INTERVIEW WITH GARY HAMEL

ORGANIZING THE CHURCH TO OUTRUN CHANGE

Recently, Andrews University, Lakeland HealthCare, and Whirlpool Corporation invited Gary Hamel to speak to a joint audience at Andrews University. Hamel, ranked the world's #1 most influential business thinker by the Wall Street Journal, *shared insights from his latest book,* What Matters Now. *Erich Baumgartner, Duane Covrig, and David Ferguson, members of the faculty community of the Department of Leadership at Andrews University, and Stan Patterson, Director of the Christian Leadership Center and Chair of the Christian Ministry Department at Andrews University, also had the opportunity to interview Hamel and talk more about some of the issues that drive his passion for improving leadership and organizations.*

ERICH BAUMGARTNER: Gary, as you know we are engaged in developing leaders in an innovative academic program. We constantly wrestle with the question of how to do this in a more effective way. For this reason we would like to talk to you about developing the kind of leaders you are talking about in your most recent book, *What Matters Now*.

You are now well known for your call for new systems of management (*The Future of Management*) that enable people to be creative. How did you find your way into this passion for innovation as an organizational response to rapid environmental change?

GARY HAMEL: I think there's an intellectual journey and then there's a more personal journey of just the circumstances that led me to this; but let me give the intellectual journey.

My Ph.D. was in international business from the University of Michigan and my first job after my Ph.D. was at the London School of Business teaching strategy. What began to interest me there and while writing articles about strategy, was that for any organization creating a strategy is essentially an innovative process. In a competitive environment, the only thing that really matters about an organization's strategy is finding a different way to compete and a different way to win.

So I began to be more interested in innovation and the way most organizations thought about strategy. Usually they had a planning process that was very deductive and quite mechanical. It tended to be dominated by individuals in the organization who had spent maybe their whole life in that business or in that industry. So there was a lot of orthodoxy built in that never even got talked about during that mechanical planning process. And I saw this more and more as being an innovation problem, and not just a "turn-the-crank-on-a-planning-process" kind of problem.

That led me to start thinking deeply about innovation. As I started to study innovation, the thing that struck me was that when you went inside of most organizations and you found something that they had done that was truly innovative and game-changing, and you talked to the people behind that idea, almost always that innovation happened despite the system rather than because of it. These institutional innovators had the courage of Richard the Lionhearted and the patience of Job just to pull this stuff off, because you were fighting all of the forces of the status quo.

In each phase of my career I've wrestled with this cognitive dissonance. I look at the way companies do strategy and it's very pedestrian. In fact, they call it *strategic planning,* which I've always thought is kind of an oxymoron, like British cuisine or something. (No, I'm just kidding there; actually British food has gotten really good in the last few years.) For me "strategizing" and "planning" are completely different activities. So I was trying to resolve that dissonance and say, no, strategy—the strategizing part—needs to be deeply creative and deeply innovative. And I believe that's true whether it's for a church, a seminary or any organization.

So then I started to focus on innovation, and the dissonance I saw there was between the importance of innovation in the organization, and the fact that there was very little in most organizations that encouraged innovation. People didn't have the time to do it, they weren't rewarded to do it, folks in the organization didn't have a common definition of what was innovative and what wasn't innovative, people weren't really held responsible for it, and people weren't trained for it. And so then I spent several years working with a lot of companies around the world thinking about how to make innovation a deep and distributed capability, or how to make innovation everyone's job every day.

And as we struggled to do that, another epiphany emerged, and that is that what we were trying to do seemed entirely logical, but also

seemed almost impossible. And the reason wasn't because individuals themselves can't innovate, but the reason was that the organizations we were working with had been built from the bottom up to be very good at operational efficiency but not very good at spurring new ideas and particularly rule-breaking ideas.

So that kind of led to my work over the last few years, which has really been focused on recognizing that if you want innovation of any sort in an organization, you have to start by innovating around your management processes. This means that you have to work much harder to find the dissidents in your organization. You have to create those incentives for new thinking. You have to make it easy for people to run experiments. And you have to teach them to do that. And so to get innovation in strategy, or innovation in services, or any sort of innovation, we actually have to change this fundamental management DNA in organizations.

So I've kind of gone from strategy to innovation to then thinking about management and this ideology we have around control in organizations and how we rebalance that with principles that are more focused on creativity and innovation and experimentation.

For me a leader is somebody who can get things done when they don't have positional authority.

EB: You've spoken about control and freedom as a paradox we need to embrace. Could you explain that further?

GH: Yes, I believe there is a deep assumption, a widely accepted ideology, especially among managers, that control is the basic way to approach management and that bureaucracy is the most rational way to get control (Max Weber). So we end up with a pyramidal structure of managers who manage more managers who in turn manage yet more managers. Thus the organization becomes inefficient and even incompetent.

In a world that is becoming more turbulent, we need organizations that are adaptive and that encourage innovation. And standing in the way is that old ideology of control. The implicit model in many organizations is that control x freedom = a constant. And if control goes up,

freedom must go down and vice versa. But control and freedom are not mutually exclusive. We need both.

I will venture into a place where I have limited expertise, but I think about the paradox of mercy and justice in the Bible. Psalm 7:11 states, "God is a just judge, And God is angry *with the wicked* every day" (New King James Version). And Psalm 103:8 says, "The Lord *is* merciful and gracious, Slow to anger, and abounding in mercy." It's easy to view the two ideas of mercy and justice as either/or concepts. We want to choose one or the other, but clearly both ideas are needed. The truth is in both extremes—not in the middle. And the same is true for freedom and control. And, by the way, I believe humans are very good at managing paradox.

EB: Another possible dichotomy might be leaders and managers. Let me read the first few sentences in your new book: "If you are a leader at any level in any organization, you are a steward of careers, capabilities, resources, the environment, and organizational values. Unfortunately, not every manager is a wise steward" (Hamel, 2012, p. 3). In the first sentence you talk about "leader" and in the second sentence about "manager." Could you please clarify, do you use those terms interchangeably?

GH: You know, it's a really good question, and I don't know whether I can clarify it; let me try, because I do probably use them interchangeably, and it may be just because I'm a little sloppy there. But let me think aloud on this for a moment.

I make a distinction—you know, you can talk about management as a layer or a set of layers in an organization: "the management," "the folks up there," "the suits," and so on. Or you can talk about management as a set of activities that people need to get done. So if you think about management as a set of activities—I need to set direction, I need to get my resources behind the right priorities, I need to find the right people, I need to produce budgets, I need to produce milestones, measure so I can track my progress, create incentive systems to keep people focused on the right things, identify variances as they arise and correct those variances—all of that is the work of "managing." And I think the question for me is, is there some kind of work of "leadership" that goes beyond that? And if there is, I'm not sure what it is. Because I would even argue, you know, whatever objective you set for yourself, understanding what are the values that you're going to need to put around the organization that drive you in that direction, that's important too.

So I think historically we made a distinction between what I would call in organizations "executives," "managers," and "operators." So the executives, you know, those are the top corporate officers; here at Andrews it would be your vice presidents. And then managers are kind of a level down from that; middle managers. And then you have the people every day who are cleaning the floors, and running the IT system, and keeping the lights on, and so on. And I think historically we saw the executing, the managing, and the operating as corresponding to different organizational levels. And I think more and more, I see those not as different levels but just different sorts of activity. And so, at least my vision of where organizations are going to go is, in any given day, anybody in that organization could play some or all three of those roles.

So let me give you some examples: IBM, Red Hat, and 3M all invited company-wide conversations when trying to define their values and growth opportunities. Suddenly, something that was historically regarded as the work of "the leaders" is now crowd-sourced to a much broader group.

On a given day, I may be contributing to this conversation about where the company should go next—that's kind of an executive leadership issue. I may be working on PowerPoint slides for presentations—that is really an operational issue. And I may have some managerial role as well and I'm checking in on a team to see how they're doing, making sure they're on budget and on track. So I think what is slowly going to disappear is that kind of organizational caste system where leadership means people at a certain level rather than people who are thinking about the future, who are externally oriented, who are thinking about opportunities, and who feel responsible for preserving the company's values. I want *every employee* to think in that way.

So I'm not sure I draw a very clear distinction between managing and leadership. I guess I kind of turn the question back and say, if you think there is a distinction between leadership and management, how would you define it? Because I think the work of managing includes the direction setting, it includes values definition, it includes all of the things that I think we normally put under the rubric of leadership.

For me a leader is somebody who can get things done when they don't have positional authority. Because you can give somebody positional authority—you can name them vice president—that doesn't make them a leader. And you have people who have no authority at all who do amazing things.

I think of this—I won't even remember the name of this movement—

you can find it online with a little Google search. But there's a woman in India who started a movement. They were so upset at the fact that police were turning a blind eye to prostitution and corruption that she started a movement. And these women, all they have is sticks; they don't attack anybody, but it's kind of a symbol of power for them. And so they march on police stations and they've gotten a lot of local police commissioners fired in India, and they've become this very powerful force. Well, that person is a leader! Right? No hierarchy; nobody elected her; I'm sure there's no formal power structure. But for me that's a leader.

EB: So how can we prepare that kind of leader?

GH: Well, it's interesting. Again, I've spent my whole life, I suppose, in leadership development in one way or the other. I've been an MBA professor forever and I've done a lot of executive education. And I believe there is a huge amount of value in leadership development. I think that teaching people to be self-aware, and teaching people to be emotionally intelligent, and teaching people how to work from the future backwards, and helping them master the tools that you need to run complex organizations, I mean, this has to be a good thing.

I guess what I'm saying is—the world is becoming more turbulent faster than organizations are becoming more adaptable. And this is definitely true for the church in North America. But what I would also say is, the challenges that are facing leaders are growing faster than leadership competence, or the collective competence of any small number of leaders. So it's not that we shouldn't work our very best to train leaders and make them as competent as possible. But vesting that leadership responsibility in a small number of people at the top of a largely pyramidal organization—I mean, if the assumption is we are training people to climb the ladder to occupy the commanding heights, however well we train them, they are not going to be up to the task. If you put those leaders inside of traditional pyramidal organizations, which I argue empowers the few at the expense of the many, and all this effort often fails to exploit the collective intelligence of the entire organization—they will struggle.

I think what we're finding is that the organizations that are going to win are the ones that do the best at exploiting the intelligence, the imagination, of everyone there. But they don't start out with any kind of prejudice about who can contribute to what sorts of decisions or who

should really be in control on what kind of issue. Simply look at the track record over the last few years, where most of the new markets, the new wealth, are being created by relative newcomers to the industry, and you say, "OK, so how much does experience matter anymore?" Right? If somebody comes along like Mark Zuckerberg, a 20-something year old, and can challenge the 30-somethings at Google, who in turn challenged the 40-somethings at Microsoft, who challenged the 50-somethings at IBM. Experience matters a little bit, but what you see again and again is that when you give a small number of folks—"leaders"—when you give a small number of leaders in an organization a disproportionate share of responsibility for strategy and direction, you are implicitly giving that small group of people the ability to hold the organization's capacity to change hostage to their own willingness to adapt to change. So the pace of learning of that small group at the top becomes the gating function on the capacity of the entire organization to change. That model I don't think works anymore.

David Ferguson: I direct the Undergraduate Leadership Program at Andrews University. What you have just said seems to have implications for the age range of people who might make really core contributions. Does it also in your mind affect our approach to developing them? Would it be dangerous to relegate leadership development to business and MBA programs that seem to feed that pyramidal structure, or should we not make a more universal attempt at training innovation and so forth?

GH: I totally agree. Because I still argue if you go back and you say, OK, there's a lot of managerial leadership needed—however you define that. In other words, there's a lot of skill and competence that's needed to bring resources together, to motivate people, to inspire them, to put a plan together, to get something started, and so on. I'd like as broad a number of people to have that skill in society as possible, because what makes the economy vibrant is that you have all of these newcomers who can challenge the old guard. It's a kind of economic Darwinism, I guess you could say. I don't believe any organization should be protected from its own stupidity. If you can't adapt, you're going to die. And creating people with those leadership skills, you look at the huge explosion over the last few years in social entrepreneurship; it's an amazing thing to see. In fact, a lot of my MBA students don't want to go work for these big companies anymore. They don't want to work for

Shell and General Motors. They want to go to some startup or some social startup. And what you see now is that the first generation in history is now coming of age whose primary social reference point is not a hierarchical organization. This is the first generation in history for which that has been true. And so they just expect to be able to contribute.

DF: Deep ramifications for the church, then.

GH: Absolutely. Most young people do not want to work in a hierarchical organization, and they don't want to worship in one either.

STAN PATTERSON: I'm old and I don't want to work in a hierarchical organization.

GH: Yeah, exactly. Why would anybody? What young people have learned in those social networks, online forums, blogs, wikis, etc., is freedom to communicate, freedom to create, freedom to connect, freedom to choose, and freedom to challenge. Nobody will be able to take that away from them—and we shouldn't want to!

What my friend Drew Williams at St. Andrews Church would say is *low* control and *high* accountability. In these new structures, employees are held accountable to their own mission by their peers. In my book I describe what happened in Drew's church when he used a totally different approach (chapter 4.3, "Building Communities of Passion").

SP: And the question I have—and I've worked as a pastor, I've spent 15 years as a denominational administrator, and I'm teaching now—how might this fit into the organized church today, especially given the fact that the church continues to move toward a centralized model?

GH: You know, I don't think it really does fit. I think there may be a migration path. But there's a reason (and I'm making a generalization) that many if not most of the fastest growing churches over the last several decades in the United States have basically been entrepreneurial churches. It used to be if you were at seminary, you wanted to come out and find a big pulpit. So in our [Adventist] church that might be Loma Linda, or Andrews, or, I don't know, Silver Spring [Maryland]. If you're a Presbyterian or Episcopalian it might mean something else. It's just the parallel of what we've seen in business—people wanting to be CEO

of a large company. But I think over the last few years, a lot of the brightest, young, most ambitious pastors want to go out and build their own church. But the dilemma is that if you look at those churches, they follow the same kind of 40-year curve. They grow very fast, but then that recipe becomes stale. I mean, the megachurch phenomenon is mostly over, right? It's now on the downside of its strategy curve.

And so I think there are ways of starting the change and I'm trying to do it with the church I'm part of. But I'm not sure that it starts with some big program at the center. It might. If you can get people at the center to understand this, and understand this is not an option, that these organizations are too slow, they're too inflexible, they're too disempowering, sometimes you can kind of convince a CEO, a president of an organization, to get there. More often I think you have to start with wherever you are lower down, and you just start experimenting with a different model.

DUANE COVRIG: But even then, for example, the Ohio Conference [of Seventh-day Adventists] voted to dissolve themselves—they thought there were too many layers. The Union [the higher level] already did the payroll and everything, but it said, no, you'd better not do that. So even if you try at certain levels, you might not be able to make it happen.

GH: Yeah. I think to do it—and there are very few organizations who've been down this path—you have to mobilize, whether they're frontline employees, or parishioners or congregants. But there's often what I've described as a "Gorbachev problem." So if you think about Gorbachev in the final days of the Soviet Union, I think he genuinely was an advocate for *glasnost* and *perestroika*. And so he knew; he could see the handwriting on the wall. And the people wanted a different sort of life. They wanted food in the shops, and more freedom to travel, and so on. But the problem was the *nomenklatura*, right? It was all the city bosses and the party administrators in between. And I think it wasn't until Yeltsin kind of lit the fire in Moscow that change started to happen for good; you had people out in the streets and so on. And you've seen it with the Arab Spring. But essentially, if you have somebody pushing, even a very enlightened leader, who's pushing from the top down into that mush of the institutionalized bureaucracy, of the *apparatchiks*, you're not going to be able to change. And if you have just a bottom-up thing that isn't legitimized from the top, ultimately they will splinter, right? Because they don't have the charter, or the permission.

So in the organizations where we're trying to do this, what we're trying to create at the very top is this sense of, "Guys, this is not an option. This has to change. The old structures are simply not going to work; they will not serve us well; they are not consistent with the first-century church at all." In fact, the most eye-opening book I read over the last several years is a book called *Pagan Christianity*. It's written by George Barna and somebody else [Frank Viola]. He argues that most of the church structures—you know, as Adventists, you can look at the Catholic Church and be critical about all of the tradition and all of the hierarchy. But you know what? We're hierarchical, too! And we have our statement of beliefs. I'm not trying to have equivalency. But if you look broadly at the church structures that we have, as I understood that book, a lot of those got created with Constantine. When he was trying to legitimize this emergent, dynamic movement he needed also to find something for these pagan priests to do, and they had a structure that mirrored the Roman army. And so he overlaid that structure onto this new church, with the bishops, and the hierarchy, and so on. And in one way or the other we've all kind of copied that organizational model. And you know, it's a tough thing to think through the alternatives. But if there is an alternative, I think it's going to have to come from either political leadership at the top of the denomination, or a few very influential pastors challenging their congregations to think in very, very different ways.

I actually go to a Presbyterian church, and I think it's the largest Presbyterian church in the country, certainly the largest one on the West Coast; it has about 6,000 members. And so I've been working with them. And it's probably per capita one of the richest churches; I mean, we have probably 30 or 40 billionaires in that church—entrepreneurs who've built companies, and so on. And, you know, they're pretty satisfied. And then you say, "Alright guys, let's think about it: of the seven million people in the Bay area of California, four million of them have no religious affiliation whatsoever. And as a church, despite having all of this wealth, all of this talent, we are just fundamentally irrelevant. And so what are we going to do with that?" We show up every week, we're really satisfied, we've got amazing music, amazing preaching, etc.. It's like entertainment. But are we doing something? And this huge amount of untapped leadership talent is sitting there, that has never been asked to do anything except put money in the plate, show up on the programs, do what we ask you to do, but has never been unleashed.

SP: But the original DNA of the church was different. It is more like the model of organization you call for in your book—a model that embraces the idea that we were created to create?

GH: Oh, I think so. And I think that's why the church grew—literally it was the world's first viral organization. And when a church got to a size that it could no longer fit in one house, you split and you started meeting somewhere else. But not the idea that you had two or three thousand people together—and as I understand it, and you guys can correct me, there was no professional clergy. There were people who traveled to help plant new churches and start new communities. But the idea that we're going to outsource spiritual leadership to a paid clergy? That was not a first-century idea, I don't think.

I have this DNA analogy about why innovation is so difficult. If you think about a dog, it's certainly possible to get a dog to walk on its hind legs; if you get the right incentive in front of its nose, it'll take a few halting steps. But the moment you turn your back the dog is back on all fours because it has quadruped DNA; it does not have biped DNA. It's just never going to really be comfortable on two legs.

And so what really struck me was that there was something very deep and fundamental in organizations that made innovation almost impossible. And that really deep DNA was a set of principles around which these organizations had been built—principles of standardization, and hierarchy, and alignment, and conformance, and control, and discipline, and predictability—all of these principles are very well represented in our management processes—including the church. We have a lot of ways of making sure that people never color outside the lines. But instead we have to ask ourselves, what will the church look like that honors, respects, and enables parishioners of all ages to live, worship, and evangelize in the way they were created?

EB: So what advice would you give to church leaders—well, to all of us, even just ordinary parishioners interested in renewing the church?

GH: Several years ago I gave a presentation to church leaders at Willow Creek in Chicago. Much of my thinking about churches is in my *Wall Street Journal* blog about that experience (http://blogs.wsj.com/management/2009/08/21/organized-religions-management-problem/).

But basically I have two suggestions: First, you have to be able to overcome the natural human tendency to denial. How is the church

doing? What are the facts? Here's some I think about:

- On an average weekend, only 17% of Americans are in any sort of religious meeting.
- In 2006, there were 91 million more Americans than in 1990, but there was no increase in church attendance during this time frame.
- Young people—most have kind of a neutral view of the church but of those who are negative or positive the ratio of negative to positive is 16 to 1.
- One research study of 100 lifestyle variables found that only in a handful of variables was there a difference between Christians and their non-Christian neighbors. Only one out of four believers will do anything for their neighbors.
- Church consultants Tom and Sam Rainer define a healthy church as one having a "conversion ratio" of 20 to 1. That is, it takes fewer than 20 members in the church to bring in a new member in one year. By that definition only four percent of churches are healthy. Most Christians don't feel personally responsible for bringing someone to Christ—that's the work of the pastor.
- Barna defined 10 stages of spiritual growth—from "no commitment" to "settled, committed to love God and others." He found only 11% of Christians get beyond Stage 5 and less than two percent have a fully mature relationship with Jesus.

So is the gospel failing us or are our churches failing humanity? I believe, like you, that Jesus is humanity's best hope. And I believe that the church is the embodiment of that hope in this world. If the church loses its influence in society, we're all worse off for that fact. Victor Frankl believed that humans who live in the absence of some sort of transcendental purpose will be bored, cynical, and selfish. And if that doesn't describe the postmodern society, I don't know what does.

The Christian church is not doing well. Church is a weekly convocation of the converted and the content. It is not an incubator for fledgling Christians. So is the problem with the message or our methods? How effectively are we engaging those who aren't even nominally Christians? How effectively are we moving people to transformation? There's much about what we do that is not effective. A lot of things are going to have to change if we're going to reverse these trends.

It's easy to blame secular forces for these trends. We live in a consumer-driven society where the size of your paycheck counts for more than the quality of your character. A media-saturated society offers us

an unlimited number of distractions to take us away from reflection. Young people have become deeply cynical of all sorts of societal things, including the church.

Living in a society that is increasingly "me-centered" has made things more difficult for the church. But what is our response? We could wring our hands in despair, or maybe we should feel grateful that so many people are not just going through the motions. Maybe we should be glad a materialistic culture has left people hungry for true authenticity. The fundamental problem facing the church in the 21st century is not materialism, not atheism, not skepticism, not relativism. It is inertia. We are institutions that are not changing as fast as the world around us. And the power of inertia is so strong that it takes a crisis to make a change. How do you create a church that forever outruns change?

That brings me to my second point: We must generate a bunch of new ways of doing worship and evangelism. We need to try new things. In Silicon Valley, we have to generate thousands of ideas to get only a few useful ones. How do we get every single member of the church to be an entrepreneur?

I don't believe any organization should be protected from its own stupidity. If you can't adapt, you're going to die.

In one church, some members chose to buy prostitutes' time in order to share Jesus with them. Another church gave out cards on a university campus apologizing for the sins of the church—the Crusades, the way gays and lesbians have been treated, etc. Some churches are meeting in coffee houses. What would happen if we invited atheists to our churches to tell us what they experience?

In business it's almost always the newcomers who come up with the new ideas; they don't have the embedded orthodoxy. What are the things that haven't changed for 10 or 20 or 30 years? Why haven't they changed? We need to examine our practices. Why can't we bring our laptops and iPhones to church without someone telling us to put them away? Why is church a lecture and not a discussion? How do we deliver the function without the form? What matters is contribution, not credentials. Earlier I mentioned Drew Williams, a young pastor in a small Anglican parish in the UK. He was tired of top-down models and determined to unleash the natural leadership of his parishioners. Mission-

shaped Communities emerged that were led by lay leaders, and the church grew from 500 to 1,600. You can read his amazing story in the book *Breakout*. That's an example of what I'm talking about. We need to rethink our organizations and turn them upside down.

I think the early Christian church was a lot like the organizations I'm describing. It was more like Habitat for Humanity or Alcoholics Anonymous—more like a grass roots movement. The early church grew from a comparative handful of believers after Christ's death to 31 million by A.D. 350—about half of the population of the Roman Empire at that time. The early church was communal, unstructured, non-hierarchical, and organic. It was powerful spiritually, not institutionally powerful. The church is nothing more than a community of communities, the people of God. The problem with organized religion is not the religion part, but the organized part.

EB: So your vision for the church is that we figure out new ways to get more people actively involved in the work of the church, in outreach, etc.?

GH: Yes! I think in the more traditional bureaucratic model, we put an almost impossible intellectual and moral burden on "the leader," whether it's the president of a university, or a corporation, or a country, and then we're kind of surprised when so many of them fail to live up to those expectations. Over the last few years, you look at a lot of very, very famous CEOs and big companies who've really proved to have feet of clay: I think of Jürgen Schrempp at Daimler-Chrysler; of Ed Zander, who went from Sun Microsystems to Motorola and was a time there; of Howard Stringer, who for more than a decade has been leading Sony slowly down the tubes; Carol Bartz at Yahoo!; Léo Apotheker at HP. And so you look at all of these "leaders," all of them were trained, were mentored, were vetted, were selected by some of the smartest people in the world—Egon Zehnder, the big headhunting firms—and they met the board, and yet all of them somehow proved to come up short.

And so the question I've been really asking myself over the last few years is, Have we been placing too much emphasis on "the leader"? Let me say it like this: Somebody once said about the United States (and this could be said of any constitutional democracy) that the United States was invented by geniuses to be run by idiots. So there's a huge amount of care and thought in the setting up the constitutional parameters of the United States, the balance of power, and so on. And

so the reality is that the resilience of a democracy, the resilience of the United States does not depend on who's in the White House. Now that person can screw things up; and in a crisis sometimes you need a strong leader there. But mostly the nation absorbs immigrants, and new businesses get created, and political movements get started, and here's Occupy Wall Street, and here's Tea Party, and nobody really decided, nobody gave them permission, and so on. So there's this hugely vibrant, organic thing that's always morphing, always changing, but they're not waiting for somebody in Washington to give them permission. In fact, usually those folks are the last to see it. "Oh gee! OK, people care about the environment!" Or some other issue. And I often feel that our organizations are kind of the reverse—they seem to have been invented by idiots and can only be run by geniuses, so we need these exceptional leaders. When I listen to Jim Collins or these other folks who talk about how we need leaders who are bold yet prudent, who are strong yet empathetic, who are decisive yet reflective, etc.

DC: Others need not apply.

GH: Yeah, well, that's what every woman hopes for in a husband—that doesn't happen very often either. So, my sense is leadership genius is very narrowly distributed. And in fact, the Hay Group (it's a big HR consultant company) published in 2010—maybe they do this every year, but I just went back a couple of years—they published a list of the best companies in the world for leadership. And they were asking CEOs to nominate these companies. I don't think they had a very scientific way of doing this—but presumably companies that spend a lot of time growing, mentoring, training, selecting leaders. So I looked at these 20 companies, and since 2010, only four out of 20 have outperformed the Dow Jones Industrial Average. So they might be good for leadership, but they're not very good for investors, right?

So you start to say, "Well, maybe the problem is that leadership genius is extraordinarily rare." How many people really have the innovation instincts of Steve Jobs, or the political skills of Lee Kuan Yew, or the emotional intelligence of Desmond Tutu, right? It's not a long list. So for me the question is a little different. Is the question finding and growing extraordinary leaders, or is the question building organizations that can thrive with kind of average leadership? And I think maybe that's the more important thing. Not that you shouldn't work to get the very best people in the job, but as the environment becomes so

much more complex, as the pace of change accelerates, as the number of issues that have to be dealt with multiplies, you reach the cognitive limit of any small group of people.

And so I think more and more I see the role of a leader as being a *social architect* who thinks about, "How do I harness the collective genius of an organization in really productive ways that help us grapple with these really complicated issues?" But I can't start with an assumption that I have the bandwidth, the expertise, the data to do it on my own. So the leaders that I find very interesting are less in the Jack Welch mold—the great, famous ex-CEO of General Electric—and they're much more folks like Jimmy Wales, who created Wikipedia, or Linus Torvalds, who is behind Linux and the whole open source movement. These are people who really are building collaborative architectures that allow many people to contribute, that get the best ideas up to the surface, that allow natural leaders to emerge and exercise their gifts. But the model of the leader as the person who is the decision maker in chief? I think that model just isn't robust enough given the environment today.

EB: Final summary points?

GH: We must ask ourselves: "Are we more committed to redemption, renewal, and reconciliation than to our programs, policies, and practices?" If we are, then what would be the test—the evidence of such a commitment? The next generation has grown up in the non-hierarchical world of the Internet where they can make a difference. They are ready to make a difference. How will we respond?

We need to pray that God will give us the imagination to reinvent the way we do church and the way we think about organizations, and the stamina to see things through even when the path forward is very uncertain.

Reference

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