

# **How to Change the World: Lessons for Entrepreneurs from Activists**

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## **Questions from two worlds**

For the past fourteen years I have had a bit of an unusual life, commuting between two very different worlds: the world of entrepreneurs and the world of activists. I've spent most of that time in the world of business, for the first seven years as a strategist with two large industrial companies, and then for the last seven as the co-owner of a small consulting firm. I've been able to work with top business leaders in more than fifty countries, and with great companies such as Royal Dutch/Shell, Federal Express, and PricewaterhouseCoopers.

Over the same period, I've been making excursions into the world of politicians and guerillas, civil servants and community leaders, trade unionists and clergymen. I've been privileged to work with people who are trying to make a difference in some of the most challenging places in the world, including Israel, Northern Ireland, Cyprus and Colombia, as well as in two of the countries that made the most remarkable peaceful transitions of the 1990s, South Africa and Guatemala.

Throughout these two sets of experiences, I have found myself confronted with the same questions. How can we change the world? How can we make an impact for the better? How can we influence the future? And the question I want to focus on here, how does all this relate to business? The best way I know to explain what I've learned is to take you through these last fourteen years and tell you four stories. I've chosen these stories because they explain four key lessons I've learned, four steps towards answering these questions. Then I'll conclude with a summary of what I've learned and what I think it means for those of us in business who want to make a difference in the world.<sup>1</sup>

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Generon is an international management consulting firm that helps clients sense and seize emerging opportunities. Our work brings together scenario-based strategy formation, new economy venture creation, and generative leadership development. We are committed to serving corporate and civic leaders who aspire not just to adapt to the future but to shape it for the better.

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<sup>1</sup> See also Adam Kahane, "Changing the Winds: Scenarios for People Who Want to Change the World", *Whole Earth Review* Spring 1999, and "Scenarios as a Tool for Effecting Societal Change" (Beverly: Generon Consulting, 1999).

Let me start, briefly, at the beginning. I was born in Montreal, into a family that believed that it was important to try to make a difference. I grew up thinking that I needed to find my vocation, and that that vocation needed to be connected, even in a modest way, to making the world a better place. I had a good head for analysis and so I studied physics and mathematics at McGill. But I wanted to do something that was connected more directly to making a difference in the world, and so when I went to graduate school at Berkeley, I studied energy economics and energy policy. The big surprise I got in switching from physics to economics was that it wasn't as easy to predict and control the behavior of people as the behavior of physical objects. If this lesson had sunk in, it would have prepared me well for life in the corporate world--but of course it didn't.

### **The illusion of control**

This brings me to my first story, which I call "The illusion of control". In 1986 I got my first real job, as a corporate planning coordinator for Pacific Gas and Electric Company in San Francisco. PG&E was the monopoly supplier of electricity and gas to all consumers in its territory in Northern California. I liked having an important job with a powerful company that did something so concrete and useful. I was happy to be able to use my analytical skills to help figure out what was happening in the world and what the company should do about it.

Strategy work at PG&E had a particular slant because the company was a shareholder-owned, publicly regulated utility. A lot of the decisions about what we were able to do and most of the decisions about how much profit we could make were in the hands of various regulatory commissions. This was the time when the trend towards deregulation was starting to hit the US electricity and gas industries, so most of the strategic attention of PG&E executives was on negotiating with the regulators. One measure of how important this was was that nine out of ten members of the company's top Management Committee were lawyers.

This was my first exposure to the world of corporate strategy and to the corporate way of approaching the future and of being in the world. What I learned in that job was the importance of analyzing what was going on in the world, of forecasting what would happen, of advocating for the rules we wanted, and of reacting to the rules as they changed. I would characterize our paradigm as of an orderly world where almost all the things that mattered to us--inside and outside the company--could be controlled, either by us or by the regulators. I liked this way of approaching things--it certainly was invigorating from where I sat, near the top of the company hierarchy--but I sensed that it was parochial and couldn't last. Deregulation was pushing PG&E and its executives into a larger world where they would be forced to deal with many more competitors and much less control. For myself, I wondered what it would be like to live in this larger, out of control world.

### **The limits of detachment**

This leads me to my second story, which I call "The limits of detachment". In 1988, after I'd been at PG&E for a few years, I got a job offer from the strategy department of Royal Dutch/Shell in London. For someone who was interested in the larger world of corporate strategizing this was a wonderful opportunity. Shell is one of the largest and most global companies--they have operations in 130 countries--with a tradition of leadership that is not only cosmopolitan and businesslike but also thoughtful and ethical.

What particularly interested me is that they had pioneered a sophisticated way to approach the future that centered on a methodology called Scenario Planning. The key idea was that it really wasn't possible to forecast or control the future, and in fact the conceit that you could forecast what was going to happen led to a 'tunnel vision' that could be fatal. Instead, the approach was to inquire deeply and broadly what was happening in the world and then to construct two or three or four scenarios about how things might turn out. These scenarios about the world then became the basis for exploring different options for the company and deciding what to do. The emphasis was on building the capacity of the company to learn; Shell played a big role in launching the whole field of organizational learning.<sup>2</sup>

This story is about the global scenario work we did in 1991-92. One of the important principles of the Shell approach was to stretch to see what we were not seeing. Two important techniques we used were to go on Learning Journeys--to visit places and organizations around the world where we could glimpse new things that were going on--and also to consult Remarkable Persons --businesspeople, academics, activists, scientists, heretics--anyone with a usefully different way of looking at what was going on. You can imagine what an exciting and enriching experience this was for me.

Our exploration ended up focusing on the twin revolutions of globalization and liberalization. By liberalization we were talking about the opening up of markets with free trade and deregulation, and also the opening up of political systems with free information flow and elections. We constructed two stories about how the world might unfold as a result of these dynamics:

- “*New Frontiers* describes what happens when many poor countries liberalize successfully and claim a larger role for themselves on the world stage--politically, economically, and culturally. This liberalization is turbulent and painful to many established interests, but it continues because people believe that it is in their long-term self-interest, and that their own prosperity is ultimately linked with that of others.
- “In *Barricades*, people resist globalization and liberalization because they fear they might lose what they value most: their jobs, power, autonomy, religious traditions and cultural identity. Many economic and political vested interests are deeply threatened by liberalization and attempt to contain it. Where liberalization is tried, expectations are not met quickly enough. People may believe that liberalization will make them better off in the long run--but the long run is just too long, and in the meantime the required sacrifices are too great.”<sup>3</sup>

These were two logical, plausible, challenging narratives about how Shell's business environment might turn out. After we had written the scenarios, we used them as the input to tens of strategy workshops with different Shell companies around the world. These sessions were useful in that they helped Shell executives see and talk about and act on important opportunities and threats

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<sup>2</sup> See Kees van der Heijden, *Scenarios: The Art of Strategic Conversation* (New York: Wiley, 1996), Peter Senge, Charlotte Roberts, Richard Ross, Bryan Smith and Art Kleiner, *The Fifth Discipline Fieldbook: Strategies and Tools for Building a Learning Organisation* (New York: Doubleday, 1994), and Peter Senge, Art Kleiner, Charlotte Roberts, Richard Ross, George Roth and Bryan Smith, *The Dance of Change: The Challenges to Sustaining Change in Learning Organizations* (New York: Doubleday, 1999).

<sup>3</sup> These scenarios are summarized in Joseph Jaworski, *Synchronicity: The Inner Path of Leadership* (San Francisco: Berrett-Koehler, 1996).

presented by the scenarios--including possibilities that were not previously on their radar screens. So they helped the company to learn and adapt.

One aspect of these conversations, however, left me uneasy. Most of us who had worked on or heard the scenarios thought that, overall, *Barricades* was not as good for the world as *New Frontiers*, even though *Barricades* would be brought about by people doing what they thought was best, and would offer good business opportunities for Shell. But the general view in Shell was that it would not be proper for us to try to act to promote *New Frontiers* over *Barricades*, except in areas close to our commercial interests, like trade policy.

This view had two roots. First, favoring one scenario over another would make the stories less effective as a tool for stretching the executives' thinking and helping the company become more adaptable. Second and more fundamentally, companies should not intervene in politics; they should stick to their own business playing field. Later when I worked in Guatemala and came to hear the appalling story of the United Fruit Company's involvement in the 1954 *coup d'etat* there, I understood the risks of corporations becoming involved outside their commercial domain. At the same time, I was disturbed and--more significantly for my story here--de-energized by what seemed to me to be a somewhat detached stance towards the world. I wondered whether there was another way to approach the future.

### **The power of engagement**

The answer came in my third story, "The power of engagement". In 1991, after I'd been working at Shell for three years, our department in London got a call from a professor at the University of the Western Cape in South Africa. A group of academics, businesspeople and activists there had heard about the Shell scenario methodology and wanted to use it to think about the future of South Africa. Shell chose me to go and help them and that's how I ended up facilitating what became known as the Mont Fleur scenario project.<sup>4</sup>

The context in South Africa is important to understanding this story. In 1990 Nelson Mandela was freed from prison, and the ban on the African National Congress (the ANC) and the other black and left wing political parties was lifted. The first all-race elections were held in 1994. So the Mont Fleur project took place right in the middle of a complex period of many kinds of negotiations about how to make the transition away from apartheid. There was a series of official constitutional negotiations, and also tens of different "forums" where multi-stakeholder groups worked on issues of health, transport, education, economics, and so on. During this period no one was really in control; both the government and the liberation movement had concluded that they couldn't impose their solution on the other and that, regrettably, some sort of co-operation was necessary. The joke that was going around at the time was that there were two ways to solve the problems of South Africa: the practical solution and the miraculous solution. The practical solution is that we would all get down on our knees and pray for a band of angels to descend from heaven and make things better. The miraculous solution is that we would work together to find a way forward. On the whole, South Africans implemented the miraculous solution. Although the

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<sup>4</sup> See Pieter le Roux *et al*, "The Mont Fleur Scenarios", *Deeper News* Volume 7 Number 1 (Emeryville: Global Business Network, 1992).

Mont Fleur project played only a small role in this larger process, it gave me a privileged window into what was going on and that's why I focus on it here.

Mont Fleur was a kind of forum that was intended to influence the future of the country through the development of a set of scenarios about how things might unfold over the coming ten years. The project was named after the conference center where we met, in the mountains outside Cape Town. When I arrived I didn't know any methodology other than the one we used at Shell, so that's what we used at Mont Fleur. What was different about this project, then, was not the process but the context. The Mont Fleur work was not done by the staff of a single company but by a team of 22 leaders drawn from organizations that ranged across the political map: community activists, conservative politicians, ANC officials, trade unionists, academics, establishment economists, top corporate executives, and so on. One of the great things about working with a group like this is that they can learn a lot about what is going on from listening to each other, and have somewhat less need than a corporate group for Learning Journeys and Remarkable Persons to help them see what they are not seeing. It was as if each of them had a piece of the puzzle of South Africa.

The team came up with four scenarios:

- *Ostrich* was a story of the white government believing that it could avoid a negotiated settlement with the black majority, burying its head in the sand, and thereby making matters worse in the end.
- *Lame Duck* told the story of a prolonged transition where the new government is hobbled by compromises built into the constitution and, because "it purports to respond to all but satisfies none", it isn't really able to address the country's problems.
- *Icarus* described a strong black majority government coming to power on a wave of popular support and embarking on a huge, unsustainable public spending spree that crashes the economy.
- *Flight of the Flamingoes* was a story about how the new government could avoid the pitfalls of the first three scenarios and gradually rebuild a successful economy.

I want to focus here on the *Icarus* scenario. Of the four stories, it was the most unexpected, and I think had the most influence on thinking in South Africa. Here was a group that included the most prominent economic thinkers on the left--including one who later became the first black Minister of Finance and another the first black Governor of the Reserve Bank--pointing out the danger of a black government trying to implement certain kinds of left-wing economic policies. This scenario was being told at a time when most leadership attention was focused on achieving a successful political and constitutional transition, not on economics. The conventional thinking about economics on the left was that South Africa was a rich country and that its problems could be solved by quickly redistributing resources away from rich whites towards poor blacks--but *Icarus* said that this would not be a sustainable solution.

Once the scenarios had been written, the team organized a series of workshops with different political, business, and civic groups, where the stories were presented and the implications discussed. One of the workshops was with the leadership of the Pan Africanist Congress (the PAC), a radical black political party, and at this meeting one of the members of the Mont Fleur team, who was the PAC's head of economics, presented the *Icarus* scenario. He said, "This is a story about what will happen if our rivals, the ANC, come to power. And if they don't do it, we

will push them into it.” That provocation led to one of the most productive of all the workshops. Many years later, in 1999, when another member of the team was appointed to be Governor of the Reserve Bank, he said in his official inauguration speech, “We are not Icarus. There is no need to fear that we will fly too close to the sun.” Overall, one of the biggest surprises about post-1994 South Africa is how economically prudent the new government has been. So at least one of the scenarios--and probably the others as well--had a significant influence on how the future unfolded.

Why did this scenario exercise have such a big and broad influence? And why did I feel such an extraordinarily passionate and creative energy in the Mont Fleur workshops? The answer is obvious, although it didn’t occur to me for years. Although the methodology of this project was the same as the one we used at Shell, the purpose was fundamentally different. The Mont Fleur participants were not, like corporate strategists, simply trying to adapt to the future as best they could; they had come together because they wanted to influence the future, to make it better. They were playing on a larger field. When you think about it logically, one of the reasons the future is unpredictable is because we can influence it. The team members didn’t see themselves as detached observers, but as active participants; most of them had devoted their lives to fighting for a better South Africa. They were aware of how their own thoughts and actions had an impact on what happened around them--they were reflective--as, for example, in the statement the man from the PAC made about the dangers in his own party’s policies.

The Mont Fleur project showed me the enormous potential that co-operative, multi-stakeholder processes had to change the world. But it also raised several new questions in my mind. I noticed that some members of the team were uneasy with the consensus of the group and especially with the attempt to agree a shared vision of the future they wanted, as it was awkwardly articulated in *Flight of the Flamingoes*. They were concerned that they had compromised, that they had not been true to the ideas and ideals that were important to them; they worried that they had collaborated with the enemy. Obviously South Africans had taken enormous strides towards reconciliation and peaceful resolution of their terrible differences, but I wondered what would it take to break down the barriers further.

This Mont Fleur experience catapulted me into a new life. I knew that the energy I felt in helping the South Africans to help their country meant that I had found my true vocation. I ended up resigning from Shell, moving to South Africa, marrying the project coordinator, Dorothy, and with a few friends opening up the consulting business that has grown into Generon. In the years that followed we worked with large companies, governments, non-governmental organizations, and multi-stakeholder civic groups, in Africa, Europe, Asia and the Americas.

### **Five minutes that changed history**

My last story is called “Five minutes that changed history” and is about one of these civic scenario projects, the one we led in Guatemala in 1998-99.<sup>5</sup> The process we used was based on the original Mont Fleur model, as we had improved on it over the intervening years. The situation in Guatemala was in some ways similar to South Africa and in some ways different. Guatemala had suffered the longest-running and most brutal civil war in Latin America, more than 36 years,

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<sup>5</sup> See Elena Diez Pinto *et al*, Los Escenarios del Futuro (Guatemala City: Visión Guatemala, 1999).

with more than 200,000 people killed or made to disappear, mostly at the hands of the government.<sup>6</sup> The government and the guerillas had finally signed a peace treaty in 1996 and the society had now begun the difficult work of rebuilding.

We worked with a group of 45 leaders drawn from every sector of Guatemalan society: government ministers, former guerilla leaders and military officers, business owners, university presidents, journalists, human rights leaders, mayors, students, and others. They were at a higher level and were more diverse than the Mont Fleur group. Guatemala is the country in the Americas with the largest percentage of indigenous people (over half), and the team included a strong contingent of Mayan leaders.

In the first phase of the work, constructing the scenarios, this team met three times at beautiful Lake Atitlan in the highlands. The results of this phase were at one level similar to Mont Fleur: a set of scenarios about what might happen in Guatemala over the coming years.

- *“The Illusion of the Moth.* The moth’s path is dangerous; it flies towards whatever light it sees and is therefore often dazzled and burned. In this scenario, economic conditions do not improve and diversity and interculturality are not really taken to heart, so discrimination of all types persists. National reconciliation is shallow, and polarization and social conflict continue. People cry out for political messianism and authoritarianism. Labor instability and unemployment rise, and international cooperation decays. The economy is characterized by short-termism. Tax revenues are not sufficient to pay for social necessities. The national spirit is pessimistic, mediocrity prevails, the rule of law is absent, and impunity remains. Overall the process is one of people being worn down, with expectations unmet and solidarity eroded in the face of selfish agendas.
- *“The Zigzag of the Beetle.* The back-and-forth flight of the beetle is erratic and directionless. In this scenario, advances in political, economic and social life occur side by side with regressions. There is economic growth along with unequal participation in its benefits; interculturality along with exclusion and discrimination; and citizen participation along with apathy and lack of representativeness. Environmental degradation increases. The state is incapable of achieving real fiscal reform. Reconciliation and dialogue coexist with deep woundedness and fear. Overall the pattern is one of mixed results and no clear progress.
- *“The Flight of the Firefly.* Each firefly illuminates its own way and also that of others; together a group of fireflies pushes back the darkness. In this scenario, Guatemalans come to terms with their history and construct a model where tolerance and educational transformation create interculturality and eliminate discrimination. Holistic development is reflected in a nation with its own identity, and with pluralism, fairness, the rule of law, and genuine consensus. A democratic state grants equal opportunities to all. A fiscal pact reduces gaps between sectors. Citizen participation and productivity increase. Sustained and fair economic growth create real reconciliation and spreading optimism.”

Once these stories had been agreed, the second phase of the project began, using the scenarios to engage the nation as a whole. Here the work started to look different from the South African one: more purposeful and ambitious. The team used the scenarios not just to stimulate debate but to provoke concrete action intended to change the future of their country. Team members played

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<sup>6</sup> Guatemala: A Memory of Silence (Guatemala City: Commission for Historical Clarification, 1999).

a role in the 1999 national elections, as candidates, political platform drafters, and non-party public figures; they worked on educational reforms in universities and in the public school system; they organized local development projects in Quetzaltenango, the second largest city; and worked on re-knitting the country's torn social fabric through replicating the team's dialogue process with hundreds of business, Mayan, academic, NGO, media, military, church, and worker organizations.<sup>7</sup> The *Visión Guatemala* project, which is still ongoing, is a significant chapter in the post-war rebuilding of Guatemala.

Where did this higher level of collective, concrete action to change the world come from? I would give a macro and a micro answer to that question. At a macro level, the project convenors and participants were willing, unlike in Mont Fleur, to attempt to agree explicitly not just on what might happen in Guatemala (the scenarios) but what they wanted to happen (the vision, i.e. the *Flight of the Firefly* scenario); this is why the project was given the name *Visión Guatemala*. Perhaps this was due to the fact that the project took place after the brutal war and also after the conclusion of the peace negotiations (whereas the Mont Fleur work took place during the South African negotiations) and so the time was right to try to work together, and be seen to work together, towards common goals. Perhaps it was due to a different orientation of the project leaders or a different orientation by me.

My micro explanation for the success of the project was that this was settled during a five minute episode in the first workshop. On the second evening of this meeting, the team gathered after dinner in a circle and told stories about experiences they had had that they thought related to what had happened, was happening, or might happen in Guatemala--in other words, to share their personal window onto the dynamics that the scenarios were intended to illuminate. For example, one businesswoman, who is a prominent fighter against judicial impunity, told the story of her sister being assassinated by the military and how she went from office to office trying to find out what had happened, and how the first military official she had spoken with, and who had denied everything, was the man sitting next to her that evening in the circle. So people showed a lot of openness and courage.

Then, first thing the next morning, when we had gathered again, one man who had not spoken the night before said that he wanted to tell a story, about his role in the exhumation of mass graves from a village massacre. He talked about what it had been like for him to find the corpses of children and pregnant women, and to work with the villagers to figure out what to do. When he finished his story, the whole room was silent for about five minutes. I had no idea what to do, so I didn't do anything. Something happened during this silence. One person said later that there had been a spirit in the room, another that this had been a moment of communion. I do not consider myself very sensitive to these extraordinary phenomena, but if you turn up the volume like this, even I can hear it. I heard it then.

I believe that the subsequent success of the team in doing the hard work of agreeing on the scenarios and vision and then acting on this agreement can be traced to that episode. I would say that this was the moment where the shared will and shared commitment of the group became

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<sup>7</sup> A similar, earlier exercise in violence-torn Colombia involved more than 30,000 people in workshops and reached millions more via television and newspapers. See Manuel Jose Carvajal *et al*, "Destino Colombia", *Deeper News* Volume 9 Number 1 (Emeryville: Global Business Network, 1998).

clear to the group, when everyone knew why they were there and what they had to do.<sup>8</sup> Several members of the team have referred to this episode as the turning point in the project.

I think that it is easy to understand why the team was able to achieve a deeper, more real consensus--less of the feeling of having compromised that one of the Mont Fleur participants expressed--through the telling of their personal stories. Social psychologist Solomon Asch wrote that that “consensus is valid only to the extent to which each individual asserts his own relation to the facts and retains his individuality; there can be no genuine agreement...unless each adheres to the testimony of his experience and steadfastly maintains his hold on reality.”<sup>9</sup> We can only move into the future together with confidence if each person has told their truth about the past and present.<sup>10</sup>

Another way of describing what happened when the story of the mass graves was told is that the *whole* of the Guatemalan reality became visible in the *part* represented by that story. With this way of listening, each story can be heard as a hologram, rather than merely as the piece of a puzzle.<sup>11</sup> Several years earlier, my wife Dorothy and I had facilitated a strategy workshop for the Synod of Anglican bishops of Southern Africa. At the beginning, when we asked for proposed ground rules for the workshop, one bishop suggested that we listen attentively to each other; then a second one said that we should listen with empathy; and finally a third one offered that we should listen to the sacred within each of us. Holographic listening opens up the possibility of such communion and oneness.

What I learned from this fourth experience is that we have the greatest capacity to make a difference when we dare to open ourselves up, to expose our most honest nightmares and our most heart-felt dreams. The Visión Guatemala team had the impact they did because they were willing both to commit themselves to their vision of the future and to surrender to it.

## **How to change the world**

Here, then, is how I would summarize what I have learned from these four experiences. The people I have met who are most effective at changing the world have two qualities. On the one hand, they are extraordinarily committed, body and soul, to the change they want to see in the world, to a goal larger than themselves. On the other hand, they are extraordinarily open to listening to what is happening in the world, in others, and in themselves. Do you know the joke,

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<sup>8</sup> See Otto Scharmer, “Presencing: Shifting the Place from Which Leaders Operate”, paper presented at the Conference on Knowledge and Innovation, Helsinki, May 2000.

<sup>9</sup> Quoted in Marvin Weisbord, Discovering Common Ground: How Search Conferences Bring People Together to Achieve Breakthrough Innovation, Empowerment, Shared Vision, and Collaborative Action (San Francisco: Berrett-Koehler, 1992).

<sup>10</sup> This is the same philosophy that underpinned the South African Truth and Reconciliation Commission (which started its work in 1995, after Mont Fleur), with its emphasis on hearing the testimony of victims and perpetrators, as well as Guatemala’s Commission for Historical Clarification.

<sup>11</sup> See Henry Bortoft, The Wholeness of Nature. Goethe’s Way towards a Science of Conscious Participation in Nature (Hudson, NY: Lindisfarne Press, 1996).

“How many psychiatrists does it take to change a light bulb? Only one, but the light bulb has to want to change?” My paradoxical conclusion is that to change the world you both have to be committed to changing it and be able to listen to how *it* wants to change.<sup>12</sup>

The South Africans and Guatemalans I worked with have been able to make history because they have lived this paradox. They have had the courage to commit their lives to effecting the changes they wanted to see. At the same time they have had the courage to engage with others, even their enemies; to give up the illusion of being in control; to venture beyond detachment; to surrender to a co-operative process. It is through holding this two-part intention that they have been able to help a better future be born. On the surface these two intentions are in contradiction, but at a subtle, deeper level they are not. Martin Buber expressed this perfectly when he wrote:

“Free is the man that wills without caprice. He believes in the actual, which is to say: he believes in the real association of the real duality, I and You. He believes in destiny and also that it needs him. It does not lead him, it waits for him. He must proceed toward it without knowing where it waits for him. He must go forth with his whole being: that he knows. It will not turn out the way his resolve intended it; but what he wants to come will come only if he resolves to do that which he can will. He must sacrifice his little will, which is unfree and ruled by things and drives, for his great will that moves away from being determined to find destiny. Now he no longer interferes, nor does he merely allow things to happen. He listens to what grows, to the way of Being in the world, not in order to be carried along by it but rather in order to actualize it in the manner in which it, needing him, wants to be actualized by him--with human spirit and human deed, with human life and human death. He believes, I said; but this implies: he encounters.”<sup>13</sup>

What relevance does this conclusion from the world of activists have for the world of entrepreneurs? The key to seeing the connection is to understand that great activists and great entrepreneurs have one essential quality in common: they both see that there is something wrong, something missing, something that doesn't fit in the world, and they work to fix it, to fill the gap, to create something new.<sup>14</sup> They have the ability and will to see what is happening and what is needed, and then to actualize it, to bring it forth. Charles Handy calls them “the new alchemists” because they have the ability to create something out of nothing.<sup>15</sup>

The civic experiences I have had, in dramatic settings like South Africa and Guatemala, have allowed me to see concretely how this generativity occurs, clearly and in bright colors. But it also occurs in business, just in more muted tones. If I look at business through this lens, then I can see

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<sup>12</sup> See Joseph Jaworski and Otto Scharmer, “Leadership in the New Economy: Sensing and Actualizing Emerging Futures” (Beverly: Generon Consulting, 2000) for a more extended formulation of this idea in the context of the new economy.

<sup>13</sup> Martin Buber, I and Thou (New York: Touchstone Books, 1970).

<sup>14</sup> See Charles Spinosa, Fernando Flores and Hubert Dreyfus, Disclosing New Worlds: Entrepreneurship, Democratic Action, and the Cultivation of Solidarity (Cambridge: MIT Press, 1997).

<sup>15</sup> Charles Handy, The New Alchemists: How Visionary People Make Something Out of Nothing (London: Hutchison, 1999).

that you have to do two things if you want to be a great entrepreneur. I'm not necessarily saying that this is the only way to be a great entrepreneur, but it is one way.

The first thing to do is to *commit yourself to changing the world*. The key to tapping into your own best energy and creativity, as well as to the best energy and creativity of those around you, is to commit yourself to serving a larger purpose. The energy I first noticed at Mont Fleur revealed something both about the larger commitment of those South Africans and also about what this larger work evoked in me. People are at their best when not only is what they are doing in line with their personal purpose, but when their personal purpose is in line with a higher purpose.

This alignment is the root of both generativity and entrepreneurialism. In Michael Lewis' book about Jim Clark, the entrepreneur who founded three multi-billion dollar companies--Silicon Graphics, Netscape, and Healtheon--one of Clark's colleagues says: "The passion, the fire was there. There was a feeling that we were about to change the world. And we all knew that was how you made money, by changing the world."<sup>16</sup> An entrepreneur makes money by seeing something that doesn't exist--a 'white space'--and by changing the world by bringing it into being.

The questions to ask yourself are: How does my company's product or service meet a real need in the world, make the world better? How does committing myself to this bring out the best in me; how is this my vocation, my destiny? If it isn't, you're not in the right business: not in a business to which you can bring the extra-ordinary levels of commitment and energy and creativity that a business needs in order to succeed.

The second thing to do if you want to be a great entrepreneur is to *listen to what wants to change in the world*. This imperative is in tension with the first because it means being passionate about an idea and also being open to other ideas. Charles Handy says that entrepreneurs are "self-promoting and, at the same time, self-questioning". So you need to have more than commitment; you have to be able to sense what is trying to be born in the world, to *what* you must commit yourself. And by "sense" I mean more than just "analyze"; when the legendary hockey player Wayne Gretsky said "I skate to where I think the puck will be", obviously he was referring to a kind of knowing that involves more than analysis. These other ways of knowing are especially important for entrepreneurs in the emergent, speeded-up, new economy.

The sensing and listening and seeing that you have to do has three dimensions:

- You have to be able to see the world, to observe precisely, as we did at Shell, through your own and other people's eyes: through the eyes of customers, of other players, of competitors, of heretics; to see new possibilities and new scenarios.
- Second and more difficult, you have to be able to see yourself in the mirror, as some of the Mont Fleur participants did; to see your own role and influence, your own part in the dance; to be reflective; to see your own seeing.
- And third and most difficult, you have to be able to glimpse the place where looking at the world and looking at yourself are the same, as the members of Visión Guatemala did, to see the underlying oneness.

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<sup>16</sup> Michael Lewis, *The New New Thing: A Silicon Valley Story* (New York: W.W. Norton & Company, 2000).

## Where to start

This brings me to the end of my remarks and to my final point, which is about where you have to start if you want to change the world. You can see that the conclusion I have reached so far implies that my capacity to change the world depends on my level of personal development: my sense of my own vocation and my commitment to it, the range of my seeing and sensing, etc. So another way to interpret my four stories is that the keys to changing the world were always there, as much at PG&E and Shell as in South Africa and Guatemala, but that I was too immature to see them. A more positive way of putting this is that my capacity to help bring forth change in the world has grown as I have grown.

I can see in my current work when my way of leading--what I do, how I am--helps something new and better be born, and when it holds it back or kills it. What I am saying is that if you can't see yourself in the picture, then by definition you have no lever to change the world. To turn the old slogan on its head: if you're not part of the problem, you can't be part of the solution. An activist who is committed to changing the world, but who can't listen to what wants to change in the world, is a fanatic. An entrepreneur who is committed to changing the world, but who can't listen to what wants to change, is a tycoon.<sup>17</sup>

So generativity requires reflectiveness. Our capacity to see and change the world co-evolves with our capacity to see and change ourselves. This is the holographic principle again. Goethe put this beautifully when he wrote, "Man knows himself only to the extent that he knows the world; he becomes aware of himself only within the world, and aware of the world only within himself. Every object, well contemplated, opens up a new organ within us."<sup>18</sup>

Let me end and summarize with a story about a rabbi who, like me, set out to change the world. He found that he wasn't making much progress, so he tried to change his country. This was also too difficult so he tried to change his neighborhood. When he didn't have success there, he tried to change his family. Even that was easier said than done, so he tried to change himself. Then an interesting thing happened. When he had changed himself, his family changed. And when his family changed, his neighborhood changed. When his neighborhood changed, his country changed. And when his country changed, the world changed.

So now you know where to start. Thank you.

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<sup>17</sup> This insight is due to Bill Torbert.

<sup>18</sup> J.W. von Goethe, Goethe's Scientific Studies, translated by D. Miller and edited by A. P. Cottrell and D. Miller (Boston: Suhrkamp Insel, 1985).