# Developing Adaptive Leaders for Turbulent Times:
# The Michigan Model of Leadership

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**In complex and dynamic times, the Michigan Model of Leadership enables leaders to recognise and effectively manage competing tensions in organisational life. Leaders who utilise the process of Mindful Engagement learn to balance these tensions and make an impact in a world where there are no easy answers. We need leaders with empathy, drive, integrity, and courage – across society and throughout organisational hierarchies – whose core purpose is to make a positive difference in the lives of others.**

Our generation has been witness to revolutionary advancements in industrial and information technology. Yet, modern organisations face challenges that are unprecedented in complexity and scale. The globalisation of international trade is creating more complex flows of people, goods, funds, and technology across national and political boundaries. Economic institutions that were historically independent are now part of a global ecosystem that, upon its collapse in 2008-2009, erased $14.5 trillion, or 33 per cent, of the value of the world's companies in only 6 months. Furthermore, the addition of 80 million people each year to an already overcrowded planet is exacerbating the problems of pollution, desertification, underemployment, epidemics, and famine. Two billion people lack access to clean water, 80% of people live on $10 or less per day, only 53% of students in U.S. cities graduate high school, and climate change threatens to alter our way of life. These challenges will define the future of business and society, but how business and

society respond to these challenges will define our generation's legacy. Leadership has always been important, but the need for leaders who embrace this responsibility and can mobilise collective action in service of bringing about positive change has never been greater.

Historically, societies have looked to leaders as heroic figures with the charisma to charm the hearts of people and show them the way forward. Think about Martin Luther King Jr. during the civil rights movement of the 1960s in the United States, or Winston Churchill leading the United Kingdom during the Second World War. Unfortunately, Adolf Hitler had similar charismatic qualities that allowed him to capture the hearts of the Nazi party, leading to the death of millions. To address the political, economic and social challenges of our generation, we need more than charismatic figures. We need leaders whose core purpose in life is to make a positive difference in the lives of others, and who embody the courage, empathy, integrity and drive that is necessary to tackle tough challenges. Moreover, people routinely confuse leadership with formal or hierarchical power, expecting leadership only of those who hold lofty titles or positions of authority. Instead, we need leadership from all corners of society and at all levels of organisations. Today's challenges are simply too complex and the need too immediate for people to be waiting for direction from a single leader. Leadership is not a right that is afforded to some but not others. Neither is leadership merely a position. Rather, leadership is a set of actions that anyone can engage, and we need each person to have a bias towards action with a commitment to the collective good. Finally, most people look to leaders for answers, but given the challenges we face, leaders must understand that there is rarely a single answer. Rather, there is a competing set of tensions and trade-offs that must be considered, and leadership is about making tough choices and balancing those competing tensions.

Our purpose in this article is to introduce a model of leadership that illustrates the core purpose, values and actions that are necessary for leading in today's complex and

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dynamic world. In the 1950s, scholars from the University of Michigan -- Daniel Katz, Robert Kahn, and Rensis Likert -- conducted ground-breaking leadership research that spawned the Human Relations movement. Based on their research, managers were encouraged to adopt leadership styles that were less job-oriented and more employee-oriented by showing consideration for the needs of employees and enabling their participation in organisational decisions. What may sound obvious today was revolutionary in the 1950s, at which point leadership was mostly about providing structure and ensuring jobs were completed within specification. In this article, we hope to stand on the shoulders of Katz, Kahn and Likert (and others) to introduce a new way of thinking about leadership as a means to positive change in business and society. This new model -- called the Michigan Model of Leadership -- brings to the foreground the core purpose of making a positive impact on business and society, and articulates the values and actions that are needed to balance tensions between stability and change, and internal versus external stakeholders. After introducing the model, we identify strategies and practices for developing responsible, purpose-driven leaders in your organisation.

## The Michigan Model of Leadership

The Michigan Model of Leadership (MMoL) explains how people can lead positive change in their lives, teams, organisations, and society. The MMoL is deeply embedded in the leadership research conducted by many prominent scholars across an array of organisations, market sectors and national boundaries.

To be clear, we make several assumptions about leadership in the 21st century. First, leadership is not defined as a position or title. Instead, it is a set of actions that anyone can engage in regardless of where they sit in an organisational hierarchy.



**Figure 1: The Michigan Model of Leadership**

> What do we mean by positive difference? It is about impact and legacy -- leaving your team, organisation, or even the world a better place than you found it.

As Robert Quinn (University of Michigan) describes in his research on the fundamental state of leadership, at any time, each of us can choose to be and act as a leader. Second, effective leaders do not lead by commanding compliance of others. Instead, effective leaders empower, challenge, and support others to accomplish shared goals. In this sense, leadership is not something you do to people, but rather is about how you work through other people to enable excellence. Third, effective leaders are acutely aware of their personal strengths and how to leverage those strengths to bring out the best in themselves and others. No leader is perfect. All leaders have weaknesses, but the effective ones understand how to complement their weaknesses and leverage their strengths to enable their own and others' best selves. These assumptions are important because they make leadership accessible to people young and old, with power and without it. Leadership is a choice, and all of us can choose to lead.

At the centre of the MMoL is a core purpose: to make a positive difference in the world. What do we mean by positive difference? It is about impact and legacy -- leaving your team, organisation, or even the world a better place than you found it. Researchers such as Adam Grant (University of Pennsylvania) have shown that focusing people on the impact of their work -- for example, the positive impact on customers -- is not only motivating and inspiring, but it also results in sustainable performance improvement. We are teaching leaders to visualize the impact of their work, use that positive impact as a calling to mobilise their teams, and ultimately achieve greater performance by embracing as their own purpose to make a positive difference in the world.

Surrounding this core purpose -- what we refer to as the positive core -- is a set of values describing how the mission is achieved. Our research shows that the most effective leaders (1) are empathetic and committed to seeing the world through others' eyes; (2) are driven and routinely stretch to achieve challenging goals; (3) have integrity and are committed to doing the right thing even if it is not the popular thing; and finally (4) are courageous and consider risk and failure to be necessary ingredients for innovation. These values form a strong foundation for action and serve as guideposts for leaders as they work to make a positive difference in the world.

With the core purpose and values as its foundation, the MMoL then describes the leadership actions that are necessary for thriving in today's global, dynamic and complex environments. Leadership is not only about painting inspirational visions, or structuring organisational processes for execution, or fostering collaboration and innovation. All of these actions

are important, but to be effective, leaders must balance a set of competing forces. Leaders must simultaneously balance the stability required for execution with the change required for innovation. Leaders must balance the need for internal collaboration and community with external performance pressures from outside the team. Building on research by Robert Quinn and Kim Cameron (University of Michigan), we have identified four leadership archetypes that embody these competing tensions. Each archetype has inherent strengths and weaknesses. Only by juxtaposing and managing the competing tensions can leaders create sustained effectiveness over time.

Robust Results (blue) represents the actions that leaders engage in to foster competition, perform under pressure, and deliver short-term results. This archetype is often in direct tension with Collaborative Communities (yellow), which represents the actions involved in building high-quality relationships, empowering people, and cultivating trust and cohesion within teams. In many organisations, competition and an emphasis on short-term performance undermine collaboration and the importance of community. Yet, in other organisations, too much of an emphasis on harmony within the community produces a happy yet under-performing culture where people are unwilling to challenge each other in service of achieving higher performance.

Strategic Structures (red) represents the actions that leaders engage in to establish accountability, ensure reliable processes, and optimize efficiency. This archetype is often in direct contrast with Creative Change (green), which represents the actions required to enable change, inspire innovation and co-create new opportunities. In many

organisations, an over-emphasis on structure and process can root out innovation, but at the same time, too much emphasis on innovation and change can produce inefficiencies or even organisational chaos that keeps the organisation from implementing new ideas.

Unlike traditional models of leadership that prescribe a menu of leadership behaviours, the MMoL illustrates how well-intended leadership behaviours can solve one problem while introducing a new problem. Consider the contrast between Steve Jobs, the legendary

founder of Apple, and current Apple CEO Tim Cook. Jobs, strong in the green Creative Change quadrant, was a prolific visionary with numerous path-breaking products to his name. But he neglected key issues regarding Apple's supply chain (witness the repeated problems with Apple's Chinese suppliers). Cook, in contrast, lacks the brilliant mind of a designer, but he brings important strengths in the red Strategic Structures quadrant. He streamlined Apple's supply chain, reduced inventory levels and increased margins while building confidence in the integrity of suppliers. The implication for leadership development is profound. Every person has a unique set of strengths, but in line with these competing tensions, those strengths will inevitably introduce a unique set of weaknesses that can undermine sustainable performance. It is a rare person who can perform all of these leadership functions well. What we need are leaders who not only recognize the competing tensions but also understand that

their role as a leader is not to resolve the tension. Rather, leadership is about helping the organisation dynamically manage these paradoxes.

Building leaders with the cognitive and behavioural complexity of the Michigan Model of Leadership is difficult. In this next section, we introduce our approach -- called Mindful Engagement -- to developing leaders who learn from experience how to navigate the choices and trade-offs required to thrive in today's complex and dynamic environment.

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### Mindful Engagement: A Process for Developing Leaders Who Thrive in Complex Environments

Drawing from research in for-profit companies and governmental agencies around the world, with Susan Ashford (University of Michigan), we developed an approach to leadership development called Mindful Engagement. This approach is appropriate for developing leaders who thrive in complex environments where there is no single answer and the primary source of learning is experience. The process of Mindful Engagement is based on three basic principles: (1) Readying for Growth, (2) Taking Action to Learn, and (3) Reflecting to Retain.

*Readying for Growth*
Readying for growth is about preparing oneself to learn in complex, dynamic environments. It includes three specific steps: (1) building an awareness of strengths in context, (2) identifying specific, learning goals, and (3) developing a learning mind-set.

> To be effective, leaders must simultaneously balance the stability required for execution with the change required for innovation. Leaders must balance the need for internal collaboration and community with external performance pressures from outside the team.

Leaders must be aware of and understand how to leverage their own strengths. To build this awareness, we use a series of strengths-based assessments and exercises such as the Reflected Best Self (*http://www.centerforpos.org/the-center/teaching-and-practice-materials/teaching-tools/reflected-best-self-exercise/*). Best-self stories help individuals discover their strengths and realise their own potential and possibility as leaders. At the same time, leaders must understand that too much emphasis on any particular strength can create an opposing and countervailing force. For example, we are currently coaching an executive who has insatiable drive and an unparalleled commitment to results, but his singular focus on results is reducing cohesion in his senior management team. In complex and turbulent environments, leaders must find a way to leverage their strengths while making sure those strengths do not escalate to become the singular focus of their leadership. For many, this process is difficult because their strengths are exactly the reason they have been so successful. To address this mental hurdle, in our assessments, we not only identify individuals' strengths but also provide real-life examples that offer insight into the potential risks and trade-offs associated with those strengths. We also routinely pair leaders with contrasting strengths to help them develop an appreciation for the risks of their own leadership style.

The second step is the development of specific learning goals. Clearly, if someone is strong in the red Reliable Results quadrant, a natural learning goal will be to learn the core skills in a different quadrant, maybe the green Creative Change quadrant. But we emphasise a different approach. We ask leaders to commit to learning goals that emphasize, not a particular

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quadrant, but rather goals focused on learning how to navigate the tensions and trade-offs among the four MMoL quadrants. Learning does not happen within quadrants -- learning occurs as leaders focus on and navigate the tensions across quadrants. A recent example comes from an executive who focused her learning goal on stakeholder analysis as a way to understand the distinctive and sometimes conflicting needs and concerns of different stakeholders.

The third step is to develop a learning mind-set. Carol Dweck (Stanford University) suggests that people either have a performance mind-set (focused on achievement focused on proving yourself) or a learning mind-set (focused on the belief that everyone can change and grow through experience). A performance mind-set values perfection or looking smart. A learning mind-set values experimentation and pushing the boundaries of our comfort zones. In a world where competing forces and trade-offs are the norm, perfection is a myth and thus a performance mind-set impedes leader development. A learning mind-set, in contrast, encourages leaders to get out of their comfort zone and trying new things. Mistakes in today's complex world are inevitable. The challenge is to make sure you and your team learn from the mistake, and never make the same mistake twice.

*Taking Action to Learn*
Taking action to learn is about transforming the leader into his or her own R&D lab, where the leader is proactively

experimenting with new ways of leading and taking steps to learn from those experiments. It is "skunk works" for proactive, self-directed leader development. To motivate taking action to learn, follow these steps:

First, leaders need to see, feel and experience the competing forces inherent in the MMoL. High-impact experiences are high-stakes (blue quadrant) and require individuals to organise diverse groups of people with limited time and resources (yellow and red quadrants) in service of facilitating innovation and change (green quadrant). At the Ross School of Business, for example, we created the Ross Impact Challenge where 48 student teams have six days to develop a new, for-profit venture that creates economic and social value in Detroit, MI. The teams are composed of 500 people from 36 countries, granted limited time and resources, and challenged to create real impact that is visible in the Detroit community. To excel, the teams must navigate the need for innovation with the need for structure, and the need for team cohesion with a need for results. As individuals work to transcend above the competing tensions rather than compromising amongst the competing tensions, deep learning occurs.

Second, taking action for learning requires that leaders commit to personal experimentation. At Ross, we encourage our students to see each and every experience, no matter how big or small, as an opportunity to experiment with new ways of leading. Recognising that experimentation will sometimes result

in failure and mistakes -- think about a pharmaceutical firm experimenting with new drug possibilities -- we encourage leaders to commit to multiple, small experiments and to fail fast and early. Of course, the organisational culture and reward systems must allow and even support failure when that failure is in service of learning.

Third, leaders must commit to a set of actions focused on *seeking* feedback. Learning only occurs when leaders have deep insight into how their actions affect, positively and negatively, the willingness and ability of others to achieve organisational goals. The problem is that most organisations provide too little feedback, or feedback that is not constructive for learning how to lead in complex, dynamic environments. Rather than trying to change the feedback system, we find that a more effective point of intervention is teaching people how to proactively seek feedback that leads to deep insight and personal change. Basic principles include (a) create a routine question or prompt for feedback such as "What input can you give me on...?"; (b) seek feedback as close to the event in question as possible; (c) make it routine and part of your "style"; and (d) seek input from people besides your supervisor or subordinate, such as your customer or peers.

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### Reflecting to Retain

Reflecting to retain is about practices that enable people to capture and apply the lessons of experience for self-improvement. The roadblock to learning for most people is themselves -- the psychological biases that create excuses, flawed attributions, or blinders that get in the way of learning from experience. To address these challenges, we developed and validated a structured reflection process that attacks the biases and enables

people to learn in complex, dynamic environments. Most people and organisations avoid reflection altogether, focusing instead on the next task or the next emergency without giving much thought to the past. Even more problematic is that, according to our research, the typical reflection conversation ("What happened? How did it go? What did we learn?") does not foster learning. Drawing from the military's after-event review procedure, we develop a new structured process for reflection. The process asks leaders to: (a) describe the experience; (b) explain their reactions to the experience; (c) discuss "what if" scenarios that test alternative explanations for their performance; (d) identify insights about new behaviours that would improve performance; and (e) commit to at least two behaviour changes and specific milestones for making those behaviour changes. We have begun using this structured reflection process to build learning communities of peers where they routinely discuss their experiences, test assumptions about their own performance, and help each other identify insights and actions steps that will enable positive behaviour change in the future. The holy grail for most organisations is building a learning culture where individuals commit not only to their own personal growth but also the personal growth of their colleagues. Our research shows that building structured reflection practices into the normal course of work is one way of building a learning organisation that cultivates leaders who can thrive in complex, dynamic environments.

Our world is filled with challenges. More than ever before, we need leaders who commit to living a life of mindful engagement in reach of their best selves. We need leaders who understand how

to leverage the competing values inherent to business, who elevate society to higher ideals and standards. Finally, we need leaders with empathy, drive, integrity, and courage – across society and throughout organisational hierarchies – whose core purpose is to make a positive difference in the lives of others.

Are you that kind of leader?

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