

Stanford SOCIAL INNOVATION Review

Informing and inspiring leaders of social change

NONPROFIT MANAGEMENT

Leading Systems

Supplement to the article “[The Dawn of System Leadership.](#)”

By SSIR Editors | Nov. 19, 2014

From the specter of climate change to the challenge of deeply rooted poverty, the most pressing global problems today resist interventions that rely on top-down leadership structures. What’s needed, as more and more people recognize, is collaboration. But collaborative efforts don’t just happen; they require leadership—and not just any kind of leadership. In “[The Dawn of System Leadership,](#)” the cover story in the Winter 2015 issue of *SSIR*, Peter Senge, Hal Hamilton, and John Kania profile of a new type of leader. System leaders, these authors argue, don’t so much drive change individually as they enable a wide range of other people to engage in collective leadership.

To supplement the article, we present two items that illustrate how system leaders work within specific issue domains to drive social change. We share this material with gratitude to the co-authors of this article.

Magazine Extras (Winter 2015)

Supplement to the article “[The Dawn of System Leadership.](#)”

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Among the examples of system leadership that Senge, Hamilton, and Kania present in their

article is the Sustainable Food Lab, a network that brings together people from some of the world's largest food companies and people from a broad array of nongovernmental organizations (NGOs). In this sidebar essay, Hamilton—director of the Food Lab and co-founder of the Academy for Systemic Change—provides a firsthand look at how learning journeys, system mapping, and other practices have allowed system leaders to emerge from the Food Lab process.

System Leaders for Sustainable Food

By Hal Hamilton

In “**The Dawn of System Leadership**,” published in the winter 2014 issue of *Stanford Social Innovation Review*, Peter Senge, John Kania, and I describe “system leaders” as people who catalyze collective leadership. We opened that article by writing about the way that Nelson Mandela invited white South Africans to join black South Africans and step across a threshold into a common future.

The contributions I made to that article were based on my experience helping found and now co-lead the Sustainable Food Lab, a backbone organization for a network of food businesses and NGOs. In this article, I explore how fostering system leadership has come to play a critical role in our work in the food industry. Senge has helped advise the Food Lab since its beginning, and we've always used his “three legged stool” of systemic change capabilities: seeing the system, reflective conversation, and co-creating the future. With the addition of Theory U,¹ developed by Otto Scharmer, we tested an organizing architecture of multi-stakeholder systemic change frequently known as “change labs.”

In 2004 a group of thirty leaders from business, NGOs, and government on three continents founded the Food Lab to accelerate sustainability in the mainstream food system. Not everyone we invited at the beginning joined the Food Lab. One food company senior vice-president told me that, “Sustainability just isn't on our radar yet.” Over the last ten years, however, sustainability has become mainstream. Today, nearly all food companies have committed to reduce the environmental impact from their factories and operations, and most have made commitments that extend through their supply chains.

The complexity of the food system and the trade-offs that food companies must make to reduce their environmental impact are daunting. Food companies need good reputations because much of the value of the corporation lies in its brands. They want to be associated with cleaning up

waterways and improving the lives of small farmers. They also need a reliable supply of ingredients, which requires abundant water and healthy soils. They need the approbation of global NGOs like Oxfam and the World Wildlife Fund, and they have learned to benefit from the technical expertise of field staff from these groups. Food companies need to collaborate with competitors in order to create common standards and measurement tools. To accomplish all of this, food companies and NGOs need system leaders.

Creating System Leaders

The first step toward becoming a system leader is to develop the capacity to see the system through the eyes of others. Larry Pulliam, one of the founders of Food Lab, experienced this during a Food Lab “learning journey” in 2004. Members of his group included corporate managers as well as leaders from government, NGOs, and small businesses. They visited small and large farms, and talked to labor organizers, plant managers, entrepreneurs, and regulators. Pulliam was initially surprised that, “We can all hear the same thing, but actually hear so many different things. I’m learning so much more by learning with other members of this group.”

Pulliam is a conservative Republican from Houston, and before retirement he was one of the senior executives running a \$40 billion company. When his CEO asked him to represent Sysco in the founding of the Food Lab, Pulliam found himself in rooms with environmental activists and community organizers for the first time. At one moment he turned to me and said, “Hal, I don’t think that these people like me very much.” Later, after having bounced across rural Brazil visiting farms and factories, and after sharing a vision quest experience in the mountains of Arizona, Pulliam helped initiate a path-breaking alliance with Oxfam to support small farmers in Guatemala. Once, I asked him to open a meeting with other business leaders, and here’s what he told them:

It’s pretty unusual that fierce competitors can come together and work for the higher good. That’s what it’s all about. The essence, the power, of the Sustainable Food Lab is that we can do 100 fold, 1,000 fold more together than we can do by ourselves. What we’re doing is the right thing to do, the good thing to do—for the world. It’s also good for our businesses. There’s a competitive advantage for Sysco to be involved, but we can’t fully realize that competitive advantage without working together with others in this group to mainstream sustainability.²

Learning Journeys

One of the most effective ways for a person to develop the ability to truly see systems is to take part in a learning journey. Learning journeys, like the one Pulliam joined in Brazil, are much more than field tours. The reflective conversations that take place on these journeys require a diverse group of participants. That's why the Food Lab takes pains to convene people with a range of experience and perspectives about the food and agriculture system. At the beginning of each day, we get the group seated in silence to write down in a personal journal their assumptions about the visits of the day, what they're curious about, and how they hope the day will go. Then, after each field visit, participants again sit in silence and reflect about what surprised or inspired them. Everyone then shares his thoughts with the group, one at a time, without comment or debate. This sharing stimulates reflective conversations—sometimes heated, but always within a context of trust and shared exploration. Here's a comment from one person who began with a very activist point of view:

One of the things I find intriguing about this whole process is the fact that we have developed among ourselves the ability to question. The issue of asking challenging questions and being able to feel that it's safe to answer and safe to admit, 'Hey, I don't know what's going on.' I offer the Food Lab my continuing dedication to try to answer the questions with the rest of you. To do that, what I need from the Lab is that we continue to have a safe space for learning.³

In 2008, the Food Lab held its annual leadership summit in Costa Rica, before which a group of 10 people embarked on a learning journey in Honduras. In this learning journey, executives from several large food companies—including Unilever and Sysco—joined farmer organizers, local NGOs, and Oxfam Great Britain staff based in Central America. This diverse group visited small farmers, cooperatives, and NGOs whose mission was overcoming poverty.

At the beginning of the journey the perspectives of the participants were quite different. People from food companies kept repeating that they needed sufficient quality and quantity and (paraphrasing their sentiments) “these small farmers and cooperatives have minimal production, no quality or safety standards, and therefore exist in a completely different world from commerce.” Not surprisingly, the Oxfam and local NGO attitude was the opposite: “Small farmers are poor because of the unequal global economy that advantages the rich and exploits the poor. These companies have a moral obligation to help.”

By the end of the learning journey, however, the perspectives of those in the group had come

much closer together. Together, they wrote a report to share with the entire Food Lab leadership summit in Guatemala. The group achieved three main outcomes from its learning journey:

- A shared understanding of the system they were engaging.
- A common commitment to improving the lives of the poor.
- Several initial ideas of what each organization could contribute toward the common commitment.

Ever since this learning journey, Oxfam Great Britain staff in Central America has been experimenting with working with businesses. Unilever has made a commitment to improve the lives of 500,000 small farmers around the world. Sysco partnered with Oxfam in Guatemala, pulling in their supplier, Superior Foods. As a result, over the last four years several hundred small farmer families in the highlands of Guatemala have been learning to grow broccoli and supply both local markets and a freezing plant for North American markets.

When system leadership emerges in collaborative project work, as it did in this instance, the results can be transformative. Sometimes, however, things don't turn out so well. Failure usually occurs when we are unable to get the key players to create space for trust and creativity to emerge. For example, a few years ago one of the large NGOs engaged in fisheries invited us to facilitate a collective impact initiative. Our big challenge was that this NGO already had a firmly held view of what strategy was necessary to restore over-fished fisheries. We convened a very diverse group of players that crafted a creative portfolio of collaborative projects. But the initiative stalled because we had failed to develop enough trust among those with diverging organizational strategies. Some very important players, with varying strategies to restoring fisheries, never felt fully welcome at the table, and without that trust the group kept getting stuck.

Failures are humbling, but they also are wonderful opportunities to reflect on the preconditions for success. There are three critical gateways to creating system leaders: re-directing attention, re-orienting strategy, and practice, practice, practice. Below are examples of the importance of each of these gateways.

Re-Directing Attention

The first gateway that system leaders must pass through is to understand their role in the overall system and to be able to step out of that role and see the world through the eyes and interests of

others. When I talk with people who might join an initiative, I look for overlapping interests among them. When Adam Kahane and I first interviewed potential members of the founding Food Lab team, for example, we talked with farmers, business executives, NGO leaders, and government agency people on three continents. The most important question we asked was, “What’s one thing you’re trying to accomplish that is more ambitious than you are able to do with the partners and resources you now have?” The sum of answers to this question leads to a fertile innovation space from which new partnerships can evolve. As these new partnerships evolve, everyone begins to see that their roles in their separate organizations have been scripted in ways that don’t always contribute to creative solutions. With reflection, sharing, introspection, and a safe space, possibilities emerge that weren’t there before.

In the Unilever/Sysco/Oxfam example, Oxfam activists came from a history of blaming greedy corporations, but when they noticed that business people also expressed a personal interest in the lives of the small farmers, the Oxfam activists began to shift their views and realize that they could work with business partners. Similarly, Sysco executives discovered new ways to do business that would benefit small farmers and processors.

When working together in this manner, NGO and business people also discover something even more basic than these expanded missions and strategies. They discover personal capabilities that they want to develop. Finding common purpose between a Houston business executive and a farm cooperative leader in Guatemala requires the ability to sense the needs and values of the other person. Each person’s life is dramatically different from the other, yet they need to understand enough about one another to make a deal. They notice the walls of cultural difference that shape their own and other people’s worldviews. System leaders stretch to see beyond their walls, and they notice their own roles in constructing those walls. Attention shifts from changing systems “out there” to also changing values and perceptions “in here.”

Re-Orienting Strategy

Shifts in an individual’s attention and outlook can lead to changes in their organization’s strategy. To foster this, the Food Lab team works hard to create safe spaces for people to hold their strategies lightly and to find opportunities for addressing challenges at their source. When Lisa Boyd from Target was asked what she would share with her colleagues after a learning journey in water-stressed northwest Peru, she said, “I think I’ll tell them that every single assumption I came here with has been turned upside down.” Uncertainty is likely a precondition for learning, and it leads to a greater openness to partner with unexpected organizations and people.

Many large food and beverage companies are beginning to worry about maintaining a resilient supply of agricultural ingredients, especially as water becomes scarcer in many parts of the world. These companies focus first on creating greater efficiency in manufacturing plants, learning, for example to dramatically decrease water use and to recycle. Later, these companies look to foster changes in agricultural production, working directly with farmers, for example, to use drip irrigation to reduce their water footprint.

Although these strategies to reduce water risk are important, they are frequently insufficient. Beer brewers, for example, create incentives for barley farmers to use the best methods to reduce water use, but if water consumption exceeds water availability in a barley-growing region, barley farming still will be threatened.

Overcoming water risk requires collaboration among all the key players and water users in a landscape. No single player can achieve meaningful solutions by themselves, but collaboration is messy and requires skillful convening and facilitation. The Food Lab is now helping organize a global water collaboration of many of the largest food and beverage companies. The collaboration is sharing data about where key commodities are grown and mapping those regions against water risk to find places where these companies can work together and draw in support from NGOs like The Nature Conservancy.

The journey to collective action is not an easy path. Procurement people in each company have to share data they view as private and competitive. NGOs on the ground sometimes compete with one another for partners and funding. Government agencies have trouble seeing past their limited mandates. Organizing the safe space within which people can learn to re-orient their strategies requires the whole toolbox of system leadership.

Practice, Practice, Practice

The more that people use tools like learning journeys and system mapping, the better they become at doing it. This may seem obvious, but too many people fail to take the time to do this. For example, there is a right way and a wrong way to teach people about how to create and use system maps. I've watched groups being presented with a previously created system map, and seen their eyes glaze over from trying to follow all the lines and arrows. I've also been part of groups who create a system map together, and I've watched as the mental light bulbs go on as they start to see synergy among different organizations in the same system.

To help people develop system leadership capabilities, every month a colleague and I convene

three different peer coaching groups, one with people in NGOs, and two with people in food or beverage companies with sustainability jobs. On each call we start with a short period of centering silence and then one person on the call shares a professional challenge. After the case-giver shares his or her challenge, each of the others reflects and shares their reactions. We keep advice for the end of the calls and mine the conversations for as much introspection as possible. Each person learns to look at things through the eyes of the others. Collectively they are smarter than they are individually. Month after month they practice reflective conversation, seeing the system, and collectively imagining what next steps might emerge.

Before every annual meeting, the Food Lab holds learning journeys, sometimes five or six running simultaneously. We divide participants in such a way that each small group has business and non-business participants, and we tightly facilitate the conversations. Some of the world's thought leaders try to never miss these annual opportunities to open up to new ideas and develop deeper relationships with people from other organizations and sectors.

There's something contagious in these experiences. Partnerships between business and NGOs have proliferated across the food system as organizations like Catholic Relief Services discover that they can serve their mission better through collaborative projects with businesses sourcing from developing countries. And many business leaders have learned to see the system—sometimes building more expertise than the NGO experts they started learning from.

The journey ahead, however, calls for even more system leaders as the work expands to entire procurement departments within companies, to the country-level offices of NGOs, to policy makers within agriculture ministries, to farmer coop leaders across the globe. We need to cultivate the capacity of more and more system leaders to work together, grounded on effective communication and a clear sense of purpose.

Sometimes we at Food Lab are asked about our metrics of success. What have we accomplished on the ground? As a backbone organization, we contribute design and management support to projects that improve the livelihood of millions of people and environmental outcomes on millions of acres, but we can't claim credit for these outcomes independently of the organizations we work with. We can, however, take credit for having helped create hundreds of system leaders in dozens of organizations who are creating new ways of working together and new ways of doing business.⁴

¹ C. Otto Scharmer, *Theory U*, Society for Organizational Learning, Cambridge, Mass., 2007.

