

The Positive Impact Mindset

Working together in a Polarized World

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15. The organizational positive impact mindset

Short story: A Swiss CEO reports on the mounting pressure

Joost Sutter, at the time CEO of leading food retailer COOP, is a rare corporate leader in the Swiss business landscape. He is both successful and admired. He cares for the environment and considers the role of his organization to contribute positively to society. I had the opportunity to participate in an interview conducted by a journalist of the economic journal, *Bilanz*, for an article⁶¹ I had contributed the methodology for.

When asked about what he considers levers of change to influence those CEOs who do not yet consider sustainability as a corporate responsibility, Joost Sutter is pragmatic. He suggests that if a person does not understand it, there is little to do to change that. In his opinion, the external pressure on corporations is by now so large that a CEO can no longer ignore it. Consumers, civil society, the next generation—they all have significantly influenced how the role of business in society is perceived. In this decade, business is simply expected to do good, he says. The challenge for a CEO is how to do well while doing good, meaning how to keep up the financial performance while addressing the new demands of consumers and stakeholders. When pushing for more insights on how to persuade more CEOs to understand this, he suggests that the change from a simple profit focus to contributing positively to societal and environmental challenges is a change like any other. A CEO needs to go through the different stages of change. First, there is shock, then denial. Eventually, denial turns into a kind of a depressed state of acceptance from which emerges a new normal accompanied by a more positive sentiment.

To Joost Sutter, there is little sense in attempting to change somebody's mind. The intrinsic motivation belongs to the person and her or his preference, and is as complex as personal values. The only approach—according to him—lies in changing the extrinsic motivation. In case of the organizational mindset transformation, this occurs currently through the high external pressure of investors and shareholders. Changing the extrinsic motivation works; he has no doubt. Ultimately, CEOs will want to keep their job, and if the requirements for success change, they will simply realign to perform against these new standards. Joost Sutter is confident that the tipping point for business to care about more than just their financial performance has been reached owing to a cumulation of external pressures coming from civil society, their own children, and the investors. He points out that there is

simply a new reality in which we operate and where the negative consequences of issues such as climate change are increasingly visible.

Joost Sutter takes the position that one cannot change the mind of somebody else. And yet, we have seen that there are avenues to explore. These involve creating a space where people with divergent views can meet and listen to each other with open ears and ideally open hearts. Once a person has an open mind, it is possible to envision change. Yet, if a person remains unpersuadable and closed minded, it is absolutely not possible to change their mind. From that perspective, Sutter is right.

It is possible, however, to participate in an exchange where both parties may emerge somewhat changed. This is reflected in Otto Scharmer's saying: "Nobody has come out of a good conversation unscathed." While maybe ironic, there is a deep truth to it. The short story about the Swedish city Eskilstuna in Chapter 3.4 shows that citizens and the government can both undergo deep change to their behavior and their expectations toward each other. It is a promising example for such change to happen. The story in Chapter 2.4 about how a Swiss city government has involved its members in a purpose-oriented innovation process that was based on enabling a trusting and open conversation about the future of the city demonstrates further how the exposure to new and different ideas not only opens the mind but also broadens the perspective of those involved.

Insights from research

Let us turn to insights from research to learn more about developing the right kind of organizational mindset. William Isaacs, co-founder of the Organizational Learning Center at MIT's Sloan School of Management, has dedicated much of his life to understanding organizational change. He has developed a method called dialogic leadership. Dialogue, for him, is about holding meaningful conversations. William Isaacs calls it the art of talking and thinking together. Dialogue is extremely useful for creating solutions to wicked problems. Dialogue facilitators seek to create a space where the source of thinking becomes evident behind the words. It involves a process of shared listening with the purpose of hearing unanticipated possibilities. It reminds us of the importance of creating a human connection to overcome polarized conflict at the individual level.

One of the constraints of dialogue is that people may react with well-worn thought habits as they attempt to listen and rather than creating new solutions, parties become stuck in rigid, dug-in

positions. William Isaacs points out that when the stakes are high the familiar routines are more likely to come out. Yet, true dialogue seeks to break out of this autopilot status so that participants can move beyond collaboration to achieve co-creation where they think and create together. To reach that stage, Isaacs has concrete recommendations for organizations interested to develop a co-creation capacity⁶²:

1. **Create safe environments**, where it is possible to openly speak and think together. Most organizational cultures do not permit this and are rigidly set to avoid errors or to admit uncertainty or doubt.
2. **Build alignment for the true potential** instead of simply accepting what appears possible. Dare to envision new partnerships and collaborations to create the new rather than just reacting to the existing.
3. **Encourage personal awareness** how internal thoughts and actions impact the world around your organization. Learn to work with the invisible: What goes on with each of you, impacts what goes on out there with other stakeholders.
4. **Train your organizational change muscle**. Explore how your organizational memory and habits can be rewired so that the organization can act on the change that is reflected by realizing the true potential out there.
5. **Shift from thinking to acting to being**. Insights are great; however, a new manner of organizational leadership involves creating new attitudes, thoughts, and action. Find approaches to encourage members of your organization to implement concrete new behaviors and rituals that support the shared purpose on a daily basis.

These five suggestions are addressed so that forward-looking organizational leaders can find approaches across departments and regions to develop the co-creation muscle in the organization. The ultimate challenge is to enable not only members of the organizations and the organizational structure but also decision-making processes to empower and encourage a collaboration with external third parties with equal fluency as internally across departments.

When studying the diversity of organizational members, it is interesting to explore who might be most suited for such a change. William Isaacs has found out that there is a need for diverse personalities in any conversation. It takes more than just one type of person to develop a co-creation spirit in an organization. William Isaac offers an interesting four-player model. The model describes four players with different roles: the movers, the followers, the opposers, and the bystanders. He points out that

it takes all four types to make progress. Movers initiate ideas; without them there is no direction. Followers complete what is said and support what is happening; without them there is no completion. Opposers challenge what is being said; without them there is no correction. Bystanders comment on what is happening; without them there is no perspective. This four-player model summarizes the important central dimension of dialogue. It is all about a particular balance between positions people advocate, and their willingness to step back and inquire about their own view and that of others. In the vast majority of conversations, advocacy is the only operating mode, and people hardly listen to what is said. These resemble more serial monologues and have little in common with a dialogue.

Recommendations

An organization may be defined as the sum of the individuals it consists of. While an organizational mindset is not the sum of the mindset of all members of the organization, it can be tilted when a certain number of individuals have transformed their mindset. Therefore, it is interesting to search for connectors between the individual and the organizational mindset to create positive impact. To illustrate this, let us consider realistic optimism, a core competency to develop a flexibility that is required for an open mind highlighted in Part Four.2. This individual competency is equally important for the organizational mindset. Let us consider a pragmatic exercise to increase realistic optimism: the grateful three. It is an optimism hygiene practice that works for individuals and teams. Here is how it works. Take two minutes at the end of each day and reflect on the day. Ask yourself or ask each team member: “What are three things you are grateful for?” and note them down. Ensure that the members of a team do not pick the same standard responses such as “my family, my health, my colleagues” but highlight what happened that particular day. Research suggests that noting down these points for a period of 21 days will result in lasting change. This exercise is an example of many such tools that help train both the individual as well as the organizational mindset muscle for positive impact.

The outside-in leadership mindset and the co-creative organizational mindset both focus on what is going on out there instead of observing the world from an inside-out perspective. It starts with focusing on the real-world problems and then considers what an individual or an organization can do about it. In times of conflict, this connection to the larger system, to society, and to nature may be lost. Social scientist, Brené Brown, is confident, however, that this connection can be found again. She points out that while belonging to each other cannot be denied, it can be truly lost.⁶³ We have learned

that much of the efforts of bringing people with different perspectives together is about re-creating this connection. For individuals, we have focused on the flexibility of the mind. In this organizational section, we would like to recommend time-proven suggestions on how to help build the bridge between different parties. Charles Camosi of the Fordham University has carved out four practices his research suggests can help create such a connection again: ⁶⁴

1. **Speak from humility.** Recognizing that we are finite, flawed beings that are prone to making serious mistakes can help create such humility in ourselves. Remembering our flaws and embracing this humility is of great help when somebody challenges our point of view. Humility is also important to create space in ourselves and others to changing our minds and to acknowledge flaws in our perspectives or arguments. There is no need to be flawless or perfect; let go of such ambition and be realistic with yourself and those around you.
2. **Work on a strong partnership.** Developing a solid partnership involves active listening with the intent of finding something to learn. This includes sharing personal stories and things we care about. It also involves actually responding to what is being said, sticking to the topic discussed—and it may require an effort to acknowledge our own biases about gender, race, level of privilege, or sexual orientation that may stand in our path to listen openly.
3. **Avoid binary thinking.** Most issues of our times, and in particular the issues multistakeholders meet about, are too complex to fit into simplistic black-or-white categories. Focus on responding always with “and” rather than “but.” Your perspective enriches the other as much as theirs enriches yours. Avoid categorizing in your mind so that you can engage seriously and in an open manner.
4. **Use constructive language.** Do actively monitor what you say and self-censor the use of dismissive words. There is nothing wrong with apologizing if your mouth is quicker than your brain. Remember, you want to engage the others in the room into a fruitful exchange of ideas. This requires a respectful tone and use of words.

The many grassroots initiatives that are created by engaged citizens are excellent examples of how these recommendations work in practice. In Austria, for example, there are online round tables “For-a-New-Being-Together,” which has emerged as a result of the polarized positions during the COVID-19 pandemic (<https://coronaaussoehnung.org>). The project has been launched with the desire to create an open space for considering additional aspects and perspectives regarding the COVID-19 crisis. Its objective is to find an approach to overcome the growing polarization caused by the very

divergent views of how to resolve the crisis. The project illustrates very nicely the best practice insights and recommendations we have developed.

It is important to point out that we often underestimate to what degree challenging conversations involve body language and attitude. Psychologist Kevin Dutton suggests to keep your message short and simple, focusing on the benefits to the other person, and surprising them with something odd. He suggests to be very confident and look the person in the eye, nod when they nod, and be empathic.⁶⁵ These are suggestions that are framed in a classic conflict setting, yet body language and attitude are just as important in a polarized conflict. There, an authentic focus and attention on the human connection will be key for progress.

Last but not least, let us also remember that we live in a global village with many different cultures and social practices present. Insights on body language and other types of interpersonal engagement may not work equally well across all cultures and societies. Indian-born American, Deepak Chopra, refers to certain universal truths when collaborating with others. He highlights the importance to be sincere and truthful, meaning that it is important not to manipulate others. He suggests that when you understand the other person's or organization's belief system, build on it and appeal to what they believe. Deepak Chopra suggests to be careful with assumptions on the other, including the assumption that the other person is open-minded. He finds that it is helpful to see the blind spots of the other party so that you do not step into them. Do not make the other person feel wrong; make them feel right. Last but not least, he makes an important point: A conversation is always a combination of reason and emotion; probably more of the former than the latter. Be emotionally aware, of your emotions and also of the emotions of those across from you.

⁶¹ Kuhn-Spogat, I. (2021): Green-running. CEOs vor! Das «Green Business CEO»-Rating bewertet erstmals nicht nur Facts & -Figures zur Nachhaltigkeit, sondern stellt die CEOs ins Rampenlicht. Bilanz Zeitschrift. June 30, 2021. <https://www.handelszeitung.ch/bilanz/green-running>

⁶² Isaacs, W. (2021): Accessing genuine dialogue. The Watercooler – straight talk on strategic issues. Vol 6, Iss 4, July/August 2012: 9-11 www.watercoolernewsletter.com

⁶³ Brown, B. (2017): Braving the Wilderness.

⁶⁴ Jackson Rainer, J. (2019): Five ways to have a civil conversation in a polarized society. Next Avenue. Published Feb. 9, 2019

⁶⁵ Dutton, K. (2011): Split-Second Persuasion: The Ancient Art & New Science of Changing Minds. Houghton Mifflin