendix 7.1.10 (pp. 431) where Rayner talks about boundaries. It is also in contradiction with Whitehead’s theories on being able to hold Living Contradictions and duality.

Etiene Gibson speculates on pp. 33 (1958) that there is a neutral zone between these two stark choices (cities); there is a temporal zone, a third city, a neutral zone. It is here that one negates the other. How is a compromise made between good and evil, bravery and cowardly, right and wrong, nature or nurture, and it seems that if a person wants to live in a particular way, that person therefore has to choose?

Making choices is not easy, and depends on development levels. It strikes me that the more developed people make better choices because they speak their generalized truths. People like Gandhi, Martin Luther King, Nelson Mandela and so on. And this is what being in the moment is for me. Speaking your truth as it is, from a deep level in a non-accusational, ‘clean’ way. It has to be a core truth, core value. It is here that the term humility comes in, and the second item that is very important is creating empathy; see Chapter 3.7.2 (pp. 178) and Chapter 7.1.9 (pp. 425).

Friel (1995) offers us the following insight. He looks at a passage from childhood to adulthood, and states that adulthood does not just happen because we reach a certain age or income level. Adulthood happens when we choose to pass through many interconnected doors that reach the deeper realms of our soul. The passage of time and the events around us might propel us to maturity, but it is up to us to pass through these doors.

*“An adult is not strangely silent. With love, power and graciousness, an adult will accept the inevitable tradeoffs that life offers us, but will also continue to struggle, continue to appreciate, continue to hope and believe, and continue to listen to what the universe is saying. With integrity and honour, and with respect for traditions as well as for the innovations, an adult will work through life to deepen*

*his or her understandings of self, others and the complex bonds that connect each of us to one another and to life itself."*

(Friel, 1995, pp. 226)

This resonates strongly with development levels. People at the higher end of development have better capacity to be mature, and to connect with the other person more strongly and deeply, because to be at the deeper development levels one must have examined one's own inner truths. The people who seem best able to do this are the people referred to by Quinn (Diagram 9, pp. 143) as being in the 'Transformational Reality' or higher phases.

Tolle (1997) draws attention to 'falsehoods' within people, as a function of the nature of human unconsciousness and dysfunction, as well as its most common behavioural manifestations:

*"Such knowledge is vital, for unless you learn to recognize the false as false – as not you – there can be no lasting transformation, and you would always end up being drawn back into some illusion or some form of pain!*

*The single most important vital step on your journey towards enlightenment is this: learn to dis-identify from your mind. Every time you create a gap in the stream of mind, the light of your consciousness grows stronger."*

(Tolle, 1997, pp. 7 & pp. 21)

Tolle states that creative impulses or insights and breakthroughs come at times of 'mental quietude'. It is because of this and because of some of the stories a Roman Catholic friend (Carmelite priest) has told me, that I have become interested in how people manage to do just this. They are there in the moment for the people who seek their help. I want to do this also in the capacity of a Co-Creative Catalyst.

Egan (2003) states:

*"At the very heart of human existence is the challenge to be a person and at the same time to be in a relationship with other people. That is the paradox of solitude and community. Two modern philosophical systems put the emphasis on opposite ends of the spectrum. Marxism comes down on the side of community, whilst existentialism favours the autonomy or freedom of the person. Keeping the poles of this paradox, solitude and community, in creative tension, is the challenge of every human community."*



*“As we become detached from that which limits us in our relationships; the contextual, conditioned, transitional aspects of the self, and as we surrender to the inflow of divine love, everything in life becomes an access to God. Our human failings, psychological limitations, physical infirmities and other imperfections may continue to be part of life, but these serve only to deepen humility.”*

(Egan, 2003, pp. 39 & 149)

Being in the moment is being able to accept what other people say and being detached and yet part of that moment. It is being able not to stand in judgement of others but to be a partner in that thought. It is being able to convey a message that you are trying to understand what it is that they are saying and taking this seriously. It is showing humility and being in service of the other in that moment. It is also about understanding that there is no black and white answer, there are shades of grey. It is being able to embrace emergence and owning the thoughts that come out, it is owning your own thoughts whilst understanding and accepting that they are just part of a wider picture.

Kabatt-Zin (2005) frames being in the moment like this:

*“A good way to stop all the doing is to shift into the ‘being mode’ for a moment. Think of yourself as an eternal witness, as timeless. Just watch this moment, without trying to change it at all. What is happening? What do you feel? What do you see? What do you hear?”*

(Kabatt-Zin, 2005, pp. 11)

Humility is also important to Flood (1999), he states the following:

*“The amazing thing is that the transformation I am talking about has no need for or call to a ‘religious conversion’, just a humble awakening to the realisation that really we don’t know very much about anything and actually never will.”*

(Flood, 1999, pp. 192)

Flood also goes on to state what he believes ‘Mastery of the moment’ is:

*“It is not possible to plan over a wide spread of interrelationships, through recurring emergence, far into the future, yet it is possible to learn about what is local to us, that is, it is possible to learn within the unknowable.”*

(Flood, 1999, pp. 193)

Senge (1999) sees the ability of people to 'be in the moment' as a form of personal mastery. He describes this as follows:

*"Personal mastery is the phrase my colleagues and I use for the discipline of personal growth and learning. People with high levels of personal mastery are continually expanding their ability to create the results in life they truly seek. From their quest for continual learning comes the spirit of the learning Organization". 'When personal mastery becomes a discipline - an activity we integrate into our lives - it embodies two underlying movements. The first is continually clarifying what is important to us. We often spend too much time coping with problems along our path that we forget why we are on that path in the first place. The result is that we only have a dim or even inaccurate view of what's really important to us'. 'The second is continually learning how to see current reality more clearly...in moving toward a desired destination, it is vital to know where you are now'."*

*"The essence of personal mastery is learning how to generate and sustain creative tension in our lives. 'Learning' in this context does not mean acquiring more information, but expanding the ability to produce the results we truly want in life. It is lifelong generative learning, and learning Organizations are not possible unless they have people at all levels who practice it".*

*'People with a high level of personal mastery share several basic characteristics. They have a special sense of purpose that lies behind their visions and goals...they see 'current reality' as an ally, not an enemy. They have learned how to perceive and work with forces of change rather than resist those forces. They are deeply inquisitive...they feel part of a larger creative process, which they can influence but cannot unilaterally control'.*

*'People with a high level of personal mastery live in a continual learning mode...personal mastery is not something you possess. It is a process. It is a lifelong discipline. People with a high level of personal mastery are acutely aware of their ignorance, their incompetence, and their growth areas. And they are deeply self-confident. Paradoxical? Only for those who do not see that 'the journey is the reward'.*

*'People with high levels of personal mastery are more committed. They take more initiative. They have a broader and deeper sense of responsibility in their work. They learn faster'."*

(Senge, 1999, pp. 142 – 144)

As will be seen in Chapters 4 and 5, in general I share the views of Senge, when he describes personal mastery and learning in these ways. Senge (1999) looks at learning as an individual process. He looks at this from a 1st person development perspective.

I will show in this thesis, that this is not a bounded concept, but rather a fluid, co-created process that is emergent.

A fundamental part of what Senge describes, I believe to be essential to development in every person. And that is to embrace the learning and make this a habit in the truest sense that Covey (1990) describes. Being in the moment links with how narrative connects with people and how it is interpreted. This chapter has engaged further with the essence of development of people as an enabler to be creative, and live with duality. Development levels matter in what can be achieved in 'Change Projects. They dictate the creative capacity for change, the speed of change, and the ability to permeate boundaries. Ignoring personal development levels can lead to failure.

### 3.8. The Edge of Chaos – A Transformational Place

Much of the management theory and literature addresses known issues and problems in a small and isolated way. There is some certainty over the outcome and there is some agreement on an approach. A large number of these are based on study that examined data from the past in order to predict a future and to incorporate incremental changes that have been identified.

Stacey (1996), states:

*“The real management task is that of coping with and even using unpredictability, clashing counter-cultures, dispenses contention, conflict, and inconsistency. In short the task that justifies the existence of all managers has to do with instability, irregularity, difference and disorder.”*

(Stacey, 1996, pp. xx)

Obeng (2001) uses new names for looking at project types. He has developed a matrix (table 4) describing a combination of choices on how to do ‘something’ and ‘what to do’. This matrix estimates the certainty over a course of action.

|                              |                     | <b>What</b> | <b>How</b> |
|------------------------------|---------------------|-------------|------------|
| ➤ <b>Fog</b>                 | open Project        | unsure      | unsure     |
| ➤ <b>Movie</b>               | semi-closed project | unsure      | sure       |
| ➤ <b>Quest</b>               | semi-closed project | sure        | unsure     |
| ➤ <b>Painting-by-numbers</b> | closed project      | sure        | sure       |

Table 4

Stacey (1996, 2001) identifies a number of issues that have to do with boundaries and how organizations are pulled between stability and instability due to factors in the environment. Stacey names the following propositions as the basis for complexity theory (*The Italic text contains my comments on Stacey’s propositions*):

- All Organizations are webs of non-linear feedback loops in relation to other people and Organizations by webs of non-linear feedback loops. *This raises questions on some of the schematics and propositions raised by Argyris (1990, 1996).*

- Such non-linear feedback systems are capable of operating in states of stable and unstable equilibrium, or in the borders between these states, that is far from equilibrium, in bounded instability at the Edge of Chaos. *I am particularly interested in how this operates on the borders or in between, and it is here that Rayner (1997) offers some insights and potential advancements.*
- All Organizations are paradoxes. They are pulled towards stability by the forces of integration, maintenance controls, human desires for security and certainty and adaptation to the environment on the one hand. They are also pulled towards the opposite extreme of unstable equilibrium by the forces of division and decentralisation, human desires for excitement and innovation and isolation from the environment. *This is an important observation. This describes the following difficulty; individuals, either alone or in social groups, will face an unstable equilibrium. This could be a significant emotional event (See also Harvard Business Review, 2004, Developing Leaders; Bennis and Thomas, pp. 151) caused by others in that environment, or different systems that have become dominant. Laws, processes and procedures are there to ensure a stable and ordered and predictable state. This is where most people want to live. Kauffman (1993), Gribben (2004), Gell-Mann (2002) and others make the point that in nature stability will return. But only after a period of chaos. The question is how that chaos can be made as constructive as possible.*
- If the Organization gives in to the pull of stability it fails because it becomes ossified and cannot change easily. If it gives in to the pull to instability it disintegrates. Success lies in sustaining an Organization at the border between stability and instability. This is a state of chaos, and difficult to maintain dissipative structure. *These points are made by Stack (1992), de Geus (1999), Senge (1990, 1999) and Collins (2001).*
- The dynamics of the successful Organization are therefore those of irregular cycles and discontinuous trends, falling within qualitative patterns, fuzzy but recognizable categories taking the form of archetypes and templates. *The model presented by Obeng (2001) depicts the dilemmas that arise here.*
- Long term development is a spontaneous self-organizing process from which new strategic directions may emerge. Spontaneous self-Organization is political interaction and learning in groups. Managers have to pursue reasoning by analogy. In this way managers create and discover the environments and the long-term futures of the Organizations. *And it is here in this point that Stacey (1996) is not clear how that actually works. I believe various tools and processes can help make this whole area of learning on an individual basis and a collective basis more facilitated and structured, i.e. a more coherent and predictable place to be, even within Chaos. I believe the concept of 'Learning to Learn', the third feedback loop by Flood (2000) and McNiff (2000) is useful.*

The general approach can be visualized using the Stacey (1996) agreement versus certainty matrix (diagram 16):

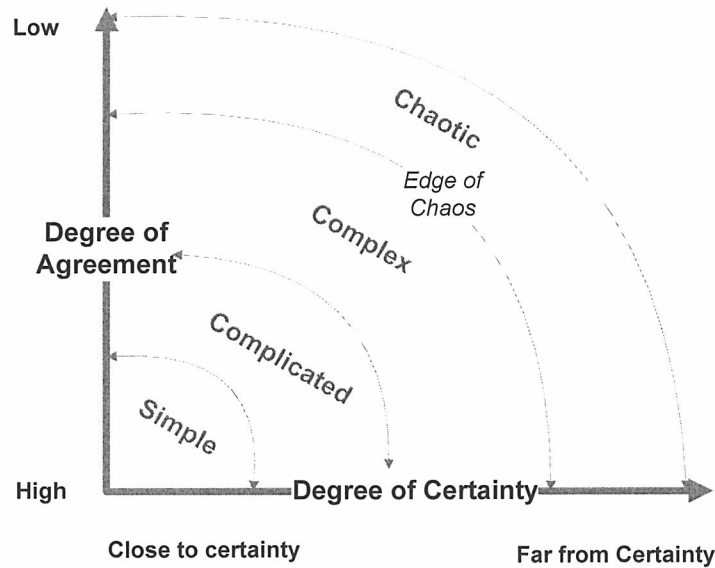


Diagram 16 (Based on Stacey Agreement versus Certainty Matrix, 1996)

Most of our lives play themselves out in a stable environment (high degree of agreement and a certain environment). We like 'painting-by-numbers', we are in control. Chaos is uncertain, random, something that we do not like, and is emotionally a stressful place, a place where there is no certainty at all over what is happening and no consensus. But it is also a place of extreme creativity, where if one is allowed to dream, disregard the consequences, creative solutions appear.

*"Innovation is the gift of chaos, appropriated by the High Learning, and made useful through Normal Learning. That rather bald statement encapsulates what I understand to be the central benefit of chaos for our organizations and businesses."*

( Owen, 2000, pp. 29)

Owen seems to be stating that normality returns after chaos, i.e. he seems to support the model that I use in this thesis, of bringing order into chaos after the event. What Owen does not state is how to create the chaos deliberately or to use the event of chaos to an advantage for change.

Rayner <sup>Footnote 33</sup> states the following in his discussion on natural Inclusionality:

*“Linearity emerges of non linearity.*

*The initial phase is a non linear phase opening the self to all possibilities, exploring out in a curved space. The linear phase emerges out of that initial exploration.”*

(Rayner, see footnote 33)

This concept fits well with the view explored by Stacey (1996) from complexity order can re-emerge. That there is a tendency for individuals and social formations to want to gravitate back to a level of control and order.

What this, however, does not answer is how we get from order (linear) state into the chaos (non linear) state and back again. In the Darwinian model this is natural evolution or selection through elimination. From the viewpoint of a Change Agent or a Co-Creative Catalyst, this could be a deliberate, introduced change. The question that remains is how we as individuals and social formations make the process of creating non linear events linear. This to me is the fundamental connection with also, for instance, the triple loop learning model.

I know from my own experiences that when I sleep, or slumber in a half sleep, that I wake up and wish I had written some of the ideas down. They are complex, but usually very clear in simplicity and what could be achieved. This could be because I am totally relaxed, at ease and feel safe to explore. The question is how this can be replicated in a Change Process, with other people?

To be able to create a place for people to be at the Edge of Chaos, where they can dream, where they can consciously and safely state their dreams and fears, their current realities and what ideal realities could be, what Argyris (1990) Theory-in-Use and ‘new-theory-in-use’ would generate a pro-active need to change. This concept is congruent with ‘Out-of-the-Box thinking’ for me. I will investigate this in detail in Chapter 4.4.3 (pp. 244).

The next question is how to take all these ideas and thoughts and then how to bring them back down into a new-system-in-use in such a way that policies, procedures and norms are created that sustain these dreams and make them sustainable in a relatively easy way. The concept of Chaos for me opens up very many new possibilities, as does the concept of Inclusionality. I will address this more in Chapter 4 and 5.

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Footnote 33: <http://www.youtube.com/watch?v=0elvUBPJPYY>

### 3.9. Divisions and Boundaries

Ludwig von Bertalanffy describes systems as follows (1969):

*“Broadly speaking, three main aspects can be indicated which are not separable in content, but distinguishable in intention. The first may be circumscribed as ‘systems science’, i.e. scientific exploration and ensuing theory of ‘systems’ in various sciences and general systems theory as doctrine of principles applying to all (or defined sub-classes of) systems.*

*The second as ‘systems technology’, that is the problem arising in technology and society comprising both the hardware and software of new theoretical developments and disciplines.*

*Thirdly, there is ‘systems philosophy’, i.e. the (re-orientation of thought and the worldview ensuing from the introduction of ‘system’ as a new scientific paradigm.”*

(von Bertalanffy, 1969, pp. xix)

Von Bertalanffy states the three systems attributes as; a systems science, a systems technology and a systems philosophy. This perspective emanates from a very scientific, rational approach.

Each system has concepts that contribute to a systematic (theoretical) framework of ideas on how to view a system. These are points of view that define systems at a sublevel. In ‘Twenty first century visions: Systems practice for management complexity’ (15 – 17 July 2003, at St. Anne’s College, Oxford) Ray Ison stated the following categories or elements within a system:

- Perspective or viewpoint
- System interest or purpose of the system
- Boundary and boundary judgements
- Emergence and how the system deals with this
- Hierarchy, layered structure and the network within
- Feedback (+ve) and (-ve)
- Control
- Communication

(Ray Ison <sup>Footnote 34</sup> (Open University), 15 – 17 July 2003, St. Anne’s College, Oxford)

These additions could be used to explain van Bertalanffy’s attributes.

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Footnote 34: Roy Ison, *Open University – Conference speech at St. Anne’s College Oxford, 15 – 17 July 2003 – Systems Practice for Management Complexity*



The points raised by Ison indicate points where a system can be engaged with, entry points into a conversation around change. Is there a 'Tipping Point' (Gladwell, 2000) where a combination of these points raised by Ison can be combined so that there will be momentum for change? Do all have to be changed or is a few enough, and if so how many? Is there for instance a hierarchy in the points; are a few more successful than others in creating change conversations?

Checkland (1999) indicates some of the movement in the following:

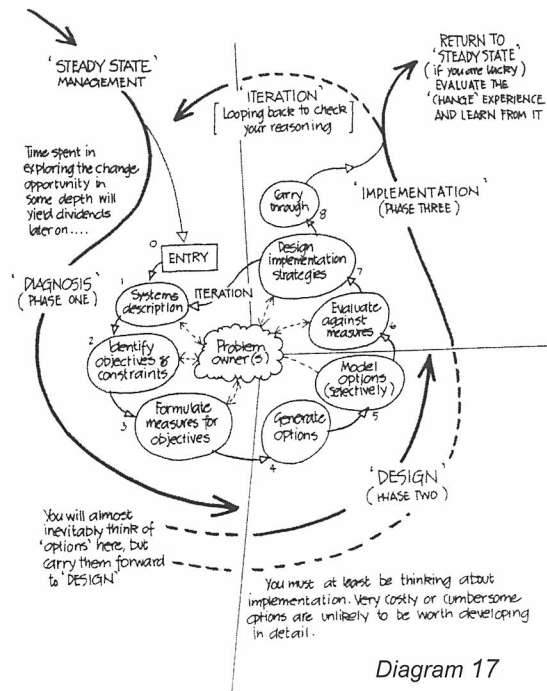
*"We found that although we were armed with the methodology of systems engineering and were eager to use its techniques to help Engineer real-world systems to achieve their objectives, the management situations we worked in were always too complex for straightforward application of the system engineering approach. The difficulty of answering such apparently simple questions as: 'What is the system we are concerned with'? And what are its objectives? Was usually a reason why the situation in question had come to be regarded as problematical?"*

(Checkland, 1999, pp. A2)

#### Checkland's Soft-Systems Methodology

intervention model (1999, pp. 286 – 289) defines how research can be done to determine how real world problems can be solved in a scientific, and a social inclusive way (Diagram 17). The SSM principles are:

- Real world: a complexity of relationships
- Relationships are explored via models of purposeful activity based on explicit world-views
- Inquiry structured by questioning perceived situations, using the model as a source of questions
- 'Action to improve' based on finding accommodations (versions of the situation which conflicting interests can live with)
- Inquiry in principle never ending; best conducted with wide range of interested parties, give the process away to people in the situation.



This methodology is a way of approaching a situation as a complex, re-iterative system. This systems methodology is useful as an addition to the 'Check – Do – Action' sequence in the Deming model (ten Have; 2003 - pp. 66), and as an extension and improvement of van Bertalanffy's definition and the Deming model. This approach is represented in diagram 12 (pp. 154).

The question Checkland raises with this approach is where the person (Change Agent or Co-Creative Catalyst) stands in terms of impact on the outcome. Is this person actively engaged as part of the system or neutral?

*I am part of the process, and I influence the dynamics as much as the people engaged influence me. This is my whole belief that in terms of co-creation, transformation and development this is a relational dynamic process. It is Inclusional in the sense that I also fill the space around me and influence the space, just as the others do. I am a part of that space. It is how I choose to fill that space that changes me from a Change Agent to a Co-Creative Catalyst. In the latter I become a medium, a fluid transmitter within that space of information and creativity of others.*

*A question I was asked if 'I fill the space'? I am in the space, as are others when we work at the 'Edge of Fluidity'. In order for this to be creative, the 'Edge of Fluidity' has to be designed in such a way that this is a space where the issues that are at that time important to all are discussed. So it needs to be a co-created space. What I do offer, is experience of creating these spaces with other people, and having been in these 'spaces' myself. I can share this expertise and through my being with them demonstrate that there is no fear, there is personal development. It is only in this single aspect that I could possibly state 'that I fill this space'. I have been there, and that is what I mean with a 'possible void that I fill'!*  
*(Reflective Comment, 2009).*

Flood (1999) states that there are two issues with the methodology:

*"Checkland and Holwell find that 'a need for a declared-in-advance' intellectual framework is required. A framework that defines and expresses what constitutes 'knowledge about a situation'. This helps to draw a distinction between research and 'novel writing'. It makes the research recoverable, which means that the*

*process is supposedly recoverable by anyone interested in subjecting the work to critical scrutiny.”*

*“He concluded for a means-ends approach that both means and ends are problematical. It is a matter of interpretation how we appreciate the world systematically, what is considered to be most desirable ends, and what might be the most suitable means of achieving them. (pp. 56)*

*Checkland has little to say in his principles about power and the way this distorts the outcome of this debate.”*

(Flood, 1969, pp. 54 & 60)

Huczynski (2000) proposes that the definition of a system is:

*“This is a concept that refers to a management perspective, which emphasizes the interdependence between the various parts of an organization but also between the organization and its environment.”*

(Huczynski, 2000, pp. 428)

Systems are constructs that are visible in our society. Each individual belongs to a number of systems, and sub-systems. As Huczynski states, we are all interdependent, whether this is personally or in groups or organized in social formations. I belong to a family unit, and in that system my sub-system is my wife and my two sons. I also belong to a work related system. In a wide context I could say that I am in industry, I could also say that I am part of the natural resources sub-system of industry all the way down to the small unit I work in.

As Checkland (1999) points out there is complexity in defining the actual groupings we belong to. There is an interdependent relationship between me and others in the way that group(ings) and boundaries are organized. The boundary is the ‘border’ of a system where I differ from others outside that system. There are norms and values that are followed within these boundaries. There is an artificial boundary drawn depending on the definitions given.

This could also be political; the laws that govern a country create a system. There is a hierarchy within systems and some systems are more powerful than others. The observation is that the reality within systems for individuals, the boundaries or the boundary conditions, could not necessarily be of the group or individual’s creation. It could also be that there is a certain hierarchy within the systems. So how do systems interact with each other given different power levels?

*The way I have described this is rational. It is a 'Them and Us and Me' artificial division, which just isn't helpful, because this language creates new boundaries. The way I would describe the hierarchy is being aware that there are more powerful barriers to change, and it is important that this is realized, because it is only through that realization that they become visible to all (Reflective Comment, 2009).*

"In the case of change, there must be a change in the equilibrium between systems"; Gribben (2004, pp. 30). Systems will try to regain a state of equilibrium, produce order out of chaos. It is at the boundaries where this happens, because this is where the change required is most visible. It is here that the change, the influence for change is first noticed.

The work of Rayner (2003) is helpful in his description of living and dynamic boundaries. Rayner describes boundaries as divisive, how system boundaries divide groups from one another through the interpretation of various issues at the boundaries (Appendix 7.1.10 – pp. 431, Clip 5). A boundary is: "where *two or more different interest groups have different views on a situation*". The boundary is firm and hard. Rayner describes how systems need to have a common boundary which acts as a fulcrum between the two systems and that this fulcrum is where a boundary can move, is flexible.

Rayner <sup>Footnote 35</sup> describes definitive system boundaries as follows:

*"All movement is thereby reduced to the translocation of independent bodies in discrete numerical intervals of distance and time, as a reaction to or effect of the imposition of casual force or action. In life forms, this causal force must be situated on one side or other of a fixed bodily boundary, either within some internal executive control centre or in the external environment."*

(Rayner, see footnote 35, pp. 1 website)

Von Bertalanffy states that systems can create a worldview. This is a very specific and unique worldview that governs behaviour within a boundary. On an individual level the system boundaries define what is acceptable or in different words, what the behavioural norms are, either based on cognitive values or absorbed behaviour.

For change to happen, the equilibrium within a system and the systems around it is often

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Footnote 35: <http://people.bath.ac.uk/bssadmr/Inclusionality/Dislocatedself.htm>

imbalanced. This can be at a personnel level, where a person can be out of 'tune' with the people around him, or a company not being profitable or a war between nations occurs. This situation is when there is an element of uncontrollable change; a forced change is required to restore a balance. This means that behaviours need to change for a system to change.

The issue that Checkland (1999) describes is how the complexity of all the relationships around the boundaries can be used to find a way forward that stabilizes the equilibrium. This is what I see as an integrative place where norms, policies, procedures, people's aspirations and hopes are stable and in harmony. In Diagram 11 (pp. 151), this would be the 'level' around 'Knowing the Interfaces'. In a stable environment, there will still be a dynamic boundary; it is just that the movements and conflicts around the boundaries are smaller and controlled.

Gladwell (2000) in 'The Tipping Point' and 'Blink' links qualities of an individual(s) with systemic qualities that Rayner describes that are needed to maintain dynamic moving boundaries. This relates to the question posed earlier in this chapter about how many elements within a system need changing, before there is a momentum for that change?

I will call this the 'glue' between the spaces, the different systems. Jack Whitehead states the following in private correspondence (notes on conversations 9<sup>th</sup> October 2006; EXPLAINING EDUCATIONAL INFLUENCES IN LEARNING FROM AN EDUCATIONAL PERSPECTIVE):

*"The third epistemology is grounded in the living logics of Inclusionality (Rayner 2006). I understand Inclusionality as a relationally dynamic awareness of space and boundaries that is connective, reflexive and co-creative. It was in my listening and watching of Alan Rayner's demonstration of the meaning of Inclusionality that I felt a transformation in my mode of thought. I comprehended Rayner's meanings of a relationally dynamic awareness of space and boundaries."*

(Whitehead, 2006, conversation notes)

The clip of how Alan Rayner explains his views on Inclusionality is included in the thesis, on CD 5, and the narrative is displayed in Appendix 7.1.10 (pp. 431). Rayner has since expanded his view on Inclusionality and the nature of inclusive behaviour<sup>Footnote 36</sup>.

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Footnote 36: <http://www.youtube.com/watch?v=0elvUBPJPYY>

He defines natural inclusion as follows:

*“Natural inclusion as the co-creative fluid dynamic transformation of all through all in receptive spatial context.”*

(Rayner, Appendix 7.1.10, pp. 431)

Natural Inclusionality is in contrast to natural selection by elimination as espoused by Darwin (1979). Rayner, in discussion with Eden Charles <sup>Footnote 37</sup>, when pressed to define what he sees as natural Inclusionality is, states:

*“Where I want to take natural Inclusionality, is helping us to resolve conflict between the spiritual, the artistic and the scientific view of nature. They are in fact the same and all compatible.”*

(Rayner & Eden, see footnote 37)

Rayner (2006) <sup>Footnote 38</sup> states that natural inclusion is:

*“The co-creative, fluid-dynamic transformation of all through all in receptive spatial context.”*

(Rayner 2006, <sup>Footnote 38</sup>)

Natural selection is related to some traits within a species (or within individuals and/or companies) that allow for these species to have a distinct advantage in a particular environment. This also implies that the species, individuals or organisations that do not have these traits are disadvantaged and will have lower chances of survival. The difference with natural inclusion is that contrary to natural selection there is a defined small group of occupiers of a space, a specified and fixed boundary condition, rather than a dynamic inclusion of all possibilities. There is the possibility in natural inclusion of co-creating, of fluid dynamic boundaries and a different form of evolution.

‘Inclusionality’ is a concept that complements the participative processes and Action Research models. And it is here that Shaw (2002) is trying to make a link with her view on conversations and how they can create a natural Inclusionality, by offering employees a way to speak directly to ‘managers’ experience on emergence and interdependency.

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Footnote 37: <http://www.youtube.com/watch?v=Ap06AxMQbkg>

Footnote 38: <http://people.bath.ac.uk/bssadmr/Inclusionality/>

It is here that I question whether this is possible, because of development levels in individuals and social formations and the way systems and boundaries are described in the literature. It is here that I question whether elements within systems get in the way. I believe the representation and the language used to describe how systems work, and how what Rayner calls the 'fluid dynamic spaces' between the boundaries needs further attention. For instance, interface management between departments or social formations is governed by rules, processes, procedures and traditions. As will be seen in Chapter 3.6.1 (*Development Levels*, pp. 141) & 3.9 (*Divisions and Boundaries*, pp. 188) the normal method is to make these as fixed and as clear as possible, as restrictive as possible. The point is that rules, procedures, are there for the norm, not for the exception. And it is then that the conflict usually surfaces when the rules are broken, possibly because a better way to relate is available.

It is the language and the representations that are used that suggest that a linear pattern is possible, the action – reaction model, and that seemingly is used by system thinkers such as Senge (1999). But if one looks at the way systems work in practice, a different set of non-linear observations surface that support a different approach that builds on the existing and named models and theories. It is here that I wonder if the notion of natural inclusion always fits, and then when and how this notion would fit?

The paradox is that at present human-managed organizations (as distinct from natural organism communities) live within rationally constructed boundaries, systems and conventions, as this thesis argues. Natural inclusion and Inclusionality are difficult concepts to embrace because of this, and also because of the reductionistic nature of our society; for example the financial and legal-bureaucratic systems. This thesis argues that there is an opportunity to create a better change model within human-managed organizations by embracing the concept of 'Inclusionality'

A further definition or view of what a boundary is and could be is provided by Rorty (1989):

*“Nietze, by contrast, thinks the important boundary to cross is not the one separating time from a temporal truth but rather the one which divides the old from the new. He thinks a human life triumphant just insofar as it escapes from inherited descriptions of the contingencies of its existence and finds new descriptions. This is the difference between the will to truth and the will of self-overcoming.”*

(Rorty, 1969, pp. 29)

Rorty brings the definition close to what I will describe as being in the moment, Chapter 3.7.2 (pp. 178). This is a fundamental deeper value that a person can bring to any discussion. This is related to a particular level of development, and this equally requires the person to be able to hold a certain amount of reciprocity and creativeness.

These concepts are important in this thesis, since the concept of boundaries and the definition these give to our society and personal standings contribute significantly in hindering change to occur. I will look at this observation more closely in Chapter 3.9.1.

### **3.9.1. Perspective and Language around Systems and Boundaries**

Krippendorff (1995) has written essays about human communication, and how these 'Constructivist' reflections about a particular piece of theory or in the description of a practice can mislead and misinform. The wording itself can cause a certain way of thinking to be ordained.

Krippendorff (1995) describes how language can create a container of particular thoughts (pp. 5). This is a conduit (channel) of representation that was/is inadequate to express the complete thoughts.

There is a control element within communication again through the use of language and representation. It is possible that a clear and perfectly understandable message is transmitted as a transmission metaphor, and/or a war metaphor where the controversial nature of talking and debating leads to an equally diminished transmission of thought and concept.

Krippendorff (1995) states:

*"It takes design to be constituted (that is defined with) in processes of languaging. It calls on us to recognize and act in awareness of how our discursive practices identify us as the experts we are, create the objects of our concerns, and provide us with a vocabulary to communicate or coordinate our actions relative to each other."*

*"Without concern for its discourse, design is bound to drift, as it has in the past."*

(Krippendorff, 1995, pp. 1 & 13)

So how does this discussion relate to interfaces or boundaries?



Diagram 18 (pp.184) is used to highlight some of the issues raised by Krippendorff in relation to theories and concepts introduced in this thesis previously. Diagram 18 is an example to visualize and understand the implications of boundaries in a system.

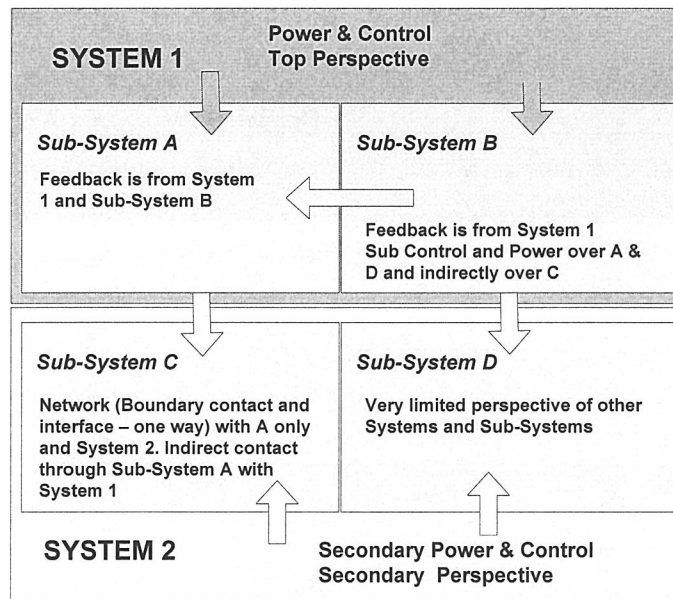


Diagram 18

Diagram 18 shows two main systems, and within each system are two sub-systems. If each system has the attributes below, then they are able to be clearly defined. I have listed these for clarity again. See also pp. 188:

- Perspective or viewpoint
- System interest
- Purpose of the system
- Boundary and a boundary judgement
- Emergence and how the system deals with this
- Hierarchy, layered structure and the network within
- Feedback (+ve) and (-ve)
- Control
- Communication

Diagram 18 shows elements of influence from Systems to sub-systems across the boundaries. Note that for example two subsystems reside within one major system. The arrows denote where influence is coming from. For instance Power and Control could be residing over an issue in System 1. Sub-systems A & B are therefore in this respect dependent on the outside control within system 1. But what happens to power in System 2, if Sub-systems A & B influence Sub-systems C & D and they in turn reside in System 2. The issue of power as an example in this case becomes very unclear as to where the actual power source resides. Therefore if a person is in sub-system C it could seem that sub-system A is controlling it. However, sub-system B is controlling sub-system A as in System 1 and System 2. Therefore this allocation of these attributes to a system is only partially correct in so far that they apply in terms of applicability.

In reality this is reflected in how organizations and social formations are organized. Huczynski (2001, pp. 446 - 454) shows various ways a social formation can be organized. The groupings or design is based on the following questions for its purpose:

- Specialization
- Hierarchy
- Grouping (functional v. expertise)
- Integration
- Control

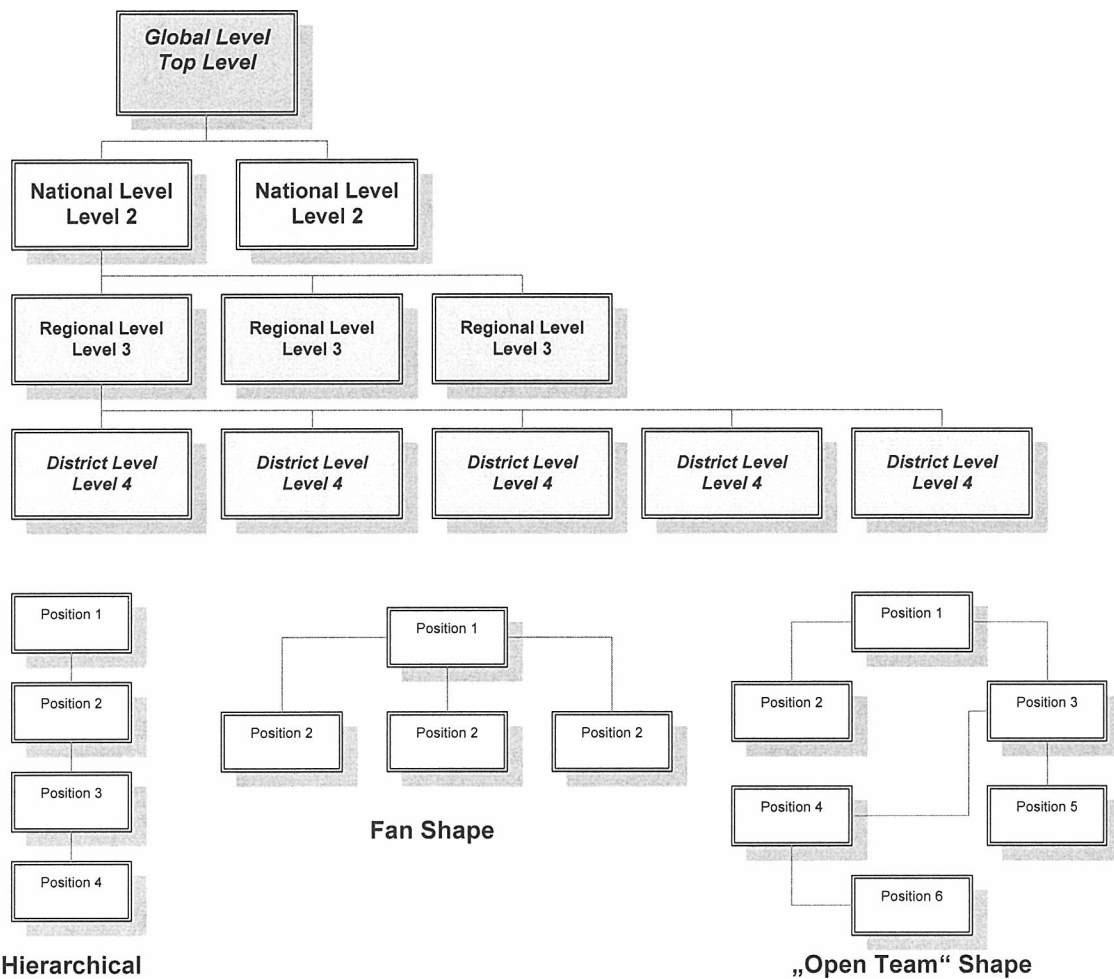


Diagram 19

Diagram 19 does not show at all the inter-relationships between various levels. For instance how does someone in a level 4 job in one particular type of organization communicate with someone else in a different part of the organization at say level 3, if they have similar interests in changing a system that is controlled from the top level?

In addition, Diagram 19 shows various hierarchical constructs that govern communication across various people in functions. The hierarchical organization is one where work can be done instantly (army responding to crises). This is based on a strict hierarchy. The 'Open Team' shape is one that one often sees in universities and research establishments. This system is good at solving open and complex questions, but slow and not capable to put these into practice. Once an organizational design has been implemented, it is difficult to change the attributes that are required. The diagrams and the theory raise an organized and simple context for changes to work

in. In reality, the concepts are idealist, and not all the elements contained in the concepts and theories are in practice within the system under investigation. The system is influenced from outside the boundaries, and if this is not seen from the perspective of the observer, then the design and communication about the change is a construction based on false assumptions and observations targeted at the wrong elements of change.

This has implications for the change design. If this is related back to the issue of language as introduced by Krippendorff, then open communication between systems across porous boundaries means just that; open communication. In reality this is not, and cannot be the case. Appendix 7.1.1 (pp. 339) relates the story of my mother and the issues she had whilst in the care of the National Health Service (NHS). Even with all the 'patient charters' and the threat of prosecution, the language that reflects the patients actually tightens the boundaries. I point out in the correspondence and narrative, that I understood the implications of the language used and how that threatened to exclude me in the conversations. This in my opinion happens all the time in most systems. There are people inside with a certain vocabulary and others outside with a different vocabulary. And often there is no understanding of the other's needs, and it starts with the language.

Rayner (2004) states:

*"Although 'solidarity' is an illusion, the premise of discreteness and independence that it gives rise to continues to be cherished as the epitome of 'evidence-based' 'rationalism' and 'realism' and to underlie the various logical systems,....., that I describe here as 'impositional logic', or, more familiarly, 'box logic'. This form of logic imposes absolute boundary limits around and within reality."*

(Rayner, 2004, pp. 55)

Rayner challenges this view and starts describing the boundaries as not a fixed, firm boundary but as a relational place, that manage the dynamic relationship between their inner and outer space above all through the metaphor of 'flowing water', embodied water flows. The information contained within the system is 'not information in itself', but rather is given meaning through its dynamic relationship within boundaries of variable deformity, permeability and continuity. What this means is that a system is able to be different in many ways as well as being stable at the same time in many ways. This is the concept of 'Living Contradictions' (Whitehead, 1993) in action in systems, and this means that the whole concept of looking at boundaries and systems is by its practical nature far more complex and dynamic than literature describes.

### 3.10. Inclusionality and Fluid Boundaries

Inclusionality theory is a radically new approach that does not look at creating a division along the lines of *either – or* relationships, but allows a viewpoint to emerge from a perspective of *both – and* relationships. Maybe even beyond this to '*each in the other*' relationship. This approach does not want to create a division between relationships, but allows a viewpoint to emerge from both perspectives. Core to understanding Inclusionality is the concept that space is not a division between objects and their environments, an empty void of nothingness. It connects us with our environments and with other beings in these environments. There is no physical border.

*“Inclusionality is an awareness of space and the variable fluidity of ideas across boundaries – ultimately formed by what physicists refer to as ‘electromagnetic energy’ – that inseparably line it, as connective, reflective and co-creative, rather than divisive.”*

(Rayner, 2005; pp. 5 – see footnote 39)

He goes on to define Inclusionality as follows:

*“With this idea about ‘Inclusionality’ and the ‘complex self’, which resonates with many long held spiritual values and principles, we can appreciate ourselves as inextricably coupled aspects of one and another and our living space in dynamic relationship. Hence it may be possible to make sense of and relate with the uncertainties of the world in a way that brings together currently divided scientific, artistic and spiritual views so that they can complement rather than oppose one and other. We can regard the human subject as a vital participant in and local expression of the wider realm ‘energy-space’ that we all emerge from and subside into as ‘flow-forms’ – ‘relational places’ with inner, outer and intermediary aspects rather than independent objects. We are like solutes, which, together with the solvent can produce a solution full of creative potential. Hopefully, we may thereby find a richer, more peaceful and environmentally sustainable way of living together, seeing ourselves as inclusions of the solution rather than rationalistically as solutes abstracted apart from the solvent that brings us into life – individual (dis)contents abstracted from a spatial context.”*

(Alan Rayner, 2005, pp. 6 – see footnote 39)

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Footnote 39: [www.datadiwan.de/SciMedNet/Leadarts?Rayner\\_Inclusionality.htm](http://www.datadiwan.de/SciMedNet/Leadarts?Rayner_Inclusionality.htm)

So what are flow-forms? Karen Tesson (2006) describes flow-forms as products of *autocatalytic flow*; they both shape, and are shaped by usage, creating novel distributive structures in response to local or global environmental changes. In flow-form systems the dimensions of the communicative channels are a direct reflection of flow rates and requirements of the flow. The dynamically responding communication links are augmented or reduced in response to use, and to changes in the environment.

Tesson states:

*“I suggest therefore that, rather than relying solely on conventional network theory models when we think of ‘organization as network’, we should be using ‘organizations as flow-form network’ as an alternative, since this metaphor reflects the natural behaviour of communicative flow in a networked system.”*

(Tesson, 2006, pp. 136)

What Rayner and Tesson propose is that communication is a series of flow-forms that self-organize, which are created by seeing ourselves (people who start a communicative action) as an inclusion of the solution. The free-flow networks have at least two ends, therefore there is interaction in the creation of solutions that are based on a Win-Win, and ‘both solutions are ‘true’ interrelated rationality. With other words there is more than one force at any time in the creative process, and therefore there must be co-creation of the solution, based on a wider set of inputs.

This is what I believe Rayner means by looking at boundaries as not discrete but permeable. This is what would happen if conditions could be created where discreet models and systems could be made Inclusional of each other. The world would not be one or the other; it would be both and at the same time more.

This chapter aims to describe how to open up forms of communication that allow ‘energy-flows’ to flow, and how other people can access these flows and enhance them. Just as in natural flow-forms certain elements would be strengthened and grow, and others would not.

One of the key concepts that Rayner uses is the space within, around and between. He describes space as being a receptive space, which he describes as a ‘*solvent that brings solutes into a common solution*’.

*“These difficulties are readily resolved when the receptive space within, between, around and throughout natural form is acknowledged not to be an uninvolved absence, but instead to be a vital pooling omnipresence, without any necessary or knowable inner or outer completely definitive limit. Like a solvent that brings solutes into common solution, it is a source of continuity amongst dynamic relational informational content in a common energy flow, not discontinuity between locally discrete contents in a static container. This provides the basis for a fluid dynamic, open space geometry that is more true to what we know and can know about nature. It is founded on what have been called ‘Inclusional’, not rationalistic logical foundations.”*

(Rayner, 2006, Chapter 3)

This is an intriguing concept that is very much dynamic and fluid, and allows many concepts to be merged. This thesis will suggest that bringing the concept of co-creativity and Inclusionality into the domain of Organizational Transformation is important, as an addition and an extension of the Edge of Chaos introduced by Flood (1999, 2000). What the concept of Inclusionality could do is turn upside down and inside out the language of and the whole way of thinking which is being associated with current thinking of Organizational Transformation. I will synthesize these thoughts more in Chapters 4 and 5 in this thesis.

The concept of space (Rayner, 2006) seems to relate to the concept of sociality (Simpson and Johnson, 2006, pp. 6). The connection for me is about how the individual or individuals engaged in creating change can learn to *‘read the emerging situation and anticipate each other’s moves’* (Simpson and Johnson, 2006, pp. 6). How is the space filled, and how do the people involved relate to each other, how are these barriers removed and made permeable? To be more specific, how is a continuous space between and in people created that is in harmony, and which is emergent and capable of co-creation at the same time by being both fluid and dynamic? This is an unpredictable flow, and yet with a recognisable pattern; one of improvisation and surprise?

The link that Simpson and Johnson suggest is in the way people assimilate qualities of others within themselves. They become conscious of themselves in doing so.

*“Players develop a unique vocabulary of significant symbols that were impervious to the code-breaking efforts of their opponents. By employing significant symbols, we are able to see ourselves as others do; in effect, we become objects to ourselves, able to take on attitudes of others towards the self. It is through this process that we become conscious of ourselves; so that the ‘self’ can only be*

*'itself' in relation to other members of a social group. Mead argued that both the 'self' and the 'conscious mind' arise, and are continuously refined, through social actions; they are both, in effect, social processes 'Mind is the presence in behaviour of significant symbols' and when 'the individual is conscious what (s)he is about; (s)he has reached the stage of genuine unconscious communication; (s)he may now be said to use symbols and not merely respond to signs; (s)he has now acquired a mind.'*

(Simpson and Johnson, 2006, pp. 6)

In Chapter 3.7 (pp. 165) I describe the concept of 'empathy' and throughout Chapter 4 (pp. 209) in this thesis I note that this level of empathy towards others, the way a person is engaged in self-reflection and then adaptation of his/her values is dependent on a particular development level. Or if turned around the level of development that an individual can acquire is dependent on how information, trust, narrative, identity or other forms of communication are transmitted across and within the space in and around people, and that includes the influences of others surrounding this group.

If development is as a series of progressive development steps (Quinn, 2000; Torbert, 2001; Covey, 1990), then there are different levels of emergence and cooperation that one can expect when the actors, players or individuals are at different development levels, but at the same time can create different levels of emergence, and therefore different levels of change to occur. The ability to create emergence and unexpected ways to generate change are therefore limited by development levels. It is for this reason that Sen (1999) states that increasing development levels are the prime driver to help people get out of poverty, because the solutions generated with deeper development levels carries higher potential to alleviate poverty and increase freedom.

A key question within this thesis is how one creates a space and environment where this can happen. More precisely, how is this tailored to the local conditions, the local players? How is the flow created within this space? This question is related to transformational change discussed in Chapter 4.4 (pp. 227) and the concept of 'self-development' in Chapter 4.5 (pp. 251).

The space is a metaphor for the energy that flows between, in and around people. It is not physical in a sense. And yet it is at the same time a space where people come together. This could be a room or through a conversation. The word 'space' therefore needs to be interpreted with poetic licence.



If this is the energy that flows in, around and between people, the energy that fills an Inclusional space, then how do I create an identity that allows this to happen? How do I become part of this emergent, creative space, in a way that fluidizes boundaries? How do I not create more boundaries? I have stated in Chapter 3.9 (pp. 190, 2<sup>nd</sup> paragraph) that I see myself as part of the 'system'.

*"Boundary objects enable movement between the specific and the generic. It is the notion of travel and movement implied and stated constantly in this analysis that evokes the existence of role in multiple sites. While the possibilities for movement are a striking feature of boundary objects, so also is the totality and completeness with which they may be adopted. We can see roles therefore, as sites where one may become locked into a particular view of self, with inevitable implications for the flexibility with which identity construction might continue. Conversely, shifting between role worlds potentially provides the key with which to unlock the identity construction process. This locking in and unlocking reflects the characteristic robustness and plasticity of boundary objects, and points to an active link between this conception of role and identity construction."*

(Simpson and Carroll, 2008, pp. 42 - 43)

The quotes above link creation of that space, the 'Edge of Fluidity' with connecting with the 'I' and the 'We' at the same time in an inter-relational way. This has therefore to be part of the process to help people reach the 'Edge of Fluidity'. This is not a reductionistic process, and it is therefore that the claim is made that this is a development beyond the 'Edge of Chaos'.

I reflect extensively within this thesis on the Inclusional nature that is required to allow boundaries to be permeable. Rayner in Appendix 7.1.10 (pp. 427), Clip 5, talks about creating identity across the fulcrum (he tears the paper), and by doing so create a discrete boundary.

In Chapter 4 (pp. 209), I describe my Living Practice in how I attempt to shift identity and allow flexibility by locking in and unlocking my identity between me as an individual or in social formations. I describe that a key element is creating a momentum for change by engaging with many people or social formations simultaneously, working across interfaces and ensuring that my role and identity does not become rigid. It is this rigidity that I describe when I reflect on my father's influence.

The work Rayner has done on Inclusionality (2004, onwards) and the emerging work on Identity and Role construction (Beech, 2008; Simpson and Carroll, 2008; Simpson and Johnson, 2006;

Huxham, Sims and Beech, 2005; Gabriel, 2005), particularly the way people can relate to each other in emergent uncertain situations, and work on self-development such as Shadow work (Barry, 2008) seems to be relational and mutually supportive, and in my view, starts to explain how the space that Rayner describes can be constructed in practical terms and used to create change by Co-Creative Catalysts. This is where a Co-Creative Catalyst becomes a further development of a Change Agent.

Rayner answers a number of questions in his online book (Natural Inclusion: How to Evolve Good Neighbourhood, 2006), and he starts to put a number of thoughts together, on which this thesis will build and expand.

*“What is stopping us from accepting our Inclusional nature and how can this be remedied?*

*Faced with the uncertain certainty of expiration from our bodily boundaries, we, many of us, can become profoundly attached to whatever barriers we can build or imagine that will ensure our absolute independence as free agencies and/or collective security. We encapsulate our egos in survival structures and confuse this suspended animation or dormancy with real life, resenting and opposing whatever appears to threaten our solid facades. We become obsessed with the need for completeness and closure, and reinforce this obsession with the objective logic of excluded middle that defies connection between inside and out. We cannot see beyond or through the false dichotomy of ‘either you are with me or you are against me’. We devise a paradoxical mathematics, which treats matter as ‘something’, which counts, and space as ‘nothing’, which counts as zero. We regard ‘positive’ as ‘good’ and ‘negative’ as ‘bad’, through confusing the receptivity of spatial solvent with the subtractivity that removes rather than vitalizes solid solute, and in this way create the paradoxical ‘double negative’ of false positivism. We fail to see the symbolism of the ‘plus’ or ‘cross’ sign as ‘I’ ego, transfigured with the space of loving receptivity and so made responsive to its natural neighbourhood as a vital aspect of itself. Hence ‘positive’ could be regarded as a dynamic inclusion of, not an abstraction of space. We continue to treat ‘light’ and ‘darkness’, as discrete electromagnetic and gravitational fields rather than vital inclusions of one another in the dynamical oneness or bothness of energy-space. And we try to lock life and love outside of our dislocated bodily selves.*

*How can all this be remedied? Perhaps by accepting and learning to love darkness, what Carl Jung called our Shadow Archetype, recognizing that this its receptivity is vital to life, love and evolutionary creativity. Only by mentally alienating ourselves from darkness and regarding it as a fearful void do we imagine it to be evil and in this way terrorize ourselves.”*

(Rayner, 2006, pp. 223 – 224)

