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Warren Buffett's and Your Own Seven Transformations of Leadership

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The 2020 Update on the 2005 Harvard Business Review Article
"Seven Transformations of Leadership"

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"Seven Transformations of Leadership" became one of the most-read articles on leadership in HBR's history and continues to receive hundreds of reads each week, according to Research Gate. In 2006, the article won the Annual Award from the international Association of Executive Search Consultants for Best Published Research on Leadership and Corporate Governance. In 2012, HBR reprinted the article as one of the top ten 'must read' leadership articles in the journal's history.

"Our souls are riven. Covid 19 and "I can't breathe" expose differences in leadership capacities as never before. Only the Redefining, Transforming, and Alchemical action-logics reliably support the action inquiry of collaborative transformation within families, neighborhoods, companies, and countries."

William R. Torbert

Elaine Herdman-Barker

The 2005 Harvard Business Review article "Seven Transformations of Leadership" describes seven different, successive leadership 'action-logics' that result in markedly different organizational processes and outcomes. Leaders are found at all seven action-logics, but in general become more effective — over longer periods, in more complex environments, and in conditions requiring organizational transformation — at the rarer, later action-logics. (In this article, we are going to assume readers are already somewhat familiar with the action-logics, but, if not, the first table provides the action-logic names and one-phrase snippets to initially characterize each.)

The 2005 article was itself backed by decades of field research, theory development, and organizational interventions, anchored in a psychometric measure of leaders' developmental action-logics now named the Global Leadership Profile (GLP) (e.g. Torbert, 1976, 1987, 1991, 2004). Three thousand plus leaders had taken this measure. Our subjects largely represented highly educated samples from various layers of management, from first-line supervisors through nurses, professionals, and junior managers, to senior managers and entrepreneurs. We recognized that a truly random sample of the global population over the age of 21 would show much higher percentages in the earliest action-logics. Nevertheless, the most striking feature about our highly educated and professional samples was that fully 17% remained at the two earliest action-logics, while only 15% had evolved to the three latest action-logics, where the capacity to lead the transformation of self, teams, and organizations emerges, as the following table shows.

Opportunist	wins for self	5%
Diplomat	wants to belong & fit in	12%
Expert	focuses on logic & expertise	38%
Achiever	driven by personal & team achievement	30%
Redefining	uniquely reframes complex dilemmas	10%
Transforming	generates personal & orgnztl transfrmtn	4%
Alchemical	integrates material & spiritual transfrmtn	1%

The 2005 HBR article shared our empirical research, showing, among other findings:

1. that interest in offering and receiving performance feedback increased in perfect correlation with each later action-logic;
2. that among managers at the four earlier (and most prevalent) action-logics, only those at the Achiever action-logic were reliably regarded by subordinates as effective;
3. that each higher managerial rank showed a later average action-logic score; and
4. that only the rare chief executives who measured at the Transforming action-logic reliably succeeded in supporting organizational transformation.

New Research and Implications for Practice After 2005

Given such findings, one can easily understand why all social sectors would be interested in identifying leaders and prospective leaders at the later developmental action-logics, as well as in identifying job and organizational structures that promote development among employees. And indeed, after 2005, my co-creator of the GLP and President of GLA, Elaine Herdman-Barker and I have found an increasing demand for use of the GLP by corporate managers who started their own consulting and coaching practices, in talent management and leadership development programs, and in senior team consulting projects, especially in global companies requiring cross-cultural management capacities. This shift toward increasingly voluntary and growth-motivated participation affected our research and our interventions in a number of ways.

To begin with, it showed up in ***an increasing proportion of late action-logic participants***, particularly at the **Redefining** action-logic, as shown here (n=3,642 GLPs, gathered between 2012-2020):

		Pre-2005	2012-2020
Opportunist	wins for self	5%	0%
Diplomat	wants to belong & fit in	12%	0.1%
Expert	focuses on logic & expertise	38%	4.3%
Achiever	driven by personal & team achievement	30%	33.7%
Redefining	uniquely reframes complex dilemmas	10%	52.1%
Transforming	generates personal & orgnztl transfrmtn	4%	9.6%
Alchemical	integrates material & spiritual transfrmtn	1%	0.2%

It seems highly likely that a significant proportion of the shift toward later action-logic scores from 2005 to 2020 was due to the changing character of our sample. We found, for example, that the coaches and consultants (who interacted with many executives and organizations) made up most of the increase among those measured at the **Transforming** action-logic, whereas corporate executives were now more often found at the **Redefining** action-logic. At the same time, however, a significant cultural shift has been occurring at the outset of the 21st century toward a post-modern recognition of multiple (national, class, racial, gendered) perspectives, a cultural condition that encourages development to a **Redefining** action-logic.

As our coaches and consultants are now offering GLP-participants feedback via a 35-page report and coaching debriefs, it has become important that our scoring be reliable, not just in general (say 80-90% of the time), but insofar as possible *in each case*. To accomplish this, two different scorers now score each GLP, providing a reliability test on each of the 30 items of each profile. The scorers have attained 94% perfect agreement between their item scores and they talk through a consensual agreement on the 6% where they initially disagreed.

Our greater degree of interaction with GLP-takers has also given us important feedback about our own choices of action-logic names. We have learned that the names we had previously given to the **Redefining** and **Transforming** action-logics seemed somewhat misleading and unattractive to our clients (the previous names were Individualist and Strategist). In addition, we realized that, while nouns were appropriate to characterize the four early action-logics, all of which privilege stability over change, dynamic parts of speech were more appropriate for characterizing the inherently creative later action-logics.

Later action-logic participants experiment more with, and seek more feedback on, their own practices than earlier action-logic leaders. They do first- and second-person research on their own development and that of their teams and organizations — historically, in the present, and prospectively. In this article, we will focus primarily on ways to support our readers' first-person research into your own development, and we will focus in particular on the two leadership action-logics that seem to be growing most rapidly — **Redefining** and **Transforming**. We begin by offering a close description of the actual practice of leaders, including German chancellor Angela Merkel, who operate at **Redefining**, the fastest growing developmental action-logic. Merkel is often described as the most powerful woman in the world.

Next, we offer a developmental portrait of 'richest man in the world, emeritus' — Warren Buffett, moving from **Opportunist** to **Alchemical**, with special attention to his **Transforming** actions. Kelly (2011) focused his PhD dissertation on creating a new, four-variable, quantitative measure that can be used to rate the developmental action-logic of detailed biographical episodes of someone's life. He used this new methodology to examine Warren Buffett (based on Schroeder's 2008 seminal biography). He found remarkable consistency between the theoretical sequencing of the action-logics and their empirical sequencing in Buffett's life. Also based on the Kelly study, we examine some of the catalytic factors in Buffett's transformation from one action-logic to another.

We also offer a striking example in Buffett's life of what has recently been named "fallback" in developmental theory (McCallum, 2008; Livesay, 2013). This will lead us into a discussion of research on fallback that readers can compare to your own experiences.

We next encounter a more general exposition of the different types of power and inquiry available to leaders at each successive developmental action-logic. This can help our readers consider

what types of power and inquiry you generally exercise or would like to exercise. We close the empirical and actionable segment of the essay with a detailed example of how many types of power and inquiry Transforming action-logic leadership may exercise, returning once again to Warren Buffett and how he acted during the crisis in 1991 when he saved Salomon & Brothers from bankruptcy.

The brief theoretical segment ending this essay focuses on the distinctions among Horizontal, Diagonal, and Vertical Development.

How Redefining Leaders Act in Institutional Settings

Another area we are learning more about is the specifics of how leaders at different action-logics, especially leaders at the post-conventional action-logics (**Redefining**, **Transforming**, **Alchemical**), act in institutional settings. In 2016 Yeyinmen concluded an in-depth study of how three university leaders, each measured at the **Redefining** action-logic, operate day-to-day. The degree to which each of these leaders reflectively engages in a continuing inquiry into the different systems that impinge upon one another, and actively engages in ongoing experiments with his or her own behavior is impressive. This approach contrasts starkly with the assumptions at earlier managerial action-logics that the environment is, or ought to be, stable and that their job is to accomplish specific goals. We quote several paragraphs of Yeyinmen's description of one of these three **Redefining** leaders to suggest how they interweave their power and their inquiry to intervene in situations:

"Janine" is responsible for overall administration of the college. She heads up a leadership team of approximately a dozen senior administrators who oversee the major academic and nonacademic functions of the college, manage large internal staffs who carry out these functions, and work collaboratively to support each other in their roles. In addition to working directly with her senior staff, Janine serves on a number of Board and non-Board committees, the latter comprised of various blends of senior staff and peer-elected faculty, and many of which she recently reconfigured. She runs monthly faculty meetings, provides input to annual faculty performance and salary review processes, and provides leadership to support new faculty searches. She also plays an active role in building and maintaining relationships with key external constituencies including alumni, leaders and other members of the local community, as well as donors and potential donors. Janine makes a deliberate point of keeping an open door policy and, thus, makes herself available, as needed or requested, to meet with faculty, staff, and students.

At the core of many of the changes Janine is introducing is a fundamental belief she holds about the relationship between people and institutions. She articulates it as follows,

> *"I think the vast majority of us go through life feeling like things are put upon us or the structures that are there – they're just there. But they are created by humans ...and so it takes humans to undo it, or change it, or shift it, or reinforce it if it's the right thing. But I think there is a sense of kind of flailing around; people don't know how to do that."*

This quote directly reflects the theoretical understanding of the **Redefining** action-logic as emerging from early action-logic assumptions that social reality is fixed into the realization that laws, rules, and norms have been made by human beings and can be changed by them.

Of Yeyinmen's many illustrations of Janine helping others to see that they can reframe their conversations about what's possible and thereby widen their choices, we offer the following two examples:

Janine recounts how a particular incident of student conduct had led to activation of a series of institutional mechanisms with multiple members of her staff, from different functional areas, mapping out a plan for next steps. She adds that, on most campuses, policy with respect to this particular conduct issue dictates that the school send the student home, and that was the direction her staff was taking the issue. Other students on campus were upset and some had participated in group protests over this course of action. The situation was further complicated by the family's confidence that the school was better equipped to handle the student than they were. Janine explains,

Somewhere along the line it became clear to me that this was not being handled well. I went in and I just said, "Well, what if he stays? What does that look like?" I actually have no preexisting substrate in that sense other than the desire to look after the student and say if he stays and particular outcomes are realized, then the ripple effect (sic). It just led them to a very different kind of conversation, which led to a different outcome.

In this case, Janine does not impose a solution. First, she lets the established staff process deal with the dilemma. Then, when she does intervene, she does not impose a solution but rather asks a (**Redefining**) reorienting, question. This shifts the whole conversation and leads her staff to come to a different decision and outcome than was possible within their initial frame.

In another example, we see Janine proposing a long-term frame for goal setting, in order to get the group to think beyond highly specific short-term goals (an **Achiever** preference) toward more general transformational outcomes:

*Janine specifically charges the community with developing goals against 1-, 3-, 5-and 10-year timeframes. By doing so, she helps institutionalize a long time horizon for their shared thinking, and encourages the practice of applying more than one lens to the process of evaluating organizational goals and activity. At the same time, she cautions the community against thinking too rigidly about the contents of the goals being established. For example, in the February Board meeting she asserts, "The primary danger of five to ten year goals is that people feel they are set in stone," and then half-jokingly she adds "That's why I made [the large goal matrix] deliberately unprintable" (OBS:J1-11).With this comment she emphasizes her view that goals should be stated clearly, but advanced dynamically, with adjustments being made as learning takes place and conditions shift... She wants to use the overhead primarily to highlight the process used to develop the goals; although she also encourages the Board to review the contents at a later time and share any feedback they may have. Through these moves she not only models, but invites others to join her in, placing as much value on the process for generating the goals as on the goals themselves (a **Redefining** concern).*

Through such up-close case-lets, Yeyinmen shows that Janine uses 16 different kinds of thinking and timely action, each grounded in the exercise of re-visioning and of mutual, dialogical power and inquiry.

The **Redefining** action-logic is the first to be able to generate new organizational vision and creativity-enhancing norms, but, because it does not yet have the **Transforming** capacity to directly confront incongruities between espoused values or norms and actual practices, the **Redefining** leader may become reluctant to innovate and may go into hiding in a punitive, command-and-control culture. For example, in one multi-billion dollar company the senior learning and development team predicted that the GLP would measure the group of leaders entering the development program at the **Diplomat** and **Expert** action-logics. In fact, they measured at the **Achiever** and **Redefining** action-logics. This led to a very interesting inquiry. If this group of leaders were profiling two action-logics beyond how they behaved, then what in the culture was stopping all this latent leadership potential from coming out? To date, three interconnected cultural qualities have been identified: 1) many leaders in the company have been there thirty or more years and have a strong sense of 'family' solidarity; 2) they also practice old-style, command-and-control hierarchy with little 'listening down'; 3) for both these reasons,
senior management tends not to appreciate innovation nor to support initiatives or inquiry by subordinates. Hence, **Redefining** leaders in hiding.

Developmental History of Angela Merkel

Angela Merkel has not been a **Redefining** leader in hiding, once she moved from the East German Communist culture to the democratic culture of re-unified Germany. The German Chancellor in her fifth term of office in 2020, Merkel is also considered the ***de facto*** leader of the European Union, and is frequently referred to as the most powerful woman in the world, or as the leader of the free world. Born in 1954, she was raised in East Germany under the communist regime. Her father was a member of the Lutheran clergy, and she became a member of the Evangelical Church of Germany, finding religion a constant companion, and later saying "as Christians we should not be afraid to stand for our beliefs."

Diplomat

Although we have few details about her early childhood years, we can infer that she was taught within her family to be careful about sharing her religious orientation widely in official communist society. When she was later offered a prestigious professorship on condition that she inform the STASI (the secret police) on her colleagues, she politely and deftly declined on account of her 'inability to keep secrets well enough.' She remained strictly apolitical until the Berlin Wall fell in 1989. These general outlines suggest that the tension between Merkel's two local cultures (family-religious v. school-communist) gave Merkel's **Diplomat** period a more 'critical' **Redefining** overtone to it than total immersion in any one local culture would have.

Expert

At Karl Marx University, she attained, not just the highest average, but the highest possible average, in her dual major of mathematics and Russian. Later, she went on to take a PhD in Quantum Chemistry and worked as a research chemist. The focus throughout these decades is on working within disciplinary boundaries, a robust and prolonged **Expert** experience.

Achiever

Sparseness of data makes it difficult to determine when Merkel transformed into the **Achiever** action-logic, but she had certainly done so by 1990 when she chose to leave chemistry, join the new party Democratic Awakening, and become Deputy Spokesperson for the first democratically elected government of East Germany in 1990. With reunification of the two Germanys later

that same year, her party merged with West Germany's center-right Christian Democratic Union. She won election to parliament, was appointed Minister for Women and Youth and, in 1994, Minister for Environmental and Nuclear Safety. Clearly, she was now operating in a much wider political environment, achieving team goals by co-operating with others.

Redefining

Chancellor Kohl lost the Chancellorship, and after a subsequent party funding scandal, Merkel criticised her former mentor publicly and advocated a fresh start for the party without him (altogether a reframing, **Redefining** action-logic process, with hints of **Transforming** in her public confrontation of her former boss). She was subsequently elected in 2000 to become the first female leader of a German party. In 2005, Merkel narrowly won the national election and became Germany's first woman chancellor three weeks later, having negotiated a grand coalition with the party with the next most votes. The 16 ministries were divided equally between the two parties. She re-won the Chancellorship three more times (2009, 2013, 2017), working with a grand coalition each time. She has also played key leadership roles in the European Union and is the senior member of the G-7. Her non-charismatic, hard-work-ethic, compromising, micro-leadership style has led many to assess her as still operating from the **Achiever** action-logic. On the other hand, her astonishing world-wide success — emerging from the non-privileged demographic variables of femininity, a poor communist state, and a thoroughly a-political life experience during her first 45 years — identifies her as thoroughly **Redefining** within the scope of her own experience.

Indeed, her ability to alternate strong unilateral positioning on certain issues, like Germany's receptivity to Syrian refugees, while engaging in ongoing collaboration and compromise on others... and to do so at three different scales simultaneously (the national scale, the European scale, and the G-7 global scale, over a long time period (20 years) suggests that she may have evolved to the **Transforming** action-logic.

Warren Buffett as Developmental Exemplar?

To savor the **Transforming** action-logic more fully, let us now examine the life-long development of a leader about whom we know in exquisite detail because of Alice Schroeder's 2008 biography ***Snowball***. Most writers about Buffett have emphasized his gifted intellectual capacities and his relatively privileged upbringing — his father was a four-term Congressman, and Warren attended Wharton and Columbia — for his unparalleled success in business. Not only has he become, for years at a time, the richest man on earth, but he has also become a revered business guru, named the Oracle of Omaha. Stories about Buffett have also tended to emphasize how stable and constant Buffett has been throughout his life, remaining in the field of investing, living in the same unpretentious home and even eating the same all-American junk foods day in and day out.

By contrast, using Schroeder's biography as his raw material, Kelly (2011) has shown how many times Buffett has changed charactero-logically over his lifetime, through his own developmental efforts, with major support from his wife, Susie, and his business partner, Charlie Munger. In his study of Buffett, Kelly rated 32 randomly chosen episodes from different eras of Buffett's life on four distinct variables, resulting in an action-logic score for each episode. The first thing to note is that more than one episode was classified at each of the seven action-logics from Opportunist to Alchemical. The scored episodes were placed in chronological order and compared to the successive order predicted by developmental theory. Astonishingly, the theoretically-produced sequence of action-logics accounted for 93% of the variance in the actual empirical findings. As would be expected, there were several cases when an episode of the next later action-logic appeared toward the end of a series of episodes at the prior action-logic. In addition, there was only one ***major*** deviation from the theoretically predicted sequence — a case, to be discussed below, when Buffett experienced a prolonged fallback from the **Redefining** action-logic to the **Diplomatic** action-logic due to his divorce from Susie after 25 years of marriage. As with Merkel, Buffett's overall developmental story invites our readers to consider your own developmental periods to date.

Buffett as...

... Opportunist

*Buffett's first business ventures from (yes) six into his early teenage years reflect the **Opportunist** action-logic. His opportunistic business adventures often involved his talking others into doing things he would rather not have done himself. It is also the period in which he underperformed at school, ran away from home, and repeatedly stole golf equipment from Sears Department store.*

... Diplomat

*Buffett's early years in college broadly correspond with the **Diplomat** action-logic. By his own admission, he was socially awkward and emotionally immature at that time, at least in part because his mother's earlier abuse had led him*

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to build an emotional fortress around himself. Throughout his teenage years he sought friendship by using wacky humor and becoming a smart-aleck show-off to disguise his vulnerability. His attempts to fit in with others included reading and practicing ***How to Win Friends and Influence People*** *and taking a Dale Carnegie course in confidence building. Nevertheless, by the time he met his first wife Susie, he says he was near having a nervous breakdown.*

... Expert

Buffett's ***Expert*** *action-logic period begins with his introduction to and adoption of Benjamin Graham's value investment approach as his Bible, while studying at Columbia University. He went on to work for his mentor, Graham, and then started his own investment business. He concentrated on making short-term investments in 'cigar-butt' companies from which he would wring some unrecognized value before unilaterally closing them. (****Expert*** *is perhaps Buffett's dominant lifetime action-logic as it most obviously merges with his hard-wired logical/mathematical intelligence and rational temperament. These* ***Expert*** *qualities are evident from the age of six in his penchant for calculating odds and have continued to function as a base for his financial acumen to this day.)*

... Achiever

Warren became disturbed by the community anger at his closing of one of his 'cigar butt' investments. He was also developing a very close friendship with Charlie Munger. Charlie persuaded him to invest in 'good, long-lasting companies' instead of 'cigar butts,' inaugurating a more collaborative orientation in his business dealings. He created the Buffett Partnership (1957-1969), an amazing success that generated an annual rate of return of 24 percent for his investors versus 7 percent for the market index. $10,000 invested with Buffett in 1957 had turned into $157,000 in 1969 compared to $25,000 from investing in the market. Of this period, his daughter Susan said it was almost impossible to poke through her father's "fog of concentration." His wife Susie would describe it as his "holy mission" period. Buffett's new concern with sustaining already-healthy companies, his friendship with Munger, and his enormous financial success all correspond with the ***Achiever*** *action-logic's orientation toward goal-oriented team success.*

... Redefining

The ***Redefining*** *action-logic corresponds with Buffett's 'go it alone' period in his early forties when, encouraged by his wife Susie, he explored leading a calmer life. He now formulated his new strategy as "setting economic goals which allow for considerable non-economic activity." Susie got him involved in integrating Omaha's country clubs, in becoming a college trustee and serving on other boards, and, most striking of all, in converting from the Republican to the Democratic Party (some encouraged him to run for President).*

... Transforming

This relatively leisurely time came to an end with the merging of his various relationships and interests, including that with his closest business colleague and friend, Charlie Munger, into Berkshire Hathaway. The ***Transforming*** *action-logic corresponds with the remarkable period in which Buffett excelled in a wide range of investments and businesses at Berkshire, including his temporary but vital managerial role in stepping in from the Board and saving the Salomon & Brothers investment bank in the early 1990's. Characteristic of the* ***Transforming*** *leadership style, he operated in a highly collaborative fashion during the Salomon episode, not only with Salomon's management, but with government agencies and the business press. Indeed, he held an extraordinarily long press conference within minutes of becoming the interim Board Chair, answering reporters' questions with such honesty that the stock market began regaining trust in the company the very next day.*

... Alchemical

Finally, his Alchemical 'marriage-of-opposites' action-logic period, although foreshadowed by many events of 'magically' timely action like the Salomon episode, became predominant only with the death of his first wife Susie in 2004. His post-2004 period is marked by the gradual unwinding of his fortune in Berkshire (after a lifetime of compulsive accumulation). He also connected with his (now middle-aged) children at a deeper emotional level than ever before. He also married his long term partner, Astrid Menks. He announced succession plans for Berkshire (showing his willingness to accept his own mortality). Indicating his lifelong commitment to inquiry and truth-telling, he unleashed his officially sanctioned and unusually revealing biography (Schroeder, 2008). And finally, he took on an increasingly open engagement with the wider business community and society, in a role of business statesmanship.

Variables Influencing Buffett's Developmental Transitions

Less is empirically known about the ***dynamic processes*** of developmental transformation than about the ***comparative statics*** of the different action-logics, but the detail about Buffett's life offered by Schroeder's biography permits us to examine these processes. According to developmental theory, 'action-logic transformation' cannot be imposed from the outside, nor can it be activated solely from the inside by oneself. It can however be brought about by a "vulnerable, vigilant, duo-directional, mutually-transforming kind of power" — a kind of mutual dance — operating between two or

more developmentally different meaning-making and action-taking systems. These interactions between action-logics can occur on a first-person, a second-person, and/or a third-person scale — e.g. between a habitual subsystem and an exploratory subsystem within oneself; in an interpersonal mentor-mentee context; or when a person joins an organization or assumes a new job that operates at a different action-logic than one's previous one. Of course, all of these processes can be occurring at once. Moreover, the 'new' interactions may be developmentally progressive, regressive, or, more likely, mixed. Let us examine how some of these interactions operated in three of Buffett's progressive transformations, as well as in his one, major experience of regressive fallback.

Dynamic Processes in Buffett's Opportunist to Diplomat Transformation

*In Buffett's transformation from the **Opportunist** to the **Diplomat** action-logic, he felt a 'first-person push' as he gradually lost faith in his current **Opportunist** meaning-making and action-taking system because of his continuing difficulty in getting on with others of his own age, particularly girls, once he got to college. At about the same time, he began experiencing a 'third-person pull' when he encountered Dale Carnegie's legendary book **How to Make Friends and Influence People.** The Carnegie approach wooed Buffett toward the **Diplomat** perspective. Warren would literally count how much longer his conversations with girls became if he followed Carnegie's advice not to criticize, but rather to offer "sincere appreciation" of his conversation partner. (Needless to say, this 'geeky,' 'proto-**Expert**' way of making friends didn't solve all Warren's problems in this domain.) On a third-person, organizational level, Buffett was being pulled out of his home and local high school into college, where one could no longer count on the support of local and family norms.*

*In spite of these different pushes and pulls toward the **Diplomat** action-logic, Buffett remained shy, overbearing, and uncomfortable in social relations until he met and very slowly won Susie Thompson. He wooed her, as awkward as ever, by playing the ukelele for her father while she was out dating other guys. This sounds funny and sad, and derives from the fact that both Warren and his sister were severely emotionally abused by their mother when very young. Their mother would explode at them after her husband left for work in the morning. As Buffett later recounted, "There would be this flash and then it didn't subside. All your past sins would be brought up. It was just endless (Schroeder, 2008, 47-48)." It would go on for an hour, or even two, until both children were weeping helplessly. His sister says that Warren built an emotional moat around himself from this time and avoided conflict if at all possible.*

*This is the moat that Susie eventually devoted herself to help drain when she decided to marry Warren. As he later said, "I had all these defense mechanisms that she could explain but I can't... She made me feel like I had somebody with a little sprinkling can who was going to make sure that the flowers grew... I needed her like crazy. I was happy in my work, but I wasn't happy with myself. She literally saved my life. She resurrected me. She put me together. It was the same kind of unconditional love you would get from a parent (Schroeder, 2008, 179)." But, although Warren now learned how to befriend others in a more authentic way, he remained deeply dependent on Susie to manage their family and social life, as became glaringly evident when, after 25 years of marriage, Susie insisted on a 'friendly' divorce. Warren became utterly bereft and disheveled, his home became a dump, and he was barely capable of working at all for at least six months. This 'loss of self' and fallback to **Diplomat** was Buffett's one episode of significant and relatively long-lasting developmental fallback; the one that most reduced the correlation in Kelly's study between the theoretical developmental progression and Buffet's actual experience. (We will explore the issue of 'fallback' in more detail on the next page.)*

Dynamic Processes in Buffett's Achiever to Redefining Transformation

*Before she divorced him, Susie played another 'second-person pull' role in his development — this time between the **Achiever** and **Redefining** action-logics. At a time when Warren was beginning to wonder whether money-making was all there was to life, Susie made a major effort to shake him out of his complete pre-occupation with business matters toward a less compulsive and more sociable approach to life, as described in the earlier paragraph about Buffett's **Redefining** period.*

Dynamic Processes in Buffett's Transforming to Alchemical Transformation

*Even more astonishing, Susie played a key role in yet another one of Warren's transformations — this one from the **Transforming** to the early **Alchemical** action-logic. In the early 2000s, Susie became terminally ill with cancer. Warren visited her in San Francisco an astonishing 49 weekends in a row, and they of course had many conversations about her death and the family's future after her death. His grief after her death was total, long-term, and disabling. But gradually, as his sister would say, it came to seem as though Susie had willed him some of her energy, emotional fluency, and generosity. He surprised their own children (now long since middle-aged), as well as everyone else, by developing a closer relationship with them. He also more convincingly overcame his obsession with accumulating money by giving the vast preponderance of it away to the Bill and Melinda Gates Foundation.*

Although we do not possess a biography of Susie Thompson Buffett with anything like the detail of Schroeder's biography of Warren, we can nonetheless speculate with considerable confidence, given the effects of her actions on Warren, that she had reached the **Redefining** action-logic by her early twenties and probably continued her development after that. Her role in Warren's life epitomizes the role that 2nd-person mentoring can play in developmental transformation. Indeed, the author is aware of no other historical case of a single mentor catalyzing three distinct developmental transformations in a mentee.

Fallback as a Phenomenon and as a Resource for Personal Development

Although developmental theory generally describes individual development as progressive (until, in most cases, it reaches an action-logic at which it plateaus), there are at least two conditions in which a person may act at an earlier action-logic than their current center-of-gravity action-logic. The first condition is when an interaction or a project is itself at an earlier stage of development and the actor, recognizing this, strategically chooses to make a contribution at that earlier action-logic. The second condition is when, as in Buffett's case, prior trauma or present stress activates involuntary 'fallback' to an earlier action-logic.

Since the 2005 HBR article, two different doctoral dissertations (McCallum, 2008; Livesay, 2013) have studied the phenomenon known in adult development research as 'fallback'. This is colloquially described as 'getting your buttons pushed'. Fallback can occur because you are tired, or stressed, or angry, or because an unresolved childhood pattern of trauma has been activated. Typically, a fallback response to another person or group makes the presenting issue more difficult to resolve. Therefore, as leaders, it is useful to know how prone we are to fallback, what action-logic we most commonly fallback to, and how quickly we can recover from it in decision-making and action-taking situations.

For example, a leader whose center-of-gravity action-logic was measured as **Transforming** came to recognize that, especially at the end of work days, when he was more tired, he had a tendency to revert to the **Diplomat** action-logic and 'give away the store' by acceding to decisions or actions with which he did not really agree. Instead, he committed to the practice of responding to colleagues — whenever he felt vulnerable to such a fallback response — that he would think the issue out overnight. In this way he could come back fresh the next morning with the advantage of unpressured reflection at his true center-of-gravity action-logic. It is worth adding that this was no easy change to make because he initially felt badly about delaying the decision. Gradually, however, he realized that this was another manifestation of his **Diplomat** fallback and that others were generally not bothered by his 'overnight' request.

An even more powerful capacity with regard to recovering from fallback is to become aware of it as it occurs, by exercising post-cognitive consciousness in the present moment. This kind of effort is necessary if one is to become aware of and be able to transform the existing norms and assumptions of any social situation; the exercise of post-cognitive consciousness becomes an increasingly valued practice as one journeys into and through the post-conventional action-logics — **Redefining**, **Transforming**, and **Alchemical**.

In his 2008 study of fallback, McCallum empirically confirmed this theoretical claim in a new and important way. He studied 18 participants at a three-day Tavistock Group Relations Conference. First, he had their GLP scores tested ahead of time, but not returned to him until nearly a year later, after he had finished analysis of all the interview data. He interviewed the participants repeatedly during the conference, as well as two months later, about why they acted as they did, including in cases of fallback. His hypothesis was that he would find that persons who scored at earlier action-logics would describe more instances of fallback than persons who scored at later action-logics. Imagine his initial shock when he computed his findings and discovered no such correlation. Indeed, he found that there was an ***inverse*** correlation: the later the participant's action-logic, the ***more*** cases of fallback they reported. How could this be explained?

Going back from his statistical summaries to his raw data, McCallum began to realize there was an additional important variable that he had recorded, but had not yet related to the fallback phenomenon: how frequently participants exercised what McCallum named 'adaptive self-scaffolding' to escape fallback. McCallum explicated 52 types of self-scaffolding, including 'mindfulness,' 'trusting the process,' 'prayer,' 'recalling intention,' 'stepping back to observe self and others,' and 'attending to one's breathing.' All participants reported instances of receiving external support for emerging from periods of fallback, as well as instances of adaptive self-scaffolding. However, participants at the earlier action-logics reported more instances of external support and fewer of adaptive self-scaffolding, whereas later action-logic participants reported fewer instances of external support and more instances of adaptive self-scaffolding. Indeed, while the early action-logic participants (3 Experts and 9 Achievers) reported an average of 5.2 episodes of self-scaffolding, the later action-logic participants (5 Redefining, 1 Early Alchemical) reported an average of 10.5 self-scaffolding experiences.

Moreover, the one person measured at Early Alchemical, who had reported the most cases of fallback, had been able to recognize most of them within seconds and had been able to work to correct their impact. Those measured

at Redefining recognized most of their fallbacks within the same session as the fallback episode. Persons at the Achiever and Expert action-logics recognized their fallbacks mostly in their interviews later in the conference or two months later in their post-interview. Thus, in conclusion (and recognizing that this is but one study with a relatively small number of subjects), this study suggests one important reason why development to later, less-convention-bound action-logics is key for a leader's transformational efficacy. Their increasing dedication to efforts at becoming 'conscious' in the moment of action permits them to recover from fallback immediately, and to make timely interventions in a team's or an organization's processes, rather than remaining captured by the untimely effects of their fallback-influenced interpretations and actions. Presumably, most readers will be attracted by the possibility of identifying and counteracting fallback behavior before it does harm (Herdman-Barker & Erfan, 2015).

Power and Inquiry at Different Action-Logics

A striking difference between the convention-bound action-logics and the convention-redefining action-logics is that: whereas power and inquiry are treated as irreconcilable opposites at the early, convention-bound action-logics, they are increasingly treated as mutually necessary at the later action-logics. We next examine the assumptions about power and inquiry at the different action-logics, inviting you to explore which types of power and inquiry you habitually exercise and which you may wish to experiment with in your future practice.

Since each action-logic represents an entire, implicit worldview, it follows that major abstractions like 'power,' 'inquiry,' 'time,' 'wealth,' and 'love' mean different things to, and are enacted differently by, persons at each action-logic. And since each later action-logic is inclusive of the earlier ones, the meanings of each concept like 'power' and 'inquiry' become increasingly complex and flexible as one develops. In reflecting on past practice, or framing possible future action experiments at a later action-logic than one's current center-of-gravity, a leader's imagination can be stirred by considering the different types of power and inquiry, and other variables available at the different action-logics. Through qualitative research on their own practice, a small group of late action-logic leadership development professionals have reached provisional consensus on the following table of very brief descriptions of how 'power' and 'inquiry' are understood and enacted at each action-logic. After the table, we will examine the many kinds of power and inquiry exercised by Warren Buffett during the three-day emergency in 1991, when his leadership saved Salomon Brothers from bankruptcy.

Power and Inquiry at Seven Trans-clusive* Action-Logics

*"trans-clusive" means each later action-logic "transcends and includes" all one's earlier capabilities
Aftab Erfan and William Torbert, 2015

Opportunist action-logic *Wins for self however possible*	**Coercive power:** "hard power"; using unilateral force –and the threat of unilateral force- to get desired results; believes that "might makes right" (Hobbes), only the right behavioral stimuli generate the desired responses (Skinner).	**Inquiring for quick personal wins:** Minimal inquiry, maximum advocacy; questions for self-advantage or exploitation: "Can you match the competitor's offer?"
Diplomat action-logic *Wants to win by belonging, fitting in, and avoiding conflict*	**Charming power:** "soft power"; relying on charisma, seduction, diplomacy, covert manipulation, self-disclosure to attract support (e.g. running for political office).	**Inquiring into others' preferences:** Questions to discover the prefrences or norms of other people or groups, so as to create harmony: "What would you like to drink?"
Expert action-logic *Focuses on logic and expertise to win*	**Logistical power:** "smart power"; use of logic, professional disciplines, systems analysis & of institutional position or process to get something done.	**Inquiry into theory and facts:** search for 'truth'; professional or scientific fact-finding: deference to expert authority; deliberate, critical, detail-oriented questions: "What evidence supports that argument?"
Achiever action-logic *Drives for personal & team success*	**Productive power:** actually producing a product, service, or sheer action valuable to self or others, most often in co-ordination with a team, welcoming behavior-changing single-loop feedback that helps reach goal.	**Inquiry to achieve practical goals:** Single-loop questions to assess current behavior and tactics; Questioning whether current action is leading to desired outcome; "Am I talking too fast?" "Do you have objections to what I am proposing?"

Redefining action-logic *Reframes situations in unique ways*	**Visioning power:** using imaginative, artistic, mutually-trust-building faculties and disciplines, alone in nature and with committed colleagues or friends in society; to create new visions of the future for a conversation, meeting, organization, etc.	**Inquiring into new possibilities:** tilt to more frequent inquiry; awareness of multiple perspectives and of the difficulty co-ordinating them; questioning assumptions; "What if we used a different metaphor?"
Transforming action-logic *Generates organizational and personal transformation in self, society, and science*	**Praxis power:** inquiring with others, to spot, articulate, and correct incongruities between theory and practice, thus increasing individual, relational and organizational integrity, alignment, and efficacy; structure-challenging double-loop feedback especially welcome.	**Collaborative inquiry:** inquiring with others and alone, to spot, articulate, and correct incongruities; especially between espoused values and actual patterns of behavior. "Are we at a point when we can delegate the decision details to a subgroup and get out of the way?"
Alchemical action-logic *Acts with kairotic timeliness & clownish vulnerability (Socrates? Jesus? Hildegaard of Bingen? Gloria Steinem?*	**Mutually-transforming power:** 1st-, 2nd-, and 3rd-person practices of vigilant and vulnerable presence to one another that generates power via love and inquiry; interweaves previous types of power. Welcomes paradigm-questioning triple-loop feedback (e.g. MLK's 1963 'I have a dream' speech and the non-violent civil rights movement)	**Moment-to-moment inquiry:** challenging oneself and others to be continuously aware; questioning how apparent contradictions can become creative tensions; assessing alignment of intent, strategy, pattern of action & outcome; 'triple-loop action inquiry'; "How can I express my anger constructively right now?"

Buffett's Exercise of Many Types of Inquiry and Power in Rescuing Salomon Brothers from Bankruptcy, 1991

Probably the single sustained act that most strongly supports that Warren Buffett was operating from the **Transforming** action-logic by the 1990s was his role in rescuing Salomon Brothers investment bank from bankruptcy in 1991, by exercising every type of power and inquiry described in the above table. Describing his early actions in the rescue will illustrate just how rare are leaders' with **Transforming** capacities. (The following case description represents a much-condensed version of Schroeder 2008, pp 562-596.)

*Buffett had a $700 million investment stake in the company and sat on its board. A crisis brought on by illegal bidding and a subsequent cover-up within the company resulted in a front-page revelation by the New York Times, with a photo of the Chairman of the Board, John Gutfreund. Gutfreund called Buffett at 6:45am Omaha time (waking him up) to tell him the NY Federal Reserve Board was requiring Gutfreund's immediate resignation. Salomon's stock would not open for trading that (Friday) morning. Although reluctant, Buffett told them he would consider becoming interim Board Chair, thereby committing the reputation he had built over a lifetime to rescuing the company (**charming power**). He told Salomon's staff to hold the press release until he arrived in New York that afternoon (**coercive/logistical power**). NY Federal Reserve President Gerald Corrigan met with Buffett, insisted on many specific changes at Salomon, to all of which Buffett agreed (**charming power**). Nevertheless, Corrigan retained the power to disband the firm.*

*On Saturday morning, Buffett conducted 15-minute interviews with the candidates for CEO, the most important personnel decision he'd had to make in his life. He needed to choose one before the scheduled press conference on Sunday afternoon. He told them he would ask them all the same question: Who did they think would be the best CEO? (**Inquiring into new possibilities** and **Collaborative inquiry**) Meanwhile, he was asking himself whom he could most trust to change the 'fast and loose and arrogant' culture of the company and to tell him anytime there was bad news within the firm, so that the same situation of unreported malfeasance would never again arise. He ended up choosing the candidate who had not been working in the New York office, who was most often mentioned by the other candidates, and who had been most elegantly forthright in his response to the 'best CEO' question: "I'm afraid most of the others will point to me, but I will be willing too serve under whomever you appoint." (Here, Buffett's used **logistical power** to craft the overall procedure for making a decision in a single day, a process that would ordinarily take months; while the question he posed generated a **Collaborative inquiry** among those engaged, even though they did not meet as a group.)*

*On Saturday afternoon, Buffett met with Gutfreund and his lawyer, who argued that Gutfreund deserved a $35 million severance package. Buffett refused because such an agreement at this moment would overshadow all the changes Salomon needed the press to highlight they were making. Buffett promised to treat Gutfreund fairly and emphasized that he had never before broken a promise. (Here, we see a complex exercise of **praxis power** — giving priority to enacting a new vision and culture for Salomon, Warren's promise itself a manifestation of a new authenticity.) Such talks with senior managers concerned about their futures continued late into Saturday evening.*

Sunday became the tensest and most grueling day of all. Just before the morning Board meeting at which Buffett and the new CEO would be voted in, in preparation for the 2:30pm press conference — a message arrived that, at any minute the Treasury Department was going to bar Salomon from

bidding at Treasury auctions. This would be a bullet in the firm's head. Buffett called Treasury, but could not reach Secretary Brady and was told it was too late, though Buffett begged that Brady return the call. One of the firm's senior executives sought help from the Chairman of the Securities and Exchange Commission who turned him down declaring Salomon was "rotten to the core." Buffett sat by the phone, unwilling to hold the Board meeting and become Board Chair, if the only task were to be dismantling the company. Secretary Brady called, and Buffett, whose arguments were having no effect, made a personal plea, "Nick, this is the most important day of my life." (Buffett's unprecedentedly vulnerable plea carried the potential for ***mutually-transforming power****.)*

*The time for the press conference (when senior managers would also learn their future) passed and still Buffett waited by the phone. He envisioned himself walking into the press conference and saying "We've just declared bankruptcy." Finally, the assistant secretary of the Treasury called and said the Treasury would compromise: Salomon could bid for its own accounts (the critical issue for the firm), but not for customers. The board erupted with relief and joy for a minute, Buffett oversaw the election of himself and the new CEO in two minutes (****productive power****), and headed downstairs for the trading floor.*

*The press was prepared and eager to crucify this proud and arrogant firm. Question upon accusing question rained down upon Buffett, who was prepared, in a total departure from conventional custom, to answer each one honestly, revealingly, and sometimes even humorously. What had happened? "The failure to report illegal bidding is, in my view, inexplicable and inexcusable." Had the culture caused the scandal? "I don't think the same thing would have happened in a monastery." What would he get paid for the thankless task he was undertaking? "I'm going to do this for a dollar," he said. And so it went, hour after hour. (****Opportunist*** *questions for quick wins;* ***Expert*** *fact-finding questions;* ***Transforming*** *incongruity-seeking questions.) By the end of the afternoon, the firm's reputation had been re-conceived with Buffett's integrity, honesty, responsiveness at the core. ...It would take months more to extract all the rot.*

Over this weekend, Buffett had led the company, the government agencies, and the press through a tension-filled Collaborative inquiry, exercising all seven different types of inquiry and power at different moments, not due to fallback, but rather as part of a larger strategy that he was inventing from moment to moment. Would that more leaders develop such capacities for transforming action.

The Theory of Horizontal, Diagonal, and Vertical Development

Since 2005, adult development theory and action inquiry have become much more widely recognized as a paradigm-changing approach to leadership. Indeed, Collaborative Developmental Action Inquiry is a theory about the *multiple* paradigms of leadership, organizations, and social science, and how to transform among them toward increasingly timely action. Recently, the individual theory has been increasingly referred to as "Vertical" leadership development, as contrasted with "Horizontal" management training. The idea is that *horizontal* training can transmit new and critical skills and *competencies* to employees without challenging their current leadership action-logic. By contrast, only vertical development to more embracing action-logics generates new *capacities* for complex, principle-based, context-and-culture sensitive, collaborative, conscious action that is timely and potentially transformative across multiple time horizons and social scales.

The reference to 'vertical' is meant to convey that each later developmental action-logic introduces us to a 'higher consciousness' that includes everything known to that point, but is also aware of, and therefore no longer imprisoned by, the assumptions limiting the horizons of the earlier action-logics. One progresses to higher and higher 'balconies' — to an 'eagle's eye' point of view — from which one appreciates the complex interweave of temporal horizons and social scales in determining what action is timely. As powerfully explanatory as this theory can be, its great danger is that it invites persons who learn it cognitively to imagine they have transformed to a later, more elite action-logic by virtue of learning some of the language about that action-logic. This, in turn, can lead them to feel (and act) superior to others. Actually though, if someone is acting superior to others, that is data that they are still imprisoned within the early action-logics. More complex thought is not equivalent to higher consciousness. On the contrary, preoccupation with complex thought may hide the quality of one's own and others' ongoing feelings and actions from one's awareness.

In order to reduce this danger of ego-inflation and to support more truly transforming development, we suggest that there are actually three distinct kinds of learning: horizontal, diagonal, and vertical. *Horizontal learning* we have already characterized above. *Diagonal learning* involves the occasional process of transforming from one action-logic to the next through a combination of increasingly complex thinking about action and occasional, Vertical, moments of 'bare attention' or 'presence in the present' in action.

Vertical learning is a term we reserve for the condition when we exercise bare attention to our embodied selves and our complex interaction with others in the outside world. As we approach the **Alchemical** action-logic, we exercise this post-cognitive attention more and more continually, observing ourselves alternating among all the earlier action-logics and between more and less complex thinking and acting. Instead of transforming the leadership assumptions to which we are subject once a decade, at the **Alchemical** action-logic we

transform whatever subjective assumptions we temporarily fall into, into variables of which we are immediately aware and which we can therefore more objectively manage in the present.

Developmental theory offers an overview of the long personal journey to the point of continually transforming subject into object. This process is approached by gradually cultivating simultaneous, Vertical, awareness of four territories of experience. These four territories are: 1) the *outside world*, 2) our *own embodied actions*, 3) our ongoing *thinking/feeling*, and 4) *post-cognitive consciousness* (Torbert, 1972, 1991, 2004). The young **Opportunist** masters some aspects of the *outside world* (physical) territory of experience. The **Diplomat** gains some control of the territory of *his or her own actions* in order be accepted by some peer group. The **Expert** disciplines some aspect of the *thinking* territory in order to do good work. The **Achiever** attempts to coordinate these first three territories of experience (thought-out plan, behavioral act, and feedback from the outside world) in the course of getting things done in team contexts.

Redefining, **Transforming**, and **Alchemical** leaders are experiencing more and more moments and episodes of post- cognitive, 'bare' consciousness and of simultaneous four-territory experiencing in the midst of action. Paradoxically, as noted earlier in the discussion of fallback, the later one's action-logic, the more one notices on a daily and hourly basis that development is a fluid and sometimes jagged affair, a process of 'imperfect beauty' (Herdman-Barker & Wallis, 2017), whereby the action-logic one is embodying varies from one situation to the next, sometimes errantly, sometimes appropriately.

As implied by the four territories, vertical development goes both ways, up and down. On the 'down' side, development requires becoming more ongoingly aware of our *embodied actions* in our professional and personal practice, as well as our *effects on the outside world*. On the 'up' side, vertical development requires, not just increasingly complex thinking and fluid feeling about what is concurrently occurring at different scales of social process and different time horizons... but also, and more profoundly important, a *post-cognitive, in-the-moment consciousness*. This can generate reliably timely, leaderly interaction in the realms of visioning, strategizing, performing, and effectuating.

Continued Innovation Democratizing and Intensifying Developmental Action Inquiry

Our long-term intent is to attract a widening public to the active practice of action inquiry. We can accomplish this partly through real-world examples of its efficacy and transforming capability, such as those in this article. But we realize that our measure of a person's action-logic, the Global Leadership Profile (GLP), though unusually valid and meaningful as an introduction to developmental inquiry, is simply too expensive for most adults in the world. Consequently, in collaboration with the Center for Creative Leadership, we have created a 'card game' called "Transformations" at a small fraction per person of the cost of the GLP. "Transformations" consists of several re-usable decks of cards that permit individuals to make their own Vertical Self-Estimates and permit teams or classes or families to engage in conversations about their lifetime development. (more information can be found at www.gla.global/transformations-deck-online). These decks are already being used in Africa and Asia, and will shortly be joined by on-line versions that will be even less expensive on a per person basis.

We wish not only to democratize the action inquiry work, but also to intensify the work of our organizational clients with it. Alongside Elaine, my other Co-Founder of GLA and Managing Director, Richard Izard, has built on the strong foundations of the past by integrating Vertical Development and Action Inquiry into the very heart of organisations' leadership planning. For years, the holy grail of leadership development has been to be able to measure the impact of an intervention — such as taking the GLP, receiving coaching, and engaging in action inquiry exercises — on leaders. Earlier research (Torbert, 2004, 2013) has shown that a full individual or organizational transformation rarely occurs in less than two years of intentional effort.

Given our overall findings that developmental progression is possible among adults and that late action-logic leadership is essential for successful organizational transformation, two responses to these findings are possible. One response is to intensify interventions in short-run leadership development programs. Global Leadership Associates has recently introduced two new feedback tools for this purpose: the GLA Comparative Growth Report and the GLA

Themes Report. The Comparative Growth Report, compiled for each individual by an experienced GLP Commentator, shows how a leader's thinking-in-action has changed over the program period, whether or not it has progressed by a full action-logic. This permits the leader, debriefing with a GLA coach, to confirm what specific progress (if any) has occurred and to clarify what his or her next challenges are. The GLA Themes Report takes the feedback from a group of GLP debriefs within a given organization and draws out underlying cultural patterns across the organization that either facilitate or block personal and organizational transformation. Awareness of such patterns is critical for leadership success.

The second response to the lack of full developmental transformation in leadership programs of less than one year's duration is, obviously, to make them longer. This can be done at reduced expense by focusing the second year less on separate programming and more on team and organizational change initiatives by the leadership development cohort, including participation as staff for the following leadership development cohort. This article and three CDAI-related books can be especially useful supports for such initiatives. The three books are Torbert, *Action Inquiry* (2004), Allen & Gutekunst, *Streetsmart Awareness and Inquiry-in-Action* (2018), and Harcus, *Transforming Conversations: The Bridge Between Individual Leadership and Organizational Change* (2020).

Conclusion

Since the 2005 HBR "Seven Transformations of Leadership" article, much of the research conducted in the field of Collaborative Developmental Action Inquiry (CDAI) has been third-person research on the first-, and second-person action inquiry of practitioners, with increasing attention to leaders at the later action-logics, particularly leaders at the two fastest growing action-logics in our GLP samples — **Redefining** and **Transforming**. In this article, we have shared evidence of the practice of two **Redefining** leaders — 'Janine' and German Chancellor Angela Merkel. We have also, and at greater length shared evidence of Warren Buffett's changing practice as one quantitative confirmation that the developmental action-logics tend to unfold successively. We have also explored some of the catalytic factors at play in his different transformations, bringing to light the remarkable role of Susie Buffett's mentoring. We have focused on the role of fallback, both in impeding and, in some cases, facilitating development. We have introduced the different types of power and inquiry that become additionally available with each later transformation, and we have illustrated how — in a situation of maximum tension among social institutions and individual players — a **Transforming** leader (Buffett again) interwove the exercise of multiple forms of power and inquiry in unique and masterful fashion. We have closed with two short discussions, first of our current efforts to democratize and intensify the impact of CDAI through the *Transformations* and *Vertical Self-Estimates* card decks and on-line versions; and second, of the theoretical relationship among Horizontal, Diagonal, and Vertical learning.

A great limitation of this article is that it only obliquely points toward the dynamic processes through which developmental transformations occur — the processes of action inquiry, much more fully described in Torbert's *Action Inquiry: The Secret of Timely and Transforming Leadership* (2004), as well as Bradbury, 2015, and Nicolaides and McCallum, 2013).

Our great hope for this article is that it and the actions of the widening action inquiry community play an increasingly significant role in the coming two decades in supplanting both right wing and left wing political leadership, as well as both laissez-faire and authoritarian organizational leadership, with deliberately-and-spontaneously collaborative and developmental leadership.

Two of the organisations that have Action Inquiry and the GLP at the core of their work, in transforming individuals, teams and organisations are Global Leadership Associates (creators of the GLP) and Amara Collaboration. For more details please visit gla.global and amara.fi.

Torbert received a BA, magna cum laude, in Political Science & Economics and a PhD in Administrative Sciences, both from Yale University, holding a Danforth Graduate Fellowship during his graduate years. He founded the Yale Upward Bound (War on Poverty) program and the Theatre of Inquiry, and taught at Yale, Southern Methodist University, and Harvard prior to joining the Boston College faculty in 1978.

His eleven books include the national Alpha Sigma Nu award winning Managing the Corporate Dream (Dow Jones-Irwin, 1987), the Terry Award Finalist book The Power of Balance: Transforming Self, Society, and Scientific Inquiry (Sage, 1991), and his latest, co-authored with action inquiry colleague Hilary Bradbury, entitled Eros/Power: Love in the Spirit of Inquiry (Integral Publishers, 2016). His 2004 Berrett-Koehler book, Action Inquiry: The Secret of Timely and Transforming Leadership is still in print and has been translated into Japanese, Chinese, and Russian.

Also a longterm consultant and Board member, his recognitions include the 2008 David Bradford Career Teaching Award, the 2013 Center for Creative Leadership Walter F. Ulmer Jr. Award for Career Contributions to Applied Leadership Research; and the 2014 Chris Argyris Career Achievement Award from the Academy of Management.

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** With deep thanks to all the action inquiry community members who both did so much of the research cited in this article and offered so much helpful feedback on earlier versions of this writing: Hilary Bradbury, Aftab Erfan, Elaine Herdman-Barker, Richard Izard, Ed Kelly, Valerie Livesay, David McCallum, Cara Miller, Aliki Nicolaides, Nick Owen, Nancy Wallis,Karen Yeyinmen and my wife Reichi.*