

## Class 7, 5/19/04

Attendance		10
Class 6 slides on "Limits to Growth" structures, product life cycle "S-Curve", & overshoot and collapse.	LCD projection & discussion	20
5D Chapters 7 & 8, Growth & Underinvestment, Seeing the Forest & the Trees: People Express	LCD projection & discussion	10
Project Management Dynamics	LCD projection & discussion	30
Break		10
Project Management Dynamics	LCD projection & discussion	45
Answers to exam	LCD projection & discussion	15
Break		10
5D Chapters 9 & 10 Personal Mastery & Mental Models	LCD projection & discussion	20
Reflection papers	discussion	10
		180

### 5D. Chapter 9: Personal Mastery

- Organizations learn only through individuals who learn. Individual learning does not guarantee organizational learning. But without it no organizational learning occurs.

*\* Note: But organizations can learn more than organizations do because individual managers "learn too much from too little" when they do not tap the learning of everyone in the organization. And organizations don't have to forget when individuals do; they can maintain checklists to not repeat mistakes and create learning histories to remember the lessons of the past.*

- When personal mastery becomes a discipline — an activity we integrate into our lives — it embodies two underlying movements.
  - The first is continually clarifying what is important to us. (**vision**)
  - The second is continually learning how to see **current reality** more clearly.
- ... personal mastery is not something you possess. It is a process. It is a lifelong discipline. People with a high level of personal mastery are acutely aware of their ignorance, their incompetence, their growth areas. And they are deeply self-confident. Paradoxical? Only for those who do not see that "the journey is the reward."
- O'Brien ...: "In the type of organization we seek to build, the fullest development of people is on an equal plane with financial success. This goes along with our most basic premise: that practicing the virtues of life and business success are not only compatible but enrich one another. This is a far cry from the traditional 'morals of the marketplace.'"
- There are obvious reasons why companies resist encouraging personal mastery.
  - It is "soft," based in part on unquantifiable concepts such as intuition and personal vision.

- Cynicism. The human potential movement, ... overpromised itself to corporations during the 1970s and 1980s. It prompted executives to idealize each other and expect grand, instant, human character transformations, which can never happen.
- ... some fear that personal mastery will threaten the established order of a well-managed company. This is a valid fear. *To empower people in an unaligned organization can be counterproductive.* ... [and] only increase organizational stress and the burden of management to maintain coherence and direction.
- Most adults have little sense of vision.
  - ... [they have] "negative visions" ... a teenager in one of our programs once said, "We should call them 'grown-ups' we should call them 'given ups.'"
  - A subtler form of diminished vision is "focusing on means not the result." ... *The ability to focus on ultimate intrinsic desires, not only on secondary goals, is a cornerstone of personal mastery.*
    - \* Note: e.g., profits seen as a means to fulfilling an organization's Values, Purpose and Vision, not as an end in itself.* Book: *The Living Company* by Arie de Geus
- Mastery of creative tension transforms the way one views "failure." ... Failure is an opportunity for learning ... Ed Land, founder of Polaroid, ... plaque on his wall ... "A mistake is an event, the full benefit of which has not yet been turned to your advantage."
- Common view: "Things must get bad enough or people will not change in any fundamental way." This leads to the mistaken belief that fundamental change *requires* a threat to survival.
- ... human beings are more complex than we often assume. We both fear and seek change. ... "People don't resist change. They resist being changed."
- Commitment to the truth: ... a relentless willingness to root out the ways we limit or deceive ourselves from seeing what is, and to continually challenge our theories of why things are the way they are.

- Structures of which we are unaware hold us prisoner. The Koran: “What a tragedy that man must die before he wakes up.”
- ... the learning challenge faces by us all: to continually expand our awareness and understanding, to see more and more of the interdependencies between actions and our reality, to see more and more of our connectedness to the world around us.

## 5D. Chapter 10: Mental Models

- Harvard’s Chris Argyris, who has worked with mental models and organizational learning for thirty years, puts it this way: “Although people do not [always] behave congruently with their espoused theories [what they say], they do behave congruently with their theories-in-use [their mental models].”  
\* *Note: We’ll review this in detail when we cover Team Learning.*
- As Albert Einstein once wrote: “Our theories determine what we measure.” For years, physicists ran experiments that contradicted classical physics, yet no one “saw” the data that these experiments eventually provided, leading to revolutionary theories — quantum mechanics and relativity — of twentieth-century physics.  
\* *Note: This is why forming theories of organizations and other social systems is so vital.*
- “Scenario planning” ... a method for summarizing alternative future trends.
- Shell ... Group planners developed a set of scenarios ... which forced the managers to identify all the assumptions that had to be true in order for the managers’ “trouble-free” future to occur. This revealed a set of assumptions only slightly more likely to come true than a fairy tale.
- “In the traditional authoritarian organization, the dogma was managing, organizing and controlling,” says Hanover’s CEO Bill O’Brien. “In the learning organization, the new ‘dogma’ will be vision, values, and mental models.”
- The impact [of the Beckett, “Thinking about Thinking” program’s survey of major philosophies of thought over 5 full days, which Beckett describes as “sandpaper on the brain”] on managers’ understanding of mental models is profound — most report that they see for the first time in their life that all we ever have are assumptions, never “truths,” that we always see the world through out mental models and that the mental models are *always* incomplete, and especially in Western culture, chronically nonsystemic.

... he emphasizes the distinction between “process thinking” and seeing only “snapshots,”

and poses systems thinking as a philosophical alternative to the pervasive “reductionism” in Western culture — the pursuit of simple answers to complex issues.

- **Leaps of Abstraction:** ... occur when we move from direct observation (concrete “data”) to generalization without testing. Leaps of abstraction impede learning because they become axiomatic. What was once an assumption becomes treated as a fact.
- **Left-Hand Column:** (see class slides)
- **Balancing Inquiry and Advocacy:** Advocacy without inquiry begets more advocacy.  
\* *Note: ... provoking an escalating argument.*
- The most productive learning usually occurs when managers combine skills in advocacy and inquiry.
- **Espoused Theory versus Theory-in-Use:** ... recognizing the gap between our espoused theories (what we say) and our “theories-in-use” (the theories that lay behind out actions) is vital. Otherwise, we may believe we’ve “learned” something just because we’ve got the new language and concepts to use, even though our behavior is unchanged.
- Gaps between espoused theories and theories-in-use ... for example ... a gap between ... my vision [that people are basically trustworthy] and my current behavior [in that I never lend friends money] holds the potential for creative change.  
The problem lies not in the gap but ... in failing to tell the truth about the gap. Until the gap between my espoused theory and my current behavior is recognized, no learning can occur.
- Mental Models & The Fifth Discipline (Systems Thinking): Contemporary research shows that most of our mental models are systematically flawed. [As we read in John Sterman’s paper on “Learning in and about complex systems.”]
- Eventually, what will accelerate mental models as a practical management discipline will be a *library of “generic structures”* used throughout an organization. These “structures” will be based on systems archetypes ... but they would be suited to the particulars of a given organization — its products, market, and technologies.
- Just as “linear thinking” dominates most mental models used for critical decisions today, the learning organizations of the future will make key decisions based on shared understandings of interrelationships and patterns of change.