

Andrea Chlopczik

Magic Moments – Otto Scharmer’s Theory U and its Implications for Personal and Organizational Development

Over the last decades, academics and practitioners from many different disciplines have recognized two important elements as a response to meeting future economic challenges: one is self-reflection and individual ethics; the second is the need to create a sense of shared responsibility in organisations and other social systems. In his extensive book *Theory U - Leading from the Future as It Emerges*, Otto Scharmer brings these two aspects together. He points out the significance of their shared basic assumptions – and how each depends on the individuals’ intentions.

“Theory U’s originator, Otto Scharmer, says Theory U is three things. First, it is a framework describing a change process. Second, it is a method for effecting change personally, organizationally, in communities and globally. And third, it is a description of phenomena in the world.” (Hayashi, 2010, 2).

This essay gives an overview of the contributions of Theory U to the current discussions about changing paradigms in scientific and academic discourse and of its potential as a methodology to facilitate and sustain change. It starts with the highlights of an ongoing discussion on the importance of changing thinking patterns. Part II provides a description of the actual framework and the activities of Theory U. Part III contains a summary of the results of an empirical study of what was observed by organisational development professionals in critical moments of change processes they facilitated. Part IV will highlight the potential of Theory U as a tool in learning processes of individuals and in organisations.

1. Changing Patterns and Challenging Paradigms

What Gregory Bateson stated in 1987 is still valid today – that it is impossible to explore and to describe all possible phenomena by quantitative means only (Bateson, 1987). For Bateson, in the development of the individual mind – as in biological development – there are always two processes involved at the same time: an inward process and an outward process. With the inward process the system continually reproduces itself in more or less the same form, following the same rules all the time. The outward process is directed at adjusting the system to

GESTALT THEORY

© 2014 (ISSN 0170-057 X)

Vol. 36, No.3, 267-278

changing conditions in its environment to make it viable to survive in the future. The two processes aim in opposite directions – one conservative, re-enacting patterns that proved to be successful in the past, and the other innovative, creating new forms to suit possible future conditions. Representatives of different disciplines identify a need to go beyond the usual methodological repertoire in order to enable scientific research to deal with its more and more complex subjects. In science, like anywhere else, awareness of the complexity of its internal systems needs to be raised in order to understand the growing external complexity it has to deal with. Egyptologist and President of the University of Basel Antonio Loprieno (2011) calls for a third culture in scientific research that would bridge the division between natural sciences on the one hand and humanities and the arts on the other. According to Loprieno, what science needs is a reassessment of the relationship between knowledge and belief. Philosopher Natalie Knapp (2008) also suggests enriching scientific methodology by including the use of intuition and belief.

Scharmer (2009) designed the U-process as a tool to tap into deeper sources of perception as a basis for innovative thinking. In this process faith and deep trust are involved as well as cognitive processes. New qualities of awareness are created by a balance of cognitive, emotional and somatic resources on an intrapersonal level and by using holistic modes of communication on an interpersonal level. The goal is a shared attitude that is marked by mutual respect, patience and humbleness. “Es kommt nicht darauf an, wer letztlich den entscheidenden Lösungsvorschlag für eines unserer Probleme hat. Wichtig ist, dass wir gemeinsam die Art des Denkens bereitstellen, die für die Entdeckung einer Idee benötigt wird.” (Knapp, 2008, 12) (“It does not matter, who in the end will come up with the definite solution to one of our problems. It is important that we all work together in providing the kind of thinking that is necessary to create ideas.”) Knapp describes an important paradox: The only instrument which thinkers can use to change their current thinking patterns is the same set of thinking patterns that originated in the past (the subject of change is at the same time the means of change). To overcome this paradox it is necessary to observe these thinking patterns. They show themselves in the way we listen to and observe our surroundings. Scharmer points to the inner source from which we act when he refers to the thought of one of his interviewees “that the success of an intervention depends on the *interior condition* of the intervener” (Scharmer, 2009, 7).

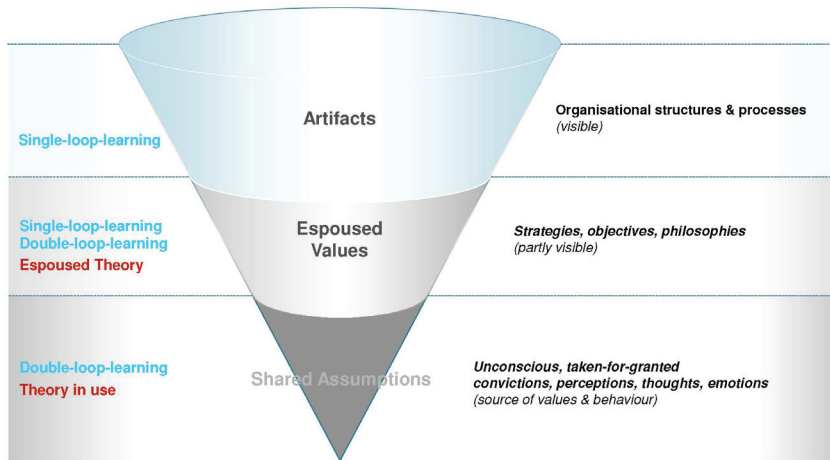
In their theory of organisational learning, Chris Argyris and Donald Schön (1974; 1996) discuss the different intentions and levels of depth that characterise learning processes. The deeper the intention to look at current patterns the more profound and sustainable the results. In single-loop learning the operational activities – and to a certain extent the processes and structures – are changed with

the intention to get better results. The objective is a better quality of the products. Double-loop learning aims at examining the assumptions and preconditions underlying the processes and structures in order to refine them. The objective is a better quality of the production process and of the learning process. The intention here is to create a system that is more sensitive to its changing surroundings. The two ways of learning are different in terms of the inner condition of the learning system – whether an individual or an organisation. Argyris & Schön also explore the different levels of intelligence and wisdom underlying operational activities. Knowledge in organisations can be described either as espoused theory or as theory in use. Espoused theory means the officially declared theoretical foundation of the activities whereas theory in use refers to the hidden rationale and motivation which influence the operational activities. This distinction points to the difference in the quality of relationship between the visible action and the inner source from which it comes.

Another model to explain the functionality of Theory U is Edgar Schein's levels of organisational culture. He differentiates three levels of phenomena in organisational culture:

1. Artefacts and behaviours, e.g., all material elements like furniture, dress code, verbal codes
2. Espoused values, e.g., written rules of behaviour, stated values like in a mission statement
3. Assumptions, e.g., individual ethics, shared (unconscious) basic behaviours

This differentiation refers to the degree of visibility of the phenomena to the observer and to the effort that is needed to change them. It is easy to order employees to use a different dress code since everybody can see their choice of clothing, but it takes a longer and carefully designed process to change shared assumptions that are rooted in individual values. Espoused theory refers to espoused values whereas theory in use is rooted in shared assumptions.



Schein, E. (2010). *Organizational Culture and Leadership* (4th edition). San Francisco: Jossey Bass (amended)

Fig. 1 Levels of organisational culture and learning modes as means of change

As a method to facilitate change, Theory U is designed to go beyond the superficial level of action and behavioural patterns. It aims at the interior condition of the acting individual. In the next part the elements and the functionality of Theory U are described briefly.

2. Theory U

In the subtitle of his book, Scharmer (2009) says that Theory U is a “social technology”. It marks the different modes of (self)perception which characterize the different stages of a change process in which the focus shifts from patterns of the past to the “Landing Strips for Emerging Future Possibilities” (Scharmer, 2009, 210).

Katrin Käufer and Otto Scharmer (Käufer & Scharmer, 2007, 75-76) point out that the need for fundamental change as facilitated by Theory U is due to a permanent increase of complexity in our current environment. Käufer & Scharmer describe three forms of complexity: dynamic complexity, social complexity and emergent complexity. Dynamic complexity is found when cause and effect lie at different points in time and space. Social complexity comes up when the acting subjects in a certain situation claim different perspectives and interests. Emergent complexity marks developmental processes which go on in discontinuous leaps. To deal with these changes in the current environment, professionals who are facilitating change – in individual, leadership, or organisational development – need to readjust their focus. From the WHAT (the results) and the HOW (the applied methods) they have to shift their attention to the WHO, the inner

condition or source from which individuals draw their inspiration for deciding and acting out their intentions. Scharmer compares this state of mind to an artist in front of the empty canvas in the very moment of inspiration when he allows the future work of art to emerge through him as a kind of intermediary.

The whole process is meant to enable the individual or a larger social system to tap into deeper sources of knowledge which are unconscious to the downloading mind. According to Scharmer (Scharmer, 2009, 70) there are three forms of knowledge: Explicit knowledge on the surface of our conscious mind, tacit knowledge which is already embodied but beneath the surface in a not yet fully conscious realm of the mind, and self-transcending knowledge which is not-yet-embodied in the deep unconscious.

The developmental process goes from “downloading”, the first of seven stages, to “performing”. The seven steps of the U-Process are related to three core movements: Observe, retreat and reflect, act (in an instant). In the observe-sequence “downloading” is followed by “seeing” and then by “sensing”. The retreat and reflect-movement contains the magic moment of the process which Scharmer named “presencing” – combining “presence” and “sensing”. “Magic moment” in this case is understood as the pivotal point in a change process where a significant difference between before and after can be observed. It can be described as both a change in the quality of the interpersonal or social process along with a change in the quality of the internal processes of the individuals sharing the social field. Through the previous steps (seeing and sensing) the conditions are provided so that in the silence of the presencing state the highest future potential of an individual or a larger social system can begin to unfold. A magic moment in that sense is more a micro process than one single instant. What happens in such a moment can be felt but it can hardly be described in accurate words.

The third sequence of the U-process, act (in an instant), takes the steps of “crystallizing” and “prototyping” to finally reach “performing”. The shift from one step to the next is realised by certain gestures (the identification of which originally was a contribution to the concept by Francisco Varela). These gestures are: Suspending (from downloading to seeing), redirecting (from seeing to sensing), letting go (from sensing to presencing), letting come (from presencing to crystallizing), enacting (from crystallizing to prototyping), embodying (from prototyping to performing).

The downward movement on the left side of the U reaches deeper sources of perceiving, decision making, and acting with each step: Open Mind, Open Heart, Open Will. In order to open these sources three main obstacles have to be removed and integrated: the Voice of Judgment, the Voice of Cynicism, the Voice of Fear. Overcoming prejudice and bias opens the mind and enables

the individual to observe and listen more deeply to what is going on in the surrounding field. Overcoming cynicism and disrespect opens the heart; the individual develops deeper empathic skills and is able to “step in somebody else’s shoes” easily. Overcoming deep unconscious fears opens the will; the individual cultivates a way to form clear intentions and to start enacting them instantly. This is the personal path of development Theory U aims to support.

When interwoven into a social system the whole process runs through five basic movements to realise social change: Co-initiating, co-sensing, co-presencing, co-creating, co-evolving.

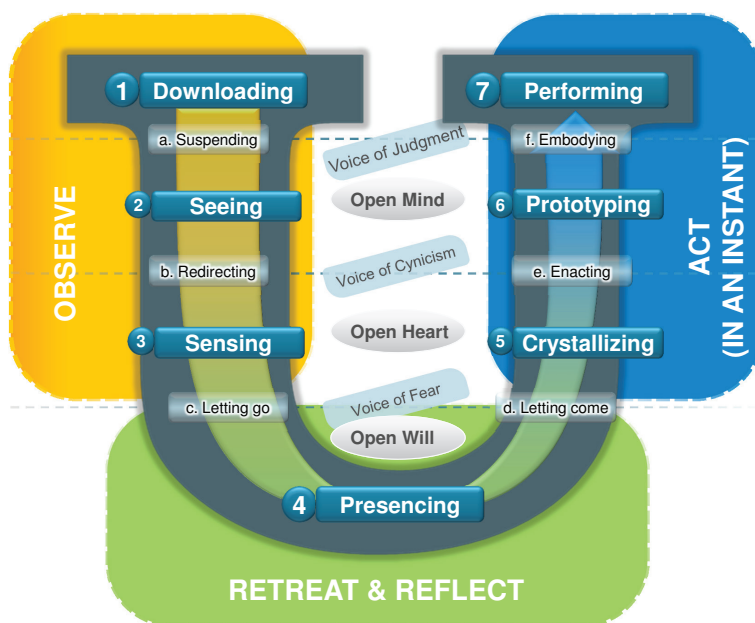


Fig. 2 Theory U, overview of its essential elements

The levels of listening Scharmer also calls “field structures of attention”. They are connected to four fields of conversation: Structure number one (I-in-Me) is connected to downloading or talking nice, structure number two (I-in-It) is connected to debate or talking tough, number three (I-in-You) is connected to dialogue or reflective inquiry and number four (I-in-Now) is connected to presencing or essential emergence. The field structure of attention and conversation in the state of presencing is marked by a paradox: Awareness of the context of the larger field, at the same time as a focused attention on what wants to emerge.

The process down the left side of the U can be described as a raising of consciousness from ego-oriented self to a higher future Self (with a capital S). The

transformation is achieved by answering two questions: Who is my Self? What is my Work? It is a process of refinement of the inner condition from which the individual or the larger social system decides and acts.

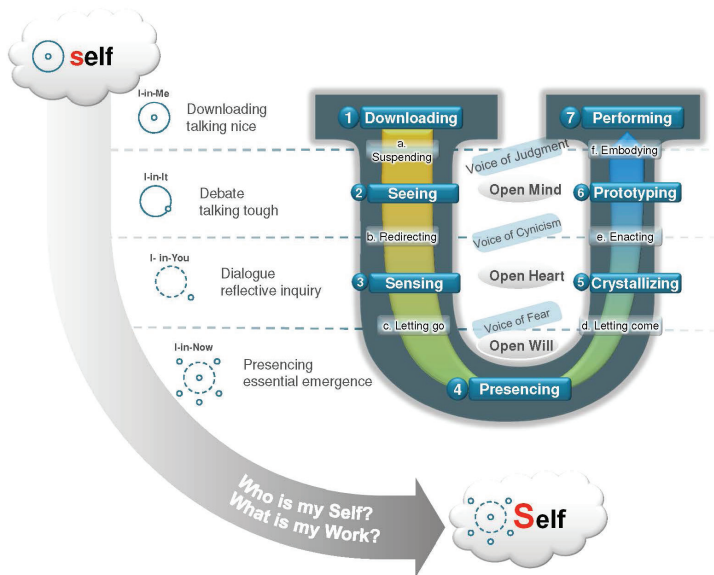


Fig. 3 Theory U, field structures of attention and conversation

The right side of the U follows a creative process of constructive steps that bring the emerging future into being. The first step up the right side of the U, crystallizing, is reached by the gesture of letting come: the emerging future is invited. In the next step the individual or social mind starts moving to give it a concrete shape: The gesture of enacting leads to a prototyping of the innovative ideas. By the gesture of completely embodying the new pattern the state of performing is reached. The system has changed from re-enacting old patterns from the past to enacting new patterns that are connected with the emerging future.

Since Scharmer claims that Theory U just describes phenomena that are in the world anyway, I wanted to find out about where, the other way round, traces of Theory U could be found in the real world of change facilitators. In the next part is a summary of the findings of an empirical study conducted at ZHAW Zürcher Hochschule für Angewandte Wissenschaften.

3. Theory U in the Field of Practice

In a recent empirical study conducted for my master thesis I interviewed six organisational development and consulting professionals (five men and one

woman) to get answers to the question: What conditions and effects of pivotal points in change processes do professionals in the organisational consulting field observe and what are their explanations for these observations?

The interview data were interpreted by using grounded theory methodology (GTM). As a result, five core categories could be identified. These categories illustrate the time line and the main factors of a change process facilitated by an organisational development professional: Starting position, process, intermediary and means, result, reflection, evaluation. Magic moments are described as pivotal points where the awareness is shifting in some remarkable way. Afterwards a deeper understanding can be observed but the exact quality of the change is hard to describe in words.

Theory U was found to occur in two functions during the process of facilitating change: It is a framework describing a change process and it provides a methodology for effecting change personally and organizationally, in communities and globally (compare Hayashi, 2002, 2). In the interviews both functions are described as observations. The interpretation of the findings runs across the three dimensions of the sense-making process (factual, social, temporal) by Niklas Luhmann (1987; 2001). The instruments and obstacles of the U-procedure could be matched with these dimensions in a framework for explaining change processes. The result is an attempt to explain what brings the creative element into a facilitated change or learning process. Following the steps and stages of Theory U could be shown to be useful in order to create nourishing conditions for creative learning.

In the first step, working with the dimension of facts, the facilitator is facing a factual context which he or she has to find a way to connect to in a genuine way. The facilitator uses his or her cognitive skills to overcome the voice of judgment and to enter the situation with an open mind. In the second step, working with the social dimension, the facilitator enters the emotional frame of the present situation and starts to shape it in a co-creative process. Conditions have to be provided so that all players involved get the chance to overcome their voice of cynicism and listen to each other with an open heart. In the third step, working with the dimension of time, the facilitator needs to co-create an atmosphere that provides space to develop deep trust in the wisdom of the process. Acting from the inner condition of open will leads to integration and embodying of the knowledge from the emerging future. The facilitator shapes the process by fostering conditions for a productive integration of the useful resources from the past and the present and the highest future possibilities. To sustain the process and to reach the performing level, it is necessary to raise a sense of self-efficacy (by tapping into the past and present resources) and to give the emerging future a material shape. In facilitating a change process therefore the steps up the right side of the U have to be paid special attention to. Creating a vision of the future

is not enough – it needs an additional effort to embody it by enacting a certain form or shape representing it, that can be clearly perceived by the senses (seen, heard, felt). Participants in a change process should find a way to “embody” their results. This could happen, for example, by creating a symbolic picture or a sculpture together or by consciously doing a physical movement together.

4. Theory U: An Open Source Waiting to Be Tapped

Theory U describes a developmental process during which the state of awareness or field structure of attention is refined. The interventions applied to that aim have to do with embodying ideas instead of only putting them into language. They start with talking in dialogue interviews and writing when answering journaling questions. The process continues with thinking with the hands when creating a prototype in the form of a sculpture or a collage using different materials. It ends with first exploring the physical body and then utilizing it to shape individual stuck situations and some of their possible solutions or to embody the stakeholders of a larger social system and to enact their dynamic movements. Theory U or presencing is the framework for a formative process of the individual self or a larger social system. The methodology leads the individual or the social field through the necessary activities and stages on the way to act and interact in a profound and genuine way. Overcoming the obstacles – voice of judgment, voice of cynicism, voice of fear – two core features of the human mind are trained: Mindfulness, the ability of the mind to rest at a certain place, and awareness, the ability of the mind to connect to and explore its surrounding social and natural field. These skills and features need to be cultivated in order to meet the challenge of dealing with an ever-increasing complexity. Theory U is a means to further explore and to facilitate creative learning processes and sustainable change processes.

One critical piece of feedback could be drawn from the findings of the empirical study mentioned above. Scharmer's Theory U puts a special focus on one essential aspect of personal or organisational development and slightly neglects another. On the one hand it clearly acknowledges the importance of intention to change connected with the vision of the future. It emphasizes ways of thinking which are expected to be the outcome of the whole change process. On the other hand it does not encourage enough the subjects of change to review their past and to then root their present and future strengths in their successes and good feelings of the past.

Acknowledgement

I would like to thank Martha Lask for reviewing this text.

Summary

In the current discussion amongst various disciplines in science, humanities and the arts, traditional cognitive paradigms are challenged. In this context Otto Scharmer's Theory U aims at a shift from downloading old patterns from the past to performing from the emerging future with a focus on the source from which individuals and organisations decide and act. Theory U is described in two functions: As a framework describing a change or learning or developmental process and as a tool for planning interventions aiming at facilitating such a process. Based on the findings of a recent empirical study amongst professionals from the practice field of organisational development and consulting, the article points out how following the steps of the U-procedure can provide supportive conditions for creative learning.

Keywords: Changing thinking patterns, individual and organisational learning (Argyris and Schön), organisational culture (Edgar Schein), Theory U (Claus Otto Scharmer), acting from the emerging future.

Zusammenfassung

Im aktuellen erkenntnistheoretischen Diskurs werden unter Beteiligung verschiedener natur- und geisteswissenschaftlicher Disziplinen traditionelle Denkmuster in Frage gestellt. In diesem Kontext zielt die Theorie U von Otto Scharmer in der individuellen und organisationalen Haltung auf einen Schwenk vom Wiederholen alter Muster zum Entscheiden und Handeln von der entstehenden Zukunft her. Die Theorie U wird in zwei Funktionen dargestellt: Als Erklärungsmodell und als Handlungsanleitung für die Interventionsplanung. Ausgehend von den Ergebnissen einer aktuellen empirischen Studie wird gezeigt, wie ein Vorgehen nach den Schritten der U-Prozedur im individuellen wie im organisationalen Entwicklungsprozess förderliche Bedingungen für schöpferisches Lernen schaffen kann.

Schlüsselwörter: Anders denken in der Wissenschaft, individuelles und organisationales Lernen (Argyris und Schön), Organisationskultur (Schein), Theorie U (Claus Otto Scharmer), zukunftsausgerichtetes Handeln.

References

- Argyris, C. & Schön, D. (1974): *Theory in Practice. Increasing Professional Effectiveness*. San Francisco: Jossey-Bass.
- Argyris, C. & Schön, D. (1996): *Organizational Learning II. Theory, Method and Practice*. Reading: Addison-Wesley.
- Bateson, G. (1987): *Geist und Natur. Eine notwendige Einheit*. Frankfurt am Main: Suhrkamp.
- Chlopcozik, A. (2013): *Die Magie eines Augenblicks: Über Dreh- und Angelpunkte in Veränderungsprozessen. Eine explorative Studie*. Zürich: Masterarbeit am Departement Angewandte Psychologie der ZHAW Zürcher Hochschule für Angewandte Wissenschaften.
- Hayashi, A. (2010): Feminine Principle and Theory U. *Oxford Leadership Journal. Volume 1, Issue 2*, 1-4.
- Käufer, K. & Scharmer, C. O. (2007): Der blinde Fleck in Führung und Innovation. In A. J. Harbig, R. Klug & M. Bröcker: *Führung neu verorten. Perspektiven für Unternehmenslenker im 21. Jahrhundert*. Wiesbaden: Gabler, 75-90.
- Knapp, N. (2008): *anders denken lernen. von Platon über Einstein zur Quantenphysik*. Bern: Oneness Center.
- Loprieno, A. (2011): *Von Fiktion und Simulation als kognitiven Übergängen. Rede gehalten am Dies academicus der Universität Basel am 25. November 2011. (Basler Universitätsreden 110. Heft)*. Basel: Schwabe.
- Luhmann, N. (1987): *Soziale Systeme. Grundriss einer allgemeinen Theorie*. Frankfurt am Main: Suhrkamp.
- Luhmann, N. (2001): *Die Gesellschaft der Gesellschaft (3. Auflage)*. Frankfurt am Main: Suhrkamp.
- Scharmer, C. O. (2009): *Theory U - Leading from the Future as It Emerges*. San Francisco: Berrett-Koehler.

Chlopczik, Magic Moments – Otto Scharmer's Theory U and its Implications

Andrea Chlopczik, M.A., MSc, born 1963, is an occupational and organisational psychologist. Besides her master's degree in Applied Psychology from ZHAW Zurich University of Applied Sciences she holds an M.A. (Magistra Artium) in German Literature from Philipps-University in Marburg. She works as a lecturer and consultant at IAP Institute for Applied Psychology in Zurich. Her key interests and activities are coaching, change management and leadership.

Address: Zentrum Leadership, Coaching & Change Management, IAP Institut für Angewandte Psychologie, ZHAW Zürcher Hochschule für Angewandte Wissenschaften, Merkurstrasse 43, Postfach, CH-8032 Zürich, Schweiz.

E-Mail: andrea.chlopczik@zhaw.ch

