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# **THE FIVE ESSENTIALS INVOLVED IN ORGANISATIONAL CHANGE FOR SUSTAINABILITY**

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## THE FIVE ESSENTIALS INVOLVED IN ORGANISATIONAL CHANGE FOR SUSTAINABILITY

By Josie McLean and Dr. Sam Wells.

Much has been written about the need for our society to become sustainable – and therefore our organisations to become sustainable. But, research and practice suggests that we are hindered in this quest by several important factors, namely:

- A lack of understanding about what ‘sustainability’ really is (as distinct from a self-limiting “definition” of sustainability);
- The poor track record of ‘traditional’ or ‘best practice’ change processes; and
- The need for organisational leadership that has the capacity to lead paradigmatic change.

The following brief article provides an overview of our thoughts about how the paradigmatic shift required to form *sustaining*<sup>1</sup> organisations might be catalysed and builds upon our more recent successes facilitating leadership programs and catalysing change which are founded upon the principles shared here.

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### *Essential # 1: Sustainability is a paradigmatic shift*

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- Playing at the edges since 1960’s
- Eco-efficiency – necessary but not sufficient
- Paradigm of seeing wholes not parts (Newtonian → complexity)

Placing *sustainability* within some context helps us appreciate what it is and is not. Since Rachel Carson published her ‘Silent Spring’ in the early 1960’s, our society and organisations have had a growing awareness of the need to ensure we have a clean environment within which to live, work and play. However, despite over 40 years of awareness, humankind finds itself in a situation where our continued existence upon Earth is threatened. This does not overstate the case. Scientists, a conservative and sceptical group at the best of times, are becoming increasingly alarmed by data that

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<sup>1</sup> ‘Sustaining’ is a term defined by Dunphy and his colleagues (Dunphy, 2007) to denote an organisation that has as its purpose, not only the reduction of harm to the environment, but also the healing and nurturing of both the environmental and social ecologies within which it is embedded.



suggests that the responses of Earth's climatic systems to humanity's<sup>2</sup> way of living, are changing at a rate that even they did not expect.

Given the urgency and importance of changing our ways, why is it that we seem unable to make the changes required to respond to the scientist's concerns? We suggest that it is because the sought-after change is a paradigm shift, requiring a new way of living and working – and many of us understood it to be only a marginal change in the way we do things.

The last 40 years of attempts to reduce the harm we are doing to our environment, suggest that 'reducing harm' is not enough. So although many organisations are currently engaged in processes to become more *eco-efficient*, it seems that this is a necessary but insufficient step towards sustainability. This view has been reinforced by the recent analysis by the UK based Sustainable Development Commission<sup>3</sup> of the proposal to 'decouple' future economic growth from the use of natural resources. A major conclusion of this report was that the efficiencies required are of such challenging magnitude that "it seems almost fanciful to suppose that we can achieve "deep" resource and emission cuts without confronting the nature and structure of market economies" (Jackson, 2009, p 488). Here the report is directing our attention to the deep, unconscious assumptions, or *mental models* upon which capitalistic markets are founded – the major assumption being that we can sustain endless growth on a finite planet. And indeed when we subject these mental models to fresh examination, we note that our modern western lifestyle, not just capitalism, is founded upon the same underlying assumptions.

Sustainability in its fullest sense is more than environmental sustainability. To have the latter, we must also examine assumptions underpinning our very way of life. When we do so, we come to a recognition that *sustainability* is not something that can be easily defined, but is instead *a way of seeing, thinking and being – that recognises the connectedness of everything.*

The mental models underpinning our current ways of working and living reflect assumptions that have existed for over 200 years and have their root in the scientific work of Sir Isaac Newton, his colleagues and successors<sup>4</sup>. It is a science based upon the observed behaviour of physical systems, which of course still holds true in many cases – for physical systems – but which, when to living systems such as our environment, our economies, and our organisations, can lead us badly astray. The assumptions of the *Newtonian paradigm* are that the universe is governed by immutable and discoverable 'laws' or rules; that cause and effect are direct and linear; that a big problem is best

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<sup>2</sup> One could argue that it is more specifically, the modern western lifestyle that is the problem. There exist some remaining and intact indigenous cultures that still understand how to live sustainably.

<sup>3</sup> Jackson, T. (2009). Prosperity without growth? A transition to a sustainable economy, Sustainable Development Commission.

<sup>4</sup> In no way do we seek to diminish the value of this scientific work. It has served us very well in the right context, and continues to.



solved, or a big phenomenon best understood, by reducing each to its smallest parts; that there is consistency over time and space such that the same experiment may be made again and again and verified by different scientists; and that the predictability of the universe is ensured by this very consistency of results. Newton and his colleagues envisaged the universe as a piece of ‘clockwork’ and believed if we could understand all the parts, we could understand the whole – and inevitably ‘control’ it.

This ‘engineering’ approach to the world has manifested in our thinking in all walks of life. Many commentators (such as Fritjof Capra, Margaret Wheatley, Dexter Dunphy, Paul Hawken, and Peter Senge to name a few) believe that to form a sustainable organisation (and society), we need to unlearn this way of thinking and embrace a new way. The new paradigm has arisen from the scientific study of natural, living systems and the emerging fields of complex adaptive systems and chaos theory. This paradigm is named differently in different circles and is sometimes referred to as the *paradigm of complexity*, or the ‘ecological paradigm’.

The assumptions underlying this paradigm are in direct contrast to those of the Newtonian paradigm. A living system is one where we are unable to predict outcomes due to the sensitivity of the system to initial starting conditions and the emergent properties of the system. A living system is therefore inconsistent – do the same thing twice and a different outcome will emerge each time. This challenges the “Newtonian” assumption of being able to control. Within living systems, we need to learn to let go of the need or desire for control and work with the more powerful notion of provoking or influencing the system to change in response to external or internal changes.

### The paradigm shift

#### The Managerial Paradigm (Newtonian)

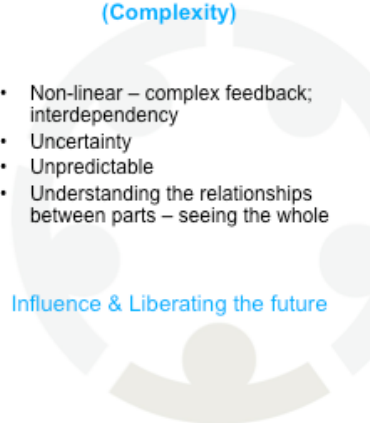
- Direct linear cause and effect
- Certainty
- Consistency
- Predictable
- Reducing problems to parts – ‘reductionism’

Control & Imposing a desired future

#### Emergent Leadership (Complexity)

- Non-linear – complex feedback; interdependency
- Uncertainty
- Unpredictable
- Understanding the relationships between parts – seeing the whole

Influence & Liberating the future





Within our organisations, then, the paradigm of complexity or living systems offers a direct challenge to a fundamental taught nearly everywhere in the business world – that a good manager is a manager who is in control and should be operating from a philosophy of ‘no surprises!’

**Essential # 2: Adaptive leadership with systemic thinking**

- All change requires leadership
- Complexity however challenges our notions of leadership – power/authority vs emergence
- This is leadership from anywhere in the organisation.... It requires certain capacities in those exercising leadership

Change and leadership are inextricably interlinked. Exercising leadership is usually about leading change of some sort – whether operational or strategic. We would also like to clarify what we mean by ‘leadership’. Often, writers confuse leadership with being a person in a role of authority – often a position of high authority. We wish to clarify that when we use the term *manager* – we mean a person in a role as a manager. When we use the term *leadership* – we mean someone, anyone within an organisation (including a manager), choosing to exercise their leadership by influencing or provoking the organisation, or a part thereof, to change in some manner, in response to an observation that has meaning to that network of people – that living system. There is much more to be said about leadership and how to exercise it, that is beyond the scope of this current article but is included in our leadership programs.

Important here is the notion that the paradigm of complexity challenges many of our existing ideas and practises of exercising leadership. The table below summarises some of the challenges and suggests the ways in which we need to prepare our future managers and people to exercise their leadership for a sustainable future.

‘Traditional Leadership’	‘Emergent Leadership’
Knowing the answers Organised and tidy Feels in neat and control Decision maker Strong Accepts role of protector Tries to impose a personal future	Don't know ‘the’ answer Messy Feels chaotic and ambiguous Facilitator Flexible and resilient Places responsibility appropriately Envisages and liberates the shared future waiting to emerge – ‘dances with the system’



Leadership within the paradigm of complexity challenges the existing power structures because *participation* and *emergence* are foundational principles of a living system. A living system changes when the agents within the system notice new information that is meaningful to them, and the system itself decides what is meaningful. This knowledge in and of itself may go a long way towards explaining why between 70% and 90% of all organisational *change management* processes fail to deliver the intended outcomes and are deemed failures. Enduring change does not occur because someone, somewhere else, decides a change is required. It occurs when the people within the system decide its occurrence is meaningful – the change will emerge from within the system when people have engaged in conversation that makes new meaning. A blueprint for change is not required – nor is it helpful! “Driving change”, “Rolling change out”, “Making change happen” – this is the language of a flawed change process, based on a fundamental misunderstanding of the nature and leadership of change.

It can be seen that exercising leadership for a sustainable organisation requires new understandings of the nature and dynamic of change – and new leadership capacities and practices.

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### *Essential # 3: Envisioning a better future*

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- An important first step – envision what you really want
- Heart not head → emergent and shared values
- Local expressions by each team – not homogenous

While resisting the temptation to write a new manifesto for organisational leadership in this article, how might we offer assistance to those seeking to understand what is required to make progress towards a sustainable organisation?

Donella Meadows<sup>5</sup>, a systems dynamics modeller and co-author of the original “Limits to Growth”, provides a significant contribution to answering this question in her article “Envisioning a Sustainable World”.

She suggests the answer is to envision the *future we really want*. Unlike many other paradigmatic shifts, the shift to sustainability is something that everyone can access, whether a systems thinker or not. It is available to us at the level of feeling and expressing how we really want our work and our lives to be.

Simple as this may sound; in practice it is not easy. Donella identifies reasons why people find it difficult to articulate what they really want. Her observations have been borne out in our own practice. For reasons of being practical and sensible; for feeling childish if we say what we really want; for being unable to access our feelings and continuing to be bound by our thinking in our heads; for lack of practice at envisioning

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<sup>5</sup> Meadows, D. (1994). Envisioning a sustainable world. International Society for Ecological Economics. San Jose, Costa Rica: 8.



as a skill .... Many find it difficult to envision a sustainable future. But, when the barriers are overcome and the process is fruitful, our experience is that, at heart, most people want the same things. They want a peaceful community, equal opportunity for all, a healthy environment for healthy children, work that is meaningful and purposeful, to be respected and participate in creating their own destiny.... Developing a *shared and emergent vision* for an organisation at the level of feeling is entirely possible and unites people rather than divides them. It also provides a source of inspiration, direction, energy and meaning.

As people within the organisation work to bring the vision 'lovingly into being', it is to be noted that the changes made at the team or local level may not be homogenous. As different teams work with their own resources, their own sense of what is meaningful will differ from each other – we can expect different experiments will emerge at different locations within the organisation. Within the paradigm of complexity, what works in one location may not work in another.... *Learning and experimentation* are required and are the process of adaptation or change. Error is not failure, but an invaluable opportunity to learn more about how to influence the behaviour of an otherwise unpredictable system.

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#### ***Essential # 4: Liberate individual passion and strengths***

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- To generate the energy and creativity required to work in a new paradigm, leadership needs to liberate people and change
- This means liberating their individual passion and strengths
- The human environment encourages self actualisation

Change within a living system, requires new *meaning* to be made for people and the process of generating a shared, emergent vision of the organisation is a way of making such meaning. The received management school wisdom would now suggest the next step should be creating a plan and holding people accountable for delivering it. We suggest that the theory of change within living systems indicates this is not the way forward! Such a process will make the change process harder than it needs to be...and much less likely to deliver what we aspire to.

Once a desire for a sustainable future has been ignited, all management has to do is step out of the way and resource people to undertake those projects that make sense to them. Management does not know *the answer* to tell people what to do. The path towards sustainability is an adaptive challenge with high degrees of learning – it emerges as we tread it.

Using the shared vision as a guide to the direction to move in, and the shared values to understand how to prioritise activities, people within the organisation should be encouraged to work on those projects that stand out to them, as the most important places to start. In this way, management will *liberate the pent up passion* or enthusiasm of people. "Resistance to change" may be a phrase of a bygone era!



Additionally, to create the environment that liberates the utmost creativity possible within the system, the work of people like Marcus Buckingham and the Gallop Organization, suggests that we work from people's strengths, rather than trying to 'improve performance' by focusing on their weaknesses. By setting people up for success, not only will productivity be increased, but satisfaction will also be enhanced.

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### *Essential # 5 : Engage in emergent change processes*

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- 'Best practice' change, based on standardised, linear 'steps', often does not work
- Need new emergent processes
- Most important of which is recognising the power of conversations

As alluded to above, *best practice change management* processes have a poor success rate. If we are to move our organisations to become sustainable quickly, we need to change the way we think about change.

The practices we have started to outline above are *emergent change* processes. They encourage *participation* of people within the system to determine what needs to be done, within the context of the shared vision. Emergence is important because it provides both the energy for change and the *diversity* of perspectives within the system, to enable solutions to complex or linked up problems.

There is much more that could be said about emergent change, but the element we wish to focus your attention upon here is the importance and nature of *emergent conversations* in generating change.

A key role for those exercising leadership for sustainability is that of facilitating *conversations that matter*. These are conversations without agendas and maybe even without any clear outcomes, or 'action items', at the time of the conversation (almost a heresy within the discipline of efficient management). The conversations are not aimless, they are around the vision of becoming sustainable, but are entered into in the spirit of learning and not advocating a fixed position. It requires emotional intelligence to engage in such conversations or processes of *dialogue* as proposed by the quantum physicist David Bohm. This is a process of enquiry to uncover the unexamined and unconscious assumptions we have made and hold. These conversations were once seen as the vehicle of communicating the change – but with new understandings of neuroscience and social processes, are increasingly being viewed as *the change* itself. The power of conversations cannot be underestimated – and yet within organisational life, talking often seems to be held in low esteem compared with being busy.



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## *In conclusion*

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This short article aims to provide an overview of the important elements of liberating people to form sustainable and sustaining organisations. It is intended as a brief introduction and is by no means comprehensive or complete.

Sustainability in its broadest sense is, itself, a new and emerging paradigm and the path to it is via a new paradigm of leadership and change that appreciates organisations as living systems. This understanding will challenge the way our existing organisations are managed; in particular, the concepts of power and control will be renegotiated as the organisation seeks to engage all its members in contributing to the full extent of their innate capacity, in an endeavour to relearn (various human communities have understood at one time or another) how to nourish the ecological and social ecologies within which they are embedded.

## *How can we help you?*

*The Partnership is focussed upon facilitating progressive organisations to transform into sustaining organisations.*

*To this end we offer a number of services including:*

- *Leadership programs founded upon the principles of sustainability and which view the organisation and leadership practices through the lens of complexity.*
- *Facilitation of “communities of practice” for change agents seeking to understand the theory and practice of leading for sustainability.*
- *Presentations to raise awareness of sustainability and what it entails organisationally.*
- *Consulting, coaching and organisational development for sustainability*

*If you have read this far, there is a strong chance that you may benefit from a complimentary **Strategy Session** to discuss your organisational challenges and opportunities with regard to sustainability and map out how we might contribute to your strategy and capacity to move forward. The conversation takes about 1½ hours and can be undertaken face to face or by phone. To arrange this, contact Josie on 0409 097 568.*

*Please feel free to share this article with anyone in your network who may be interested.*

## References and Further Reading:

- Dunphy, D., Griffiths, A., & Benn, S. (2007). *Organizational change for corporate sustainability: A guide for leaders and change agents of the future* (2nd ed.): Routledge.
- Jackson, T. (2009). "Beyond the growth economy." *Journal of Industrial Ecology* **13**(4).
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