



## INTUITION AS A KEY FACTOR FOR IMPLEMENTING THEORY U

BY ANDREA REUPOLD SZAMEITAT AND HERBERT NESTLER



**A**s pointed out by many researchers and business coaches, the pace of change and complexity in organizations today is accelerating at an exponential rate. Leaders—especially leaders with senior responsibilities—face challenges that are new, unique, and complex. They must make decisions based on less information than in the past and often in areas where there is no precedent. These decisions need to be made quickly, producing an enormous level of insecurity and stress.

To feel secure in their actions, many leaders continue to look to the past for the solutions they need for current and future problems. In *The 8th Habit: From Effectiveness to Greatness* (2004), Stephen Covey speaks about how today's solutions do not meet tomorrow's challenges because they are based on yesterday's facts. The impact of globalization and the speed of change cause a widening disconnect with the past while bringing the future closer and closer (see Otto Scharmer, *Theory U: Leading from the Future As It Emerges*, 2007, p. 60). At the same time, leaders feel they are too busy to stop and reflect because of the hectic, competitive pace of global business.

As yesterday's solutions increasingly fail to meet tomorrow's challenges, the need for a new problem-solving model becomes evident. Theory U, a change management methodology developed by Otto Scharmer, offers that model. It invites leaders to transform their thinking process from one based on isolated datasets, facts, and observations into a more holistic approach that is fundamentally *intuitive*. Rather than trying to add A + B to come up with C, it invites the leader to step back and see patterns in the alphabet and reflect on how such patterns can reveal the future.

In this article, we will explore how, based on their personality and behavior, many successful ex-

perts and junior leaders have come to rely on what Myers and Briggs refer to as a *sensing* rather than an *intuitive* method-

ology of taking in information. (Note: What Myers & Briggs refer to as sensing—paying attention to information that comes in through your senses—is actually quite opposite from sensing as it appears in Theory U—the process of connecting to the driving forces of change. Myers and Briggs would see the latter as intuition.) We have analyzed change processes as well as managers' learning patterns and have found that, when leaders take on increased responsibility, they benefit from shifting from a sensing methodology to an intuitive one. This jibes with Scharmer's work on Theory U.

We will show a connection between the Myers-Briggs concept of intuition and that inherent to Theory U, and explore how to effectively use this concept to coach leaders who are moving into more senior positions.

### Challenges for Evolving Leaders

Three main factors drive the need for evolving leaders to become more intuitive and rely on their inner voices:

- The differing responsibilities associated with their rise up the career ladder
- The accelerating rate of change in the world
- The fact that, the higher the emerging complexity, the more beneficial a whole-systems and multi-stakeholder approach, guided by a leader, can be

This process can be illustrated by examples of companies like the electronics giant Siemens, which employs many engineers who ascend into management during the course of their careers. Some of them struggle to become effective leaders because they apply a sensing approach to leading. They focus on flaws and apply the "stick" (punishment for failure to meet goals). Through intensive coaching, some of them learn to think "big picture," see possibilities, and apply the "carrot," which has enormous potential for enlivening creativity and producing highly motivated people.

Venture capital companies provide another example. We might be inclined to assume that these companies, which provide the initial funding for

### TEAM TIP

Otto Scharmer offers tips for developing your intuition.



new businesses, would take a fiscally conservative risk-management (sensing) approach to their decisions about which companies will receive money. This assumption is almost universally false, as we have personally witnessed in the American firm Signature Capital as well as in the Siemens new business incubator initiatives. Instead, following a first round to weed out obviously underdeveloped ideas, venture capitalists focus on the vision, enthusiasm, and commitment of the people driving the idea. Their capacity to connect the dots in order to see the big picture is more valuable than the ability of literal-minded analysts and controllers to weigh risks by applying past formulas to tomorrow's world.

The most successful companies in today's marketplace are led by visionary, intuitive risk-takers. A great example is the recently deceased Steve Jobs.

### A Coaching Approach Inspired by Theory U

Within Theory U, we find a model that can help evolving leaders modify the way they process information and make decisions that meet the challenges of our current world and the leaders' new spheres of responsibility. Training programs often focus on teaching tools (leadership styles, project management methodologies, etc.), while coaching helps the client solve a specific problem. We advocate training and coaching that addresses a fundamental change in how leaders make decisions. This change can be illustrated by one index of the Myers-Briggs instrument for understanding personality and human behavior.

Isabel Briggs Myers and Katherine C. Briggs developed the most widely used instrument for understanding personality and human behavior: the Myers-Briggs Type Indicator (MBTI). It is based on the ground-breaking work of Carl Jung. It includes four dichotomies:

Extraversion (E)	(I) Introversion
Sensing (S)	(N) Intuition
Thinking (T)	(F) Feeling
Judgment (J)	(P) Perception

One of the four indices describes differences in how we take in information. At one end is *sensing*, described in the context of the MBTI as a reliance primarily on observable facts, and a focus on past and present as well as the known and familiar. People who prefer the sensing type like to take in information that is real and tangible—that which is actually happening. They are observant about the details of what is going on around them and are especially attuned to practical realities. At the other end of the continuum is *intuition*, a holistic approach that focuses on the future as well as on the new and different; this approach leads to a reliance on one's inner voice. People with a preference for intuition like to take in information by seeing the big picture,

and focusing on relationships and connections between facts. They want to grasp patterns and are especially attuned to seeing possibilities.

Myers and Briggs have pointed out that most people have a preference for one or the other of these two styles to a greater or lesser extent, but they also strongly make the case that people can learn to develop and effectively use their less dominant style. As pointed out earlier, our current environment requires leaders, especially those at more senior levels, to have a well-developed ability to utilize their intuition, regardless of their underlying preference.

### Uncharted Water

Leadership training and one-to-one coaching programs can offer opportunities to increase leaders' awareness about the implications of using sensing versus intuition in the information-gathering steps of the decision-making process. These programs can also enhance leaders' ability to shift styles toward intuition where appropriate. This is uncharted water. From our coaching experience, we learned that it is often frightening for people who have successfully used one style and are now confronted with the challenge of adopting a different style, especially one based on making decisions by a method other than repeating past successes.

Making this kind of shift is difficult. In 1899, the then-commissioner of the US Office of Patents Charles Duell famously stated "*Everything that can be invented has been invented.*" In underestimating opportunities, he has been in good company over the years, as shown by the following quotes:

*"I think there is a world market for about five computers."* —Thomas Watson, founder of IBM

*"There is not the slightest indication that nuclear energy will ever be obtainable. It would mean that the atom would have to be shattered at will."* —Albert Einstein

*"The phonograph is not of any commercial value."* —Thomas Edison

*"Man will not fly for 50 years."* —Wilbur Wright, 1903

*"640K ought to be enough for anybody."* —Bill Gates

*"With over 50 foreign cars on sale here, the Japanese auto industry isn't likely to carve out a big slice of the U.S. market for itself."* —BusinessWeek, 1968, just before Honda and Toyota nearly ruined the US automobile manufacturing industry

To be more accurate in their assessment, these individuals would have had to activate their intuitive processes and see into the future rather than constantly look in the rear-view mirror. The good news



is that some institutions are making this shift. For instance, the five largest patent offices in the world are the European Patent Office (currently supporting 38 nations), US Patent Office, and those of Japan, China, and India. In a rare show of support for true, forward-thinking innovation, these patent offices are increasingly looking for opportunities to grant new patents rather than reject them. They recognize that creativity requires dreamers, not gate-keepers.

Currently, leadership training and coaching often centers on developing tools and misses the opportunity to explore inner processes and behavioral change in the individual as a key factor for success.

### **The Need for Additional Research**

This article makes the case for developing and training intuition in evolving leaders. Although we and others are using these techniques now, we would like to see organizational and behavioral researchers discuss, test, and evaluate personal coaching and training processes inspired by Theory U. These ap-

proaches should be the object of a scientific debate based on positive experiences in practice. ■

**Herbert Nestler** held senior management positions in several organizations, including Rotary International, before moving to Munich Germany in 1988. As a partner in Graf & Nestler GbR, he conducts coaching, training, and facilitation in leadership and communications issues for companies including Siemens, Bosch, Airbus, and the European Patent Office. Herbert holds an M.A. in Communications from Northwestern University.

**Andrea Reupold Szameitat** held research positions in Munich and Melbourne, and was a research network manager at the Munich Center of the Learning Sciences. She teaches in psychology master's programs, supervising master's and PhD students, and working freelance in coaching, training, and facilitation. Andrea holds a PhD in Education and an M.A. in Education, Psychology, and Intercultural Communications from the Ludwig-Maximilians-University in Munich.