The Practice of Adaptive Leadership

Tools and Tactics for Changing Your Organization and the World

Ronald Heifetz, Alexander Grashow, and Marty Linsky

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Key Concepts

- **Live in Disequilibrium.** Adaptive leaders always disrupt the status quo. It is necessary to learn to operate in unbalanced and volatile environments.

- **Take Chances.** Learning to master change requires the willingness to take chances, even if this sometimes requires radical action.

- **Diagnose Before Acting.** Good leaders use the principles of adaptive leadership theory to fully understand a crisis, challenge, or situation prior to responding.

- **Match Action with Values.** When taking action, leaders should do so in accordance with their deepest values and ideals.

- **Use Honesty and Courage Together.** In communication and in enacting initiatives, leaders should use an open, honest approach. They must be strong enough to fail.

- **Mobilize through Nonaction.** Before taking action, good leaders thoroughly evaluate their options and choose the most efficient and effective responses.

- **Plan and Practice Interventions.** The timing of an intervention is almost as important as its purpose. It is important to use experimentation and diagnosis for success.

- **Orchestrate Conflict.** Good leaders create strategically meaningful conflict in order to keep issues in the open and stimulate growth.

- **Stay Focused and Fresh.** Leaders should create refuges and sanctuaries for themselves to remain healthy and energized.
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Introduction

The theory of adaptive leadership is designed to enable individuals in all sectors of life to excel as leaders in dramatically changing environments. In The Practice of Adaptive Leadership, Ronald Heifetz, Alexander Grashow, and Marty Linsky offer a pragmatic, easy-to-comprehend system of principles that can be applied externally to businesses or internally to the psychological and emotional characteristics of specific leaders. The book delves far beneath the framework of theory to deliver important diagrams, stories, and point-by-point instructions that translate into clear and powerful leadership tools.

The Theory of Adaptive Leadership

At its core, adaptive leadership is a way to inspire mobilization of key people and resources to ensure that organizations prosper and thrive. The main concepts of adaptive leadership are:

1. Adaptive Change involves learning from the past.
2. Experimentation enables organizational adaptation.
3. Diversity is necessary for adaptation.
4. New adaptations eventually displace “old DNA.”
5. Time is a factor in successful adaptation.

In addition to these concepts, several points of “illusion” or common misapprehension are corrected by the theory of adaptive leadership. These myths and misunderstandings function as impediments to business and obstacles to the successful navigation of change.

- The “Broken System” Illusion. This is a widespread misconception that holds that organizations need change because they are “broken.” In reality, all organizations reflect the will of the most influential leaders. Even “dysfunctional” organizations reflect what the most influential people want.

- Technical Problems or Adaptive Challenges? This question highlights the most common cause of leadership failures. Technical problems are distinct from adaptive challenges because they can be resolved through existing authority and expertise. By contrast, adaptive challenges involve changes to beliefs, priorities, and even loyalties in the organizational structure.

- Leadership vs. Authority. True leadership is a “verb” and denotes action that leaders take in various situations. Authority can be extended to areas that have nothing to do with leadership. By contrast, leadership includes the often dangerous proposition of questioning assumptions and authorities. Authority maintains technical stability, while adaptive leadership is innately subversive and poses a challenge to the status quo.

The practice of adaptive leadership involves “living in the disequilibrium” by using techniques to accomplish self-management and raise the level of tolerance for discomfort in the people who are impacted by change. Part of the process is to use the three key actions of: observe, interpret, and intervene. Along with these actions, adaptive leadership involves using experimentation and “smart risks” to address transformative challenges. In order to do this properly and productively, leaders must:

- Engage Above and Below the Neck. Leaders must combine intellectual and emotional skills. Head, heart, and guts must be engaged.

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Connect to Purpose. Leaders must have a clear and compelling purpose to guide adaptive change. This purpose should resonate intellectually, personally, and throughout the organization.

Diagnose the System

Just as a doctor generates a diagnosis before establishing a patient's treatment options, the best solutions to organizational challenges emerge from understanding the true nature of the problem before attacking it. Tough challenges require methodical observation before action. Adaptive leadership is a particularly powerful approach when used to address complex challenges that emerge as a consequence of the status quo. Over time, the particular structure and culture of an organization become ingrained. To fully diagnose the structural deficiencies of an organization, an observation must be made. This means understanding:

1. What behaviors are rewarded by compensation.
2. What functions or roles in the organization are most valued.
3. How the structural organization of people and departments impacts decision making.
4. How hiring and orientation impacts the organization.

Adaptive leadership requires understanding the group's culture and assessing which aspects of it facilitate change and which stand in the way.

5. How the size, payment, and other criteria of the organization's board of directors impacts decision making and valuing.

Another aspect of making a solid diagnosis of adaptive challenges is understanding and assessing the cultural norms that impact an organization. An organization's culture also reveals its “folklore,” which is an enormously influential factor in shaping the way members of an organization view themselves, one another, and the organization itself. Rituals and group norms are important parts of folklore. Closely aligned to folklore is the notion of “default interpretations and behavior.” These influences can be direct obstacles to any organization's adaptive capacity. Over-riding or subverting the “defaults” of an organization is a crucial component of adaptive leadership.

One way to peer beneath the technical exterior is to “listen to the song beneath the words” of an organization's culture and folklore. Factors such as “informal authority” and team dynamics are often evident in body language, emotional responses, and energy levels. Looking beneath the surface of activity in an organization allows for the necessary identification of an organization's specific “adaptive challenge archetype.”

About the Authors

Ronald Heifetz and Marty Linsky are the cofounders of Cambridge Leadership Associates, an international leadership development firm with clients from corporate, nonprofit, and public sectors all over the globe. Alexander Grashow is the firm's managing director. Heifetz and Linsky have been colleagues and collaborators at the Harvard Kennedy School for over 25 years. Grashow has taught leadership in executive education programs at Harvard, New York University, and Duke Corporate Education.

Four main adaptive challenge archetypes are identified in the theory of adaptive leadership. The four archetypal challenges frequently coexist and overlap in a distressed organization.

1. Conflict Between Values and Behavior. Organizations often “talk the talk” but fail to follow through on lofty ideals. One common example is verbally...
praising teamwork and collaboration but rewarding individual achievement.

2. **Commitments in Competition.** Organizations are complex and, as such, often make conflicting investments and commitments. Resolving these conflicts involves making painful decisions.

3. **Unspeakable Speaking.** Honesty in communication is a difficult and potentially volatile policy, but it is necessary for making meaningful diagnoses and evaluating options.

4. **Avoiding Work.** Members of an organization that is under stress or facing adaptive challenges often divert attention and responsibility while failing to work or produce for the organization.

People within an organization are stakeholders in that organization. They are motivated by personal desires and engage in making alliances and forging loyalties according to their ambitions and personal values. These values often underlie behaviors. To engage in adaptive leadership it is necessary to engage people at the level of personal values.

It is also necessary to discover and understand loyalties that are present between members of an organization. This means in dealing with each individual, a leader must take into account the people to whom that individual is loyal. The organization is best viewed as a “vegetable stew” of loyalties and alliances.

When change occurs in an organization it is necessary to distribute unavoidable losses in a way that minimizes damage and disruption. This means naming the potential losses, both material and emotional, to individuals and subgroups within the organization. Adaptive leadership means helping each stakeholder and group withstand required initiatives and expected losses.

The most common leadership failure stems from trying to apply technical solutions to adaptive challenges. Authorities make this mistake because they misinterpret or simplify the problem, fail to see how the organizational landscape has changed, or prefer a “solution” that will avoid disruption or distress in the organization.

Five qualities can be used to generate a specific rating of adaptive capacity for an organization:

1. **Elephants in the Room**: The number of large, systematic problems in the organization.
2. **Shared Responsibility**: The amount of delegation that takes place in the workplace.
3. **Independent Judgment**: How open the company is to independent thinking.
4. **Leadership Capacity**: How effective succession planning is within the organization, and how much leadership talent is present.
5. **Institutionalized Reflection and Continuous Learning**: How successful on-the-job training and learning initiatives are.

**Have an Intervention**

Adaptive leadership requires diagnoses and intervention. The first suggested step in starting an intervention is to slow down the organization’s momentum to provide time for asking important questions. Where is the primary adaptive challenge located in the organization? What group is most impacted by the issue? Answering these questions will help ground the intervention timing and strategy. The framing of the intervention allows group members to be brought into a firm understanding of why and when an intervention is being staged. While remembering to reach people “above and below the neck,” leaders should use language that connects to shared values and a sense of organizational purpose. Once an intervention is underway, leaders can “hold steady” by envisioning the intervention as having its own life and volition.

The next task of adaptive leaders is to educate those around them to understand the difference between technical and adaptive challenges. The goal is to identify system challenges and then translate those challenges to the individual level. The intervention is used to shift interpretations from systems thinking to personal thinking (i.e., how individual employees can help solve the issues facing their companies). It is imperative for a leader to recognize when people and perceptions are moving in the wrong direction.
because this means that adaptive challenges are being mistaken for technical issues.

In order for an organization to fully integrate the distinction between adaptive and technical problems, the default assumptions held by the group must be reframed. This is accomplished by naming default assumptions and probing the ways in which they inhibit organizational growth. Closely aligned to this process is the practice of embracing multiple interpretations about issues and values. The practice of applying multiple perspectives in relation to one’s own subjective values is known as “auditioning one’s ideas.” Adaptive leadership requires that personal beliefs and ideas must simultaneously be passionately held and dispassionately subjected to varied feedback.

Leaders should pay attention to see which employees or groups form an immediate understanding and allegiance to the intervention. They should also listen for and respond to those who are resistant to adaptive change. Above all, leaders must keep people in the organization involved with the intervention and understand that avoidance of change is a natural human response. They can get allies and encourage those who resist to become more involved with the changes so they will have an investment in the intervention.

**Politics and Action**

Thinking politically in adaptive leadership means understanding the alliances, concerns, and relationships among a wide variety of individuals in an organization. Acting politically means using one’s power to create alliances and erode opposition to improve and mobilize one’s authority. The following six points can be thought of as helpful guidelines for thinking and acting politically:

1. **Expand Informal Authority.** Leaders can accomplish this by strengthening relationships. They can cultivate loyalties among those who are deeply involved in the challenge, and can score some early victories by dealing with technical aspects of the adaptive problem. Also, leaders can cultivate support by using small steps and test runs to gain authority prior to the main intervention.

2. **Find Allies.** Leaders should start assembling allies before they go public with their interventions. They can rely on previous political diagnoses to identify stakeholders who share values and history with them.

3. **Connect to the Opposition.** It is important to identify who is most likely to be opposed to the initiative. Leaders should stay close to these individuals, ask for their input, and be sure to fully listen to their responses. They should then take steps to remove feelings of threat or danger that opposing parties might associate with adaptive change.

In many organizations, it is extremely difficult to institutionalize time for reflection and continuous learning. For many successful action-oriented, task-driven, outcome-focused people, taking time out to reflect feels like a waste.

4. **Manage Authority.** Authority figures, such as bosses, supervisors, and CEOs, must be prepared for the often disruptive impact of adaptive change. Those at the top of an organization can provide valuable feedback on how a leader’s intervention is working due to their top-to-bottom view.

5. **Be Responsible for Casualties.** Adaptive change frequently causes people in an organization to experience the loss of something they view as valuable. Adaptive leadership calls for leaders to take full and immediate responsibility for these losses.

6. **Protect Dissenting Voices.** Naysayers and skeptics in an organization who question or oppose initiatives for adaptive change must be protected because they let leaders know how the initiatives are faring. They also pose important, tough questions that leaders may not be willing to ask themselves.

**Conflict Orchestration**

To make true progress on adaptive problems, a leader must not only embrace conflict but control it through a process of orchestration. This means searching out, nurturing, and managing organizational conflict in such as way as to move toward a desired resolution.
Conflict should be viewed as a resource rather than an obstacle.

The seven steps of orchestrating conflict are:

1. **Prepare.** Do homework to see what both sides value and favor. Establish communication to enhance informal authority.

2. **Establish ground rules.** By proposing rules such as confidentiality and commitment, a safe environment is made for discussing and exploring conflict.

3. **Get each view on the table.** Encourage all factions to express their values, loyalties, and perspectives.

4. **Orchestrate the conflict.** Begin by articulating all competing perspectives. Discourage avoidance of the necessary conflict.

5. **Manage losses.** Guide those impacted by loss through a reflective process.

6. **Generate and commit to experiments.** Bring various viewpoints together in the form of multiple experiments to engage adaptive challenges. Encourage shared commitments.

7. **Institute peer leadership consulting.** Minimize the impact of losses and maximize success by encouraging group members to try “peer consulting,” where complications and frustrations can be aired.

It will take more than a lifetime to achieve your highest and most noble aspirations for your community, your organization, and the world. Yet, you can accomplish something in the right direction every day, in the micro-interactions between you and the people who work with you…

While pursuing the seven steps, the adaptive leader also creates an environment where tensions and irritations are minimized. This can be done by “regulating the heat” and carefully selecting the participants of the orchestrated conflict. Careful application of the principles will lead to members of the organization being prepared for movement beyond their comfort zones. Adaptive leaders harness the power of challenge and conflict rather than accepting these organizational realities as obstacles.

**You Are a System**

Just as an organization has default patterns and assumptions, an adaptive leader also has a default setting. It is essential to view oneself as a system in order to see beyond one’s default expectations and assumptions to make successful adaptive initiatives.

There are three types of default settings that comprise oneself as a system: loyalties, personal tuning, and bandwidth. Leaders are an amalgam of multiple roles, values, and ways of being. The key to mastering the difficult task of self-awareness lies in using a diagnostic approach to oneself. By identifying his or her loyalties, an adaptive leader can increase his or her understanding of how to perform in multiple roles.

Loyalties exist in three circles: colleagues, communities, and ancestors. Leaders must probe the factions within these loyalties to prioritize them. Adaptive leadership demands that leaders name their unspirable loyalties. This principle means, for example, that a leader who holds certain values due to ancestors may rely on cultural convictions to generate values. These values may present obstacles of bias that are generally unspoken.

Knowing one’s unspoken loyalties is one step toward knowing one’s “tuning.” Personal tuning impacts everything from the way a person responds emotionally to situations to the way that person communicates. It is essential to identify what kind of “triggers” are part of one’s makeup and how responses to these cues impact the organization. Two main types of triggers are “hungers” and “carrying water.” Hungers are triggers that emerge out of the basic human need for power, affirmation, and intimacy. When these needs are unfulfilled, individuals resort to compensatory behavior, often with negative results.

When people live for others’ expectations, fears, or frustrations, they are “carrying water” for them. This is a trigger that is rooted in people’s propensity to live out the emotions, and even the failings, of others. Adaptive leadership teaches that when a person begins to feel overwhelmed, he or she is often carrying water for someone. Exploring the nature of personal triggers will enable a person to broaden his
or her senses about all aspects of organizational adaptation. Leaders will begin to discover their tolerances and, in doing so, begin to understand exactly how to manage themselves as systems to gain optimum results through adaptive initiatives.

The final stage of adaptive leadership is the deployment of oneself as a leader. Five defining practices provide a systematic approach for putting adaptive leadership principles into action.

1. Stay Connected to One’s Purposes. True leadership requires that the leader serve a meaningful purpose. This requires negotiation of the ethical ramifications of whatever organization one serves. There are a number of common traps that undermine one’s capacity to stay focused on purpose, among them “becoming a martyr” and “appearing self-righteous.”

2. Engage Courageously. Adaptive leadership requires that one act with courage in order to reassign loyalties and remake conventions. To do so, it is important to “get past the past.” This means embracing new learning curves and understanding that previously held truths are actually mere assumptions. One must learn to love tough decision making and understand that failure is part of the learning process. Patience is also essential to the application of adaptive leadership, one which is gained through reason and compassion.

3. Inspire People. Everything involved with leading adaptive change requires one basic achievement: inspiration. To lead, one must inspire. There are techniques that help facilitate igniting inspiration. It is important to listen from the heart and speak from the heart. Making each word count is an essential requirement for becoming a good listener who comprehends the subtext of communication.

4. Run Experiments. Improvisation and experimentation are mandatory actions in leadership. Adaptive leaders embrace risks and use careful, rational preparation to selectively exceed their authority. Pushing the limits is a way to increase ambition and ignite production in others. By boldly tackling unpleasant subjects and tasks, an adaptive leader is able to increase the “heat” while engaging in a hands-on fashion. People must admit their mistakes and be willing to assume new responsibilities to keep others similarly engaged.

5. Thrive. The end-result of adaptive leadership is organizational success and personal growth. Remember to develop and maintain a large support group inside and outside of one’s sphere of influence. Maintain personal regiments for health and happiness, and create sanctuaries from conflicts and challenges.

Features of the Book

Estimated Reading Time: 7–8 hours, 326 pages

The Practice of Adaptive Leadership offers a thorough and precise guide to the theory and application of leadership principles that address adaptation and change within organizations. The book offers theoretical principles and detailed examples to clearly define concepts that encourage radical and sometimes rebellious leadership practices. At the same time, the book explores the pragmatic application of techniques to promote better self-awareness and understanding among leaders.

The book is meant to provide all leaders, whether in official or unofficial capacities, with an exhaustive but open-ended roadmap to the complex functions of leadership in changing environments. This book focuses on teaching prospective leaders how to inspire those around them and to act in accordance with both rationality and moral conviction.

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