

Fusion
LEADERSHIP

**UNLOCKING THE
SUBTLE FORCES
THAT CHANGE
PEOPLE AND
ORGANIZATIONS**

Richard L. Daft / Robert H. Lengel



Fusion
LEADERSHIP

**UNLOCKING THE
SUBTLE FORCES
THAT CHANGE
PEOPLE AND
ORGANIZATIONS**

Richard L. Daft / Robert H. Lengel



Berrett-Koehler Publishers, Inc.
San Francisco

Copyright © 1998 by Richard L. Daft and Robert H. Lengel

All rights reserved. No part of this publication may be reproduced, distributed, or transmitted in any form or by any means, including photocopying, recording, or other electronic or mechanical methods, without the prior written permission of the publisher, except in the case of brief quotations embodied in critical reviews and certain other noncommercial uses permitted by copyright law. For permission requests, write to the publisher, addressed "Attention: Permissions Coordinator," at the address below.

Berrett-Koehler Publishers, Inc.
450 Sansome Street, Suite 1200
San Francisco, CA 94111-3320
Tel: (415) 288-0260 Fax: (415) 362-2512

ORDERING INFORMATION

Individual sales. Berrett-Koehler publications are available through most bookstores. They can also be ordered direct from Berrett-Koehler at the address above.

Quantity sales. Special discounts are available on quantity purchases by corporations, associations, and others. For details, contact the "Special Sales Department" at the Berrett-Koehler address above.

Orders for college textbook/course adoption use. Please contact Berrett-Koehler Publishers at the address above.

Orders by U.S. trade bookstores and wholesalers. Please contact Publishers Group West, 4065 Hollis Street, Box 8843, Emeryville, CA 94662. Tel: (510) 658-3453; 1-800-788-3123. Fax: (510) 658-1834.

Printed in the United States of America



Printed on acid-free and recycled paper that is composed of 50% recycled fiber, including 10% postconsumer waste.

Library of Congress Cataloging-in-Publication Data

Daft, Richard L.

Fusion leadership : unleashing the subtle forces that change people and organizations / Richard L. Daft and Robert H. Lengel.

p. cm.

Includes bibliographical references and index.

ISBN 1-57675-023-X (alk. paper)

1. Leadership. 2. Organizational change. I. Lengel, Robert H., 1946- . II. Title.

HD57.7.D34 1998

658.4'092—dc21

97-52979

CIP

First Edition

02 01 00 99 98 10 9 8 7 6 5 4 3 2 1

Book Production: Pleasant Run Publishing Services

Composition: Classic Typography

Fusion
LEADERSHIP

ACKNOWLEDGMENTS

We started this book ten years ago. Its publication documents an ongoing conversation we have had between ourselves and with executives, colleagues, fellow inquirers, friends, students, and family, all of whom are wrestling with change, transformation, and leadership in their lives and organizations. As we reflect back on this conversation, we are humbled by the number of voices that contributed significantly to the final product. We especially want to acknowledge the following people:

- Marvin Weisbord and Sandra Janoff, for their training in future search technology, which provided us with deep insight into the power of guided conversation across boundaries.
- Margaret Wheatley and Myron Kellner–Rogers, for their Sundance dialogues.
- Kathy Dannemiller and her associates, particularly Paul and Kathy Tolchinsky, who helped us understand the working details of the whole-scale change process.
- Juanita Brown and David Isaacs, who helped provide a philosophical focus for this book and gave us the concept of “remembering” as a way to connect with the subtle forces.

- Bill Isaacs at Dia-logous, for sharing his theory and expertise in the Foundations of Dialogue.
- Michael Jones and Nancy Margulies, for helping us understand the power of music and art in enhancing reflection and conversation.
- Wayne Bodensteiner, for championing the Center for Professional Excellence at the University of Texas at San Antonio when few people understood what we were trying to do.
- Jim Gaertner, dean of the College of Business, for supporting the center and enabling its growth beyond our expectations.
- Dean Marty Geisel of the Owen Graduate School of Management, Vanderbilt University, for providing support for the Center for Change Leadership and the time and opportunity to work with corporations to refine and field-test our ideas.
- Our academic colleagues who challenged our thinking and supported us. They include Bruce Barry, Alan Craven, Ray Friedman, Barry Gerhart, Vic Heller, Mike Kelly, Rich Oliver, Paul Preston, Jerre Richardson, Bill Spruce, and Greg Stewart.
- Executives from the following organizations, who shaped our thinking by affirming or challenging us in conversations, dialogues, round tables, or fusion projects: J. C. Bradford & Co., Central Parking System, City of San Antonio, SBC Communications, City Public Service, Fort Sam Houston U.S. Army Medical Command, HEB, Jacoby & Meyers, LLP, Northern Telecom, Pratt & Whitney San Antonio, Seaworld of Texas, Six Flags Fiesta Texas, State Farm, Team Leadership Resources, Tristar Corporation, Ultramar Diamond Shamrock, USAA, USAA Federal Savings Bank, and Vanderbilt University Medical Center.
- Chris Atcher, for researching numerous books on myths, stories, and spiritual images, and drafting materials to keep us moving. Also, many of our uncited images and metaphors are drawn from the Buddhist and Hindu literatures, especially the discourses of Sri Sathya Sai Baba, for which we are most grateful.

- Linda Roberts and Rita Carswell, in the Center for Change Leadership, and Kristie Rutherford and Natalie Shaw, program coordinators in the Center for Professional Excellence, for riding with the ups and downs of this fusion leadership project, helping with endless revisions of the manuscript and its graphics, and providing logistical support for our work with companies.

- Our students in M.B.A. and Executive M.B.A. programs, as well as those in corporate programs in leadership and change, for accepting our relentless experimentation. They were exposed to early versions of this manuscript, exercises and activities designed to unlock their subtle forces, and experiments aimed at refining our application of fusion change technologies.

- Participants and facilitators in the dialogue and other groups we have attended, for insights into ourselves and into subtle fusion processes.

- The team at Berrett-Koehler for their excellent work on this project and for trusting and supporting our dream.

- Our wives, Dorothy Marcic and Sandy Lengel, for their devotion and commitment. After reading a magazine article on fusion-fission, Dorothy suggested it might make a good metaphor for the work we were doing. We agree! Sandy lived through every breath of this project, never giving up support despite the many dead ends and surprise resurrections.

This book is truly a fusion of many voices, and to each voice we offer our deepest appreciation.

January 1998

Richard L. Daft
Nashville, Tennessee

Robert H. Lengel
San Antonio, Texas

CONTENTS

Acknowledgments	ix
Introduction: The Transformation Miracle	1
 PART ONE: THE PROMISE OF FUSION	
1. Fusion Leadership	9
The Disappointing Results of Many Organizational Change Efforts • The Need for a Broader View of Change • Overcoming Resistance to Change Through Fusion Leadership • Leadership: From Fission to Fusion • From Strong Forces to Subtle Forces • The Subtle Forces of Fusion Leadership • Embracing the Fusion Approach • The Fusion Challenge • Personal Remembering	
2. Breaking with the Past	29
The Strong Force Habit • Evolving to the Future • Using Subtle Forces • The New Reality • Personal Remembering	

PART TWO:
UNLOCKING SUBTLE FORCES
THROUGH PERSONAL FUSION

- | | |
|---|-----|
| 3. The Challenge of Personal Fusion | 47 |
| The Source of Personal Fusion • Fusion Leadership | |
| • Personal Fusion • Personal Remembering | |
| 4. Mindfulness | 67 |
| Beginner's Mind • Independent Thinking • Subtle | |
| Forces and Dualities • Becoming Mindful • Personal | |
| Remembering | |
| 5. Vision | 91 |
| The Higher Purpose of Vision • The Personal Impact of | |
| Vision • Creating the Vision • Personal Remembering | |
| 6. Heart | 110 |
| Loving Work and Workers • Building Relationships | |
| • Unlocking Heart Potential • Personal Remembering | |
| 7. Communication | 132 |
| Leader Discernment • Managing Meaning and Mindset | |
| • Stories, Symbols, and Rich Conversation • Personal | |
| Remembering | |
| 8. Courage | 152 |
| What Is Leadership Courage? • Fear and Failure | |
| Strengthen Courage • Sources of Leader Courage | |
| • Personal Remembering | |
| 9. Integrity | 173 |
| Servant Leadership • Exemplify Values • Build Honesty | |
| and Trust • Growth of Yourself and Others • Personal | |
| Remembering | |

PART THREE:
UNLOCKING SUBTLE
FORCES THROUGH
ORGANIZATIONAL FUSION

10. Organizational Fusion	195
The Fusion Paradox • Unlocking Subtle Forces in an Organization • Fundamentals of Change • Personal Remembering	
11. Fusion Technologies and Events	213
The Fusion Microcosm and Fusion Technologies • Examples of Fusion Events • Personal Remembering	
12. Fusion Principles	236
Why Does Fusion Work? • How Does Fusion Work? • The Formula for Organizational Fusion • Fusion Outcomes • Personal Remembering	
13. Final Words About Fusion Leadership	251
Drop Your Tools • Is It Time to Act? • Fusion Is Not an Event • Why Take Action? • Personal Remembering	
Notes	267
Index	279
The Authors	289

THE TRANSFORMATION MIRACLE

We began work on this book with the intention of describing the excitement and relevance of new science concepts when they are applied to management. After repeated delays and disagreements, we decided to spend several days together to crystallize our shared vision and to make a start on the writing. We picked historic Santa Fe for our retreat, renting a house near the central plaza so that we could walk, enjoy the weather, and explore the city while doing our work.

We learned so much from our discussions and discoveries in Santa Fe that we changed, and so did the book.

The downtown plaza is a square park edged and crisscrossed by sidewalks. Across the street on the north side of the square, Native American artisans sell jewelry and pottery in front of a museum. Shops and galleries on the other three sides of the square offer craft work and art of all types. The stores on streets radiating from the plaza also contain high-quality goods, including painting and sculpture.

The plaza atmosphere seemed cosmopolitan and diverse. As we walked, we intermingled with second-generation hippies

being entertained by a tattooed guitar player, conservative businessmen in suits, Native American vendors selling their wares, sunburned tourists in shorts, cowboys, robed and turbaned devotees of some religious order, teenagers playing kickbag, and a bearded birdman preaching the gospel while feeding the pigeons. This was a city of enduring cultural diversity: Anglo, Hispanic, Native American; gay and straight; traditionally religious and New Age spiritual. Nobel laureates from the Santa Fe Institute could attend a talk by the Dalai Lama.

We soon realized that Santa Fe—“the city different”—celebrates the individual, perhaps more than any community we knew. There is also a unity consciousness wherein people see value in their opposites. We talked with Buddhists, Quakers, and Methodists who welcomed each other. We observed feminists, gay rights activists, and men’s groups all coexisting. The value of individual differences was captured in a Tony Hillerman story about a visitor from Africa. The visitor reported that to fit in with New York City’s businesspeople, he was expected to wear a suit and tie, yet he was still treated as a foreigner. In Santa Fe, he walked around the city in his native tribal costumes. A few days before a city election, party workers handed him brochures and cards representing their candidates. He was perplexed. Talking with the campaign workers, he was told that they didn’t know he was a foreigner. They assumed this exotically dressed man was just another citizen of Santa Fe.

A lasting image was imprinted on our memory in an art gallery we discovered during our wanderings. The gallery displayed a collection of oil paintings of old doors, windows, and entryways, partially opened, set in thick, weather-beaten walls. Most striking was the incredible detail captured on canvas, approaching that of a photograph. A gallery employee explained that the paintings were the collaboration of a husband and wife team. Each takes a turn painting, adding to or changing what

the other has done. They paint over each other's work, adding their own impressions, until they agree on a final image. As struggling coauthors, we asked how the artists succeeded, since painting arises from individual creativity. The woman explained that they had developed an intimate sense of mutual trust and respect, and subordinated their individual egos to the picture being created on the canvas. They co-create. The paintings bring together the opposites of realism and impressionistic warmth, merging the two artists' distinct styles. The paintings are fiction and nonfiction in confluence, forming something more than real.

The paintings were powerful for us, because co-creation is what we had tried and failed to achieve. The artists had fused their separate talents into a unified whole. Fusion is what organizations achieve when employees' creative energies contribute to the common goal. Instead of staying behind high walls, people open doors to each other, achieving results beyond what is possible when they remain separate. The simultaneous expression of individuality and collaboration in Santa Fe was a metaphor for what we and many corporations were trying to become.

We also found that during our time in Santa Fe, our relationship changed. We had worked together for years, but didn't really know each other. This time provided opportunities for meandering discussions and disagreement. The difference in our agendas for the book became clear, but we discovered common ground in our shared concerns about marriage, work, stress, management of our leadership centers, and relationships with client companies—strong common ground that had nothing to do with the book.

Perhaps it was no coincidence that our conversations occurred only thirty miles from Los Alamos, where the atomic bomb was given to the world. Splitting the atom released power beyond imagination at that time, and the hydrogen bomb soon

followed, with power several times greater. Modern corporate hierarchies depend on a division of labor and systems of control reminiscent of atomic fission, and therewith have produced an abundance of products and services. The hydrogen bomb is fusion-based, meaning that atoms are joined together rather than split apart. In companies, the equivalent process is bonding employees together for empowerment and partnership so that they can achieve an even higher level of performance.

Our own version of fusion occurred during a “front porch” conversation that laid the basis for a book going farther than either of us had imagined. Although we both think of ourselves as individualists, we found ourselves able to set aside our egos and differences, to listen to each other, and to reconcile our conflicting agendas. Understanding each other on a personal level became as important to the project as our knowledge of techniques for changing organizations. It enabled us to paint on one canvas, not two.

We saw that the problems faced by companies we worked with would not be solved with new science concepts alone. A book such as Margaret Wheatley’s *Leadership and the New Sciences* provided a powerful new lens through which to understand today’s organizations, but equally important are ideas about individuality and personal growth. These ideas are explored in books such as David Whyte’s *The Heart Aroused: Poetry and the Preservation of the Soul in Corporate America* and Stephen Covey’s *The Seven Habits of Highly Effective People*. It is the fusion of these two elements—the system and the person, the exterior world and the interior world—that makes a company unstoppable. Indeed, they need each other: the self-organizing, empowering company needs whole people who are growing and want to contribute their best to the fast-changing organization.

We also began to see why companies moving from hierarchical control to empowerment have such a difficult time. Organizational structure and systems need to change, but so do the people giving and receiving empowerment. A self-adapting

organization asks more from every person. A mindset shift away from separation and toward fusion must occur in everyone, whether leader or follower. This is a different paradigm from the conventional management thinking that relies on separation of individuals by department, division, and level.

PREVIEW OF THE BOOK

The purpose of this book is to describe organizational leadership by reference to principles of fusion (joining together) rather than fission (splitting apart, separating).

Part One (Chapters One and Two) describes how traditional hierarchies have suppressed individual qualities, and how fusion awakens personal subtle forces—for example, mindfulness, courage, and vision—that can transform a company.

Part Two (Chapters Three through Nine) is devoted to the idea of personal fusion. These chapters explain the interior self and challenge you to unlock the subtle forces, each of which we describe in depth.

Part Three (Chapters Ten through Thirteen) explores organizational fusion and describes transformational technologies that can catalyze fundamental change in large organizations.

Throughout the book, we make extensive use of stories, parables, and metaphors. A story is designed to go beyond logical argument to touch the subtle mental, emotional, and spiritual elements within you. Stories and metaphors are gentle in their approach, yet provide greater depth than is normally possible in a book about leadership and change. We invite you to spend time with the parables and stories. Let them soak in. Develop your own interpretation to gain access to the subtle forces within you. Readers who want to move instantly to the bottom line may find this approach unfamiliar but will quickly understand the deeper possibilities within themselves that these stories evoke. Whereas direct exposition (strong force) appeals to the

rational mind, stories and metaphors (subtle force) appeal to the spirit within. Watch your reactions to these subtle images as an indication of your own progress toward personal fusion.

End-of-chapter questions and exercises will trigger self-reflection and personal discovery and will thus help you to “remember” the subtle forces. These forces already exist within you. Fusion leadership is not about new skills as much as it is about remembering and unlocking potentials that have been there all along. Self-inquiry will help you remember, in a sense, who you really are, and when you do, you will be able to awaken these potentials in others.

Answering end-of-chapter questions is a first step toward creating fusion within yourself. We encourage you to write answers to the questions and to discuss those answers with others. In our experience, both writing and conversation provide access to a deeper place than does solitary reflection.

In our relationships with executive students, corporate clients, and participants in leadership and change workshops, we are constantly reminded of peoples’ desire for something more than is currently being expressed in their work. They yearn for subtle things like meaningfulness, a shared dream, a voice, opportunities to give of themselves, to learn, to venture beyond tradition, to work on what they care about. When we touch these yearnings, personal enthusiasm and energy skyrocket, and organizations reap huge rewards.

This book describes how leaders can make the transition to fusion. The transformation of people and organizations is accomplished through self-inquiry and social science technologies such as *dialogue*, *future search*, and *whole-scale change*, which redefine the relationship between individuals and organization. On the basis of personal empowerment, autonomy, and a shared future with others, people in traditional structures can discover and embrace their inner potential for leadership.

PART ONE

THE PROMISE OF FUSION