



An Everyone Culture

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Lauded as the “Best Management and Workplace Culture Book of 2016” (800-CEO-READ) and the “Best Business Book in Human Resources and Employee Training” (Axiom), *An Everyone Culture: Becoming a Deliberately Developmental Organization*[™] articulates and promotes a radical new model for unleashing a company’s potential.

Introduction

Culture as Strategy

In an ordinary organization, most people are doing a second job no one is paying them for. In businesses large and small; in government agencies, schools, and hospitals; in for-profits and nonprofits, and in any country in the world, most people are spending time and energy covering up their weaknesses, managing other people's impressions of them, showing themselves to their best advantage, playing politics, hiding their inadequacies, hiding their uncertainties, hiding their limitations. Hiding.

We regard this as the single biggest loss of resources that organizations suffer every day. Is anything more valuable to a company than the way its people spend their energies? The total cost of this waste is simple to state and staggering to contemplate: it prevents organizations, and the people who work in them, from reaching their full potential.

The organizations you will meet in this book, taken together, point the way to a qualitatively new model for *people development*—the single most powerful way we know of, as developmental psychologists, for an organization to unleash the potential of its people.

And with what result? These exemplar organizations, taken as a whole, show us a picture of the following benefits:

- Increases in profitability, improved employee retention, greater speed to promotability, greater frankness in communication, better error detection in operational and strategic design, more effective delegation, and enhanced accountability

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- Reductions in cost structures, political maneuvering, interdepartmental strife, employee downtime, and disengagement
- Solutions to seemingly intractable problems, such as: how to convert the familiar team of leaders (each looking out for his own franchise) into the more valuable, but elusive, leadership team; how to anticipate crises no one in the company has experienced previously and to successfully manage through them; how to invent and realize future possibilities no one has experienced previously

In short, this book is as much about realizing organizational potential as it is about realizing human potential. Most of all, this book describes a new model for the way each can contribute to the other—how organizations and their people can become dramatically greater resources to support each other's flourishing.

Now let's return to the ordinary organization where everyone works a second job of hiding imperfections. Consider it from the employer's point of view. Imagine you're paying a full-time wage for part-time work to every employee, every day. Even worse, consider that when people are hiding their weaknesses they have less chance to overcome them, so you must continue to pay the cost of these limitations as well—every day.

Consider the second job from the employee's point of view. What does it cost you to live a double life at work, every day, knowing you're not the person you present yourself to be? As human beings we're set up to protect ourselves—but it is just as true that we're set up to grow psychologically, to evolve, to develop. In fact, research shows that the single biggest cause of work burnout is not work overload, but working too long without experiencing your own personal development. Now consider the drag or cap on personal development we create by hiding our weaknesses rather than having a regular opportunity to overcome them.

In an increasingly volatile, uncertain, complex, and ambiguous world (the so-called VUCA world)—a world of new challenges and opportunities—organizations naturally need to expect *more*, and not less, of themselves and the people who work for them. But our familiar organizational design fails to match that need.

How did we come to this observation about everyone in the ordinary organization doing a second job? Was it by staring hard at the ordinary organization? No. When you're staring very hard at the normal organization, it's hard to see anything but normal.

Normal began to look strange to us only after we stared hard at organizations where no one is doing the second job. Different as the companies in this book are in their look and feel, they share a striking commonality: they are the most powerful settings in the world we have found for developing people's capabilities, precisely because they have created a safe enough and demanding enough culture that everyone comes out of hiding. This is what we call the deliberately developmental organization: the DDO.

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We (your lead authors) have devoted our professional lives to the study and advancement of adult-developmental theory, which illuminates the gradual evolution of people's meaning-making systems and psychological capabilities. Developmental practitioners have known for years how to provide expert support to individuals on a one-to-one basis. However, little attention has been given to applying these principles and methods to an entire organization.

From the start of our research team's investigation of the three DDOs at the heart of this book, we were struck by three things. First, all of them are doing what the science of human development recommends, and they are doing so in ingenious and effective ways (even though only one of the organizations explicitly studied the science). They seemed to have an intuitive, practical grasp of how to accelerate people's development.

Second, these organizations are taking these concepts to scale so that everyone in the organization—workers, managers, and leaders alike—has the opportunity to develop. In the pages ahead, not only will you meet three unusual organizations, but you will also learn an explicit theory of human development that will help you better understand how these organizations' cultures impact their members. The theory will help you see under the organizations' practices to the way they help people uncover, engage, and ultimately transcend

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the limiting assumptions and defensive routines that prevent us from developing our capabilities beyond our own expectations.

In this way, should you have an interest in fostering, or working in, a deliberately developmental organization, you will have something more to guide you than a set of exemplary practices you may think to copy. You will have a crack-the-code understanding that may enable you to create practices that do not yet even exist.

Finally, all three companies intentionally and continuously nourish a culture that puts business and individual development—and the way each one supports the other—front and center for everyone, every day. Delivered via their homegrown, robust, daily practices, their cultures constitute breakthroughs in the design of people development and business strategy.

A Twenty-First-Century Design for Development

One way to look at this book is to see it as a twenty-first-century answer to the question, “What is the most powerful way to develop the capabilities of people at work?” Executive coaching, high-potential programs, mentoring, corporate universities, off-sites, retreats, and leadership development programs may sound like widely varying approaches, but they actually share enough common (and problematic) features to be seen as a single, twentieth-century answer to the way we might best develop human capabilities.

What are the features common to these approaches? First, they give people punctuated inputs, delivered from time to time rather than continuously. By themselves they may not occur often or intensely enough. Given how daunting the project is to help people grow in fundamental ways, the application of the intervention may be too thin.

Second, they constitute “something extra”—something beyond and outside the normal flow of work, an approach that raises the vexing problems of transfer and cost. Even if these activities support powerful learning in a context outside work, how do you ensure that employees transfer their new knowledge to the stubbornly durable context of business as usual? And how do you sustain the double costs of external inputs and employees’ time away from the job?

Third, these types of programs are provided only for a few, generally for the 5 to 10 percent of employees who are designated “high potentials” (to say nothing of the way such a label indirectly writes off the potential of 90 to 95 percent of your workers).

Finally, and above all, notice that the twentieth-century answer to developing potential, in all cases, makes the individual and not the organization the point of dynamic entry. If the organization wants to significantly impact people’s capabilities, it should apparently find something new, outside the organization itself, some additive: give them a coach, a program, a course, a mentor. The organization itself does not change. We might soup up the fuel through these additives, but the engine remains what it has always been.

What is the alternative? Imagine so valuing the importance of developing people’s capabilities that you design a culture that itself immersively sweeps every member of the organization into an ongoing developmental journey in the course of working every day.

Imagine making the organization itself—and not separate, extra benefits—the incubator of capability. Imagine hardwiring development into your bottom line so that, along with asking whether your culture is fostering the other elements of business success (such as profitability or the consistent quality of your offering), you ask—demand—that your culture as a whole, visibly and in the regular, daily operations of the company, be a continuous force on behalf of people overcoming their limitations and blind spots and improving their mastery of increasingly challenging work.

Imagine finding yourself in a trustworthy environment, one that tolerates—even prefers—making your weaknesses public so that your colleagues can support you in the process of overcoming them. Imagine recapturing the full-time energies of your employees now joined to the mission of the enterprise.

You’re imagining an organization that, through its culture, is an incubator or accelerator of people’s growth. In short, you’re imagining a deliberately developmental organization.

Being a DDO does not present a choice between focusing on individuals or focusing on the organization as a whole. In a DDO, coaching, leadership programs, and the like do not disappear; instead, they become figures on the ground of a more comprehensively

developmental culture. Development is not an additive. Instead, both the fuel and the engine are developmentally enriched.

In this book, we show you the twenty-first-century way to create a robust incubator for people's development.

A Strategic Approach to Culture

The intention of every DDO leader in the pages ahead is crystal clear: he or she is working hard on the culture every day as much to enhance the business as its employees. These leaders do not see two goals or two missions, but one. The relationship between realizing human potential and organizational potential in these companies is a dialectic, not a trade-off. We believe these companies have something provocative to teach about a new route to business success.

You will see not only how a DDO helps its people develop but also how the DDO culture enables it to come up with original and effective means to meet its most vexing challenges—and capitalize on its most promising opportunities. One of these companies, for example, is in an industry with an annual turnover of 40 percent, but this organization figured out a way, year after year, to get that figure into the single digits. Another entered a whole new industry in record time. A third may be the only company to have anticipated the economic crisis of 2008—and manage through it successfully.

The distinctive quality of business challenges in a VUCA world is that they are as often adaptive as technical. Technical challenges are not necessarily easy, but they can be met by improvements to existing mind-sets and organizational designs. Adaptive challenges can only be met by people and organizations exceeding themselves. We believe the DDO may be the single best means for meeting adaptive challenges.

In short, in the pages ahead you'll get a good look at culture as itself a business strategy.

Planning Your Route through This Book

Let's look at what you may want to consider as you choose the best sequence through the book. Chapter 1 drops you immediately into a ground-level experience of a DDO. As we guide you through the

three organizations, we're trying to let you swivel your head in all directions to take in as many impressions as possible. The goal is not to be comprehensive or systematic but to let the novelty jump out at you. "Toto, I've a feeling we're not in Kansas anymore."

Chapters 2 and 3 give you an aerial view of the deliberately developmental organization, including its conceptual underpinnings and its common features across companies. Chapter 2 drills down into what we mean by *developmental* when we speak of a deliberately developmental organization. Chapter 3 takes you through twelve common features of a DDO, grouped according to their developmental aspirations, practices, and sense of community.

If you're a "part to whole" learner and want to experience the particular look and feel of something before you consider it more generally and conceptually, you'll probably most appreciate the inductive sequence through the first three chapters as we have laid it out. But if you prefer to see the big picture before you look at living instances (as "whole to part" learners do), you may prefer a more deductive sequence, beginning with chapters 2 and 3 and then moving to chapter 1.

Chapter 4 is a deep dive into the practices that the exemplar companies have created to support their deliberately developmental cultures. You will understand these practices better after you've read the chapter on developmental theory (chapter 2), but if you're most interested in an on-the-ground account of life in a DDO, you may want to go directly from chapter 1 to chapter 4 and then to chapter 5.

Chapter 5 addresses the strictly business value of a DDO. "Yes, I see how such an organization may be a fantastic experience for the employee," you might say, "but is this really any way to run a business?" This chapter addresses whether the exemplar businesses succeed *despite* the attention they give to personal development or *because* of it.

Chapter 6 gives you a direct experience of your own growing edge so that you might consider firsthand the kind of personal learning a DDO would collectively encourage and support for you. (If, after finishing chapter 4 on DDO practices, you find yourself wondering about your own blind spot or about the kind of discomfort you would have to manage were you in a DDO,

you might want to go directly to chapter 6 and then come back to chapter 5.)

If all the preceding chapters have created in you an interest in moving your workplace—your team, department, or whole enterprise—more in the direction of becoming a DDO, then chapter 7, the final chapter, gives you pictures of the ways we have seen organizations choose to get started.

The Rise of the New Incomes

We live in unprecedented times. Alongside the seismic shifts of the VUCA world are equally significant shifts in what people are looking for when they go to work each day. Gone are the days when payoffs to Economic Man alone—to the material self, to greater agency in the external world—were enough. In those days, conventional incomes—such as paychecks, health benefits, and limits to the hours in a workweek—sufficed.

Now we're seeing the pursuit of *new incomes*: personal satisfaction, meaningfulness, and happiness. These are payoffs to the Psychological Person, to the intangible self, to fulfillment in the interior world. Paychecks, bonuses, and benefits will always matter, of course, but, increasingly, they're not enough for many of us. The rise of the new incomes may represent the biggest shift in the work-reward equation since the emergence of the labor movement in the nineteenth century. That whole countries, and even the United Nations, are now exploring the development of measures like GNH (gross national happiness, a qualitatively different way of measuring success) as well as GNP is evidence of the robustness of the new incomes.

But what is happiness? The definition most in vogue, fueled by the positive psychology movement, is one of happiness as a state, characterized by pleasure; a banishing of pain, suffering, and boredom; a sense of engagement and meaning through the experience of positive emotions and resilience. This is the dominant version of the new incomes sought and paid in the most widely celebrated “great places to work.” Think of flexible work hours, pool tables and dart boards, dining areas run by chefs serving fabulous and nutritious food at all

hours, frequent talks by visiting thought leaders, spaces for naps, unlimited vacation time.

However, the research literature on happiness suggests another definition, one that is overlapping but significantly different. The second definition sees happiness as a process of human flourishing. This definition, whose roots go back to Aristotle and the Greeks' concept of *eudaemonia*, includes an experience of meaning and engagement but in relation to the satisfactions of experiencing one's own growth and unfolding, becoming more of the person one was meant to be, bringing more of oneself into the world.

Just as labor pains are a part of bringing new life into the world, the process of human development, of seeing and overcoming one's previous limitations, can involve pain. Unlike happiness as a state brought on by experiencing only the so-called positive emotions, happiness as a process of development includes the experience of loss, pain, and suffering (rather than standing in contrast to it).

This other kind of happiness may be less fashionable in a world entranced with pleasure, stimulation, and the avoidance of pain, but for anyone who has tasted it, as our DDO informants testify, it is a treasured income of surpassing value. People find themselves experiencing pleasure and aliveness in new, unexplored terrain, with a heightened sense of awareness and presence even as they engage their most difficult moments.

The workplaces we call deliberately developmental organizations are delivering this second kind of new income in settings that expressly attend to the process of human development. Their cultures include everyone in this process—everyone experiencing their own unfolding but, equally important, everyone witnessing, supporting, and at times even provoking this unfolding in others. Although it is occasionally difficult or unsettling for individuals to face old, unproductive patterns or vulnerabilities, people experience an overall sense of shared excitement and energy, forward movement and growth—of themselves, their colleagues, and the organization.

It is far too soon to settle, in the reorganization of work, for what amounts to experiments confined to a single conception of happiness. As an experiment in new ways to organize work, the workplace built for flourishing stands shoulder to shoulder with the workplace

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built for well-being. These workplaces may one day marry, or they may not, but they should be mutually supporting, each taking an interest in and cheering for the other as together they lead a common movement to repay, with a new income, the gift of our labor.

The workplace built for well-being has already begun to claim a space in the public imagination. We believe this is only half the mansion. We invite you to take a grand tour of the workplace built for flourishing, the other half of the house of human happiness.