**THE POWER OF SHIFTING CONTEXT[[1]](#footnote-1)**

Becoming a Contextual Leader

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The ability to define and create new and better possibilities is the mark of high impact leadership, a capacity that is in high demand in organizations and society today. As a leader, then, what view of the world are you making a case for? How can you bring others into partnership around that perspective? How do you define a coherent context for the changes you seek, and how do you cause those changes to happen? Every successful leader, from Madeleine Albright to Mother Teresa to Meg Whitman, has used the principles of “context shifting” to lead significant, sustainable change. In this chapter, I describe how context shifting occurs and what that does for us, as individuals and leaders. As you will come to see, the process, by definition, works from the inside out.

What is context? For now, let me define it simply as the deeply ingrained attitudes and beliefs that create our worldview and shape our lives. All individuals and all organizations have a prevailing context, whether recognized or not. Most individuals don’t purposely design their belief contexts—they inherit them. In the same way, most organizations don’t deliberately design their culture (“how we do things around here”) but find that it evolves over time and is reinforced by rules, recognition, punishments, and rewards. Although we may think that we act freely based on a rational assessment of the objective evidence, this isn’t the case. The real source of people’s actions is not what they know but how they perceive the world around them and what conclusions they draw as a result. It is easy to confuse those conclusions with reality. It takes a kind of disciplined awareness to separate what we think to be true from the actual facts and to choose a different course instead. Contextual thinking—the foundation of contextual leadership—is about that discipline.

**Nose to the Grindstone**

Let me start with a very personal example to help illustrate. From a very young age, I’ve always had my “nose to the grindstone.” You may know what that feels like. I felt that I would never get anywhere in life if I didn’t work extremely hard. In some respects, this was a useful belief, and over the years I’d achieved a lot because of it. Certainly, building a flourishing leadership consulting firm from the ground up had some relationship to my willingness to work hard. Nevertheless, by the time I had reached the tender age of fifty-one, I discovered that this lifelong view—to which I attributed much of my success—was also an insidious hindrance. In recent years, I had come to believe not just that hard work was important, but that everything had to be hard work. I paid a heavy personal cost as a result, with many tradeoffs and sacrifices and not enough compensation in terms of enjoyment, ease, and celebration to lighten the load and stir up my life.

Once I became aware that “nose to the grindstone” was a context in which I was choosing to operate, I could see that my destiny was not going to be what I wanted it to be if I remained there. So I embarked on a journey to discover a different context to which I would be willing to entrust my future. In other words, I decided to shift my context and create a greater opportunity to be the whole person I really wanted to be in the world. I knew that changing who I was, with respect to that one belief, would fundamentally change how I live and lead. I knew because that’s what I coach leaders to do. For themselves, for the people around them, for their organizations, and for their industries, leaders are responsible for one important thing: they are in the context shifting business.

Wait a minute. Isn’t leadership about getting results? Yes, absolutely. But results stem from actions. And people’s actions are determined by what they believe. So any result—whether it is doubling sales for the year with a smaller sales force, inventing a new product that will take the market by storm, or restructuring a company to save billions of dollars—begins with an ability to shift people’s beliefs, or their context. This means that as a leader, whether the conundrum you face is how to help an employee unleash her true potential or how to get great performance out of a multinational company, you begin your job with a simple question: What is the context here?

**It Starts with You**

When I work with leaders, one of the key concepts we strive to understand is how context affects us on a personal level and within our organizations. Real change, for a leader, needs to begin with understanding what you believe, not what you do. Out of that awareness comes the ability to inform how you act in the world. The framework for what you believe on a personal level sets the stage for everything else.

Take the example of Sarah, an executive at an information technology company. Recently, she was placed on the executive committee because of her past achievements and the organization’s confidence in her leadership. Sarah and I met to discuss some of the challenges that she was experiencing in working with her peers and getting change to occur in the organization from a more senior position. As we talked, we made an invaluable discovery. Sarah’s prevailing context for herself could be summed up as “local girl makes good.” It framed how she saw herself and colored her relationships with the other members of the executive committee. It was a limiting context that was getting in her way, and we felt that we had touched on something critical when we stumbled across it

It wasn’t easy to discover that context. It took a lot of questions and some analysis of things that had happened and how messages had been sent and received. We realized that there were some consistent patterns to those challenges. As we took a closer look, an underlying theme emerged. When we gave voice to that theme, it was as though we had uncovered something that was critically formative in who Sarah is and how she leads. Because she sees herself as “local girl makes good,” she does not really feel as though she belongs at the management table. She’s happy to be there, certainly, and has a great deal of pride in that accomplishment. But the context she is coming from limits how much credibility, visibility, power, and impact she can have going forward. It is too narrow to allow her to make the difference she wants to make.

Sarah was caught in a wasteful but self-generated situation. Because she was “local girl makes good,” she was just happy to be there, hanging out with the big boys. Underneath, she felt anxious that she would one day be uncovered as a “fraud.” Although there was no factual basis for this sentiment, it was nevertheless limiting her effectiveness as a leader. She had placed herself in a position where she felt satisfied to be merely acting on and executing what the “real leaders” were telling her to do. She was not supplying the vision herself, nor articulating that vision and evoking action on its behalf. She wasn’t being the leader they had brought her to the table to be.

Identifying that context and becoming aware of it was a very profound awakening for Sarah. When she saw it and understood it, she was able to reject it and replace it. She immediately came up with language that described a context she was much more interested in coming from. Doing so, she changed everything. From “local girl makes good” she shifted to “my unique perspective always adds value.” From that place, she was able to raise issues that the others at the executive committee hadn’t been willing to talk about. Because she was now dealing with those executive committee members as peers, she was also committed to bringing those issues to the point of resolution rather than allowing them to be buried. She had the sense of authority and standing necessary to say, “Stop. Time out. What are we, as an executive committee, going to do about the following issue?” She was, both in effect and in practice, a different leader. Her new behavior led to a change in the way her peers treated her as well. She became an integral part of the team, not just a bystander.

**It All Turns Out with Grace and Ease**

How do you shift context? Identifying your prevailing context is step one. With that awareness, a leader can see the limits of that context in terms of what people can execute and accomplish. If those limits are too restrictive, the leader must shift the context to provide more space for innovation and possibility to emerge. I refer to that context-shifting act as the process of *trading up*.

When I discovered that “nose to the grindstone” was not a context from which I wanted to operate anymore, I engaged in an exercise to find language for a new context that would suit my future better. I knew that this would not mean simply swinging the pendulum to the opposite side. I couldn’t shift from “nose to the grind stone” to “laidback Rayona” any more than an organization that is anti-diversity can suddenly declare itself to be pro-diversity. Instead I had to find a way to widen the opening that already worked for me and trade up to something that worked even better.

Naturally, being a “nose to the grindstone” person, I labored over this idea. I searched long and hard for the words that—when I spoke them—would resonate in my body and describe the compelling future I could pledge myself to living. Suddenly it came to me, a very simple phrase that allowed me to trade up to a whole new universe.

“It all turns out with grace and ease,” I said. That statement opened me up to the possibility that not everything had to be hard work. Perhaps my default mode could be something other than trying to work myself to death as a solution to every challenge. More important, I liked what the new phrase showed me about myself and what it was saying about my life. It allowed me to be driven, but it gave me the enjoyment and reward of the moment.

I started to work with that phrase in the back of my mind and began a process of being deliberately conscious of my new context. Every time I fell into my “nose to the grindstone” routine, I’d stop and think, “It all turns out with grace and ease.” Sometimes I caught myself too late, and had to look back and say, “Rayona, you just spent two hours with your nose to the grindstone.” Simply recognizing that fact relieved my burden a little bit, and I was able to think, “It all turns out with grace and ease.” That realization let me relax, rejuvenate, and enjoy what I was doing.

Essentially, my new phrase for my new context allowed me to pause and reclaim my behavior and my power. But it wasn’t sufficient to go it alone—I needed a web of support to be successful. I enlisted my staff at the Institute for Women’s Leadership (IWL) and asked them to help me by calling out those times when I was in “nose to the grindstone” mode. When they saw me with my nose to the grindstone, they would say something like, “Rayona, you seem pretty stressed out today,” and act as my radar for identifying that behavior. I also asked them to identify when I or the company was doing something easily, seamlessly, and flawlessly. At those moments, we could enjoy saying, “It all turns out with grace and ease.”

Little by little, my new context took hold, and I started seeing surprising results. Knowing that it all turns out with grace and ease, I was able to use the resources around me in a much more efficient way. I looked for elegant, simple solutions rather than assuming that any problem would take a twelve-hour day to fix. Suddenly I saw more opportunities to delegate to my staff. Their taking on additional responsibility was often a better solution than my adding three hours to my workload—not just for me or for my company overall but for them as well. They were being groomed to take on leadership roles within IWL. I also saw more opportunities to problem-solve, where I once would have jumped to the conclusion that I needed to churn out an additional report or take an additional meeting or make an additional trip to fix whatever “crisis” developed.

Does this sound mundane and simple? It should. The course of our leadership day is filled with mundane and simple moments that we ignore at our peril. It’s rarely the gigantic things that get in our way, the

strategic summit or the vision from the mountaintops. Instead, it’s the frame of mind you are in when you walk into a room filled with senior executives and engage in the dance of personality, politics, and power. Are you able to be in that moment, or are you hampered and made awkward by the tightness of your contextual framework? To be present and at the same time to have a different attitude about what is possible allows you to be a much different re source to other people and the world.

**Context and Organizational Change**

Let’s take a look at how that process of shifting context works inside an organization. In 1999, when Carly Fiorina became the first woman CEO in the Fortune 25, she took a hard look at Hewlett-Packard (HP), the company she was now leading. The company had logged a steady, single digit percent growth rate every year for the past ten years. However, the company had missed its own and Wall Street’s expectations ten quarters in a row. Those goals were modest to begin with, so it’s fair to say the sights of the executive team were low.

Carly Fiorina’s first senior leadership meeting was about “holding the mirror up to our company’s performance.” She featured customers talking about the great possibilities of working with HP that were continuously thwarted by HP’s complexity and slow response time. She had channel and industry partners describe working with HP, and phrases like “slow, ponderous, complicated, unable to collaborate across your own internal organizations” peppered the conversation. She asked industry analysts for their views, and they reached consensus on HP’s “unrealized potential” and “debilitating internal focus.”

It was a sobering day, but it established a platform for change. HP could no longer be seventy-two brands with multiple profit and loss centers led by their own CEOs. It had to become an integrated computer company that delivered the IT solutions current and future HP customers needed for business success. The goalpost was no longer year over year growth. The goals were all externally based, with a sharp eye on the competition. HP would reinvent itself to compete and be a market leader, not just in printers but in every market it served.

At the conclusion of her first senior leadership meeting, Carly asked Susan Burnett, her corporate leader of global learning and a longtime student of contextual leadership, “Do I have the most competitive workforce in the world? Do we have leaders that can outperform their peers in the industry? We need this to lead the IT industry, so where do we stand?” Carly left Susan with the challenge of answering these critical questions and coming to her executive team with a proposal for the future.

HP training and development organizations were small and large teams (from five to two hundred employees) who set priorities based on the requirements of their individual units. There was no galvanizing purpose for these organizations—they did not exist to build the most competitive workforce in the world. Carly’s question could not be answered in the current context.

Susan and I began to design a large-scale change process that would spur the training and development community toward a shared purpose. Carly’s question provided the answer. We invited more than fifty HP training and development leaders to a three-day session designed to explore what it would take to produce the most competitive workforce and the most competitive leaders in the world. Although everyone couldn’t agree, especially on organizational structure, the meeting was designed to get great ideas heard and documented. Susan had created a forum for bringing to the executive committee the best thinking of this group. All agreed it was a historic moment for the training and development function at HP. Carly Fiorina was asking them to build a core competency for the company!

HP’s executive committee (EC) discussed the proposal for a new Enterprise Workforce Development organization for ninety minutes. The group had created a new context for this discussion and subsequent action. No longer was this a training organization proposal; instead the focus was on the capabilities the company needed to lead the marketplace, reinvent itself, and compete to win. The EC approved the

proposal and asked Susan to establish the organization by the next fiscal year—three months away. The CFO implemented Susan’s proposal to create an “investment budget” at 2.5 percent of payroll (the ASTD industry average) and centralized training and development funding at the company level. In addition, the EC agreed to and appointed a “board of directors” to govern this new organization, ensuring that the development team was setting the right priorities and resourcing them at the appropriate level.

I worked with Susan’s team for twelve months, to help them internalize what it meant to operate in a context of “enterprise” instead of “business unit,” to define and lead company priorities as well as unit priorities, and collaborate across organizational boundaries.

All told, in the first year of the restructuring, HP saved $100 million on training and development expenditures. More important, the workforce initiative had begun to build a development capability directly tied to the business initiatives of the company and designed as an engine for change and reinvention. This was a capability Carly would turn to over and over as she needed to build individual and organizational capability to pull off the largest technology merger in history. Carly’s tenure at HP may now be over, but her legacy (and a stronger company) endures. Today HP can ask the question “Do we have the most competitive workforce in the world?” and the answer on many fronts is yes!

**Why Is Context So Powerful?**

As a conceptual framework, context explains what’s going on in the complex interactions that occur among ourselves and those around us. By becoming aware of context we can see how our views shape what happens to us, and we can learn how to separate conclusion from fact. This awareness leads us to understand the inflection points we can use to create change in how we act and how we lead.

Context is an idea from linguistics that applies to other disciplines, including systems theory. According to systems theory, all systems, from the smallest molecule to the universe itself, comprise three dimensions. There is the content, or “what,” of the system— which is the knowledge, resources, and structure. There is the process, or “how,” of the system—which is the activities and behaviors that emerge. And then there is the context of the system— which is the setting in which the content and processes exist.

For the individual, content might be what that person knows; process would be what he or she does. For the organization, content would be the company’s structure, resources, and knowledge; process would be its activities and operations. Content and process are relatively easy to identify and manipulate. Individuals as well as organizations constantly change what they do and how they do it. Real, meaningful change will not occur, however, without addressing the underlying context.

All systems are context-sensitive. Context includes all the assumptions and norms, the unspoken rules of a given work culture, that are brought to the table. Those assumptions often masquerade as facts and can determine people’s reality. Sarah thought that the reality of her situation at the executive committee was “local girl makes good.” The executive committee brought her on board because she was “an innovative force for change.” Which conclusion was reality? I suggest that Sarah’s limited conclusion about reality was creating a situation in which she was bound to underperform and ultimately fail. By shifting that conclusion, she created a greater possibility for success.

Looking at the organizational level, imagine how difficult it would be to launch a successful new product, for example, if the contextual belief is that new products always fail or that the organization can never work across silos effectively or that the market is too unsettled to master. Consider how difficult it would be to bring more women to the senior management ranks if the organization’s contextual belief were that women can’t cut it and don’t contribute value. No matter how many women were promoted or identified as high potential, the barriers to their success would be significant. To increase the odds of success, we need to identify the fabric of the organization’s culture and belief system, its web of conclusions if you will, and shift them.

Leaders are in the context-shifting business. This is how they effect significant and lasting change. They are able, by instinct or training, to see that context drives process and structure. They know that if they want to change an individual or a system, the place to go is the contextual dimension. When a leader is successful at altering context, processes and structures change, too. Consider these examples of unprecedented business results brought about by shifting context.

Gretchen McCoy was the senior vice president of global technology management for Visa. In 2003, she was tasked with the project of revamping the billing system for Visa’s twenty-one thousand member banks. The project was projected to cost about $40 million to implement over the course of two and a half years. The system handles some five hundred million transactions per day, so the complexity of upgrading the computer coding and processes beneath that system was dizzying. Gretchen worked on shifting two contexts with her team of seventy (thirty of whom have gone through contextual leadership training). First, she asked for their commitment to creating an environment in which the team constantly challenged “how things have to be done.” None of the protocols governing computer coding or company procedures were to be accepted at face value. Further, she encouraged her team to shift from a mentality of “I work on my specific piece of the project” to “I work to optimize the system.” As a result of these two shifts, the team was vigilant in communicating across department lines about particularly challenging aspects of the system; they were rigorous about asking “Is there a better way to do this?”

Two specific innovations came out of these shifts: one project manager took a look at the time line for the project and wondered “do we have to do all these steps in a linear fashion?” He and another technician from a different department figured out a way to assign work so that development on different stages could occur simultaneously. That insight shaved $2 to $3 million off the total cost of the project, Gretchen says.

Next, the core team of twenty leaders questioned whether meetings had to drag on for hours. They all made a commitment to fifteen minute meetings, a goal they have kept throughout the duration of the project, easily racking up a cost savings in salary time of hundreds of thousands of dollars. Gretchen, who has worked at Visa for twenty-two years, says the energy of the team and their innovation are unprecedented in her experience: “It’s all about spreading a high performance culture, and shifting context was a very effective tool to make that happen,” she says.

Kavita Ramdas, director of the Global Fund for Women (GFW), had just started in her position in 1999, and was trying to map out her goals and agenda for the nonprofit. The GFW, which supports women’s human rights and development in 160 countries around the world, had a legacy of being a groundbreaking funder of important women’s projects. But it had few internal resources and relied on annual foundation support to provide its budget. Although the agency’s reputation as an innovative startup had been key to its initial success, Ramdas was able to see that the context of “lean, innovative startup” also carried some baggage. Because she wanted the work of the GFW ultimately to change the course of history for women around the world, the fund needed a new context, something more like “stable, long-term, big change player.” So she started asking herself what kind of action would flow from that context.

While participating in IWL’s leadership class, she decided that one of the best ways to achieve that goal would be to raise enough money for an endowment for GFW, something that most foundations take many years to do. Ramdas decided that she would do it within five years. She began a campaign in October 2000 to raise $20 million for the agency for an endowment. Within months, she secured a grant to study the feasibility of establishing an endowment. By the end of 2003, she had already raised $10 million from corporate and foundation sponsors (in one of the most difficult economies of the last fifty years) and had begun a public campaign to raise the remaining $10 million.

Imagine how powerful context shifting could be when unleashed against some of the most common problems in business! For example, organizations these days are very concerned about attending to diversity. Many of those organizations will put together content based approaches that involve awareness

and sensitivity training. Or they may have people engaged in recruiting practices that are aimed at increasing diversity. The success or failure of those efforts, however, will depend very much on how compliant or committed the organization actually is to the idea of creating a diversity that will live and last.

Contextual leadership would start by asking “What is the prevailing context of the organization? What is the longstanding, embedded web of conclusions from which the organization is operating? What are the limits of the context in terms of the system’s effectiveness? What kind of resources will be required to shift that context?” It’s the leader’s job to figure out how to shift the existing context in a way that increases the possibilities for that change to be meaningful and successful.

**Becoming a Contextual Leader**

We think about the future as if there were one actually out there, waiting for us to reach it. If you think about futures as clusters of possibilities, then any future could happen. One of the leader’s most critical jobs is to articulate a compelling future and enlist others in making it happen. She does this, in part, by shifting the prevailing context to allow for the future that is more advantageous.

Language is key because context lives inside language. Our culture, personally and organizationally, is transmitted through language. To the extent that conclusions influence reality, you can say that our ability to change our language changes that reality.

Of course, this shift in context has to be based in fact, experience, and discipline. You cannot create a possible future by declaring the outlandish and expecting it to happen merely because you have spoken the words. That’s nothing more than positive thinking. “Possible thinking,” in contrast, shifts what’s already there to create room for something more desirable. At Visa, “what’s possible” meant that two computer technicians could look at a different way of working—that saved $3 million. At HP, it meant re-envisioning the structure of the global training and development function—and saving $100 million. Those possibilities exist all around us. We just have to have the vision to see them.

For you to become a contextual leader, the place to start is within. By being more aware of who you are and how you act, you can shift how you lead and the impact you have on others. I believe that all leaders are on a journey of exploration. It starts with signing up and saying, “I must do this because . . .” A leader, by definition, makes something happen on her shift. But there is a great deal of searching that takes place to make that “something” meaningful. As I tell people all the time, don’t enlist in the leadership army unless you’ve got a big appetite for creativity, paradox, and experimentation.

Any discussion of leadership should leave people with a self-generated conversation going forward. And so I ask you: What does this conversation open up? What can you do about it for yourself? If it’s something that has value for you, what are you going to commit yourself to? I suggest that you seek out and find a prevailing context that has been limiting you or causing you some measure of suffering, and go about shifting it. Include others. Don’t do it all alone, with just you and the committee in your head. See what happens when you examine what you think to be real and widen that opening to include other, more desirable possibilities. Make something happen on your shift.

1. #  Adapted from *Enlightened Power: How Women are Transforming the Practice of Leadership*, Lin Coughlin, Ellen Wingard, Keith Hollihan (Eds.), Jossey-Bass, 2011

 [↑](#footnote-ref-1)
2. Additional edits and material by Edward M. Gurowitz, Ph.D. [↑](#footnote-ref-2)