

Leadership and Innovation: Relating to Circumstances and Change

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Innovation is one of those words that we all use, agree is a positive thing and for the most part want more of. However, the term “innovation” like “leadership” seems to defy a commonly accepted definition. There is no shared interpretation of what we mean or what we are observing when we use the terms. Moreover, we lack practices for deliberately and consistently producing “leadership” and “innovation”. This is evident in the fact that in spite of thousands of books on these subjects, reading and understanding the books doesn’t enable us to be leaders or innovators.

Innovation and leadership are closely related. Leadership always has some focus on bringing about a better future. In this sense, leaders are necessarily innovators. We would not normally consider a spectator of the status quo to be a leader. The term innovation also suggests some break with the ‘norm’ or the status quo. I will show in this text that an ‘innovator’ and a ‘leader’ are cut from the same cloth, that these terms are distinguishing different but intersecting dimensions of the same phenomenon.

This paper is the first of a series of essays that are intended to open possibilities for developing leadership. It provides pathways for action for those who are dissatisfied with the status quo and are attempting to either improve on existing processes or perhaps accomplish breakthrough results.

To begin, I will make a number of distinctions. There are obvious distinctions between the innovator (who), an innovation (what) and the process of innovating (how). This paper’s intent is to illuminate and inquire into the phenomenon of innovation (and leadership) before history judges an accomplishment as innovative or declares a person to be a leader. The focus will be on the innovator and the context or ‘way of being’ of the innovator. My thesis is that a competency for innovation is a natural by-product of certain ways of relating to the world; the context in which we relate to circumstances and change. I will also distinguish between innovation and art, two terms often used interchangeably. Finally, I distinguish simple change that is a variation of what already exists from profound change that alters the scope of what is possible.

Distinguishing Innovation

To many, innovation is equated with change. But, this view tells only one part of the story. Change is happening all the time whether we’re aware of it or not. A random event, insight or an accident may be novel but I do not consider it to be an innovation. What one can observe and do in the context of a novel occurrence or insight might very well lead to innovation. For example, all of us have had ‘big ideas’ from time to time and done nothing about them only to learn later that someone has succeeded in bringing about exactly what we had imagined. This is what might distinguish a leader/innovator from a dreamer.

A more powerful way to think of innovation is that it means: *intentionally ‘bringing into existence’ something new that can be sustained and repeated and which has some value or utility.*

That is, innovation is always related to some practical ‘in-the-world’ value. It is about making new tools, products or processes, bringing forth something ‘new’ which allows human beings to accomplish something they were not able to accomplish previously.

Art is creative and may have value to its consumers, but requires no utility to be art. Art might be seen as the artist’s self-expression or experience of their world. Innovation on the other hand must allow for something else, some possibility or accomplishment or value beyond the innovation itself. If someone comes up with a new hammer that does what our existing hammers do, then that is a design change and design is an ‘art’. When someone creates a new kind of hammer, however, such as a ‘nail gun’ or a new method for hammering, then we can distinguish that as innovation. In this sense, we can also see that we can innovate within an art form, such as painting with acrylic at one point allowed artists to create effects that were not possible with traditional oils.

When we create a new tool we are innovating. When we are not innovating we are the tool or the ‘tool’ is an extension of us. For example, the typewriter was an innovation in writing. At some moment, the typewriter becomes transparent (to both the typist and those concerned with what is being typed) and we simply have a typist typing. The tool appears again only when there is a breakdown or it no longer serves its purpose. I am claiming that our relationship to the circumstances, especially when there are breakdowns, is the primary factor in determining whether we respond as leaders and innovate, or simply resist or cope with what is happening.

Whether we are speaking about leadership or innovation, our concern is about accomplishing some sustainable change whether large or small, continuous or breakthrough. While leaders and innovators participate in both kinds of change, I distinguish leadership as always occurring in a context of some intention to create the latter: Breakthrough, to break with the status quo. Both leaders and innovators change the context, paradigm or frame of reference of the innovator/leader and those who have a stake in the innovation. However, another distinction between leaders and innovators comes from the observation that leaders’ actions exist within a context of ongoing relationships with other human beings.

If change is happening all the time and innovation and leadership both imply deliberate acting, then are there (deliberate) ways of being in the world that define our relationships with change? And, is there an “order” underlying such possible ways of being?

Relationship to Circumstance and Change

I distinguish six different ways we can relate to our circumstance and the changes occurring all the time. I claim that the way we relate to our circumstances becomes the foundation for our being leaders and opens or closes possibilities and opportunities for innovating. If we consider that change is a constant and always occurring whether we know it or not, then we might also say that these six ways of relating to the circumstances are also ways we relate to the world and become the contexts within which we deal with everyday life. These should not be considered as progressive steps in a process. Rather, these are different “states of being” or contexts available to every human being, at every moment, to differing degrees depending upon our commitments, concerns and competence in various domains of action.

RESISTANCE – Opposition to circumstance

Probably the most common way we relate to change is to resist it. To resist means to stand apart from whatever one is resisting and judge it as ‘not being as it should be’.

We resist in many ways: we can resist by simply disagreeing with a new policy, for instance, by analyzing something over and over again, or by playing devil’s advocate with no ownership of the issue. Resistance can be overt or covert, sometimes we can resist by agreeing with someone and then gossiping when the person isn’t around. We can procrastinate, argue, rationalize or even sabotage a change initiative simply by ignoring it and waiting for the next change to come along.

Whatever strategies or patterns for resistance we have, whether overt or covert, conscious or unconscious, active or passive, they have three things in common: First, all forms of resistance are “counter-innovative” and thwart human intentionality to create/own change. Any effort spent in opposing what is occurring moment to moment will blind us to possibility. Further, resistance gives power to the status quo or cultural inertia that, by its nature, will persist. This is reflected in the often quoted maxim, ‘the more things change the more they stay the same’.

Secondly, all resistance is rooted in the past and is grounded in a negative mood/attitude and assessment of ‘the way it is’, a judgment that things ‘should be’ different than they are. Our commitments and actions are organized by what we see as feasible and that we know how to do. At best, this will lead to finding effective ways to cope and at worst will lead to a state of chronic suffering and eventually to resignation.

Thirdly, to resist implies that there is something “there” to resist which essentially objectifies our world including ourselves and other people, turning us into objects in an objective world. This reduces us to either being victims of whatever it is we are resisting and/or encourages a ‘spectator’ relationship with the circumstances. This means we no longer participate in creating the future, and become trapped in a worldview that destroys possibility and power. In this state, innovation is a rarity and an ideal. When innovation does happen it is usually attributed to some ‘special-ness’ of the innovator or more often explained as an anomaly that leaves us unaffected, untouched and not responsible for the change.

“Leadership” in this context is exercised through ‘opposition’ to the circumstance. For the most part, this will prove ineffective to the point of becoming part of the problem. For example, in most organizational or cultural change initiatives, the prevailing rationale is that the status quo is “broken” and needs to be fixed. The leadership is resisting the ‘way it is’ and in a well-meaning way is attempting to ‘fix it’. The problem is that these initiatives are rarely effective because everything being done to change something is pushing against (resisting) what is already going on. This is how many issues persist even when there is widespread agreement that something should change. Essentially the proponents and opponents to a leadership initiative are operating in the same context.

COPING – Positive reaction to circumstances

Coping is also rooted in a view that circumstances are objective and we must somehow adjust our commitments and actions to match what the circumstances allow. Coping might be viewed as a positive alternative to resistance as the coping person works within the circumstances effectively. Energy expended in resisting is now redirected to problem-solving and designing ways to overcome barriers to accomplishing one's intention. Like resistance, coping is also 'counter-innovative' as a relationship to change, but with one big difference: There are many innovations that are conceived as tools or strategies for more effective coping. In other words, in a circumstantially determined view of reality, coping can drive innovation, but only as a RE-ACTION to the circumstances, not as an intentional force in creating new circumstances.

For example, "organized labor" was invented as a re-action to perceived misuse and abuse of power by owners and managers in the early part of the 20th century and has become an integral aspect of how work is accomplished. In other words, the political economic 'institution' of organized labor was a way for workers to cope with their circumstances. While we can observe that this 'innovation' has produced a lot of value and benefit for workers over the years, it can also be argued that it has done little to build or address the underlying issues of trust and allocation of perceived power in organizational hierarchies. In effect, the mechanism for coping reinforced and even institutionalized the problem. Further, we can argue that successful coping solutions will often thwart and even undermine attempts at further innovations. In the above example, labor organizations have generally attempted to block various proposed innovations in management such as cross-functional training, incentive compensation packages, self-managing teams and commitment-based management.

Leadership in this context is often facilitative and oriented toward reasonable expectations and interpretations of what is possible and not possible. In a coping context, leaders will typically be arguing for and justifying whatever limitation seem to exist and encouraging 'work around' or 'in spite of' strategies for getting things done. While this can be positive and produce results, the leader in this case become a well-meaning and unwitting 'co-conspirator' for individual and organizational limitations.

RESPONDING – Owning the circumstances

To respond means to freely choose action, given the circumstances. To respond requires a different relationship to the circumstance in which one considers that the circumstances are subordinate to the actions of the individual. In other words, to respond requires that one view him/herself as responsible, as owning, as being senior to whatever circumstance is occurring. The word, responsibility can actually be seen as 'the ability to respond'.... "response-ability".

In responding, we see a human being as having insights and making choices in relationship to objective circumstances but not limited or defined by them. When we are responding we are beginning to innovate to the extent we: a) have some intention or commitment, b) are owning and not 're-acting' to circumstances, and c) are bringing something new into existence which has value/utility and can be sustained/replicated in the future.

For example, one of the most basic organizational issues is the common ‘us versus them’ conversation. In this structure, we complain is that “they” are a problem. The “they” might be upper management, or the quality control group, or the salespeople or the government. The underlying structure of the conversation is that someone ‘outside’ is causing a problem for me/us.

To respond requires that we acknowledge that whoever “they” are is occurring within our interpretation of the world. Our choices and actions are never limited or determined by ‘them’ or the circumstances unless we believe that we have no power or choice in the matter. What limits us is part of our interpretation. We are never in fact, victims of our circumstances, although in many instances it can seem so and our suffering, when this is the case, can be very ‘real’

Secondly, to respond we must grant ‘them’ the freedom to choose as individuals, the legitimacy of their view even if we disagree. Otherwise we will be reacting to what we perceive they are doing and therefore have limited action and become part of a larger pattern of resistance that reinforces “their” behavior. In a posture of resistance, at best we may ‘win’ in a dispute by dominating rather than innovating. At worst we become resigned and simply ‘put up with’ the status quo.

To determine whether we are responding or reacting we can ask, “for the sake of what are we responding”? If there is no intention or commitment behind our actions, then our actions are essentially automatic and thoughtless. If we are responsible for our circumstances and intentional in our responses, innovating comes naturally.

Leaders who are responsive rather than reactive are not blind to problems or to people’s concerns, but are organizing their actions based on other considerations. They are not attempting to ‘fix’ people or simply solve problems but keep their eye on the intended outcomes or purposes for which they are working. For example, in the movie *Apollo 13*, there is a moment when a technical crisis threatens the lives of the astronauts. All technical options have been exhausted and there is no possibility they will survive. The ‘leader’ in the film throws down a pile of all the ‘stuff’ in the space capsule and makes an unreasonable demand for the engineers to ‘create’ a solution where none exists. This response could not have happened if the leader had believed that the circumstances were fixed. The focus in this way of relating to change is on what is possible, what might bring us closer to what we want, rather than on what is impossible, broken or deficient.

CHOOSING - Accepting the circumstances

To choose is a step beyond owning and responding freely to circumstances. The idea of choice is synonymous with that of acceptance where we acknowledge not only that things are the way they are, but that they should be the way they are, even when the circumstances are not what we would wish and are assessed as negative. This is a very different state of relating than either succumbing or rationalizing that one can’t help the way things are. This state is to embrace the change and the circumstances.

This notion is very basic to many spiritual disciplines in both the East and the West where we can experience enormous freedom when we acknowledge that ‘reality’ is happening

regardless of our point of view or understanding. In fact, one can even at some point notice that by the time our brains can ‘think’ about what is happening in the moment, the moment is already past. This experience is familiar to almost anyone who has participated in sports and been in “the zone”, or to people in the performing arts who have transcended thinking about or controlling a performance and simply expressed himself or herself fully.

In this state of choosing or ‘being present’ one becomes a different observer. A person can observe all sorts of possibilities and choices that otherwise would remain buried in the circumstances. This is a state in which innovation is natural and effortless, even obvious. It is important to note however, that this is also a state in which the circumstances are still ‘out there’ and the observer is still relating to the world as something separate and distinct from the observer.

This is the state where leadership begins to become an increasingly creative process. This is also where we can observe a paradox between fully accepting the way things are without any resistance whatsoever and simultaneously creating a commitment to a larger possibility. In this context it is obvious that possibilities are by definition created and leadership is about creating vision and possibility in relationship with other human beings.

BRINGING FORTH – Creating the circumstances

This way of relating to the world and to circumstances is the state that we normally associate with truly ‘creative’ people. What I wish to distinguish here is that the ability to create something is not a ‘gift’ that a few especially endowed people have inherited. While it is true that some people come by this capacity ‘naturally’, it is a learnable way of relating to the world and the creative expressions that it makes available begin to approach what we earlier distinguished as breakthroughs. To ‘bring forth’ means to not only to choose a circumstance that is already occurring, but begin to relate to the world ‘as if’ we are creating the circumstances themselves.

In an organizational context for example, most of us have experienced or witnessed moments of sudden and often profound insight into the nature of a situation or circumstance and have formulated what seem to be (and often are) genuinely original ideas or solutions. In retrospect these innovations or inventions can be seen as: a) unpredictable, b) require challenging or changing some underlying belief or assumption about what is and is not possible, and c) generally appear obvious after the fact. A classic example is the story from the 3M Corporation about the invention of the *POST IT* that was created when a project looking for stronger glue failed. The inventor ‘brought forth’ a new interpretation of what was wanted and needed (removable notes) and which “bad glue” could provide.

The point is that this insight required a different order of creative thinking outside conventional and reasonable frames of reference, what is usually meant by ‘outside the box’ thinking. The question here is can anyone learn to be creative simply by beginning to change how he or she relates to the circumstances? I believe that this is possible. To do so, however, requires that we let go of our notion that we are objects in an objective world and adopt a

worldview in which we are individually and collectively creating the circumstances that we are observing.

Leaders who ‘bring forth’ are those we normally consider to be ‘visionary’ and charismatic and who are often seen as gifted in their capacity to keep moving forward and creating openings for action regardless of the circumstances. In Shakespeare’s *Henry V*, the King gives an impassioned speech to his soldiers in the face of insurmountable odds. In doing so, he not only creates a possibility where none exists, but inspires his army to victory. For the leader who relates to the world in this way, a vision is not a big goal or picture of the future, but a powerful ground of being from which to create reality.

MASTERY – Creating the Context for Change

To create here means to distinguish the rare ability that a few people have demonstrated to invent entirely new fields of inquiry. These people are creating new domains, new openings, and new possibilities for others to explore and innovate. This is a very distinct way of relating to circumstances in which the ‘creator’ is the author of the context in which the creator is relating. To create a context means to be responsible not only for what is being perceived, not only for one’s responses, not only for a generative relationship to the circumstances, but to be responsible for creating the background or space within which the circumstances appear.

“Mastery” of anything from art to penmanship is ultimately mastery of oneself and ‘who one is being’ in a situation and in relationship to the world. Hence, to become a master of innovation, a person must own both what is happening as well as what isn’t happening, to be present to both “what is” as well as to the cognitive and transparent boundaries that define our perceivable reality.

In 1980 a man named Fernando Flores wrote a Ph.D. thesis titled “Management and Communication in the Office of the Future”. (Flores, 1980). In his thesis he asked the simple question, “What is action for a manager”. His thesis opened an entirely new view of management as a phenomenon that happens in conversations and that action occurs as ‘speaking and listening’. His work has transformed much contemporary thinking about how coordination occurs in organizations and has impacted thinking and practices in the fields of information technology, artificial intelligence, health care, international relations and development of leaders among others. Where this will go remains to be seen, but his work illustrates creating a new “meta-paradigm” for observing, not simply making different observations in the same paradigm. When one is the creator of the paradigm or context, then we can begin to consider that we are in fact creating and mastering our circumstances.

Finally, leadership in a context of Mastery is often very modest and may seem effortless or so natural as to seem inconsequential at the time. Mahatma Gandhi, for example, was a gentle man who used no force, and yet showed us how not resisting could be a powerful force for change. His Mastery did not even seem to be leadership for most of his career and yet from the beginning he was pursuing the creation of a new reality. In addition, leaders who live and work in this context are constantly inventing or creating their experience, in this sense they are always beginners, learning and creating in each moment.

Summary

Innovation takes place at different levels from modest improvements on an existing product or process to dramatic and even historically significant breakthroughs in how we relate to the world. In all cases, the capacity to innovate will be a function of our commitments, what we want to accomplish and our relationship with the circumstances we perceive we are in. If we are *resisting or coping*, we see no innovation and whatever change we generate will be as a reaction to the circumstances and part of the process by which those circumstances persist. When we are *responding or choosing* we are in a position to innovate and will do so naturally and consistently as a function of what we observe to be possible or what we observe is missing in our perspective of the world. Change based on this view is likely to be an improvement on what already exists. When we are *bringing forth or creating* we are not only in a position to innovate but are predisposed to do so. Further, in these ways of relating to circumstances, we have few if any limitations on what we can imagine and generate. We are likely to be generating breakthroughs or even creating entirely new spheres of possibility.

I consider leaders and innovators as those who are concerned with and competent at bringing ‘new realities’ into existence. I consider innovating to be a primary element in the process of leading and I see innovations as examples of leadership results or outcomes.

The following is a table that summarizes the six ways of relating to change associated with different leadership models, intentions and views of circumstances.

Leadership model	Ways of relating	Intention	View of circumstances
Soldier	Resisting	Survive	Fixed-deterministic
Facilitator	Coping	Thrive	Fixed-not Deterministic
Father, Teacher	Responding	Be responsible	Fixed/choice of how to relate
Coach	Choosing	Be serene	Not fixed/commitment to accept
Charismatic	Bringing forth	Create circumstances	Not fixed/commitment to create circumstances
Gifted	Mastery	Create possibilities	Not fixed/commitment to create context

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Sources

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