The Dialogic Mindset for Generative Change

Gervase R. Bushe and Robert J. Marshak


The results from using any change method depend more on the mindset of those using it than on following prescribed steps and guidelines.

Traditional planned change involves leaders and experts providing a vision of the desired end state and a plan to achieve it that is then implemented, top-down. This approach is based on a mostly mechanistic view of organizations where technical rationality is applied to move parts and boxes around, fix what’s broken, and add new and better systems to whatever you currently have. Underlying this “Performance Mindset” (Bushe & Marshak, 2016) is the assumption that with objective measurement and application of sound decision-making processes, wise leaders and their experts can analyze the underlying factors that need to be altered to achieve desired outcomes. An advance on this is to think of organizations as more like organisms or “open systems” where everything is related to everything else and an organization must be “fit” to successfully compete in its environment (Burns and Stalker, 1961; Lawrence and Lorsch, 1967; Porter, 1979). This way of thinking assumes diagnosis of the factors and forces limiting performance is possible and necessary to formulate successful change interventions (Kotter, 19798; Lippitt, Watson, and Westley, 1958; Palmer, Dunford, and Akin, 2006).

Consistent estimates that 75% of change programs fail (Balogun and Hope Hailey, 2004; Towers Watson, 2013), combined with serious questions about any leader’s ability to control the thinking and actions of employees (Stacy, 2001) and predict the future (Collins and Hansen, 2011), contribute to a growing belief that in a VUCA world of volatility, uncertainty, complexity and ambiguity, most strategic issues organization’s face can’t be solved using a Performance Mindset (Heifetz, 1998; Mintzberg & Waters, 1984; Snowden and Boone, 2007).

Since the 1980’s, innovations in organizational change theory and practice that challenge traditional change processes have emerged; many are described in this book. We conclude that when used from a Performance Mindset they aren’t much more successful than traditional planning and project management approaches. However, when used from a different mindset, one we call a “Dialogic Mindset” (to distinguish it from the conventional “Diagnostic” Mindset), they are far more
likely to be transformational (Bushe & Marshak, 2015).

Underlying many of these approaches are similar but often unstated assumptions about the nature of organizations and how to successfully change them. They build off of recent ideas about how “reality” is constructed through social interactions (Berger and Luckmann, 1967; Gergen, 2015) and lead to thinking of organizations not as machines or organisms, but as networks of conversations where people are in a continuous process of making meaning about what is going on (Bushe & Marshak, 2009). They also build off parallel ideas originating in the complexity sciences (Waldrop, 1992) that have led to models and methods of change based on emergence and self-organization. These argue top-down change doesn’t happen in nature, and utilizing more bottom-up, self-organizing processes will provide better paths to transformational change. The Dialogic Mindset represents a convergence of these two intellectual trends (Bushe & Marshak, 2014). This theoretical integration underlies the successful application of change approaches and methods that don’t rely on an initial diagnosis or predetermined end state.

Dialogic in this context means more than good conversations. Instead it’s intended to capture the dynamics of how social interactions reinforce or disrupt how people think and act and furthermore, that such interactions are in a constant flow where new possibilities are always potentially on the horizon. Table 1 captures in more detail some of the contrasting ways in which a Dialogic Mindset views organizations and change, as contrasted with more traditional mindsets about change.

**Table 1: Contrasting common assumptions of Most Traditional Change Mindsets with assumptions of the Dialogic Mindset (adapted from Stacey, 2015)**

<table>
<thead>
<tr>
<th>Most Traditional Change Mindsets talk about</th>
<th>but the Dialogic Mindset sees</th>
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<tbody>
<tr>
<td>organizations in the abstract, as systems, as objective ‘things’, subject to impersonal, environmental and technological forces</td>
<td>organizations as conversations and that what happens is influenced by who talks with whom, in what ways, about what, when and how.</td>
</tr>
<tr>
<td>independent, autonomous, rational individuals making choices and taking action,</td>
<td>our interdependence and how we constrain and enable each other and can’t get much done without the consent of others.</td>
</tr>
<tr>
<td>wise, heroic leaders whose vision and acumen steer their organizations to success,</td>
<td>that no one can control what everyone else is choosing and doing and leaders often feel powerless to influence their own organizations.</td>
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<tr>
<td>generalizable tools and techniques of organizing and leading in the belief that they will improve organizations,</td>
<td>situations so uncertain and the local contingencies so important that any generic tools we have are of very limited value.</td>
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</table>
Most Traditional Change Mindsets talk about | but the Dialogic Mindset sees
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results coming from the choices, intentions and strategies made by leaders and teams, | results emerging from the interplay of all the choices, intentions and strategies of all the stakeholders in both intended and unintended ways.
rational, analytical ways of making decisions, using big data and increasingly automated decision processes, | that far from being purely rational, people are emotional and often unconsciously driven by the anxieties aroused by organizational life.
uncertainty and ambiguity but then proceeds to act, and encourages others to act, as if there was certainty and predictability, as if we can control large organizations and predict the future | that sometimes we are surprised and sometimes we are not; we have very little control and we can never be certain about what will happen next.

THE DIALOGIC MINDSET
From our analysis of the writing and research on these newer change methods, Table 2 identifies eight fundamental assumptions that shape a Dialogic Mindset (Bushe & Marshak, 2014, 2016).

**TABLE 2: EIGHT FUNDAMENTAL ASSUMPTIONS OF A DIALOGIC MINDSET**

1. The meanings and interpretations people make about “objective reality” guides how they think and what they in turn do.
2. Organizations are social networks of meaning making that create the organizational realities people experience and react to.
3. Transformational leadership helps shape how meanings are made especially the implicit storylines and narratives which guide people’s experience.
4. Organizations are continuously changing, in both intended and unintended ways, with multiple and different types of changes occurring at various speeds.
5. Groups and organizations are continuously self-organizing and re-creating themselves, but disruption to repetitive and limiting patterns is required for transformational adaptation and change to occur.
6. Complexity makes it impossible to predict outcomes so the best approach is to use emergent change processes to develop adaptive capacities and solutions.
7. Leading emergent, transformational change requires mobilizing stakeholders to self-initiate action, then monitoring and embedding the most promising initiatives.
8. Change facilitators are integral parts of the change process, not independent from it.
1. **The Meanings and Interpretations People Make about “Objective Reality” Guides How They Think and What They in Turn Do.**

What people believe to be true, right, and important emerges through socialization and day-to-day conversations. In one business, the “bottom line” is all-important; in another, it is growth and market share. The meanings people make about what’s important and what to do are in turn powerfully influenced by what leaders talk about, share, endorse, read, comment upon, ignore, dismiss, negate, or downplay. Nonetheless, there are other powerful influences, and leaders cannot just implement new “realities” like they might a mandated reorganization, new strategy, or new performance standards. People make meaning, individually and in small groups through day-to-day interactions embedded in social contexts. Leaders need to have an eye and ear for what people in the organization are saying, reading, and writing. Ignoring interactions that are dismissive of critical issues could be as dangerous as ignoring downturns in productivity, sales, and revenues. An essential aspect of leadership is to encourage conversations and resulting social agreements about what people should pay attention to and be concerned with, and then encourage the development of new ideas to address them. The Dialogic Mindset embraces change processes that engage people in new conversations that wouldn’t otherwise happen through business as usual.

2. **Organizations are social networks of meaning-making that create the organizational realities that people experience and react to.**

We are meaning-making creatures, compelled to make sense of what we and others are doing and what is going on around us. Much of this sense-making happens through people talking to trusted colleagues, friends and spouses (or just themselves) to try and figure out what is going on. These networks create common beliefs about what others are thinking, feeling, and wanting, and then people act on their sense-making as if their beliefs are objectively true (Bushe, 2009). Consequently, what happens in organizations is influenced more by how people make common meaning than by how presumably objective factors and forces impact the organization. This is why organizational innovations that succeed in one organization can fail in another, and why any change process has to take local contingencies and organizational culture into account to be successful.

This also means that attention to, listening to, and including marginalized or excluded voices is critical for innovation in a complex, diverse world. Leaders who view organizations as social networks of meaning-making will pay equal or even greater attention to what people throughout the organization are thinking and saying and how they make sense of their daily work experiences. Furthermore, the meaning of things may well differ in different parts of the organization, inviting inquiry into the different interpretations.
that may exist in different sectors and networks of the organization. The Dialogic Mindset works with change processes that acknowledge a person will change their behavior when it makes sense to them in their current context.

3. **Transformational leadership helps shape how meanings are made especially the implicit storylines and narratives which guide people’s experience.**

The meanings and interpretations that arise in organizations are shaped and reinforced by the narratives or “storylines” that help explain to people how to make sense of what they see taking place. It’s the storylines in people’s heads that will determine how people see and react to organizational challenges and leadership decisions (Marshak, 2013). Developing new narratives to shape new and agreed upon ways of thinking is a core part of transformational leadership. New storylines and narratives stimulate new meanings which in turn will allow previously impossible or incompatible actions to be seen as not only possible, but long overdue. This also means transformational leaders will encourage some meanings or interpretations over others. For example, they will try to ensure that “doing more with less” is interpreted as a call to re-invent how work is done rather than a demand to “work harder and longer with fewer workers to achieve the same results” (Marshak and Heracleous, 2018, p. 201). They will also pay attention to what meanings are being made in the organization, how those meanings come into being, what sustains or challenges them, and what the leader might do to encourage the emergence of new meanings to meet new situations. The Dialogic Mindset works with change processes that surface, disrupt, evolve and/or replace the current shared narratives that shape how people make sense of their experience and the organization.

4. **Organizations are continuously changing, in both intended and unintended ways, with multiple and different types of changes occurring at various speeds.**

One of the legacies from 20th century management thinking is to think of change as something that occasionally happens between periods of organizational stability. Certainly, there are times of stability and forces for stability, but in a VUCA world it might be better to see organizations as flow processes in which lots of things are moving at different speeds and change is merely a matter of temporal perspective. From this point of view, “stability” is just slow-moving change. Furthermore, what is changing and why things are changing is often out of the hands of any person or group. Change inside organizations can be the consequence of changes in the political, social, technological, economic, or natural environment. Any single “planned change” effort has to contend with a multitude of other forces pushing the organization in a myriad of ways. The larger and more complex the organization, the more likely a variety of planned changes are simultaneously underway and at various stages of unfolding. The Dialogic Mindset works with change methods that work with “the flow” and acknowledge and account
for the complexity and interdependencies any change effort faces in large organizations.

5. **GROUPS AND ORGANIZATIONS ARE INHERENTLY SELF-ORGANIZING, BUT DISRUPTION TO REPETITIVE AND LIMITING PATTERNS IS REQUIRED FOR TRANSFORMATIONAL ADAPTATION AND CHANGE.**

In nature, order emerges without a plan or leadership and complex behavior can result from a few simple rules. Self-organization into new patterns and forms occurs in organizations wherever and whenever there are disruptions that lead to ambiguity and allow space for innovation and adaptation to emerge.

The Performance Mindset assumes that without directive leadership there will be disorganization and chaos, so order needs to be imposed, but leaders cannot unilaterally impose the meanings people will make of situations. The Dialogic Mindset believes that self-organization can be more or less beneficial to the organization depending on leadership and the narratives that guide people’s meaning-making. While disruption is viewed by the Performance Mindset as an unwelcome threat to success and to be guarded against, the Dialogic Mindset understands that disruption is integral to transformational change and embraces it (Wheatley, 1992). The leader may guide a transformation in response to an unplanned disruption or may encourage disruption to existing narratives and patterns of meaning-making to create the necessary stimulus for innovation and adaptation.

6. **COMPLEXITY MAKES IT IMPOSSIBLE TO PREDICT OUTCOMES SO THE BEST APPROACH IS TO USE EMERGENT CHANGE PROCESSES TO DEVELOP ADAPTIVE CAPACITIES AND SOLUTIONS.**

When dealing with a VUCA world, expecting a leader or top team to be able to see the future and show the way may cause more problems than it solves. One of the most common findings of studies of companies managing complexity and innovation is that trying to figure out the right answer before you engage the people who will have to implement that answer is the road to ruin (Collins and Hansen, 2011; Pascale, Millman and Gioja, 2001). Instead, successful leaders encouraged numerous small experiments, learning as they went, in a more emergent process of change. In other words, try many small, fail-safe experiments to see what, in a specific situation, really leads to what, and will actually do what you hope it will (Snowden and Boone, 2007).

7. **LEADING EMERGENT TRANSFORMATIONAL CHANGE REQUIRES MOBILIZING STAKEHOLDERS’ TO SELF-INITIATE ACTION, THEN MONITORING AND EMBEDDING THE MOST PROMISING INITIATIVES.**

Under conditions of complexity, wicked problems and transformational challenges, a leader can’t be expected to know in advance what the specific outcome(s) of a change will be. Instead, leaders frame the purpose and challenge while initiating a process that engages stakeholders in new conversations that lead to transformational possibilities. This appears to be far more successful than top down methods (Bushe, 2017). This type of change leadership, which we call Generative Leadership (Bushe
& Marshak, 2016), focuses on creating conditions and contexts that unleash the energy and ideas latent in the organization so that emergent, self-organizing processes serve the organization. This approach to change enriches social networks so that people with similar motivations and ideas can find and support each other through self-initiated actions and small experiments they are passionate about. Leaders ensure that results are monitored, and those experiments that show promise are nurtured and allocated resources. Once it becomes clear which initiatives will work, they are built upon, scaled up, and embedded into the organization (Roehrig, Schwendenwein and Bushe, 2015).

8. CHANGE FACILITATORS ARE INTEGRAL PARTS OF THE CHANGE PROCESS, NOT INDEPENDENT FROM IT.

Consultants and facilitators cannot stand outside ongoing meaning making processes acting as independent facilitators of social interactions. They can’t “diagnose” the system as if they are independent observers whose internalized narratives and frameworks have no impact on what they are observing and what they then report. Their mere presence is part of the context that influences what meanings participants make about what is happening. Facilitators and consultants need to be aware of their own immersion in the organization and consider what meanings they are contributing to and co-creating by what they do or do not say and how they act. They need to develop relationships with leaders and organizational change agents that are different from the prevalent “project management” approach to organizational change (Bushe, 2013a).

Leaders operating from a Dialogic Mindset want to work with change facilitators who understand how emergent change is co-created, and model this in their day-to-day interactions while using change methods that enrich relationships with all stakeholders (Goppelt and Ray, 2015).

CORE DIALOGIC CHANGE PROCESSES

In this book you will find many change methods that appear to be different from each other. We propose that underlying methods as diverse as Appreciative Inquiry, Open Space, The Technology of Participation, and Dynamic Facilitation are the same three change processes that produce transformational effects (Bushe & Marshak, 2014; 2015). These are shown in Figure 1 and briefly described below. Research is still needed to sort out if just one, or some combination of them, is required for transformational change to occur. Our contention is that regardless of the method, if none of these occur, transformational change will not happen.
**Figure 1: Three Core Dialogic Change Processes**

Emergence: Channeling Disruption Toward Positive Self-Organizing

When a disruption in the ongoing social construction of reality occurs, a reorganization in how people interact and make sense of things will inevitably emerge. Dialogic change methods are designed to channel what emerges in a positive direction, so that a more adaptive, more developed way of organizing results. A disruption occurs when the previous social order or pattern of social relations falls apart, and people believe there is little chance of going back to the way things were. Disruptions can be planned or unplanned, and the group or organization may be able to self-organize around them without much conscious leadership.

From a Dialogic Mindset, transformation is unlikely to take place without disruption of the “established” order in some way (Holman, 2010). A variety of dialogic change methods in this book can be used to create containers for productive conversations to take place that support transformational re-organizing despite the anxiety that disruption and endings can create (Marshak, 2016). However, once disrupted, it is impossible to control what the final re-organization will look like; without leadership the options range from complete dissolution to reorganization at a higher level of complexity (Prigogine and Stengers, 1984). One main task of leadership is to frame and channel productive conversations so that the self-organizing that emerges will be in the service of the collective and not just of...
individuals. Some of the ways leaders do this are through identifying a purpose that is compelling to the majority of stakeholders, through building strong relationships amongst the stakeholders, and through providing a generative image (described below) that elicits new ways of thinking and new options for action.

**NEW NARRATIVES: CHANGING THE STORYLINES THAT FRAME HOW PEOPLE THINK AND ACT**

Narratives are storylines that explain and bring coherence to what people see and hear by making sense of ongoing “facts” and events. Storylines are embedded in and follow from an organization’s culture. They are reinforced in day to day conversations and especially by what leaders and people in power say and do. People mainly “see” what is consistent with their often subconscious narratives (Wilson, 2002). As people talk, they are also creating social reality (Pearce & Cronen, 1980). Every conversation reinforces, challenges, evolves or transforms the taken for granted assumptions people hold (Barrett, Thomas and Hocevar, 1995; Buchanan and Dawson, 2007). Even the meaning of words evolves over time through this process. While most change initiatives are designed to produce specific projects and solutions, concurrent changes in core narratives will ultimately be needed to transform how people make meaning and interact every day at work (Brown and Humphreys 2003; Marshak and Grant, 2008; Marshak, Grant, and Floris, 2015). Dialogically minded practitioners choose methods with the potential to transform the narratives and story making processes of individuals, groups and organizations including reframing, re-authoring, re-describing, and so forth (Storch, 2015; Swart, 2015).

**GENERATIVE IMAGES: STIMULATING TRANSFORMATIONAL IDEAS AND MOTIVATED ACTION**

Many of the change methods in this book require motivated stakeholders to engage in new conversations about old things to produce new ideas and actions. The Dialogic Mindset pays particular attention to how “generative” any method will be with this group of people for that challenge in this situation. How will we inspire people to new insights they want to act on that align with organizational needs and leadership intent? We define generativity as the inputs, processes and outcomes that 1) help people have new ideas that 2) they want to act on (Bushe, 2007; 2013b). If the method doesn’t produce new ideas that people want to act on, it probably won’t be successful in fostering transformational change.

Generative images are a combination of words that people find evocative and compelling even though ambiguous. The ambiguity allows people to imagine new possibilities and actions that could not be imagined before the generative idea or image surfaced. Often, a generative image combines things people value, that in the current narrative are framed as opposites or either/or. “Sustainable development” is one iconic example of a generative image. When it first appeared, protecting the environment and economic development appeared mutually opposed. This generative image allowed people to have new conversations where they could...
imagine alternatives that they could not imagine before.

Most dialogic change methods promote generativity by increasing the diversity of conversations, and the diversity of perspectives in conversations. Generative images point to things the stakeholders who need to be engaged in the change process care about. Besides helping to bring their energy to the conversation, generative images like sustainable development can help people transcend their differences to find common ground. Additionally, the Dialogic Mindset seeks to stimulate generativity through use of metaphor, improvisation, serious play, working polarities, prototyping, and so on (Bushe & Storch, 2015).

COMPARING PLANNED AND GENERATIVE CHANGE

Diagnostic and Dialogic approaches each have a change model most associated with them. Diagnostic approaches rely on planned change approaches whereas Dialogic approaches rely mainly on generative change approaches.

A brief contrast of some of the important differences between planned and generative change is provided in Table 3 and discussed in more detail in Marshak and Bushe (2018). The dimensions in the table show the main areas of emphasis for each and are not black and white dichotomies. A planned change approach might use analytic methods and quantitative data presentations, but might also use an analogic method like picture drawing at some point to stimulate more creativity. Similarly, a generative change approach might mainly seek to stimulate innovations, but augment that approach with some data analyses or scientific findings to ground discussions.

<table>
<thead>
<tr>
<th>Aspects</th>
<th>Planned Change</th>
<th>Generative Change</th>
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<tbody>
<tr>
<td>Approach</td>
<td>Social engineering</td>
<td>Social innovation</td>
</tr>
<tr>
<td>Reasoning</td>
<td>Analytic</td>
<td>Analogic</td>
</tr>
<tr>
<td>Methods</td>
<td>Scientific and engineering oriented</td>
<td>Dialogic and social agreement oriented</td>
</tr>
<tr>
<td>Role of Leaders</td>
<td>Performance oriented and directive</td>
<td>Possibility oriented and supportive</td>
</tr>
<tr>
<td>Outcomes</td>
<td>Solutions to problems and/or to achieve a desired state</td>
<td>Adaptive actions and/or transformation</td>
</tr>
<tr>
<td>Use when</td>
<td>State of the art approaches and solutions exist</td>
<td>Beyond state of the art approaches and solutions are needed</td>
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**Approach.** In a general sense, the essence of planned change is identifying and implementing a predetermined outcome while generative change is stimulating bottom-up experiments and learning as you go. Diagnosing the factors and forces that need to be modified in order to realize a predetermined change goal and applying
known social technologies are all central aspects of planned change practice and all are aspects of engineering an outcome. In contrast, generative change practice places emphasis on stimulating innovations that go beyond current thinking; learning from and scaling up what works.

**Reasoning.** The planned change approach relies predominately on analytic reasoning where what to do and why to do it is driven by collection and analysis of valid data combined with diagnostic reasoning. While generative change practice might include use of data-based reasoning it relies more heavily on analogic methods to stimulate “out of the box” creativity and innovative thinking. These could include use of metaphorical reasoning; scripted or improvisational theater; sculpting, drawing, or otherwise constructing analogs representing the situation or challenge; re-authoring the story of why things are the way they are; inviting people to “café discussions” or to speak in positive not problematic ways; and so forth.

**Methods.** The methods framing most planned change approaches are based in scientific or engineering thinking. That includes an implicit belief that the social world and the people in it can be measured, analyzed, acted upon, and developed in predetermined ways to realize desired outcomes. Generative change on the other hand is based on sociological thinking about how social interactions continuously create the world we experience and thinking in physics and biology about how systems self-organize to adapt under complex conditions. Organizational change results from changing the on-going organizational conversations and implicit social agreements about what is right and possible. Diverse and marginalized perspectives are intentionally included to disrupt established narratives and stimulate creative, generative possibilities.

**Role of Leaders.** In planned change, leaders are predominately problem and performance oriented. When partnering with a change consultant they are open to ideas and inputs but usually maintain a directive role regarding specifying change outcomes and to a degree sanctioning change methods. In generative change the leader acknowledges the uncertainty and complexity of the situation and his or her inability to analyze or direct effective actions. Instead the leader supports methods that encourage those who will have to change to identify and act on self-initiated innovations and learn as they go.

**Outcomes.** Planned change approaches explicitly or implicitly seek to comprehensively understand a “problem” and then develop an intervention approach that will lead to a lasting “solution.” In generative change, the approach is to bring diverse and marginalized perspectives together in ways that facilitate or encourage the emergence of new ideas and adaptive actions that are the best option in the moment, believing that organizing is a continuous iterative process of adaptation.

**Use When.** The logics of the two change approaches suggest that planned change practices may be more applicable when addressing situations that are less complex, where cause-effect relationships can be
predicted and where there are established methods for seeking to realize established outcomes. More complex contexts where cause-effect relationships are uncertain and unpredictable, and only knowable in retrospect, might be more amenable to generative change practices. These contexts create adaptive challenges that call for more innovative thinking and actions (Heifetz, 1998; Snowden and Boone, 2007).

**CONCLUDING COMMENT**

We continue to discover and catalogue change approaches that are consistent with the Dialogic Mindset and Generative change (Bushe, online). Most are in this book. However, many can be used from a Performance Mindset, where proposals are given to leaders who decide and attempt to implement top-down interventions, rather than a Dialogic Mindset, which assumes much less control and has faith in emergence. The few empirical studies that address the difference find conventional mindsets using dialogic methods lead to conventional results with poor return on investment (Bushe and Kassam, 2005; Nutt, 1994; Rowland and Higgs, 2008; Stensaker, Falkenberg and Grønhaug, 2008). To reiterate our overarching point: the results from using any change method depend more on the mindset of those using it, than on simply following guidelines or steps.

We think the Dialogic Mindset has emerged in recent years because leaders now face an increasingly complex world where outcomes are too unpredictable for diagnosis, benchmarking, or data analytics to identify how people should accomplish them. Instead, the Dialogic Mindset emphasizes generative processes that bring the stakeholders who must ultimately change into conversations they care about, using emergent, socially constructed, meaning-making methods that foster collective attention towards complex challenges and which stimulate bottom-up, locally responsive solutions that leaders nurture, scale up and embed.

**REFERENCES**


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