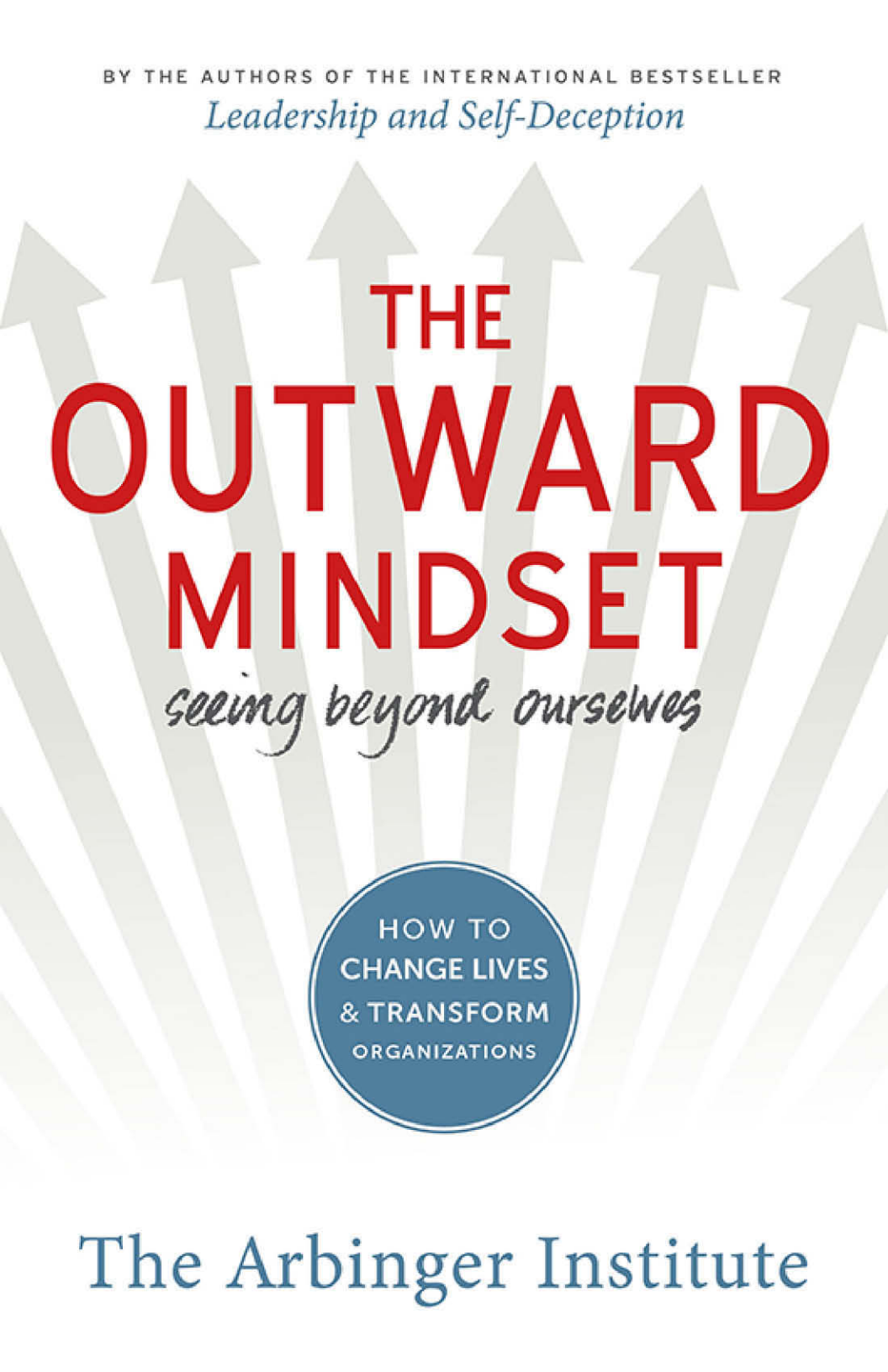


BY THE AUTHORS OF THE INTERNATIONAL BESTSELLER

*Leadership and Self-Deception*



THE  
OUTWARD  
MINDSET

*seeing beyond ourselves*

HOW TO  
CHANGE LIVES  
& TRANSFORM  
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The Arbinger Institute

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## The Outward Mindset

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*How much larger your life would be  
if your self could become smaller in it.*

G. K. CHESTERTON

# Contents

Preface .....	ix
<b>Part I Something New</b>	
1 A Different Approach .....	3
2 What Shapes Behavior .....	13
3 Two Mindsets .....	21
4 Seeing Truthfully .....	29
<b>Part II Exploring the Outward Mindset</b>	
5 Getting out of Our Own Way .....	39
6 The Lure of Inwardness .....	51
7 The Outward-Mindset Solution .....	59
<b>Part III Becoming More Outward</b>	
8 The Outward-Mindset Pattern .....	69
9 Applying the Outward-Mindset Pattern .....	79
10 Don't Wait on Others .....	93
<b>Part IV Multiplying Mindset Change</b>	
11 Start with Mindset .....	107
12 Mobilize around a Collective Goal .....	115
13 Allow People to Be Fully Responsible .....	121
14 Shrink Distinctions .....	133
15 Turn Systems Outward .....	141
16 The Road Ahead .....	153
Notes .....	163
List of Stories .....	165
Index .....	168
About The Arbinger Institute .....	173



## 2 • *What Shapes Behavior*

Countless books on personal improvement and organizational transformation recount the behaviors and actions of people who have achieved remarkable results with the promise that, by replicating their behaviors, you can achieve similar outcomes. This formulaic approach to improvement takes as its starting point the simple idea that behaviors drive results. This idea is illustrated in diagram 1: the behavioral model. In this diagram, the triangle represents a person's or an organization's behaviors or actions. The model presumes that the collective behaviors of a person or organization are what produce the results that person or organization achieves.

Diagram 1. **The Behavioral Model**

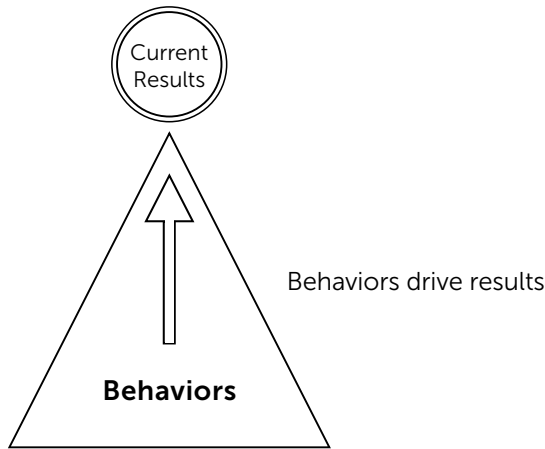
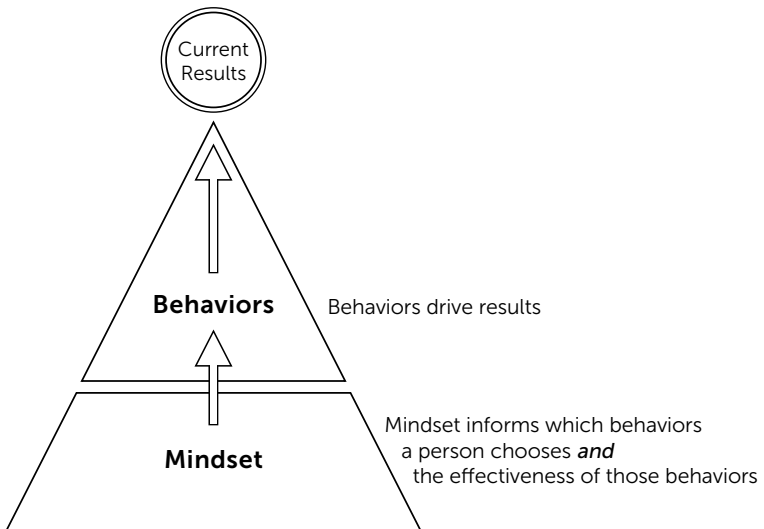


Diagram 2. **The Mindset Model**

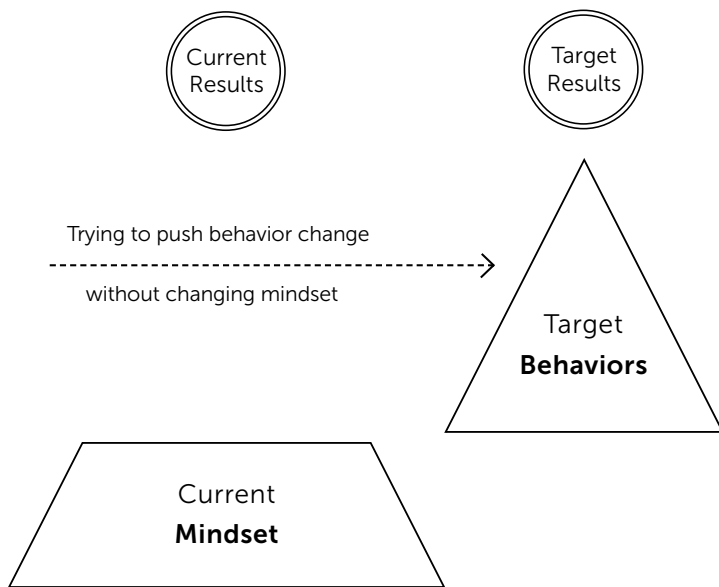
companies that overlook this stage.”<sup>2</sup> Think about that. Those who attempt to effect change by concentrating on changing mindsets are *four times* more likely to succeed than those who focus only on changing behavior.

With these findings in mind, consider two different performance-improvement approaches. In the first approach, a person or organization attempts to push behavior change while neglecting mindset change, as shown in diagram 3 on the next page.

If a person or company tries to get people to adopt new behaviors that aren’t supported by their underlying mindset, how successful do you think such a change effort will be?

In response to this question, one executive we were meeting with said, “Some leaders, through charisma, willpower, or constant micromanaging, may be able to drive this kind of change in

Diagram 3. **The Behavior-Push Approach**



the short term, even without an accompanying degree of mindset change. But in my experience, it won't last. When that leader leaves, if not sooner, things will snap back to where they were."

Others in the meeting agreed. "Without a change in the prevailing mindset in an organization," one of them said, "behavior-change efforts tend to be resisted. While 'compliant' behavior by employees might be achievable, at least to some degree, 'committed' behavior won't happen without a change in mindset. And it's committed behavior that makes the biggest difference."

Is the same thing true in your experience? In your work life and in your home life, what have you noticed happens (or

doesn't happen) when people try to push behavior change in a culture where the mindset remains unchanged?

Contrast the behavior-push approach with an approach that includes a focus on mindset change. Diagram 4 shows the approach Chip initiated within his SWAT squad when he started working on mindset change.

A focus on mindset change among Chip's team members led to dramatic improvements in their behaviors and results. As their story illustrates, when you sufficiently improve the mindset—either of an individual or of an organization—you no longer have to specify everything each team member is supposed to do (the way those who operate from a behavioral model often assume). As the mindset changes, so does the behavior, *without having to*

Diagram 4. **The Leading-with-Mindset Approach**

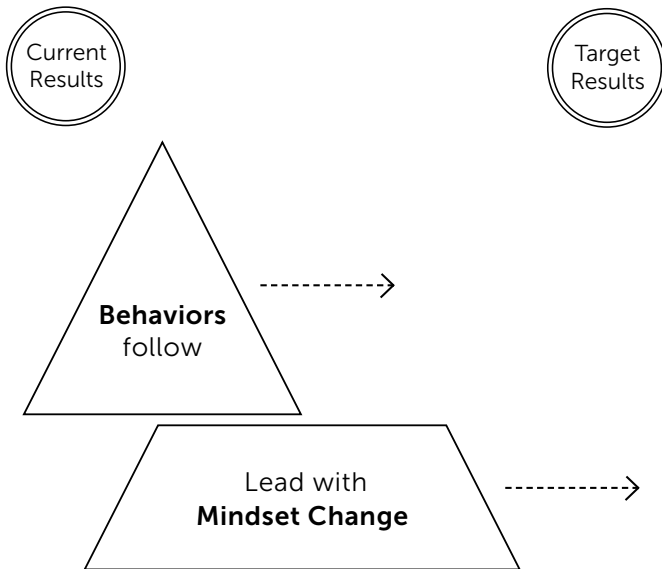
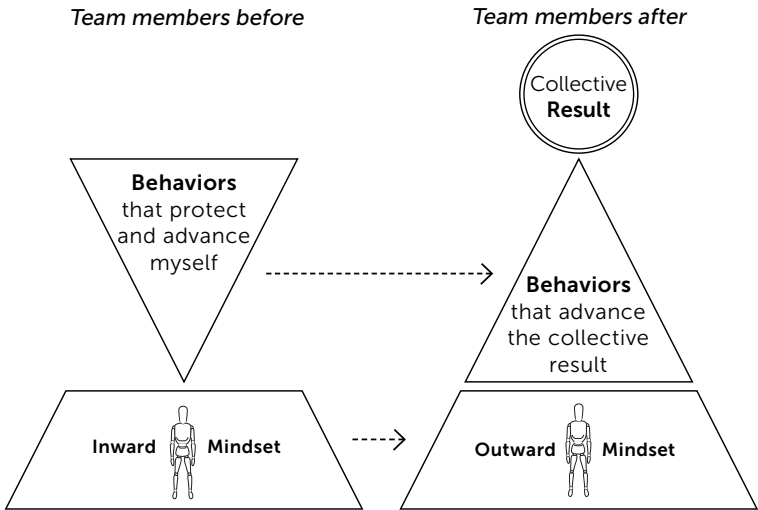


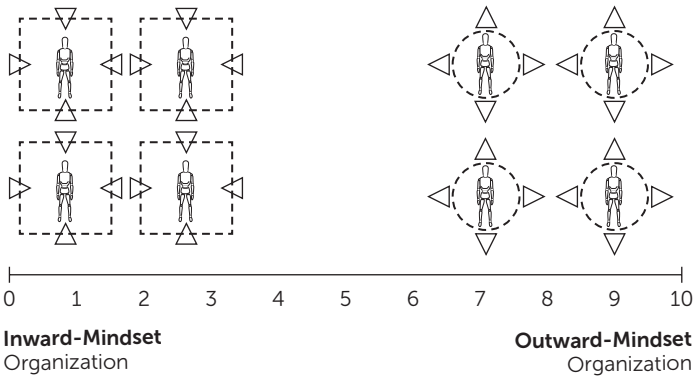
Diagram 5. Louise's Team



The team had a collective target result. They needed to cut \$100 million in costs. In the beginning, they were understandably concerned about their own futures with the company. All were strongly motivated to preserve their own positions and status in the organization. With this mindset, they could consider only those options that would advance their own agendas. We illustrate this by pointing the behavior triangle at the person. We call this way of operating an *inward mindset*.

When they broke free from the constraints of self-concern, the team members were able to consider options that hadn't occurred to them when their mindsets were inward. Focusing together on the collective result, their mindsets turned *outward*. We illustrate this by pointing the behavior triangle at the collective result.

Diagram 6. The Mindset Continuum



the problem of self-deception that we wrote about in *Leadership and Self-Deception*.

Whatever the scores are, the objective is to move individuals and organizations further to the right on the mindset continuum. Why? Because accountability, collaboration, innovation, leadership, culture, and value to customers all improve as organizations increasingly apply an outward mindset in their strategies, structures, systems, processes, and day-to-day work.

Diagram 7. **The Outward Mindset and Others**

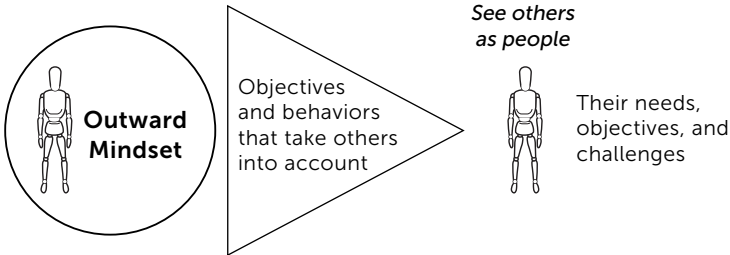
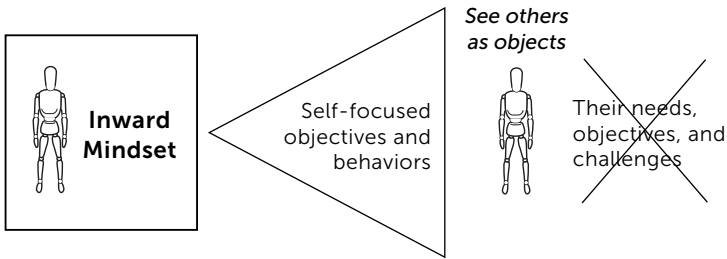


Diagram 8. **The Inward Mindset and Others**



objectives, and challenges; I see others as people. With an inward mindset, on the other hand, I become self-focused and see others not as people with their own needs, objectives, and challenges but as objects to help me with mine. Those that can help me, I see as vehicles. Those that make things more difficult for me, I see as obstacles. Those whose help wouldn't matter become irrelevant to me.

Don't confuse introspection with an inward mindset. One can introspect in a self-centered way, which *would* indicate an inward mindset. However, a person also can introspect about

## 6 • *The Lure of Inwardness*

In the prior chapter, we discussed how people who choose to dismiss the needs and objectives of others end up searching for ways to justify that choice. Within organizations, every person who is burning time and energy seeking justification is doing so at the expense of the contribution he or she could be making to the overall results of the company. The energy-draining, time-wasting, silo-creating effect of this justification seeking is one of the most debilitating of organizational problems.

The following diagram illustrates the inward mindset that is at the root of these workplace issues.

Diagram 9. **The Inward Mindset at Work**

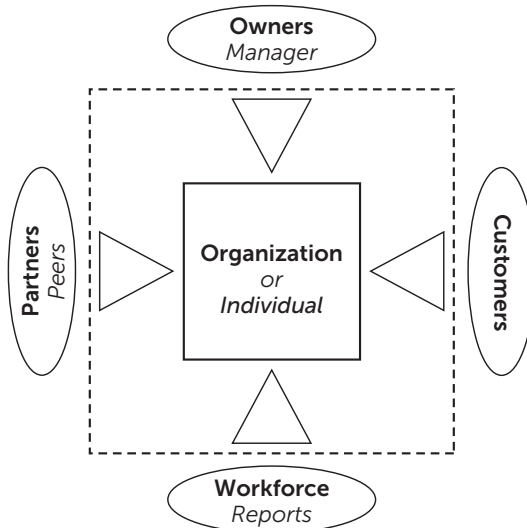
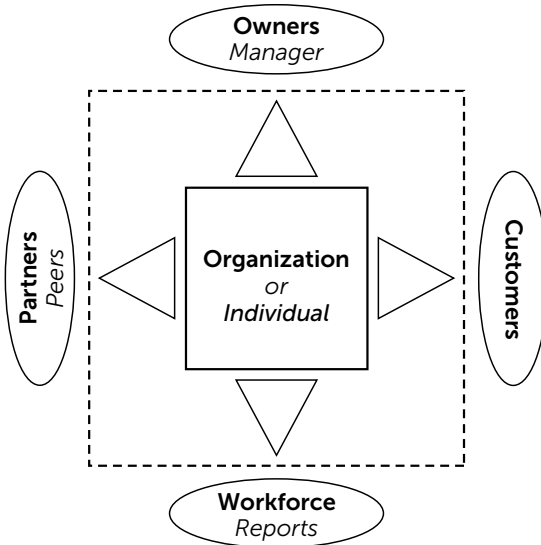




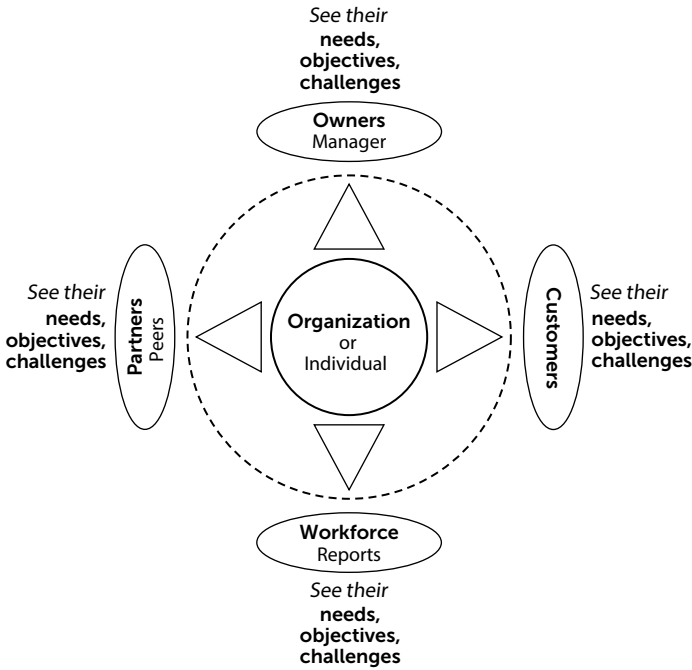
Diagram 10. The “Outwardly Nice” Inward-Mindset Style



Notice that the triangles in this diagram are turned outward, as they are in the outward-mindset diagram (diagram 7). In contrast to the outward-mindset diagram, however, diagram 10 omits the needs, objectives, and challenges of others. Even though people or organizations operating with this style of inwardness feel as if they are doing things for others and not for themselves, they aren't paying attention to the needs, objectives, and challenges of those they are supposedly doing things for. This raises the following question: If they aren't alive to and interested in the needs, objectives, and challenges of those they are doing things for, for whom are they really doing them?

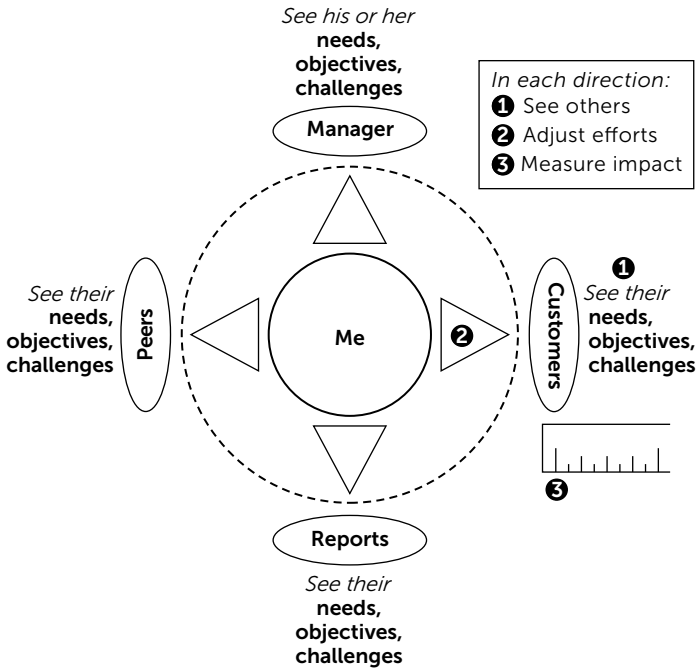
This is a question we at Arbinger had to ask ourselves. In a way, we found ourselves back in the green room again, facing

Diagram 11. **The Outward Mindset at Work**



A person conceiving her work in the way illustrated in this diagram is alive to and interested in the needs, objectives, and challenges of each of the persons toward whom she has responsibility—toward her customers, direct reports, peers, and manager. The outwardly facing triangles show that her objectives and behaviors take these people’s needs, objectives, and challenges into account. As Captain Newson recommends, her focus is outward on something much larger than herself—on her essential contribution to the overall goals of the organization. And thinking of

Diagram 12. **The Outward-Mindset Pattern**



Mulally spent thirty-seven years at Boeing, where he was instrumental in turning around Boeing’s commercial-jetliner business. A native Iowan with a disarming “aw-shucks” manner coupled with steely perseverance and an innate knack for team building, he was hired as president and CEO at Ford in September 2006. The company was in a desperate state. Bleeding at the rate of \$17 billion per year, it put all its remaining chips on Alan Mulally.<sup>1</sup>

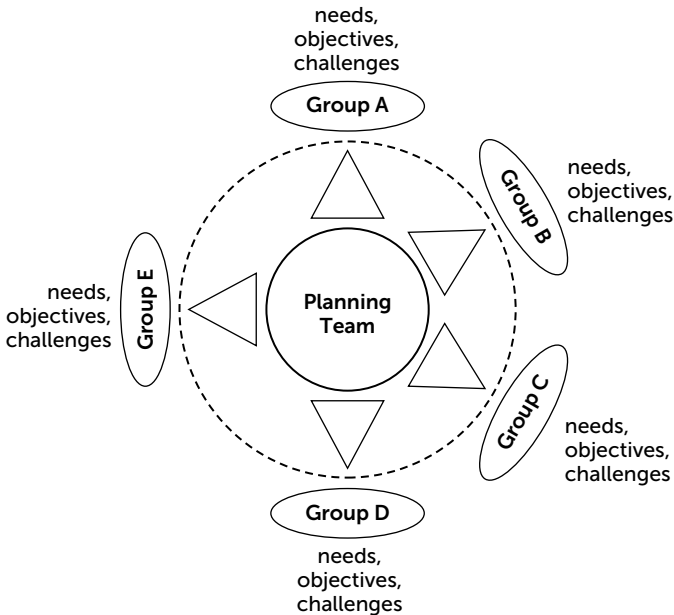
As Mulally soon discovered, no one at Ford felt responsible for the problems of the company. The situation was like

After a few minutes, the walls were covered with diagrams that looked something like diagram 13.

All members of the various groups circulated around the room to see if they should add their own or others' names to any of the diagrams or whether they should add any key needs, objectives, or challenges that weren't yet listed. Everyone had free rein to amend any diagram.

Seeing themselves correctly in relation to others, the leaders were now positioned to begin seeing others more clearly than before. They only needed to start looking. We invited the teams to take turns at the front of the room. Everyone else was given

Diagram 13. **The Outward-Mindset Project**



children wait for the same in their parents. Spouses wait on change in each other.

Everyone waits.

So nothing happens.

Ironically, the most important move in mindset work is to make the move one is waiting for the *other* to make. Diagram 14 illustrates this move.

The top of the diagram depicts two people—me and another—whose mindsets are mutually inward. Both of us have, in effect, turned our backs to the other's needs and objectives. From this stance, each of us is waiting to be seen by the other. I want the other person to begin to see and consider *me*—my views, objectives and needs. On some level I may

Diagram 14. **The Most Important Move**

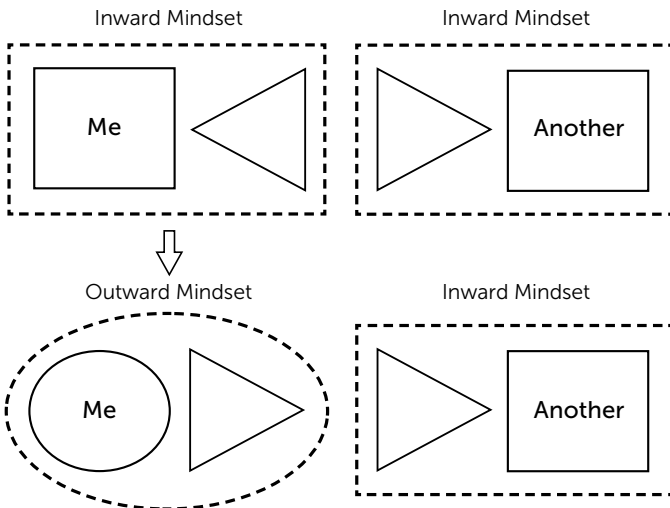
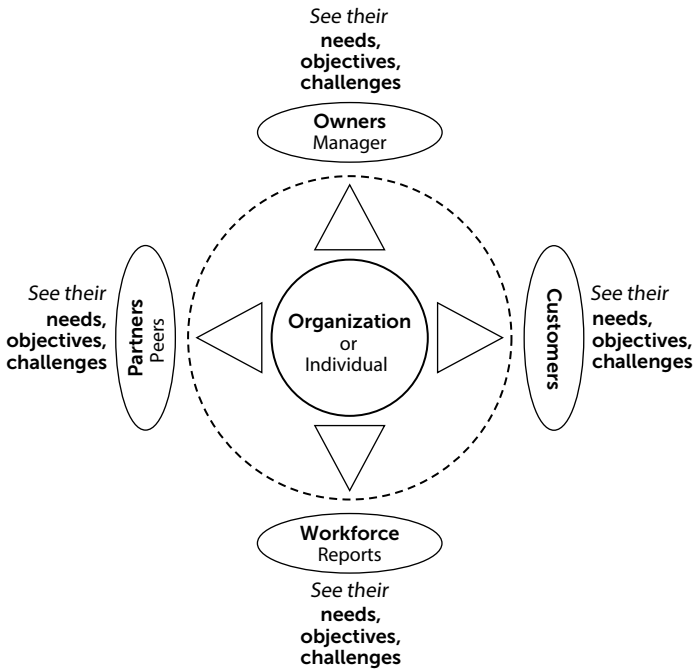


Diagram 15. **The Outward Mindset at Work**

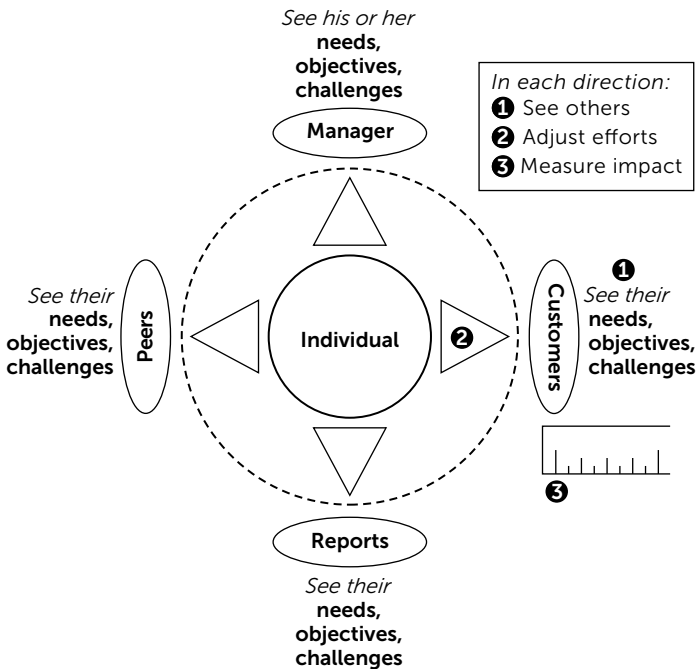


Here are some questions you can ask yourself as you utilize the outward-mindset-at-work framework for redefining your role in this way:

- *Toward your manager.* Do I have a clear understanding of my manager's objectives? What can I do to learn about them? What do I need to do to make sure that I am holding myself accountable for my contribution to my manager's results? Whom do I need to work with to ensure that I help my manager achieve those results?

had to resist the temptation to rethink the CSRs' role for them. To be effective in their leadership, Rob and his team needed to help the customer service reps engage in the same process themselves—to take responsibility for rethinking their roles by using the outward-mindset pattern from chapter 8, which is reproduced in diagram 16.

Diagram 16. **The Outward-Mindset Pattern for an Individual**



Applying the outward mindset pattern, the CSRs should learn about the objectives of those they impact, *including* the executive team. They would then be able to use their own creativity

and initiative to determine what adjustments they should make to become more helpful in their role. They would then measure the impact of their efforts in each direction and on the organization as a whole.

One of the reasons the outward-mindset approach can be scaled so readily by people up, down, and across an organization is that outward-mindset work at the individual level mirrors the same work for a team and an entire organization or enterprise. Diagram 17 shows the same framework with enterprise-level categories in each of the four directions of the diagram.

Diagram 17. **The Outward-Mindset Pattern for an Organization**

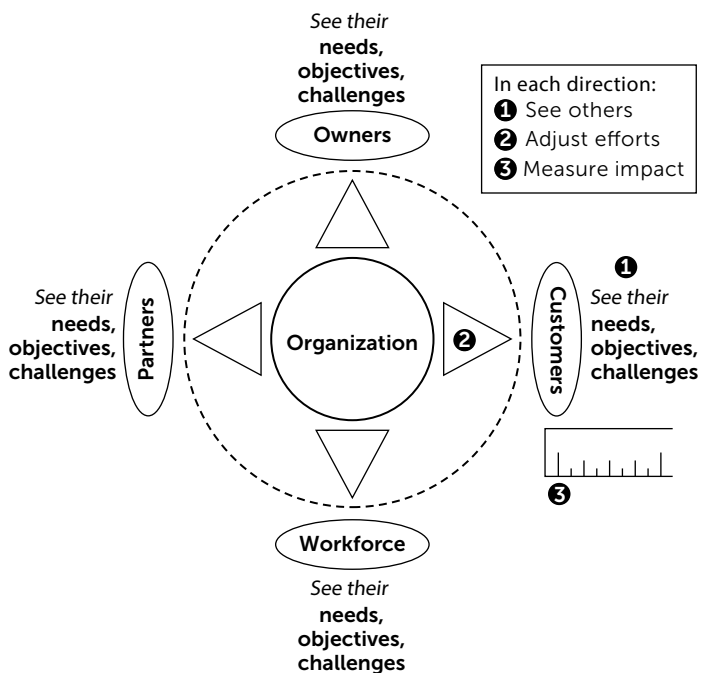
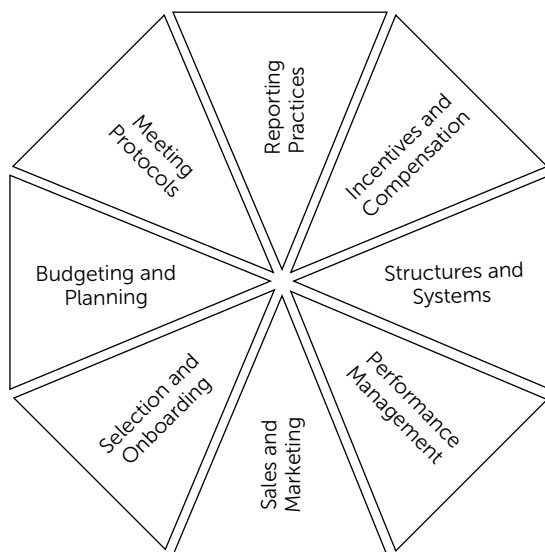


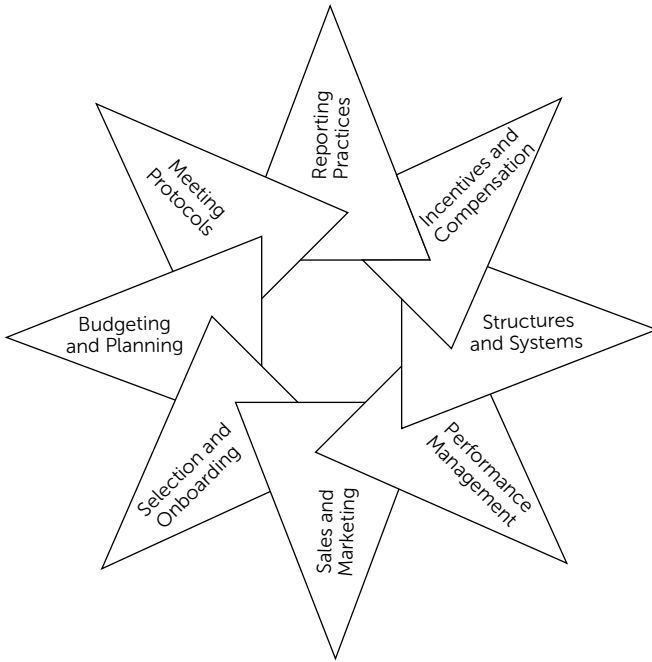


Diagram 18. **Inward-Mindset Systems and Processes**

processes will invite and reinforce an inward mindset throughout the organization.

The systems and processes in the organization depicted in diagram 19, on the other hand, are developed and executed by those who see people in the organization as *people*. As we've discussed in the previous two chapters, seeing employees as people means recognizing that they have brains. They can plan. They can responsibly execute. They can innovate. They have the ability and desire to be helpful and accountable to one another. They want to achieve and build something exciting together. For these reasons, the systems and processes in an outwardly focused organization are represented with outward-facing triangles. Because they are designed to help people, they invite, reinforce,

Diagram 19. **Outward-Mindset Systems and Processes**



and help sustain an outward-mindset culture throughout the organization.

If an organization tells its people to operate with an outward mindset but persists in implementing systems and processes that are designed to “manage” objects, the systems and processes will end up winning, and the organization and its customers, employees, and stakeholders will end up losing.

Consider, for example, the effect of a forced-distribution or bell-curve ranking system, where employees are compared to each other to determine their futures. A new manager in an internationally dispersed security team within a PC tech giant

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