Positive Organization Development:  
Innovation-inspired Change in an Economy and Ecology of Strengths

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Abstract
This article presents a framework for Innovation-inspired Positive Organization Development (IPOD). IPOD is presented as both a radical break from the problem solving approaches that have come to dominate the field, as well as a homecoming to OD’s original affirmative spirit. The converging fields that inform the theory and practice of IPOD are detailed: Appreciative Inquiry, positive organizational scholarship, positive psychology, design theory, and the rise of sustainable enterprises. The theory of change underlying IPOD is articulated, including the three stages in creating strengths-based organizational innovation: 1) the elevation-and-extension of strengths, 2) the broaden-and-building of capacity, and 3) the establishment of the new-and-eclipsing of the old. Recent work from the city of Cleveland, Ohio illustrates how these stages unfold. The chapter concludes with an agenda for evolving the field of IPOD, calling for a focus on designing positive institutions that refract and magnify our highest human strengths outward into society.

Keywords
Innovation-inspired positive organization development, appreciative inquiry, managing as design, sustainability, positive institutions, strength-based management, innovation, theory of change

Fields change. And the field of organization development (OD) is changing more than most (see Cooperrider et al, 2005; Bushe and Marshak, 2009).

Part of OD’s change is being fueled by exciting breakthroughs in our theories of leadership –what has been called “the strengths revolution in management.” Another major force has been the emergence of Appreciative Inquiry, a paradigm-altering form of action-research that has permeated the fields of organization change and social innovation. And the third wave is the mounting new database of human science research in fields of positive organizational scholarship and positive psychology. Taken together—
strengths-based management, appreciative inquiry, and positive organizational scholarship—we are now seeing a re-writing of many of the conventions of organization development and managing change. Add to this the new enterprise logic which has given rise to the stakeholder theory of the firm and the strengths economy, and the time has come to explore the foundations for a new, 21st century field of organization development—the pillars for a more Innovation-inspired Positive Organization Development (IPOD).

As we shall see, building the new is a fundamentally different task than fixing the old. And in a world where return on attention is increasingly decisive, the call for OD innovation is eclipsing the call for OD intervention. Design firms, for instance the acclaimed IDEO in Silicon Valley, have expanded their mission from product design into organizational transformation, embodying the core values of OD, minus the focus on intervention. Their work is all about the art of creating, and creating is often quite different than solving. Of course innovation and intervention are both about change, and both have their respective strengths, but they operate from different theories of change, time frames, methodological assumptions, and distinctive practices. As radically different as the two appear, the place where they powerfully unite is in their embrace of an enduring constellation of OD values from the earliest days of the field—a special spirit of inquiry, collaborative/democratic leadership of change, and positive assumptions about human beings.

In this chapter we present what we think is the field of IPOD: we show where it came from, explore major research informing IPod’s positive change theory, illustrate strengths-based methodologies from the human group to organizations and society, and
demonstrate how innovation-inspired Positive OD often makes more sense than the more classical Diagnostic OD.

In part one of our paper we explore the history and emergence of IPOD and highlight the distinct feeling that today our field is bursting with creativity the likes of which we have not seen since its’ earliest days. Indeed, to set the stage, we shall ascend into OD’s history and draw from it some of the utopian spirit that set it apart and propelled its creativity. Names like Douglas McGregor, Kurt Lewin, Mary Parker Follett, Herb Shepherd, Ed Schein, Elise Boulding, Edie Seashore and Warren Bennis stand out. Yet it must be asserted there was something about the earliest days that was so much more than great personalities; it was the positive ethos of the early moments we want to better underscore. All of this is important, of course, to our introduction of IPOD.

In some ways IPOD represents a deep and perhaps radical break from common OD assumptions. But in another way it is not a break at all; it is a homecoming. In part two, after looking at the sources of IPOD we look at the innovation methods associated with IPOD along with several mini-cases illustrating the theory of change we call profusion—the positive fusion of strengths—and the stages in the process of innovation: the elevation-and-extension of strengths (phase one); the broaden-and-building of capacity (phase two); and the establish-and-eclipse stage of innovation (phase three). Lastly, in part three of our chapter, we look to the exciting future agenda of Positive OD which, in our view, is centrally about the design of positive institutions that not only elevate and connect human strengths (internally) but serve to refract and magnify our highest human strengths into society. Positive institutions, we propose, are the vehicles for bringing more humanity,
courage, wisdom, love and value into the world, and represent OD’s most exciting positive organizational scholarship opportunity.

A TIME TO RE-THINK HUMAN ORGANIZATION AND CHANGE

In an early unpublished paper in 1963 Effecting Organizational Change: A New Role for the Behavioral Sciences MIT’s Warren Bennis wrote: “It is usually risky business to identify a “trend” or a new direction before the major outlines of the alleged phenomenon can be clearly observed. With that risk in mind, I do believe it is possible to identify such a trend developing right now in the behavioral sciences…These signs and still others, which will be detailed later, all point the same direction: an emerging action role for the behavioral scientist. (Bennis, 1963, p. 1).”

A few years later Warren Bennis wrote one of the first books on the field of OD—Organization Development: Its Nature, Origins, and Prospects (Bennis, 1967). The signature theme, once again, was a heralding of an applied behavioral science that was built upon a “new attitude of ‘optimism’ or ‘hope’ or even conceit.” Indeed, with the advent of the T-Group and the 1960’s articulation of self-actualization and the focus on growth-promoting relationships, this optimism or “conceit” as Bennis so aptly amplified, had the feeling of a revolution. But what exactly was being overturned?

In our view it was nothing less than a rejection of the metaphysical pathos or bleak melancholy towards the very idea of intentional change in human beings and their institutions. For many scholars of the time—those who had erected theories of groups and institutions on Weberian and Freudian foundations—the world was largely emptied of choice, leaving them disoriented and despairing. “Pessimism, as well as politics” wrote Bennis, “breeds strange bedfellows and, whatever else divides them, students of
psychoanalysis and of bureaucracy view their relevant units (people and organizations) as being mulishly resistant to most forms of alteration.” Indeed, Freud once said that he would be satisfied, alas delighted, if he could transform neurotic despair into normal unhappiness. And for Weber things were even more grim and pessimistic: the simultaneous march of bureaucracy along with modernity’s drive toward instrumental rationality would advance like an automatic machine with a life of its own. Bureaucracy will advance the more it is dehumanized declared the prophetic Weber, and it would routinize almost every aspect of human life. In a word, said Weber, we will see an ever-increasing “disenchantment”–with work in general, and in our institutions in particular. Weber believed that our own organized efficiency would threaten to degrade us completely.

If bureaucracy was the macro force of industry and modern society—and if it were to be treated as a given, that is, it was going to be with us perhaps permanently—then something was needed to treat its excesses. Were the human sciences up to it? Could they apply their research to solve the problems of dehumanization and the many excessive tendencies of bureaucracy: communications breakdowns; authoritarianism; motivation-depleting routine work settings; inter-group conflict, role ambiguity; stress; labor-management mistrust; and many other familiar issues associated with rigid hierarchies, standardization, and inability to change and respond to new, complex changing environments?

Imagine taking on Freud and Weber—and announcing, with an unusually confident fervor, that human beings and their institutions could be changed for the better.
This is exactly what the OD pioneers did. They did it early on with the T-group innovation—something so powerful in terms of individual and group development that Carl Rogers, after he introduced the T-Group in apartheid-riddled South Africa, called it “the most important social innovation of the 20th century.” They did it in their writings, for example Abraham Maslow’s visionary volume called *Euspsychian Management* (a title so audacious it was never accepted for publication) and in Douglas McGregor’s *The Human Side of Enterprise*, which soon became the bible for positive assumptions about human beings. They also did it at research institutes such as MIT’s Research Center for Group Dynamics built around Kurt Lewin’s conception of action-research. Likewise, they did it in the field. University of Michigan’s Survey Research Center demonstrated, for example, how systematic feedback of data from an attitude survey at Detroit Edison allowed for people to participate in planning the changes signaled by the survey data. Herb Shepherd, who created the first PhD program in Organizational Behavior at Case Western Reserve University, teamed up with Robert Blake at Esso Standard Oil, where they coined the term OD or organization development. There, at Esso, they set out to demonstrate that the dehumanizing ill’s of bureaucracy, especially inter-group dysfunctions and conflict, could be countered on an organization-wide basis through “planned change”—again an audacious notion.

Soon the field took off. At a macro level our world had become a society of organizations. Prior to 1900 most of society was diffused in countless molecules (Drucker, 1973): small workshops; small schools; the individual farmer; the craftsman; and even the “giant” business of the day would strike us today as very small. But by mid-century, when OD was being birthed, almost every major societal task was undertaken in the context of
large organizations—economic performance, health care, education, management of the arts, farming, defense and military, and even international development and non-profit voluntary services. Bureaucracy, especially in a free-market context, was efficient. But in terms of the human dimension, there was no end in site to the problems emerging in bureaucracy’s de-humanizing wake. If OD had not emerged when it did, it certainly would have had to be invented later. And it’s pioneers made quite a promise. In their classic volume on OD, French and Bell (1973) stated it boldly: “This book is about an exciting and profound idea. The idea is this: it is possible for the people within and organization collaboratively to manage the culture of that organization in such a way that the goals and purposes of the organization are attained at the same time that human values of individuals within the organization are furthered (p. xiii). “ This was it. OD would champion high human values at the center of our organizational effectiveness agenda. Organizations would not advance the more they became de-humanized as Weber projected. In fact, it would be exactly the opposite. Organizational effectiveness and human development would be part and parcel of one another, truly a both/and proposition.

The Animating Spirit in Early OD

The animating sprit in early OD, it is important to underscore, was not only a call to repair, improve, and transform bureaucracy and other human systems such as communities—it was that and something more: it also contained a protest against an ivory tower, detached view of science as well as a hierarchical view of change. If OD was to be a counterforce to bureaucracy’s ills then its’ change methodologies had to model its normative vision—there needed to be a congruence between means and ends. To meet
this need a threefold foundation of values gradually evolved: the spirit of inquiry, collaborative design, and an interdependent set of positive assumptions about human beings including a faith in the developmental and cooperative potential in persons, their relationships, and their organized systems.

While the details may vary, this three-fold ideal put OD into its own unique place in the history of change management. Change did not need to be coercive, top down, expert-driven or detached, elitist, coldly empirical-rational, or randomly out of reach of human co-creation. Instead OD would advance an approach to change that would be collaborative, educational based on experiential learning, dialogical, and contextually conditioned through inquiry into the relevant content and process of a human system.

Thus the DNA pulsating through the nascent OD can be summed up as involving:

1. That special spirit of inquiry: The first meta-goal or value was all about an attitude of discovery most often associated with science the philosophy of pragmatism—learning in and through experience. What did the early pioneers mean? Firstly the hypothetical spirit, the feeling for tentativeness and openness to new understanding and knowledge—a spirit of curiosity. The second ingredient was experimentalism and iteration, the willingness to expose ideas and beliefs to action, observation and reflection, and consensual conversation. Often this meant conjoining “action” and “research” and participant observation or observant participation—where there would be a high value on reflective action. In organizations this meant inquiry into the here-and-now of the human organization itself—the experienced realities, patterns, interpretations, actions, uncertainties, hopes and ideals. The spirit of inquiry involves, therefore, a
provisional stance: seeking to learn, experiment, seek feedback and build shared understanding through dialogue and open exploration of things that may never have been collectively explored. In many ways inquiry was taken to mean the opposite of advocacy, ideology, blind action and frozen certainty. And in OD terms, the “scientists” should not only be ivory tower specialists or consultants—the specialist would be everyone sharing their “expert” experience of the system—and hence the power of the next, the second foundational OD value.

2. The collaborative design of the future: if inquiry opened the world to new knowledge or expanded consciousness, then it almost always would lead to a sense of new possibility and choice. To a great extent early OD was designed to achieve this effect. The spirit of collaboration would be enriched in a number of ways. It was embedded in the belief (and in early research on attitude change) that people build their commitment to change in direct proportion to the degree that they are actively engaged in designing the change. Likewise the collaborative ideal was embedded in the assumed centrality of interdependence in organizational life. Its not only the parts that make a system work but the quality of the relationships, the processes—how the relationships deplete or give life. The value of collaboration over authoritarian or power-coercive ways was also, as we sum up next, a reflection of OD’s deeply positive beliefs concerning people.

3. A positive view of the human being. OD, from its infancy, proclaimed a belief in people. Insofar as we might discover the conditions that help bring out the best in life—for example Abraham Maslow’s studies into peak experiences—then we might well be able to apply this knowledge in our institutions. Drawing from all the entire mosaic of the social sciences—from anthropology, sociology,
psychology, political science, and biology and more—OD would be unique in not only propagating a collaborative, inquiry-driven approach to change but would be centered on advancing the developmental potentials of the human being. Instead of being woven at random, like an afterthought design into our economic and organizational fabric, human development would be at the center. Lines would radiate out from the human dimension to all the others—the economic, technological, strategic, structural, political, etc.

Of course these values are highly related, general, and open to multiple interpretations and applications. Yet they are pervasive as guides to action in most any OD program. Carl Rodgers, for example, spoke about how unconditional positive regard in an group setting would serve to unleash the natural human tendency toward positive growth in self, others, and larger systems. Douglas McGregor championed the self-fulfilling nature of our positive (or negative) assumptions about workers in the industrial context. Mary Parker Follett set her sights and scholarship on the dynamism of the democratic group, consensual processes, and a deep analysis of participatory democracy for society and our workplaces were she defined the idea of positive power. And the passionate, always expansive Kurt Lewin called for a humanly significant science—something that would bring our best thinkers out of the ivory tower where they were too often tranquilized in the trivial. Lewin modeled what he wrote about. As a world-renowned academic, his career was marked my research into the most difficult human issues of the day: racism; authoritarian leadership; attitude change and much more. His call for an “action-research” was singularly seminal in the birth and subsequent practice of OD. After reviewing a dozen definitions of OD, French and Bell (1973) bypassed all the nuance and
complexity by saying: “the basic intervention model which runs through most
organization development efforts is action research…Parenthetically, because of the
extensive applicability of this model to organization development, another definition of
organization development could be organization improvement through action research (French and
Bell, 1973 pg. 18).” And not incidentally action research, with its iterative cycle of data
collection, reflection, and collaborative experimentation was the exact embodiment of the
triad of values making OD unique, distinctive, and lasting. It was all about bringing a
spirit of inquiry into the design of the human system; it involved bringing professionals
and laypersons together in the real world to study and to take action on issues of
collaborative concern; and it would be a co-constructive process—collaboratively working
to build a more positive future while, at the same time, building a collaborative culture,
something to leave behind long after the particular OD initiative.

**Classical OD and the Incomplete Revolution**

Somehow the positive assumptions inherent in early OD gave way to a storehouse of
problem-focused interventions (focused on fixing what’s not working) and diagnostic
methods of analysis. The idea of “change” became almost completely deficit-focused.
Change was about diagnosing organizational ills and following up, albeit collaboratively,
with carefully designed “interventions” to move from a problematic state to something
more normal. Action research became formulated as a set of rather standardized steps:
diagnosis, information gathering, feedback, and action planning. One of the earliest
books to popularize the diagnostic basis of OD was Levinson’s 1976 *Organizational
Diagnosis*. Bushe and Marshak (2009) have carefully and recently traced this, the
problematizing trajectory of classical OD, and conclude that OD, like medicine, became
a clinical science of what’s wrong and was focused on correcting the ills and excesses of bureaucracy. Whether intended or not, organization development became almost exclusively a problem solving science—what Bushe and Marshak (2009, p. 3) labeled as *Diagnostic OD*.

The new OD, we now argue, is cut from the same richly woven cloth of values as the classical OD—except for one decisive departure. IPOD or innovation-focused OD keeps everything early OD stands for except for its’ problematizing focus. It clearly embraces and advocates for the discovery-oriented spirit of inquiry—and extends that spirit in its’ second generation form of action research called Appreciative Inquiry ("AI"). It solidly preserves and continues to embrace collaborative versus coercive approaches, and indeed expands those values in its large group methodologies, but it shifts the change theory away from collaborative *intervention* to collaborative *innovation*. And positivity, in the new OD, becomes not just an end state value or something to aspire to in some distant future, but a catalytic resource for catalyzing change from the outset. By definition every living system has something that gives it life; and every living system has moments and times where it is more alive, effective, and filled with opportunity, strength and potential than others. Whether we call it positive strengths, life-giving assets, or the “positive core” of the system’s past, present, and future possibilities (Cooperrider and Whitney, 2000) the new OD insists that change is not simply about moving from a “-7” to a more neutral “0”, but it also all about a qualitatively different kind of change that moves from a “+2” to a plus “+20” or “+200”—where positivity and the discovery of all that is best in life is not simply the end but the essential starting point and the primary means. In other words strengths do more than perform, *they transform*. That a shift so subtle can create such
seismic changes in the field is what the rest of this chapter is about. IPOD, as we attempt to define and describe it, is a next generation OD achievement, and like its parent emerges from exciting interdisciplinary connections and developments across the spectrum of the human sciences including foundations in these four areas: appreciative inquiry and strength-based management, positive psychology and positive organizational scholarship (POS), design theory, and the new sustainability domain of bio-mimicry.

**Appreciative Inquiry and Strengths-Based Management**

It’s hard to say when the strengths movement began.

According to Marcus Buckingham (2007) some will identify Peter Drucker as the first mover in the seminal book 1966 book *The Effective Executive*; others, he traces, will point to the 1987 article by David Cooperrider and Suresh Srivastva which launched a new discipline called Appreciative Inquiry, transforming the field of change management; and some will highlight Martin Seligman’s 1999 speech on becoming president of the America Psychological Association, where he christened the call for a positive psychology discipline. More recently some might even reference Buckingham’s own book with Donald Clifton (Buckingham and Clifton 2001), which was based on the unprecedented Gallup study of over two million people, demonstrating the power of a “strengths revolution” to turn disengaged employees into productive and engaged partners, into a passionate workforce, where everyone thinks and acts like owners of a business.

The animating spirit, in each instance from Drucker onward, was not only a call to strengths—it was that and something more: it also contained a fundamental protest to the deficit-based management “industry”. It would be difficult to overstress this point. The deficit-based management industry is literally a mass-produced culture, which revolves
around increasingly sophisticated technologies for studying “what’s wrong.” Its error-focusing tendencies are woven tightly into everything from the global consulting industry to six-sigma methodologies, re-engineering studies, variance analysis, and low-morale survey work. The consulting industry alone represents $300 billion dollar market focused on problem analysis, error reduction, and repair. And it’s not just episodic either; it’s an industrial era obsession that says, “let’s fix what’s wrong and the strengths will take care of themselves. “

Consider the best-selling management book of all time. What do you suppose it is? Here is the hint: it’s Dilbert’s Management Principles. Many find humor in the cynical caricature of bureaucracies’ never-ending deficit focus, where everything and everyone is viewed as problem-to-be solved. But it doesn’t stop at the door of our institutions. The industry of deficit-management carries over into the news media and domains of everyday life such as the medical colossus. Headlines in our big-city newspapers have at least 80 articles of violence, greed, and corruption for every 20 on human excellence. Likewise, the past 100 years of psychological research, modeled after the medical industry’s disease paradigm of diagnosis and treatment of symptoms, has until recently been mostly the study of pathology, weakness, and damage. Deficit-based thinking is so automatically ingrained that it is virtually synonymous with the idea of any “helping profession.”

Furthermore, the model’s trajectory, rightly or detrimentally, appears invisibly symbiotic with our common culture, right down to the parent-child relationship. Suppose your child comes home with a report card with “A”, “B”, “C”, and “F.” Where do you put the bulk of your attention? If you are like almost 80% of the population, you go with the repair
model. The “F” seizes the moment. For we live in a remedially imbalanced world, one that is lured by weakness but too frequently takes strengths for granted.

In management circles it’s called the 80/20 trap—where the negative pull of the problematic, the broken, and deficient leaves us with an organization where a small minority (only 20% globally) agree with the following statement: “At work, I have the opportunity to do what I do best every day.” Many feel that their leaders and institutions don’t even see their strengths.

Sadly, the economic consequence—when people feel under-appreciated and their strengths lie dormant or overlooked—is not just a demoralized “other 80%.” The kind of disengagement that accrues and compounds is estimated to cost the US economy more than $300 billion annually.

The strengths-based management idea is clearly a big idea. Placed in contrast with the deficit-based management culture writ large, its’ easy to see why its being called a revolution—for its aim is to apply the 80-20 rule in reverse and to remind us that we excel only by amplifying strengths, never by simply fixing weaknesses. And while the many methods and tools vary, there are several first principles that are foundational and increasingly indispensable.

The radical idea at the core of the strengths movement is that the process of studying a phenomenon actually changes that phenomenon and that human systems, in effect, create new realities during the process of inquiry. In the early 1920’s, renowned physicist Werner von Heisenberg articulated this principle for the physical world. For example, the act of inserting a thermometer into a glass of water to determine the temperature will change that water’s temperature. In the 1980’s the birthing of Appreciative Inquiry gave
broad extension of this idea in the realm of organizational life. In human systems, argued AI, the act of asking a question is even more profound in terms of its impact. Inquiry and change are not separate moments. An organization-wide survey to document the levels of low morale, for example, produces many possible ripple-effects just through the mere act of asking questions: it can change the people’s focus of attention on what’s “there” to notice and see; it often raises many other questions, for example, what or who is causing the low morale; it often provides the organization or group a more precise, professional language for speaking about morale, for example, drawing analogies from studies of psychological depression to zero in on “corporate depression”; and it nearly always provides a presumption of logic, an assurance that something can be done to help solve the problem, a belief that the “right” intervention, mostly through the right professional authority, can be called upon to help the system return to a more normal state. But more than each of these, there are also changes in emotions—again, simply from the mere act of studying low morale. Imagine the nurses in a large hospital when they hear the announcement that this year’s morale survey will be taken “much more seriously” than last year’s and that this year’s change program will be a high priority on each department’s meeting agenda and will be given a full two hours (sic) of attention. Later on a supervisor, after the survey is handed out, senses that there are underecurrents or “resistance to change.” Relationships are soon affected. Just observing corrosive connections in toxic workplaces has been shown to spread the toxicity (Dutton, 2003; also see the article *Monkey See, Monkey Do*, Robinson and O’Learly-Kelly, 1998). So as results of the morale survey spread, the water cooler is buzzing. What’s more is that people see what is presented to them; what is not presented tends to be overlooked and what is presented is low morale. What might be overlooked? Thousands of things: innovations in
new patient/customer engagement technologies; insights from Boeing’s Baldrige Award for ways of truly engaging a workforce; a new hospital concept at the Cleveland Clinic that is attracting the brightest and best in talent management; a nurses radical vision for something that could dramatically enrich the nurses job and make more efficient the use of physician time.

Appreciative Inquiry’s social constructionist roots refers to this as the “constructionist principle” to bring attention the relationship between inquiry and the simultaneous social construction of reality. In many intricate ways human systems- in their language, emotions, relationships, and return on attention—move in the direction of what they most seriously, frequently, and authentically ask questions about. Knowledge and organizational destiny are intimately interwoven; what we know and how we study it has a delicate impact on where we end up (Cooperrider and Avital, 2003; Gergen, 1994).

As a result of this new understanding of the change-producing impact of any kind of inquiry or study—even if the reaction is simply boredom or indifference, or inspiration, hope, and joy—AI began to question the focus of what we typically study in organizational life. Ever since Taylorism, managers, consultants and researchers have seen organizations as “problems to be solved.” True to Abraham Maslow’s observation that “to a hammer everything looks like a nail,” those same managers and consultants became, over many years, quite good at finding, analyzing, and sometimes even solving problems in organizations. So much so that organizations became problems personified—and hence a whole vocabulary of deficit-based change centered on concepts like “gap analysis” “organizational diagnosis”, “root causes of failure”, “resistance”, “unfreezing”, “needs analysis”, organizations as “garbage cans”, “threat analysis” and the need for high
levels of dissatisfaction and urgent “burning platforms.” To just explore how pervasive it all is one can simply ask a group of managers: “OK, try this. Think about the last seven projects you’ve worked on and the last dozen meetings you’ve attended. How many of the projects were designed to “fix” something? How many of the meetings were called to address “the problem of...?”

Cooperrider and Srivastva (1987) questioned this root metaphor and mindset—that “organizations-are-problems-to-be-solved”—and began to feel that the perspective was constraining and limiting, just as industrial-era machine metaphors were also limiting. In their earliest field work at the number one ranked heart center the world, the Cleveland Clinic, Cooperrider and Srivastva at Case Western Reserve University engaged in a radical reversal of the traditional problem-solving approach. Influenced by the writings of Albert Schweitzer on “reverence for life,” they said to themselves: organizations are not institutional machines incessantly in need of repair and that deteriorate steadily and over time.

*Rather organizations are, fundamentally, mysteries and miracles of human relatedness; they are living systems, alive and embedded in ever widening webs of infinite strength and limitless human imagination.*

*In short organizations are universes or centers of connected strengths.*

What emerged then was a whole different approach to organization inquiry and change. If organizations are centers of connected strengths, not problems-to-be-solved, and if they are ever emerging unknowns or mysteries of human interaction and imagination not automated machines, and if they are conceptualized as *alive*, living systems—then the whole question shifts: what gives life to the living system when it is
The strengths-based philosophy that AI has helped inject into management practices is summarized in Table 1.

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<tr>
<th>Principles of Strengths-Based Approaches to Positive Organization Development and Change</th>
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<tr>
<td>1. We live in worlds our inquiries create; no change initiative outperforms its “return on attention” whether we are studying deficiencies or the best in life.</td>
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<td>2. We excel only by amplifying strengths, never by simply fixing weaknesses; therefore, beware of the negativity bias of first framing because excellence is not the opposite of failure.</td>
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<td>3. Small shifts make seismic differences; strengths-based change obeys a tipping point; instead of focusing 80% on what’s not working and 20% on strengths it is important to put this 80/20 rule in reverse to harness the transformative power of the “positivity ratio.”</td>
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<td>4. Strengths do more than perform, they transform—strengths are what make us feel stronger therefore magnify “what is best” and imagine “what is next” in order to create upward spirals.</td>
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<td>5. We live in a universe of strengths— the wider the lens, the better the view. The appreciable world is so much larger than our normal appreciative eye. What we appreciate (seeing value), appreciates (increases in value).</td>
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Table 1

Appreciative Inquiry is about the search for the best in people, their organizations, and the strengths-filled, opportunity-rich world around them. In its broadest focus, “AI” involves systematic discovery of everything that gives “life” to a living system when it is most effective, alive, and most capable in economic, ecological, and human terms. AI involves, in a very artful and disciplined way, the craft of asking questions that strengthen a system’s capacity to apprehend, anticipate, and heighten positive potential. It centrally involves the mobilization of whole system strengths-based discovery through the crafting
of the “unconditional positive question” often-involving hundreds or sometimes thousands of people in mutual collaboration.

Because AI is so central to the emergence and exciting practice of IPOD we will return to its approaches and key methodologies for igniting innovation in contrast to diagnostic OD’s focus on intervention or repair. But for now it is important to underscore just one overarching point: that we live in worlds our inquiries create. When we study excellence there will be an impact. When we study corporate low morale there will be an impact. The questions we ask determine what we find and what we find becomes a powerful resource for planning, imagining, and creating the future inspired by what gives life.

The change imperative offered by AI is to beware of the negativity bias of first framing because excellence is not the opposite of failure. All the studies in the world of the negative or the problematic—for example “high turnover”—will not tell us one thing about a “magnetic work environment.” One more expensive low-morale survey, even with all the good intentions, will never lead to new knowledge or vision of a supercharged workforce. And while conventional deficit-based change practice tells us that we will never solve the “problem” of low morale without diagnosis of the causes, the AI perspective says that’s actually the last move, not the first one, that should be considered.

When time is precious and attention is scarce the most productive stance is to get crystal clear with what you want for the organization of the future, not what you wish to avoid. Is the topic really one of “low morale” or is it a question (for serious study) of the characteristics of the “high engagement organization”—what does the high engagement organization it look like, when does it happen, and with what results? Small shifts in the way we frame, absorb, perceive, and filter information can lead to dramatic
improvements in the way we live. Doing a systematic appreciative inquiry (where the verb *to appreciate* means to value as well as to increase in value) into strengths, successes, and positive deviations from the norm shows that failure and success are not opposites; they are merely different. As such they *must* be studied separately. Otherwise what happens is what happened in the whole field of psychology: it became consumed with a single topic—mental illness—and in some ways it has done fairly well with it. “But this progress has come at a high cost” writes Martin Seligman (2002, p. ix): “Relieving the states that make life miserable, it seems, has made building the states that make life worth living less of a priority…you have probably found the field of psychology to be a puzzling disappointment. The time has finally arrived for a science that seeks to understand positive emotion, build strength and virtue, and provide guideposts for finding what Aristotle called the *good life*.”

**Positive Psychology and POS Create A Tectonic Shift**

When Marty Seligman and Mihaly Csikszentmihalyi (2000) and then Kim Cameron, Jane Dutton and Robert Quinn (2003) called for a new positive psychology and positive organizational scholarship respectively, a tectonic shift happened. If a new OD were to truly emerge, it would need a new human science knowledge base. Indeed, in a mere decade since the call for a *science and scholarship* of the positive, the generative impact of the field has truly exploded. One major university, Case Western Reserve University the birthplace of graduate education in OD, decided that the prolific research productivity of positive psychology, for example the work on emotional intelligence (Goleman and Boyatzis, 2009) and the POS field, for example the work on upward spirals in organizations (Fredrickson, 2003) and advances in our work on appreciative inquiry
(Cooperrider and Avital, 2003; Fry, Barrett, Seiling and Whitney, 2002) and was so profound that Case Western Reserve University changed the name of their top ranked masters program. While it was a simple change, it was a fork in the road change, signaling that the knowledge base of rigorous scholarship was so massive that it could fill the time allotment of several masters programs. Hence the name alteration from the Masters in OD, to the Masters in Positive Organization Development (MPOD). Marty Seligman, about a year later, followed suit with the establishment of the Masters in Applied Positive Psychology at University of Pennsylvania, and University of Michigan established its’ advanced research Center for Positive Organizational Scholarship.

While many chapters in this volume serve to describe and define positive psychology and positive organizational scholarship, it is important to highlight three decisive components that make this whole arena one of the fresh foundations for the new OD, an innovation-focused positive organization development discipline. The first is that it is providing a powerful new language of life. The second is that it, especially the positive organizational scholarship stream, is providing all of us with a clear compass to help orient us toward the positive—without apology, or reservation. And the third is the proliferation of some of the most creative research the human sciences has ever seen. One CEO, for example following a research overview we did on the role of the positive in human systems said: “this has implications for every aspect of our business, everything we do…yet there is one regret; I only wish I had heard these ideas when I was raising my children.”

Of the three components with far-reaching implications for the new OD, the most important is the generation of a rich vocabulary of the positive, a language of life. As Wittgenstein once reasoned, “the limits of language are the limits of our worlds” meaning
that if we do not have the nuanced vocabularies available, then not only will we not be able to converse about the phenomenon but also will be unlikely to jointly act together in relation to the phenomenon. In human systems words create worlds (Cooperrider, Barrett, and Srivastva, 1988). One of the very first pieces of scholarly work done in the newly christened positive psychology was, therefore, the production of an encyclopedia of human strengths (see Peterson and Seligman, 2004). Howard Gardner, the Hobbs Professor of Cognition at Harvard said “Peterson and Seligman’s endeavor to focus on human strengths and virtues is one of the most important initiatives in psychology of the past half century.” Destined to become a classic, Peterson and Seligman’s (2004) *Character Strengths and Virtues: A Handbook and Classification* offers a classification that is the exact opposite of psychology’s other classification schema, namely, the *Diagnostic and Statistical Manual of Mental Disorders (DSM)* sponsored by the American Psychiatric Association (1994) and the *International Classification of Diseases (ICD)* sponsored by the World Health Organization (1990). With literally thousands of technical terms for human enfeeblement, is it any wonder that 99% of psychology’s research in the last fifty years has focused on human defects, such as depression, anger, and fear, and with almost no study of inspiration, hope, or joy? Seligman argues that such imbalance in the negative direction has propagated a rotten-to-the-core dogma handed to us from Freud, original sin theology, and diagnostic psychology itself. To develop a classification of human strengths was a giant stride. All of a sudden, with a rich professional vocabulary of human courage, wisdom, humanity, love, vitality, emotional intelligence, gratitude, awe, open-mindedness, bravery and many others, the studies are now proliferating. With clarity and resolve, Peterson and Seligman (2004, p.4) write as if something profound is at stake: “We disavow the disease model as we approach character, and we are adamant that human
strengths are not secondary, derivative, illusory, epiphenomenal, parasitic upon the negative, or otherwise suspect. Said in a positive way, we believe that character strengths are the bedrock of the human condition and that strength-congruent activity represents and important route to the psychological good life.”

The second significant component of the positive psychology/positive organizational scholarship tandem came in an illuminating framework articulated by Kim Cameron (2003). It was something that sharpened the intellectual compass or North Star for the field including our own graduate program in the new OD, where his model soon became foundational. To illustrate the concept of higher strengths Cameron (2003 p. 53) has created a continuum depicting a state of normality or healthy performance in the middle, with a condition of negatively deviant performance on the extreme left and extraordinary positive performance on the farthest right. At the individual level, for example, at the left would be a focus on illness. In the middle the topic shifts to health. And on the extreme right the topic shifts to human flourishing. The same thing for organizations, for instance a concern for quality. On the left is error prone. The middle might be framed as reliable. And the positive deviant framing or topic, at the right end of the continuum, is flawless. So POS does not represent a single theory, but provides a compass to the top of the chart phenomenon—dynamics described by words such as excellence, thriving, flourishing, life-giving, flawless and extraordinary. The first time we saw the diagram we reflected back on our field. So many studies, early on, were focused on the dynamics of low morale. Then the “big” leap to studies of job satisfaction---this was the new aspiration. Now, from a POS perspective the topic is dramatically elevated: the new topic is organizational flourishing. Or lets play with one more example. At the far left we find corporate corruption. In the
middle, normal corporate citizenship. What would you “frame” as the POS topic on the right. How about a research study into *business as an agent of world benefit*—where is it happening, for example business as a force for eradicating extreme poverty, and what are the enablers, the motivations, and the outcomes or effects? Indeed its here in the POS sweet spot of the search for positive deviancy, that some of the most influential and exciting research of our times is taking place (Prahalad, 2000; Thachenkery, Cooperrider and Avital 2010).

The combination of positive psychology’s inauguration of a science of human strengths and POS’s razor sharp clarity in providing a North Star set the stage for a tectonic shift in our understanding of the human condition and its prospects. Imagine if out of 44,000 journal articles in the behavioral sciences over a given period of time, instead of 39,600 articles being focused on human deficiencies (99%), imagine the new discoveries if even half of those were directed toward a penetrating understanding of the best in life—in positive education, positive families, positive business and economy, building a positive planet and a positive OD.

**The Design Thinking Movement**

Organizations everywhere are discovering the power and promise of design thinking and increasingly managers and management schools are turning to architects, creative artists, graphic specialists, product designers, open source communities, and performing artists as inspired models for innovation, improvisational leadership and collaborative designing.

New volumes such as *Managing as Designing* (Boland and Collopy, 2004); *Artful Making: What Managers Need to Know About How Artists Work* (Austin and Devin, 2003); *Discovering Design* (Buchanan and Margolis, 2000) and *The Design of Business* (Martin, 2009) are portraying
the essence of management not so much as a science of rational decisions within a known and stable world but, instead, as the art of generating artifacts and designs of a better future, rapid prototypes, feedback loops, and agile interactive pathways embedded within an increasingly uncertain and dynamic world.

Nobel Laureate Herb Simon outline the three pillars of organization and management as “intelligence,” “choice,” and “design”—yet somehow, over the years, the design pillar was conspicuously glossed over if favor of a decision-analytic stance. Why don’t our management schools, for example, look like design studios, alive with hot interdisciplinary teams and innovation labs, bringing together the latest and best in applied creativity and “the science of the artificial?” What might the field of OD, more particularly, learn from an iconoclastic architect such as William McDonough, or an acclaimed design firm such as IDEO, or the whole field of bio-mimicry where innovation is elevated and inspired by nature?

It's easy, even infectious, to fall in love with the design attitude: everything seems possible to designers, artists and architects, and the like. The head of Harvard Business Review recently penned an article, ‘Magic by Design’, arguing that the design field has much to teach managers, especially those with the explicit goal of succeeding at rapid, profuse innovation (Stewart 2008). Perhaps most important, for purposes here, is that the academic research on design thinking and “designerly ways of knowing” is burgeoning (see Richard Buchanan, from the Carnegie Mellon School of Design, for his analysis of the three eras of design scholarship, 2004) Importantly, a recent article in the Journal of Applied Behavioral Sciences (Coughlan, 2008) has explicitly built the bridge between product designing and the spirit of design-thinking for the field of OD. While the word
“design” has always been used in the OD lexicon, what is emerging is a whole different kind of emphasis on design-inspired innovation, the kind that one might find in the architectural studio of a Frank Gehry or the design studio of an Apple IPOD team. While there are many ties epistemologically between OD’s roots in philosophical pragmatism and experiential learning (Kolb, 1986) there is a “re-discovered” strand of pragmatism in the field of design thinking that argues for a new kind of logic, something beyond inductive and deductive reasoning. It’s called abductive reasoning (a phrase coined by Charles Sanders Peirce) which happens by way of “logical leaps of the mind” from even a single deviating data point that didn’t fit with the existing model or models (Martin, 2009). Designers, even if they have never heard the word abduction, favor speculation and rapid prototyping in the real world, with real-time feedback loops and constant iteration. Ironically, many of the methods in the design field, for example group brainstorming on a shared flip chart, had their origins in the early days of OD (Marrow, 1968)—and yet today design firms, such as IDEO, are becoming the “go to” places not only for exquisite product design but organization development. One reason, argues Avital, Boland and Cooperrider (2008) is that design thinkers see the world through a positive lens, where even mistakes and constraints of all kinds are valued as positive “material” for improvisation, new prototyping, and creative bursts. Barrett (2005) traces how artists see everything as positive possibility, for example jazz musicians that regularly say “yes to the mess”. An innovation-inspired positive OD discipline is rapidly emerging today and it is being powerfully enriched by the following question: what can we, as an OD field, learn about non-deficit positive change from architects, performing artists, jazz musicians and product designers—especially the ways in which they know the world and
create real-time change through the tools of visual representation, story, metaphor, empathy, and revolutionary innovation?

**Biomimicry as Inquiry Into Sustainable Value—And Life**

Bios, from the early Greeks, means life, and just as appreciative inquiry is the search for what gives life in human systems and has been called bio-centric, biomimicry is a science that studies nature’s extraordinary models and then imitates or takes inspiration from these designs to innovate in human systems, e.g., a solar cell inspired by a leaf.

Biomimicry—the conscious emulation of life’s genius—is all about innovation inspired by nature. It’s a tremendously important development, a revolution really. Unlike the industrial revolution, the biomimicry revolution is a call to relate to nature not on what we can *extract*, but what we can *learn* with implications for organizations and industries—how we manufacture in ways that not only do less bad but create positive good; how we create industries that not only create less waste but serve to eliminate the very concept of waste (where every kind of waste in transformed into a “food” in some other biological or technical cycle); how we generate green, renewable energy; how we cultivate organic, clean food; and how we create sustainable enterprises that help build a better world.

Biomimicry is a positive science, about discovering what works in the natural world and what helps preserve life, amplify life, and extend life’s patterns across generations. The invitation that biomimicry provides the field of OD is to explore the fertile crests where ecology meets commerce, computing, human flourishing, energy, manufacturing, community, organizational design, and most important, the creation of *sustainable value*.

What might it look like if we ran a business like a redwood forest, or compute like a cell, or gather energy like a leaf? The invitation is to appreciate the miracle of life on this
planet and notice nature’s strategies and strengths, sculpted over billions of years, and echo them in our own institutions.

As we shall see some of the most exciting and profoundly innovative work happening in OD today is right here in the intersection between positive psychology and POS, appreciative inquiry, design thinking, and biomimicry for the creation of sustainable value. Taken together we see the earmarks of a breakthrough moment in the field of organization development and change. We see ideas coming together that can spread like an adaptive gene throughout our culture.

It’s all part of the pattern for a fresh approach to managing change: innovation inspired by the best in life.

**The Nature of IPOD**

With the stage thus set we may consider the possibility of a theoretical and methodological transformation for the field of organization development. We have explored the concepts of appreciative inquiry, positive human science, biomimicry’s emulation of life and the designer’s mind. The question we now must turn to is the potential presented by these streams. Do they add up? What does this mean for our classical OD? What will be favored from the past? What will be unleashed from the new? Will there be tensions? Why is this timely now is the real world of organizational life—does IPOD speak and connect to the present priorities and future of business, nonprofit leadership, hyper linked networks, larger human systems, the dizzying agenda for change?
The nature of IPOD—what it is, what it tries to accomplish, several illustrations, its new change theory, and directions for future research—these will be the way we explore the questions listed above. While our sketch must remain high level, we hope to demonstrate that when properly extended IPOD holds enormous potential for OD. New horizons emerge at every turn, and many are already well underway. As a framework to begin, we can usefully situate these contributions by exploring what we are calling the “3-circles of the of the strengths revolution.”

**The Three Pillars of IPOD**

I had what I call my “Drucker moment” in March 2003, when I had my last conversation with the father of management thought, Peter Drucker—it was shortly before he passed away. I visited his home to ask his advice regarding a new research program on that we were launching at Case Western Reserve University’s Weatherhead School of Management in Cleveland on positive business. Quickly, he turned attention to Appreciative Inquiry. He wanted to hear more about AI as he had been hearing about it. Excited and passionate, I spoke about the theory of non-deficit, positive change that was emerging; I shared several detailed accounts of AI with Admiral Clark, the CNO of the United States Navy, and how it was being called upon at companies such as Verizon, Ernst and Young, Nutrimental, US Cellular, the Cleveland Clinic, Hunter Douglas, and many others. He loved the case stories and insights and applauded the positive focus of AI. At the end of the conversation, I said: “But Peter, you’ve written more on leadership and leading innovation than anybody in history: can you put it in a nutshell—what’s it all about?”
Drucker, then 93, smiled and said “yes, it’s ageless in its essence: the task of leadership is to create an alignment of strengths in ways that make the system’s weaknesses irrelevant.” I wrote it down and in return shared with him the questions we had been dealing with in our research, questions the field still needs to better answers to if we are going to ever have a full blown theory of positive, life-centric, asset-based, non-deficit change. If leading change is perhaps all about strengths, that it truly has nothing to do with weakness, then the key questions assert themselves: why would strength connected to another’s strength ignite change? Why would a human strength such as hope connected with another’s hope propel change? Why would inspiration aligned with other’s inspiration ignite change, transformation and upward spirals, the kind that moves a system to a +2 to a plus +20 or more? Are there observable stages to this kind of change? While we often say in management circles that strengths perform what about the idea that strengths do more than perform, they transform? Could it be that change is all about strengths, and if so, what are the methods for a laser-like discovery of strengths—especially the most extreme positive deviations from the norm that signal even hidden strengths or reserves? How do we connect and magnify strengths—and amplify or intensify them for their transformation propelling capacity? Do we do this through stories and ritual, for example, or through group methods that create something akin to a fusion reactor where two positive hydrogen elements are fused in incredibly powerful, energy creating ways? Could it be that organizations might develop fastest, more efficiently, and in more innovation-generating ways through strength-based approaches? Managers, upon hearing these ideas want to know more: what are the practical knowledge resources, research bases, and methods on how to proceed?
Figure 2 depicts the three interrelated spheres IPOD. Whether working with individuals and relationship with the organizational context, the organization as a whole, or the organization in relation to society there are three primary tasks in almost all positive organization development work: (1) the elevation of strengths, that is, the concepts, mindsets, and tools for the discovery and lifting-up of the “positive core” of the system, including all past, present and future (potentials and opportunities) strengths; (2) the alignment or connected magnification of strengths, that is, all the concepts and tools for “making an alignment of strengths so strong” that it makes the system’s weaknesses irrelevant; and (3) the creation of strengths-based organizations that become positive institutions in relation to society, that is they become vehicles for elevating, magnifying, and then refracting our highest human strengths outward to the world where institutions become vehicles for bringing more wisdom into society, more humanity, more love, intelligence, creativity, etc. (see the VIA strengths for a listing of 24 major human strengths, Peterson and Seligman, 2003). At the center of the overlapping circles is the strength-finding capacity that sees the world not as a problem-to-be-solved but a mystery or invitation to inquire, imagine, and develop new knowledge of consequence revolving around one key question: what gives life to this living system when it is most alive?

Strengths, in this approach, are defined as those the things that make us feel stronger—the things that bring us and our institutional creations alive. Appreciative inquiry is the action-research method for the collaborative search into “what gives life”, in ways that generate the dynamic of positive change in-vivo in the particular system, while also serving also to build generative theory for the larger advancement of the science of human strengths.
The other helpful thing this model does, beyond speaking to the three major “moments” or tasks in positive OD, it that it helps connect and make sense of many seemingly diverse resources. Ask many of the people involved in the pioneering work in this domain if they are doing OD and most would not identify their work in that way, simply because it is so rapidly emergent and new. But that’s how new fields coalesce. So in each circle we illustrate example knowledge domains, methods or tools, and example applications. Of course these are meant not as exhaustive but simply as illustration. The first circle’s elevation of strengths, for example highlights knowledge domains such as Positive Psychology and POS, the work on Appreciative Intelligence, and the leadership work on...
emotional intelligence and strengths-based management. Exciting tools and resources include the VIA strengths-survey, Best Self analysis, Resonant Leadership tools, strengths-finder survey, and appreciative coaching methodologies. Here the focus is largely at the individual and small group or team levels and the applications are varied: corporate talent management, executive coaching, career and job crafting, strengths-based leadership education, and more.

The second circle, completely in sync with the inquiry-driven “discovery” mindset that serves to elevate vital strengths, goes beyond the lifting up of strengths and works with configurations and constellations. The second circle looks to intensify and leverage existing positivity and speaks to the intentional transformational uses of the positive core of the system. How do we take isolated strengths and help take them to a new octave? Here one finds a vast social constructionist literature in anthropology, for example, that speaks to the power of narrative and story, the magic of intergenerational connections, and the identity shaping power of symbols and ritual moments (Powley, 2005; Turner, ). One also finds the management philosophy of Peter Drucker and others focused not so much on individual strengths, but alignments of strengths (Drucker, 1966) and high quality connections (Dutton, 2009). Tools that mark innovation-inspired positive OD include the macro-management method of the AI Summit which brings whole systems of 500 to 1000 people together, for example recent business leaders meeting at the UN, to collaboratively design the future by creating remarkably powerful constellations of strengths (Cooperrider, 2010). Coupled with new web technologies, there are now AI Summits and “IBM Jam Sessions” with 10,000 to over 60,000 people combining their strengths and drawing from the positive core of the system. Often these sessions are
infused with IDEO-like design methods, with the assumption that design methods are too powerful to be only used by designers—everyone is a designer. Other resources congenial with the strengths-based change approach include the Strategic Core Competency work, World Café, Asset-Based Community Development, and an exciting new business planning and strategy approach called SOAR (instead of SWOT); SOAR is an acronym for strengths, opportunities, aspirations, and results, and again, is committed to the collaborative values of positive OD. Coupled with the AI Summit and Future Search and other large group methods, the field has demonstrated and documented that the tools are there where “everybody can be part of the inner circle of strategy.”

The third circle represents the largest frontier for OD. It is about harnessing the higher strengths of institutions as agents of change in society for local, regional and world benefit. It involves more than the elevation of internal strengths. It involves more than creating new constellations of strengths taken to a new octave of potency. It involves questions of organization and society, and the quest to design positive institutions. The aim of this shift, in a nutshell, is the discovery and design of positive institutions— institutions that elevate, combine and magnify, and refract our highest human strengths into the world. In business, for example, it bespeaks of the stakeholder theory of the firm (Freedman, 2000); the call for sustainable value (Laszlo, 2009); and the search for business as an agent of world benefit—“BAWB (Cooperrider, Fry and Piderit, 2007).” Its tools—such as the bottom of the pyramid protocol (Prahalad, 2002; Hart, 2003), biomimicry (Benyus, 2002), cradle to cradle design (McDonough and Braungart, 2001), the next generation AI Summit or “the sustainable design factory” and the BAWB world inquiry (Cooperrider and Fry, 2009)—are all exciting examples of turning on the innovation engine
by bringing all the stakeholders into the mix. From a strategy perspective it is becoming commonly accepted that sustainable value creation is the business opportunity of the 21st century. It’s an innovation engine unlike anything we have ever seen in management—and it’s a lens, which will dominate the management agenda for the next generation of thirty to fifty years. Even more important, we believe the outcomes will define the next episode in creative capitalism and, ultimately, will determine the well being of our imperiled planet. Hence the exciting question is this: “How do leading companies, associations, and markets turn pressing global and social issues, for example the Millennium Development Promises or climate change and energy concerns, into bona-fide business opportunities, in ways that vitally and consistently benefit both business and the world? But in OD terms it’s the human dimensions we want to underscore. All the confusing language—eco-efficiency, social entrepreneurship, social responsibility, triple bottom-line, sustainable development, green enterprise—too often serves to mystify and cloud the simple message here. The mandate for organization development is the call to positive institutions—institutions that elevate, connect and then help refract our higher human strengths, like a prism, into the world around us. Cooperrider and Dutton (1999) have written about The Organization Dimensions of Global Change calling for a re-discovery of institutions as the vehicles for OD’s next frontier—and now the roadmap is getting clearer.

Extending the three circles model in a summarizing fashion, we would like to offer the following definition of innovation-focused positive organization development:

**IPOD is a strengths-based approach to organizational innovation and change that is**

(1) appreciative *inquiry-driven*, searching—in the new action research AI way—for
everything that gives strength and life to the organization and its ecosystem of stakeholders when it is most alive; (2) innovation inspired, focused on establishing the new and amplifying widespread assets or constellations strengths (systemic positivity) for transformational purposes—positioning an enterprise for distinctive breakthrough leadership in their domain (3) informed by the theory and technologies of the positive human sciences, especially social constructionist thought (4) an embodiment of heart of OD values: collaborative designing, the spirit of inquiry, and positive assumptions about human systems, (4) seeking to build positive institutions that are increasingly exceptional at the elevation of strengths, the connection and magnification of strengths, and the extended refraction of our highest strengths into society; (5) for the purpose of any important innovation or change agenda including the positive design of new products and services, new business models, organizational cultures, customer and stakeholder relationships, strategic planning, organizational learning, building high engagement workplaces, creating mergers of strength, designing information systems, positive metrics, project start-ups, business model development, alliances and partnerships, benchmarking networks, lean and green operations, starting new industries, building economic regions, and advancing sustainable economies addressing the global, trans-boundary agenda for change—in short, anything in organizational and societal life that can benefit from a strengths-based approach to innovation as change.

**Establishing the New and Eclipsing the Old**

The new OD is spreading rapidly around the world. Seligman and Cooperrider, for example, have done dozens of joint speeches together in just the past year or so, from
Orlando Florida to Sydney Australia, speaking about the research base and the important applied work happening in corporations such as Price Waterhouse Coopers, Hunter Douglas, HP, Boeing, Nokia, Tata, Nutrimental, Wal-Mart, Microsoft, British Airways, Green Mountain Coffee Roasters, Fairmount Minerals and Toyota; also the governmental work happening with the United Nations Global Compact, the United States Army and Navy and Environmental Protection Agency; similarly, the non-profit organization work happening at Save the Children, World Vision, and schools, such as Geelong Grammar in Melbourne, devoted to positive education; and they also have spoken about larger societal initiatives such as the whole city of Cleveland’s “Green City on a Blue Lake” initiative, or Nepal’s astonishing, award winning women’s empowerment work where 150,000 women have been trained in AI and positive OD methods, and the worldwide IPOD initiative with Bishop Swing, Rev. Gibbs and Dalai Lama to create a United Religions—a global organization for creating peace among religions to create peace among nations (see Fast Company’s cover story by Keith Hammond, 2001)

All of these initiatives have been informed by POS research, design thinking, positive psychology, biomimicry, the strengths revolution in management, and nearly all are guided by the new action research phases of appreciative inquiry known as the 4-D Cycle—discovery, dream, design, and destiny (see Figure 2). Likewise, they almost all share in the strengths philosophy, as summarized in table two, for example the idea that human systems will develop most—more rapidly, effortlessly, and enthusiastically—through analysis of strengths, aspirations and tomorrow’s opportunities instead working to transform defects, weaknesses, symptoms, and yesterday’s root causes of failure. It is easy to understand the popular spread of the strengths perspective. But what’s missing in
the scholarship of change, is a common vocabulary or widespread understanding around what exactly do we mean by the term positive change versus deficit change. Much needed, we contend, is a better vocabulary and theory for understanding of the differences between OD intervention and OD innovation, between solving and creating, including the idea of what we are calling *transformational positivity*—the intentional use of positive phenomenon such as assets and strengths, positive emotions, wealth creating opportunities, and whole system network effects to initiate, inspire, and better manage change. Is there an identifiable chemistry to positive change? Can it be taught? Are there stages—where one phase prepares the potential for the next?

Figure 2
4-D Model of Appreciative Inquiry
In Diagnostic OD the big stages are commonly understood. For example, there is the classic “unfreezing” “changing” and “refreezing” stages where the first scouting phase and unfreezing phase is about disclosing the felt pain, diagnosing a discrepancy state or gap between the presenting problem and ideal, and designing ways to raise a sense of urgency around the problematic situation. The negative assumption deeply ingrained and widely published is that people will instinctively resist change. Beckhard and Harris (1987) and later Jacobs (1994) codified the change model in the following formula:

\[ D \times V \times F > R \]

Three factors must be present for meaningful organizational change to take place. These factors are: \( D = \) Dissatisfaction with how things are now; \( V = \) Vision of what is possible; and \( F = \) First, concrete steps that can be taken towards the vision.

If the product of these three factors is greater than \( R = \) Resistance, then change is possible. Because of the multiplication of \( D, V \) and \( F \), if any one element is absent or low, then the product will be low and therefore not capable of overcoming the resistance in the field of restraining forces.

To ensure a successful deficit-based change program, therefore, it is necessary to magnify urgency; the organization must recognize and accept the dissatisfaction that exists by communicating industry trends, customer dissatisfaction and competitive analysis to identify the necessity for change. Sometimes this is called “creating the burning platform.” In the Heart of Change, John Kotter (2002) writes about how important deficit analysis is—even if it needs to be manufactured—to raising the state of dissatisfaction. In his now classic HBR article on the subject Kotter shared some of the implications of this logic: “Most successful change efforts begin when...an individual or group facilitates a
frank discussion of potentially unpleasant facts... The purpose of all this activity, in the 
words of one former CEO of a large European company, is “to make the status quo seem
more dangerous than launching into the unknown.”

Kotter then illustrates with a powerful story:

In a few of the most successful cases, a group has manufactured a crises. One CEO
deliberately engineered the largest accounting loss in the company’s history, creating
huge pressures from Wall Street in the process. One division president commissioned
first-ever customer-satisfaction surveys, knowing full well the results would be
terrible... when the urgency rate is not pumped up enough, the transformation process
cannot succeed and the long-term future of the organization is put in jeopardy.”

Bad business results, he concludes, “are a blessing” for mobilizing the change agenda.
Not pumping up the urgency, argues Kotter, is the “#1 error” in change management
and main reason why transformation efforts fail. No wonder our institutions are filled
with cultures of fear and trembling. Maybe this is the way you drive big bureaucracies
and businesses that are in the midst of restructuring, reengineering, and downsizing. But
at what cost to innovation? For a full exposition on the relationship between fear-based
change and the debilitating impact of a culture of fear on the spirit of innovation see

Positive OD proposes that the $D \times V \times F > R$ is one model of change. It’s a common
model, yes. And it has been extensively researched and tested. But it is not the only way
to manage change—and perhaps not the most powerful one.

William James, as early as 1902, acknowledged that we already know a lot about this kind
of deficit-based change. He spoke, much like the modern day Kotter, about the critical
role of emotions, especially the transformational power of negative emotions—how anger, fear of loss, even violence can set in motion, often quickly, the wheels of change. But William James said that’s less than half the picture. He challenged the entire enterprise of human science to open up frontiers of understanding with exploration into another kind of change, something still unnamed. What was it?

It was the kind of change that could be sparked when strength touches strength—or when something so positive links with something else so positive that change is ignited. His first studies into the matter were in extreme cases of spiritual experience when suddenly “everything re-arranges itself” around emotions such as hope, inspiration, and a newly discovered sense of meaning and relationship. Several of his detailed accounts remind us of the kind of change reported, for example, by our first astronauts when they saw the miracle of life on this planet from a distance for the first time. There too was a kind of instant global consciousness, and then deep changes in the astronauts’ lives. William James shared many other examples and observations from the field of phenomenal changes, for example studies of sudden inspiration from the experience of beauty or witnessing profound acts of goodness. So William James championed a research agenda that today, especially with the help of the latest in positive psychology research, we are able to more fully contemplate:

Emotional occasions, especially violent ones, are extremely potent in precipitating mental rearrangements. The sudden and explosive ways in which jealousy, guilt, fear, remorse, or anger can seize upon one are known to everybody. Hope, happiness, security, resolve—emotions characteristic of conversion, however, can be equally explosive. And emotions that come in this explosive way seldom leave things as they found them (James, 1902, p. 163-164).
Much needed, envisioned James, is more systematic attention to the kind of non-deficit positive change that happens when things are “hot and alive within us, and where everything has to re-crystallize about it (James, 1902, p. 162).” The Nobel Laureate Rufus Jones echoed this sentiment, about the significant mystery of the kind of change that happens when life touches life: “Nobody knows how the kindling flame of life and power leaps from one life to another.”

It is time to take this thought from the ethereal to the organizationally pragmatic. Noting that traditional models of organization development did not do justice to the idea of strengths (the word is not mentioned in most models), we offer an alternative to the set of stages found in the Unfreezing-Changing-Re-freezing model and the formula of $D \times V \times F > R$ which places priority on the generation of dissatisfaction, fear, anxiety, anger and the like. It’s a model that proposes that most effective, transformational change in human systems is really about establishing the new and eclipsing the old. In economics this has been called “creative destruction” whereby it can be said that something like the industrial age’s oil problems will never be solved logically on their own terms (fixing one oil rig at a time) but will be eclipsed and made irrelevant through the invention of a bright green solar economy —something cleaner, abundant, long-term cost effective, meaningful to people, technologically feasible, and totally renewable. In the human sciences, the great Carl Jung noticed something similar. At the end of his long career Jung made an admission. He said that not once in his entire career had he seen a difficult human problem solved directly on its own terms. What happened, almost without exception he recalled, is that a newer, stronger life urge appeared on the person’s horizon and through
that newer stronger life urge what was seemingly a problem was eclipsed, made irrelevant, or dissolved. But how does this kind of change happen?

Positive change, our theory asserts, moves through three phases: the elevation-and-extension phase; the broaden-and-build phase; and the establish-and-eclipse phase. And it is based on three assumptions:

- *Change is all about strengths* and new creative configurations of strengths—high quality connections that give life. No other area offers richer opportunities for successful innovation or change than new combinations of unexpected strengths, assets and opportunities.

- *We live in a universe of strengths*—from the micro universe of our brain cells and society of organizations, to the macro universe of some ten billion galaxies—and this *appreciable world* is profoundly larger than our normal appreciative eye.

- *Positive change is a powerful, self renewing, and clean resource*—much like an energy source that is abundant and renewable. A useful analogy is fusion energy. Fusion is literally the source of the sun and the stars. It results when two positively charged hydrogen elements combine. In organizations, something similar happens during the process of profusion, and when it does we realize that strengths do more than perform, they transform—they enable upward spirals of collaborative innovation through the activation of energy.

As summarized in Figure 3, the DNA of positive change is like a double helix—the *elevation* of strengths, along one dimension, and *extension* of relatedness, which combines
and connects strengths, along the other dimension. The process of positive change is initiated when one or both begin.

For example, British Airways launched a brilliant change initiative that became the largest customer responsiveness program in the company’s history (Cooperrider and Whitney, 2005). It started as a reaction to the problem of excessive baggage loss. Using Cameron’s (2003) concept of positive organizational scholarship, they realized that such a focus might lead to a change from -7 to O. But the opportunity, if approached from positive OD perspective, might unite a whole different universe of strengths if the inquiry
or study were to be elevated to a higher more valuable frame. British Airways did just that: the topic, what they really wanted in the final analysis, was not just a normalizing of baggage loss nor even “rapid recovery of lost baggage.” The real topic of value was, from the customer point of view, was the topic of outstanding arrival experience. What a powerful elevation of inquiry. Studies were soon launched in positive deviant moments of outstanding arrival experiences and carried out across hubs from London to Washington D.C. And the visions of possibility soon that unfolded by finding these vivid moments of success transcended and enfolded the original project framing. It became one of the most successful and well-documented change programs ever done at British Airways (Whitney and Trosken-Bloom (2009).

Likewise, the City of Cleveland launched what has become the most successful economic development initiative in its recent history. Its premise was that going green might well become the biggest business opportunity of the twenty-first century. Cleveland, as many recall, was an industrial smokestack economy and it’s Cuyohoga river became so polluted in the 1970’s that it, the river, started on fire. The whole nation watched and this environmental degradation became a symbol for a city in decline. But in 2009 Mayor Jackson saw unexpected business innovation and networks of citizens forming around the green agenda. He called for an AI Summit. Over 700 business leaders, young entrepreneurs, scientists, and inventors came together to design initiatives to create “A Green City on a Blue Lake.” But the decisive moment came when the group expanded the planning meeting to innovators from Sweden’s sustainable energy movement, and companies such as IBM and their smarter planet technologies. Here the process of positive change it involved more that re-framing (Green City on a Blue Lake)—it also was
ignited by “views not quite like our own” because of the deliberate *extension of relatedness*. Together, the elevation of inquiry plus the extension of relatedness, set the stage: people were inspired and had their minds opened wide, there was a positive dislodgement of certainty (“perhaps it really is possible”), a sense of admiration and respect for everyone in the room, and a generous sharing which created a fresh context of elevated aspiration and high expectations (Glavas, Senge, and Cooperrider 2010). This is what happens in the first phase of positive change: a radical appreciation or celebration of the other opens up fresh perspectives, affirms existing strengths and lifts up unexpected ones, and spreads a special spirit of inquiry that signals a clear message: that the world is open to new possibilities. In the research laboratory and other field research in OD the same thing has been confirmed in carefully controlled conditions. The pro-social impacts of appreciative kinds of inquiry—elevated inquiry—have been documented by Barrett and Fry in the field (2006) and by Haidt’s (2000, p. 2) compelling research on elevation, showing how individuals are “surprised, stunned, and emotionally moved” when they are witness the best in human life. The elevation of inquiry coupled with the extension of relatedness accelerates the growth and development of the group’s self-organizing capacity for high performance (Fredrickson and Losada, ), accelerates the development of high quality relationships and human energy (Dutton ), generates a new shared language of resourcefulness (Barrett and Cooperrider, 1990) and helps cultivate and spread the creative power of positive emotions (Frederickson, 2009).

If phase one is about creating a context—creating something of a chamber for a fusion reaction—then phase two is about the broadening-and-building around the positive core of all the rich and systematically discovered capacity. Here we wish to extend Barabara
Fredrickson’s (2003) broaden and build theory of positive emotions. In appreciative inquiry’s discovery and dream steps, for example at the Green City on a Blue Lake summit, there is a concentration effect of the positive core of the system’s strengths. In this case with 700 people in the room, stories of green urban farming, exceptional fuel cell innovation, assessment of strengths in non-green arenas that could be sequestered for sustainable design, and visions of Cleveland’s Lake Erie becoming the home for the first freshwater wind energy system in the nation, all combined to ignite hope, inspiration, and collective confidence. As Fredrickson (2009) has shown, emotions such as these do more than signal high functioning: they become resources for even higher functioning. Think about winning streaks where positivity opens minds, concentrates resources and has an undoing effect on past negative emotions. In the Cleveland summit the positivity, therefore, was not just emotional positivity, one person’s hope connected to another person’s hope. The concentration or broaden-and-build effect came from not just emotional synchronizations but resonances of strengths of all kinds: economic, entrepreneurial, technological, cultural, spiritual or ethical, academic, political and ecological. High on the priority agenda for the field of positive OD is to study the ways that the transformational positivity of all these varied resources, from the economic to emotional, can usefully be potentized, that is made to be more potent in concentrated form than they might otherwise be in isolated form. In the appreciative inquiry summit the process (i.e., from discovery to dream) involves creating narrative rich environments, analysis of interdependent causes of success, reenactment of stories of human agency, metaphor mapping to symbolize the system’s positive core, and the enactment of visions of the valued future. At the Cleveland Summit this broaden-and-build phase surprised older veterans who had seen many change efforts, mostly diagnostic, start and stop.
Mayor Jackson said: “I’ve never seen this city come alive like this anywhere; it’s as if people have been bottled up.” And Charles Michner, former editor of the New Yorker, covered the summit journalistically. He wrote about the “amazing feat” pulled off by Mayor Jackson. Michner (2009, p. G-6) observed: “The summit-goers, exhausted but awakened to their new, collective power, gave the mayor a standing ovation. It was like uncorking a giant bottle of Champagne left too long on the shelf and seeing the bubbles explode.”

The third phase of positive change happens when the activation of energy leads from the broadening and building of capacity to the design of the future. It’s the phase where inquiry inspires innovation. As people experience the activation of group energy, they leave their perceptions of constraint behind. The gratitude they often felt in phase one coupled with the collective confidence of phase two, now grows into a sense of generativity (Zandee, Cooperrider, and Avital, in press) and moral imagination (Godwin, 2008). Generativity often challenges assumptions of the status quo, opens the world to new possibilities, and is frequently associated developmentally with a deep and caring concern for establishing and guiding the next generation (see Richley and Cooperrider, 2010 for an analysis of generativity and the literature on diffusion of innovation). It is also, because of the trust and social capital developed in the prior phases, an opportunity to experiment more spontaneously and emergently. Like a jazz combo that says “yes to the mess” the collective creativity is unleashed. In appreciative inquiry’s 4-D cycle it is the second two Ds—design and destiny. In the green city summit it resulted in twenty-one prototype initiatives including a major partnership with GE to become the freshwater wind energy location in the world. Positive organizational scholarship calls this the
movement to virtuous organizing (Cameron, Dutton, Quinn, 2003). It’s a phase where people establish the new in ways that eclipse the old.

**Conclusion: Innovation is Not the Whole Story But It’s the Big Story**

As we look to the future of OD we see a future of exciting proportions with new horizons at every turn. When the basis of a field shifts thousands of previous practices often shift as well. While nobody can predict the future, there is reason to believe that an innovation inspired OD will surge in importance. We close this chapter with three speculations including (1) the sense that the innovation agenda is eclipsing the intervention agenda, especially in business (2) that there may be an important ratio of diagnostic OD practices in relation to positive OD approaches; and (3) that the 3-Circles model provides a useful roadmap for highlighting several POS opportunities of vital importance to research.

Innovation is not the whole story but it’s the big story for the new OD. There is no question; in business at least, that we’ve reached a stage of diminishing returns in relationship to the near obsessive treadmill of incrementalism. In many ways, the resources placed into correcting errors, squeezing out one more ounce of efficiency, and intervening with one more problem solving task force to change the corporate culture is an anachronism. Being the best error-reducer at best helps you stand in place; it will never produce the ideas that can take an industry by surprise, turn on an entire workforce, and establish distinctive leadership. As Hamel (2008) observes, by the time an organization has taken the last five percent of efficiency out of the *how*, someone else will have invented the new *what*. There is reason, therefore, for the massive concern for innovation: fortunes are being made and unmade at head-snapping speed; hundred year-old “unsinkable” companies are collapsing while looking in the rearview mirror of culture.
change; opportunities in a globally connected economy come and go at internet speed; and the costs of aligning with strengths inside and outside the boundaries of the organization through the world wide web, alliances, and social media platforms have dropped to near zero. Never before have the creative combinations of strengths that lead to innovation—insights across diverse fields, research studies flowing everywhere, the wisdom of crowds, the economics of abundance where the network effect of sharing leads to more sharing, and the easy distance to the next webcast ---been more this accessible by everyone. A laser-like strengths focus, especially into hidden strengths, can geometrically pay off. When it comes to disruptive innovation the world is flat and as Hamel (2000 p. 57) sums up, “In the age of revolution, every company must become an opportunity seeking missile—where the guidance system homes in on what is possible, not on what has already been accomplished.”

Is innovation-focused OD here to stay? We believe the answer is yes: an intervention focused, problem-analytic change model that is evolving slowly is on its way to extinction. For OD to stay relevant to the change field it is going to have to out-innovate the innovators. We’ve already mentioned how design-thinking firms such as IDEO have graduated from brilliant product design to organization transformation in its focus. We know it first hand. We’ve worked side-by-side with IDEO in the field and can say this: they are living the ideals of early OD—of collaborative design, spirit of inquiry, and positive assumptions—as passionately and normatively as any OD group we’ve ever seen. But they are more relevant. They study innovation. They breathe innovation. They inspire innovation in others. And they bring out the best in human systems not by working on “the trust problem” but by facilitating and bringing a team together to design
a new product or customer experience. Through this kind of collaborative achievement, breakthroughs in trust consistently ensue. Establishing the new to eclipse the old has a certain obliquity to it just like going to sleep. You can try hard to make yourself go to sleep but the harder you tell yourself to go to sleep the more you stay awake. Going to sleep is something that ensues, not something you pursue head on—and so it is in human systems and helping to bring out the best in their relationships. High on the agenda of the new OD is to create a passion for innovation. This may be difficult for some of the therapeutically minded threads from diagnostic OD’s past. But the early OD, as we earlier traced it, was really marked by its pioneering spirit. Whether as a homecoming or a new commitment to excellence, we can foresee a future where OD becomes the “go to” field for everything related to positive and radically collaborative innovation: in new business models, new products, new customer experiences, new IT designs, new strategy processes, new cities, new inter-networked forms, and more.

Throughout this chapter we have maintained that an innovation-focused OD will be served through a well-developed appreciative intelligence and an eye for the new strengths-based AI tools that serve one of OD’s primary tasks in any human system, that is, the elevation of strengths. We can imagine more studies into appreciative intelligence (Thachenkery and Metzker, 2006) for example the way a Michelangelo could sense and see the towering figure of David in the block of marble before it was carved, or the way a loving grandparent might have seen strengths in you as a child years before you could see them in yourself, or the way a leader such as Amazon’s Jeff Bezos could see the possible future in the in the texture of the actual—even before the reality. Indeed, the appreciable world—the universe of strength, value, and life-generating potential all around us—is so
much larger than our normal appreciative capacity. But can this capacity, this strengths intelligence, be developed? We believe the answer is yes. And we can foresee a future where OD is the “go to” field for everything related to strengths-based assessment: for helping create strengths-based organizations, talent management systems, positive coaching tools, resonant leadership practices, and more.

Throughout this chapter it has also been assumed that the strengths revolution is an incomplete revolution. Much of the spread of the strengths perspective has been in the human resources field, focused largely on the individual and prematurely locked in the talent management arena. What this means for OD, in terms of a call and mandate of organizational-level importance is spelled out in the second set of circles in the strengths revolution model. The elevation of strengths is only the start. It sets the stage for the more complex task of creating new alignments or connected magnifications of strengths, with new large group methods such as the AI Summit method and accelerating strengths networks for spread of strengths. It’s in these arenas, that the new theory of positive change is most observable. Whether this theory—from the elevation-and-extension stage, to the broaden-and-build stage, to the establish-and-eclipse stage—is supported or not, it is crucial that the field better understand the dynamic of positive change. We believe the dissatisfaction theory is one theory. There are others. And positive OD will not do good positive OD work until it develops a full-blown theory of the non-deficit moments of profusion and the transformational uses of positivity of all kinds. We can foresee a day when OD is the “go to” field for management’s most important macro-moments for the magnification of connected strengths: real-time strategic planning, whole system future searches, multi-stakeholder engagement sessions, global meetings, rapid design sessions,
and AI Summits for concentrating the positivity in a system in a way that creates the new
and eclipses the old.

And finally, new studies of the way that sustainability may become the 21st century’s
biggest innovation engine offers OD a wider-angle view of strengths. It offers, as we have
described it in the third circle, a focus that can bring human strengths to a new
magnitude of positive impact. That agenda involves the study of positive institutions,
exactly what this book is about, but at a scale that places our attention on the
organization dimensions of global change. There is not one single item on our complex
global agenda for change—not safeguarding biodiversity, eradicating extreme poverty, or
creating a new bright-green sustainable economy—that can be addressed without the
development of institutions that serve to bring our highest human strengths into the world
in a magnified way. That’s what organizations are. They exist to serve a life-enriching
purpose, and accomplish things no individual set of strengths can accomplish alone. This
is IPOD’s North Star: the creation of positive institutions that elevate our human
strengths, connect and magnify those strengths, and then ultimately, serve to refract more
wisdom, courage, love and other human strengths onto the world stage.
References


