

# **The New Ecology of Leadership: Business Mastery in a Chaotic World**

**An ecological perspective changes everything!**

Presentation to the Baltic Management Development Association, Kaunas, Lithuania

May 10, 2013

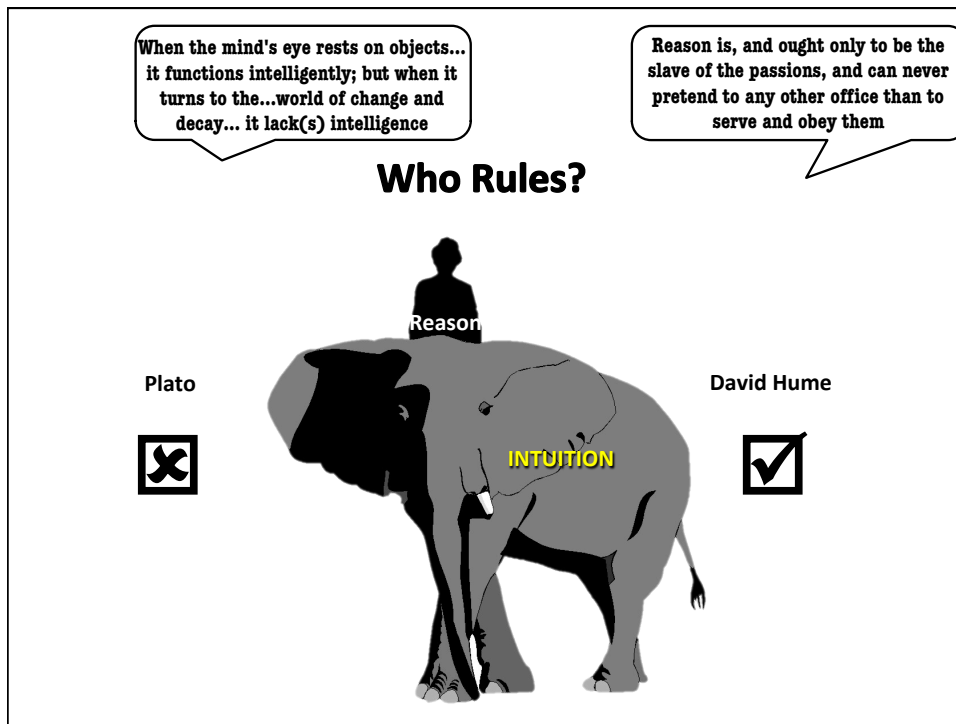
By

David K. Hurst

Selected Summary Slides

## **The New Ecology of Leadership: Business Mastery in a Chaotic World**

- 1. Leadership and the making of meaning**
- 2. Context matters, history matters, narrative matters**
- 3. An ecological mental model of “both...and” to embrace and contain the “either/or” of economics**
- 4. Enterprises are conceived in passion, born in communities of trust, grow through the application of reason and mature in power. Power freezes the organization, setting the stage for crisis and destruction, but with the possibility of renewal**



### TWO TAKES ON HUMAN NATURE

HOMER WINS ✓

<u>Mr. Spock</u>	<u>Homer Simpson</u>
Controlled	Uncontrolled
Effortful	Effortless
System 2	System 1
Deliberative	Associative
Slow	Fast
Self-aware	Unconscious
Rule-following	Skilled

**TWO KINDS  
OF  
LOGIC**


<p><u>Economics</u></p> <p>Exchange</p> <p>Competition</p> <p>Equilibrium</p> <p>Economy</p> <p><i>Scarcity</i></p>	<p>Our minds are <u>not</u> <u>rational</u> in a <i>logical</i> sense: they <u>are</u> <u>rational</u> in an <i>ecological</i> sense</p>	<p><u>Ecologics</u></p> <p>Reciprocity</p> <p>Cooperation</p> <p>Development</p> <p>Community</p> <p><i>Abundance</i></p>
---	--	---

“either/or”

“both...and”

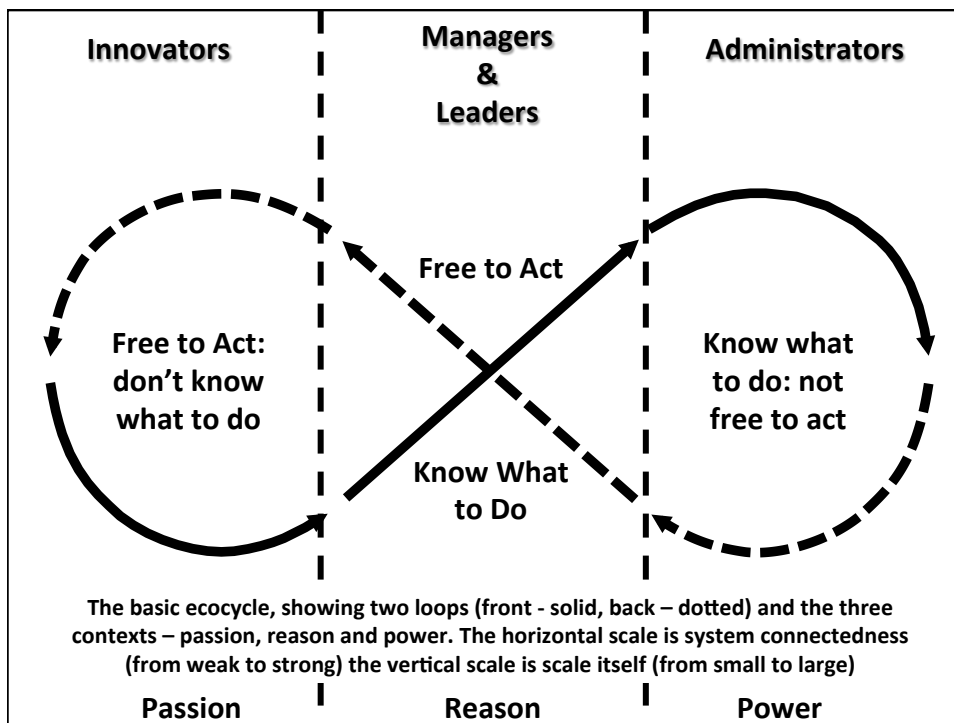
**The Key Features of the Ecocycle**

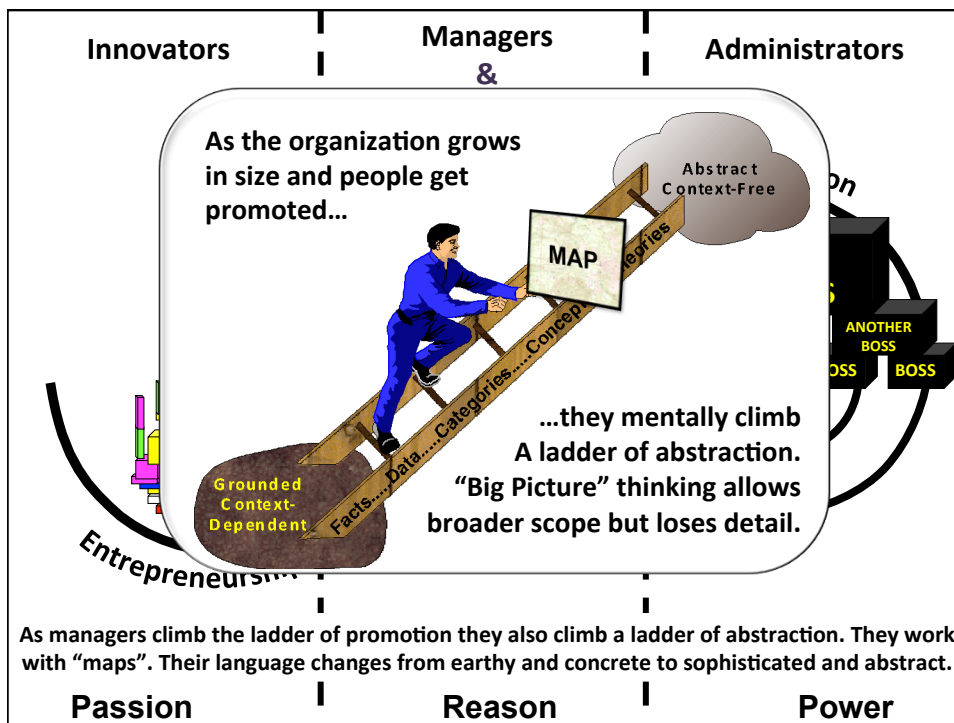
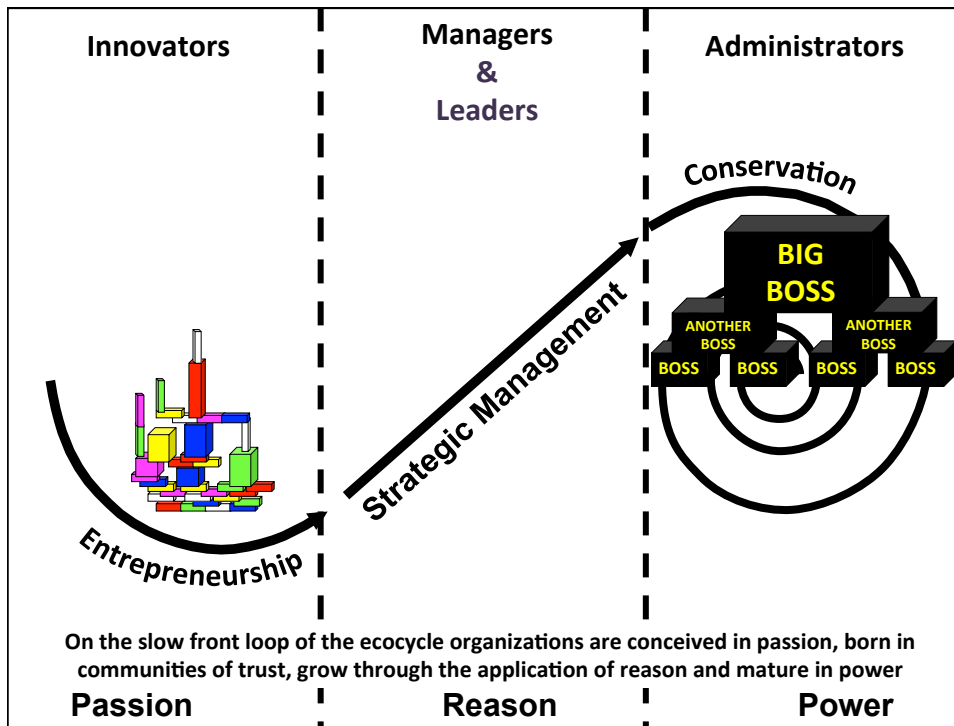
- Change is ongoing at all scales
- Sometimes it’s smooth and linear
- Sometimes it’s rapid and nonlinear
- Self-organizing processes are the key
- Creation requires destruction
- Innovation emerges from the new context

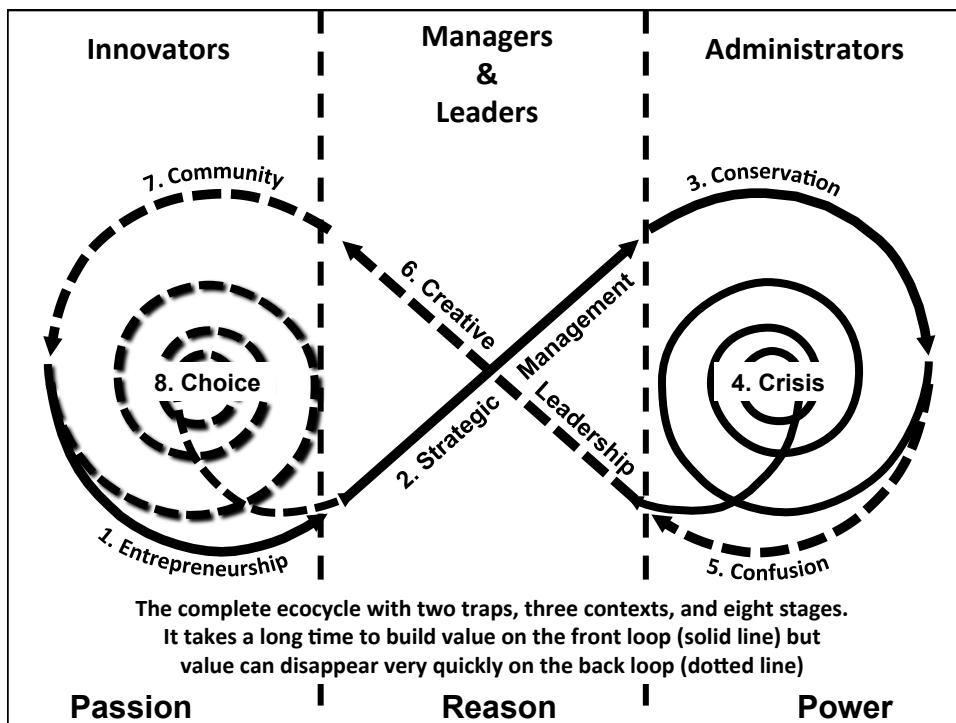
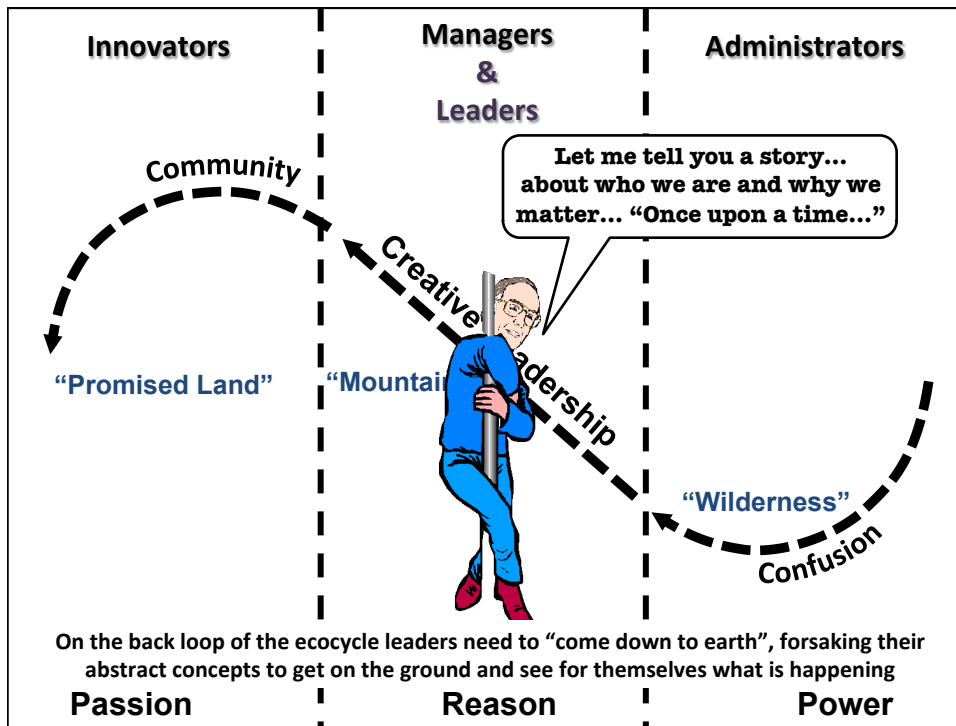


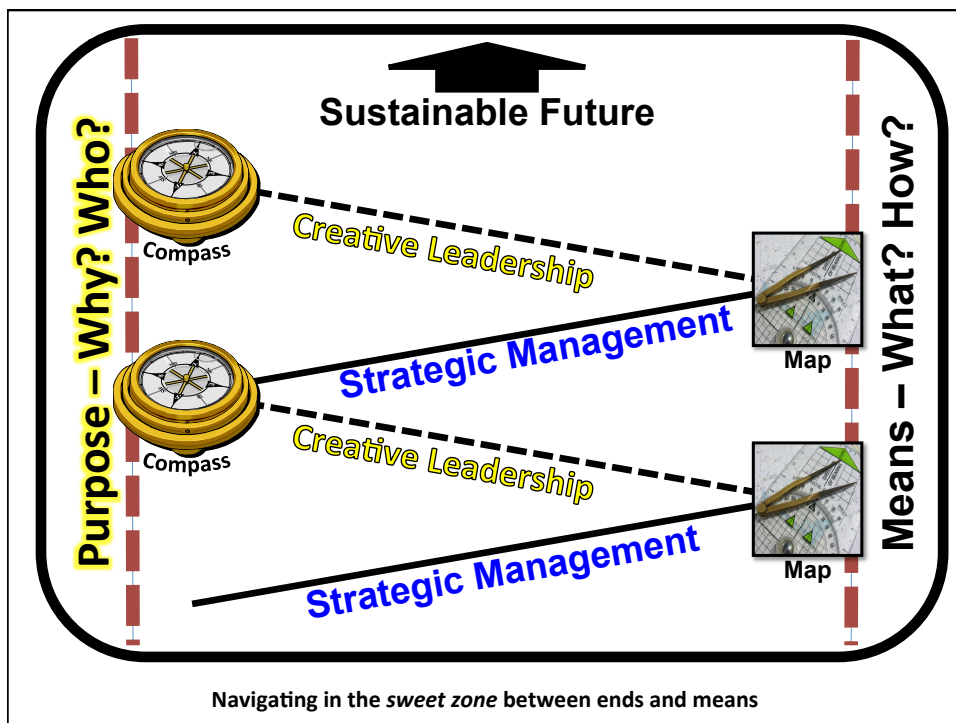
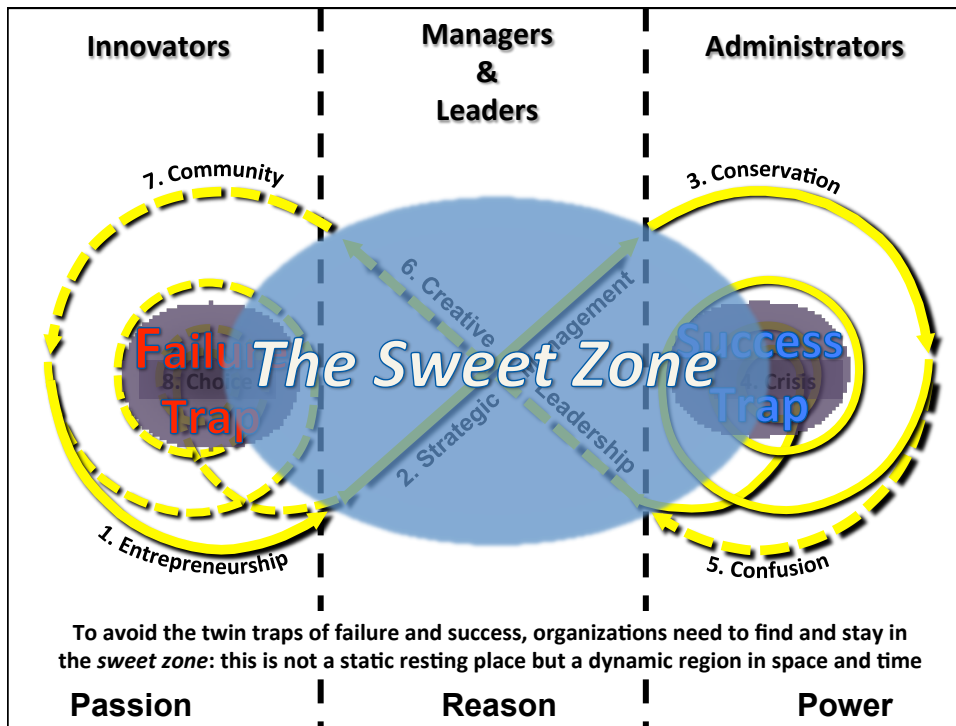
### Takeaways on the Ecological Perspective on Change

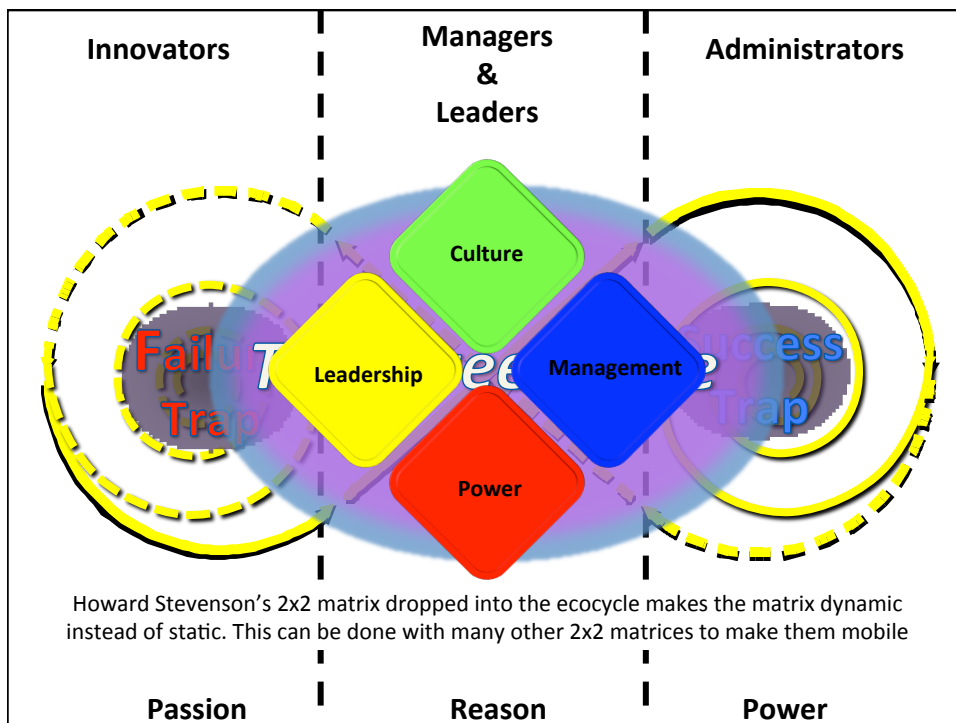
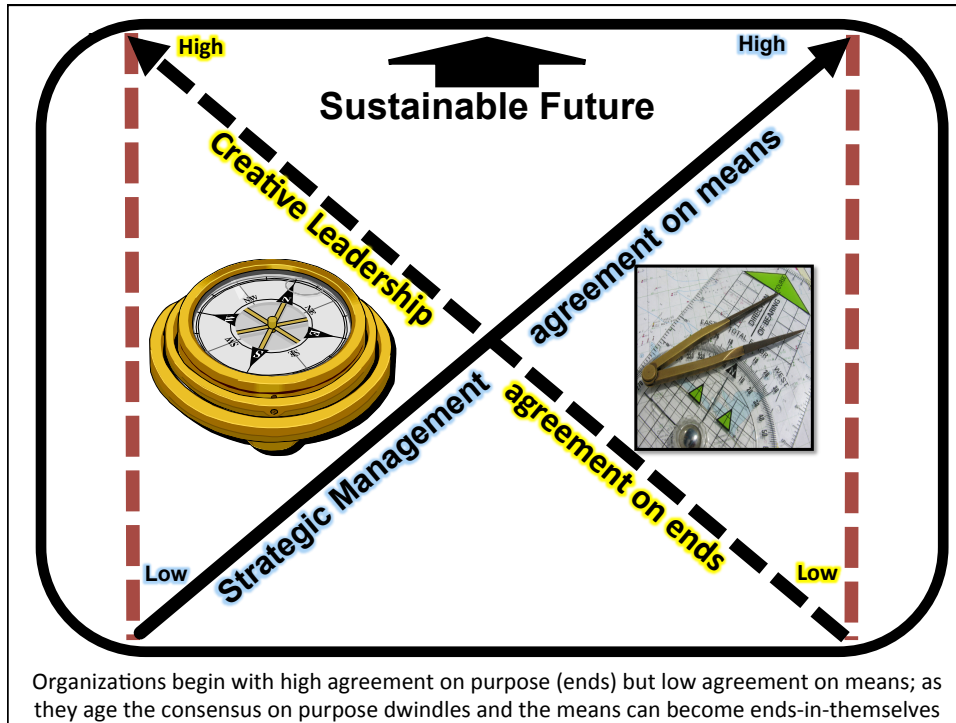
- Don't just think of structures: think also of movements
- Ask: "Why do things stay the same?" "What feedback processes sustain this behaviour?"
- There is no choice between stability and change: it's change on our scale and timetable vs. someone else's (or Nature's!)
- Change takes place on the edges of the system and in open patches where variety and diversity can flourish
- Fire changes the way resources flow through the system: the resulting change is on a narrow front but deep
- Be small and mobile for quick experimentation and rapid prototyping, where feedback is fast and specific
- The seeds of destruction are in the fruits of success: large scale and homogeneity lead to a lack of resilience
- Creation requires destruction: look for opportunities on disturbed ground – turbulent markets where information is poor



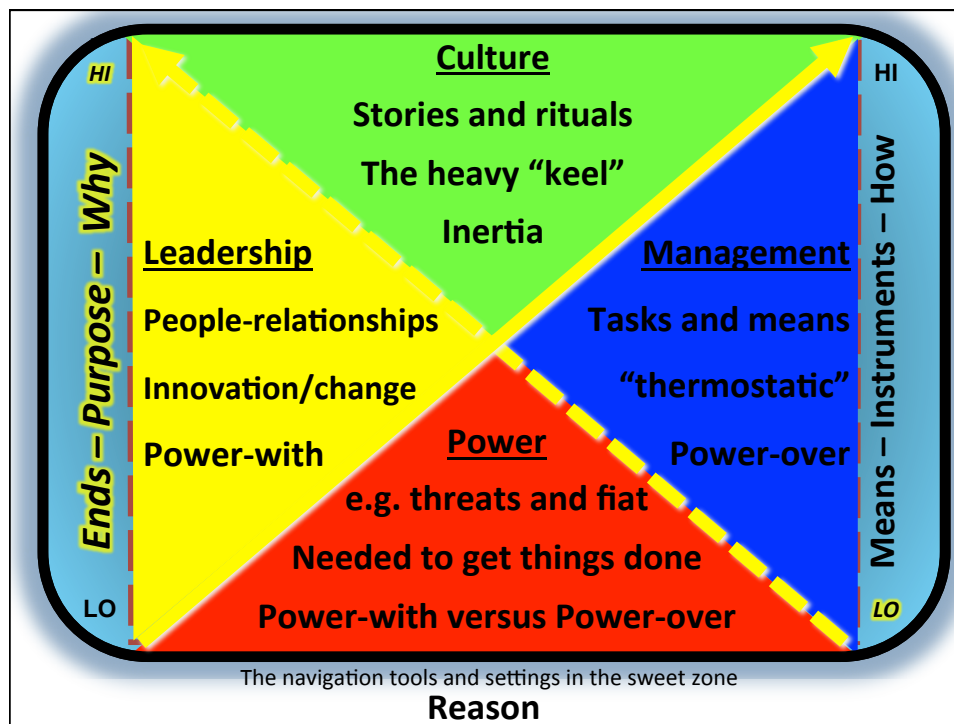












### Think Like a Movie-Maker!

- Set the context: “Once upon a time...”
- Introduce the actors – their wants and their needs
- Identify the dramatic conflict
- Outline the gap and the challenge
- Show how the challenge will be met
- Ask for their support (in good movies the audience cares about the actors and their outcomes)
- Keep telling the story!

## **Seven Rewards for Reading the Book**

- 1. Hone your contextual intelligence – practical wisdom**
- 2. Design, evoke, control, anticipate, counter, prepare for contexts**
- 3. View stability and change through an ecological perspective**
- 4. Grasp how enterprises are born, grow, flourish and decline**
- 5. Understand the “sweet zone” and how to dwell there**
- 6. Appreciate the roles of passion, reason and power**
- 7. Ask better questions of reality and tell better stories**

### **David K. Hurst Contact Details**

**E-mail:** [david@davidkhurst.com](mailto:david@davidkhurst.com)

**Website:** [www.davidkhurst.com](http://www.davidkhurst.com)

This presentation is based upon my experience as a manager and educator and the experience of others, together with what I have learned about management and leadership from my teachers and mentors. The ideas are contained in three books and many articles, both popular and academic. The books are:

*The New Ecology of Leadership: Business Mastery in a Chaotic World* (Columbia University Press, 2012) This is my integration of management and leadership in an ecological framework of “both...and” that embraces and contains the “either/or” of economics. The ecological perspective changes everything!

*Learning from the Links: Mastering Management Using Lessons From Golf* (Simon & Schuster, 2002) I view golf and management as procedural knowledge (know-how) and discuss the implications of this for learning and improvement. For golf fanatics only!

*Crisis & Renewal: Meeting the Challenge of Organizational Change* (Harvard Business School Press, 1995) This is where my book-writing career with these ideas began. The key chapter (for me) is about the Quakers and their important role in the First Industrial Revolution – I view them as the archetypal entrepreneurial community of trust and practice. There is much that we can learn from their experience and their approach to both business and social issues.