room. He packed his bags, went back and cleaned out his office, and left his letter of resignation on the CEO's desk. He became a casualty, and the willingness of the CEO to accept his resignation demonstrated to the rest of his team his commitment to change.

People seeking to exercise leadership can be thwarted because, in their unwillingness to take casualties, they give people mixed signals. Surely we would all prefer to bring everyone along, and we admirably hold up this ideal. Unfortunately, casualties are often a necessary by-product of adaptive work.

. . .

The lone warrior myth of leadership is a sure route to heroic suicide. Though you may feel alone at times with either creative ideas or the burden of final decision-making authority, psychological attachments to operating solo will get you into trouble. You need partners. Nobody is smart enough or fast enough to engage alone the political complexity of an organization or community when it is facing and reacting to adaptive pressures.

Relating to people is central to leading and staying alive. If you are not naturally a political person, then find partners who have that ability to be intensely conscious of the importance of relationships in getting challenging work done. Let them help you develop allies. Then, beyond developing your base of support, let them help you relate to your opposition, those people who feel that they have the most to lose with your initiative. You need to be close to them to know what they are thinking and feeling, and to demonstrate that you are aware of their difficulty. Moreover, your efforts to gain trust must extend beyond your allies and opposition, to those folks who are uncommitted. You will have to find appropriate ways to own up to your piece of the mess and acknowledge the risks and losses people may have to sustain. Sometimes you can demonstrate your awareness by modeling the risk or the loss itself. But sometimes your commitments will be tested by your willingness to let people go. Without the heart to engage in sometimes costly conflict you can lose the whole organization.

5

Orchestrate the Conflict

When you tackle a tough issue in any group, rest assured there will be conflict, either palpable or latent. That's what makes a tough issue tough. For good reason, most people have a natural aversion to conflict in their families, communities, and organizations. You may need to put up with it on occasion, but your default mindset, like ours, is probably to limit conflict as much as possible. Indeed, many organizations are downright allergic to conflict, seeing it primarily as a source of danger, which it certainly can be. Conflicts can generate casualties. But deep conflicts, at their root, consist of differences in fervently held beliefs, and differences in perspective are the engine of human progress.

No one learns only by staring in the mirror. We all learn—and are sometimes transformed—by encountering differences that challenge our own experience and assumptions. Adaptive work, from biology to human culture, requires engagement with something in the environment lying outside our perceived boundaries. Yet, people are passionate about their own values and perspectives, which means they often view outsiders as a threat to those values. When that is the case, the texture of the engagement can move quickly from polite exchange to intense argument and disruptive conflict.

Thus, the challenge of leadership when trying to generate adaptive change is to work with differences, passions, and conflicts in a way that diminishes their destructive potential and constructively harnesses their energy.

Orchestrating the conflict may be easier to do when you are in an authority role because people expect those in authority to manage the process. However, the four ideas we suggest in this chapter are also options for people who seek to enact change but are not in senior positions of authority: First, create a holding environment for the work; second, control the temperature; third, set the pace; and fourth, show them the future.

Create a Holding Environment

When you exercise leadership, you need a holding environment to contain and adjust the heat that is being generated by addressing difficult issues or wide value differences. A holding environment is a space formed by a network of relationships within which people can tackle tough, sometimes divisive questions without flying apart. Creating a holding environment enables you to direct creative energy toward working the conflicts and containing passions that could easily boil over.[1]

A holding environment will look and feel quite different in different contexts. It may be a protected physical space you create by hiring an outside facilitator and taking a work group off-site to work through a particularly volatile and sensitive conflict. It may be the shared language and common history of a community that binds people together through trying times. It can be characterized in some settings by deep trust in an institution and its authority structure, like the military or the Catholic Church. It may be characterized by a clear set of rules and processes that give minority voices the confidence that they will be heard without having to disrupt the proceedings to gain attention. A holding environment is a place where there is enough cohesion to offset the centrifugal forces that arise when people do adaptive work. In a holding environment, with structural, procedural, or virtual boundaries, people feel safe enough to address problems that are difficult, not only because they strain ingenuity, but also because they strain relationships.

But no matter how strong the bonds of trust and the history of collaboration, no holding environment can withstand endless strain before it buckles. All social relationships have limits; therefore, one of the great challenges of leadership in any community or organization is keeping stress at a productive level. Managing conflict (and your own safety) requires you to monitor your group's tolerance for taking heat.

The design of the holding environment, then, is a major strategic challenge—it must be sound, or else you risk the success of the change effort as well as your own authority. In 1994, Ruud Koedijk, chairman of the partnership KPMG Netherlands, created a series of structures for engaging the firm in a major change to its way of doing business. Although this audit, consulting, and tax partnership was the industry leader and highly profitable, growth opportunities in the segments it served were limited. Audit margins were being squeezed as the market became more saturated, and competition in the consulting business was increasing as well. Koedijk knew that the firm needed to move into more profitable growth areas, but he did not know what those opportunities were and how KPMG might meet them. He and his board of directors engaged a consulting firm headed by Donald Laurie to help them analyze trends and discontinuities, understand core competencies, assess competitive position, and map potential opportunities.

Although Koedijk and his board were confident that they had the tools to plan the strategy, they were considerably less sure that they and their organization could implement it. KPMG had tried to introduce change in the past and found it difficult, probably due to the partnership structure, which inhibited change in two ways: the manner in which partners treated each other and the dynamics that the partnership set up with the nonpartner members of the firm. A culture study revealed that directors generally provided people with little room to use their creativity or perform tasks beyond day-to-day work activities. Were they capable of the changes in beliefs, values, and behaviors that a new strategy might require?

KPMG was less a partnership than a collection of small fiefdoms in which each partner was a king. Success was defined in terms of billable hours and individual unit profitability, not factors such as innovation and employee development. As one partner described, "If the bottom line was correct, you were a 'good fellow.'" As a result, one partner would not trespass on another partner's turf, and learning from each other was a rare event. Conflict was camouflaged: If partners wanted to resist firmwide change, they did not kill the issue directly but silently, through inaction. They even coined the phrase "Say yes, do no" to describe this behavior. For younger people, the atmosphere was sometimes oppressive. They answered to the partner in charge, and found that assuring him that no mistakes were taking place paved the road to success. There was little curiosity and a lot of checking for mistakes.

Koedijk realized that adaptive work had to be done throughout the firm if KPMG were to change direction and enter new businesses. First, he gathered his partners together in a large meeting and provided a coherent context: the history of KPMG, the current business reality, and the business issues they could expect to face in the future. He then asked them how they would go about changing as a company. He asked for their perspectives on the issues. By launching the strategic initiative through genuine dialogue rather than edict, he built trust within the partner ranks. Based on this trust and his own personal credibility, Koedijk got the partners to agree to release a hundred partners and professionals from their day-to-day responsibilities to work on the strategic challenges. They would devote 60 percent of their time to this project for nearly four months.

Koedijk and his colleagues established a Strategic Integration Team (SIT) of twelve senior partners to work with the hundred professionals from different levels and disciplines. Engaging people below the partner ranks in a key strategic initiative was unheard of, and from the start signaled a new approach to work: Many of these people's opinions had never before been sought or valued by authority figures in the firm. Divided into fourteen task forces, these people were to work in three areas—gauging future trends and discontinuities, defining core competencies, and grappling with the value shifts and adaptive challenges facing the organization. Hennie Both, the director of marketing and communications, signed on as project manager.

As the learning process got underway, it became evident that the SIT and the participants embodied everything, both good and bad, about the culture. It did not take long before every member of these task forces came to see that the culture was built around strong respect for the individual at the expense of effective teamwork. For example, each individual brought his or her own deeply held beliefs and way of working to every discussion: They were more far inclined to assert their favorite solution to a problem than listen to a competing perspective. People didn't work well with those from other units. At the same time, they avoided conflict; they would not discuss these problems. A number of the task forces became dysfunctional and were unable to continue their strategy work.

To manage the dysfunction, Hennie Both developed a session in which each task force could discuss its effectiveness as a team. Hennie helped them see these differences by getting them to describe the culture they desired and map it against the current team profile. The top three characteristics of their desired culture were the opportunity for self-fulfillment, a caring and human environment, and trusting relations with colleagues. Their top descriptors of the current culture were: We develop opposing views, we are perfectionist, and we try to avoid conflict. This gap defined a clear adaptive challenge, and paying attention to it was a step forward.

Each of the members was asked to identify the value they added to the strategy effort as well as their *individual* adaptive challenge. What attitudes, behaviors, or habits did they need to change; what specific actions would they take and with whom? They then broke into self-selected groups of three people and served as consultants to each other. This required them to confide in each other and to listen with deeper understanding.

Managing the holding environment as the participants worked through tough adaptive issues was a constant preoccupation of Koedijk, the board, and Hennie Both. They arranged for a separate floor so the group of one hundred could work with its own support staff, unfettered by traditional rules and regulations. It surprised some clients to see managers wandering through the KPMG offices in Bermuda shorts and t-shirts that summer. They established a norm that any individual from any group could walk into any session of another team and contribute to the work. Also, people agreed that ideas were more important than hierarchy and that junior people could challenge senior colleagues; soon the most respected people were those with the most curious minds and interesting questions. The conditions for a different operating culture were being established.

Hennie Both and Ruud Koedijk maintained high energy within the holding environment of the task force structure. They gave broad assignments with limited instructions to groups accustomed to working on fixed, well-defined assignments. The heat rose further when people who thought they were accustomed to working in teams realized that their experience had really prepared them only for sharing routine tasks with people "like them" from their own units.

Koedijk and Both protected the holding environment for their change initiative by creating a task force culture that was kept separate from the organization. People could make mistakes and live with conflict that formerly would have been suppressed in their units. For example, at one point when the heat rose significantly, all one hundred were brought together to meet the management board and voice their concerns in an Oprah Winfrey–style meeting. The board sat in the center of an auditorium, surrounded by the questioning participants.

They held frequent two- and three-day "off-sites" when it was necessary to draw collective closure to parts of the work. These events always included socialization to strengthen lateral bonds, a key source of cohesion. "Playtime" could range from long bike rides to highly entertaining laser gun games at local amusement centers. In one spontaneous moment at KPMG offices, a discussion of the power of people who were mobilized toward a common goal led to a walk outside, where the group used their leverage to move a seemingly unmovable concrete block.

Attitudes and behaviors changed—curiosity became valued more than obedience. People no longer deferred to the senior authority figure in the room—genuine dialogue neutralized hierarchical power in the battle over ideas. The emphasis on each individual representing his or her pet solution gave way to understanding other perspectives. A confidence emerged in the ability of people in different units to work together and reach solutions.

None of this would have happened without a strong vessel of the right design, allowing those leading the effort to keep everyone at just the right temperature, influencing each other in the progress toward a more creative organization. In the end, KPMG Netherlands began to migrate from audit to assurance; from operations consulting to strategy consulting, shaping the vision and ambition of their clients; and from teaching traditional skills to their clients to creating adaptive organizations. Indeed, the task forces identified new business opportunities worth $50–$60 million.[2]

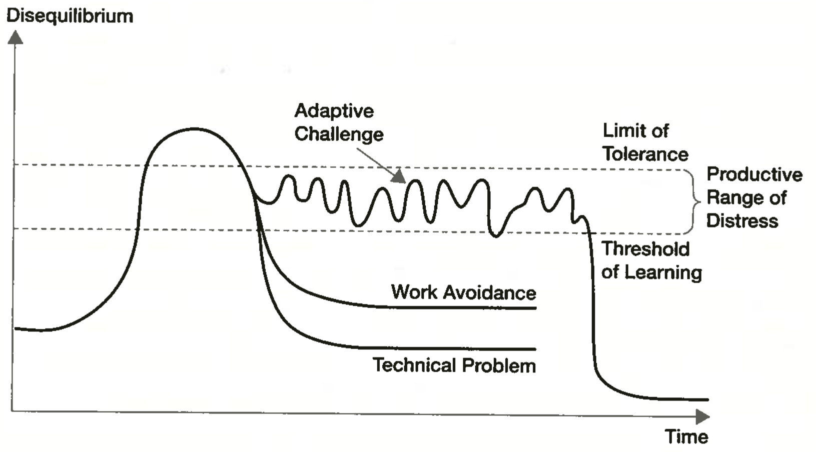
Control the Temperature

Changing the status quo generates tension and produces heat by surfacing hidden conflicts and challenging organizational culture. It's a deep and natural human impulse to seek order and calm, and organizations and communities can tolerate only so much distress before recoiling.

If you try to stimulate deep change within an organization, you have to control the temperature. There are really two tasks here. The first is to raise the heat enough that people sit up, pay attention, and deal with the real threats and challenges facing them. Without some distress, there is no incentive for them to change anything. The second is to lower the temperature when necessary to reduce a counterproductive level of tension. Any community can take only so much pressure before it becomes either immobilized or spins out of control. The heat must stay within a tolerable range—not so high that people demand it be turned off completely, and not so low that they are lulled into inaction. We call this span the productive range of distress. (See the figure, "Technical Problem or Adaptive Challenge?")

Of course, you can't expect the group to tolerate more distress than you can stand yourself. When you develop your own capacity for taking heat, you raise the tolerance level of the organization or community. But if you lose your poise and turn down the flame, people will take that as a cue that the passions generated cannot be contained. The distress will appear intolerable. In political campaigns, people often look to the candidate to set the standard for the tolerance of stress. If the candidate blows, it's unlikely that anyone else on the staff will be able to focus on the campaign. The same is true when you are in an authority role in any realm: as project manager, coach or captain of a team, or lead investor in a high-risk venture. There is tremendous pressure on you to control your own natural emotional responses, which may be entirely appropriate and normal to express, except within the role you are trying to play.

Technical Problem or Adaptive Challenge?



Source: Ronald A. Heifetz and Donald C. Laurie, "Mobilizing Adaptive Work: Beyond Visionary Leadership," in Jay A. Conger, Gretchen M. Spreitzer, and Edward E. Lawler III, eds., *The Leader's Change Handbook: An Essential Guide to Setting Direction and Taking Action* (New York: John Wiley & Sons, 1998).

People expect the boss to control the temperature, but those without formal authority can do some of this work as well. If you are leading without or beyond your authority, you must assess how far ahead of people you are and then adjust how hard and fast to push for change. As we suggested in chapter 3, one way you make that assessment is to carefully monitor the response of the authority figure to your actions. If the authority figure starts to act precipitously to calm things down—for example, by firing "the troublemakers" or taking action to squelch deviant voices—it probably indicates that you have pushed too hard. The level of social disequilibrium is too high.

You can constructively raise the temperature and the tension in two ways. First, bring attention to the hard issues, and keep it focused there. Second, let people feel the weight of responsibility for tackling those issues. Conflicts will surface within the relevant group as contrary points of view are heard.

By contrast, there are many ways to reduce the heat, since organizations are more practiced at cooling things down than intentionally heating them up. Any method for reducing the heat may also be used as an indirect way of increasing the upper limits of tolerance for it within the organization. To reduce heat you can start on the technical problems, deferring adaptive challenges until people are "warmed up." A little progress on a partial, relatively easy problem may reduce anxiety enough that the tougher issues can then be tackled. Negotiators commonly use this tactic: Strengthen the relationships—the holding environment—by creating shared successes. You can provide structure to the problem-solving process, by breaking down the problem into its parts, creating working groups with clear role assignments, setting time parameters, establishing decision rules, and structuring reporting relationships. You can frame the problem in a less threatening way, or speak to people's fears. You can temporarily bear more of the responsibility yourself. You can use humor or find an excuse for a break, even a party, to provide a temporary release. People may then be able to return to the tough questions. You can separate the conflicting parties and issues, pacing and sequencing the rate at which people challenge one another. Finally, you can speak to transcendent values so that people can be reminded of the import of their efforts and sacrifices. (See "How to Control the Heat.")

Be mindful that the organization will almost always, reflexively, want you to turn down the heat. Therefore, you need to take the temperature of the group constantly, trying to keep it high enough to motivate people, but not so high that it paralyzes them. When people come to you to describe the distress you are causing, it might be a sign that you have touched a nerve and are doing good work.

When the heat hits the ceiling and the system appears on the verge of melting down, you need to cool things off. History provides some striking examples in which people in authority believed that the level of chaos, tension, and anxiety in the community had risen too high to constructively mobilize people to act on difficult issues. As a result, they first acted to reduce the anxiety to a tolerable level, and then made sure enough urgency remained to stimulate engagement and change.

Franklin D. Roosevelt came to power in 1933 amidst the deepening crisis of the Great Depression. After more than three years of economic collapse, with millions unemployed and the nation's banks approaching insolvency, the country had reached a very high level of anxiety and, in many regions, outright despair. The United States faced adaptive work of a magnitude that strained even its boisterous confidence and ingenuity.

The unprecedented level of distress reached during this national crisis, and the resulting conflict and disorientation, called forth all sorts of distorted schemes to calm the country and restore a firm footing, from the initiatives of Father Coughlin to the platform of the communist party. As the nation's preeminent authority figure, Roosevelt embodied the country's hope for a restoration of order without distorting its core values and institutions. All eyes were on him for direction and protection. His first priority had to be to reduce disequilibrium, to lower the distress so that the nation would be less vulnerable to demagogues and could make progress toward economic recovery.

To do this, Roosevelt had to speak to emotional realities. He had to calm the nation down, both in words and in action. In words, he spoke to people's anxiety ("the only thing we have to fear is fear itself"), to their anger (calling the bankers "money-changers"), and

HOW TO CONTROL THE HEAT

Raise the Temperature

1. Draw attention to the tough questions.
2. Give people more responsibility than they are comfortable with.
3. Bring conflicts to the surface.
4. Protect gadflies and oddballs.

Lower the Temperature

1. Address the technical aspects of the problem.
2. Establish a structure for the problem-solving process by breaking the problem into parts and creating time frames, decision rules, and clear role assignments.
3. Temporarily reclaim responsibility for the tough issues.
4. Employ work avoidance mechanisms.
5. Slow down the process of challenging norms and expectations.

to their disorientation (with intimate and reassuring fireside chats). His actions conveyed the same message, providing hope and calming fears. Roosevelt's decisive and authoritative action—the famous "one hundred days" in which he pushed an extraordinary number of bills through Congress—provided direction and helped reassure the American people that they were in capable hands. Roosevelt knew he was no savior—people would ultimately have to save themselves. But through his words and actions, he lowered the temperature just enough that people could focus constructively on the work ahead.

On the other hand, Roosevelt also knew that accomplishing the adaptive work facing the nation required improvisation, experiments, creativity, and conflict, and he fostered these all around. He orchestrated conflicts over public priorities and programs among the large cast of creative characters he brought into the government. For example, by giving the same assignment to two different people (driving them crazy over the lack of clear role definition), he provoked new and competing ideas, and gave himself more options with which to work. As hard as this improvisation must have been, he got the horns, the drums, and the flutes making music together.

Roosevelt displayed both the acuity to recognize when the tension rose too high and the emotional strength to permit considerable anxiety to exist. He had to resist the strong impulse toward quick fixes. Procrastination and delay were as much a part of his repertoire as decisive action. As Arthur Schlesinger points out, "Situations had to be permitted to develop, to crystallize, to clarify; the competing forces had to vindicate themselves in the actual pull and tug of conflict; public opinion had to face the question, consider it, and pronounce upon it. Only then, at the long, frazzled end, would the President's intuitions consolidate and precipitate a result."[3]

We can see the same principle at work in a very different, and ethically disturbing, example. General Augusto Pinochet of Chile came to power in a 1973 coup d'état amid the political and economic disarray at the end of the Allende administration. Like Roosevelt, he found the level of chaos (rampant unemployment,

labor strikes, inflation) intolerably high. Indeed, his rise to power was an explicit effort to restore order in a nation caught between superpowers and riven with conflict. He used his authority—that is, military might and political repression—to restore order. The cost in human lives and individual freedom was enormous.

However, Pinochet understood that too much order would make meaningful change impossible. So while he treated dissenters brutally, he used the stability he created to challenge the traditional power elites on the economic front. He proceeded to turn up the heat on the private sector, eliminating protective tariffs and government subsidies, thus forcing businesses to adapt to international competition or die. Some did die, but others adapted, and many new businesses and industries flourished in the new environment.

Pinochet deserves to go down in history as a controversial figure. After seventeen years of forcibly guiding his society through an adaptive transformation, Pinochet's repression outlived whatever usefulness it might have had, and political democracy was restored. His technique for restoring order was savage and criminal, but there is no denying that he understood the need to control the temperature in his country in order to accomplish needed economic change. Chile is growing again, with a modern economy more productive than before.

The U.S. presidential election in 2000 provides a less extreme illustration. After five weeks of intense and acrimonious partisanship following the inconclusive results on election day, both the winner, George W. Bush, and the loser, Al Gore, used their victory and succession speeches to calm the waters rather than fan already inflamed passions even further. Bush could have used the opportunity to advance his agenda and Gore could have used the moment to air his grievances. Both understood that the nation was reaching the limit of tolerance for such disequilibrium, and that this was not the time to advance contentious and provocative perspectives or issues.

These are large-scale examples, to be sure, but the principle remains unchanged at any level: You must use the resources at your disposal to regulate the distress of your colleagues so that they can deal creatively with the underlying challenge causing the distress. In our experience, most people and organizations find it more difficult to raise the temperature than to lower it. We often encounter people in our work who resist making their communities uncomfortable, expressing something close to a moral revulsion against doing so. This is quite natural—we often create a moral justification for doing what we want to do, and most people want to maintain the status quo, avoiding the tough issues. In an effort to maintain equilibrium, they keep the tough issues off the table altogether, "so as not to upset anyone."

To exercise leadership, you may have to challenge the assumption that the needed change is not worth the upset it will cause. You'll need to tell people what they do not want to hear. This may mean raising the temperature to a point where addressing the problem becomes imperative in order to move forward, or at least seems as likely a way to restore calm as continued avoidance.

In the brilliant 1957 movie *Twelve Angry Men*, raising and lowering the temperature plays a central role, both literally and metaphorically. All but three minutes of the 132-minute film take place in a sixteen-by-twenty-four-foot jury room, a kind of pressure cooker.

Only a few minutes into the film, we see the twelve white males on the jury file into the cramped, almost claustrophobic space. They have sat though a long first-degree murder trial. An eighteen-year-old boy is accused of stabbing his father to death after an argument. Under state law, a guilty verdict will result in the electric chair for the defendant. It is a late summer afternoon in New York City and the early conversation among the jurors is all about the heat and stifling humidity. They pry open the windows to get some air in the room. The fan doesn't work.

Martin Balsam, in the role of the jury foreman, calls for a preliminary vote. Everyone except for the strait-laced architect played by Henry Fonda votes "guilty." Without any conversation at all, it is 11–1 for a conviction. People are obviously tired. Some are sweating from the heat. They want to be done with it. But the decision must be unanimous, and Fonda has already disturbed the equilibrium in the room by holding out. The small talk about the weather, sports, and the stock market stops. Fonda tells them that he is not sure the boy is innocent, he's just not certain that he is guilty, either. There is grumbling. One juror has tickets to a baseball game that night. Others are worried about getting back to their businesses.

Fonda insists on hearing the jurors out, one by one, going around the room and listening to their arguments, finding out first where people are at. He questions them and they push back at him, hard. He is attacked personally: "You think you're a pretty smart fella, don't ya?" the character played by Lee J. Cobb snarls as Fonda gently, patiently probes their arguments. He is threatened. At one point he seems physically in danger when Cobb grabs him to demonstrate how the murderer must have used the knife to stab the victim. When they come at him, Fonda resists escalating the instability. He knows that they are close to the point of throwing in the towel and declaring a hung jury, a tempting prospect as the deliberations linger into the evening.

Early on, as the tension rises and it appears that the majority will run roughshod over him and his doubts, Fonda cools things off temporarily by putting forth a high-risk proposition. He calls for a secret ballot. If he is still the only one for acquittal, he will back off and vote for conviction. But they all agree that if there is another vote for acquittal the group will commit to staying and talking it out. The additional vote, of course, comes through, and the tension level is lowered as everyone realizes they're not going anywhere for a while. No quick conviction. No quick hung jury.

For most of the next hour Fonda carefully manages the level of distress in the room. He raises the temperature with the dramatic production of a knife that looks just like the murder weapon, which is shortly followed by taking a break from their deliberations. He attacks Cobb, baiting him, until Cobb explodes and threatens to "kill" Fonda, thus making Fonda's point that people often use that language without really intending to follow through. Whenever

Fonda senses that the group is too tired or too stressed he backs away a little, allowing for some cooling off time. But he is just as sensitive on the other end, raising the tension in the room enough to make it easier for them to address his concerns just to calm him down, rather than ignore him.

Fonda's skill was in absorbing and controlling the heat of conflict. He increased and reduced the disequilibrium so that it was high enough to get his fellow jurors to focus on a reality other than the one they preferred but not so high so as to cause them to break apart, throw in the towel, and declare a deadlock.

Typically, as it was in the movie for Fonda, people push back hard on dissident voices to try to restore calm. Fonda was criticized and attacked, as other members of the group sought to turn the conversation onto him and avoid dealing with the questions he raised. The attacks on him were a diversion. For several members of the group, Fonda's persistent prodding uncovered their own biases that had affected their assumption of guilt. In the end, Cobb understood an awful truth: that his guilty vote was more about his anger, frustration, and mostly sadness about his relationship with his own son than it was about the evidence. Without his combination of relentlessness and careful modulation of the temperature in the room, Fonda would not have been able to survive the overwhelming desire of the group to convict and go home.

Of course, there's a significant chance that when you generate the heat, and take it in return, you may simply end up in hot water with no forward progress to show for your effort. But if you don't put yourself on the line and take the step of generating that constructive friction, you'll deprive yourself and others of the possibility of progress.

Pace the Work

Leadership addresses emotional as well as conceptual work. When you lead people through difficult change, you take them on an

emotional roller coaster because you are asking them to relinquish something—a belief, a value, a behavior—that they hold dear. People can stand only so much change at any one time. You risk revolt, and your own survival, by trying to do too much, too soon.

In the early 1990s, the two senior authority figures in the U.S. government made this mistake within months of each other.

In 1993 and 1994, President Bill Clinton recommended sweeping health care reform that involved radical changes in the financing and delivery of health care services. Health care represented one-seventh of the U.S. economy and touched the lives of every American citizen. To generate change of that magnitude, Clinton needed a process of education, explanation, and persuasion that would have taken years, with small experiments all along the way. People always want better and cheaper health care, but those who were insured were not fundamentally dissatisfied with what they were already receiving. They weren't certain that any new system would improve their lives.

Many health care providers and most insurers—that is, those who would have to implement a new plan—actively opposed Clinton's proposed reforms, and the public did not find this reassuring. Clinton believed his election in 1992 gave him a mandate and, treating health care reform as a technical problem rather than an adaptive challenge, he acted as if members of Congress and the public could be persuaded that his plan was the best policy and the right course of action. They weren't persuaded, and his plan died without even coming to a vote. His own popularity crumbled quickly, constraining the success of other initiatives. The media wrote stories about whether he was still "relevant," and his political opponents took advantage of his weakness. His failure to pace the work of changing the health care system contributed significantly to Republican victories in the 1994 congressional elections.

The main architect of that Republican electoral success, and its chief individual beneficiary, was Congressman Newt Gingrich, elected Speaker in January 1995. But soon afterwards Gingrich followed suit, making the same basic mistake by failing to pace the adaptive work that he now identified for the nation. Gingrich had designed the 1994 national Republican congressional campaign around a series of dramatic reforms including term limits, tax and welfare reform, a strong national defense, and a dramatically smaller federal government. These were packaged together under the rubric "Contract with America." Nearly all of the Republican candidates for the U.S. House of Representatives endorsed the Contract. The strategy worked. Gingrich gained what no Republican leader of the House had enjoyed since Dwight Eisenhower's presidency, a Republican majority. Inspired by his enormous electoral success, Gingrich set out to enact the entire Contract with America agenda as quickly as possible in the early days of the 1995 session. He had the votes. And he had what he thought was an electoral mandate for a very specific set of changes.

Despite the votes and the mandate, however, Gingrich ran into great difficulty. Neither the public nor its elected representatives were ready to make so many changes so fast. Voting for candidates who endorsed the Contract with America was quite different from supporting quick enactment of all of its far-reaching elements.

Gingrich failed to appreciate that no matter how much enthusiasm the public felt for the contract as an idea, in reality people needed more time to get their heads around so many deep and important changes. Gingrich didn't seem to consider how best to pace the work. How much radical change could people absorb at once? Parceling out the change, spreading the agenda over a longer period of time, would have enabled people to assess the value of the new versus the loss of the familiar, through every step of the process. Debated one-by-one over time, the individual items would have seemed more doable and would have been more easily understood in terms of the broad themes of the Contract, which had been so popular in the election. After all, the broad themes—the idea of a smaller, more responsive government—had given the Contract its appeal, rather than its individual parts.

Gingrich's insistence on enacting the whole agenda right away had the effect of frightening people rather than inspiring them. His personal vulnerability increased when he was held largely responsible for the government closing down in late 1995. By 1996, little of the Contract had been passed into law and the momentum behind it had been dissipated in the misguided effort to get Congress, and the people, to swallow it whole. Clinton, on the other hand, survived and regrouped successfully, winning reelection handily in 1996 after making some dramatic midcourse corrections. Gingrich was not so fortunate, and his impatience cost him dearly. After the 1998 election, he lost the post of House Speaker and left the Congress.

Pacing the work is not a new or complicated idea. Mental health professionals have said for a long time that individuals cannot adapt well to too many life changes at once. If you suffer a loss in the family, change jobs, and move all within a short time, the chances are your own internal stability may break down, or show signs of serious strain. The same is true of organizations and communities. Change involves loss, and people can sustain only so much loss at any one time.

Yet pacing the work is often difficult because your own commitment and that of your enthusiasts push you forward. It would have been hard for Clinton and Gingrich to resist the importuning of their most fervid followers and slow the process. Following their most passionate constituencies must have felt like the path to survival as well as success. True believers are not known for their sense of strategic patience.

Pacing the work can be ethically complicated because it can involve withholding information, if not outright deception. Once Clinton's health care program had been designed, sequencing the work wisely may have required him to appear more open to options than perhaps he was. He would have been engaging in a process of persuasion under the guise of education. Pacing typically requires people in authority to let their ideas and programs seep out a little at a time, so they can be absorbed slowly enough to be tested and accepted. This kind of patient withholding of information must be done carefully, with an openness to the testing and revision of one's ideas, lest it be interpreted as deceitful or misleading.

If you have some authority, you can use some of the basic functions of your position as resources for pacing the work. You decide which ingredients to mix and when. For example, in setting agendas, postpone the most threatening or provocative issues, either by ruling them off the agenda or by excluding their advocates from participation in the early stages. This will help modulate the rate of change. Also, in determining decision rules, think strategically about how decisions are made; draw out this process so the group is not faced with too much too soon.

Each of these techniques for pacing might be interpreted as simply putting off the hardest issues, as a kind of work avoidance. But it's not avoidance if you in fact are preparing people for the work that lies ahead. Rather, you are taking control and making change a strategic and deliberate process.

How you pace the work depends on the difficulty of the issue, the tolerance of the community, and the strength of your authority relationships and the holding environment. Assess the situation. Calculate the risks. Then decide how to pace the work, knowing that this is an improvisation. Not only must you be open to the possibility of changing course in midstream, you should expect that after seeing people's reactions, you will have to reassess and take ongoing corrective action.

Show Them the Future

To sustain momentum through a period of difficult change, you have to find ways to remind people of the orienting value—the positive vision—that makes the current angst worthwhile. For Roosevelt, that meant creating a New Deal for Americans, saving the free-market system, and protecting democracy in the era of Stalin and Hitler. His vision, however abstract in his high rhetoric, moved people.

As you catalyze change, you can help ensure that you do not become a lightning rod for the conflict by making the vision more

tangible, reminding people of the values they are fighting for, and showing them how the future might look. By answering, in every possible way, the "why" question, you increase people's willingness to endure the hardships that come with the journey to a better place.

That was Martin Luther King, Jr.'s, aim in his famous 1963 "I Have a Dream" speech, in which he pointed to a future where "little black boys and black girls will be able to join hands with little white boys and white girls and walk together as sisters and brothers."[4]

Sometimes it is possible to make the future even more concrete than King was able to do in that speech. In 1983, the Spanish government appointed Ricardo Sanchez to be the Director General of IPIA, the regional industrial promotion agency for the Andalusian region of Spain.[5] The government gave him the job of reversing the pattern of economic stagnation that characterized the region. The local industries struggled along with antiquated production methods, primitive marketing, and an assumption on the part of the citizenry that being an economic backwater was an inevitable and permanent condition. Not only was there no innovation, there seemed to be no interest in it or spirit for it.

Sanchez focused his attention on the marble industry in the Macael region, located in the desert mountains of eastern Andalusia. Although Macael enjoyed one of the world's largest deposits of white marble, production and profit were way below its competitors. The Macael marble industry specialized in primary marble production, a low-profit and fragmented segment of the marble market compared to the more lucrative finishing processes. There were more than 150 small marble firms in the region, averaging seven employees. Firms did little or no marketing, had no brand identity, and were vulnerable to competition from larger firms and to the market power of both suppliers and customers. The owner-managers of these small firms valued their independence above all else, even above profit and growth. Sanchez came to Macael to promote growth, but he had virtually no resources at his command. He found himself with no funds to dispense, no authority with which to organize people, and a formidable adaptive challenge.

Sanchez realized that one powerful way he could help his people face the need to give up a way of life they loved was to show them a better future. He knew that the members of the employers association could not envision any organizational model different from the one in which they had been embedded for generations. So, he took a group of them on a bus trip to the Carrara marble region of Italy. Most of them had never traveled outside of Spain. They toured quarries and fabrication facilities, marveled at the automated equipment, and talked with their counterparts, who were accustomed to the most modern technology and took advantage of economies of scale. The Spaniards began to appreciate the benefits of marketing and branding. The group returned with a different attitude, a greater willingness to entertain the possibility that their lives could be both different and better, that there might be something worth giving up what they loved. They had seen for themselves a future that might be theirs.

It is not always possible to show people the future. It might not exist. You might not even be able to envision it yourself. But if it is possible, revealing the future is an extremely useful way to mobilize adaptive work and yet avoid becoming the target of resistance. If people can glimpse the future, they are much less likely to fixate on what they might have to shed. And if someone else has been there before them and achieved the vision, it increases their confidence not only that the future is possible, but also that you are the person to get them there. You come to embody hope rather than fear. Confidence in the future is crucial in the face of the inevitable counterpressures from those who will doggedly cling to the present, and for whom you become the source of unwanted disturbance.

. . .

To lead people, we suggest you build structures of relationships to work the tough issues, establishing norms that make passionate disagreement permissible. But keep your hands on the temperature controls. Don't provoke people too much at any one time. Remember, your job is to orchestrate the conflict, not become it. You need to let people do the work that only they can do.

6

Give the Work Back

You gain credibility and authority in your career by demonstrating your capacity to take other people's problems off their shoulders and give them back solutions. The pattern begins early in school as children receive positive reinforcement for finding the answers, and continues throughout life as you become an increasingly responsible adult. All of this is a virtue, until you find yourself facing adaptive pressures for which you cannot deliver solutions. At these times, all of your habits, pride, and sense of competence get thrown out of kilter because the situation calls for mobilizing the work of others rather than knowing the way yourself. By trying to solve adaptive challenges for people, at best you will reconfigure it as a technical problem and create some short-term relief. But the issue will not have gone away. It will surface again.

Moreover, shouldering the adaptive work of others is risky. As we saw in the last chapter, when you take on an issue, you *become* that issue in the eyes of many; it follows, then, that the way to get rid of the issue is to get rid of you. Whatever the outcome, you will be held responsible for the disequilibrium the process has generated, the losses people have had to absorb, and the backlash resulting from those who feel left behind.