

Introduction

The Power of Reframing

By the second decade of the twenty-first century, the German carmaker Volkswagen and the U.S. bank Wells Fargo were among the world's largest, most successful, and most admired firms. Then both trashed their own brand by following the same script. It's a drama in three acts:

Act I: Set daunting standards for employees to improve performance.

Act II: Look the other way when employees cheat because they think it's the only way to meet the targets.

Act III: When the cheating leads to a media firestorm and public outrage, blame the workers and paint top managers as blameless.

In Wells Fargo's case, the bank fired more than 5,000 lower-level employees but offered an exit bonus of \$125 million to the executive who oversaw them (Sorkin, 2016).

Volkswagen CEO Martin Winterkorn was known as an eagle-eyed micromanager but pleaded ignorance when his company admitted in 2015 that it had been cheating for years on emissions tests of its "clean" diesels. He was quickly replaced by Matthias Müller, who claimed that he didn't know anything about VW's cheating either. Müller also explained why VW wasn't exactly guilty: "It was a technical problem. We had not

the interpretation of the American law . . . We didn't lie. We didn't understand the question first" (Smith and Parloff, 2016). Apparently VW was smart enough to design clever software to fudge emissions tests but not smart enough to know that cheating might be illegal.

The smokescreen worked for years—VW sold a lot of diesels to consumers who wanted just what Volkswagen claimed to offer, a car at the sweet spot of low emissions, high performance, and great fuel economy. The cheating apparently began around 2008, seven years before it became public, when Volkswagen engineers realized they could not make good on the company's public, clean-diesel promises (Ewing, 2015). Bob Lutz, an industry insider, described VW's management system as "a reign of terror and a culture where performance was driven by fear and intimidation" (Lutz, 2015). VW engineers faced a tough choice. Should they tell the truth and lose their jobs now or cheat and *maybe* lose their jobs later? The engineers chose option B. The story did not end happily. In January, 2017, VW pleaded guilty to cheating on emissions tests and agreed to pay a fine of \$4.3 billion. In the same week, six VW executives were indicted for conspiring to defraud the United States.¹ In Spring of 2017, VW's legal troubles appeared to be winding down in the United States, at a total cost of more than \$20 billion, but were still ramping up in Germany, where authorities had launched criminal investigations (Ewing, 2017).

The story at Wells Fargo was similar. For years, it had successfully billed itself as the friendly, community bank. It ran warm and fuzzy ads around themes of working together and caring about people. The ads did not mention that in 2010 a federal judge ruled that the bank had cheated customers by deliberately manipulating customer transactions to increase overdraft fees (Randall, 2010), nor that in August, 2016, the bank agreed to pay a \$4.1 million penalty for cheating student borrowers. But no amount of advertising would have helped in September, 2016, when the news broke that employees in Wells Fargo branches, under pressure from their bosses to sell more "solutions," had opened some two million accounts that customers didn't want and usually didn't know about, at least not until they received an unexpected credit card in the mail or got hit with fees on an account they didn't know they had.

None of it should have been news to Wells Fargo's leadership. Back in 2005, employees began to call the firm's human resources department and ethics hotline to report that some of their coworkers were cheating (Cowley, 2016). The bank sometimes solved that problem by firing the whistleblowers. Take the case of a branch manager in Arizona. While covering for a colleague at another branch, he found that employees were

opening accounts for fake businesses. He called HR, which told him to call the ethics hotline. Ethics asked him for specific data to support the allegations. He pulled data from the system and reported it. A month later, he was fired for improperly looking up account information.

In 2013, the *Los Angeles Times* ran a story about phony accounts in some local branches. Wells Fargo's solution was not to lower the flame under the pot but to try and screw down the lid even tighter. They kept up the intense push for cross-selling but sent employees to ethics seminars where they were instructed not to open accounts customers didn't want. CEO John Stumpf achieved plausible deniability by proclaiming that he didn't want "want anyone ever offering a product to someone when they don't know what the benefit is, or the customer doesn't understand it, or doesn't want it, or doesn't need it" (Sorkin, 2016, p. B1). But despite his public assurances, the incentives up and down the line still rewarded sales rather than ethical squeamishness. Many employees felt they were in a bind: they'd been told not to cheat, but that was the best way to keep their jobs (Corkery and Cowley, 2016). Like the VW engineers, many decided to cheat now and hope that later never came.

Maybe leaders at Volkswagen and Wells Fargo knew about the cheating and hoped it would never come to light. Maybe they were just out of touch. Either way, they were clueless—failing to see that their companies were headed for costly public-relations nightmares. But they are far from alone. Cluelessness is a pervasive affliction for leaders, even the best and brightest. Often it leads to personal and institutional disaster. But, sometimes there are second chances.

Consider Steve Jobs. He had to fail before he could succeed. Fail he did. He was fired from Apple Computer, the company he founded, and then spent 11 years "in the wilderness" (Schlender, 2004). During this time of reflection he discovered capacities as a leader—and human being—that set the stage for his triumphant second act at Apple.

He failed initially for the same reason that countless managers stumble: like the executives at VW and Wells Fargo, Jobs was operating on a limited understanding of leadership and organizations. He was always a brilliant and charismatic product visionary. That enabled him to take Apple from startup to major computer vendor, but didn't equip him to lead Apple to its next phase. Being fired was painful, but Jobs later concluded that it was the best thing that ever happened to him. "It freed me to enter one of the most creative periods of my life. I'm pretty sure none of this would have happened if I hadn't been fired from Apple. It was awful-tasting medicine, but I guess the patient needed it."

During his period of self-reflection, Jobs kept busy. He focused on Pixar, a computer graphics company he bought for \$10 million, and on NeXT, a new computer company that he founded. One succeeded and the other didn't, but he learned from both. Pixar became so successful it made Jobs a billionaire. NeXT never made money, but it developed technology that proved vital when Jobs was recalled from the wilderness to save Apple from a death spiral.

His experiences at NeXT and Pixar provided two vital lessons. One was the importance of aligning an organization with its strategy and mission. He understood more clearly that he needed a great company to build great products. Lesson two was about people. Jobs had always understood the importance of talent, but now he had a better appreciation for the importance of relationships and teamwork.

Jobs's basic character did not change during his wilderness years. The Steve Jobs who returned to Apple in 1997 was much like the human paradox fired 12 years earlier—demanding and charismatic, charming and infuriating, erratic and focused, opinionated and curious. The difference was in how he interpreted what was going on around him and how he led. To his long-time gifts as a magician and warrior, he had added newfound capacities as an organizational architect and team builder.

Shortly after his return, he radically simplified Apple's product line, built a loyal and talented leadership team, and turned his old company into a hit-making machine as reliable as Pixar. The iMac, iPod, iPhone, and iPad made Jobs the world's most admired chief executive, and Apple passed ExxonMobil to become the world's most valuable company. His success in building an organization and a leadership team was validated as Apple's business results continued to impress after his death in October 2011. Like many other executives, Steve Jobs seemed to have it all until he lost it—but most never get it back.

Martin Winterkorn had seemed to be on track to make Volkswagen the world's biggest car company, and Wells Fargo CEO John Stumpf was one of America's most admired bankers. But both became so cocooned in imperfect worldviews that they misread their circumstances and couldn't see other options. That's what it means to be clueless. You don't know what's going on, but you think you do, and you don't see better choices. So you do more of what you know, even though it's not working. You hope in vain that steady on course will get you where you want to go.

How do leaders become clueless? That is what we explore next. Then we introduce *reframing*—the conceptual core of the book and our basic prescription for sizing things up. Reframing requires an ability to think about situations from more than one angle, which lets you develop alternative diagnoses and strategies. We introduce four distinct frames—

structural, human resource, political, and symbolic—each logical and powerful in capturing a detailed snapshot. Together, they help to paint a more comprehensive picture of what’s going on and what to do.

VIRTUES AND DRAWBACKS OF ORGANIZED ACTIVITY

There was little need for professional managers when individuals mostly managed their own affairs, drawing goods and services from family farms and small local businesses. Since the dawn of the industrial revolution some 200 years ago, explosive technological and social changes have produced a world that is far more interconnected, frantic, and complicated. Humans struggle to avoid drowning in complexity that continually threatens to pull them in over their heads (Kegan, 1998). Forms of management and organization effective a few years ago are now obsolete. Sérieyx (1993) calls it the organizational big bang: “The information revolution, the globalization of economies, the proliferation of events that undermine all our certainties, the collapse of the grand ideologies, the arrival of the CNN society which transforms us into an immense, planetary village—all these shocks have overturned the rules of the game and suddenly turned yesterday’s organizations into antiques” (pp. 14–15).

Benner and Tushman (2015) argue that the twenty-first century is making managers’ challenges ever more vexing:

The paradoxical challenges facing organizations have become more numerous and strategic (Besharov & Smith, 2014; Smith & Lewis, 2011). Beyond the innovation challenges of exploration and exploitation, organizations are now challenged to be local and global (e.g., Marquis & Battilana, 2009), doing well and doing good (e.g., Battilana & Lee, 2014; Margolis & Walsh, 2003), social and commercial (e.g., Battilana & Dorado, 2010), artistic or scientific and profitable (e.g., Glynn, 2000), high commitment and high performance (e.g., Beer & Eisenstadt, 2009), and profitable and sustainable (e.g., Eccles, Ioannou, & Serafeim, 2014; Henderson, Gulati, & Tushman, 2015; Jay, 2013). These contradictions are more prevalent, persistent, and consequential. Further, these contradictions can be sustained and managed, but not resolved (Smith, 2014).

The demands on managers’ wisdom, imagination and agility have never been greater, and the impact of organizations on people’s well-being and happiness has never been more consequential. The proliferation of complex organizations has made most human activities

more formalized than they once were. We grow up in families and then start our own. We work for business, government, or nonprofits. We learn in schools and universities. We worship in churches, mosques, and synagogues. We play sports in teams, franchises, and leagues. We join clubs and associations. Many of us will grow old and die in hospitals or nursing homes. We build these enterprises because of what they can do for us. They offer goods, entertainment, social services, health care, and almost everything else that we use or consume.

All too often, however, we experience a darker side of these enterprises. Organizations can frustrate and exploit people. Too often, products are flawed, families are dysfunctional, students fail to learn, patients get worse, and policies backfire. Work often has so little meaning that jobs offer nothing beyond a paycheck. If we believe mission statements and public pronouncements, almost every organization these days aims to nurture its employees and delight its customers. But many miss the mark. Schools are blamed for “mis-educating,” universities are said to close more minds than they open, and government is criticized for corruption, red tape, and rigidity.

The private sector has its own problems. Manufacturers recall faulty cars or inflammable cellphones. Producers of food and pharmaceuticals make people sick with tainted products. Software companies deliver bugs and “vaporware.” Industrial accidents dump chemicals, oil, toxic gas, and radioactive materials into the air and water. Too often, corporate greed, incompetence, and insensitivity create havoc for communities and individuals. The bottom line: We seem hard-pressed to manage organizations so that their virtues exceed their vices. The big question: Why?

Management’s Track Record

Year after year, the best and brightest managers maneuver or meander their way to the apex of enterprises great and small. Then they do really dumb things. How do bright people turn out so dim? One theory is that they’re too smart for their own good. Feinberg and Tarrant (1995) label it the “self-destructive intelligence syndrome.” They argue that smart people act stupid because of personality flaws—things like pride, arrogance, and an unconscious desire to fail. It’s true that psychological flaws have been apparent in brilliant, self-destructive individuals such as Adolf Hitler, Richard Nixon, and Bill Clinton. But on the whole, the best and brightest have no more psychological problems than everyone else. The primary source of cluelessness is not personality or IQ but a failure to make sense of complex situations. If we misread a situation, we’ll do the wrong thing. But if we don’t know we’re seeing things inaccurately, we won’t understand why we’re not getting the results we want. So we insist we’re right even when we’re off track.

Vaughan (1995), in trying to unravel the causes of the 1986 disaster that destroyed the *Challenger* space shuttle and its crew, underscored how hard it is for people to surrender their entrenched conceptions of reality:

They puzzle over contradictory evidence, but usually succeed in pushing it aside—until they come across a piece of evidence too fascinating to ignore, too clear to misperceive, too painful to deny, which makes vivid still other signals they do not want to see, forcing them to alter and surrender the world-view they have so meticulously constructed (p. 235).

So when we don't know what to do, we do more of what we know. We construct our own psychic prisons and then lock ourselves in and throw away the key. This helps explain a number of unsettling reports from the managerial front lines:

- Hogan, Curphy, and Hogan (1994) estimate that the skills of one half to three quarters of American managers are inadequate for the demands of their jobs. Gallup (2015) puts the number even higher, estimating that more than 80 percent of American managers lack the talent they need. But most probably don't realize it: Kruger and Dunning (1999) found that the less competent people are, the more they overestimate their performance, partly because they don't know good performance when they see it.
- About half of the high-profile senior executives that companies hire fail within two years, according to a 2006 study (Burns and Kiley, 2007).
- The annual value of corporate mergers has grown more than a hundredfold since 1980, yet evidence suggests that 70 to 90 percent “are unsuccessful in producing any business benefit as regards shareholder value” (KPMG, 2000; Christensen, Alton, Rising, and Waldeck, 2011). Mergers typically benefit shareholders of the acquired firm but hurt almost everyone else—customers, employees, and, ironically, the buyers who initiated the deal (King et al., 2004). Stockholders in the acquiring firm typically suffer a 10 percent loss on their investment (Agrawal, Jaffe, and Mandelker, 1992), while consumers feel that they're paying more and getting less. Despite this dismal record, the vast majority of the managers who engineered mergers insisted they were successful (KPMG, 2000; Graffin, Haleblan, and Kiley, 2016).
- Year after year, management miscues cause once highly successful companies to skid into bankruptcy. In just the first quarter of 2015, for example, 26 companies went under, including six with claimed assets of more than \$1 billion. (Among the biggest were the casino giant, Caesars Entertainment, and the venerable electronics retailer, RadioShack.)

Small wonder that so many organizational veterans nod in assent to Scott Adams's admittedly unscientific "Dilbert principle": "the most ineffective workers are systematically moved to the place where they can do the least damage—management" (1996, p. 14).

Strategies for Improving Organizations

We have certainly made a noble effort to improve organizations despite our limited ability to understand them. Legions of managers report to work each day with hope for a better future in mind. Authors and consultants spin out a torrent of new answers and promising solutions. Policymakers develop laws and regulations to guide or shove organizations on the right path.

The most universal improvement strategy is upgrading management talent. Modern mythology promises that organizations will work splendidly if well managed. Managers are supposed to see the big picture and look out for their organization's overall well-being. They have not always been equal to the task, even when armed with the full array of modern tools and techniques. They go forth with this rational arsenal to try to tame our wild and primitive workplaces. Yet in the end, irrational forces too often prevail.

When managers find problems too hard to solve, they hire consultants. The number and variety of advice givers keeps growing. Most have a specialty: strategy, technology, quality, finance, marketing, mergers, human resource management, executive search, outplacement, coaching, organization development, and many more. For every managerial challenge, there is a consultant willing to offer assistance—at a price.

For all their sage advice and remarkable fees, consultants often make little dent in persistent problems plaguing organizations, though they may blame the clients for failing to implement their profound insights. McKinsey & Co., "the high priest of high-level consulting" (Byrne, 2002a, p. 56), worked so closely with Enron that its managing partner (Rajat Gupta, who eventually went to jail for insider trading) sent his chief lawyer to Houston after Enron's collapse to see if his firm might be in legal trouble.² The lawyer reported that McKinsey was safe, and a relieved Gupta insisted bravely, "We stand by all the work we did. Beyond that, we can only empathize with the trouble they are going through. It's a sad thing to see" (p. 68).

When managers and consultants fail, government recurrently responds with legislation, policies, and regulations. Constituents badger elected officials to "do something" about a variety of ills: pollution, dangerous products, hazardous working conditions, discrimination, and low performing schools, to name a few. Governing bodies respond by making "policy." But policymakers don't always understand the problem well enough to get the solution right, and a sizable body of research records a continuing saga of perverse ways in

which the implementation process undermines even good solutions (Bardach, 1977; Elmore, 1978; Freudenberg and Gramling, 1994; Gottfried and Conchas, 2016; Peters, 1999; Pressman and Wildavsky, 1973). Policymakers, for example, have been trying for decades to reform U.S. public schools. Billions of taxpayer dollars have been spent. The result? About as successful as America's switch to the metric system. In the 1950s Congress passed legislation mandating adoption of metric standards and measures. More than six decades later, if you know what a hectare is or can visualize the size of a 300-gram package of crackers, you're ahead of most Americans. Legislators did not factor into their solution what it would take to get their decision implemented against longstanding custom and tradition.

In short, the difficulties surrounding improvement strategies are well documented. Exemplary intentions produce more costs than benefits. Problems outlast solutions. Still, there are reasons for optimism. Organizations have changed about as much in recent decades as in the preceding century. To survive, they had to. Revolutionary changes in technology, the rise of the global economy, and shortened product life cycles have spawned a flurry of efforts to design faster, more flexible organizational forms. New organizational models flourish in companies such as Pret à Manger (the socially conscious U.K. sandwich shops), Google (the global search giant), Airbnb (a new concept of lodging) and Novo-Nordisk (a Danish pharmaceutical company that includes environmental and social metrics in its bottom line). The dispersed collection of enthusiasts and volunteers who provide content for Wikipedia and the far-flung network of software engineers who have developed the Linux operating system provide dramatic examples of possibilities in the digital world. But despite such successes, failures are still too common. The nagging question: How can leaders and managers improve the odds for themselves as well for their organizations?

FRAMING

Goran Carstedt, the talented executive who led the turnaround of Volvo's French division in the 1980s, got to the heart of a challenge managers face every day: "The world simply can't be made sense of, facts can't be organized, unless you have a mental model to begin with. That theory does not have to be the right one, because you can alter it along the way as information comes in. But you can't begin to learn without some concept that gives you expectations or hypotheses" (Hampden-Turner, 1992, p. 167). Such mental models have many labels—maps, mind-sets, schema, paradigms, heuristics, and cognitive lenses, to name a few.³ Following the work of Goffman, Dewey, and others, we have chosen the label *frames*, a term that has received increasing attention in organizational research as scholars give greater attention to how managers make sense of a complicated and turbulent world

(see, e.g., Foss and Webber, 2016; Gray, Purdy, and Ansari, 2015; Cornelissen and Werner, 2014; Hahn et al., 2014; Maitlis and Christianson, 2014). In describing frames, we deliberately mix metaphors, referring to them as windows, maps, tools, lenses, orientations, prisms, and perspectives, because all these images capture part of the idea we want to convey.

A frame is a mental model—a set of ideas and assumptions—that you carry in your head to help you understand and negotiate a particular “territory.” A good frame makes it easier to know what you are up against and, ultimately, what you can do about it. Frames are vital because organizations don’t come with computerized navigation systems to guide you turn-by-turn to your destination. Instead, managers need to develop and carry accurate maps in their heads.

Such maps make it possible to register and assemble key bits of perceptual data into a coherent pattern—an image of what’s happening. When it works fluidly, the process takes the form of “rapid cognition,” the process that Gladwell (2005) examines in his best seller *Blink*. He describes it as a gift that makes it possible to read “deeply into the narrowest slivers of experience. In basketball, the player who can take in and comprehend all that is happening in the moment is said to have ‘court sense’” (p. 44). The military stresses situational awareness to describe the same capacity.

Dane and Pratt (2007) describe four key characteristics of this intuitive “blink” process:

- It is nonconscious—you can do it without thinking about it and without knowing how you did it.
- It is very fast—the process often occurs almost instantly.
- It is holistic—you see a coherent, meaningful pattern.
- It results in “affective judgments”—thought and feeling work together so you feel confident that you know what is going on and what needs to be done.

The essence of this process is matching situational cues with a well-learned mental framework—a “deeply held, nonconscious category or pattern” (Dane and Pratt, 2007, p. 37). This is the key skill that Simon and Chase (1973) found in chess masters—they could instantly recognize more than 50,000 configurations of a chessboard. This ability enables grand masters to play 25 lesser opponents simultaneously, beating all of them while spending only seconds on each move.

The same process of rapid cognition is at work in the diagnostic categories physicians rely on to evaluate patients’ symptoms. The Hippocratic Oath to “do no harm” requires

physicians to be confident that they know what they're up against before prescribing a remedy. Their skilled judgment draws on a repertoire of categories and clues, honed by training and experience. But sometimes they get it wrong. One source of error is anchoring: doctors, like leaders, sometimes lock on to the first answer that seems right, even if a few messy facts don't quite fit. "Your mind plays tricks on you because you see only the landmarks you expect to see and neglect those that should tell you that in fact you're still at sea" (Groopman, 2007, p. 65).

That problem tripped up leaders at Volkswagen, Wells Fargo, and countless other organizations. Organizations are at least as complex as the human body, and the diagnostic categories less well defined. That means that the quality of your judgments depends on the information you have at hand, your mental maps, and how well you have learned to use them. Good maps align with the terrain and provide enough detail to keep you on course. If you're trying to find your way around Beijing, a map of Chicago won't help. In the same way, different circumstances require different approaches.

Even with the right map, getting around will be slow and awkward if you have to stop and study at every intersection. The ultimate goal is fluid expertise, the sort of know-how that lets you think on the fly and navigate organizations as easily as you drive home on a familiar route. You can make decisions quickly and automatically because you know at a glance where you are and what you need to do next.

There is no shortcut to developing this kind of expertise. It takes effort, time, practice, and feedback. Some of the effort has to go into learning frames and the ideas behind them. Equally important is putting the ideas to use. Experience, one often hears, is the best teacher, but that is true only if one learns from it. McCall, Lombardo, and Morrison (1988, p. 122) found that a key quality among successful executives was they were great learners, displaying an "extraordinary tenacity in extracting something worthwhile from their experience and in seeking experiences rich in opportunities for growth."

Reframing

Frames define the questions we ask and solutions we consider (Berger 2014). John Dewey defined freedom as the power to choose among known alternatives. When managers' options are limited they make mistakes but too often fail to understand the source. Take a simple example: "What is the sum of 5 plus 5?" The only right answer is "10." Ask a different way, "What two numbers add up to ten? Now the number of solutions is infinite (once you include fractions and negative numbers). The two questions differ in how they are framed. Albert Einstein once observed: "If I had a problem to solve and my whole life depended on the solution, I would spend the first fifty-five minutes determining the question to ask, for

once I know the proper question, I could solve the problem in five minutes” (Seelig, 2015, p. 19). Asking the right question enhances the ability to break frames. Why do that? A news story from the summer of 2007 illustrates. Imagine yourself among a group of friends enjoying dinner on the patio of a Washington, DC, home. An armed, hooded intruder suddenly appears and points a gun at the head of a 14-year-old guest. “Give me your money,” he says, “or I’ll start shooting.” If you’re at that table, what do you do? You could faint. Or freeze. You could try a heroic frontal attack. You might try to run. Or you could try to break frame by asking an unexpected question. That’s exactly what Cristina “Cha Cha” Rowan did.

“We were just finishing dinner,” [she] told the man. “Why don’t you have a glass of wine with us?”

The intruder had a sip of their Chateau Malescot St-Exupéry and said, “Damn, that’s good wine.”

The girl’s father . . . told the intruder to take the whole glass, and Rowan offered him the bottle.

The robber, with his hood down, took another sip and a bite of Camembert cheese. He put the gun in his sweatpants . . .

“I think I may have come to the wrong house,” the intruder said before apologizing. “Can I get a hug?”

Rowan . . . stood up and wrapped her arms around the would-be robber. The other guests followed.

“Can we have a group hug?” the man asked. The five adults complied.

The man walked away a few moments later with a filled crystal wine glass, but nothing was stolen, and no one was hurt. Police were called to the scene and found the empty wine glass unbroken on the ground in an alley behind the house (Hagey, 2007).

In one stroke, Cha Cha Rowan redefined the situation from a robbery—“we might all be killed”—to a social occasion—“let’s offer our guest some wine and include him in our party.” Like her, artistic managers frame and reframe experience fluidly, sometimes with extraordinary results. A critic once commented to Cézanne, “That doesn’t look anything like a sunset.” Pondering his painting, Cézanne responded, “Then you don’t see sunsets the way I do.” Like Cézanne and Rowan, leaders have to find ways of asking the right question to shift points of view when needed. This is not easy, which is why “most of us passively accept decision problems as they are framed, and therefore rarely have an opportunity to discover

the extent to which our preferences are *frame-bound* rather than *reality-bound*” (Kahneman, 2011, p. 367).

Caldicott (2014) sees reframing as vital for leadership: “One distinguishing difference between leaders that succeed at driving collaboration and innovation versus those that fail is their ability to grasp Complexity. This skill set involves framing difficult concepts quickly, synthesizing data in a way that drives new insight, and building teams that can generate future scenarios different from the world they see today.” A growing body of psychological research shows that reframing can improve performance across a range of tasks. Autin and Croizet (2012) gave students a difficult task on which they all struggled. Some students were taught to reframe the struggle as a normal sign of learning. That intervention increased confidence, working memory, and reading comprehension on subsequent tasks. Jamieson et al. (2010) found that they could improve scores on the Graduate Record Exam by reframing anxiety as an aid to performance. The old song lyric, “accentuate the positive and eliminate the negative,” is powerful advice.

Like maps, frames are both windows on a terrain and tools for navigating its contours. Every tool has distinctive strengths and limitations. The right tool makes a job easier; the wrong one gets in the way. Tools thus become useful only when a situation is sized up accurately. Furthermore, one or two tools may suffice for simple jobs but not for more complex undertakings. Managers who master the hammer and expect all problems to behave like nails find life at work confusing and frustrating. The wise manager, like a skilled carpenter, wants at hand a diverse collection of high-quality implements. Experienced managers also understand the difference between possessing a tool and knowing when and how to use it. Only experience and practice foster the skill and wisdom to take stock of a situation and use suitable tools with confidence and skill.

The Four Frames

Only in the past 100 years or so have social scientists devoted much time or attention to developing ideas about how organizations work, how they should work, or why they often fail. In the social sciences, several major schools of thought have evolved. Each has its own concepts, assumptions, and evidence, espousing a particular view of how to bring social collectives under control. Each tradition claims a scientific foundation. But a theory can easily become a theology that preaches a single, parochial scripture. Modern managers must sort through a cacophony of voices and visions for help.

Sifting through competing voices is one of our goals in writing this book. We are not searching for or advocating the one best way. Rather, we consolidate major schools of organizational thought and research into a comprehensive framework encompassing four

perspectives. Our goal is usable knowledge. We have sought ideas powerful enough to capture the subtlety and complexity of life in organizations yet simple enough to be useful. Our distillation has drawn much from the social sciences—particularly sociology, psychology, political science, and anthropology. Thousands of managers and scores of organizations have helped us sift through social science research to identify ideas that work in practice. We have sorted insights from both research and practice into four major frames—structural, human resource, political, and symbolic (Bolman and Deal, 1984). Each is used by academics and practitioners alike and can be found, usually independently, on the shelves of libraries and bookstores.

Four Frames: As Near as Your Local Bookstore

Imagine a harried executive browsing online or at her local bookseller on a brisk winter day in 2017. She worries about her company's flagging performance and wonders if her own job might soon disappear. She spots the black cover of *How to Measure Anything: Finding the Value of "Intangibles" in Business*. Flipping through the pages, she notes topics like measuring the value of information and the need for better risk analysis. She is drawn to phrases such as "A key step in the process is the calculation of the economic value of information . . . [A] proven formula from the field of decision theory allows us to compute a monetary value for a given amount of uncertainty reduction"⁴ (p. 35). "This stuff may be good," the executive tells herself, "but it seems a little too stiff and numbers-driven."

Next, she finds *Lead with LUV: A Different Way to Create Real Success*. Glancing inside, she reads, "Many of our officers handwrite several thousand notes each year. Besides being loving, we know this is meaningful to our People because we hear from them if we miss something significant in their lives like the high school graduation of one of their kids. We just believe in accentuating the positive and celebrating People's successes"⁵ (p. 7). "Sounds nice," she mumbles, "but a little too touchy-feely. Let's look for something more down to earth."

Continuing her search, she looks at *Power: Why Some People Have It and Others Don't*. She reads, "You can compete and triumph in organizations of all types . . . if you understand the principles of power and are willing to use them. Your task is to know how to prevail in the political battles you will face"⁶ (p. 5). She wonders, "Does it really all come down to politics? It seems so cynical and scheming. How about something more uplifting?"

She spots *Tribal Leadership: Leveraging Natural Groups to Build a Thriving Organization*. She ponders its message: "Tribal leaders focus their efforts on building the tribe, or, more precisely, upgrading the tribal culture. If they are successful, the tribe recognizes them

as leaders, giving them top effort, cult-like loyalty, and a track record of success”⁷ (p. 4). “Fascinating,” she concludes, “but seems a little too primitive for modern organizations.”

In her book excursion, our worried executive has rediscovered the four perspectives at the heart of this book. Four distinct metaphors capture the essence of each of the books she examined: organizations as factories, families, jungles, and temples or carnivals. But she leaves more confused than ever. Some titles seemed to register with her way of thinking. Others fell outside her zone of comfort. Where should she go next? How can she put it all together?

Factories

The first book she stumbled across, *How to Measure Anything*, provides counsel on how to think clearly and make rational decisions, extending a long tradition that treats an organization as a factory. Drawing from sociology, economics, and management science, the structural frame depicts a rational world and emphasizes organizational architecture, including planning, strategy, goals, structure, technology, specialized roles, coordination, formal relationships, metrics, and rubrics. Structures—commonly depicted by organization charts—are designed to fit an organization’s environment and technology. Organizations allocate responsibilities (“division of labor”). They then create rules, policies, procedures, systems, and hierarchies to coordinate diverse activities into a unified effort. Objective indicators measure progress. Problems arise when structure doesn’t line up well with current circumstances or when performance sags. At that point, some form of reorganization or redesign is needed to remedy the mismatch.

Families

Our executive next encountered *Lead with LUV: A Different Way to Create Real Success*, with its focus on people and relationships. The human resource perspective, rooted in psychology, sees an organization as an extended family, made up of individuals with needs, feelings, prejudices, skills, and limitations. From a human resource view, the key challenge is to tailor organizations to individuals—finding ways for people to get the job done while feeling good about themselves and their work. When basic needs for security and trust are unfulfilled, people withdraw from an organization, join unions, go on strike, sabotage, or quit. Psychologically healthy organizations provide adequate wages and benefits and make sure employees have the skills, support, and resources to do their jobs.

Jungles

Power: Why Some People Have It and Others Don’t is a contemporary application of the political frame, rooted in the work of political scientists. This view sees organizations as

arenas, contests, or jungles. Parochial interests compete for power and scarce resources. Conflict is rampant because of enduring differences in needs, perspectives, and lifestyles among contending individuals and groups. Bargaining, negotiation, coercion, and compromise are a normal part of everyday life. Coalitions form around specific interests and change as issues come and go. Problems arise when power is concentrated in the wrong places or is so widely dispersed that nothing gets done. Solutions arise from political skill and acumen—as Machiavelli suggested 500 years ago in *The Prince* (1961).

Temples and Carnivals

Finally, our executive encountered *Tribal Leadership: Leveraging Natural Groups to Build a Thriving Organization*, with its emphasis on culture, symbols, and spirit as keys to organizational success. The symbolic lens, drawing on social and cultural anthropology, treats organizations as temples, tribes, theaters, or carnivals. It tempers the assumptions of rationality prominent in other frames and depicts organizations as cultures, propelled by rituals, ceremonies, stories, heroes, history, and myths rather than by rules, policies, and managerial authority. Organization is also theater: actors play their roles in an ongoing drama while audiences form impressions from what they see on stage. Problems arise when actors blow their parts, symbols lose their meaning, or ceremonies and rituals lose their potency. We rekindle the expressive or spiritual side of organizations through the use of symbol, myth, and magic.

The FBI and the CIA: A Four-Frame Story

A saga of two squabbling agencies illustrates how the four frames provide different views of the same situation. Riebling (2002) documents the long history of head-butting between America's two major intelligence agencies, the Federal Bureau of Investigation and the Central Intelligence Agency. Both are charged with combating espionage and terrorism, but the FBI's authority is valid primarily within the United States, while the CIA's mandate covers everywhere else. Structurally, the two agencies have always been disconnected. The FBI is housed in the Department of Justice and reports to the attorney general. The CIA reported through the director of central intelligence to the president until 2004, when reorganization put it under a new director of national intelligence.

At a number of major junctures in American history (including the assassination of President John F. Kennedy, the Iran-Contra scandal, and the 9/11 terrorist attacks), each agency held pieces of a larger puzzle, but coordination snafus made it hard for anyone to see all the pieces, much less put them together. After 9/11, both agencies came under heavy criticism, and each blamed the other for lapses. The FBI complained that the CIA had failed

to tell them that two of the terrorists had entered the United States and had been living in California since 2000 (Seper, 2005). But an internal Justice Department investigation also concluded that the FBI didn't do very well with the information it did have. Key signals were never "documented by the bureau or placed in any system from which they could be retrieved by agents investigating terrorist threats" (Seper, 2005, p. 1).

Structural barriers between the FBI and the CIA were exacerbated by the enmity between the two agencies' patron saints, J. Edgar Hoover and "Wild Bill" Donovan. When Hoover first became FBI director in the 1920s, he reported to Donovan, who didn't trust him and tried unsuccessfully to get him fired. When World War II broke out, Hoover lobbied to get the FBI identified as the nation's worldwide intelligence agency. He fumed when President Franklin D. Roosevelt instead created a new agency and made Donovan its director. As often happens, cooperation between two units was chronically hampered by a rocky personal relationship between two top dogs who never liked one another.

Politically, the relationship between the FBI and CIA was born in turf conflict because of Roosevelt's decision to give responsibility for foreign intelligence to Donovan instead of to Hoover. The friction persisted over the decades as both agencies vied for turf and funding from Congress and the White House.

Symbolically, different histories and missions led to very distinct cultures. The FBI, which built its image with the dramatic capture or killing of notorious gang leaders, bank robbers, and foreign agents, liked to generate headlines by pouncing on suspects quickly and publicly. The CIA preferred to work in the shadows, believing that patience and secrecy were vital to its task of collecting intelligence and rooting out foreign spies.

Senior U.S. officials have known for years that tension between the FBI and CIA damages U.S. security. But most initiatives to improve the relationship have been partial and ephemeral, falling well short of addressing the full range of issues.

Multiframe Thinking

The overview of the four-frame model in Exhibit 1.1 shows that each of the frames has its own image of reality. You may be drawn to some and put off by others. Some perspectives may seem clear and straightforward, while others seem puzzling. But learning to apply all four deepens your appreciation and understanding of organizations. Galileo discovered this when he devised the first telescope. Each lens he added contributed to a more accurate image of the heavens. Successful managers take advantage of the same truth. Like physicians, they reframe, consciously or intuitively, until they understand the situation at hand. They use more than one lens to develop a diagnosis of what they are up against and how to move forward.

Exhibit 1.1.
Overview of the Four-Frame Model.

	Frame			
	Structural	Human Resource	Political	Symbolic
Metaphor for organization	Factory or machine	Family	Jungle	Carnival, temple, theater
Supporting disciplines	Sociology, management science	Psychology	Political science	Anthropology, dramaturgy, institutional theory
Central concepts	Roles, goals, strategies, policies, technology, environment	Needs, skills, relationships	Power, conflict, competition, politics	Culture, myth, meaning, metaphor, ritual, ceremony, stories, heroes
Image of leadership	Social architecture	Empowerment	Advocacy and political savvy	Inspiration
Basic leadership challenge	Attune structure to task, technology, environment	Align organizational and human needs	Develop agenda and power base	Create faith, belief, beauty, meaning

This claim about the advantages of multiple perspectives has stimulated a growing body of research. Dunford and Palmer (1995) discovered that management courses teaching multiple frames had significant positive effects over both the short and long term—in fact, 98 percent of their respondents rated reframing as helpful or very helpful, and about 90 percent felt it gave them a competitive advantage. Other studies have shown that the ability to use multiple frames is associated with greater effectiveness for managers and leaders (Bensimon, 1989, 1990; Birnbaum, 1992; Bolman and Deal, 1991, 1992a, 1992b; Heimovics, Herman, and Jurkiewicz Coughlin, 1993, 1995; Wimpelberg, 1987). Similarly, Pitt and Tepper (2012) found that double-majoring helped college students develop both creative and integrative thinking. As one student put it, “I’m never stuck in one frame of mind

because I'm always switching back and forth between the two" (p. 40). Multiframe thinking requires moving beyond narrow, mechanical approaches for understanding organizations. We cannot count the number of times managers have told us that they handled some problem the "only way" it could be done. That was United Airline's initial defense in April 2017, when video of a bloodied doctor being dragged off a plane went viral. United's CEO wrote that "our agents were left with no choice" because the 69-year-old physician had refused to give up his seat. After a few days in public-relations hell, United announced that the only choice was a bad one, and they would never do it again. It may be comforting to think that failure was unavoidable and we did all we could. But it can be liberating to realize there is always more than one way to respond to any problem or dilemma. Those who master reframing report a liberating sense of choice and power. Managers are imprisoned only to the extent that their palette of ideas is impoverished.

Akira Kurosawa's classic film *Rashomon* recounts the same event through the eyes of several witnesses. Each tells a different story. Similarly, organizations are filled with people who have divergent interpretations of what is and should be happening. Each version contains a glimmer of truth, but each is a product of the prejudices and blind spots of its maker. Each frame tells a different story (Gottschall 2012), but no single story is comprehensive enough to make an organization fully understandable or manageable. Effective managers need frames to generate multiple stories, the skill to sort through the alternatives, and the wisdom to match the right story to the situation.⁸

Lack of imagination—Langer (1989) calls it "mindlessness"—is a major cause of the shortfall between the reach and the grasp of so many organizations—the empty chasm between noble aspirations and disappointing results. The gap is painfully acute in a world where organizations dominate so much of our lives. Taleb (2007) depicts events like the 9/11 attacks as "black swans"—novel events that are unexpected because we have never seen them before. If every swan we've observed is white, we expect the same in the future. But fateful, make-or-break events are more likely to be situations we've never experienced before. Imagination or mindfulness is our best chance for being ready when a black swan sails into view, and multiframe thinking is a powerful stimulus to the broad, creative mind-set imagination requires.

Engineering and Art

Exhibit 1.2 presents two contrasting approaches to management and leadership. One is a rational-technical mind-set emphasizing certainty and control. The other is an expressive, artistic conception encouraging flexibility, creativity, and interpretation. The first portrays managers as technicians; the second sees them as artists.

Exhibit 1.2.
Expanding Managerial Thinking.

How Managers Often Think	How Managers Might Think
Oversimplify reality (for example, blame problems on individuals' flaws and errors).	Think holistically about a full range of significant issues: people, power, structure, and symbols.
Regardless of the problems at hand, rely on facts, logic, restructuring.	Use feeling and intuition as well as logic, bargaining as well as training, celebration as well as reorganization.
Cling to certainty, rationality, and control while fearing ambiguity, paradox, and "going with the flow."	Develop creativity, risk-taking, and playfulness in response to life's dilemmas and paradoxes, and focus as much on finding the right question as the right answer, on finding meaning and faith amid clutter and confusion.
Rely on the "one right answer" and the "one best way."	Show passionate, unwavering commitment to principle, combined with flexibility in understanding and responding to events.

Artists interpret experience and express it in forms that can be felt, understood, and appreciated by others. Art embraces emotion, subtlety, ambiguity. An artist reframes the world so others can see new possibilities. Modern organizations often rely too much on engineering and too little on art in searching for quality, commitment, and creativity. Art is not a replacement for engineering but an enhancement. Many engineering schools are currently developing design programs to stimulate creative thinking. Artistic leaders and managers help us look and probe beyond today's reality to new forms that release untapped individual energies and improve collective performance. The leader as artist relies on images as well as memos, poetry as well as policy, reflection as well as command, and reframing as well as refitting.

CONCLUSION

As organizations have become pervasive and dominant, they have also become harder to understand and manage. The result is that managers are often nearly as clueless as their

subordinates (the Dilberts of the world) think they are. The consequences of myopic management and leadership show up every day, sometimes in small and subtle ways, sometimes in catastrophes. Our basic premise is that a primary cause of managerial failure is faulty thinking rooted in inadequate ideas. Managers and those who try to help them too often rely on narrow models that capture only part of organizational life.

Learning multiple perspectives, or frames, is a defense against thrashing around without a clue about what you are doing or why. Frames serve multiple functions. They are sources of new question, filters for sorting essence from trivia, maps that aid navigation, and tools for solving problems and getting things done. This book is organized around four frames rooted in both managerial wisdom and social science knowledge. The structural approach focuses on the architecture of organization—the design of units and subunits, rules and roles, goals and policies. The human resource lens emphasizes understanding people—their strengths and foibles, reason and emotion, desires and fears. The political view sees organizations as competitive arenas of scarce resources, competing interests, and struggles for power and advantage. Finally, the symbolic frame focuses on issues of meaning and faith. It puts ritual, ceremony, story, play, and culture at the heart of organizational life.

Each of the frames is powerful and coherent. Collectively, they make it possible to reframe, looking at the same thing from multiple lenses or points of view. When the world seems hopelessly confusing and nothing is working, reframing is a powerful tool for gaining clarity, regaining balance, generating new questions, and finding options that make a difference.

Notes

1. Tabuchi, H., Ewing, J., and Apuzzo, M. 2017. “6 Volkswagen Executives Charged as Company Pleads Guilty in Emissions Case.” *New York Times*, January 12. https://www.nytimes.com/2017/01/11/business/volkswagen-diesel-vw-settlement-charges-criminal.html?_r=0
2. Enron’s reign as history’s greatest corporate catastrophe was brief. An even bigger behemoth, WorldCom, with assets of more than \$100 billion, thundered into Chapter 11 seven months later, in July 2002. Stock worth more than \$45 a share two years earlier fell to nine cents.
3. Among the possible ways of talking about frames are schemata or schema theory (Fiedler, 1982; Fiske and Dyer, 1985; Lord and Foti, 1986), representations (Frensch and Sternberg, 1991; Lesgold and Lajoie, 1991; Voss, Wolfe, Lawrence, and Engle, 1991), cognitive maps (Weick and Bougon, 1986), paradigms (Gregory, 1983; Kuhn, 1970), social categorizations (Cronshaw, 1987), implicit theories (Brief and Downey, 1983), mental models (Senge, 1990), definitions of the situation, and root metaphors.
4. Douglas W. Hubbard, *How to Measure Anything: Finding the Value of Intangibles in Business* (New York: Wiley, 2010), p. 35.

5. Ken Blanchard and Colleen Barrett, *Lead with LUV: A Different Way to Create Real Success* (Upper Saddle River, NJ: FT Press, 2010), p. 7.
6. Jeffrey Pfeffer, *Power: Why Some People Have It and Others Don't* (New York: Harper Business, 2010), p. 5.
7. Dave Logan, John King, and Halee Fischer-Wright, *Tribal Leadership: Leveraging Natural Groups to Build a Thriving Organization* (New York: Harper Business, 2011), p. 4.
8. A number of scholars (including Allison, 1971; Bergquist, 1992; Birnbaum, 1988; Elmore, 1978; Morgan, 1986; Perrow, 1986; Quinn, 1988; Quinn, Faerman, Thompson, and McGrath, 1996; and Scott, 1981) have made similar arguments for multiframe approaches to groups and social collectives.

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