Downloading

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Learning and Change

Patterns of the Past

W hat we do is often based on habitual patterns of action and thought. A familiar stimulus triggers a familiar response. Moving toward a future possibility requires us to become aware of—and abandon—the dominant mode of downloading that causes us to continuously reproduce the patterns of the past.

When the Berlin Wall collapsed in the fall of 1989—followed by a ripple of collapsing socialist systems throughout Central and Eastern Europe, and the Soviet Union shortly thereafter—Western governments were quick to announce that this event had come out of the blue and that nobody could have anticipated such a geopolitical shift. Was that true?

Just two weeks earlier, I had been with an international student group on a study trip around the world, including through Central and Eastern Europe and the Soviet Union. During that trip, we talked with representatives of the

official system as well as grassroots activists in civil rights movements. In many of these conversations, especially with the activists in Central Europe, we sensed that they anticipated a profound change. It was in the air. A pattern of the past was about to shift dramatically.

During our stay in East Berlin, a week prior to the collapse, the peace researcher Johan Galtung offered a public wager in his speeches that the Berlin Wall would collapse by the end of 1989. I vividly remember that no expert or analyst, on either side, had ever predicted anything like it before. I heard his statement with ambivalence. On the one hand, what Galtung predicted fully resonated with what we had seen in Eastern Europe. But then my mind reverted to old habits of thinking: Hasn't this system existed for close to half a century? And haven't these same problems, issues, and civic countermovements always existed? Budapest 1956, Prague 1968. People had tried to bring socialist regimes to their knees, but their efforts had amounted to nothing. Red Army tanks just kept rolling over people. The bottom line remained the same: the old system prevailed.

So there I was, twenty-seven years old and exposed to fresh evidence that the Eastern European socialist system was about to collapse. Yet in my mind I was unable to recognize what I had seen with my own eyes. I thought that Galtung's prediction was maybe a little off or far-fetched.

It was not. He was dead on. Having seen the Berlin Wall collapse on schedule (according to his prediction), I had to ask myself what had kept me from accepting the "truth" I had seen with my own eyes? Why did Galtung, who was exposed to the same data as the rest of us during the trip, emerge with a clear conclusion, while I developed a murky "on the one hand, on the other" view?

The primary difference between me, the student, and Galtung, the master researcher, wasn't the amount of knowledge accumulated, but a different way of seeing. He had a more disciplined way of paying attention to the world. He was able to suspend his habitual judgment and pay undistorted attention to the reality in front of him.

The Field Structure of Downloading

When we truly pay attention, we stop our habitual mode of downloading and open up to the reality in front of us. As long as our mental mechanism's attention is guided by habitual patterns, the source of our attention originates from the center of our own organization. Figure 8.ᴵ shows the mechanical structure of this field by depicting the source of attention and action (represented by the white dot) in the center of the boundaries of its own organization (represented by the blue circle).

Meetings and habitual conversations in organizations, for example, are often based on downloading past patterns. We collectively reproduce existing patterns of behavior and thought. When operating from the place of downloading—that is, from within the closed boundaries of our own organization—we are captured in our old world like a prisoner in a cell: there is no way out. We see only the mental constructs that we project onto the world.
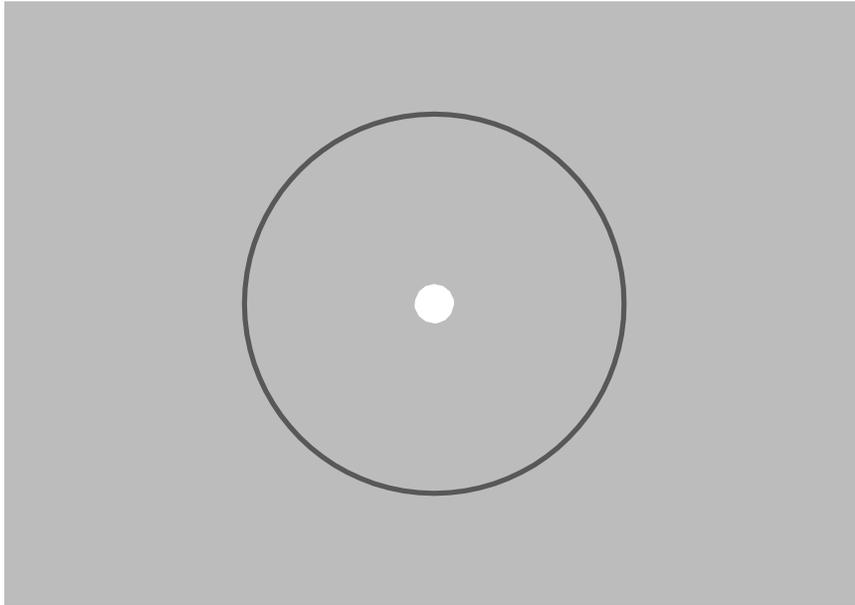

FIGURE 8.1: THE FIELD STRUCTURE OF DOWNLOADING

The philosopher Paul Watzlawick gives a wonderful example of this type of operating:

A man wants to hang a picture. He has a nail, but no hammer. The neighbor has one, so our man decides to borrow it. But then a doubt occurs to him. "What if the neighbor won't let me have it? Yesterday he barely nodded when I greeted him. Perhaps he was in a hurry. But perhaps he pretended to be in a hurry because he doesn't like me. And why would he not like me? I have always been nice to him; he obviously imagines something. If someone wanted to borrow one of my tools, I would of course give it to him. So why doesn't he want to lend me his hammer? How can one refuse such a simple request? People like him really poison one's life. He probably even imagines that I depend on him just because he has a hammer. I'll give him a piece of my mind." And so our man storms over to the neighbor's apartment and rings the bell. The neighbor opens the door, but before he can even say "Good morning," our man shouts. "And you can keep your damned hammer, you oaf!"[0]

GlobalHealthCompany

Institutions and systems habitually download past patterns. Consider the example of the GlobalHealthCompany (a fictitious name), one of the biggest and most successful companies in its industry.[a] A European branch of this company experienced a major breakdown after introducing a new product in the 1990s. The company hired a huge sales force to launch the product, only to find that the more effort it put into selling the product, the less successful it was. Eventually, a television program aired a report on the side effects of the product. The program's investigators asked to speak with the managers, but the company declined. A year later, one customer who had been using the product died.

In retrospect, it seemed obvious that there had been warning signs about both the side effects and the fact that this product needed a specialized marketing approach. The question is: Why did the managers fail to see and recognize these early-warning signals?

The Manufacturing of a Corporate Virus

The answer to this question is deeply connected to both the culture and the history of the company. In Organizational Culture and Leadership, Schein describes two principles that are essential to understanding what the company did wrong.[6] First, the role of the founder is always critical to understanding an organizational culture. And second, today's organizational cultures are based on assumptions that are related to practices that have been successful in the past. Because all companies in existence today have, in one way or another, succeeded in the past, the current culture is always based on assumptions that have a long record of success. Here is how these two principles show up in the case of the GlobalHealthCompany.

Four CEOs

CEO I: 1960s

"The first general manager of GlobalHealthCompany came to us in the 1960s," says a senior manager who was with the company then. "His first job was to sell. He had very fixed ideas about the company. He ruled in a very authoritarian way. He built up a sales force, but he always maintained that our country was a special place—you could not sell the same way here in this country."

Some of that same dogmatism could be seen in the person of the path-breaking research figure at the headquarters as well. An employee of GlobalHealthCompany says, "He would forbid anyone to talk to regulatory authorities about such side effects, because if there were a problem, it could not be from the product itself."

CEO II: 1980s

In the 1980s, a second CEO replaced the founding CEO. He moved the headquarters to a large city. "He was a ruinous leader," recalls another GlobalHealthCompany manager. "He sacked people outright if they did not agree with him. You were sacked if you said something about the company that you should not say—your job was to protect the company." He was aloof, and people rarely saw him in the organization. For all the first CEO's

authoritarianism, you could say what you thought, even if you disagreed with him. The manager notes, "He [the first CEO] might throw a tantrum, but you could speak out."

CEO III: Early ©990s

The second CEO lasted for three years and was followed by the third CEO in the early ©990s. He also was very authoritarian, like CEO I and CEO II, but he brought a different style. "He would go around and talk to people, and this went down very well, especially in contrast with his direct predecessor. He was autocratic, but people took it better because he knew them."

A senior R&D manager from GlobalHealthCompany recalls, "Then he got ambitious. He increased the number of people in the organization, especially the sales force, by a huge amount in preparation for the launch of the new product. He had good intentions, but he was taking over a difficult situation."

She continues, "Soon, he began to lose touch with the organization as it grew. Also, he was very dependent on only a few people to give him information about what was going on. The former research director, on whom he was quite dependent, required, like the corporate research director, only good news about the compounds.

"One of the disadvantages of the era of [CEO III] was that it was very marketing oriented. The head of marketing simply looked at sales calls. He believed that making more calls would increase sales, despite the high price and the documented side effects of the product. ...

"He fought to keep the high price and he would not allow the reps to talk across the three lines, and the medical department was not allowed to talk to the marketing department.

"When the product's side effects became impossible to ignore, he [CEO III] did not want to talk to anyone outside the company who was critical of GlobalHealthCompany's actions. Now we realized that we must go out to our customers as partners and deal with issues such as the side effects. But CEO III essentially said: 'Shhhhh! not so loud! Be quiet. Don't give so much information to customers, to newspapers.'"

CEO IV: Mid-0990s

The senior manager recounts, "Right from the beginning, CEO IV took a lot of trouble to explain to everyone what he was trying to do. For the first time, we were introduced to an open policy, not closed meetings. And closed meetings went on all the time before."

Over the previous years, the example from management had resulted in similar behavior throughout the organization: building up a culture of not sharing information, holding meetings behind closed doors, and so forth. A manager recalls, "Knowledge was power, and people pretty much looked after themselves, covering themselves. There was almost a code of secrecy in the company."

Accordingly, the new and open style of CEO IV was greeted with skepticism. "People were not prepared to talk to each other, to share negative information. They still felt they could be sacked."

One of the actions that CEO IV took was to bring in a global consulting company to "reengineer" the organization. The outcome of the task forces that worked with the consultants was not surprising. The major issues the company had to work on were communication and customer satisfaction— working better with customers, the authorities, the public, all external constituencies. But then, instead of implementing the proposed changes, the reengineering effort was terminated in preparation for a major merger. This, of course, was exactly the result that many people had expected and predicted from early on: that all the talk about change would eventually result in nothing but more talk—no implementation. Another manager recounts, "There have been too many bad experiences in this organization with managers saying one thing and doing another, or not following through. We've had reengineering, process improvement, team projects. We have had lots of analyses but no implementation. In many projects, people worked hard, sometimes for a year or more, but there were no results."

The repetition of this pattern over time translated into cynicism. "People have to see results. But if management does not change, you can't expect people to change. We have lots of meetings and we work to produce results.

They might as well be thrown in the wastebasket, because no one will implement them."

Summing up, another senior R&D manager said, "People have no trust in management, and the company is considered from the outside to be large and anonymous." She continued, "[GlobalHealthCompany] suffers from a virus—which is, sad to say, a legacy of its history. Even new people 'catch' the virus. They get infected very quickly, and that's a shame. Management needs to recognize that this is still a very bad situation."ö

Four Barriers to Organizational Learning and Change

The case of GlobalHealthCompany illustrates the key issues that prevent a successful organization from moving past downloading and therefore running into trouble. The executive behavior that at first may be functional in a specific business context soon develops a life of its own and turns into a habit throughout the organization. This creates increasingly dysfunctional behaviors that keep being reproduced and downloaded, just like a virus in an organism. Executive behavior that at first was useful is downloaded and disseminated throughout the organizational culture, where it infects the members of the organization with learning disabilities that prevent them from seeing and dealing with the realities the organization is up against. Four learning barriers keep the virus alive and keep the system locked into the mode of downloading:

1. Not recognizing what you see (decoupling perception and thought)
2. Not saying what you think (decoupling thinking and talking)
3. Not doing what you say (decoupling talking and "walking")
4. Not seeing what you do (decoupling perception and action)

Barrier ©: Not recognizing what you see

The behavior of the first CEO eventually resulted in a learning disability. "He had very fixed ideas about the company. He ruled in a very authoritarian way."

Like most founders and pioneers, CEO I trusted his own ideas (what he believed) more than he trusted the data that the world presented to him (what he saw). All pioneers act on the primacy of their vision over current reality. However, if this type of behavior is not transformed over time, any chance of success is blocked by repeatedly downloading behavioral patterns. This very quickly becomes an obstacle to moving the company forward. Hence, the legacy of Barrier ⓪ behavior is an inability to recognize what you see. In the case of GlobalHealth, its executives didn't see the side effects of the drug.

Barrier 2: Not saying what you think

CEO II's behavior caused the second learning disability: not saying what you think. "He sacked people outright if they did not agree with him. You were sacked if you said something about the company that you should not say." This kind of executive behavior forced people to develop the second component of the corporate virus. In order to survive under this executive, other managers, too, had to learn not to say what they thought. Anyone who violated this rule got fired, erased from the "gene pool" of that corporate culture. The only behavior that ensured survival and was passed on was keeping quiet about what you thought—that is, engaging only in conversations that reproduced the company line. This element of the corporate virus prevented the company from learning from its own experience and not repeating the same mistakes.

Barrier 3: Not doing what you say

CEO IV tried to change the culture that was based on the first two virus components but failed when he didn't do what he said he would do. A lot of talk about reengineering and change was not translated into action. Those who acted on the assumption that leaders do what they say they'll do found themselves wasting their energy and thrown into deep frustration. On the other hand, those who saw that all the talk about change was just that—talk—were better off because they did not invest their time in grand projects that eventually went nowhere.

Barrier 4: Not seeing what you do

The fourth component is not seeing what you do. All of the executives were blind to the fact that their behaviors had led to the creation of the four learning disabilities.

THINK

SEE

SAY

DO

1.
NOT TO RECOGNIZE
WHAT WE SEE

2.
NOT TO SAY
WHAT WE THINK
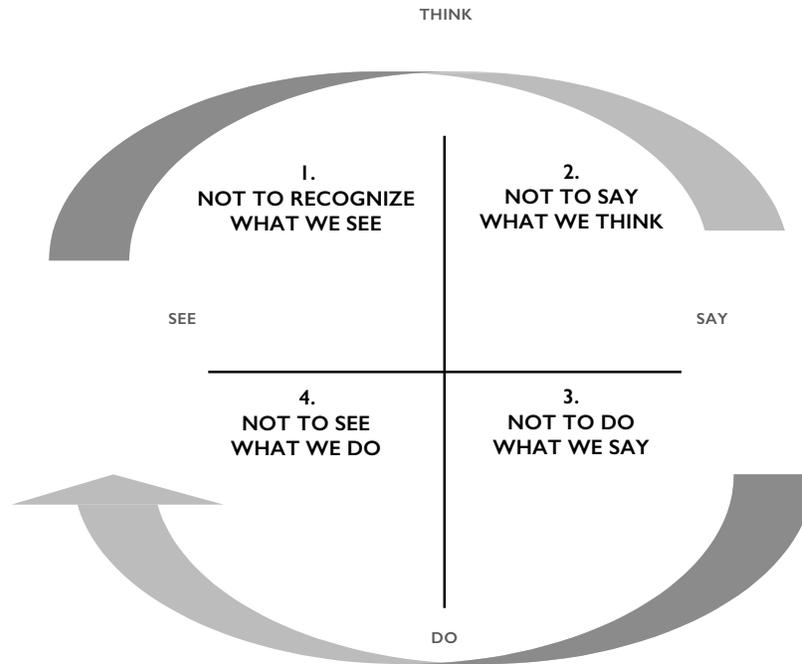
4.
NOT TO SEE
WHAT WE DO

3.
NOT TO DO
WHAT WE SAY

FIGURE 8.2: FOUR BARRIERS TO LEARNING AND CHANGE

The story of GlobalHealthCompany illustrates how deeply the institutional mechanism of downloading is embedded in organizational culture and what a powerful force it is for reproducing the patterns of the past. It is a force that individuals often view as impossible to change.

The first step in the U process is to learn to "stop downloading." This applies to all areas: individuals, groups, organizations, and even societies. Learning to stop downloading is the precondition for entering the U process. Only when the downloading ends can we wake up, see the reality, and become aware—which brings us to the next cognitive space of the U: seeing.