Complexity Leadership, Generative Emergence, and Innovation in High Performing Nonprofit Organizations

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Dedication

> Each entered the forest at a point that he himself had chosen, where it was darkest and there was no path. If there is a path it is someone else's path and you are not on the adventure. – Joseph Campbell

To the two most important people in my life; my wife, Sarah Jane, and my son, Luke. Like everything else in my world, this work is better because you were both part of it.

To my teachers, who showed me that curiosity was a good thing – and encouraged me to never stop looking for the answers.

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Abstract of Dissertation

Complexity Leadership, Generative Emergence, and Innovation in High Performing Nonprofit Organizations

This study examined the function of complexity leadership in the generative emergence of new ideas in a high-performance nonprofit organization. The conceptual framework for the study combines Uhl-Bien, Marion, and McKelvey's (2007) Complexity Leadership Theory with Lichtenstein's (2014) concept of generative emergence in order to investigate the growth of new ideas in high performance nonprofit organizations. The study was conducted at Goodwill Industries of Central Indiana (GICI), a high performing nonprofit that is one of 162 local Goodwill member agencies that make up Goodwill Industries International (GII).

This empirical case study examined the emergence and successful operation of one innovative idea - the creation and operation of public charter high schools – with GICI's operating territory. Data was collected through interviews with GICI leaders, board members, and community leaders, well a review of documents pertinent to the case. Merrriam's (2009) case study framework guided the collection of the data, and coding followed the process outlined by Saldaña (2013).

The study identified numerous specific leadership actions as they appeared through each stage of the generative emergence process. These were coded and analyzed through the lens of CLT in order to address the study's research questions. Case findings determined that, in high-performing nonprofits, the function of complexity leadership in the generative emergence of new ideas is to identify, interpret, and respond to specific system behaviors so that the idea has the best possible chance to reach its full potential.

The study shows that if a high performing non-profit organization is to employ complexity leadership to successfully grow and implement new, innovative ideas via generative emergence, a mix of administrative, enabling, and adaptive leadership actions must be employed during each phase of the process. The study has implications for both CLT and Generative Emergence because it provides specific, empirical examples of the elements articulated by each concept. The study offers implications for practice since the structure and definitions provided by both CLT and generative emergence may be helpful to organizations as they generate and manage the growth of new ideas.

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Chapter 1: Introduction

Overview

This research study investigated the function of leadership in the emergence of new ideas in high performance nonprofit organizations. This topic is important because nonprofits in the United States (US) face obstacles that impact their ability to be relevant and effective (Pallotta, 2008, 2012; Salamon, 2010; Young & Grinsfelder, 2011; Young, Jung, & Aranson, 2010; Young & Salamon, 2002). Leadership links to organizational effectiveness, specifically within the context of nonprofits. In nonprofits, leadership maintains trust within relationships and ensures sustainability (de Waal, 2010). Leadership also helps to maintain the viability of nonprofits by creating a culture that is open to change, creativity, and innovation (Allen, Smith, & Da Silva, 2013).

The US nonprofit sector materialized in the 1970s and similar non-government organizations (NGOs) started in the last 30 years, across the world. Nonprofits strive to meet societal needs that for-profit firms and government efforts are unable (or unwilling) to address (Weerawardena, McDonald, & Mort, 2010). Nonprofits "encompass religious congregations, universities, hospitals, environmental groups, art museums, youth recreation associations, civil rights groups, community development organizations, labor unions, political parties, social clubs, and many more" (Boris, 2006, as cited in Boris & Steuerle, 2006, p. 2). To acquire the resources necessary for goal attainment, Hall (2010) explains that nonprofits have a variety of revenue sources, including donations, sales income, and governmental funding. Experiencing varying levels of success, the nonprofit sector continued to grow "from near zero to 1% of the United States labor force in 1900,

to 3% in 1960, and 9% in 2000" (Hammack, 2002, p. 1638). Sabeti (2009) notes that the three traditional sectors of the US economy (nonprofit, public, and private) are no longer equipped to address the "complex systemic problems" facing our world. Similarly, traditional notions of leadership are also questioned regarding their ability to guide organizations through growth and success.

These growing, global challenges have forced nonprofits and NGOs to reexamine the structure of their businesses. In the face of shrinking natural and human resources, for-profit firms have started to devote more effort to *corporate citizenship* activities (Brindley, 2013). Corporate citizenship considers the role of business in society not just as economic actors, but as political actors as well (Matten & Crane, 2005; Pies, Beckmann, & Hielscher, 2014). In addition to being profitable, lawful, and ethical, Carroll (1998) notes that good corporate citizenship involves philanthropy, or, giving back to the community. With these types of initiatives, firms acknowledge that they have "obligations that extend beyond the financial—that a corporation can and should be measured not only by its bottom line, but also by its behavior toward a broad group of stakeholders and society generally" (Greenfield, 2014, p. 963). Examples of corporate citizenship activity range from simple cash donations to charities and nonprofits to establishing foundations, scholarship programs, summer camps, and foster homes (Carroll, 1998).

Traditional models of government have encountered difficulty in the new global and complex environment and often are no longer able to financially support nonprofits at a level that will allow them to continue to be effective (Cohen, 2014). Nonprofits are being "forced to adopt strategies aimed at building viable, sustainable organizations in

order to continue to pursue their social mission" (Weerawardena et al., 2010, p. 346). Nonprofits increasingly require more innovation, with both their organizational design, as well as their operations.

As a result of the challenges facing the three primary sectors of the world economy described above (For-Profit, Nonprofit, and Government), Sabeti (2009) notes, a new **fourth** sector has emerged that tries to account for ever-changing societal challenges by combining elements from all sectors. The new organizational forms emerging as part of this fourth sector are known as social enterprises. A comprehensive definition for these types of firms has been elusive; however, there is agreement that the primary feature of a social enterprise is that it seeks to create both social value in the community it serves, as well as economic value for the organization's investors and shareholders (Young & Lecy, 2012).

To date, the social enterprise sector has not completely established itself as a separate entity (Kwon, et.al., 2018). "Fourth Sector" social enterprise organizations typically develop from the changes and adaptations existing organizations make in order to ensure their own survival, increase the likelihood of achieving their mission, or both. Batillana (2018) describes this as "hybrid organizing", noting that "today, companies are increasingly expected to generate social value in addition to profit. As a result, they also increasingly face the distinct challenge of pursuing social and financial goals at the same time. She explains that many existing organizations are becoming "hybrid organizations that combine aspects of typical businesses (undertaking commercial activity) and not-for-profit organizations (pursuing a social mission). These ideas are important to this study because the high-performing nonprofit that served as the subject organization for this

study is a hybrid organization. More specifically, it is a nonprofit that operates as a social enterprise, operating a revenue generating business that supports multiple social programs.

In the US, both conversation and controversy have been stimulated as social enterprises try to react to legal and political pressures governing corporate form and structure. Westaway (2012) articulates this issue, explaining that for-profit firms have a strong legal requirement to maximize revenue and returns for shareholders. In contrast, nonprofits are strictly monitored to ensure that the clear majority of their revenue goes to support a social mission. While a few adjustments to policy and law have been made in attempt to stimulate social enterprise growth (Gupta, 2011), the potential of the new fourth sector remains largely untapped. Thus, nonprofit organizations remain the primary organizational form available to address social needs in US society (Archer, 2011; Michelini & Fiorentino, 2012).

Leadership in nonprofit agencies is important because it plays a significant role in organizational outcomes and effectiveness (Taliento & Silverman, 2005; Young, 2002). This study primarily used *complexity leadership theory* (CLT) (Uhl-Bien, Marion, & McKelvey, 2007) and, secondarily, *generative emergence* (Lichtenstein, 2014) to examine leadership in a high performance nonprofit organization. The CLT lens is appropriate because it acknowledges that leadership must adjust to the current Knowledge Era, "characterized by a new competitive landscape driven by globalization, technology, deregulation, and democratization" (Uhl-Bien et al., 2007, p. 299) as opposed to the Industrial Era that was "largely grounded in a bureaucratic framework more appropriate for the Industrial Age" (Uhl-Bien et al., 2007 p. 301).

Generative emergence was well suited for this research because it grows from a rigorous examination of "the most comprehensive meanings of emergence, drawing on long-standing efforts to define emergence in evolutionary studies…and complexity science" (Lichtenstein, 2014, p. 107). Because generative emergence has "strong parallels to the start-up of a new venture" (Lichtenstein, 2014, p. 177), it was useful in examining the growth of new ideas in a high performing nonprofit. Using a descriptive case study (Merriam, 2009), this research identified how one exemplary nonprofit effectively adapted and is succeeding in a rapidly changing environment.

This chapter is organized as follows. First, the changing environment in which all organizations operate is discussed, with a specific focus on the nonprofit sector. Second, the nature of organizational leadership, using complexity theory as a lens, is reviewed. The chapter concludes with a statement of the problem, research question, purpose for the study, and a summary of methodology.

A Changing World

The way social systems and organizations have been viewed and understood has evolved significantly over the last century (Schwandt & Szabla, 2007). Increases in technology have made our world more connected; this connectivity reveals the complex nature of social and organizational systems in ways never before possible (Eisenhardt & Piezunka, 2011; Kurtz & Snowden, 2003). Along with these social and organizational changes, the nature of the problems facing our planet has increased in number, significance, and complexity. Humans are dealing with unprecedented challenges to the physical environment (Reser & Swim, 2011), personal health, and safety (Kannampallil, Schauer, Cohen, & Patel, 2011), and economic theory and policy (Colander, 2000, 2012;

Helbing & Kirman, 2013). Organizations working to thrive—and survive—in this environment will need to develop innovative solutions that effectively meet the changing and evolving needs of its customers and stakeholders.

The New Nonprofit Environment

The environment described above is creating a significant shift in the way nonprofit organizations can function. Since the 1960s, the nonprofit sector in the United States has been defined most significantly by its relationship to government initiatives and funding (Young & Salamon, 2002). This connection to funding allows these organizations, for the most part, to remain active and to successfully address their missions. Poverty, homelessness, substance abuse, domestic violence, and services to individuals with mental and physical disabilities are examples of challenges that have received support and aid from the nonprofit sector. Viable for the past several decades, this pattern of assistance has been changing as the scope of relevant social issues outpace the ability of nonprofits to address them. The combined resources available to all nonprofits are not enough to meet the massive need revealed by today's interconnected environment. Nonprofits may have the skill to address the types of problems that exist today, but they are unable to address them at the scale necessary to solve them (Gupta, 2011; Pallotta, 2008, 2012).

The primary directive for nonprofits and charity organizations in American society is to operate efficiently, ensuring that the maximum amount of available resources focus on the organization's mission. Pallotta (2012) cites the cost of overhead as an area where nonprofits are judged more critically than other types of organizations. Nonprofits are expected to minimize this cost, but are still expected to fulfill their

promise to the community. As Pallotta (2012) notes, “The notion that overhead steals from the cause forces charities to obsess over keeping short-term overhead low at the expense of actually solving problems” (pp. 18–19). If nonprofits were allowed the same latitude as other organizations—and were still able to benefit from their tax-free status — they would be able to make a bigger contribution to problem solving, with influence occurring on a societal scale. Likewise, recent empirical work investigated the challenges of scaling nonprofit efforts to meet the challenges of the current environment (Weber, Kröger, & Lambrich, 2012). Despite such obstacles, some nonprofits have successfully adapted to the changing environment, maintaining a high level of performance. Leadership is one factor pertinent to the success of these organizations (Kania & Kramer, 2011), as well as a mix of traditional and more innovative funding practices (Weerawardena et al., 2010), job satisfaction, organizational commitment, and psychological empowerment (Messersmith, Patel, Lepak, & Gould-Williams, 2011).

The Nature of Leadership

Leadership is one aspect of an organization that can be examined and adjusted to help meet the challenges of a changing environment. Numerous researchers have attempted to describe and catalog the ways leadership has been considered within the literature (Bass & Stogdill, 1990; Northouse, 2012; Stogdill, 1974; Yukl, 2002). Although century-old debates surround the nature of leadership, there is no consensus pertaining to its definition. Leadership has been conceptualized from many perspectives. Some regard it as a product of individual traits (Carlyle, 1993; Mann, 1959), skills (Katz, 1955; Mumford, Zaccaro, Harding, Jacobs, & Fleishman, 2000) or behaviors (Blake & Mouton, 1985; Creth, 1978; Stogdill, 1948). Others see it as a process that takes place

between leaders and followers (Graen & Uhl-Bien, 1995). Situational theory (Hersey & Blanchard, 1969), contingency theory (Fiedler, 1964, 1967) and the leader-member exchange theory (Dansereau, Graen, & Haga, 1975) are examples of a process view of leadership.

It is important to note that the aforementioned theories emerge from an Industrial Age mindset (Manville & Ober, 2003). From this view, organizations are considered machine-like entities that can be managed with linear thinking and developed through the repair or replacement of interchangeable parts. As Waldrop (1992) writes, a linear system is one "in which the whole is precisely equal to the sum of its parts" (p. 64). Leadership, from this perspective, has the ability and responsibility to set a comprehensive vision for the organization and execute the changes necessary to realize the vision (Plowman & Duchon, 2008).

According to Wheatley (2006), over the last 30 years a new science of leadership has been gaining momentum. This perspective on leadership—born out of biological systems and concepts from both chaos and complexity theory—views organizations very differently, focusing on ways that facilitate a culture of thriving when said environment is constantly in flux (Uhl-Bien & Marion, 2009). These ideas rely on nonlinear thinking, considering the dynamic actions of agents (i.e., individual people) of an organization intertwined in such a way that a change in one area, no matter how small, has a significant effect on the rest of the organization (Holland, 2006). Waldrop (1992) notes, "The whole is almost always equal to a good deal more than the sum of its parts" (p. 65).

Complexity Science and Organizations

Traditional nonprofit organizations employ linear, planned models of management and leadership. However, because these organizations exist in increasingly complex environments, with nonlinear characteristics, top-down managers have difficulty coordinating (Uhl-Bien & Marion, 2008). Lindberg and Schneider (2013) explain that nonlinear characteristics create an environment where "systems may react disproportionately to internal or environmental perturbations . . . any small . . . change might be amplified by positive feedback loops or reduced by negative ones" (p. 231). More specifically, nonprofit agencies operating in a complex environment are examples of *complex adaptive systems* (CAS).

Eidelson (1997) describes a CAS as "a large collection of diverse parts interconnected in a hierarchical manner such that organization persists or grows over time without centralized control" (p. 43). Often, these nonprofit organizations do not view themselves as a CAS; nor do they understand the nature and mechanics of complex systems as they apply to organizations. This is an important issue because their linear view of organizational structure navigates them to start from a place of assumed certainty when conducting analyses and making operational decisions. Several current scholars (e.g., Goldstein, Hazy, & Lichtenstein, 2010; Jennings & Dooley, 2007; Marion & Uhl-Bien, 2011; Plowman & Duchon, 2008) argue that for CAS to thrive, management and leadership functions should grow from an assumption of uncertainty.

Leadership and Complexity

The CLT model, as defined by Uhl-Bien et al. (2007), supports the position that leadership in organizations can be present in both individuals, as well as in the

interpersonal dynamics that constantly take place throughout the organization. CLT provides a leadership lens to examine "the relationship between the formal *top-down, administrative forces* (i.e., bureaucracy) and the informal, *complexly adaptive emergent forces*" that co-exist within an organization (Uhl Bien et al., 2007, p. 305). CLT addresses the context, concepts, and methods that can identify and assess leadership in CAS. The research study used CLT as a lens to examine the way leadership is enacted in a high performance nonprofit organization that has had remarkable success meeting the challenges of the current economic business environment.

Flexibility, adaptability, and innovation are important for the sustainability and success of nonprofits (Weerawardena et al., 2010). CLT helps explain how organizations can maintain an "ecology of innovation" (Goldstein et al., 2010; Hazy & Uhl-Bien, 2013a), yielding diverse activities and allowing organizations to be agile and adaptable. CLT's three primary roles, *administrative leadership, adaptive leadership, and enabling leadership*, combine to manage the network of activities in an organization that functions as a CAS.

The structure and procedures of the organization fall under the purview of administrative leadership, which manifests in the behavior of appointed leaders who assign tasks, provide a vision, and ensure the availability of critical resources. Adaptive leadership does not take the form of an individual; rather, it exists in the interaction between agents (e.g., individual members) in a CAS. Enabling leadership represents the ability to "manage the entanglement" between the adaptive and administrative roles (Uhl-Bien et al., 2007, p. 309). Achieving this balance is important. For a CAS to thrive, it requires both structure and flexibility. Uhl-Bien et al. (2007) point out, "enabling

leadership can be found anywhere. Its role seemingly overlaps, at times, that of administrative leadership in that it may be performed by agents acting in more managerial capacities" (p. 309).

In summary, CLT acknowledges that leadership in organizations can appear in both individuals (i.e., administrative leadership) as well as in the interaction *between* individuals (i.e., adaptive leadership). Uhl-Bien et al. (2007) note that "in organizations, administrative leadership and adaptive leadership interact and may help or oppose one another" (p. 305), also presenting leadership as tool that serves to maintain an effective balance between the two, providing an environment most conducive to organizational success.

Emergence and Complexity

Perhaps the most important feature of a CAS is the constant development of new elements and adaptations. Complexity scholars and scientists have labeled this phenomenon *emergence*. Goldstein et al. (2010) define emergence as "the coming into being of new structures, practices, and processes" (p. 75), and within organizations, "emergence is the basis for innovation" (p. 75). Lichtenstein (2014) has further developed the construct of emergence by examining how it has "been identified and studied by scholars across the natural, computational, and social sciences" (p. 43). His work stems from a comprehensive review of complexity science and the nature of emergence in complex systems—especially organizations. He has articulated a formal definition of the phenomenon, which encompasses both the process and the outcome of emergence. Lichtenstein (2014) considers the process of emergence as "the creation of order, the formation of new properties and structures in complex systems" (p.1) He also notes that

emergence has four potential outcomes, which occur along a spectrum from zero-degree emergence (it did not happen at all) to third degree, strong emergence. Third degree, strong emergence has five specific qualities (Lichtenstein, 2014, p. 19-20);

- Qualitative novelty - properties transcend components and unpredictable outcomes.
- Non-reducibility - properties cannot be explained solely by the system's components.
- Mutual causality - individual components impact the full system and, in turn, are also impacted by the system itself.
- Structioning - co-creative interchange between individual system components and the constraints of the system.
- Increased capacity - outcomes include great efficiency, efficacy, and power to both system components and the system overall.

Lichtenstein's comprehensive review and meta-analysis of the field of emergence also articulates eight "prototypes" of emergence. His work focuses one of these - generative emergence - because it "is the only type of emergence that is driven by intentionality and agency" (Lichtenstein, 2014, pp.122-123). Generative emergence is relevant to this research study because it "provides for an entrepreneurial analysis of emergence, how new ventures and organizations are organized by intentional agents called entrepreneurs, in the service of a specific goal or aim" (Lichtenstein, 2014, p.123). Lichtenstein's work with generative emergence identified five specific phases of an emergence *process* that allow for its study and measurement. These phases (disequilibrium organizing, stress and experiments, amplification and critical events, new

order through recombination, and stabilizing feedback) will be reviewed in detail in the following chapter. Generative emergence is well suited to serve as a second theoretical lens for this study because it provides the context and language relevant to discussing the formation of new, innovative ideas within organizations.

Statement of the Problem

This research addresses problems related to leadership in nonprofit organizations. The prevailing operating environment for most nonprofits presents significant obstacles to finding ways to remain relevant and effective (Pallotta, 2008, 2012; Young et al., 2010; Young & Grinsfelder, 2011; Young & Salamon, 2002). These organizations still operate according to an Industrial Age mindset (Uhl-Bien et al., 2007). Thus, they carry the expectation that resources should be turned toward the goal of fulfilling a specific, well-defined mission. As a result, most nonprofits focus on austerity, efficiency, and the ability to serve growing needs with fewer resources (Pallotta, 2008, 2012).

This situation is problematic for two reasons. First, challenges facing the world today have increased exponentially since the institution of the traditional nonprofit model (Sabeti, 2009). Second, the rise of the economy's fourth-sector impacts nonprofits by diverting both human and financial resources to what is being perceived as a more effective way to achieve both fiscal and social returns. For most nonprofits, traditional leadership practices are not working (Male, 2013), and the retirement of the baby boomer generation (i.e., individuals born from 1943 to 1960) (Howe & Strauss, 2007) create a critical need for talent in the Executive Director and CEO nonprofit roles (Cornelius, Corvington, & Ruesga, 2008).

This study explored the nature of leadership from a CLT perspective, providing an in depth understanding of administrative, adaptive, and enabling leadership and the relationship between these roles in a CAS, specifically, a nonprofit organization. Despite several volumes of work in the area of complexity leadership, (e.g., Hazy, Goldstein, & Lichtenstein, 2007; Surie & Hazy, 2006; Uhl-Bien & Marion, 2008) the scholarly conversation remains primarily theoretical, particularly in regard to the nature of emerging ideas in a CAS. The field has called for both additional qualitative theory-building in order to gain a comprehensive understanding of the nature of complexity leadership, as well as more quantitative efforts to test proposed theories in a practice environment (Jennings & Dooley, 2007; Hazy, 2011; Uhl-Bien et al., 2007).

Recent empirical work suggests the importance of leadership and the phenomena of emergence in CAS (Backström, Wilhelmson, Åteg, Olsson, & Åberg, 2011; Garud, Gehman, & Kumaraswamy, 2011; Garud, Kumaraswamy, & Sambamurthy, 2006). However, these studies also call for further research that focuses the respective topics, including the examination of leadership and emergence "crossing organizational levels and units of analyses to offer a holistic perspective" (Garud et al., 2006, p. 285). Garud et al. (2011) also recommend future work that considers leadership and new ideas as they pertain to different types of organizations.

The problems outlined above manifest themselves in a variety of ways. Because the ideas covered in complexity theory are so abstract and interrelated, it is difficult to set research boundaries. Similarly, because complexity theory assumes constant and uncertain actions and interactions in an organization operating as a CAS, it is difficult to adequately and effectively focus research studies. This research addressed these problems

by limiting its focus in three important ways. First, it focused on a single nonprofit organization. Second, it aimed specifically at the three aspects of CLT (i.e., administrative, adaptive, and enabling leadership) behaviors. Third, it considered these in relationship to the generative emergence of a single, successful, innovative undertaking in this organization.

Purpose and Research Question

The purpose of this study was to investigate the function of leadership in the emergence of new ideas in high-performance, nonprofit organizations. The research was conducted in a nonprofit agency that has been extremely successful operating in a complex environment. The study investigated the administrative, adaptive, and enabling actions that facilitated this adaptation. The research considered leadership through the lens of CLT and sought to identify and describe adaptive, administrative, and enabling leadership actions at work. The central research question addressed in this study is: What is the function of complexity leadership in the generative emergence of new ideas in high performance nonprofit organizations?

Because the research lens for this study will be CLT, related sub questions include:

- What is the function of administrative leadership in the generative emergence of new ideas in high performance nonprofit organizations?
- What is the function of adaptive leadership in the generative emergence of new ideas in high performance nonprofit organizations?
- What is the function of enabling leadership in the generative emergence of new ideas in high performance nonprofit organizations?

Statement of Potential Significance

In a broad sense, this research is significant because it adds needed data to the conversation around complexity and leadership within organizations. Hazy and Uhl-Bien (2013a) provide an updated look at complexity leadership and its mechanisms, but acknowledge that "more research is needed to explore these mechanisms . . . how they can be used to drive preferred organizational outcomes" (p. 22). Scholars have produced theoretical work in an attempt to clarify the subject, but comparatively few empirical studies have been completed—more are required (Goldstein et al., 2010; Hazy et al., 2007; Uhl-Bien & Arena, 2017, 2018; Uhl-Bien & Marion, 2008). More specifically, organizations are facing unprecedented challenges in a new, more complex environment. The role of leadership must be considered in new ways (Psychogios & Garev, 2012; Uhl-Bien et al., 2007;). This research explores the function of leadership in the emergence of new ideas in the context of high performance nonprofit organizations, with implications for both practice and theory.

Implications for Practice

Psychogios and Garev (2012) note that "more empirical evidence is needed, in order to start building a more comprehensive complexity driven managerial practices applied in organizations" (p. 6). Effective leadership is one of the primary practices in high performance organizations (Bhalla et al., 2011; de Waal, 2011). This research contributes to practice by providing a detailed examination of organizational leadership that may serve as a model for nonprofits as they seek to survive and adapt in a complex and changing world.

Leadership behavior has been studied at length for many years, yet most existing investigations share the perspective that individuals practice leadership. Although a few studies have used a complexity lens to study leadership, the field has called for more empirical work of this nature, specifically in the areas of innovation and product development (Hazy & Uhl-Bien, 2013a; Uhl-Bien & Arena, 2017, 2018). This research answers part of that call by providing specific examples of how leadership functions in relation to the emergence of new ideas in high performance nonprofits. Some of these examples might be replicable in other existing nonprofit organizations, helping to ensure their continued performance and contribution to society.

Implications for Theory

This study contributes to complexity leadership theory (CLT) by providing supporting empirical evidence, specifically concerning the three functions of administrative, adaptive, and enabling leadership in a high performance nonprofit organization. Though various aspects of leadership have been studied in relation to a complexity view of organizations, more research is required in order to continue to build upon existing theories as well as test them. Hazy and Uhl-Bien (2013b) and Uhl-Bien & Arena (2017, 2018) support this point, noting that the specific mechanisms of complexity theory must be investigated to determine "their links to the functions of leadership, how these relate to previous traditions of leadership research, and how together they can be used to drive preferred organizational outcomes" (Hazy & Uhl-Bien, 2013b, p. 22).

Relevance of the Study

This research was designed to have both conceptual and legitamative relevance (Nicolai & Seidl, 2010). Understanding the nature of leadership in a nonprofit CAS

provides conceptual relevance to CLT in two ways. First, the empirical examples of adaptive, administrative, and enabling leadership revealed contribute to the development of *linguistic constructs*. Linguistic constructs "have the potential to change the way we think and communicate about our world," which is relevant to this study (Nicolai & Seidl, 2010, p. 1267). Second, a thorough description of CLT in practice is helpful in uncovering contingencies that influence a CAS. Exposing these contingencies will lead to a view "of new or alternative routes of action" (Nicolai & Seidl, 2010, p. 1268). These aspects of conceptual relevance will be important as they help to further define CLT and inform behavior within CAS.

This research also provides legitimative relevance since it helps establish the credibility of a new field in the literature pertaining to organizations and leadership. Nicolai and Seidl (2010) point out, "Scientific knowledge can also serve as a means of credentializing specific knowledge domains" (p. 1269). Elements of CLT have been suggested; this study contributes to their acceptance by *credentializing* their potential offerings. Additionally, further and more pointed use of the specific terms and definitions that make up CLT add rhetoric devices to the assortment of tools available to those who study in this area. These devices serve "to legitimate a choice that is already made to third parties" (Nicolai & Seidl, 2010, p. 1269) This research adds another voice to the community who make decisions about CLT elemental labeling, helping entrench these ideas in the broader social science community.

In the short term, the study translates to practice by lending empirical evidence to the concepts involved in CLT. Administrative, adaptive, and enabling leadership examples from this research can help nonprofits view their complex environments in a

new way, with immediate results. In the long term, the study can provide tangible reasons for nonprofit organizations to alter the way they consider and practice things such as strategic planning, budgeting, and forecasting. Understanding CLT in a nonprofit CAS allows individuals within these organizations (i.e., agents) to understand the more organic, complex nature of their environment so that they feel less constricted by the more traditional, linear way of viewing organizations.

The overall impact of this work, and other similar studies, augments ideas relevant to the "ecology of innovation" that accompanies a shift in mindset to view organizations as CAS (Goldstein et al., 2010, p. 19). More specifically, a clearer understanding of the types of situations that have led a high-performance organization to choose either administrative, adaptive, or enabling leadership supports other organizations as they make the leap into new realms of high performance.

Conceptual Framework

The conceptual framework for this research is illustrated in Figure 1.1. It shows how this research studied the function of complexity leadership in the generative emergence of new ideas in high performance nonprofit organizations.

Figure 1.1. Conceptual Framework

Key Assumptions

This study assumed a view of the world consistent with complexity theory (Johnson, 2009; Wheatley, 2006). Complexity theory helps scholars and practitioners explain social phenomena from "a perspective of the world as non-linear and organic characterized by uncertainty and unpredictability" (Marion & Uhl-Bien, 2002, p. 390). This aspect of the study is important because it situates the research in a context appropriate to describe the nature of the environment in which the subject organization operates.

Consistent with a complexity perspective, the conceptual frame's outer rectangle indicates that the focus of the study occurred within a high performance nonprofit organization. The dotted line in the rectangle represents a semipermeable boundary. This representation is important for two reasons. First, as Lichtenstein (2014) writes, "order creation is only viable within a strong container, whose boundaries provide the necessary constraints for the process" (p. 373) Second, these boundaries must allow for "sustainable exchanges of energy and resources, through the system and across its environment. These exchanges occur across semipermeable boundaries" (Goldstein et al., 2010, p. 20).

Within the organization, the frame includes a visual representation of CLT, including the following elements:

- administrative leadership,
- adaptive leadership, and
- enabling leadership.

These are shown as simultaneously impacting the generative emergence of an idea, including:

- disequilibrium organizing,
- stress and experiments,
- amplification and critical events,
- new order through recombination, and
- stabilizing feedback.

The gray shading in the top section shows a contrast between the two primary elements of the frame; it does not represent any unique feature of the relationship between the two.

Summary of the Methodology

The research was conducted as a case study, focused on leadership in a single nonprofit organization with a long history of success and high performance. More specifically, the study examined the emergence and successful operation of one innovative idea—the creation and operation of public charter high schools. A focus on this charter school initiative was helpful because it set reasonable boundaries for data collection. Twelve individual interviews were completed with members of the subject organization and other individuals with a connected to the high school initiative. A review of organizational documents pertinent to the research question was also conducted. These tactics provided the most direct and efficient access to relevant data.

The organization studied, Goodwill Industries of Central Indiana (GICI), is one of 161 local member agencies of one of the largest nonprofit organizations in North America – Goodwill Industries International (GII). GII is committed to providing job training and vocational services to anyone with a barrier to employment. The organization provides these services through a network of autonomous local members' agencies. Each of these

agencies earns operating revenue in a variety of ways, but the largest portion of revenue for each agency is generated by the sale of gently used, donated items in retail stores. The size and performance of local agencies varies greatly, and their success can be measured in several ways. These measures typically include some form of calculating the number of persons served in local communities as well as measuring the amount of revenue generated through donated goods retail (DGR) operations. This combination of a social mission (job training and vocational services) and the creation of economic value (operating retail stores) makes GII an example of a "hybrid organization" (Batillana, 2018). While it is legally considered a nonprofit, it is also a prime example of a social enterprise.

GICI is a high performance organization, with a success record spanning several decades. The firm has consistently outpaced other Goodwill agencies with similar territories, as well as other organizations in the same geographic market in both economic and social value creation. Additionally, GICI has garnered recognition and numerous awards for leadership, innovation, and community involvement. Access to the site for the purposes of this research was gained through prior professional relationships with several key staff, including the President.

Limitations and Delimitations

Generalizability

As a qualitative case study of one high performance nonprofit, this research was limited to specific interactions within the subject organization. Thus, the study is not generalizable across all nonprofits (Creswell, 2014). The results cannot be assumed to be present in other organizations. However, as Yin (2012) points out, results may be

generalizable to theory. With this limitation in mind, it is the intention that the findings will contribute to the broader understanding of leadership in complex organizations.

Interpretation of Data

CLT is not a prescribed, or even a common method for conceptualizing leadership in the subject organization. Evidence of CLT and the other key concepts discussed in this work was based on the subjective interpretation of the researcher. The researcher established validity through member checks with interviewees and peer review by the researcher's academic colleagues with respect to conclusions.

Researcher Bias

Finally, the researcher acknowledges a personal connection to Goodwill Industries. For the past twenty years, the researcher has been both an employee of GII as well as a local Goodwill member organization. In both roles, the researcher provided leadership, learning, and development services to individual Goodwill managers and executives. The researcher has a personal interest in and passion for supporting staff in formal leadership roles as they seek to grow both personally and professionally. It was critical for the researcher to acknowledge, explain, and explore this personal connection to the organization and the subject matter of the study. As Merriam (2009) writes, readers must be able "to trust that the study was carried out with integrity and that it involves the ethical stance of the researcher" (p. 229).

Definition of Key Terms

Appendix A provides a list of definitions for terms critical to this research study.

Summary

This study investigated the function of complexity leadership in the generative emergence of new ideas in high performance nonprofit organizations. It sought to identify what leadership behaviors a successful, exemplary nonprofit uses to thrive in a complex and fluid environment. The research considered the important elements of complexity theory as they apply to organizations—specifically, the idea that these organizations function as CAS. The research was specifically focused on the function of leadership in these types of organizations, precisely in relation to the emergence and adoption of a successful idea. The research provides a contribution to the scholarly conversation surrounding complexity leadership, as well as the practical issues surrounding the challenges of organizational leadership in the contemporary environment.

Chapter 2: Literature Review

Overview

This study was concerned with leadership in nonprofit organizations. It was designed to examine and describe the nature of leadership through the study of one high performance nonprofit firm. It was based on the primary argument that leadership is a critical component of high performance organizations operating in complex environments. More specifically, it focused on understanding the function of leadership in relation to the emergence of new ideas. To support the elements of this study, specifically those articulated as part of the conceptual frame, this chapter presents existing conceptualizations of complex adaptive systems, complexity leadership theory, and generative emergence. It also reviews the literature involving high performance organizations and their reliance on leadership. Google Scholar and various academic databases to include Academic Search Complete, ProQuest Research Library Plus, ABI/Inform Complete Plus, Emerald, and JSTOR were employed to collect relevant complexity leadership literature. The following search terms were used to narrow results to the most relevant level:

- complexity theory,
- complex adaptive systems,
- complexity leadership,
- emergence,
- high performance organizations
- innovation, and

- leadership

The review begins with a description of existing literature focused on the relationship between complexity theory, organizations, and leadership. It highlights two concepts critical to the study: (a) complexity leadership theory (CLT) as articulated by Uhl-Bien et al. (2007), and (b) emergence (Goldstein, 1999; Lichtenstein, 2014). The latter part of the literature review centers on a discussion of innovation and high performance organizations.

The Evolution of Organizations

A premise for this research was that business and social environments are changing rapidly and becoming increasingly more complex. In this instance, *complex* means that these environments are made up of multiple, interacting agents that cannot be individually discerned, and must be considered as a part of an entire system (Poli, 2013). The traditional three-sector economy (i.e., for-profit, government, and nonprofit) faces unprecedented challenges, struggling to meet these issues within the bounds of their traditional roles. As a result, an emerging fourth sector developed in the form of newly-sanctioned for-benefit organizations that provide both economic value to investors and social value to communities (Clark & Babson, 2011; Reiser, 2011; Sabeti, 2009, 2011). To better understand these environmental changes, it is helpful to examine the shift in how organizations have been historically considered.

For most of the twentieth century, firms were viewed as distinct, objective entities situated within the environment, but separated from it by clear boundaries that could be controlled easily by centralized, hierarchical leadership (Uhl-Bien & Marion, 2008). Lissack (1999) notes that these organizations tended so see themselves in “an objective

world, where interactions can be described in linear terms, where words have singular meanings, and where prediction and control are paramount" (p. 110). These ideas were supported by traditional theories of the firm that considered available resources (Barney, 1991; Penrose, 2009), operational behavior (Cyert & March, 1963), and individual agent action (Eisenhardt, 1989; Spence & Zeckhauser, 1971).

In the latter part of the twentieth century, scholars and practitioners began considering organizations from a different perspective, one that regarded firms as part of the functioning environmental system overall (Schwandt & Szabla, 2007). Through this new lens, organizations are considered complex systems, where "coherent and purposive wholes emerge from the interactions of simple and sometimes non-purposive components" (Lissack, 1999, p. 113). Thus, as Goldstein (2008) makes clear, complexity theory is a field focused on the study of complex systems. These ideas about the nature and function of organizations are important because CLT developed as an extension of this more recent conversation. It is based in a world-view that relies on complexity theory. Understanding the basics of complexity theory is important to this research for two reasons. First, it helps to describe the lens through which the construct of CLT has been built. Second, it provides a rich description of the environment in which the study was conducted.

Complexity Theory

Marion (2008) defines complexity theory as "the study of dynamic behaviors of complexly interacting, interdependent, and adaptive agents under conditions of internal and external pressure" (p. 3). However, as Goldstein (2008) notes, "In fact, in an important respect, there is no one unified discipline to which the term 'complexity theory' actually refers" (p. 18). Complexity theory is really a combination of several major fields (Lichtenstein, 2014; Uhl-Bien & Marion, 2008). Table 2.1 provides a brief summary of these areas.

Table 2.1

Fields Contributing to Complexity Theory

Field of Study	**Contribution to Complexity Theory**
1. Systems Thinking	Boundaries and positive and negative feedback loops
2. Theoretical Biology	Organizations as organic, evolving, whole systems
3. Nonlinear Dynamical Systems Theory (NDS)	Attractors, bifurcation, chaos
4. Graph Theory	Connectivity and networks
5. Phase Transitions	Emergence of novel order
6. Turing's Morphogenetic Model	
7. Synergetics	
8. Far-From-Equilibrium Theory	
9. Complex Adaptive Systems Theory	Evolving, adapting systems of interacting agents

Source: Nine Major Complexity Fields and Their Core Constructs (Goldstein, 2008).

It is helpful to have a surface level understanding of these fields in order to understand the design and execution of the current research study for three reasons. First, none of the aforementioned fields—taken separately—covers all elements put forth by complexity theorists. Yet, as a combined whole, they have an impact on complexity theory's construction and organizational applicability. Second, each of these fields plays an important role in the understanding of CLT and its functions. Finally, the collective infancy of these fields lends credibility and support to the notion that the idea of leadership in complex systems, specifically CLT, is also a nascent construct, and therefore ripe for both theoretical and empirical study.

Complexity Theory and Organizations

At the close of the twentieth century, a significant amount of work was produced, comparing complexity theory to organizations (e.g., Anderson, 1999; Buckley, 1998; Lissack, 1999; Marion, 1999; McKelvey, 1999; Waldrop, 1992). Buckley (1998) takes a broad view, considering the implications of complexity at the societal level and, by default, organizations. He argues that sociocultural organizations are actually open systems, as opposed to closed. Open systems have permeable boundaries that allow new energy and information to be imported. This energy transforms as the output or product of the organization, which also facilitates easy export (Buckley, 1998). Further, social systems are not *entropic,* but are instead, *negentropic*. Entropic systems seek balance and equilibrium by expending all available energy, while negentropic systems seek constant development and structure through continual movement and importation of energy (Katz & Kahn, 1978). Most importantly, the combination of these factors allows social organizations to adapt to their environment and survive over the long term, rather than

expire and die. This ability to adapt and thrive is what makes complexity theory especially attractive to organization science.

McKelvey (1999) cautions this line of thinking, stating that theories in general are "intended to provide a generalized description of a phenomenon," also noting that "no theory ever includes so many terms and statements that it could effectively accomplish this" (p. 15). McKelvey's point is that even though complexity theory is well grounded in biology and the natural sciences, it may not be easy to adapt and apply all of its ideas to social and organizational science. Therefore, he advises scholars and management practitioners to tread carefully, noting, "complexity theory shows all the characteristics of a short-lived fad" (McKelvey, 1999, p. 6).

Complex Adaptive Systems

As a subset of the research on complexity and nonlinear dynamical systems, the social sciences have pursued the idea that organizations can be viewed as complex adaptive systems (CAS) (Lansing, 2003; Schneider & Somers, 2006). Within the field of complexity theory, CAS are "a class of systems that have a capacity for adapting to a changing environment" (Hazy et al., 2007, p. 4). For the purposes of this paper, CAS will be defined as systems that share three specific characteristics: evolution, aggregate behavior, and anticipation (Holland, 1992). Evolution refers to the "ability of the parts (of a CAS) to adapt or learn" (Holland, 1992, p. 19). Aggregate behavior references the idea that an entire CAS can exhibit behavior "that is not simply derived from the actions of the parts" (Holland, 1992, p.19) Anticipation means that "In seeking to adapt to changing circumstance, the parts (of a CAS) can be thought of as developing rules that anticipate the consequences of certain responses" (Holland, 1992, p. 20). Just as complexity theory

provides an environmental context for this work, it is important to understand the nature of CAS because the GICI organization is a CAS.

As a basic unit of analysis in complexity science, CAS are, "neural-like networks of interacting, interdependent agents who are bonded in a cooperative dynamic by common goal, outlook, need, etc. They are changeable structures with multiple, overlapping hierarchies, and like the individuals that comprise them, CAS are linked with one another in a dynamic, interactive network" (Uhl-Bien et al., 2007, p. 299). The conceptual frame for this study represents the research site as a high performing organization. The study also considers this organization to be a CAS. In addition to its location within a broader environment of complexity, the CAS is also a sub-environment for the concepts at the heart of the study—CLT and generative emergence. The frame employs a dotted line to represent the semipermeable boundary between the environment and the CAS. This permeability is important because it facilitates environmental input into the organization, which can generate emergence (e.g., innovative ideas) among any combination of agents (e.g., employees), leading to dynamic, iterative relationships with agents who have leadership role inside the organization.

In the social sciences, CAS are different from more traditional, open systems, which evolved from General Systems Theory (GST). Katz and Kahn (1978) articulated the components of open systems and their role in organizational science. Both GST and complexity theory acknowledge that systems are, by nature, open to their environments. However, GST implies that systems have relatively stable boundaries and stable patterns within those boundaries (Schneider & Somers, 2006). In contrast, complexity theory recognizes that while some systems may have clear boundaries and remain stable over

time, not all systems operate this way. Buckley (1998) asserts that the application of GST to organizations results in equilibrial systems that have a minimum of free energy, no endogenous sources of change, and do not possess the ability to provide and react to feedback. CAS, on the other hand, are "open internally as well as externally" and possess "feedback control loops "that allow for both self-regulation and direction" (Buckley, 1998, p.78). Schneider and Somers note, "in comparing complexity theory to general systems theory, the development of complexity theory is more evolutionary than revolutionary, for it largely is based upon and does not refute much previous science" (p. 354).

Another important difference between equilibrial systems and CAS should be noted. An equilibrial system generally imports, processes, and exports energy in a linear manner. Considering organizations from this angle makes it easy to assume that managers and leaders can adjust the system in one place, and predict exactly what will occur at other locations. If an adjustment does not produce a desired or expected result, a typical remedy is to more closely examine the overall system to see what element was overlooked. However, CAS assume that internal processes are nonlinear within a small range. Managers and leaders might be able to affect changes, but a more typical role for these individuals is monitoring the nonlinear, unpredictable actions occurring across the system.

In addition to the previously mentioned broad definition provided by Holland (1992), Anderson (1999) lists four key elements of CAS: (a) agents with schemata, (b) self-organizing networks sustained by importing energy, (c) coevolution to the edge of chaos, and (d) system evolution based on recombination. Because the research site for

this study is an organization regarded as a CAS, it is important to understand each of these components.

Agents with schemata. A CAS has individual components called agents. Depending on the unit of organizational analysis, these agents might be people, teams, departments, divisions, or other, more broadly defined elements. Anderson (1999) defines schemata as "a cognitive structure that determines what action the agent takes" (p. 219). Regardless of their size or composition, agent behavior is a result of schemata. With schemata as a guide, CAS agents are influenced by the function of the system and have the capacity to determine their own behavior. Thus, they are semi-autonomous and can adapt to different situations. Two other aspects of schemata affect CAS: (a) agents may have different schemata, and (b) agents may possess more than one schemata simultaneously. Schemata are an important component of CAS because they recognize the ability of agents to operate independently. The CAS may be subject to norms or rules that can impact what schema each agent possesses, but the final action is the result of a free choice.

Self-organization. Self-organization results from the nonlinearity of a CAS, and holds that all agents can connect to one another as needed. As they constantly receive and interpret system signals, they act on schemata and receive feedback in a loop from their surrounding environment. If this feedback is negative, agents typically choose another behavior. However, positive feedback results in a repetition of the behavior, and perhaps an increase in other associated behaviors. Anderson (1999) states, "When interactions of large numbers of components involve positive feedback loops, some behaviors self-amplify, quickly crowding out others" (p. 222). Plowman et al. (2007) label this

phenomenon as *deviation amplification,* pointing out that it provides the possibility for even the tiniest of changes to result in large changes to the overall system. When a small group of agents acts collectively and receives positive feedback, the behavior can grow, becoming a new feature of the system, or perhaps a new system entirely.

Three other aspects of self-organization should be mentioned. First, a distinguishing factor of self-organization is that it arises "without the intervention of a central controller" (Anderson, 1999, p. 221). Second, it is an element unique to CAS because it relies on imported energy from the external environment. In other words, even if a closed system allowed agents to interact in a non-linear fashion, self-organization could not be sustained because these types of systems have a finite amount of internal energy—entropy would take over and the process would wind down. Third, because energy importation is an enhancing factor in self-organization, this element occurs most frequently, and most successfully, at locations that are far from the system's equilibrium point. Such locations are closer to the chaos of the external environment and its available energies.

Coevolution. The idea of coevolution involves many of the same players that are at work in the self-organization process. However, instead of the alignment of individual agents around new energy from the environment, coevolution speaks to the way the initial organization changes as a result of these actions. Once agents begin to self-organize and receive feedback, the equilibrium of the entire system changes.

According to Anderson (1999), "changes in behavior can have small, medium, or large impacts on the system as a whole" (p. 223). If the initial change has a small enough impact, the momentum of the system, acting as negative feedback, may be able to treat it

as a disturbance and return to its initial state of equilibrium. If the initial change results in a very large impact and receives positive feedback from many (and perhaps unexpected) sources the system may not be able to cope, devolving into chaos. Anderson (1999) writes, “It is in the intermediate region that maximum fitness will be found” (p. 224). Initial changes that result in a dynamic balance between negative and positive feedback result in coevolution. Uhl-Bien et al. (2007) refer to this dynamic balance as “conditions of tension and asymmetrical information” (p. 308). In this state, the actions of individual agents are enough to cause a change in the overall appearance and function of the system. At the same time, the system itself is also influencing the behaviors of these agents. Because both individual agents and the overall system engage in the creation process as a result of dynamic equilibrium, they are said to be coevolving.

Recombination and system evolution. The element of recombination and system evolution deals primarily with overall change in appearance, identity, and function of a CAS over time. Anderson (1999) notes, “Every aspect of a CAS – agents, their schemata, the nature and strength of connections between them…can change over time” (p. 225). These changes over time are a result of the nonlinearity of CAS and the interaction of the system with the environment. Another important aspect of this element is to recognize that CAS are actually numerous smaller CAS nested within each other. As a result, the elements of schema, self-organization, and coevolution are always taking place within the system, as well as at the broader systems level. This idea manifests in organizations that allow departments to self-manage, merge, or creatively disband as necessary. In such cases, the entire organization remains, but its elements have been recombined and evolved.

Emergence. Emergence is critical to understanding how complexity theory impacts organizations (Goldstein, 1999), and is an essential part of CAS operations. Lissack (1999) notes, "in the study of emergence, complexity science and organization converge" (p. 111). Emergence has been defined in a variety of ways. Jennings and Dooley (2007) write, "Emergence captures the natural tendency of agents (individuals, groups, departments, etc.) in a social system to interact in complex, dynamic ways – to exchange information, take actions, and continuously respond to feedback. These interactive dynamics produce real change, the creation of novel order and ultimately system-level adaptation" (p. 23).

Emergence has its roots in the broader realm of complexity theory, and shows itself differently according to discipline. Chemistry, biology, physics, and organizational science may all utilize the construct in different ways, but as Goldstein (1999) notes, they all "share certain interrelated, common properties that identify them as emergent" (p. 49). Specifically, Goldstein lists five elements that are consistent across all varieties of emergence: 1) radical novelty, 2) coherence or correlation, 3) global or macro level, 4) dynamical, and 5) ostensive.

Radical novelty. Emergence is a process that involves features not previously observed in the system. Therefore, new system elements that are a result of emergence are genuinely novel and new to the system (Goldstein, 1999).

Coherence or correlation. New, self-organizing, and coevolving entities perceive themselves as "integrated wholes that tend to maintain some identity over time" (Goldstein, 1999, p. 39).

Global or macro level. Because coherence and correlation are at work, systems must perceive the emergent entity at a global or macro level. Even though emergent entities are composed of individual agents, the system perceives them as coherent wholes because that is how they present themselves.

Dynamical. CAS develop and evolve over time. Emergence can only exist where there is constant motion that provides exposure to new energy and attractors. This allows for a dynamic relationship between the environment, the CAS as a whole, and individual agents within the system (Goldstein, 1999).

Ostensive. Goldstein (1999) highlights the fact that emergent entities are ostensive in nature. Entities that emerge from CAS are "recognized by showing themselves" (p. 50). This idea is important because it points out that the rest of the system cannot detect emergent phenomena until they present themselves. Considering this ostensive behavior in light of the dynamic nature of emergence reveals another important issue. Emergent entities will appear different to the observing system each time they show themselves. This is because the emerging phenomena itself is also a part of the overall CAS and changes over time. Uhl-Bien et al., (2007) describe this ostensive characteristic more directly in relation to organizations, noting "emergence involves two, interdependent mechanisms: (1) the reformulation of existing elements to produce outcomes that are qualitatively different from the original elements; and (2) self-organization" (p. 308). In a CAS, emergence is concerned with the ability of agents to self-organize and begin new, adapted operations.

Emergence and Leadership. McKelvey & Lichtenstein (2007) reviewed and assessed over 300 CAS models, linking emergence to organizational leadership processes

They note that leadership in a CAS progresses in stages. *Emergent networks* develop in a very informal way, when individual agents share common interests or requirements. No real leadership exists at this level—just shared experience. *Emergent groups* arise when agents combine to form a new and distinct process. Again, no significant leadership is present, but individual agents have made commitments regarding their own behavior and have given up some individual control to a group (i.e., tactical behavior) (McKelvey & Lichtenstein, 2007). An *emergent hierarchy* arises when agents within a group recognize and agree on qualitative differences. Leadership does begin to emerge here because specific agents may have resources or skills that are more valuable to the group than others (McKelvey & Lichtenstein, 2007). Finally, *emergent coordination complexity* comes to fruition when many of the agents in a group become strategic. Multiple causes and varied resource supplies begin to change the group into its own complex system (McKelvey & Lichtenstein, 2007). In CAS, these four stages of emergence occur simultaneously in multiple areas. Because CAS are constantly in motion, close study of these types of systems does not allow for the absolute separation of all four elements. Rather, a CAS reveals itself through actions and behaviors that are a combination of these features.

Generative emergence. Emergence is critical to the field of complexity science, yet most of the work pertaining to the concept occurs in very specific fields, often expanding upon "only one aspect or perspective within the multilayered context of emergence" (Lichtenstein, 2014, p. 3). To support a well-organized discipline of emergence, Lichtenstein (2014) compiled and studied "the entire range of empirical literature on emergence into a single framework of prototypes, identifying the complexity

sciences that can be used to study them, and presenting an integrative definition of emergence in social systems of all kinds" (p. 3). The first step toward this goal was to articulate eight prototypes of emergence (see Appendix B), "each being a basic form or archetype of order creation" (Lichtenstein, 2014, p. 16). Of these eight, Lichtenstein (2014) argues that generative emergence is best suited to the study and examination of organizations, writing that through generative emergence:

> An entity (e.g., an organization) emerges through an aspiration – partly planned and partly evolving – to provide some kind of value, that is, a product, service, or offering that is valued by other agents. This offering is exchanged for money, which is then used to maintain the entity. Generative emergence is ubiquitous in society, being the basis for all businesses, companies, projects, initiatives, and innovations. (p. 18)

Of all identified emergence prototypes, Lichtenstein (2014) argues that generative emergence has two specific characteristics that set it apart from the other prototypes. First, generative emergence involves an "intent to create value, involves a perception or belief that whatever is to be produced…will be of value to others and to the organizer" (Lichtenstein, 2014, p. 53) Second, it requires "enacting (developing) a method by which the value actually gets created and delivered to those who want it" (Lichtenstein, 2014, p. 54) - making it the best lens to use when considering emergence in organizations More specifically, these characteristics make generative emergence an appropriate lens to use in the study of new ideas in a high performing nonprofit organization. The reason for this is that such organizations must be focused on offering services that meet the needs of the

communities they serve (i.e., the intent to create value) and offer a solid business model with which to deliver these services (i.e., enacting method).

Phases of generative emergence. In addition to defining generative emergence and distinguishing it as the most appropriate prototype to use when studying innovation and entrepreneurship in organizations, Lichtenstein (2014) articulated a five-phase process for this type of emergence. Phase one is *disequilibrium organizing*, the recognition of an opportunity for a new idea or innovation and the action required to bring it about. Phase two is *stress and experiments*. Stress arises from the uncertainty that the new opportunity brings to the established parts of an organization, and experiments are "unique behaviors that are designed to deal with the intensity, reduce the stress, solve the challenges, and capture the opportunity" (Lichtenstein, 2014, p. 24). In phase three, *amplification and critical events*, the results of experiments break free from current process and structures in the organization and "are amplified, leading the entire system to a *critical event*" (p. 24). These critical events are not usually seen at the time they develop, and require some sense-making to occur later if they are to occur in the organization (Weick, 1995). Phase four of the generative emergence process, *new order through recombination*, recognizes that if the critical event is successful, elements of the organization recombine in some way, creating a new type of environment. Finally, the fifth phase, *stabilizing feedback* allows the emergent idea to find a long-term home in the organization. This "occurs by strengthening new routines, developing formal ties with new stakeholders, or achieving certain goals" (Lichtenstein, 2014, p. 25). Each generative emergence phase includes specific characteristics. These are defined in Table 2.2 below.

Table 2.3

Generative Emergence Phase Definitions

Generative Emergence Phase	Features of Phase (all from Lichtenstein, 2014)
Disequilibrium Organizing	***Opportunity Tension*** – "Driver of emergence. Represents an internal drive – the entrepreneur's intention – that arises in conjunction with his or her perception of a business opportunity, a market need that can be filled through entrepreneurial action" (p.234). ***Operational Metrics*** – "A process of entrepreneurial behavior. Intentional actions…operationalized into a set of 'organizing activities' pursued by entrepreneurs" (p. 235). ***Container/Boundary*** – "…created [to] channel the opportunity tension and entrepreneurial action of disequilibrium organizing" (p. 237).
Stress and Experiments	***Stress*** – of six possible types: 1) increased workload, 2) cognitive and emotional, 3) innovation challenges, 4) systemic resistance, 5) financial stress, and 6) interpersonal conflict (pp. 260-263). ***Experiments*** – "Challenges brought on by disequilibrium organizing are met by a stream of creative solutions, ways to resolve the stress" (p.268). Four types: 1) process, 2) business strategy, 3)

	technology/product, and 4) new routines/new equipment (p. 272)
Amplification and Critical Events	***Amplification*** – "… at a threshold point the system moves into a regime of amplification, where experiments can become magnified and extended throughout the system" (p. 280). ***Critical Events*** – "the critical event becomes the straw that broke the camel's back [and] finally turns the venture in one direction or the other" (p. 281).
New Order Through Recombination	***New Order*** – "Following a bifurcation point, an old system may disintegrate amid disorder to attain a more complex and appropriate alignment – a new order" (p. 298) ***Recombination*** – "The way that a system is composed through a combining and/or recombining of resources…patterns of relationship have to be acquired, organized, purposed, and assimilated into a new dynamic state" (p. 303)
Stabilizing Feedback	"In social systems, as soon as emergents arise they 'test' and adapt their efficacy and legitimacy, so as to become embedded into the core logic and organizing model of the dynamic state. Each of these tests is an example of stabilizing feedback…As stabilizing feedback takes hold, what was the *new* dynamic state slowly becomes *the* dynamic state, and the cycle of emergence is completed"(p. 315).

Outcomes of generative emergence. Lichtenstein (2014) explains that, "The distinction between process and outcomes of emergence has been made only recently" (p.120). He notes that the five phases of generative emergence represent only its process, and that there is a continuum that can be used to articulate the specific outcomes of this emergence process. Specifically, within the third phase – New Order Through Recombination - Lichtenstein (2014) states "the outcomes of emergence can arise along a continuum" (p. 298). He considers four specific points on this continuum, each representing a different type of emergence. These are briefly defined in Table 2.3 below.

Table 2.3

Types of Emergence Outcomes (Lichtenstein, 2014, p. 121)

Type of Emergence Outcome	Definition
Zero Degree Emergence (no emergence)	The most common outcome of emergent process is no outcome. Entrepreneurs experience this when they dissolve an organizing venture that is just not working out.
First Degree Order Emergence	The creation of patterns within systems, exemplified in most agent-based modeling studies and in small-scale emergences within social organizations. A new order emerges, but it is within a broader and continuous social ecology, a pattern within the system.
Second Degree Systemic Emergence	Refers to the case of an emergent system that doesn't display downward causation. An example might be a new product line within a retail environment; it is a "new entry" (Lumpkin & Dess, 1996), but it doesn't alter the systems and components within which it emerged.
Third Degree Radical Emergence	Strong emergence; the intended outcome of generative emergence. In radical emergence, the emergent "takes on a life of its own," by becoming a semi-autonomous member of the surrounding social ecology. This perception of existence goes beyond the entrepreneurial individuals who make it up.

Understanding the potential outcomes of emergence is important to this study because the new idea that was the focus of the research completed all five phases of the generative emergence process and ended with an outcome of third degree radical (strong) emergence. Generative emergence is an appropriate construct for use in this study because it provides theoretical grounding and specific language to describe the way new ideas arise – and can succeed - in high performing nonprofit organizations.

Organizational Leadership

The preceding discussion of emergence links theories pertaining to complexity, organizations, and leadership. Prior to a review of the complexity leadership, it is important to consider the long evolution of leadership as a field. Understanding how large the construct of leadership is, and how it has been studied over time, is important because it provides relevant background to any current discussion of leadership as a feature of complex adaptive systems (CAS). Leadership has been an important subject for thousands of years. It has been viewed as a significant factor in human relations throughout almost all of recorded history. Yukl (2002) suggests that this "widespread fascination with leadership may be because it is such a mysterious process, as well as one that touches everyone's life" (p. 19). As an activity practiced by individuals, leadership has been considered as a trait (Kirkpatrick & Locke, 1991; Stogdill, 1948), a set of behaviors or skills (Katz, 1955; Mumford & Connelly, 1992), a tool applied based on situation or context (Fiedler, 1964, 1967; Hersey & Blanchard, 1969, 1993; Vroom & Yetton, 1973), and a process to help teams reach goals or transform their nature (House,

1996). These ideas are still part of the scholarly conversation around leadership. They are also implemented in organizations around the globe to varying degrees.

A succinct, agreed-upon definition of leadership has been elusive, but that has not stopped scholars and practitioners from trying. Jennings and Dooley (2007) write that "almost as many definitions of leadership exist as theorists who have defined the concept" (p. 18). The primary element shared is the belief that leadership is something employed by individuals to influence group behavior. This is an important point to understand, because this research study takes a very different view of leadership.

For the purposes of this study, leadership was considered from a perspective consistent with a complexity view of organizations. With this in mind, this research adopted Katz and Kahn's (1978) definition of leadership, which is: "the influential increment over and above mechanical compliance with the routine directives of the organization" (p. 528). The selection of this definition is important for two reasons. First, it does not explicitly consider leadership to be present in a specific individual or respective role. Second, it does not link formally assigned or delegated power with the ability to produce influence in the organization. Several current complexity leadership scholars (e.g., Hazy, 2011; Marion & Uhl-Bien, 2001; Schneider & Somers, 2006) have also used the aforementioned definition of leadership to guide their work.

Complexity and Leadership

As the conversation about complexity in organizations developed, a more focused discussion began regarding the relationship between complexity and organizational leadership (Jennings & Dooley, 2007; Marion & Uhl-Bien, 2001; Wheatley, 2006; Yukl, 2002). A primary reason for this was that organizations seemed to be constantly

bombarded with issues that could not be effectively solved with traditional, top-down, and centralized leadership approaches (Marion & Uhl-Bien, 2011). As the properties of complex, adaptive systems became evident in organizations, scholars and practitioners alike grappled with the idea that leadership was less of an individual action and more of an influential increment. This increment pervaded firms and led to a "a paradigm shift in the social sciences, particularly in leadership and organizational studies" (Hazy & Uhl-Bien, 2013a, p. 2). Marion and Uhl-Bien (2001) also describe this change in thinking, describing a move from the more traditional science of reductionism and determinism to a more holistic and emergent view of organizations fueled by complexity theory.

Broadly, three themes dominate leadership behavior in CAS: interaction, correlation, and unpredictability. Interaction involves the dynamic interplay between CAS agents. Correlation refers to the co- development of organizational behavior between small groups of agents at a local level. Hazy (2011) describes this as a mutual development between fine-grained units and larger, coarse-grained collectives within the organization. Unpredictability refers to the infinite number of action combinations available in a CAS, and the notion that it would not be possible to plan for every conceivable scenario that might emerge. Yet, despite all of these unclear notions driving the system, we operate in a world where individuals are deemed leaders and given direct responsibility for part, or all of an organization's operation. Understanding the nature of CAS behavior in relationship to leadership might help these individuals succeed.

Several publications over the last 10-15 years have discussed specific behaviors that leaders and managers might employ to best take advantage of their organization's complex nature (Hazy, 2011; Schneider & Somers, 2006; Surie & Hazy, 2006; Uhl-Bien

& Marion, 2009). Importantly, this conversation has continued to evolve throughout the period covered by this research study. The ongoing discussion was been important to this research because it provided consistent updates to the context and language associated with the intersection between complex systems and leadership.

In 2001, Marion and Uhl-Bien suggested that "leaders need to understand the pattern of complexity and learn to manipulate the *situations of complexity* more than its results" (p. 403). To employ this idea, they also suggested five specific strategies. First, leaders must foster network construction, which requires them to allow connections between agents to be made at all levels (i.e., micro, meso, macro) of the organization. This idea is based on the idea that the power of the collective network is much more beneficial to individual agents than any single relationship. Second, leaders should catalyze bottom-up network construction, providing incentive and resources to a wide group of subordinates so they can construct and share new ideas. Third, agents in formal authority roles should become leadership tags, by embodying the sort of behavior that is encouraged and supported throughout the organization. Fourth, leaders must also drop seeds of emergence by identifying knowledge centers within and organization and facilitating the expansion of new ideas and thinking. Finally, leaders need to think systematically. This involves the ability to see the broader connections at work throughout the organization. Heifetz et al. describe this process as "getting on the balcony" to see how local actions influence and drive systematic behaviors and patterns (Heifetz, Grashow, & Linsky, 2009, pp. 7-8)

As with many new ideas, varying opinions have surfaced regarding how leadership in complex organizations should be best considered. In fact, no clear

agreement has been reached between scholars, and more theoretical and empirical work has been consistently called for (Hazy, 2011; Hazy & Uhl-Bien, in press) This research study to responded to this call by adding an empirical study of Complexity Leadership Theory (CLT), as articulated by Uhl-Bien et al. (2007).

Complexity Leadership Theory

Complexity Leadership Theory (CLT) "is a framework for leadership that enables the learning, creative, and adaptive capacity of CAS in knowledge-producing organizations or organizational units" (Uhl-Bien et al., 2007). The theory notes that organizations have entered in to a new knowledge era, which is defined as "an economy where knowledge is a core commodity and the rapid production of knowledge and innovation is critical to organizational survival" (Uhl-Bien et al., 2007, p. 299). The characteristics of this new era require nonprofits to find new and innovative methods to accomplish their mission in sustainable ways (Weerawardena et al., 2010). CLT has been conceived as a way to address complex environments and provide the innovation and adaptation necessary for sustainability.

Uhl-Bien et al. (2007) support an idea of leadership that "should be seen not only as a position and authority but also as an *emergent, interactive dynamic*" within organizations (p. 299). To that end, CLT considers three specific types of leadership that must work in unison for a CAS organization to thrive:

- Administrative Leadership: Focused on alignment and control. A traditional view of leadership that can be employed to handle technical challenges.

- Adaptive Leadership: Focused on adaptive, creative, and learning actions that emerge form a CAS environment as it experiences emergence.
- Enabling Leadership: Focused on creating an environment where adaptive leadership can thrive and its entanglement with administrative leadership can be managed.

The conceptual framework for this study represents CLT as a central focus of the research, and a core element of high performance organizations operating as CAS. An important feature of CLT is that it recognizes the reality of today's organizations, providing tactical support from practitioners who find themselves in a formal leadership role, despite operating in a complex environment. CLT offers an effective blend of individual behavior tactics and CAS features.

Innovation

The nature of CAS, including the enabling and adaptive aspects of CLT, relies on new ideas that emerge, are implemented, and grow into sustainable practices. The development of these types of ideas in high performance nonprofit organizations is a critical part of this study. Thus, a basic understanding of the concept of innovation is also required. Innovation is a ubiquitous term. Linked to entrepreneurship and improved business performance (Crossan & Apaydin, 2010; Hagedoorn, 1996; Ruvio, Rosenblatt, & Hertz-Lazarowitz, 2010; Schumpeter, 1947), a significant amount of time and resources have been devoted to defining, understanding, and suggesting actions in relation to the concept (Kearon, 2010; Leadbetter, 2006).

For the purposes of this study, innovation is important specifically because it links directly to both emergence (as an element of a CAS) and to the introduction of new ideas to an organization. Innovation is concerned with the introduction, growth, and adoption of new business practices. Two specific definitions from the literature support these views. First, Surie and Hazy (2006) note, "We view innovation as a social process rather than a purely technical one; innovation emerges in the context of interactions to solve problems" (p. 16). This definition developed as part of a broader discussion, nurturing innovation in complex systems. Second, Crossan and Apaydin (2010) assert innovation is:

> . . . production or adoption, assimilation, and exploitation of a value-added novelty in economic and social spheres; renewal and enlargement of products, services, and markets; development of new methods of production; and establishment of new management systems. It is both a process and an outcome. (p. 1155)

This definition supports the research question for this study because it considers innovation to be connected to new ideas that add value and contribute to organizational growth. A basic understanding of innovation's history and roles is helpful to understanding CLT as a whole. More specifically, a short examination of the relationship between leadership and innovation will also help articulate the purpose of this research.

Nature of innovation. Godin's (2008) work on innovation partially stems from the idea that the concept is concerned with new ideas built from existing elements. Regardless of the context, innovation brings a surprise or feeling of revelation. Although innovation today is most often associated with technology and commercialization,

novelty has had a significant impact on the development of all aspects of human history (Godin, 2008). This is important because novelty is a largely unexplored area that resides under innovation's umbrella. Thus, the relationship between leadership and innovation is an area that merits further consideration.

The term innovation was rarely used before the beginning of the twentieth century. As it became increasingly clear that new discoveries would be harder to make; the world economy sought more efficient ways to create value. The idea of redesigning current items and concepts became a prominent strategy, and those individuals and organizations that practiced innovation were recognized and rewarded for their efforts.

Economics and innovation. Innovation plays a significant role in the field of economics. In their review of more than 3,400 innovation scholars, Fagerberg and Verspagen (2008) discovered that more than 58% of the respondents considered their work with innovation to be economic in nature. Understanding innovation as an economic element is important to the study of leadership in organizations that create both economic and social value. Schumpeter's (1939) theory of innovation helps continue this line of discussion, as his work was the first to bring the concept of innovation to the center of economics (Godin, 2008).

One of Schumpeter's important contributions was the consideration that economics is an evolutionary process (Fagerberg, 2003; Schumpeter, 1947). Traditional economics had been considered to operate as a system, but one that could be kept relatively stable once it was designed and set in motion. Economic problems were considered malfunctions of an overall system. When these problems were corrected, it was assumed the system would return to a normal state. Schumpeter brought a Darwinian

perspective to the field and considered changes and alterations to economic systems to be challenges where firms would need to adapt, or die (Fagerberg, 2003). Starting from this basic idea, Schumpeter's (1947) theory of economics held that organizations able to scan the environment, recognize change opportunities, and implement new modes of production would be more successful and evolve over time. Schumpeter called these self-designed changes *innovations*. Interestingly, these ideas of environmental influence, change, and evolution seem to foreshadow significant elements of complexity theory as it relates to organizations, such as those discussed by Surie and Hazy (2006) and Goldstein et al. (2010) among others.

Innovation as an economic force is an important element to consider in relation to leadership. Leaders have formal responsibility for all or part of an organization. These organizations produce goods and services for sale in the marketplace. In a capitalist, open market system, innovation may be the single most effective way to increase net margins (Hagedoorn, 1996; Lange, 1943; Ruttan, 1959). Because CLT impacts all the processes and systems in the organization, it also impacts economic value (Cohen, 2014; Fagerberg & Verspagen, 2008; Goldstein et al., 2010)

Sociology and innovation. Innovation also has close ties to sociology. Godin (2008) notes that H.G. Barnett, an anthropologist, did most of the early thinking about innovation as it applied to the development and socialization of humans. Until the middle of the twentieth century, anthropologists felt evolutionism was the primary cause of social change (Godin, 2008). Evolutionism is defined as the survival and growth of a species, over time, based on behavioral reactions to environmental input. Barnett's work

was important because it took a more proactive view. He felt that human learning, thinking, and planning entered the cultural evolution equation. Barnett noted:

> As far as innovation is concerned, individual differences are evident in the ability to conceive of something beyond the limits of the conventional range of routine variation. This ability is dependent upon a number of factors…among them are the capacity for meaningful observation, the ability to retain knowledge in memory, and, above all, the faculty to analyze the data of everyday experience and recombine them in new patterns. (p. 20)

Barnett's ideas did not create a revolution in the field of anthropology, but they did get the attention of sociologists. Durkheim's original explanation of sociology included the following statement: "individual consciousnesses, by associating themselves in a stable way, reveal through their interrelationship, a new life very different from that which would have developed had they remained uncombined" (Durkheim, 1894). This idea relates to innovation because it references combining known elements to create something new and different. Instead of parts or processes in a business concerns, Durkheim's ideas reflect the recombination of individuals and their life experiences.

A primary aspect of the relationship between sociology and innovation has been social change. Instead of the imitation that often accompanied the idea of socialization, both invention and innovation became associated with movements focused on an improved society (Godin, 2008). Considering innovation through the lens of sociology relates directly to this study in two ways. First, these types of changes will impact both the economic and social value high performance nonprofits are able to produce. Second, because CLT is concerned with leadership as a socially constructed, influential increment, innovation provides context for a discussion of how new ideas emerge in this type of environment (Katz & Kahn, 1978).

The importance of innovation. In a comprehensive meta-analysis of more than 27 years of innovation literature, Crossan and Apaydin (2010) note that, "Innovation is widely regarded as a critical source of competitive advantage" (p. 1154). While their study did surface reports of innovation resulting from more creative exploits, the majority of the more than 10,000 articles they considered mentioned innovation as a deliberate business strategy designed to grow profit margins. As described previously, innovation has many definitions, also assuming many forms; however, the literature clearly shows that the primary importance of the concept is to add significant economic value to a firm by providing a distinct advantage in the marketplace. Socially, innovation is just as critical. Fagerberg and Verspagen (2008) note, "Politicians care about innovation too, how to design policies that stimulate innovation has become a hot topic" (p. 218). In this sense, innovation is just as important to the creation of a social value margin as it is to building economic value.

Leadership and innovation. The relationship between innovation and leadership is discussed widely in the literature (e.g., Borins, 2002; Crossan & Apaydin, 2010; Fagerberg & Verspagen, 2008; Glor, 1998; Goldstein et al., 2010; Ruvio et al., 2010; Surie & Hazy, 2006; Tushman, Lakhani, & Lifshitz-Assaf, 2012). Crossan and Apaydin (2010) address this, noting "The role of leadership at all levels of an organization, although sometimes tacit, is paramount for spearheading innovation as a process and maintaining its momentum until innovation as an outcome ensues" (p. 1156). The literature reviewed below focuses on the leader's role in creating and maintaining an organizational environment conducive to innovation. It begins with literature that considers the social and complex nature of today's organizations and how these

characteristics affect a leader's ability to manage innovation. After this, concepts of ecology of innovation and generative leadership are explored.

Glor's (1998) work highlights the social aspects of innovation. She notes that individual employees may be highly creative and innovative, and considers "how much more important the innovators found the social factors to be than the personal characteristics" (p. 1). To manage innovation as a social process, leaders need to deal with three specific components. First, leaders need to recognize the influence they have over individual motivation. Individuals will form into both formal and informal groups and, without proper motivation, creative ideas will not emerge from these. Second, leaders must obtain and distribute resources in a manner that encourages use. Without the promise of sufficient resources, individuals and smaller groups will take fewer risks to preserve the items they already have. Third, leaders must develop and practice specific skills for innovation management. Taking these factors into consideration, leaders can make thoughtful choices about how they structure organizations.

In thinking about organization design in relation to innovation, Tushman et al. (2012), conclude that it is important to recognize the locus of any given innovation. Firm-centered innovation takes place within the boundaries of the organization. It is more traditional and easier to manage. From a social standpoint, the relationships internal to the organization are paramount in firm-centered innovation. Because this type of innovation is bounded, these relationships may vary and exhibit different behaviors, but all within a limited scope.

Open innovation, in contrast, is not constrained by organizational boundaries. It is "enabled by low-cost communication and the decreased costs of memory and

computation, has transformed markets and social relations" (Tushman et al., 2012, p. 25). Open innovation is becoming the primary method by which firms gather and consider ideas, create new products and processes, and distribute them to the market. It acknowledges the idea that these markets, and the organizations that comprise them, are parts of a complex adaptive system and that leaders must understand the nature of these systems and how to influence them to gain the maximum benefit from innovation (Goldstein et al., 2010; Surie & Hazy, 2006).

In the complexity view, organizations function as, and are a part of, intricate networks. These networks are not static, and as they move, social interaction constantly creates and transfers knowledge. Because knowledge transfer is a primary element of innovation, it is important for leaders to be able to effectively influence the social networks that comprise their organizations. Goldstein et al. (2010) write, "Leading a successful, thriving, entrepreneurial and adaptive organization means *setting up conditions for positive interaction and interdependence*" (p. 44). Successfully establishing these conditions demonstrates generative leadership, "a form of leadership that creates a context to stimulate innovation in complex systems" (Surie & Hazy, 2006, p. 13). This type of leadership institutionalizes innovation by creating an "ecology of innovation" (Goldstein et al., 2010) conducive to creativity and entrepreneurship. Ecology of innovation is a system of differences. These differences lead to strength. Innovation requires new thinking and new ways of combining existing elements. The power in an ecology of innovation comes from differences that exist between individual elements and the subsystems they operate. When these differences are influenced in such

a way that they must work together, creative energy is produced and innovation can occur.

How, then, can leaders actually ensure that an ecology of innovation exists? Generative leaders achieve this goal by making sure that a constant, manageable level of disequilibrium exists at all times throughout the organization. This is a non-traditional view in some respects, since leaders have typically been called on to keep calm and maintain order. Surie and Hazy (2006) also note that generative leaders must ensure that only network interactions that result in data relevant to the task at hand are highlighted, that rapid feedback and action occurs after interactions, and that a disciplined procedure is in place for stopping or continuing innovative ideas.

In summary, innovation is important to organizations because it aids competition and increases their ability to create value via the marketplace. Innovation is relevant to this research study because it is connected to emergence, an element of a CAS, and to the introduction of new organizational ideas. It is also linked directly to an organization's ability to create both social and economic value.

High Performance Organizations

The final idea linked directly to the conceptual frame and research question for this study deals with organizational performance. Perhaps one of the broadest concepts in the field of management, organizational performance has been considered in a variety of ways over more than a century (de Waal, 2007, 2010, 2012). The current social and business environments described in Chapter 1 have helped create a renewed interest in the topic.

Current work regarding the performance of organizations typically cites three landmark books written within the past 40 years. First, *In Search Of Excellence* (Peters & Waterman, 1982) provides a comprehensive look at organizational effectiveness. Forty-three successful US companies were examined, with selection based on a variety of research-based criteria. This idea gained momentum, leading to *Built to Last: Successful Habits of Visionary Companies* (Collins & Porras, 2005), which considered the question, "What makes the truly exceptional companies different from other companies?" Collins (2001) continued this work with another broad study, resulting in the publication of *Good to Great*, which examined another list of eleven high performance companies that had excelled past average to achieve exceptional business results, maintaining their positive outcomes for at least fifteen years. These three studies were simultaneously praised and criticized. Regardless of reception, however, the publication of these three books intensified the scholarly conversation surrounding organizational performance.

In recent years, multiple studies have examined organizational performance from a variety of angles. de Waal (2012) conducted an extensive meta-analysis of 290 organizational performance research studies published between 1990 and 2005. The results identified a number of themes consistent among high performance organizations (HPOs). This study uses de Waal's (2010) definition of an HPO: "an organization that achieves financial and non-financial results that are better than those of its peer group over a period of time of at least five to ten years" (p. 19). This definition is appropriate because it acknowledges both excellence in achieving organizational goals as well as the ability to achieve that success over a substantial period of time. The definition is also particularly relevant to this study because it distinguishes between financial and non-

financial results. This links directly to the idea of social enterprise as organizations, which creates both social and economic value.

Another important aspect of de Waal's work is that it shows a link between organizational performance and leadership. Specifically, it identifies leadership characteristics congruent with the three elements of CLT. de Waal (2007) notes that leaders in HPOs "apply decisive, action focused decision making" and "hold people responsible for results" (p. 183). These actions are representative of the administrative aspect of CLT. Leadership in an HPO also allows for experiments and mistakes, an idea that connects directly to the CLT element of adaptive leadership. Finally, HPO leaders coach and facilitate as well as stimulate change and improvement, which can be interpreted as enabling leadership actions. In addition to de Waal, other empirical work has been conducted regarding the link between leadership and high performance (e.g., Bowers & Seashore, 1966; Carter & Greer, 2013; Jing, Avery, & Bergsteiner, 2011; Kaiser, Hogan, & Craig, 2008). Another important aspect of these is that although they recognize a strong link between leadership and organizational performance, they also support the call for much more work to be done to describe and quantify that relationship.

A final subset of HPO literature that is relevant to the current study concerns the performance of nonprofit organizations. Letts, Ryan, and Grossman (1999) share the idea that in addition to the ability to deliver programs effectively and expand intelligently, high performance nonprofits must add a third adaptive capacity. Adaptive capacity for nonprofits is defined as the ability to "know where and how to change programs and strategies so that the organization is delivering on its mission" (Letts et al., 1999, p. 21). This concept is important because it is related to the adaptive and enabling elements of

CLT. In practice, adaptive capacity improves nonprofit organizational performance in three specific ways. First, it helps organizations create value for their clients, customers, and community. Second, it allows organizations to encourage, motivate, and empower employees and volunteers. Finally, it provides an avenue through which organizations can demonstrate to financers their value relative to their competitors (Letts et al., 1999).

Summary

This chapter supplied a review of the scholarly literature supporting the primary research question and conceptual frame for the study. It included a description of the primary elements of complexity theory and complex adaptive systems, specifically highlighting the construct of generative emergence. These ideas are important because they represent the environment and context in which this study is situated. The review of the literature continued with a discussion of complexity leadership, and the CLT model in particular (Uhl-Bien et al., 2007). This is significant because CLT is the primary lens through which leadership activities at the research site will be interpreted.

Narrowing its focus, the literature review examined the concepts of emergence and innovation, which are both critical to this research because they address the formation and growth of new ideas with an organization. Finally, the idea of a high-performance organization was discussed because it provides a specific, defined description for the type of organization at the center of this study.

Chapter 3: Methods

This study investigated the function of leadership in the emergence of new ideas in high performance nonprofit organizations. It assumed a complexity view of the research site, consistent with the growing understanding that organizations have evolved. Guastello and Bond (2007) describe this evolution as one "from a mechanistic bureaucracy…to a complex adaptive system" (CAS) (p. 92). The organization studied is a CAS, and the leadership at work within the organization is examined through the specific lens of Complexity Leadership Theory (CLT). CLT addresses the idea that leadership in an organization exists both within a person or role, as well as outside the individual. It is a framework for leadership that enables the learning, creative, and adaptive capacity of CAS in knowledge-producing organizations or organizational units (Uhl-Bien et al., 2007). CLT considers three specific types of leadership that must work in unison for a CAS organization to thrive:

- Administrative Leadership: Focused on alignment and control. A traditional view of leadership that can be employed to handle technical challenges.
- Adaptive Leadership: Focused on adaptive, creative, and learning actions that arise from a CAS environment as it experiences emergence.
- Enabling Leadership**:** Focused on creating an environment where adaptive leadership can thrive and its entanglement with administrative leadership can be managed.

This chapter begins with a description of the study's design, including theoretical and philosophical perspectives, a review of the primary and secondary research

questions, and a description of the methodology employed to address this question. Following this, the chapter presents the context for the study, including the research site and a description of the specific methods used to collect, analyze, and report data. The chapter concludes with a discussion of the ethical considerations related to the study and articulates steps employed to ensure the trustworthiness of the research. The chapter also includes a section discussing the potential to translate this research into organizational practices.

Theoretical and Philosophical Perspectives

In addition to the practice-based reasoning provided in prior sections of this study, it is important to acknowledge the case's alignment between methodology, theory, and epistemology. This alignment was accomplished and articulated using four elements, suggested by Crotty (1998): epistemology, theoretical perspective, methodology, and methods. This configuration is important because it helps to ensure that the research argument was thorough, logical, defensible, and able to contribute to the larger conversation about complexity leadership.

This researcher's social constructionist epistemological worldview provided a sound backdrop for this research. Crotty (1998) notes that constructionism does not support the idea of a separate reality or "objective truth waiting for us to discover it" (p. 8) Rather, social constructionist epistemology comes from the premise that any individual notion of reality occurs through interaction and relationships with other individuals. Berger and Luckmann (1966) provide more insight, describing different zones of reality that individuals create and experience, noting that "Closest to me is the zone of everyday life…This zone contains the world within my reach, the world in which I act so as to

modify its reality, or the world in which I work" (p. 22). This description is well-suited to the lens of complexity science utilized by this study. It resonates with the idea of individuals as agents able to make behavioral decisions using local rules.

Berger and Luckmann (1966) also describe "far zones" as areas about which individuals are aware, but where participation and interest is "far less intense and certainly less urgent" (p. 22). These zones are important, though, because "the work done there will eventually affect my everyday life" (p. 23). This image is also consistent with complexity science because it acknowledges that individual action is not just determined at the local level. Rather, it results from a dynamic relationship, where broad, emergent results of a CAS will influence individual action as well.

A social constructivist epistemological stance meshes well with CLT because CLT views leadership as a dynamic, emergent happening between individuals and their environment. This agreement is further encouraged by the idea that CLT seeks to describe the way leadership is born of social connectedness within an organization. From this starting point, the theoretical framework for the study is able to rest on the elements of symbolic interactionism. Symbolic interactionism "deals directly with issues such as language, communication, interrelationships, and community (Berger & Luckmann, 1966, p. 8). These issues are critical to CLT, within the boundaries of an organization, because of its premise that all leadership emerges from a co-evolutionary relationship.

Research Question

The preceding ideas helped form and address the central research question for this study: What is the function of complexity leadership in the generative emergence of new ideas in high performance nonprofit organizations?

Accordingly, related sub questions included:

- What is the function of administrative leadership in the generative emergence of new ideas in high performance nonprofit organizations?
- What is the function of adaptive leadership in the generative emergence of new ideas in high performance nonprofit organizations?
- What is the function of enabling leadership in the generative emergence of new ideas in high performance nonprofit organizations?

CLT also assisted, as Yin (2012) notes, in "defining a complete and appropriate description" of the phenomenon under investigation (p. 5).

Methodology

Research for this study was conducted in the qualitative tradition. It employed a case study method with the use of interviews and document review. Thematic coding was the primary form of data analysis. The trustworthiness of this research was ensured through the use of triangulation, member checks, and peer checks of coding.

Qualitative Approach

The field of complexity leadership is still in a nascent stage. As a result, both qualitative and quantitative empirical research efforts are in great demand (dal Forno & Merlone, 2009; Hazy, 2012; Hazy & Uhl-Bien, 2013b). As Merriam (2009) notes, "Qualitative researchers are interested in understanding how people interpret their experiences, how they construct their worlds, and what meaning they attribute to their experiences" (p. 5). A qualitative study was appropriate for this research because it aligns with the philosophical views of the researcher and has the potential to provide useful data, to both scholarship and practice.

Case Study Approach

Case study methodology was fitting for this research because scholars working with complexity leadership have specifically remarked on the need for more empirical, inductive, theory-building work (Osborn, Hunt, & Jauch, 2002; Uhl-Bien et al., 2007). Three primary elements of CLT have been proposed, but require more description and definition than currently exists. As Hazy (2011) states, "the leadership constructs and variables described here must be further defined and tested empirically" (p. 186).

A case study design was also appropriate for this research because it allowed sufficient time to examine the phenomenon under scrutiny. Stake (1995) remarks that the time required to complete a case study varies greatly, "studies running well over a year as well as those capable of being completed in a week or so" (p. xiii). This study provided ample access to individuals involved and sufficient time to complete required data collection.

In addition to further clarifying a phenomenon, the case study method was appropriate for this research because the research deals with a "bounded system" (Merriam, 2009, p. 40), something that is "specific, a complex, functioning thing" (Stake, 1995, p. 2). In relation to this idea, Merriam (2009) draws attention to the value of the research unit of analysis over the topic of investigation. This is important because the organization examined is just one within a network of 162 other member units of an international nonprofit.

Because the phenomenon under investigation in this study required more definition, further focus was provided to the work by considering special features that a case study offers (Merriam, 2009). "Case studies can be characterized as being

particularistic, descriptive, and heuristic" (Merriam, 2009, p. 42). This case study research effort provided the opportunity to include all of these features.

"Particularistic means that case studies focus on a particular situation, event, program, or phenomenon and for what it might represent" (Merriam, 2009, p. 43). This research case examined an emergent idea within one high performance nonprofit. More specifically, the "particular" event was the growth of a charter school within a high-performance organization.

Descriptive case studies provide a thorough description of the phenomenon present. Yin defines these types of cases as offering "a complete description of a phenomenon within its context" (p. 5). The design of this case study provided ample time to discover and describe the any findings in detail. Heuristic means that the case may "illuminate the reader's understanding of the phenomena under study" (Merriam, 2009, p. 44). This research was designed to support a clearer picture of the function of leadership in complex organizations; one that may be helpful to similar organizations as they operate in the future.

Stake's (1995) typology for case studies also impacted the research design. Specifically, the research met Stake's criteria as being both intrinsic as well as instrumental. Stake defines an intrinsic case study as one where the researcher is "interested in it, not because by studying it we need to learn about other cases or some general problem, but because we need to learn about that particular case" (Stake, 1995, p. 3) The researcher has a personal curiosity and passion for both the topic of complexity leadership as a concept as well as the organization that served as the research site. As a result, the work comprised an intrinsic case (Stake, 1995). Because the study was also

"instrumental to accomplishing something other than understanding," it also is an example of an instrumental case (Stake, 1995, p. 3). As articulated in the research question, the study sought to further a greater understanding of both generative emergence and of leadership in complex systems.

Context of the Study

This study was conducted at Goodwill Industries of Central Indiana (GICI), a high performing nonprofit that is one of 162 local Goodwill member agencies that make up Goodwill Industries International (GII). GII is of the largest nonprofit enterprises in the world and is committed to providing job training and vocational services to those experiencing a barrier to employment. GII refers to the people they serve as clients. These clients receive services through a network of autonomous local member agencies. The size and performance of these local agencies vary greatly. GII's overall success is measured, primarily, by measuring persons served and the impact of these services on local communities, but is also assessed by measuring the amount of revenue generated by the sale of gently-used, donated items in GII retail stores. This combination of a social mission (job training and vocational services) and the creation of economic value (operating retail stores) makes GII an example of a "hybrid organization" (Batillana, 2018). While it is legally considered a nonprofit, it is also a prime example of a social enterprise.

Goodwill agencies in the United States and Canada are considered full members and operate under a signed-member agreement. This agreement provides basic legal and operational parameters under which each agency must operate to continue use of the Goodwill name and brand. Other global Goodwill agencies are affiliate members,

operating under a less specific agreement, allowing for flexibility in response to any laws or requirements each country may have. This distinction is important because the site for this study, GICI, is a full member of GII.

Site Selection

GICI was selected as the research site after considering several Goodwill agencies that meet the criteria for high performance. In addition to de Waal's (2010) definition of a High-Performance Organization that is centered on superior results over a period of time, Letts et al., (1999), add that HPOs also include effective programs, intelligent expansion, and the capacity for adaption. GICI performs extremely well in all these areas, with a location that facilitated easy and flexible research access, helping minimize time, travel, and expense. Access to the site was gained by leveraging prior professional relationships between the researcher and several key GICI staff, including the President and CEO.

GICI has been a high performance organization for several decades. The firm has consistently outpaced other GII agencies with similar territories as well as other local service organizations in the same geographic market in measures of both economic and social value creation. Economic value comes via donated goods retail sales; social value originates from a variety of training and employment services. More specifically, from 2000 through 2017, GICI ranked in the top ten percent of all 161 local Goodwill member agencies in the area of total revenue generated (economic value creation) as well as total number of social services provided (social value creation). (Goodwill Industries International Annual Statistical Report, 2000-2017).

Additionally, GICI has garnered recognition and awards for leadership, innovation, and community involvement.

GICI also offers an excellent example of the generative emergence of a specific program, from its nascent stages to implementation, performing successfully according to different measures. In 2004, GICI became the first Goodwill agency to gain approval by a local municipality to operate a charter high school. This innovative idea provided a new avenue to bring GII's mission to the community. Today, GICI operates charter schools in twelve different locations throughout their service territory. Additionally, other local Goodwills throughout the US have replicated this charter school model in their respective territories. The generative emergence of this innovative idea and the function of leadership as part of the growth process served as the focus of this case study research.

Data Collection Methods

The phenomenon investigated in this study was the function of leadership in the emergence of innovative ideas in a high performance nonprofit organization. Because the research employed a complexity lens, it was important to collect data from within the organization and investigate leadership activities connected to emergent idea at the center of the study. In a qualitative study such as this one, the researcher must serve as the key instrument for data collection (Creswell, 2007).

This study employed two primary techniques for collecting data: (a) individual, semi-structured interviews, and (b) document review. These were appropriate for this case study because interviews acknowledge many of the characteristics present in a complexity view of organizations. Stake (1995) states, "The case will not be seen the same by everyone" (p. 64). This sentiment acknowledges the importance of the individual behavior of the agents in an organization, viewed through a CAS lens. Interviews were also appropriate for a research project conducted from a social constructivist perspective.

Creswell (2013) explains that such a view assumes that the reality and understanding of phenomena is achieved through a collection of individual meanings; these meanings are "varied and multiple, leading the researcher to look for the complexity of views rather than narrow the meanings into a few categories or ideas" (p. 24).

The strategy for this case study employed individual interviews with members of the subject organization who were directly involved in the ideas related to the school initiative. Additionally, because interviews provided the bulk of the data for this research, a wider range of subjects, including individuals with a variety of perspectives of the charter school project, was also contacted. This expanded field included:

- individuals not directly involved with charter school but still part of GICI.
- GICI employees involved with/affected by the school initiative that have since left the organization.
- a past GICI board member.
- another local nonprofit business leader.

Speaking with individuals not directly involved with the school was important because it allowed for the possibility that the data might not only include positive feelings regarding the initiative. Also, because the charter school started several years ago, an expanded interview field helped collect data that covered the entire history of the project. In addition to interviews, documents directly linked to the emergence of this new initiative were analyzed. Details regarding this strategy element are provided later in this chapter.

Interview Specifics

To align the methodology and theoretical perspectives of this study, purposeful sampling was used to select individuals to be interviewed. Purposeful sampling was appropriate because, as Merriam (2009) notes, it is helpful when "the investigator wants to discover, understand, and gain insight and therefore must select a sample from which the most can be learned" (p. 77). More specifically, the study used both unique and snowball sampling techniques, which are both subtypes of purposeful sampling. Merriam (2009) defines unique sampling as one "based on attributes or occurrences of the phenomenon of interest" (p. 78). This is important because unique sampling allowed the researcher to speak with specific individuals involved with the generation of the charter school idea at GICI. Individuals were identified based on their organizational role and involvement with the generation of the charter school. Snowball sampling occurs "when the researcher accesses informants through contact information that is provided by other informants" (Noy, 2008, p. 330). This type of sampling was particularly relevant to a study using a complexity lens as part of its theoretical frame. It allowed the researcher to follow the past emergence of ideas by having initial, unique interview participants provide direction to other potential subjects who were also connected to these ideas.

The unique sample for interviews included six members of GICI's leadership team as it existed at the time of data collection. These individuals were selected because they had specific job responsibilities that impacted the initiation, growth, and success of the charter school program at GICI. These factors fit well with all the elements of the research question guiding this study. In addition to these individuals, six other individuals were identified through the snowball technique. These additional interviews were

important because they helped ensure the full scope of the organization was represented and the phenomenon being studied was viewed through a complexity lens.

Another important aspect of the interview sample described above is that although this research views GICI as a CAS, the organization does have a traditional organizational structure with job titles and descriptions deigned to define and fill very specific roles for the agency. The Board of Directors provides governance and oversight for GICI, as required by law as well as by GICI's membership agreement as part of GII. In turn, one of the primary responsibilities of the Board is to select a Chief Executive Officer (CEO) for the organization. The CEO's responsibilities include hiring and managing full staff in order to meet the strategic and functional needs of GICI. Research interviews for this study were conducted with twelve different individuals. Ten of these individuals were GICI employees during some, or all, of the charter school growth process. Six of these eleven were members of GICI's leadership team, comprised of the CEO and those individuals who reported directly to the CEO. Table 3.1 below provides a summary of these individuals, showing their official job title during events of the case. It also indicates those participants who served on the leadership team of the organization.

Table 3.1

Interview Subjects

Subject Name	Role During Case Study Events	Leadership Team Member
Scott Bess	President and CEO of GEI	X
Betsy Delgado	VP of Mission Services	X
Gwen Fountain	GICI & GEI Board Member	
David Harris	CEO, The Mind Trust	
Byron Jensen	Senior Vice President of Mission Services	X
Kent Kramer	VP of Retail and Donated Goods (later Chief Operating Officer for GICI)	X
Eric Lange	Director of Special Projects	
Jim McClelland	President and CEO	X
Val Nowosielski	Director of Talent Management	
Dan Riley	Chief Financial Officer	X
Eric Schlegel	VP of Retail and Donated Goods	
Dan Stevens	Chief of School Operations	

Interview subjects were chosen to allow for contact with stakeholders from various parts of the GICI environment, both internal and external to the organization. This allowed for a more complete and balanced description of the phenomenon. To this end, interview subjects included some GICI staff not directly involved with charter

schools, but affected in some way by their creation. Interview subjects also included two people involved with the charter schools that have since left employment with GICI. When considered as a whole, the full set of interview participants allowed for the inclusion of GICI employees, charter school administrators, a school board member, and a local nonprofit executive working outside of GICI.

It is also important to note that the social nature of organizations typically provides for some type of political climate, which has a direct impact on the perceptions and behaviors of individuals within the organization (Ferris & Kacmar, 1992; Gandz & Murray, 1980). The design for this research considered that organizational politics might impact this study in at least two ways. First, it was reasonable to assume that some members of GICI may not want other specific individuals, either connected to or separate from GICI, to speak with the researcher about their experience with the charter schools. Second, it was also reasonable to assume that some individuals may not have had positive feelings about GICI in general and/or the charter schools specifically. Efforts were made to find and interview such subjects, but both purposeful and snowball sampling strategies were unable to locate any such individuals.

Interview Process

The full interview process for this research was conducted following Creswell's (2013) recommendation of "a series of steps in a procedure" (p. 163). What follows is a list of steps that were completed as part of the interview portion of the data collection for this case study.

Semi-structured interviews. These interviews served as the central focus point for the study. The interview protocol (Appendix C) was designed to reflect the theoretical

lens for the study, as well as its conceptual frame and research question. The questions were designed to utilize GICI's charter schools as an initial focus point as an example of an emergent idea that was been implemented, and continues to contribute to the high performance of the organization. Follow up questions were included to allow subjects to discuss the broader environment of GICI as it pertains to the function of leadership in the emergence of new ideas. Interviews lasted between 45 minute and 2 hours.

Identify interviewees. Interview subjects were selected using purposive and snowball sampling techniques as described above.

Determine interview type. Seven interviews were conducted in person and five were conducted via telephone. All in-person interviews were held within each subject's work environment.

Select recording procedures. In addition to taking thorough notes during the interview session, two separate audio recording devices were used to ensure that all questions and responses are captured thoroughly. All recorded interview sessions were professionally transcribed. The combination of notes and observations with thoroughly transcribed discussion sessions provided a rich set of data for analysis.

Utilize interview protocol. Creswell (2013) suggests that the protocol should be a tool to help the interview stay on track and address the proper questions. The specific questions discussed in each interview session, "are often the subquestions in the research study, phrased in a way that interviewees can understand" (p. 164). The interview protocol for this study is included in Appendix C. The protocol was designed to ensure that each interview subject understood the research project and the role within the study.

It also allowed for subjects to ask questions to help them be as comfortable as possible before starting the actual interview.

Additionally, the interview protocol was specifically constructed to include questions that allowed respondents to speak comprehensively about their experience with the entire charter school project at GICI. These questions were also linked to important aspects of the conceptual frame and the research question for the study. The protocol includes questions directly tied to both the three elements of CLT as well as the five steps of generative emergence.

The primary set of questions included in the protocol included Level 1 queries, as described by Yin (2009). As such, they were designed to elicit responses directly from the interviewees during the actual interview. Additionally, these Level 1 questions were considered in connection with important Level 2 questions, which Yin (2009) describes as "questions asked of the individual case" (p. 87). These are questions that the researcher must be constantly trying to answer during the study. They are typically broader, but remain focused on the overarching research questions and the conceptual frame for the study. The interview protocol includes a list of Level 2 questions the researcher kept in mind throughout the interview process.

Conduct pilot testing. One pilot interview was conducted with a local Goodwill agency with similar characteristics to GICI. The pilot interview was conducted in person. Pilot test results are not included in the final research report.

Determine location. GICI has a broad presence throughout its assigned GII territory, including administrative offices, client service centers, and retail stores. As mentioned, all seven in-person interviews for this study were conducted in GICI's

administrative headquarters building and five interviews were conducted over the telephone.

Utilize consent form. All participants were provided with a consent form (See Appendix D). All interview subjects identified prior to the beginning of the study received these forms five to ten business days prior to the scheduled interview. This allowed them to review the form and have any questions answered prior to the interview.

Use good interview procedures. Each interview session was conducted within a 45–120 minute time frame. Interviews focused only on subjects shared with participants as part of the consent letter and the interview protocol. The tenor of each interview session was calm and courteous, with the balance of time spent listening to responses from interview subjects. This was important for two reasons. First, it increased the amount of empirical data produced during each interview session. Second, it helped to minimize any effect on the research process that the researcher's bias and worldview might have provided. More detail is provided on several of these procedural steps through the remainder of this chapter.

The specific process for collecting and analyzing interview data included using the notes collected by the researcher and coding and organizing all interview transcriptions using MAXQDA qualitative coding software.

Document Review

As Merriam (2009) suggests, reviewing documents is an excellent data collection technique because it will "not intrude upon or alter the setting in ways that the presence of the investigator often does. Nor are documents dependent upon the whims of human beings" (p. 139). Thus, documents concerning GICI and the charter school initiative were

gathered from a variety of sources. These included both public records as well as items produced by the organization itself. The GICI website as well as the organization's mission, vision, and value statements were investigated. Additionally, governing documents, annual reports, other materials linked to specific innovation efforts that have helped GICI to become a high performance organization were examined.

Review of the documents began as soon as research approval was provided. Although several individuals at GICI were contacted to see if any documents related to the charter school or other organizational innovations could be made available for review, most internal documents were provided through the direct assistance of the organization's CEO. The full document review process occurred simultaneously with other research activities and took several months. Time was allotted to acquire and review these items both during and after the on-site research visits to GICI. In all, more than 300 documents were collected. After an initial review of these, many were removed from consideration because they were not actually relevant to the research question for the study or because they provided duplicate data. A final set of forty documents was set aside for formal review and coding. The specific process for reviewing a document included making detailed notes regarding any items connected to the study's research question. After these notes were collected, they were coded and organized using MAXQDA qualitative coding software.

Data Analysis

This section describes the analytic techniques employed by the researcher after completing the data collection processes listed above. Merriam (2009) notes that although most researchers make a sequential distinction between data collection and analysis, this

“is a bit misleading because collection and analysis should be a simultaneous process in qualitative research” (p. 169). In this spirit, the data from this study was collected and transcribed into a consistent format. Interview transcripts were evaluated for themes and codes, and similar codes were grouped and considered together to create broader themes from the research results. Similar coding took place for data secured from document reviews. Results from both data sources were compared using a consistent set of codes and themes. The goal of the analysis was to surface specific findings to address the research question and subquestions for the study.

The data analysis strategy for this research was defined and deliberate, but also allowed for unexpected developments that surfaced during the research process. This flexibility was important for two reasons. First, it is consistent with the emergent nature of the complexity lens being used for the study. Second, it acknowledged that “there is no particular moment when data analysis begins” (Stake, 1995, p. 71). Stake also notes that "analysis should not be seen a separate from everlasting efforts to make sense of thing" (p.72). As an example, the CLT lens used for this research inherently provided three ready-made categories for sorting collected data around leadership. From the outset, it was possible to consider whether this information should be sorted as administrative, adaptive, or enabling leadership. With the above understanding in mind, data analysis was accomplished as follows.

Data for this study was collected via interviews, document reviews, and notes and impressions gathered during the data collection process. Merriam (2009) highlights the importance of being able to manage this data well, and for establishing procedures for this management early in a study. Overall, the data in the case was collected and analyzed

using a protocol consistent with Creswell's (2014) process that involves six steps: 1) data organization and storage, 2) first cycle coding, 3) narrowing the code set, 4) second cycle coding, 5) surfacing trends and patterns, and 6) building a narrative.

Data Organization and Storage

Each interview was professionally transcribed and saved as a Microsoft Word document for future evaluation. Likewise, each document collected for review was saved in electronic format. These documents were organized and stored on a password protected computer. In addition, each interview transcript and document for review was uploaded to MAXQDA, a qualitative data analysis software tool employed in this study to facilitate in-depth and expedient coding.

Data Coding

This section provides a detailed review of the coding process used to analyze the data collected from interviews and documents reviewed as part of the study. Coding of the data followed the process outlined by Saldaña (2013) and employed two separate coding cycles.

First cycle coding. This process represented the initial attempt to find similar elements in the data and sort them into categories to best address the research question. The first round of coding employed two specific elemental coding methods as defined by Saldaña (2013): structural coding and descriptive coding. These "methods are primary approaches to qualitative data analysis. They have basic but focused filters for reviewing the corpus and they build a foundation for future coding cycles" (Saldaña, 2013, p. 83).

***Structural coding*.** Structural coding "applies a content-based or conceptual phrase representing a topic of inquiry to a segment of data to both code and categorize the

data corpus" (p. 83). This was appropriate for this study because it allowed the key elements of the study's conceptual frame to serve as codes. For example, all three types of leadership named as part of CLT (administrative, enabling, and adaptive) were used as first round codes to because they helped identify "data likely to be relevant to a particular analysis from a larger set" (p:83). Appendix E provides a list of the structural terms used during the first round of coding, and indicates the corresponding conceptual frame element.

***Descriptive coding*.** Descriptive coding "summarizes in a word or short phrase - most often a noun - the basic topic of a passage of qualitative data" (Saldaña, 2013, p. 88). This was an important coding method because it allowed for raw, initial interpretation from the researcher. According to Saldaña, this descriptive step is "the foundation for qualitative inquiry" (p. 88). In vivo coding was not used as an analysis technique in this research. As Saldaña (2013) notes, this type of coding, which relies on verbatim language from each subject, "may limit the researcher's perspective on the data, a perspective that can contribute to more conceptual and theoretical views about the phenomenon or process" (p. 94). Because the research question for the study is concerned with a single function viewed through a specific conceptual frame, it was important allow the terms and descriptors from this frame guide the initial set of codes.

Narrowing the code set. After the first coding cycle, codes used only once or twice were either eliminated or combined with another similar codes. This action was appropriate because some codes were obvious outliers and were not relevant to any emerging, general ideas that might address the research question for the study. Some data was recoded based on terminology or phrases identified during the first round that were

more appropriate than the original codes. In addition, some codes were consolidated because apparent similarities emerged and others were dropped altogether as it became evident they were either redundant or unimportant for the case at hand.

Second Cycle Coding. All interview transcripts and documents were coded a second time using the narrowed set of codes that remained. The second round of coding leveraged another method described by Saldaña (2013): pattern coding. The primary goal during Second Cycle coding is to "develop a sense of categorical, thematically, conceptual, and or theoretical organization from your array of First Cycle codes" (Saldaña, 2013, p. 207). Pattern codes are those that identify trends, patterns, or themes that emerge in the data after first round coding (Miles & Huberman, 1994; Saldaña, 2013). They pull together a lot of material into a more meaningful and parsimonious unit of analysis. This type of code was appropriate for this study because it allowed numerous First Cycle codes with similar meanings to be brought together under a new code.

The primary research question sought to identify specific actions that occurred as part of the generative emergence process. As a result, pattern coding allowed for a comparison of emerging themes and categories against the sequential elements built into the study's conceptual frame. After two rounds of coding, the case data was separated into various themes that linked directly to the study's conceptual frame, and, more importantly, it is research question. This is important because it allowed for the organization of a central narrative that linked the empirical data gathered in connection with GICI's charter school to the complexity leadership and generative emergence processes at the core of the study. See Appendix F for a full list of codes used through both cycles of coding.

Coding of leadership actions. It is important to note that the second round of coding also allowed for a critical analytical step in the study. Chapters 4 and 5 provide research findings that articulate the full case narrative as well as specific leadership actions that surfaced from the data. In this study, a leadership action is defined - in a manner consistent with CLT - as an action taken by an individual or group "to align preferences with organizational goals, enable informal emergence, and coordinate contexts in which it could occur" (Uhl-Bien et al., 2007, p. 305). The set of codes remaining after the second coding cycle described above was used to organize and understand the nature of these leadership actions by forming another, more refined set of themes or categories. This analytic process is described in more detail in Chapter 5, but is important to reference here since it represents an extension of the formal coding process.

Surfacing leadership action types. The coding employed in this study allowed for the emergence of what Saldaña (2013) terms, "categories, themes, or concepts" (p. 246) that were helpful in defining a refined set of leadership action "types" that emerged from the data. Stake (1995) provides further thinking around this idea, explaining that, "people can learn much that is general from single cases" (p. 85). Specifically, he supports the idea that thorough case study research allows for the creation of "naturalistic generalizations" (p. 85). He notes, "Naturalistic generalizations are conclusions arrived at through personal engagement in life's affairs or by vicarious experience so well constructed that the person feels as if it happened to themselves" (Stake, 1995, p. 85). Based on the coding methods used in the study, nine specific leadership action codes emerged:

- Research/Learning

- External Exploration
- External Influence
- Internal Exploitation
- Operational
- Curiosity
- Relationships

These action types are discussed and defined in more detail in Chapters 4,5, and 6.

Building a narrative. The two-cycle coding process used in this case required multiple interview transcript readings and document review iterations. As a result, it was possible to establish a broad narrative focused on the elements of the study's conceptual frame and research question. The categories, themes, concepts, and generalizations described above do not, by themselves, comprise a final set of research findings. However, they do make an important contribution to the process. Namely, they provide empirical examples that allow for the broader case narrative to be written. From a thorough data collection process, a primary narrative surfaced for this study. This narrative was grounded in research, and provided a clear connection to the conceptual frame of the study, reflecting all its critical elements. This thorough narrative allowed the most significant research findings to emerge. Ultimately, they reveal the answers to the research question at the heart of this study to be answered. The following chapter builds on the analysis detailed here by offering both the describing and explaining efforts that Miles and Huberman (1994) encourage as a product of good qualitative case research.

Ethical Considerations and Trustworthiness

Researchers have a responsibility to ensure that they produce work that is valid and reliable, while meeting high ethical standards. Striving for this goal, this study employed several techniques to help ensure the trustworthiness of the dissertation research. These included triangulation, member checks, peer examination, and a consideration of subjectivity as it pertained to the primary researcher. Each of these will be explained in detail below.

Triangulation

Kreftig (1991) refers to triangulation as "a powerful strategy for enhancing the quality of the research, particularly credibility" (p. 219). Triangulation of data methods refers to using different ways of collecting information. In the case, the use of two distinct data collection methods (interviews and document review) provided this kind of triangulation support. Triangulation of data sources involves gathering information relevant to the case, from more than one location. The use of both interviews and document review, as well as the sampling and document acquisition methods noted demonstrate the triangulation efforts included in this research

Member Checks

Merriam (2009) defines member checks as "feedback on your emerging findings from some of the people that you interviewed" (p. 217). Because full access to the research site was be available, and subjects were interviewed over an extended period of time, this technique was employed to ensure the trustworthiness of findings. Specifically, subjects were provided with the contact information of the researcher and encouraged to follow up with any concerns, questions, or clarifications regarding the data they provided

in the interview session. Further, selected subjects were asked to review the printed transcripts of their interview sessions as soon as practical after this transcription occurs. No interview subject brought forward any concerns or questions as a result of these member check procedures.

Peer Examination

The researcher leveraged several colleagues with experience in qualitative research to provide peer examination at three specific times during the data collection and analysis segments of this study. These examiners were asked, as Merriam (2009) notes, to comment on "the process of the study, the congruency of emerging findings with the raw data, and tentative interpretations" (p. 229). First, a review was conducted requested prior to the visiting the GICI site for interviews. This review helped ensure the quality of the interview protocol and the agenda for the data collection effort. Second, a review was conducted after the transcription, coding, and sorting of the interviews, as well as the document review. This review helped ensure the coding process represents an accurate interpretation of the data and that the selected codes are pertinent to the conceptual frame and research question for the study. Finally, a review was conducted upon completion of all analysis, including themes, findings, and recommendations. This final review allowed for a summary check of the consistency of the research argument in relation to the initial design of the study and the question it was intended to answer. No issues or concerns were raised during any of the three peer examinations described.

Subjectivity

Between April 1998 and July 2017, the researcher was an employee of the GII's international office, with a primary role of providing leadership development services to

individual executives serving at various local member agencies. Since July, 2017, the researcher has been employed by Goodwill of Central and Northern Arizona (GCNA), a local GII member organization. The researcher is also passionate about supporting staff in formal leadership roles in both their personal and professional growth. These facts make it clear that the researcher had a personal interest in this research effort. It is important to acknowledge this personal connection to Goodwill, the subject matter of the study, and the bias it created. The researcher intends that readers of the completed study will "trust that the study was carried out with integrity and that it involves the ethical stance of the researcher" (Merriam, 2009, p. 229). In this context, it is important to note that the researcher had no formal authority or business reporting relationship with GICI before, during, or after the project. GII is operated as a federation, with each local agency functioning as a dues-paying member. No mechanism existed through which the researcher could have had direct influence over any employee or activity at GICI. Rather, the nature of the organization's structure makes it much more likely that a local agency such as GICI would have influence over the activities of GII.

Translation to Practice

Nicolai and Seidl (2010) note that "the notion of 'relevance' is frequently mentioned . . .in research papers, it is also hardly ever defined" (p. 1257). Using the taxonomy developed by Nicolai & Seidl, this study has clearly defined relevance. In a broad sense, the work is relevant because it adds a needed voice to the conversation around complexity and leadership within organizations. Although many scholars have produced theoretical papers in an attempt to clarify the subject, very few empirical studies have been completed, and more are needed (Goldstein et al., 2010; Hazy et al.,

2007; Uhl-Bien & Marion, 2008). More specifically, this research has both conceptual and legitimative relevance (Nicolai & Seidl, 2010).

Understanding the nature of leadership in a nonprofit CAS provides conceptual relevance to CLT in two ways. First, the empirical examples of adaptive, administrative, and enabling leadership revealed contribute to the development of linguistic constructs that can shift our perspective about the world around us (Nicolai & Seidl, 2010). Second, a thorough description of CLT in practice is helpful in uncovering contingencies at work in a CAS. Exposing these contingencies leads to a view "of new or alternative routes of action" (Nicolai & Seidl, 2010, p. 1268). Conceptual relevance is an important part of this dissertation work since it helps to further define CLT and inform behavior within CAS.

This research also provides legitimative relevance since it helps establish the credibility of a new field in the literature on organizations and leadership. Nicolai and Seidl (2010) point out that "scientific knowledge can also serve as a means of credentializing specific knowledge domains" (p. 1269). The elements of CLT have been suggested, and this work will contribute to more widespread acceptance of these as a result of the credentializing the research has the potential to supply. Additionally, further and more pointed use of the specific terms and definitions that make up CLT should also add rhetoric devices to the assortment of tools available to scholars who study in this area. These devices serve "to legitimate a choice that is already made to third parties" (Nicolai & Seidl, 2010, p. 1269). This research adds another voice to the community who made the decisions about labeling the elements of CLT and helps to entrench these ideas in the broader social science community.

In the short term, this study translates to practice simply by lending empirical evidence to the concepts involved in CLT. Adaptive, administrative, and enabling leadership examples from the case study may help nonprofits view their complex environments in a new way, and almost immediately. In the long term, the study will provide tangible reasons for nonprofit organizations to alter the way they consider and practice things such as strategic planning, budgeting, and forecasting. Understanding CLT in a nonprofit CAS will allow individuals within these organizations (agents) to understand the more natural, complex, nature of their environment and feel less constricted by more traditional, linear ways of viewing organizations. The overall impact of this work and other similar studies will increase the number of ideas that are allowed to emerge and flourish in the "ecology of innovation that accompanies a shift in mindset to view organizations as CAS " (Goldstein et al., 2010, p. 19).

Summary

This chapter provided a detailed description of the research methods employed to conduct this study. It described the study's design, including theoretical and philosophical perspectives. It also reviewed the primary research question: What is the function of complexity leadership in the generative emergence of new ideas in high performance nonprofit organizations? Further, it detailed the specific methods that were employed to address this question. The chapter also presented the context for the study, including the site selection and a description of the specific techniques that were used to collect, analyze, and report data. The chapter concluded with a discussion of the ethical considerations, articulated steps to ensure the trustworthiness of the research, and highlighted the potential to translate this research into organizational practices.

Chapter 4: Findings – Case Study Narrative

This research study investigated the function of leadership in the emergence of new ideas in high performance nonprofit organizations. It addressed the following research question and three accompanying subquestions.

1. What is the function of complexity leadership in the generative emergence of new ideas in high performance nonprofit organizations?
    a. What is the function of administrative leadership in the generative emergence of new ideas in high performance nonprofit organizations?
    b. What is the function of adaptive leadership in the generative emergence of new ideas in high performance nonprofit organizations?
    c. What is the function of enabling leadership in the generative emergence of new ideas in high performance nonprofit organizations?

To address this question in full, a case study design was used, which allowed an in-depth description of the phenomenon under scrutiny to emerge from the collected data. Specifically, the case study examined the growth of a charter school initiative in a community-based nonprofit organization.

Organizing Moves and Leadership Actions

Each phase of the emergence of the charter school initiative at GICI included variety of organizing moves. Pentland (1992) describes an organizing move as "a

tangible, 'mentionable event'" (p. 259) (as cited in Lichtenstein, 2014, p. 293) that occurs as part of the generative emergence process. He notes that "each move represents a moment of "organizing, through which the entrepreneur seeks to make the concept more real, more tangible, more viable, and/or more clear" (p. 293). Each organizing move is comprised of a variety of intentional actions initiated by either individuals or groups (Juarrero, 1999; Lichtenstein, 2014; Lichtenstein, Dooley, & Lumpkin , 2006; Pentland, 1992). Using the lens of Complexity Leadership Theory (CLT) (Uhl-Bien et al., 2007), numerous intentional actions throughout the case were identified as "leadership actions." This label is appropriate because these actions served "to align preferences with organizational goals, enabled informal emergence, and coordinated contexts in which it could occur" (Uhl-Bien et al., 2007, p. 305). Using the primary organizing moves from each phase of the generative emergence process, it was possible to link several of these to specific leadership actions as described by interview participants or identified within the documents reviewed for this research.

The findings for this study are presented in the following sequence. First, this chapter presents the case narrative. It is structured in five phases and describes the organizing moves and leadership actions that occurred during each phase. Chapter 5 presents an analysis of these leadership actions in relation to their type and function in the emergence of the charter school initiative.

The leadership actions that emerged from the research are provided in a sequence of Tables throughout the chapter. For each leadership action, a citation is provided. Single name citations indicate a quote generated by an interview participant. Citations listed with a date indicate information derived from either a document reviewed for this

study or from reference literature. Accordingly, the reference section of this study includes all documents reviewed as part of the data collection process.

Case Narrative

The case narrative presented below begins with a brief description of Goodwill Industries of Central Indiana (GICI), the agency that served as the research site for this work – as well as a description of Goodwill Industries International, Inc., the larger network of which GICI is a member. The remainder of the narrative presents the events of the case in chronological order through five distinct phases that surfaced during the research. These phases articulate the study's findings in two important ways. First, the charter school initiative at GICI developed over a period of many years and the phases help represent important chronological milestones. Second, the phases map to the generative emergence process as detailed by Lichtenstein (2014). For each phase of the case narrative, specific "organizing moves" (Lichtenstein, 2014; Lichtenstein et al., 2006; Pentland, 1992,) and described in relation to the overall charter school initiative. Each of these moves link to one or more important leadership actions, which are also described.

Research Site

The research site for this study was Goodwill Industries of Central Indiana (GICI), a high-performing nonprofit organization in the mid-western United States. GICI is a member agency of Goodwill Industries International, Inc. (GII), a larger, global member network of over 160 similar organizations. This section provides a brief overview of both GII and GICI.

GII History and Structure

Goodwill Industries International, Inc. is one of the largest nonprofit

organizations in the world. Founded more than a century ago, it was one of the first social enterprise organizations in the United States (Doeringer, 2010). Its mission is focused on helping individuals find and keep good jobs that will help them achieve long-term economic self-sufficiency. Most funds for programs that help GII achieve its mission come from the sale of donated goods in thousands of retail stores (GII Annual Statistical Report, 2015).

GII members operate autonomously within local, assigned territories. GICI, the research site for this study, is a GII member agency. The size and performance of GII member agencies varies greatly. Because GII is both a nonprofit and a social enterprise, performance measures must indicate the production of both economic and social value. For GII, although a variety of smaller business operations exist across the network, donated goods retail sales represent the vast majority of economic value production. Successful job training and placement programs represent social value production (Doeringer, 2010). GII's economic success is measured by the total amount of revenue generated to support its mission work. It measures social impact primarily by counting the number of persons who receive employment training services and acquire good jobs within local communities.

GII agencies in the United States and Canada are considered "full members" and operate under a signed-member agreement. This agreement provides basic legal and operational parameters under which each agency must operate to continue use of the GII name and brand. GII agencies outside the United States and Canada are affiliate members, operating under a less specific agreement, allowing for flexibility in response to any laws or requirements each country may have. This distinction is important because

this study was completed within a North American agency that is a full member of GII (GII Bylaws, 2008).

GICI History and Context,

GICI was founded in 1930 - at a time where the original Goodwill model was spreading rapidly to meet the challenges of the Great Depression. GICI's stated mission is to operate "as a social enterprise that offers opportunities, provides services and leverages its resources with those of others to improve the economic self-sufficiency and well-being of adults and the future employability of young people" (retrieved from: http://www. gici.org/guiding-principles/).

For most of its history, GICI's leaders focused on initiatives to provide job-training and employment opportunities to people with disabilities or other barriers to employment. By the end of the 1990s, the retail business at GICI had grown tremendously, and new social programs and services were being designed and deployed regularly. Revenues, as well as the number of individuals being served, increased annually. The organization had become a recognized leader in welfare-to-work programs and other similar initiatives (GII Annual Statistical Report, 2000). Despite these successes, serious social problems that were affecting GICI's territory were not diminishing (GICI Report 2, 2013). The organization's leaders decided to work to distinguish between organizational activity and community impact (Miller, 2009). Eric Lange, GICI's Director of Strategic Planning and Development, captured the nature of this mindset shift, noting that GICI became "comfortable not chasing grants and trying to just create services to show how busy we are as an organization but really where can we have the most community impact?" These ideas were new to GICI and its community.

With this leadership directive, GICI's work began to focus on correcting root problems rather than treating symptoms. Innovative concepts and non-traditional organizational structures were employed, which yielded impressive results. One example of this is the charter school initiative that served as the primary focus of this study.

The following section describes the specific case examined for this research. It articulates the generative emergence of a new idea within GICI. Specifically, it describes the initiation and growth of a program to operate charter schools within GICI's service territory. This case is at the center of this research work, and is a story that unfolded over several years. Although GICI did not take a formal, segmented approach to their charter school initiative, the case narrative is presented in five distinct phases that surfaced through the research (see Table 4.1). These five phases also mapped directly to the five phases of generative emergence as detailed by Lichtenstein (2014), an essential part of the conceptual frame and research question for this study. Table 4.1 outlines these phases. The case narrative includes the description of specific "organizing moves" (Lichtenstein, 2014; Lichtenstein et al., 2006; Pentland, 1992). These organizing moves are also included in Table 4.1. The case narrative also includes tables linking specific leadership actions to each organizing move described in each phase. These actions are further analyzed in Chapter 5.

Table 4.1

Charter School Initiative Timeline – Five Phases

Phase	Years	Charter School Initiative Phase	Generative Emergence Phase	GICI Organizing Moves
1	1998-2000	GICI Job-Placement Focus	Disequilibrium Organizing - Opportunity Tension - Operations - Container	1. Focuses on increased community impact 2. Researches high school graduation data 3. Offers ESL, ABE, and GED classes
2	2000-2003	GICI Initial Education Efforts	Stress and experiments	1. Responds to foundation opportunity 2. Operates education-focused programs
3	2003-2004	GICI Charter High School	Amplification and critical events	1. Conducts study of successful model school 2. Opens charter high school 3. Creates GEI organization
4	2004-2010	Establishment of Excel Center	New order through recombination	1. Considers impact of the Met 2. Changes structure and design of the Met 3. Opens Excel Center Charter School
5	2010-present	Excel Center Expansion	Stabilizing feedback	1. Addresses funding challenges 2. Adjusts express curriculum and student support 3. Expands Excel Center

Charter School Initiative Phase 1

GICI Job Placement Expertise - 1998-2000

By 1998, GICI was primarily focused on initiatives to provide job-training and employment opportunities to people with disabilities or other barriers to employment. Interview participants indicated the apex of this job-placement activity occurred in the late 1990s when the organization operated a state one-stop center, which provided a central location for individuals to seek welfare related services (Miller, 2009). Almost any long-term unemployed individual in the area that GICI served could arrive at the center, receive basic career training help, and apply for unemployment benefits. The one-stop center was very successful, and GICI reported large numbers of persons served within their community. At the same time, GICI's retail stores were steadily increasing revenue, which was used to fund mission efforts. Yet, despite this increased activity, the serious social problems that affecting GICI's territory were not diminishing (McClelland, 2015a).

High school graduation rates. By the year 2000, interview data show the leadership and Board of Directors of GICI began to realize that, although it felt good to serve so many individuals, many of the persons receiving services did not have the other supports or long-term strategies that would help build a solid career path and keep them from returning for similar help in the future. One critical indicator of the lack of career success for many of GICI's one stop clients was the fact that many of these individuals did not have a high school diploma (Miller, 2009). In an interview conducted for this study, Jim McClelland (GICI's President and CEO from 1974 – 2015) described this realization as follows,

> we start seeing 40 to 50 thousand unemployed people coming through the doors of those – what are now one stop centers every year. …So, after about a year we started looking at demographics and I was stunned when I found out that 50 percent of these people that we were working with at those one stops did not have high school diplomas…50 percent!

Without a diploma, the ability for clients to find jobs with both a living wage and a career track that would provide growth and stability over the long term was improbable. Research conducted by GICI indicates that, "High school graduates earn 41% more income and accumulate ten times more financial wealth than high school dropouts" (GICI Report, 2013, p. 2).

ESL, ABE, and GED classes. In the 1990s, GICI worked closely with the local public school systems to provide greater access to a variety of educational programs, including Adult Basic Education (ABE), English as a Second Language (ESL), and General Educational Development (GED) certification (Miller, 2009). However, these programs were operated in conjunction with traditional job placement services and were not coordinated or focused on providing long-term educational solutions. When GICI discovered that so many of its one-stop clients did not have a high school education, they "secured funds in 1998 from the Nina Mason Pulliam Charitable Trust to see what, if anything, the organization might do to address the education-training issue" (Miller, 2009, p. 181). Results from this work concluded that GICI "could make a significant contribution to help young people prepare for productive lives" (Miller, 2009, p. 181).

The circumstances and events described above combined to form the first phase of the charter school initiative at GICI. The link between high school graduation rates and long-term economic stability created the realization that GICI could achieve greater impact by shifting its efforts from job placement to more formal education programs. The organization had provided education services in the past, but this period included the first

deliberate effort to focus these on high-school age learners with the goal of improving their chances for career success.

Generative Emergence Phase 1 - Disequilibrium Organizing

GICI's Charter School Initiative Phase 1 meets the criteria for the first phase of generative emergence - disequilibrium organizing - as described by Lichtenstein (2014). Lichtenstein explains that disequilibrium organizing has at least three "key elements"; opportunity tension, operations, and a container. Each of these are present in Phase 1 of the Charter School initiative and are described below.

Opportunity tension. Lichtenstein (2009) defines this element as "an internal drive – the entrepreneur's intention – that arises in conjunction with his or her perception of a business opportunity, a market need that can be fulfilled through entrepreneurial action" (as cited by Lichtenstein 2014, p. 234) For GICI, this was present in the tension between success - represented by a high number of persons served in job-placement programs - and concern - raised by the high number of those served who did not have a high school diploma.

Operations. This element refers to "the metrics that would allow for a convincing presentation of the process" (Lichtenstein, 2014, p. 231). In GICI's case, these operations were clearly present in the ability to measure - over time - the number of high school graduates served through educational programs.

Container. Lichtenstein (2014) defines this as "the boundary, the system within which disequilibrium organizing takes place." In GICI's charter school initiative, the container was comprised of the GICI organization itself, along with elements of the surrounding community linked to the funding and development of educational services.

In other words, GICI could define a market segment in which to focus its efforts as it explored new possibilities in education.

Organizing Moves and Leadership Actions in Phase 1

Each phase of the emergence of the charter school initiative at GICI included variety of "organizing moves." Lichtenstein uses Pentland's description of an organizing move as "a tangible, 'mentionable event' (1992, p. 259)" that occurs as part of the generative emergence process. He notes that "each move represents a moment of "organizing, through which the entrepreneur seeks to make the concept more real, more tangible, more viable, and/or more clear" (p. 293). Each of these moves is comprised of a variety of actions (Lichtenstein, 2014; Lichtenstein et al., 2006; Pentland, 1992). Using the primary organizing moves from each phase of the generative emergence process, it was possible to link these to specific leadership actions described by interview participants and document reviewed. These leadership actions can then be further analyzed in relation to the specific elements of Complexity Leadership Theory (CLT) (Uhl-Bien et al., 2007) to answer the study's research question. The table below reflects both the primary organizing moves identified as part of the first phase of GICI's charter school initiative and their corresponding leadership actions.

Table 4.2

Case Narrative Phase 1 – 1998-2000. GICI Job-Placement Focus, Generative Emergence Phase - Disequilibrium Organizing

Organizing Move	Leadership Actions
A - GICI Focuses on Increased Community Impact	• The person who was head of – worked in the agency, the state agency that administered what we called 'welfare' back in those days came over to us and he said: Can you guys help welfare recipients get jobs? (McClelland) • Jim said, 'OK, identify what (mission) models we should do and let's figure out how to bring them to GICI in a way that affects and improves our community.'" (Lange) • We had a program here that we developed, another experiment; we were trying to bring together skills trades and inner city people. We thought if we could provide the adult education and the educational side…read, write you know things like that…basic arithmetic, things like that, and then get the unions to come alongside us … then we could in fact put together a program that would feed them into…apprenticeship programs in the skills trades and particularly in the construction trades (Jensen)
B - GICI Researches High School Graduation Data.	• we had become aware that, my gosh, fourteen percent of the adult population in this state does not have a high school diploma" (McClelland) • Eric comes up with research that says, you know, if you've got a high school diploma, earn, on average, forty-one percent more than a high school dropout" • When we started examining demographics, we were shocked to discover that 50% of them did not have high school diplomas. (McClelland, 2015a) • we began wondering if, as an organization, we had anything to offer young people who weren't headed in a positive direction. We figured if we could help them stay in school and get a high school diploma, those young people would be less likely to need Goodwill's services once they became adults. Therefore, the organization's long term impact in the community would be greater. (McClelland, 2015a) • you know without completing your high school education your chances of being able to find a sustainable job was you know slim to none and so we kept encountering that and I'm sure that that kind of factored into hey, we need to do something about this (Nowosielski) • Around 1996, after Goodwill had become involved in operating the WorkOne Centers in Marion County, we discovered that 50% of the tens of thousands of unemployed

	adults we were seeing in those centers each year did not have a high school diploma. (McClelland, 2007)
C - GICI offers ESL, ABE, and GED classes.	• we had already been dabbling in some education pieces and we work with those folks you know we had them down in a wing (Kramer) • …Jim…said several times we should get into the world of education, we should get into the business of education, and I think that's the simple seed that got planted that started some conversations. (Stevens) • we also were running adult basic education here and adult basic education was becoming sort of disenchanted by authorities even by the military and so forth. You'd rather have a diploma than a GED

Charter School Initiative Phase 2

GICI Initial Education Efforts – 2000-2003

The second phase of GICI's charter school initiative occurred between 2000 and 2003. Interview participants and documents reviewed indicated that, during this period, GICI leaders were deliberately focused on providing educational programs that were coordinated and centered on achieving long-term results. The CEO of GICI during this time explained how these discoveries impacted the organization's ideas for moving forward. He notes,

> the public was becoming aware of the true extent of the dropout rate in some of the city's high schools, and we began wondering if, as an organization, we had anything to offer young people who weren't headed in a positive direction. We figured if we could help them stay in school and get a high school diploma, those young people would be less likely to need … services once they became adults. Therefore, the organization's long term impact in the community would be greater." (McClelland, 2015a)

Other GICI leaders interviewed for this study talked about the process of considering "overlaps" between employment-focused and education-focused programs. Byron Jensen, GICI's Senior Vice President during this phase recalled that "we then began analyzing and strategically looking at ourselves, the community, the research, and then we put the packages together with good solid research, good solid self-understanding of who we were and what we could be." In phase 2, most GICI leaders interviewed for this study recalled working with leaders from the community to start new programs to help assess and meet both vocational and educational needs. Two significant efforts that shaped this phase of the charter school initiative were GICI's work with a local charitable foundation and a partnership program with the local school district.

Foundation opportunity. In September 2000, GICI was the primary operator of a utility assistance program funded by the Lilly Endowment (Lilly), a large, Indianapolis-

based philanthropic foundation. This program was ending, but Lilly had become aware of GICI's other excellent work in the community and its desire to make a greater and more significant social impact - especially in education. Lilly asked GICI for a proposal for a new program or service that would advance their educational ideas. To support and guide the creation of this proposal, GICI's CEO, with support from the Board of Directors, formed a strategic thinking task group, which was designed for "having conversations with numerous people inside and outside the organization to get the broadest possible relevant input" (GICI Report 6, 2002).By the fall of 2002, GICI made a formal proposal to Lilly, requesting funding to serve students who were at high risk of dropping out of area schools and to find more practical ways to help low-wage workers increase their education and skill levels. Specifically, the proposal requested funds to:

> Help increase the graduation rate of youth who are at high risk of dropping out of school and also help those students graduate with a recognized, marketable skill. This will help reduce the number of unemployed adults and low wage workers in the future. (GICI Report 14, 2002)

GICI's goal was to better qualify these learners for middle skill jobs and sustainable careers. GICI's CEO was interested "in developing a new capability that would enable us to provide more and better employment opportunities for people and our interest in finding ways to improve educational skill levels of learning" (McClelland). The social impact created by these efforts would be further realized at a broad level by improving the local and state workforce and strengthening the larger economy. Lilly approved GICI's proposal and provided $4.6 million in funding to support the work.

Education-focused programs. One of GICI's educational efforts was supported with funds from Lilly was an in-house internship program for local high school students. The program was titled TechWest, and served students between 2001 and 2003. It was

operated as partnership between GICI and the Indiana Public School System and was designed to support students who had attendance challenges, were behind in credits, and were struggling academically. The program was well-run, had excellent leadership, and produced good results (Miller, 2009) However, data collected on outcomes for students who participated in the program showed that once learners returned to their day-to-day circumstances, away from the structure and focus provided by GICI's disciplined environment, their academic performance regressed to levels prior to the internship (GICI Report 11, 2003). Using this information, GICI's leaders offered to expand and update the program. GICI wanted to offer students the opportunity to remain in the program through graduation. Unfortunately, the local school system was not willing to provide any financial support for the proposed update, and the internship program came to an end in 2003.

By the fall of 2003, GICI had some formal experience in the design and delivery of programs specifically designed to improve the educational levels of the people they served. The positive results of these programs helped GICI's leaders to adopt a strategic direction to "substantially expand the number of alternative education opportunities available to young people who are at risk of dropping out of school" (GICI Report 12, 2004). The most significant result of this strategy was the decision to pursue the operation of a charter high school.

Generative Emergence Phase 2 - Stress and Experiments

GICI's Charter School Initiative Phase 2 meets the criteria for the second phase of generative emergence - *stress and experiments* (Lichtenstein, 2014). Lichtenstein (2014) defines stress in an organization during this phase as "the intensity of activity …of

entrepreneurs and leaders as they take direct action in their pursuit of an opportunity tension" (p. 259). Subsequently, experiments are started as "a stream of creative solutions, ways to resolve the stress" (Lichtenstein, 2014, p. 268). During Phase 2 of the charter school initiative at GICI, stress grew from the opportunity tension created with the understanding that improving high school graduation rates could positively impact the ability for the organization to achieve its mission. In response to this stress, multiple education-focused experiments were pursued, including the internship program detailed above.

Another important aspect of this phase of generative emergence is the fact that "stress and experiments are not separate processes but interact reciprocally, each providing momentum for the other" (Lichtenstein, 2014, p. 272). At GICI, this process was clearly articulated through interview data. One interview participant recalled the feeling that, as each new education idea was introduced during this phase, there was "kind of a constant refrain, like, 'Man, I just got my feet on the ground with this and it is changing again" (Riley).

At GICI, the small successes of each new educational program built to a level that led the organization to amplification, the third phase of the charter school initiative.

Organizing Moves and Leadership Actions in Phase 2

The table below reflects the organizing moves (Lichtenstein, 2014; Pentland, 1992) identified as part of the second phase of GICI's charter school initiative and corresponding leadership actions.

Table 4.3

Case Narrative Phase 2 – 2000 – 2003. GICI - Initial Education Efforts, Generative Emergence Phase - Stress and Experiments

Organizational Move	Leadership Actions
A - GICI Responds to Foundation Opportunity	• we updated the President and the Treasurer of Lilly Endowment on the progress of our explorations and our interest in building on the Tech West experience (and shared) our interest in developing a new capability that would enable us to provide more and better employment opportunities for people and our interest in finding ways to improve educational skill levels and learning • GICI should consider this as similar to the "major transformative grants" made in recent years by Lilly to selected Indiana colleges and universities. Our focus, however, would be on students who are at high risk of dropping out of school and others who are not college bound, unemployed people who lack marketable skills, and low wage workers who need to learn new skills to qualify for higher paying jobs." (GICI Report 6, 2002) • Consultant focus is to explore "a series of ideas about the possibilities facing GICI and how (they) might be of service. This is not a formal proposal for service but is intended to stimulate further thoughts and conversation" (Johnson et al., 2002) • We should develop Advancement Centers that focus on skills development for employable unemployed people, people working in low wage jobs, and students at risk of dropping out. These Advancement Centers should bring together employers, schools and other education and training institutions, and funding resources and should provide some skills training that includes the kind of additional support most of our target populations need to succeed. Some of the skills training should be offered at hours convenient for people already working in low wage jobs. (GICI Report 7, 2002)

B - GICI Operates Education-Focused Programs	• …we started out with an experiment at Northwest High School. …we would bring them over and teach them technical skills and in some cases, we had them working in the greenhouse learning that kind of stuff, along with the academics" (Jensen) • We should expand the use of computer-based instructional material for basic computer skills, ABE, ESL, and any other suitable course to make services available to more people in more locations. We should also explore the viability of using distance learning to reach more people at more locations at lower unit costs. (GICI Report 7, 2002) • Over the past decade we have worked closely with the Adult Education Division of Indianapolis Public Schools (IPS) to provide greater access to Adult Basic Education/GED and English as a Second Language programs. (GICI Report 7, 2002) • expand TechWest and establish other schools using the same model, but in different locations that meet our criteria (including an adult environment) and perhaps with different occupational emphases. (GICI Report 7, 2002)

Charter School Initiative Phase 3

GICI's First Charter High School – 2003-2004

The third phase of GICI's charter school initiative occurred between 2003 and 2004. Interview participants and documents reviewed indicated that, during this period, GICI leaders had a formal focus on education and were committed to achieving long-term results in this area. GICI's prior experience with TechWest and other education-related programs led to the formal pursuit of a charter high school. During this phase, GICI's leadership team partnered with a successful charter school to better understand the full scope of such an undertaking. One result of this partnership was that GICI officially applied for - and received – a charter to operate a new, four-year high school. Also during this period, GICI's leaders decided to formalize and consolidate all charter-school efforts into a separate non-profit organization. Each of these elements is described below.

Study of successful model school. In 2003, GICI began a concerted effort to review and select the best options for launching a formal, in depth educational program. Through a board member connection, GICI learned of Big Picture Learning (BPL), an educational organization operating a successful, well-run public charter school in Rhode Island. BPL was established in 1995 and placed a great deal of emphasis on life experiences surrounding its student population. The BPL school encouraged students to learn in different ways and to operate in the broader community as their learning occurs. One GICI Board Member had worked previously with BPL and noted that, rather than requiring many standardized tests, their school worked to help students demonstrate achievement in more practical ways, by achieving professional certifications and career related, skill-based accreditation. GICI decided to partner with BPL to bring a similar

learning environment to Indiana and the territory they served. GICI's CEO articulated the logic behind pursuing this partnership.

> This is an exceptionally well-documented, nationally recognized approach that has proven very effective with the kinds of students we want to help. We will benefit from what they have learned and developed over several decades, and with their continuous improvement culture they continue to refine and improve their model. Partnering with a company such as this is far superior to our trying to reinvent the wheel. (GICI Report 11, 2003, p. 3)

Opens charter high school. In addition to the partnership with BPL, GICI was also engaged in another critical networking effort. The Mayor of Indianapolis has the authority to directly approve public charter schools. A board member relationship allowed GICI's leaders to connect with David Harris, Charter Schools Director for the Mayor's Office. Interviewed as part of this research study, Harris commented on the ability of GICI to begin operation of schools, noting,

> one of the great things that we saw from GICI…is how valuable it is to have the capacity to really perform upfront work well. A lot of times people started charter schools kind of at nights and on the weekends and, you know, there are a lot of charter schools around the country that are not very good. What GICI was able to do was invest a lot of upfront resources and by doing that it puts them in a much better position to be successful. (Harris)

By the summer of 2003, GICI had gathered both the financial capacity and political support for the new charter school. In September, GICI's Board voted to apply to the Office of the Mayor for charters to open two high schools the following year. The application was approved, and in August of 2004, The Indianapolis Metropolitan High School (The Met) opened its doors to an initial class of 240 students (GICI report 2, 2004).

Goodwill Education Initiatives (GEI). As part of the charter application process, and with support from both BPL and Mayor's Office, GICI's leaders took further strategic action, forming a new, separate, 501(c)3 organization titled Goodwill Education

Initiatives (GEI). The charter high school was a completely new addition to the GICI portfolio of services, and all academic processes were led by this new organization. Interview participants recalled this action as important to the success of the school because it allowed most GICI staff to continue successfully in their existing roles. The organization's prior experience with a large and complicated donated goods retail business line allowed the administrative services required by the school to be provided by the existing GICI team. Documents reviewed as part of this study confirm this idea, noting that the primary purpose of this decision was to allow the charter schools to benefit from the "accounting, IT, human resources, maintenance, marketing, fund raising, and workforce connection services" that GICI could supply (GICI Report 11, 2003).

Generative Emergence Phase 3 – Amplification and Critical Events

In the third phase of the generative emergence process, the new idea moves from stress and experiments, achieves amplification, and experiences at least one critical event. Lichtenstein (2014) explains that "these two qualities are sequential and build on each other" (p. 279).

Amplification. The notion of amplification in a complex system is closely linked to the concept of feedback. Ramaprasad (1983) defines feedback as "information about the gap between the actual level and the reference level of a system parameters which is used to alter the gap in some way" (p. 4). In other words, feedback lets the system know what occurred as opposed to what the system expected to occur. Feedback also provides this information with the intent of influencing action of some kind. Lichtenstein (2014) notes that with an "increase in positive feedback, the occurrence of one action or event increases the likelihood that other similar events will occur in the system" (p. 279).

However, this likelihood is contingent upon the system reaching a specific feedback threshold. Dooley (1997) explains this idea as follows, "Below a certain threshold level, change is unlikely and fluctuations are dampened. Above the threshold value, change is imminent and fluctuations are magnified" (p. 87). For GICI's charter school initiative, this type of amplification feedback was evident in the relatively quick move through the partnership with BPL and the decision to apply to operate public charter schools.

Critical event. Once a system has been amplified to a sufficient level, a critical event may occur "that finally turns the venture in one direction or another. In all cases these reflect the culmination of the process that leads to a final decision, a clear commitment to go one way or the other" (Lichtenstein, p. 282). For GICI, the critical event in the generative emergence of the charter school intuitive occurred when they were granted permission to operate schools and GEI was created as a distinct entity to operate these and all further educational efforts.

Organizing Moves and Leadership Actions in Phase 3

Table 5.4 shows the significant organizing moves (Lichtenstein, 2014; Pentland, 1992) associated with the third phase of GICI's charter school initiative and their corresponding leadership actions.

Table 4.4

Case Narrative Phase 3- 2003-2004. GICI - Charter High School, Generative Emergence Phase - Amplification and Critical Events

Organizational Move	Leadership Actions
A - GICI Conducts Study of Successful Model School.	• I was involved in this Big Picture Learning and I told Jim I thought he should look at that because I thought that that was an organization that was driven by what I thought was some of the best research in education. (Fountain) • So, he did go out to Providence, Rhode Island and talked with Dennis and looked to see what they were doing there and was quite intrigued by it. (Fountain) • …after some more conversations, we became affiliated with Big Picture and the notions there are really very simple and I'm sure well known to everyone (Fountain) • What Goodwill was able to do is to invest a lot of upfront resources and by doing that it puts them in a much better position to be successful. They also partnered with Big Picture Learning to get their first school started. (Harris) • It's based out of Rhode Island and so I remember going with Jim and Perry and another woman in the mayor's office and I went to Providence to see that school early on and we went a few times to see that – to see them. (Harris) • Byron helped facilitate dialogue with them - Big Picture Learning - that's what it was, a dialogue with them and Jim and (Byron said) just - let's talk about this. (Stevens) • (the board held) several months of discussion with many knowledgeable people (McClelland, 2015a) • There was a large group of us that were brought together when we first started talking about this whole idea of doing a charter school and Big Picture model and all this stuff…I was asked to be a part of this group of 20 of us sitting around a table spit balling ideas, really, and talking about well what would this look like and who do we want to serve and what is our niche and that sort of thing and it was just a real free-thinking thing. (Stevens)
B - GICI Opens Charter High School	• Harris approached me and asked if we would consider starting a charter high school. (McClelland, 2015a) • He and the Mayor wanted to get some strong local organizations involved in education improvement efforts (McClelland, 2015a) • they wanted to bring to the city some education models that had been developed and implemented elsewhere, but did not exist in Indiana. (McClelland, 2015a) • After several months of discussion with many

	knowledgeable people, our board decided to apply for a charter. (McClelland, 2015a) • We are confident that the schools you have planned will be strong, innovative additions to our City's public schools and will provide real educational choices for families in our community. We look forward to working with you over the next several months and hope that we can be a resource to you during this start-up phase. (City of Indianapolis, 2004) • …move that the Committee recommend that the Goodwill Board of Directors authorize the staff to apply to the Office of the Mayor of Indianapolis for charters to open four high schools in conjunction with The Big Picture Company, with the goal of opening two schools in the fall of 2004, the remaining two in the fall of 2005. (GICI Report 5, 2003)
C - GICI Creates GEI Organization.	• (GICI should) take all necessary actions to establish a new 501c3 corporation that would operate the schools (GICI Report 5, 2003) • Goodwill has formed a new 501c3 entity, Goodwill Education Initiatives, Inc. (GEI), that will hold the charters and operate the schools. (GICI Report 12, 2004) • GEI will be governed by a Board of Directors composed of nine individuals, five of whom will be appointed by Goodwill's Board. Goodwill's President/CEO will be President/CEO of GEI, and a Goodwill staff person will serve as Chief Administrative Officer (CAO), arranging for and overseeing all the schools' non-academic functions. The Principals, who will be employees of GEI, will report to the CAO. (GICI Report 12, 2004) • We organized what is called Goodwill Education Initiatives. We made it a subsidiary…it's separate in a way but it has its own Board and its own Chair. (Jensen)

Charter School Initiative Phase 4

The Excel Center – 2004-2010

Taking place between 2004 and 2010, the fourth phase of GICI's charter school initiative saw GICI's leadership maintain their commitment to using data to make decisions about the charter school initiative and its future. Interviews and document review concerning this phase show leadership activities that continued to focus on achieving long-term impact in GICI's community. During this period, the structure of The Met was altered to improve effectiveness. Also, a new type of charter school was designed and opened in GICI's service territory. These phase four elements are described below.

Collecting and using data. As operations began with The Met, GICI's leadership team committed to collecting and using data to monitor and adapt school operations. GICIs CEO hired Eric Lange as the Director of Special Projects to design and lead this data initiative. Specifically, Lange was charged with investigating possible links between student educational needs and other pressing challenges they might be experiencing. Two important conclusions resulted from this work. First, The Met was not an effective educational tool for older students. Interviewed for this study, Lange explained:

> we'd looked at that group of students and the really scary thing is over the first five years of the school we had, I think the exact number was 152 of those students that were 18 or older. Of the 152 students, none of them graduated…none. (Lange)

Lange also summarized the reason for this challenge, noting:

> I mean the – even if the The Met was a different type of school, the pressures of life for those students, right, as they looked at saying man, this is going to take me two years or three years to get done…I don't have two or three years. I don't want to be around 15 and 16 year olds, right, I'm 18, I'm 19, I'm 20 – I'm going to be 22 when I graduate you know I've got to work, I might have a baby, right, all those things pressured them and they all left. (Lange)

The second conclusion reached through data and research on The Met's initial classes was that the students needed more support in aspects of their lives outside the classroom. Interview Participant G noted:

> all these factors that serving families face that are interrelated…that health and poor education levels and crime rates … all really matter and basically by putting all this research together we're basically saying it doesn't just – we can't fix this problem by just tackling one element of it. You must address the issues on a number of fronts.

Challenges facing most learners, like low household income levels, criminal backgrounds, transportation challenges, personal safety concerns, and unmet heath care needs were more critical and immediate than school attendance.

The Excel Center. In addition to adding services for existing students, the data gathered from the early days of The Met School also led to a leadership decision to apply for additional charters to operate a new type of school designed specifically for adult learners. To address the discovery that a diploma from The Met was typically not an option for older students, GICI conducted more research about the adult population without high school diplomas in the region. GICI's CEO articulated two important facts that resulted from this research. First, he noted:

> we had become aware that fourteen percent of the adult population in this state does not have a high school diploma. In this county alone, over 100,000 adults do not have a high school diploma. And, when you take that and you look at the drop-out rate, how many drop-outs there are, out of city high schools, every year, you think, oh my gosh! (McClelland)

From a nonprofit social enterprise standpoint, these facts provide an indicator of the potential for GICI to produce social value in its marketplace. The CEO also shared:

> you know if you've got a high school diploma, you are earning on average 41 percent more than a high school dropout. If you've got an industry recognized certification in a field where there's actually jobs and not culinary or cosmetology or something like that you know that are a dime a dozen but something where there's actually – it's an area where there are some – there's some job growth and

> career ladders, then it's at least another 20 percent bump over the high school diploma average. So—so the objective is get the high school diploma, get some credential and then where you're in an area, a field where they are stackable credentials available then you're on your way. You don't have to get the two-year degree, you don't have to get the four-year degree, get something though beyond a high school diploma or you're going to struggle your entire life. (McClelland)

By 2009, GICI made the decision to submit another charter school application specifically designed to support adults who had never earned their high school diploma. In 2010, the application was approved and GICI was granted another charter to operate the new school, which had been named "The Excel Center."

Generative Emergence Phase 4 – New Order Through Recombination.

The fourth phase of the generative emergence process represents a complete "shift out of the previous dynamic state and into a new one" (Lichtenstein, 2014, p. 297). In this phase, the system may exist in one of three points along a continuum that moves through first, second, and third degree emergence. Further, this phase of emergence acknowledges that once a new state is realized, it must be organized to run smoothly. This organization requires what Lichtenstein (2014) describes as "the process of order creation—the way that the system is composed through a combining and/or recombining of resources" (p. 303). GICI's charter school initiative provides sequential examples of all three degrees of emergence.

First-degree emergence, as Lichtenstein (2014) defines it, involves the development of a new systematic structure within a larger, existing system. GICI's internship program for high-school students (mentioned earlier) was an example of first-degree emergence because it operated within the established GICI environment. Lichtenstein (2014) explains that second-degree emergence "occurs when an entire category of the dynamic state is (re)made, but still without recreating the entire system"

(p. 299). The launch of The Met School is an example of second-degree emergence. An entire section of the existing GICI system had been remade and was given its own physical space, but was still considered part of the overall GICI system.

GICI achieved third-degree emergence with the success and growth of the Excel Center. Lichtenstein (2014) explains that this type of emergence "initiates a new opportunity tension that gets expressed in a new (or redesigned) organizing model for the venture, that produces a new, valuable product or service for a specific market" (p. 300). It also "requires a new core logic for generating a sustainable dynamic state" (Lichtenstein, 2014, p. 300). Additionally, third-degree emergence must include what Lichtenstein (2014) calls "order creation", which he defines as "the way that the system is composed through a combining and/or recombining or resources" (p. 303). When considered in tandem with The Met, the success of the Excel Center demonstrated that GICI's overall system had been fundamentally altered. It was no longer an organization that offered an educational support for a portion of the people it served, it was an organization that operated with education as a core competency and made it available to anyone in the community. This was crystallized by Scott Bess, GICI's Senior Vice President of Mission and Education Initiatives, who remarked:

> What was interesting though as [The Met] solidified, it – and then the [Excel Center] started, [education] became not something just kind of bolted on but it started to become something part of…For the first time in our organization's history really, we were having a prolonged relationship with students and then by extension their families who were in poverty versus all the stuff we had done before was mostly in the door/out the door. (Bess)

He continued this thought in a later discussion, explaining:

> The schools, [The Met] and then as [the Excel Center] opened, that became – wait a minute that's not this thing, this project that we're doing - this is who we serve, right? And it's – we're just doing it in a different way that hopefully is more

> upfront and will keep them from coming in our door later or keep them from having to get a job in our retail store and so that – it was this shift.

With the success of the Excel Center, GICI's charter school initiative could shift into the fifth and final phase of generative emergence, which is addressed in the following section.

Organizing Moves and Leadership Actions in Phase 4

Each phase of the emergence of the charter school initiative at GICI included variety of "organizing moves." The table below reflects the primary organizing moves identified as part of the first phase of GICI's charter school initiative and corresponding leadership actions.

Table 45

Case Narrative Phase 4 - 2004-2010. GICI - Excel Center, Generative Emergence Phase - New Order Through Recombination

Organizing Move	Leadership Actions
A - GICI Considers Impact of The Met	• …we discovered one group of students that we were not doing well with and those were students who were 18 year or older who had fewer than 20 credits. In Indiana, it takes roughly 40 credits to graduate so they were less than halfway done and 18 or older. (Bess) • Four years after opening the school, Eric Lange, a very bright recent college graduate, joined Goodwill, and I asked him to do some research into the links among poverty, low education levels, crime rates, teen pregnancy, and a host of health issues. (McClelland, 2015a) • While there are a lot of organizations that are good at some of the pieces, we aren't connecting those pieces well. As a result, we aren't solving the big problems. (McClelland, 2015a) • We then began doing more serious thinking about what we might do in response to what we were learning. (McClelland, 2015a) • Jim kicked off a really rapid period of learning so we're – we've got these kids in The Met, right, and we're looking at all of these things they're dealing with and they're – you know some of them bounced around schools, they're coming to us in their junior year, they're so far behind (Schlegel) • Now we have this knowledge base, I think that as much as the Met drove some of what you see in the Excel Center because it's not just the school, right? You have childcare available, you have – you look at when you can go I mean it's – the hours are very different from a traditional school so you have these things that I think this body of organizational learning that contributed to that idea and wants…it's been wildly successful and extremely well received (Schlegel)
B - GICI Changes Structure and Design of The Met	• We soon saw that if we didn't help some of the students deal with some of the problems they were facing outside of class, they weren't going to be in class. We also saw that 10-15% of the female students were pregnant or already had babies. (McClelland, 2015a) • Consequently, we began wrapping services around some of the students and sometimes members of their families. The home situations of some of the students were terrible, and by the second year I was no longer surprised at anything I heard, although I was still appalled by some of it. (McClelland,

	2015a) • We also began to appreciate the vital importance of every student's having a positive, long term relationship with at least one responsible adult. Such relationships had not existed in many of the students' lives. While a lot of learning was taking place (by the staff as well as the kids), we wanted to better understand some of the issues we were dealing with. (McClelland, 2015a)
C - GICI Opens Excel Center Charter School	• The Excel Center grew out of some of the learning from the Indianapolis Metropolitan High School. None of the students who entered at age 18 or 19 with few credits succeeded. They needed a different kind of school. Moreover, through Eric's research we became aware that nearly 15% of the adult population in the city and state lacked a high school diploma. Options for them had been few, and most of those led to a GED. However, few who start a GED preparation program successfully complete it, and research shows that those for whom a GED is their highest level of education attainment make no more money and are employed at no higher a rate than high school dropouts. (McClelland, 2015a) • Scott...was digging through some state law and said hey you know there's no upper age limit in Indiana for K through 12 5 funding and what if we created another high school called the Excel Center – that would serve people who had already dropped out (Riley)

Charter School Initiative Phase 5 - Excel Center Expansion – 2010-Present

GICI's Excel Center, a high school designed for adults who had previously dropped out or were unable to achieve their diploma is considered by Jim McClelland, GICI's CEO at the time of its development, to be the organization's greatest innovative achievement to date. GICI's leaders have been able to respond to feedback and challenges to the Excel Center from both inside and outside the organization. Specifically, GICI's leaders have secured ongoing state funding, adjusted curriculum in response to the needs of adult learners, and have successfully enabled the replication of the Excel Center model across the GICI territory as well as the GII enterprise. These actions are detailed below.

Educational funding. Charter schools are public schools and are funded through the state department of education. When GICI started the Excel Center, provisions were made for funding high school students who were adults. When the initial Excel Center charter was granted, no questions arose from any state Department of Education offices or from elected officials. Within one year, the Excel Center was filled and hundreds of adult learners were on a waiting list. Later, GICI received two more charters to open new schools. During the next budgeting review process, the Chairman of the Indiana State Senate Appropriations Committee became concerned that adults at the Excel Center were receiving high school funding support that had previously been used for traditionally aged students. As part of the interviews conducted with GICI's CEO for this study, he explained that he was asked to testify before the Appropriations Committee in response to this concern. As a result of this testimony, a separate line item in the state budget was created to fund adult charter high school students.

Curriculum adjustments. While feedback regarding budget funding for the Excel Center schools came from outside the organization, GICI also received feedback from inside the organization. Specifically, it became clear that the same structures, curriculum, and delivery methods that worked for The Met would not work for an adult population of learners. Logistics became a challenge since many of the adults who lacked a high school diploma could not attend classes during the day. These learners either had jobs or were seeking employment, and often had significant family responsibilities. Class timing and duration was also a challenge. Busy, adult learners were not willing to take several years to earn their diploma. The leaders of the Excel Center solved this challenge by offering most classes at night and combining multiple state standards into one "course" to allow students to earn diplomas faster.

Support for the Met students. In response to the data, GICI's leaders chose to design and implement numerous "wraparound" services to support any person participating in a mission-based program - including charter schools. These services included a Nurse-Family Partnership (NFP) which provides health support to first time mothers in low-income situations. NFP "pairs mothers pregnant with their first child with a registered nurse for ongoing home visits aimed at supporting mothers and families in providing the very best start for their children during the earliest, most developmentally critical years" (Goodwill of Central & Southern Indiana, n.d.). Additionally, GICI students were offered support from a "Goodwill Guide." The Guide program is focused on creating and sustaining long term relationships between GICI and the people they employ and serve. As described by several interview subjects, the program strives to align existing high-value community resources that include employment assistance,

financial literacy training, health care options, adult education and temporary emergency assistance (Bess, Delgado, Schlegel). These services have been well-received and have helped GICI achieve a greater level of community impact.

School expansion. By July 2016, GICI was operating 11 Excel Centers in its own community, had licensed and supported the model's replication in four other local GII agency territories. Despite this growth, there is still demand for Excel Center locations in GICI's territory. Likewise, several new GII members are working to launch similar schools. The charter school initiative at GICI, with its dual purpose of academic and career achievement has been a success. A 2013 economic impact assessment by the Center for Business and Economic Research at a leading university in GICI's territory, found that graduates of The Excel Center showed gains in average annual wages ($4,572) and annualized employment effect ($4,758; the per capita effect of change in job prospects) for a total annual benefit of $9,330.

GICI is a positive force in the community, working constantly to assess the external environment for further chances to serve, while at the same time closely monitoring its internal capabilities and culture to ensure that the necessary flexibility and adaptability will exist to capitalize on these opportunities when they arise.

Generative Emergence Phase 5 – Stabilizing Feedback.

The final phase of the generative emergence process, stabilizing feedback, is described by Lichtenstein (2014) as "finding parameters that best increase…overall sustainability in the ecology" (p. 315). He also explains that all new emergent entities "test and adapt their efficacy and legitimacy…each of these tests is an instance of stabilizing feedback" (Lichtenstein, 2014, p. 315). For GICI, the budget, curriculum, and

expansion elements listed above are examples of this type of test. GICI's leaders recognized and responded to each of these tests successfully. Lichtenstein (2014) writes, "As stabilizing feedback takes hold, what was the new dynamic state slowly becomes the dynamic state, and the cycle of emergence is completed."

Organizing Moves and Leadership Actions in Phase 5

Each phase of the emergence of the charter school initiative at GICI included variety of "organizing moves." The table below reflects the primary organizing moves identified as part of the fifth phase of GICI's charter school initiative and corresponding leadership actions.

Table 4.6

Case Narrative Phase 5 - 2010-Present. GICI - Excel Center Expansion, Generative Emergence Phase - Stabilizing Feedback

Organizing Move	Leadership Actions
A - GICI Addresses Funding Challenges	• So, the Chairman of the Senate Appropriations Committee…notices this thing (state budget expense). (McClelland) • We go down there and we explained to him what we were doing. (McClelland) • (Chairman of the Senate Appropriations Committee) decides, "I'll do that, (approve funding) but I'm going to make it a separate appropriation, I'm going to pull it out of the state funding formula and we're going to make it a separate appropriation" (McClelland) • (The State Senate) pulled it out and they made changes to this thing the last night of the session but they made a separate appropriation and identified the schools by location and name - and ours were all in there and what we wanted was in there. (McClelland)
B - GICI Adjusts Express Curriculum and Student Support.	• …we said, "How can we condense the curriculums so that they can earn credits quickly?" Because the other thing you know about adults who have dropped out of school have had limited success, they need quick wins. They need to be able to go through an 8-week term and earn a lot of credits. (Delgado) • So, we consciously set up the Excel Center to be a case where it was accelerated so in other words even if you came in with no credits at all, it wasn't going to take you four years to get done. If you did good on your levels it might take you a couple years and we've actually had people who have gotten – came in with zero credits and got done in nine months with high school. (Bess) • We worked for three years to find a way to bring NFP to the state. …after three years, we have over 600 moms and expectant moms enrolled, over 660 babies born to date to participating moms, and 31 bachelor's and master's degreed registered nurses on our staff. (McClelland, 2015a) • We've augmented the basic NFP program… extending the relationship beyond the child's second birthday and by linking the moms with education (through the Excel Centers) and employment services (through GICI's TalentSource unit). (McClelland, 2015a)

	• Relationships have been developed with major health systems in the area, as well as with child care providers, housing agencies, and others to provide wrap-around services for participating families. (McClelland, 2015a) • Staff called Goodwill Guides provide the continuity in the relationship and help link families with services they need. (McClelland, 2015a)
C - GICI Expands Excel Center	• I mean we're deeply involved in that, we're doing a lot of things for them under the contract but it's not ours to operate and the same with Memphis, we're doing a lot of things with them and for them, the same with Austin, but it's a different feel than saying 'okay we're going to open our school'. (Bess) • Replicate Excel Centers as opportunities and resources permit. (GICI Report 1, 2013) • Continue working to make the Excel Center model available for use by qualified organizations in other states and in Indiana communities where a licensing or franchise arrangement would be preferable to Goodwill's operating a school. (GICI Report 1, 2013) • Within Indiana, expansion will be dependent primarily on the availability of state funding, and we now spend an increasing amount of our time educating key individuals in the legislative and executive branches of state government about the Excel Center and its benefits. (McClelland, 2015a) • An economic impact study done by a university-based economic research firm shows substantial positive impact that reinforces a strong case for expansion. (McClelland, 2015a)

Chapter Summary

Beginning with disequilibrium organizing and concluding with stabilizing feedback, this chapter has presented the full case narrative for GICI's charter school initiative. This narrative included a description of the initiative's progression through all five phases of generative emergence (Lichtenstein, 2014). Structured according to each these five phases, the chapter also described organizing moves that were a part of each phase, as well as corresponding leadership actions for each of these. The following chapter further explores these leadership actions in relation to the specific functions of Complexity Leadership Theory (CLT) as articulated by Uhl-Bien et al. (2007).

Chapter 5: Findings - Leadership Action Functions

This chapter presents research findings and analysis related to the specific leadership actions that occurred throughout the case study. The findings presented here help to addresses the primary research question for this study: What is the function of complexity leadership in the generative emergence of new ideas in high performance nonprofit organizations? The findings also help to addresses related research sub questions. These included:

- What is the function of administrative leadership in the generative emergence of new ideas in high performance nonprofit organizations?
- What is the function of adaptive leadership in the generative emergence of new ideas in high performance nonprofit organizations?
- What is the function of enabling leadership in the generative emergence of new ideas in high performance nonprofit organizations?

The findings presented here were generated using in-depth interviews and document review related to the emergence of a charter school initiative at Goodwill Industries of Central Indiana (GICI). Data collected was analyzed and coded as described in Chapter 3. The case narrative, presented in Chapter 4, was structured in five parts, each linked the to the generative emergence phases as detailed by Lichtenstein (2014). For each phase of the case narrative, specific "organizing moves" (Lichtenstein, 2014; Lichtenstein et al., 2006; Pentland, 1992) were identified. Within these moves, leadership actions were identified and described. The full list of these actions relevant to this study is presented in Appendix G. This chapter presents analysis of these leadership actions

using the lens of Complexity Leadership Theory (CLT) (Uhl-Bien et al., 2007). This lens allowed each action to be evaluated in relation to their CLT function (administrative, adaptive, or enabling).

The case findings emerged as part of a sequential – and narrowing – analysis process, as represented in Figure 5.1 below. This narrowing process was important because it established the presence and structure of all five generative emergence phases. In turn, this allowed for further analysis of organizing moves, leadership actions, and complexity leadership functions as articulated in chapters four and five.

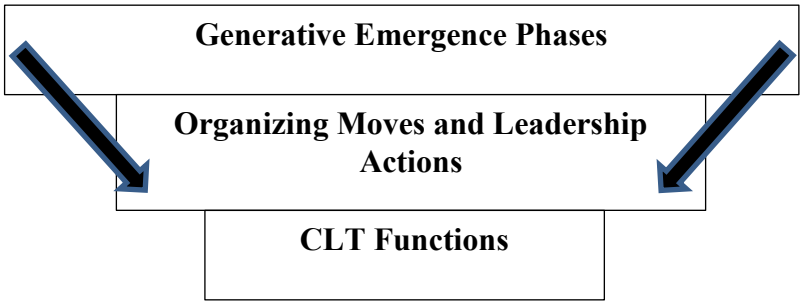

Figure 5.1 . Analysis "Narrowing" Elements

This chapter follows the narrowing process represented above and is organized as follows. First, a brief review of the five case study phases that emerged from the research and their link to the phases of generative emergence (Lichtenstein, 2014) is provided. Second, specific data that emerged from the case regarding leadership action types and their CLT functions are presented. Finally, these findings, organized by case phase, are discussed in more depth. A selection of specific leadership actions are presented and examined as part of this discussion.

Case Study Phases

This section briefly reviews the five primary phases of this case study, which concerned the initiation and growth of a charter school education program at Goodwill

Industries of Central Indiana, Inc. (GICI). Although GICI did not take a formal, segmented approach to their charter school initiative, research interviews and document review surfaced a case narrative that mapped directly to the five phases of generative emergence as detailed by Lichtenstein (2014). Within each phase, a variety of "organizing moves" surfaced Lichtenstein (2014, p. 293). An organizing move is "a tangible, 'mentionable event' (Pentland, 1992, p. 259)" that occurs as part of the generative emergence process. Each organizing move is comprised of a variety of intentional actions initiated by either individuals or groups (Juarrero, 1999; Pentland, 1992, Lichtenstein et al., 2006; Lichtenstein, 2014). Table 5.1 outlines each generative emergence phase in the case and lists the associated "organizing moves." The table is presented here to provide context and a framework to help address the research questions for this study.

Table 5.1

Charter School Initiative Timeline – Five Phases

Charter School Initiative Phase 1 - GICI Job-Placement Focus - 1998-2000 **Generative Emergence Phase - Disequilibrium Organizing**
Phase 1 Organizing Moves: A. GICI Focuses on Increased Community Impact B. GICI Researches High School Graduation Data C. GICI offers ESL, ABE, and GED classes
Charter School Initiative Phase 2 - GICI Initial Education Efforts – 2000-2003 **Generative Emergence Phase - Stress and Experiments**
Phase 2 Organizing Moves: A. GICI Responds to Foundation Opportunity B. GICI Operates Education-Focused Programs
Charter School Initiative Phase 3 - GICI Charter High School – 2003-2004 **Generative Emergence Phase - Amplification and Critical Events**
Phase 3 Organizing Moves: A. GICI Conducts Study of Successful Model School. B. GICI Opens Charter High School C. GICI Creates GEI Organization.
Charter School Initiative Phase 4 - Excel Center – 2004-2010 **Generative Emergence Phase - New Order Through Recombination**
Phase 4 Organizing Moves: A. GICI Considers Impact of The Met

B. GICI Changes Structure and Design of The Met C. GICI Opens Excel Center Charter School
Charter School Initiative Phase 5 - Excel Center Expansion – 2010-Present **Generative Emergence Phase - Stabilizing Feedback**
Phase 5 Organizing Moves: A. GICI Addresses Funding Challenges. B. GICI Adjusts Express Curriculum and Student Support. C. GICI Expands Excel Center

Leadership Actions

Complexity Leadership Theory (CLT) maintains that "leadership, however it is defined, only exists in, and is a function of, *interaction*" (Uhl-Bien et al., 2007, p. 302). All *interactions*, however, must begin with some type of *originating action*. Weick (1979) refers to this originating behavior as *enactment*, defining it as "action that produces the raw materials which can *then* be made sensible" (p. 133). Uhl-Bien et al., also acknowledge this idea as an important part of CLT, noting "the actions of one agent are dependent on or limited by those of another" (p. 304). In order to examine the administrative, adaptive, and enabling functions of CLT in the case, it was important to be able identify specific leadership actions performed by various individuals or groups throughout the emergence of the charter school initiative. Thus, in this study, a leadership action is defined - in a manner consistent with CLT - as an action taken by an individual or group "to align preferences with organizational goals, enable informal emergence, and coordinate contexts in which it could occur" (Uhl-Bien et al., 2007, p. 305).

Sixty-six independent and impactful leadership actions emerged from the data and were analyzed as part of this study. A leadership action was considered impactful if it directly involved an aspect of the education initiative at GICI. Research showed that these actions were distributed across the phases of the case as shown in Table 5.2 below.

Table 5.2

Number of Independent Leadership Actions

Case Phase	*N*
Phase 1	12
Phase 2	8
Phase 3	19
Phase 4	12
Phase 5	15
Total	66

Each of the actions identified in the case was analyzed in two ways. First, each leadership action was coded by type. Second, each action was coded by CLT function. The technique used for these two types of coding is briefly described below.

Leadership action types

To facilitate the analytic process, each leadership action identified was coded using one or more of six different action types. These types were developed using the structural codes that emerged as part of the second coding cycle that was part of the initial review and analysis of the data collected through interviews and document review. This process was described in Chapter 3. Table 5.3 provides the names and definitions for each leadership action type. It also includes keywords used to assign types as well abbreviations for each type. These abbreviations are used throughout the chapter as leadership actions from each phase of the case are reviewed.

Table 5.3

Leadership Action Types

Action Type	Definition	Abbreviation
Research/Learning	Gathering information and gaining knowledge about a topic or opportunity. *Keywords: Learned, Learning, Checking, Review, Figure Out, Identify, Observation, Became Aware*	RL
External Exploration	Scanning the external environment for opportunities or challenges. *Keywords: Statistics, Went Out, Reaching Out, Explore, Seek Approval, Use Resources From, Bring Them, Looking, Driven by, Outside Documents, Target, Found*	EE
External Influence	Environmental conditions impact decision-making around operational choices. *Keywords: Dealing with, Outside, Info about Environment, In Response to, Info about Clients, Dynamic, Communication from Outside, Wrap Around, Being Asked from Outside, Impact, They Wanted Info, Facts from Outside, In Response to*	EI
Internal Exploitation	Existing operations or mechanisms are expanded or leveraged in an **additional or different way**. *Keywords: Leverage, Similar, Had Anything to*	IE

	Offer, Augmented the Basic, Opportunity for Expansion, Continue to Improve, Holistic, Existing Demand	
Operational	Related to processes (existing or new) **used in a traditional way** to allow the new emergent idea to function properly or to progress. *Keywords: Run, Operate, Update, Develop, Bring Together, Support, Work, Move, Act, Form, Connect*	O
Curiosity	Following up on an impulse or hunch to learn more about something that could impact the mission/goals of the organization. *Keywords: Find Out, Wondered, Explored, Questions, Looked to See, Thinking, Figure out*	C
Relationships	Dynamic interaction with members of the community or environment (stakeholders) surrounding the organization. *Keywords: Collaborative, Interactive, Partnership, Connection, In Conjunction With, Explained to*	R

CLT Functions

To specifically address the primary and secondary research questions for this study, each leadership action identified was also coded as serving an administrative, adaptive, or enabling function in the case. In this study, the term function is defined as, "An action performed by a device, department, or person that produces a result" ("Function", 2017). This definition is consistent with the idea of a function as articulated by Durkheim, as an action that "bears some social end" (Durkheim, 1895). In several instances, the same action served as more than one function in the case. Table 5.4 provides the names and definitions for each CLT function.

Table 5.4

CLT Functions

CLT Function	Definition
Administrative Leadership	"the actions of individuals in formal managerial roles who plan and coordinate organizational activities (e.g., the bureaucratic function) …Administrative leadership is a top-down function based on authority and position, thus is possesses the power to make decisions for the organization" (Uhl-Bien et al., 2007, p. 306)
Adaptive Leadership	"an emergent, interactive dynamic that produces adaptive outcomes in a social system. It is a collaborative change movement that emerges nonlinearly from interactive exchanges, or, more specifically, from the "spaces between" agents…it results in movements, alliances of

	people, ideas, or technologies, and cooperative efforts" (Uhl-Bien et al., 2007, p. 306)
Enabling Leadership	"enables effective CAS dynamics by fostering enabling conditions that catalyze adaptive leadership and allow for emergence. Enabling leadership manages the entanglement between administrative and adaptive leadership" (Uhl-Bien et al., 2007, p. 309)

Leadership Action Analysis

This section presents the findings gained from the coding and analysis of leadership actions according to both type and Complexity Leadership Theory (CLT) function. A total of 66 leadership actions were coded in the case. In all but two phases of the case, each type of leadership action was present. Table 5.5 displays the total number of each type of leadership action found in the case, broken down by case phase.

Table 5.5

Number of Leadership Action Types by Case Phase

Phase	1	2	3	4	5	Total
Research and Learning	7	0	6	11	4	28
External Exploration	6	6	10	5	8	35
External Influence	3	3	7	6	9	28
Internal Exploitation	2	3	1	2	3	11
Operational	5	7	10	6	13	41
Curious	4	1	3	4	1	13
Relationships	4	4	12	0	8	28
Total	31	24	49	34	46	184

The table data shows that leadership actions focused on operational activities and external exploitation played the biggest role in the case – and that actions employed to exploit internal operations and to satisfy curiosity were the least prevalent. It is also important to note that the majority (90%) of leadership actions met the criteria for more than one type and were coded accordingly. This indicates that specific leadership actions in the case almost always served more than one purpose. Similar to the preceding table,

Table 5.6 displays the total number of each type of Complexity Leadership (CLT) leadership action found in the case, broken down by case phase.

Table 5.6

Leadership Actions and CLT Functions

Case Phase	Leadership Actions		
	Administrative	Enabling	Adaptive
Phase 1	5	1	7
Phase 2	5	1	4
Phase 3	10	12	6
Phase 4	2	2	10
Phase 5	5	4	11
Total	27	20	38

Table 5 indicates that each phase of the case included at least one leadership action of each CLT type (administrative, enabling, and adaptive). It also shows that Adaptive leadership actions were the most prevalent in the case and that Enabling leadership actions were least prevalent.

Table 5.7 displays the number and percentage of leadership actions in the case that were coded in relation to CLT functions. The data shown in this table is important because it reveals that 27% of leadership actions in the case served more than one CLT function. Examples of these types of leadership actions are provided later in the chapter.

Table 5.7

CLT Functions of Leadership Actions Throughout the Goodwill Enterprises of Indiana

CLT Function	*N*	%
Administrative Only	14	21%
Enabling Only	8	12%
Adaptive Only	26	40%
Administrative and Enabling	6	9%
Administrative and Adaptive	6	9%
Enabling and Adaptive	5	7%
Administrative, Enabling, and Adaptive	1	2%
Total	66	100%

Relationship Between Leadership Action Types, CLT Functions, and Case Phases

The sequencing provided by generative emergence phases allows for further analysis of the leadership actions within each phase. Examples of such analysis are provided below.

Leadership Actions by Phase

Case data was used to examine the types of leadership actions that were the most – and least - prevalent in specific phases of the case. The distribution of leadership actions according to number per phase of the case is shown in Table 5.8 below and helps to describe the role specific leadership actions played in each phase of generative emergence. These data are important because they indicate which leadership action types may have been most – and least – influential during each phase of the GICI charter school initiative.

CLT Functions by Phase

The distribution of CLT functions across the case is also shown in Table 5.8. This information is important because it helps to describe how CLT impacted each phase of

generative emergence. More specifically, it helps to address the research questions for this study because it indicates which CLT may have been most – and least – influential during each phase of the case. These ideas are also discussed later in the chapter.

Table 5.8

Most and Least Prevalent Leadership Action Types and CLT Functions

Phase	Action Type		CLT Function	
	Most Prevalent	Least Prevalent	Most Prevalent	Least Prevalent
1 - Disequilibrium Organizing	Research and Learning	Internal Exploitation	Adaptive Leadership	Enabling Leadership
2 - Stress and Experiments	Operational	Research and Learning	Administrative Leadership	Enabling Leadership
3 - Amplification and Critical Events	Relationships	Internal Exploitation	Enabling Leadership	Adaptive Leadership
4 - New Order Through Recombination	Research and Learning	Relationships	Adaptive Leadership	Administrative Leadership and Enabling Leadership
5 - Stabilizing Feedback	Operational	Curiosity	Adaptive Leadership	Enabling Leadership

In addition to the tables shown above, Appendix G includes a comprehensive listing of all coded leadership actions, organized to reflect both type and CLT functions. This appendix also includes specific language captured via interviews and document review.

Case Phase Analysis

This section analyzes the information provided above and provides examples of the types of leadership actions that impacted the charter school initiative at GICI. The section is organized by case phase, with each section including a brief description of the phase and the types of leadership actions it included. In order to address the research questions for the case, emphasis is placed on discussing examples that highlight the CLT functions at work in each case.

Phase 1 Analysis

Phase 1 of the GICI's charter school initiative centered on a shift from traditional, basic job placement services to increased community impact. Representative of the initial phase of generative emergence – disequilibrium organizing – actions were slightly disjointed as the organization worked to grasp a new vision and purpose. The leadership actions in this phase varied in type and CLT function, as described below.

Leadership action types. In Phase 1, the leadership action types most often identified were *Research and Learning* and *External Exploration*. This reflects GICI's focus during this phase, which was on gathering new information from outside the organization regarding high school graduations rates and the possibility of operating new programs focused on education and career paths. In addition, because any such new programs would also require GICI to devise new ways to function, and to establish and

maintain relationships in the community, leadership actions coded as *Operational* and *Relationships* were also present.

CLT functions. Phase 1 of the case was dominated by Administrative and Adaptive Leadership actions. Examples of these are highlighted below.

Administrative leadership. An example of an administrative leadership action in this phase came as the result of a query from an Indiana state agency. The Indiana State Department of Workforce Development Department reached out to GICI to support their efforts to provide work opportunities to people in the community who were receiving unemployment benefits. The specific action was articulated by GICI's CEO, Jim McClelland, who recalled, "The person who was head of – worked in the agency, the state agency that administered what we called 'welfare' back in those days came over to us and he said: Can you guys help welfare recipients get jobs?" (McClelland Interview 1). Because of this administrative leadership action, GICI took action that resulted in a program to help this population move into the work force. Jim McClelland, GICI's CEO, explained:

> we did a pilot and we found that we could get them jobs but only lowest paying jobs because hardly any of them had a high school diploma, but we kept doing that…the state wanted us to do it and so they encouraged us, they provided some money to do this, out of the state budget. In the early 90's, this was another driver, the economy here was very strong. Unemployment was down to 2 percent in this town, 2 percent, employers were crying for people you know: 'If they've got a pulse and they don't smell too bad, send 'em over.' It was almost like that.

The function of this administrative leadership action by the state welfare agency was to leverage its role-based authority and power to achieve the overall mission of providing employment opportunities for more Indiana residents.

Adaptive leadership. Phase 1 of the case also included an adaptive leadership action. Byron Jensen, GICI's Senior Vice president shared,

> We had a program here that we developed, another experiment; we were trying to bring together skills trades and inner-city people. We thought if we could provide the adult education and the educational side…read, write you know things like that…basic arithmetic, things like that, and then get the unions to come alongside us … then we could in fact put together a program that would feed them into…apprenticeship programs in the skills trades and particularly in the construction trades. (Jensen)

The immediate result of this adaptive leadership action was to create broader interest in the apprenticeship program in the community. Jensen shared, "[The program] was called Hammerwest, and it thrived. We turned it over to a neighborhood organization." Hammerwest was described by one program participant as

> A 12-week hands-on, basic construction training job preparation program…The curriculum covers general construction and carpentry in detail. Seminars on various life skills are offered as well as ongoing contact with the trainee's case manager. Although participants are students, not employees, they are expected to act as if they are on the job. (Williams, 2005, p. 126)

This adaptive action supported other new business and community connections not previously explored by GICI. One of these eventual connections came between GICI and the school system, providing the initial spark for the organization to consider adding education services to their mission delivery strategy.

Administrative and adaptive. Phase 1 of the case also provided an example of a single leadership action that served two CLT functions. During this initial part of the charter school initiative, multiple people – and groups of people – within GICI were working to learn more about graduation rates and how they connected to the people they were serving. CEO Jim McClelland took action to ensure that GICI was considering ways to increase impact with its services. Eric Lange, Director of Strategic Planning and Development, recalled that, "Jim said, 'OK, identify what (mission) models we should do and let's figure out how to bring them to GICI in a way that affects and improves our community.'" In response to this action by McClelland, Dan Riley, CFO of GICI,

recalled that,

> we had been kind of fathering data because we were running the WorkOne Centers … we were getting a lot of information, anecdotal and otherwise, that said we have a lot of people who come to us whether through the unemployment services, through the impact program which is the – kind of the state welfare program here in Indiana or you know just sort of tangentially through the IPS (Indiana Public School) adult education and English as Second Language programs. There are a lot of people that could use our help because they don't have a high school diploma and we knew from all of our job services that it's a pretty tough battle, if you don't have a high school diploma, to get a job that's truly going to be economically self-sustaining. (Riley Interview p. 10)

This action provided both administrative and adaptive leadership to the charter school initiative. Because it came in the form of a directive (identify models of service), it was administrative. It was also adaptive because it did not specify a specific program or procedure and allowed open ended exploration as part of the identification process.

Phase 2 Analysis

Phase 2 of the case centered on GICI's initial efforts to provide formal education services. This focus was strengthened by an opportunity presented as a result of a relationship with a local funder. This phase was also representative of the second generative emergence step, centered on stress and experiments. The leadership actions in this phase varied in type and CLT function, as follows.

Leadership action types. In Phase 2 the most prevalent leadership action types identified were *External Exploration* and *Operational*. The coupling of these two types is not surprising since GICI spent a considerable amount of effort during this time to locate (from outside the organization) suitable new educational programs, implement them successfully and manage them over time.

CLT functions. Phase 2 of the case featured a balance of Administrative and Adaptive Leadership actions. Examples of these are highlighted below.

Administrative leadership. An example of an administrative leadership action in this part of the case came in the form of a directive from the Lilly Foundation to GICI. As the Foundation sought new and innovative ways to use their funding to affect social changes, they directed GICI to:

> consider this (opportunity) as similar to the "major transformative grants" made in recent years by Lilly to selected Indiana colleges and universities. Our focus, however, would be on students who are at high risk of dropping out of school and others who are not college bound, unemployed people who lack marketable skills, and low wage workers who need to learn new skills to qualify for higher paying jobs. (GICI Report 6, 2002)

This action was administrative because it spurred GICI into action within specific boundaries and, in turn, the CEO and senior team met with the board and produced a short list of possible education-focused programs that could be started with the money from Lilly.

Adaptive leadership. Some leadership actions in this phase were also adaptive because they were focused on connecting GICI's efforts to the social movements taking place in the community and the new ideas and technologies (Uhl-Bien et al., 2007) in the field of education. An example of this is seen in the actions of the consulting team engaged by GICI to explore the use of the remaining Lilly Funds. Specifically, they worked with GICI to explore "a series of ideas about the possibilities facing GICI and how (they) might be of service. This is not a formal proposal for service but is intended to stimulate further thoughts and conversation" (Johnson et al., 2002) This is an example of adaptive leadership because it involves exploration and possibilities, and has an end goal of stimulation, not a concrete decision.

Administrative and enabling. Phase 2 of the case also provides an example of a leadership action that served a dual role. A report on strategic goals for GICI was co-

created between the organization's senior team, an outside consulting firm, and an ad hoc committee formed between the Board and GIGI team members. Part of the report noted that:

> Advancement Centers should bring together employers, schools and other education and training institutions, and funding resources and should provide some skills training that includes the kind of additional support most of our target populations need to succeed. Some of the skills training should be offered at hours convenient for people already working in low wage jobs. (GICI Report 7, 2002)

This is an example of administrative leadership because it articulates specifics about who should be involved in the process as well as specific characteristics expected of any resulting ideas. At the same time, the action functioned in an enabling way because it connected disparate but relevant entities and provides a space for them to interact. This is an example "fostering enabling conditions" for creation of something new (Uhl-Bien et al., 2007, p. 309).

Phase 3 Analysis

Phase 3 of the case involved the startup of GICI's first charter high school, a key shift for the organization. Consistent with the title of Lichtenstein's (2014) third phase of generative emergence, the educational initiative experienced both amplification and a critical event. The effort now included the full community, government, and school system. GICI moved from considering several educational concepts to making the decision to operate a public charter school. Leadership actions in this phase continued to vary in type and CLT function, as follows.

Leadership action types. This phase contained more independent leadership actions than any other phase. A high level of emphasis was placed on *External Exploration* and *Relationships*. These outward connections resulted from interaction with the Big Picture School, an organization introduced to GICI by a Board member who had

experience working with that school's leaders. A high number of actions in this phase were also coded as *Operational*, focused on ensuring that GICI was properly structured to support their new school.

CLT Functions. Phase 3 of the case featured elevated levels of all CLT functions, as shown in table 5.6. In comparison to all other phases – the phase also contained an exceedingly high number of Enabling Leadership Actions. Specifics regarding these functions are provided below.

Administrative leadership. While several administrative leadership actions appeared in this phase of the case, most of these also served as either enabling or adaptive. An example of a "standalone" administrative action occurred when Gwen Fountain, a board member with significant experience in education, began working as part of the ad-hoc committee originally formed to craft ideas about how to best spend the remaining Lilly funds, she made a direct request of GICI's CEO to contact the Big Picture School:

> I said well I'm on the board of Big Picture Learning and have known one of the founders for many years and I have been involved in education both on the college level but also in teacher development with the partner in urban education as well in my summers and so because of my interest in the deficits that I perceived in that area (in the GICI service territory)...I told Jim I thought he should look at that because I thought that that was an organization that was driven by what I thought was some of the best research in education. (Fountain Interview)

The direct result of this administrative action was to spur Jim McClelland, the GICI CEO, to action and – eventually – into a successful relationship with this external organization.

Enabling leadership. Phase 3 of the case involved the highest number of enabling leadership actions. Several of these also served other CLT functions and are discussed later in the chapter. However, two specific actions provided only enabling leadership.

One such action involved the budding relationship between GICI and the Big Picture Company. Dan Stevens, Chief of Schools for GICI, remembered:

> There was a large group of us that were brought together when we first started talking about this whole idea of doing a charter school and big picture model and all this stuff. I can't remember what role I was in the organization during those meetings but I was asked to be a part of this group of 20 of us sitting around a table spit balling ideas, really, and talking about well what would this look like and who do we want to serve and what is our niche and that sort of thing and it was just a real free-thinking thing which I love about this organization. I don't know if it was my reputation or my relationships with people in the organization but frequently there would be a large group of people that would be brought into a room to discuss an idea and there really wasn't logical rhyme or reason of who the players were in the room you know it was just maybe people who I think, like me, were – I speak pretty directly and say what I think and then there are other people who are much more creative and more walking around so I think it's just – they're just -- this organization has always been great about bringing diverse opinions together around the table and going, okay, well what about this? (Stevens Interview)

This enabling leadership action functioned to further conversation and eventual decision-making. Specifically, the group Stevens references came together to explore the idea of how to best work with Big Picture Learning. By creating a balanced tension between the formality of group and the uncertainty of the emerging relationship with another organization, this action served in an enabling capacity.

Also during this phase, several individuals and groups helped enable connections between GICI, local government, the public school system, and local community members. Specifically, an innovative idea initiated via adaptive leadership (a charter school operated by GICI) was able to be propelled through the formal managerial system (GICI Board, local government). Jim McClelland, CEO of GICI, recounted the thinking behind these enabling leadership actions:

> He (David Harris) and the Mayor wanted to get some strong local organizations involved in education improvement efforts, and they wanted to bring to the city some education models that had been developed and implemented elsewhere but did not exist in Indiana.

This enabling leadership action functioned as a catalyst, moving the Mayor's office into a more formal role in public schools for Indianapolis and providing an opportunity for GICI to grow its educational practice.

Adaptive and enabling leadership. An example of a leadership action that served two functions also appeared in Phase 3. Short and very focused, the action served a specific purpose. In his formal role as Director of Charter Schools for the Mayor's Office, David Harris, after several conversations around GICI's educational endeavors to that point, made the initial suggestion that GICI operate a charter school. According to Jim McClelland, GICI's CEO, "David approached me and asked if we would consider starting a charter high school." (McClelland Interview) This leadership action is adaptive because it brought external influence and came from a place of genuine curiosity. It also functioned as a catalyst that moved GICI's thinking from being a service agency that provided educational programs, to an educational organization that operated a full-scale school. The action was also enabling because it brought together entities beyond the boundaries of any one organization and forced them into an "entanglement" that would eventually produce energy, ideas, and creative tension.

It is important to note that this leadership action was not considered administrative because it came in the form of a request – not a directive. Because the goals of the Mayor's office and GICI were sufficiently aligned, the result of Harris's query was for McClelland to work with the educational initiatives committee of the GICI Board (referenced above) to pursue the request. This began a shift in the mindset of GICI from that of an employment -focused agency to an education-focused agency.

Administrative and enabling leadership. A final example from this phase also

shows how one leadership action was able to serve two functions. In a document recounting the evolution of GICI, CEO Jim McClelland recalled that prior to applying to operate their first high school charter, "the board held several months of discussion with several knowledgeable people." (McClelland, 2015a). This action was important to the case because it clearly indicates the administrative leadership provided by the GICI board of directors. The variety of community member, education experts, and business leaders engaged by GICI during this time of exploration came in response to a non-negotiable directive.

As GICI began to meet the expectations of the board and engaged with a variety of other entities in pursuit of a new, more education-focused way to operate they were also benefiting from enabling leadership. The board created a large container where multiple agents could interact and learn together. Instead of directing GICI to work with pre-selected, specific groups, the board's directive allowed for exploration and engagement with any appropriate groups and encouraged an exchange of ideas.

Phase 4 Analysis

Phase 4 of the case centered on GICI's transition from operating The Met, a charter school for traditional age students to The Excel Center, a charter school for adults. The Excel Center opened in 2010 and became an important part of GICI's educational initiative. Important changes in the structure and design of the Met were also implemented during this time, including adding services for students that focused on issues external to the school environment. Leadership actions in this phase continued to vary in type and CLT function, as follows.

Leadership action types. Leadership actions focused on *Research and Learning*

dominated this phase of the case. *Internal Exploitation* appeared only twice in this phase, and no actions were linked to *Relationships*. These actions align with Lichtenstein's (2014) description of the third phase of generative emergence – new order through recombination. GICI was committed learning how to operate two schools while maintaining the success of the rest of the business. While expertise and advice was certainly sought from existing partners, there was a diminished emphasis on creating new relationships during this time.

CLT functions. While all CLT functions were present in Phase 4, a wide majority of leadership actions were adaptive in nature. Specifics regarding these CLT functions are provided below.

Adaptive leadership. This was the primary type of leadership action in this case phase. An example came from Scott Bess, President of GEI, who shared:

> So, as we looked at all that data (from the Met), we discovered…one group of students that we were not doing well with and those were students who were 18 years or older who had fewer than 20 credits. In Indiana, it takes roughly 40 credits to graduate, so they were less than halfway done and 18 or older. They'd been in school at some point in time, so what would happen is they'd be in school some place in the city and they might have been out of school for a little while or they might have been in school but just not passing anything and ultimately they would go 'oh shoot, I'm not doing well, I'll go to The Met because I've heard that's a place that does stuff with students.
>
> Over the first five years of the school we had 152 of those students that were 18 or older. Of the 152 students, none of them graduated…none. I mean the – even if the Met was a different type of school, the pressures of life for those students, as they looked at saying man, this is going to take me two years or three years to get done. I don't have two or three years. I don't want to be around 15 and 16-year olds. I'm 18, I'm 19, I'm 20 – I'm going to be 22 when I graduate. You know, I've got to work, I might have a baby' All those things pressured them and they all left.

This example reflects both the adaptive leadership action as well as its specific function. The revelation that the Met may have been working well for traditional students, but not

for older students lacking a high school diploma, was critical. There was then immediate learning about a population that could now be more clearly defined by GICI. Specific program alterations eventually led to the creation of the Excel Center.

In addition to pointing GICI towards a new educational opportunity, adaptive leadership actions in this phase also supported several significant changes to be made to the Met. Using both data and knowledge collected during the initial years of operating the new school, it became evident that factors beyond the classroom were affecting students. Jim McClelland explained,

> The launch of the school (The Met) was the catalyst for an incredible organizational learning experience and a rapid increase in the rate of Goodwill's evolution. From the outset, we began to encounter societal problems we had known existed but had never had to confront directly. We soon saw that if we didn't help some of the students deal with some of the problems they were facing outside of class, they weren't going to be in class. We also saw that 10-15% of the female students were pregnant or already had babies. Consequently, we began wrapping services around some of the students and sometimes members of their families.

This adaptive leadership action functioned in a way that increased GICI's knowledge level and led to related changes in services offered by the school. Scott Bess, President of GEI, described these altercations:

> within the Met we have a social worker, we have a guidance counselor, we have a dean of students who really focuses on the behavioral issues of that and then we do kind of Home Room on steroids a little bit with that so they have time as a group with a teacher and then they stay with that teacher for the four years that they're here.

In addition to adding these support services for traditional age students, the organization also took leadership actions to address challenges presented by an older learner population. GICI's CEO, Jim McClelland, discussed this process:

> None of the students who entered (the Met) at age 18 or 19 with few credits succeeded. They needed a different kind of school. Moreover, through…research we became aware that nearly 15% of the adult population in the city and state

> lacked a high school diploma. Options for them had been few, and most of those led to a GED. However, few who start a GED preparation program successfully complete it, and research shows that those for whom a GED is their highest level of education attainment make no more money and are employed at no higher a rate than high school dropouts. (McClelland, 2015a)

This adaptive leadership action was critical – and the learning it provided was the catalyst GICI needed to take the next step in their educational journey. As McClelland noted, "The Excel Center grew out of some of the learning from the Indianapolis Metropolitan High School." (2015a)

Administrative and adaptive leadership. This Phase also provided examples of leadership actions that functioned in both administrative and adaptive ways. As noted above, some specific changes were made to the Met. Jim McClelland recalls:

> we began wrapping services around some of the students and sometimes members of their families. The home situations of some of the students were terrible, and by the second year I was no longer surprised at anything I heard, although I was still appalled by some of it. (McClelland, 2015a)

This action was administrative in that it was a direct activity employed to improve the quality of services offered by the Met. It was also adaptive because it was an action that altered the way the organization was able to think about educational services. It started as a formal, required operation, but the total number of educational, social, and health-related services in GICI's community is large. All these became available as adaptive options as they began to complete the assigned task.

Phase 5 Analysis

Phase 5 of the case centered on GICI's operation and expansion of the Excel Center model within their territory and across the Goodwill network. This process involved adjustments to the Excel Center as it started to operate, and feedback was collected. Curriculum was adapted to shorten in-class time required for learners and

several “wraparound” services were added, as described in Chapter 4.

Leadership action types. By a wide margin, leadership action types present in this phase were *operational*. *External influence* was also present. Together, these were reflective of the dynamic between the Indiana State legislature and the internal structures of GICI and the new Excel center.

CLT functions. While all CLT functions were present in Phase 4, most were adaptive in nature. Specifics regarding the CLT functions in this phase are provided below.

Administrative and adaptive leadership. In this phase of the case, the GICI Board specifically called for the organization to: “Replicate Excel Centers as opportunities and resources permit,” and to “continue working to make the Excel Center model available for use by qualified organizations in other states and in Indiana communities where a licensing or franchise arrangement would be preferable to Goodwill’s operating a school” (GICI Report 1, 2013). These clear, administrative leadership actions function to provide both direction and permission to GICI to expand the new Excel Center model. Interestingly, these actions were also adaptive in nature, and functioned to support critical alterations in the structure and funding processes leveraged by GICI as they began this expansion.

As part of GICI’s initial attempts to expand the Excel Center model (as noted in Chapter 4), the organization’s leaders learned that there was no upper age limit for learners who required funding for high school. Since there were no restrictions or different procedures in place, and the Excel Center had received a charter to operate, GICI sought to leverage this state funding for its planned expansion. However, challenges

arose, as described by Jim McClelland, GICI's CEO:

> We found something here (The Excel Center) and my gosh, this thing is really, really starting – so the second year we added two more schools, we got the approval from the mayor's office and then we were up to over 800 students and Chairman of the Senate Appropriations Committee that fall notices it and almost goes ballistic. 'What is this? What are we doing spending K through 12 money on adults for? What's going on here?

In response to the concerns from the legislature, McClelland and his team leveraged both personal and professional relationships and were able to meet with the Chairman of Indiana's State Appropriations Committee and work things out. McClelland continued,

> So, the Chairman of the Senate Appropriations Committee, I've known (him) for a long time. He graduated from Harvard and I mean he's a smart guy and he understands the State budget really well. So, I get a call from this lawyer who's a lobbyist who's a friend of mine and he says Jim, you and I need to go talk to (him). So, we go down there, and we explained to him what we're doing and so, anyway he decides that he likes…me, he'll support us, but he doesn't want anybody else getting into this thing and he – and by the way we need to get this out of the school funding formula.

The outcome of this conflict was also described by McClelland, who continued;

> So, we have a couple more meetings with (him) and he asks…what we want, and he writes it down. He says 'Okay, I'll do that, but I'm going to make it a separate appropriation, I'm going to pull it out of the state funding formula and we're going to make it a separate appropriation." They pulled it out. And they made changes to this thing the last night of the session, but they pulled it out, made a separate appropriation and identified the schools by location and name and ours were all in there and what we wanted was in there.

In the case, it's specific function was to solidify the Excel Center's future through the interaction of internal GICI leaders with key influencers in the external environment.

The definitive actions of the Chairman of the Indiana State Legislature – and the approval vote of the collective Legislature itself – were clear acts of administrative leadership – but they also functioned adaptively because they helped sustain GICI's ability to innovate and grow through the ability to attract and connect students in need form a wider portion of Indiana.

Adaptive leadership. Adaptive leadership action during this phase can be seen through the experience of bringing a new director – with a high level of educational expertise –into the GICI educational system after the Excel Center had been started. In its first year, many older, non-traditional high school learners were attracted to the Excel Center and enrollment was high. However, the length of time it took to complete all required courses and the need for supplemental supports led many students to drop out. Acting adaptively, GICI hired a new school director for the Excel Center, Betsy Delgado. Vice President for Mission Services during the data collection portion of this research, Delgado recalled the period that saw both her introduction to the organization – and the end of the Excel Center's first year;

> I could identify very quickly what they were doing wrong, you know, when it came to adults. I had always learned, and my superintendents had taught me, you try to build your school for the people that exist in it not for the people that are teaching in it or working in it. So, I went to Scott right away, because they were opening two more schools that summer, and so I went to Scott and I said you need to do – we need to do eight-week terms. A colleague of mine, Shauna Finlay, she was Chief Academic Officer, she and I got together and said how can we condense the curriculums so that they can earn credits quickly? Because the other thing you know about adults who have dropped out of school have had limited success, they need quick wins. They need to be able to go through an 8-week term and earn a lot of credits.

Another important adaptive action that was part of this move dealt with some of the issues that older high school learners brought with them into the learning environment. In a white paper titled *The Evolution of Goodwill Industries of Central Indiana,* Jim McClelland, GICI's CEO wrote about the added services Excel Center students started to receive after the first year of the program. These included "life coaches to help students stay on track academically and to help find solutions to non-academic problems that might affect a student's ability to remain in school." Also provided was "free child care for the young children of students while they are in class." Finally, for many students

who were young mothers, GICI became connected with Nurse-Family Partnership (NFP), described by McClelland as

> a home visitation program for first-time moms in low income households who voluntarily enroll no later than the 28th week of pregnancy. A bachelor's or master's prepared registered nurse goes into the home on a weekly or biweekly basis from that time until the child is two years old. In addition to addressing health-related issues, the nurse also spends much time helping the mom and, where possible, the father learns good parenting skills and how to create an environment in the home that's conducive to the proper health and development of the child.

The function of these adaptive leadership action was to make required changes to the emerging, successful innovation of the Excel Center.

This section presented the case findings that emerged around the types of CLT functions that were present in each phase. It provided descriptions of specific leadership actions that served both singular as well as multiple CLT functions.

Findings

This chapter presented findings specifically relevant to the research questions for this case study. It followed the narrowing process represented in Figure 5.1 to display these findings, beginning with a brief review of the five case study phases that emerged from the research. Specific data that emerged from the case regarding leadership action types and their CLT functions was presented visually via several tables. Finally, a selection of specific leadership actions was presented, examined, and discussed in relation to their specific CLT function.

Six overall findings emerged from the case:

1. All three CLT functions (administrative, adaptive, and enabling) were present in each phase of the case.

2. Leadership actions in the case often served more than one CLT function.

3. Specific CLT functions played larger roles in specific phases of the case than in others. Table 6.1 in the following chapter provides more data related to this finding.

4. Administrative leadership actions appeared most consistently throughout the case.

5. More adaptive leadership actions occurred in the case than any other CLT function.

6. Enabling leadership was the dominant CLT function in the third stage of the charter school case, yet appeared the in the least amount of leadership actions in the case overall.

The next chapter provides an interpretation of these findings in relation to the research question, conceptual frame, and literature pertinent to the study.

Chapter 6:

Interpretations, Conclusions, and Recommendations

This study examined the function of complexity leadership in the generative emergence of new ideas in a high performance nonprofit organization. It focused on the initiation and growth of the charter school initiative at Goodwill Industries of Central Indiana (GICI). The case narrative was presented in Chapter 4, while Chapter 5 provided analyses of the leadership actions within the case. The study used the lens of Complexity Leadership Theory (CLT) (Uhl-Bien et al., 2007), which allowed each leadership action to be evaluated in relation to its CLT function (administrative, adaptive, or enabling).

Findings from the study were generated using a case study method (Merriam, 2009; Stake, 2004), which employed in-depth interviews and document review related to the emergence of the charter school initiative. Data collected were coded and analyzed as described in Chapter 3. This chapter articulates an interpretation of the primary findings of this study in relation to the theoretical and empirical literature, followed by conclusions drawn from these findings. Finally, the limitations of the study are reviewed, and implications and recommendations for theory, research, and practice are offered.

Key Findings Concerning Research Questions

Six primary findings emerged from the case.

1. All three CLT functions (administrative, adaptive, and enabling) were present in each phase of the case.
2. Leadership actions in the case often served more than one CLT function.
3. Specific CLT functions played larger roles in specific phases of the case than in others. Table 6.1 below provides more data related to this finding.

4. Administrative leadership actions appeared most consistently throughout the case.
5. More adaptive leadership actions occurred in the case than any other CLT function.
6. Enabling leadership was the dominant CLT function in the third stage of the charter school case, yet appeared the in the least amount of leadership actions in the case overall.

Answering the Primary Research Question

The primary research question was: What is the function of complexity leadership in the generative emergence of new ideas in high performance nonprofit organizations? In addressing this question, it is helpful to recall both Uhl-Bien et al.'s (2007) definition of Complexity Leadership Theory (CLT) as "a framework for leadership that enables the learning, creative, and adaptive capacity of CAS in knowledge-producing organizations or organizational units" (p. 304), as well as Lichtenstein's (2014) definition of generative emergence:

> An entity (e.g., an organization) emerges through an aspiration – partly planned and partly evolving – to provide some kind of value, that is, a product, service, or offering that is valued by other agents. This offering is exchanged for money, which is then used to maintain the entity. Generative emergence is ubiquitous in society, being the basis for all businesses, companies, projects, initiatives, and innovations. (p. 18)

These definitions are important because the theoretical frame for this research considers both concepts to be inextricably linked, impacting the growth of new organizational ideas equally. In other words, although CLT is the primary focus of this study, the context and flow provided by generative emergence is needed to understand how CLT functions.

Complexity leadership serves three functions in the generative emergence of new ideas in high performing nonprofits. Specifically, the function of complexity leadership is:

- to identify and interpret the characteristics and behaviors inherent in – and emerging from – an organization operating as a CAS, and
- to ensure that the organization addresses and responds to these elements so that
- the new idea can progress through all five phases and thrive at the highest level of generative emergence.

When new ideas emerge, CLT provides the means for organizational leadership, as described by Uhl-Bien et al. (2007), to leverage "the learning, creative, and adaptive capacity of complex systems" (p. 304). Importantly, CLT also includes the core proposition that leadership itself is not always connected to a specific role, job title, or set of individuals. Rather, CLT is based on the perspective that "leadership is not merely the influential act of an individual or individuals, but rather is embedded in a complex interplay of numerous interacting forces" (Uhl-Bien et al., 2007, p. 302). Complexity leadership behavior acknowledges all the elements of a complex system – especially as they surface in an organization operating as a CAS. Complexity leadership also understands and translates CAS elements as they occur while simultaneously recognizing (either implicitly or explicitly) the nature of generative emergence. Complexity leadership operates to address the essential elements of the CAS environment so that new ideas are free to progress through all five stages of generative emergence.

Three specific findings address the primary research question. First, all three CLT functions were present throughout the case. Second, a single leadership action often

provided more than one CLT function. Third, some CLT functions played larger roles in specific phases of the case. This section provides an interpretation of these findings considering the existing literature connected to the case, as described in Chapter 2.

Finding 1 - All three CLT functions (Administrative, Enabling, and Adaptive) were Present in each Phase of the Case

As detailed in Chapter 5, 66 leadership actions were coded across case phases as *administrative, enabling, or adaptive* as appropriate – and each phase included at least one leadership action that provided one of these CLT functions. Within each phase of the case, different leadership actions occurred in combination with each other – providing the dynamic interaction consistent with a complex adaptive system (CAS) environment. This interaction was described in detail in Chapter 5 and broad examples are provided in Table 6.1 below. For instance, the table shows that Phase 3 of the case contained ten examples of administrative leadership, twelve enabling leadership efforts, and six actions that supplied adaptive leadership (see Chapter 5 for more comprehensive statistics about CLT functions present in each phase). This finding addresses the primary research question and is discussed later in this chapter.

Table 6.1

Leadership Actions and CLT Functions

	Administrative Leadership Actions	Enabling Leadership Actions	Adaptive Leadership Actions
Phase 1	5	1	7
Phase 2	5	1	4
Phase 3	10	12	6
Phase 4	2	2	10
Phase 5	5	4	11
Total	27	20	38

From a theoretical standpoint, Lichtenstein (2014) points out that the primary task of emergence within an organization (especially generative emergence) is to maintain an organizing process within a state of disequilibrium. To accomplish this task, generative emergence requires the ability to recognize and address both the opportunities and aspirations of a new venture as well as the elements of a CAS that constantly work to minimize new disturbances and restore balance to the system. The combination of adaptive, administrative, and enabling leadership fosters the dynamics of disequilibrium in a system while also providing the necessary control mechanisms that prevent new concepts from dissipating back into the system as it tries to re-establish equilibrium (Uhl-Bien et al., 2007).

The finding that every CLT function operated in each phase of the case is consistent with the theoretical ideas articulated above and was evident throughout the charter school initiative at GICI. Adaptive leadership, through its dynamic relationships (both internally to GICI and with the external Indianapolis community) provided a clear picture of a population being served in great numbers, but not with long-term effectiveness. The commitment to research and learning and the use of data to project outcomes and environments into the future are examples of the types of adaptive leadership actions that allowed the organization to see new opportunities. These opportunities are examples of attractors, an important CAS element. Attractors inside of an organization can be ideas or projects that gain relevance and attention because of their perceived potential to help accomplish goals and sustain the system(s) in place (Anderson, 1999; Lichtenstein, 2014; Uhl-Bien et al., 2007). In the case, the idea of

providing more substantial services to the community through education became a strong attractor for GICI.

GICI began to self-organize and coevolve towards the idea of education - but this evolution was kept in check by administrative leadership (Anderson, 1999). Instead of each team member or department pursuing their own new program to address the problems at hand, McClelland, as CEO, set a defined course of action to move into the new world of educational services. This is an example of administrative leadership planning and coordinating activities and building a vision to achieve the goals of the organization. The disequilibrium surrounding the new ideas was strong, but the presence of administrative and adaptive leadership actions together provided balance to ensure that the idea remained viable - neither running out of energy or slipping into chaos (Brown & Eisenhardt, 1998).

In addition to administrative and adaptive leadership, enabling leadership was also present in each phase. At the outset of GICI's opportunity, this function supported all three defining CAS characteristics as articulated by Holland (1992): evolution, aggregate behavior, and anticipation. A specific example of enabling leadership actions in the early stages of GICI's charter school initiative came from McClelland, who both allowed team members across the organization to pursue the new opportunities, and also provided specific guidelines for doing so. This action served as both a catalyst for further action while managing any potential entanglement between different actions by supplying a clear, aspirational vision. In the case, GICI was focused on running an efficient nonprofit, social enterprise model with the result of sustainable employment for the people it served. If new, emerging practices did not align with this end goal, then they were adjusted or

abandoned. This is a further example of a CAS co-evolving towards the edge of chaos. GICI received – and adjusted to – both internal and external feedback in a way that maintained momentum, but avoided spiraling out of control.

Finding 2 - Leadership Actions in the Case Often Served More than One CLT Function

Having established the presence of all three CLT functions throughout the case, further analysis revealed that, at times, a single leadership action provided more than one of these functions. More specifically, in more than one-quarter of all instances (27%) (as shown in Table 6.2 below) actions were identified as providing one of the following:

- Administrative and Enabling Leadership
- Administrative and Adaptive Leadership
- Enabling and Adaptive Leadership, or
- Administrative, Enabling, and Adaptive Leadership.

This finding also addresses the primary research question and is discussed in more detail later in this chapter.

Table 6.2

CLT Functions Throughout the Case

CLT Function	Number of Leadership Actions	Percentage of Total Leadership Actions
Administrative Only	14	21%
Enabling Only	8	12%
Adaptive Only	26	40%
Administrative and Enabling	6	9%

Administrative and Adaptive	6	9%
Enabling and Adaptive	5	7%
Administrative, Enabling, and Adaptive	1	2%
Total	66	100%

From a theoretical standpoint, this is indicative of several CAS conditions. It demonstrates the ideas of dynamic relationships (Anderson, 1999), interdependency (Uhl-Bien et al., 2007), and efficiency (Lichtenstein, 2014) within CAS experiencing generative emergence. Specific actions provide more than one CLT function because each agent connected to the function has its own interpretation of the environment, understanding of the system's goals, and ability to respond. Additionally, this finding supports the co-evolution between the microsociological (dealing with individual and personal interactions) and the mesosocialogical (dealing with groups or formal organizations) levels in CAS (Smelser, 1995). Schwandt (1995) details this co-evolution process, explaining that individuals, as micro-level agents in an organization, will react to stimuli in ways consistent with the schemata or local rules as they perceive them. Likewise, the organization – or a team within the organization, will react to the same stimuli in ways consistent with group norms or behaviors consistent with the organization's culture. Thus, in a CAS, the same stimuli (a leadership action) can be interpreted and acted on differently depending on both context and the nature of the receiving agent.

In this study, GICI's association with the Big Picture Learning school (as

described in Chapters 4 and 5) provides an example of how one action helped move the educational initiative idea forward by providing more than one CLT function. The board and McClelland (as CEO) took administrative leadership action when they committed GICI to a formal partnership with Big Picture Learning. This same action also functioned in an adaptive and enabling manner. It was adaptive because it pushed through the permeable boundaries of both organizations and formalized the dynamic interaction between them and between their individual members (agents). It was enabling because it provided necessary space and conditions for members of both organizations to work together, while also providing direction and boundaries to the new group, which helped to manage the resulting combination and blending of agents.

Considering the micro (individual) and meso (collective) responses to the same leadership action in the case is another way to examine how one action in the case could provide multiple CLT functions. For instance, the administrative action taken by the Indiana legislature to approve a specific appropriation funding measure to support GICI's charter schools was, at the micro level, an example of an agent interpreting schemata (state laws) and another agent (CEO McClelland) also reacting to that directive by utilizing the provided funding as prescribed. At the same time, the leadership act providing the funding also provided adaptive leadership because it allowed – at the meso level – the entire GICI organization to fundamentally change its processes and operate their charter schools in a different way. The new funding arrangement was unlike anything seen before in Indiana, and represented a clash between an existing protocol or societal norm and a new, creative interpretation of state law that stood to alter this norm. Thus, in the same instance, one leadership act provided two different CLT functions.

Finding 3 - Some CLT Functions were More Prevalent in Specific Phases of the Case

Analysis of the case revealed that some CLT functions appeared more in certain phases. This finding is illustrated in Table 6.1 above. For instance, Phase 1 of the case included only one enabling leadership action, but 12 such actions were present in Phase 3. Chapter 5 includes an in-depth discussion of the relationship between case phases, leadership actions, and their CLT functions. Lichtenstein's theory of generative emergence provides a list of behaviors and activities within each phase that are most effective in moving emergent idea forward. Within each phase, different amounts of structure and freedom must be applied. For example, in the first phase (disequilibrium organizing), goal-setting, articulating a vision, and creating a container for new work to be completed are all important behaviors that help a new, innovative idea take root and (hopefully) move to the second phase. Some of the behaviors in each stage are more open ended and others are more closely defined. CLT supports this wide range of needed behaviors in each stage by offering a range from the directive nature of administrative leadership to the flexible qualities of adaptive leadership. This support was evident in the case. The CLT functions that were more prevalent in each phase served to address the most important needs of the emerging idea.

The leadership actions in phase four of the case provide an example of how a more prevalent CLT function was leveraged to further the educational initiative at GICI. The dominance of adaptive leadership was evident at GICI in this phase as evidenced in the frequent interaction and equal input from teachers, organizational leaders, community partners, and students themselves as new class schedules, organizational policies, and

success measures were being formed. The high level of adaptive leadership in phase 4 of the case is discussed in more detail below, and is just one example of how one CLT function often played a more significant role in the case based on the phase that was underway and its corresponding conditions and needs.

Taken together, the three findings reviewed above combine to answer the primary research question for this study. When CLT is present at appropriate times, and supplies multiple functions through the same action, it provides a high-performing organization with the ability to recognize and address the unique characteristics and challenges presented by generative emergence in a CAS. The following section builds on these ideas and describes more findings specifically relevant to the three secondary research questions in the case.

Research Subquestion 1

The first research subquestion for the study was; What is the function of administrative leadership in the generative emergence of new ideas in high performance nonprofit organizations? To address this question, it is helpful to examine two specific aspects of administrative leadership defined by Uhl-Bien et al. (2007). First, as noted in Chapter 2, CLT considers administrative leadership as being primarily focused on alignment and control. Its actions function in an ”administrative” way – providing traditional leadership behaviors typically employed to handle technical challenges. Second, in addition to these top-down, authority-driven characteristics, CLT also makes a critical claim about administrative leadership that sets it apart from traditional leadership behaviors. Specifically, within a CAS, administrative leadership must be applied “with consideration of the firm’s need for creativity, learning, and adaptability” (Uhl-Bien et

al., 2007, p. 306). In other words, successful administrative leadership in a CAS includes an awareness of the need for both adaptive and enabling leadership as well. It requires an understanding that the directive behaviors associated with leadership actions by specific persons – or from specific positions – will not be enough to ensure the success and sustainability of an organization. Lichtenstein (2014) also addresses the role of leadership in his articulation of generative emergence theory. As all five phases of generative emergence play out, the role of individual leaders is to both develop and execute strategy and increase the capacity and creativity of all the agents (individuals) in the system. The theoretical aspects of administrative leadership noted here allow it to play a unique role in a CAS and allow for the answering of the first research subquestion.

As noted, administrative leadership was present throughout the case in varying levels, sometimes functioning in tandem with other CLT functions. This finding is consistent with aspects of CLT theory described above. Case data also shows that administrative leadership provided organizational stability and role clarity throughout the Charter School initiative at GICI in a variety of ways. For example, McClelland's directive to identify educational models for GICI was delivered in a way that allowed for curiosity and experiments. In other words, the strategy was made clear but the means were not specified. Similarly, the GICI board's decision to for Goodwill Education initiatives (GEI) as a separate organization (described in Chapters 4 and 5) sent a clear signal that education would be a formal part of GICI's work, but it did not limit or define or limit the type of educational services to be provided.

As highlighted above and described in more detail in Chapter 5, administrative leadership played a significant role in GICI's educational initiative. Additionally, the

finding that this type of leadership was present in all phases of the case indicates that it is important in completing and moving through all phases of the generative emergence process. In fact, administrative leadership actions appeared most consistently throughout the case, meaning that it was always either the first or second-most prevalent CLT function in a phase. Finally, case data also shows that administrative leadership played a more significant role in the third phase (amplification and critical events). This phase typically involves the most tension in the generative emergence process and the data shows that the combined clarity and flexibility provided by administrative leadership during this time is important.

Taking the above into consideration, it is possible to directly answer the first research subquestion as follows:

The function of administrative leadership in the generative emergence of new ideas in high performance nonprofit organizations is to:

- supply strategy, direction and resources to individuals and teams in a way that
- anticipates and complements the adaptive and enabling leadership behaviors also at work in the organization so that
- that the new idea can progress through all five GE phases and thrive at the highest level.

In other words, administrative leadership helps an emergent idea in a high-performing nonprofit succeed by providing a definitive set of rules for the organization to follow while allowing members of the organization to carry out the strategy as flexibly and creatively as possible.

Research Subquestion 2

The second research subquestion for the study was; What is the function of adaptive leadership in the generative emergence of new ideas in high performance nonprofit organizations? Actions that provided adaptive leadership were present throughout all five phases of generative emergence during the charter school initiative at GICI. However, as articulated above, two case findings provided more information about the prevalence of this CLT function in the case. Specifically, adaptive leadership occurred more than either of the other two CLT functions (administrative or enabling) and was the dominant CLT function in the last two phases of the case (New Order Through Recombination and Stabilizing Feedback).

CLT presents adaptive leadership as the most socially focused of its three functions, and involves the interaction of many agents. This contrasts with administrative leadership, where a single individual, role, or small group provides interpretation and direction on behalf of the entire organization. This distinction between single-agent action and multi-agent interaction is a critical differentiator when considering the answer to this subquestion because it helps to explain why adaptive leadership surfaced in some area of the case more than others. A practice-based example of this notion can be seen in Phase 4 of the case.

Phase 4 of the case saw GICI develop the first Excel Center after building and running the initial high school, The Met. Adaptive leadership actions dominated this case phase. Labeled "New Order Through Recombination" by Lichtenstein (2014), the phase included both the first indicators of success – and of the potential for longevity – of the emerging ideas around charter schools at GICI. It required quick thinking and shifting of

resources as organizational members began to operate within the new environment they created – and to which they were committed. For GICI, this phase included very few administrative and enabling leadership actions. This indicates that the "planning, coordinating, and resource acquisition" (Uhl-Bien et al., 2007) of administrative actions and the fostering and maneuvering of conditions associated with enabling leadership were not as critical here. Instead, the open, nonlinear and collaborative efforts of adaptive leadership were required instead.

Within the generative emergence process, Lichtenstein (2004) cites Folke et al. (2004, 2006), who write that the value of adaptive leadership is in providing resilience, which "reflects the degree to which a complex adaptive system is capable of self-organization (versus lack of organization or organization forced by external factors)" (p. 59). Uhl-Bien et al. (2007), also note the importance of self-organization, which they define as "a movement in which different reformulation activities find common cause" (p. 308). In a CAS, dynamic interaction of agents must serve as a catalyst for this emergence. These ideas are important to the case because they recognize that challenges to the survival of a generative idea within a CAS will arise – some internally and some from the outside. For GICI, these challenges were present in all phases of the education initiative, but were especially prevalent in phases 4 and 5. During these two parts of the case, the charter schools grew, the organization continued to move further from its traditional business practices, creating curiosity and tension for both staff members and community stakeholders. The CLT model provides adaptive leadership as a way to move through the final phases of generative emergence by providing for creative and emotional outlets for individual agents and teams as they explore new ideas and alter behaviors

accordingly.

Looking deeper, both CLT and generative emergence recognize the importance and value of adaptive behavior within a CAS. Lichtenstein (2014) explains that adaptive activity in the generative emergence process leads to an "intriguing mix of dynamics" (p. 413) that involve leveraging existing knowledge and resources as well as considering the opportunities and possibilities of the external environment. The activities involved in this dynamic process are driven by the desire of the system to create value for both the CAS itself, its individual agents, and external stakeholders. Uhl-Bien et al. (2007 also echo this notion, explaining that adaptive leadership involves activities that lead to both significance and impact (p. 307). Significance involves actions based on the potential usefulness of new ideas while impact considers how much external agents (i.e., customers) put the new idea to work. In the case, GICI's experiences with the Met showed that, while the school may have been working well for traditional students, older students who lacked a high school diploma would also benefit from a different type of school environment. As a result, the adaptive work of building the first Excel Center was started. When this example played out in the Indianapolis community, it showed both the significance that GICI felt a new type of school could bring to the community as well as the actual impact the Excel Center had as many adult learners took advantage of the offering very quickly.

Taking the above ideas into consideration, the second research subquestion can be directly answered as follows:

The function of adaptive leadership in the generative emergence of new ideas in high performance nonprofit organizations is to:

- leverage the connectivity and dynamic interaction of the appropriate people (agents) in the organization as they
- work to execute strategies that supply both significance and impact so that
- emergent self-organization of the new idea can continue and progress through all five GE phases and thrive at the highest level.

In other words, adaptive leadership takes the direction provided by administrative leaders and allows the right mix of people to interact and share ideas to achieve these results, Further, the results are built out of interactive, dynamic activities, not through directions provided via command and control leadership. This process helps an emergent idea in a high-performing nonprofit succeed by allowing members of the organization to define and work towards the potential significance and impact of their work in creative, nonlinear ways.

Research Subquestion 3

The third research subquestion for the study was: What is the function of enabling leadership in the generative emergence of new ideas in high performance nonprofit organizations? The analysis showed that this CLT element was the dominant function in the third stage of the charter school case, yet appeared the in the least amount of leadership actions in the case overall.

Both CLT and generative emergence provide ideas about how to interpret the findings around enabling leadership. First, Uhl-Bien et al. (2007) make it clear that enabling leadership involves intentional action by CAS agents designed to catalyze further emergence of new ideas relevant to the established vision and goals of the organization. Second, both CLT and generative emergence theory hold that once enacted

or catalyzed, emergence is an iterative, dynamic process, influenced by individual and collective action alike. Third, both theories emphasize the need for a space or a "container" in which emergence can thrive. Enabling leadership provides all three of these elements.

Almost all the enabling leadership in the case occurred in Phase 3 – and provide numerous examples of actions designed to initiate and catalyze emergent behavior for GICI's educational initiatives. Sharing the results of the Met charter school with the Board of Directors allowed CEO Jim McClelland to gain support for more focused activities designed to understand and address the needs of adult learners who wanted to earn a highs school diploma. This idea was both new (allowing for emergent creativity) and grounded within the strategic goals of the organization (providing stability and continuity for education). Likewise, assembling a large group of thoughtful staff members from across the organization was an attempt to spark new action in service of a clear goal.

In addition to catalytic behavior, the enabling leadership actions in the case also saw ideas develop in a dynamic way. Individual agents put forth ideas and took specific action, and the broader organization absorbed these and produced a response. Importantly, this process often repeated itself multiple times in relation to the same concept. For example, the ongoing activity between GICI and the Big Picture Company was very iterative. The Big Picture's leadership group (an agent) provided specific, sequential actions to GICI (the organization). These instructions were designed to allow GICI to emulate (almost exactly) the systems in place at Big Picture. However, what ensued was an iterative process by which GICI made small adjustments to and departures

from the Big Picture model. This iteration also continued within GICI itself as phase 3 unfolded. In this example, enabling leadership was able to "manage the entanglement" between administrative and adaptive leadership actions in the case, as described by Uhl-Bien et al. (2007) Because the idea for an adult high school was so new – and so few examples were currently in operation, GICI leaders made decisions based on a general understanding of strategy. These decisions resulted in enabling leadership behaviors – general directives that could be interpreted on a case by case basis by individual teams and staff members. The result was a set of processes and programs that achieved the aspirational goals of the system but grew in an organic and emergent way.

Finally, in addition to sparking action and allowing for iteration, the enabling leadership actions in the case also helped provide a "container" for successful generative emergence. This idea is supported by Lichtenstein (2014), who notes, "For generative emergence to happen, a container must be (co) created that can channel the opportunity tension and entrepreneurial action of disequilibrium organizing" (p. 237). CLT also recognizes the importance of such a container, characterizing such a space as offering "enabling condition" that are most conducive to emergent activity (Uhl-Bien et al., 2007, p. 309). The idea of a container is evident throughout the case – especially in phase 3, where enabling leadership played such a dominant role. Examples of containers that played a significant role in this phase are those that involved the following groups:

- GICI and the Big Picture
- GICI and the Mayor's Office
- GICI Board, CEO and Leadership Team
- GEI, a separate entity designed to house thinking and action related to

education in the Indianapolis community

In the examples above, the space provided for relationship building and collaboration yielded ideas and practices that otherwise would not have existed. Overall, the idea of the container is important because it acknowledges that, through enabling leadership behavior, a specific place – or environment – can be created that improves the probability of both emergent ideas and of their successful maturation.

Overall, the analysis shows that the function of enabling leadership in the generative emergence of new ideas in high performance nonprofit organizations is to provide specific, intentional actions designed to;

- catalyze emergent behavior for iterative collaboration, and
- create a container in which generative emergence can thrive
- so that the new idea can progress through all five GE phases and thrive at the highest level.

In other words, enabling leadership provides a designated space within the organizational structure for agents to work together on important ideas as they emerge in relation to defined goals. It provides a way to acknowledge and balance the comfort and certainty of past procedures with the unknown possibilities of a future state.

Conclusions

As noted above, the theoretical frame for this research considered the concepts of CLT (Uhl-Bien et al., 2007) and Generative Emergence (Lichtenstein, 2014) to be inextricably linked. In the study, both ideas had an equal impact on the growth of the educational initiative at GICI. CLT was the primary focus of this study, but the ability to understand CLT functions – and properly address the research questions - was contingent

upon the context and flow provided by generative emergence. This research offers contributions to the literature for both complexity leadership and generative emergence by confirming and extending both theories as a result of this case study.

Overall, the findings of this case study support the notion that if a high performing non-profit organization is to employ complexity leadership to successfully grow and implement new, innovative ideas via generative emergence, a mix of administrative, enabling, and adaptive leadership actions must be employed during each phase of the process. Based on the findings discussed above, four conclusions can be drawn from the case:

Conclusion 1

For any new idea to thrive in an organization, administrative leadership actions must appear consistently throughout the generative emergence process. Administrative leadership actions are critical to maintaining the scope and focus of the growth of any new idea.

A primary tenet of the complexity view of leadership is that, in an organization that operates as a complex adaptive system (CAS), leadership is not something solely provided by an individual or a small group. While this type of leadership is acknowledged in the complexity literature, it is always presented in conjunction with leadership that grows from the dynamic *interaction* of individuals. The literature also places considerable emphasis on this type of leadership. In CLT, this concept is articulated as adaptive leadership. Others have labeled it "generative leadership" (Surie & Hazy, 2006, Hazy & Uhl-Bien, 2013b) and "entrepreneurial leadership" (Uhl-Bien & Arena, 2017). Others have also acknowledged this idea, using labels such as "unifying

leadership", 2011), "community-building leadership" (Hazy & Uhl-Bien, 2013b), and "operational leadership" (Uhl-Bien & Arena, 2017) to describe such actions.

Despite an emphasis on leadership that results from interactivity, this study found that traditional, person-centered leadership continues to play a significant – and impactful – role in the growth and success of new ideas in high-performing organizations. The existing literature on complexity leadership often diminishes these types of leadership actions, sometimes warning against them altogether. In discussing administrative leadership, Hazy and Uhl-Bien (2013a) caution that, "There is no guarantee…that these patterns are beneficial for the organization and its stakeholders" (p. 6). Uhl-Bien and Arena (2017), in a discussion of operational leadership, note that the formal structure that results from this type of leadership "is designed to suppress the informal structure of networked interactions" (p. 9).

In this case study, administrative leadership actions played a steady and consistent role in the charter school initiative at GICI. Although it never surfaced as the most prevalent CLT function in a phase, it was an essential factor throughout the entire emergence process. In each phase, decisions critical to moving the initiative forward were made by individuals or small groups. GICI's CEO, Jim McClelland, sparked the idea of educational services at Goodwill when he examined the relationship between the organization's traditional job placement model and the number of persons served who had a high school diploma. Similarly, GICI's Board added a critical voice to the process when they directed the organization to focus on educational programs as it considered how to best use funding from the Eli Lilly Foundation. The grounding and consistency provided by these types of administrative leadership actions continued through the final

phase of the emergence process. The directive by the board in 2013 to replicate the Excel Center model ensured that GICI had clearly defined operational boundaries for its mission-focused activities.

Overall, this case study proposes that the administrative leadership plays a more significant role in the growth of new ideas than the existing literature suggests. Instead of being minimized in favor of enabling and administrative actions, it complements these, providing critical direction and clear operational boundaries throughout the generative emergence process. This conclusion has implications for both theory and practice, and suggests directions for future research, all of which will be discussed later in this chapter.

Conclusion 2

Without sufficient enabling leadership actions during phase 3 of the generative emergence process, it is highly unlikely that a new idea will move successfully into phase 4 (new order through recombination).

The third phase of generative emergence involves two distinct components; amplification and a critical event. Lichtenstein (2014) also emphasizes that "these two qualities are sequential and build on each other" (p. 279). As articulated in Chapter 2, these steps are important because they represent a turning point in the emergence process. Through phases 1 and 2, an emerging idea in a CAS is likely to be dampened by existing procedures design to help the overall system return to equilibrium. With enough amplifying activity, however, the system will start to react to the positive feedback being generated from the new idea. When this happens, it is likely that the emergence process will continue to phase 4 and beyond. The findings from this study demonstrate this shift – and show that enabling leadership actions are essential to this transition.

For GICI, the affiliation with Big Picture Learning, the request from the Mayor's office to consider operating a charter school, and the formation of GEI as a separate organization are all examples of activities that amplified the education initiative. These were followed by a single critical event - opening the Met charter school. These amplifying activities were all direct results of enabling leadership activities. Specifically, the board's suggestion and willingness to participate in a trip to Rhode Island *enabled* interaction with the Big Picture's staff as well as a greater understanding of how a formal school might operate in Indianapolis. David Harris' phone call to Jim McClelland *enabled* a working connection and exploratory meetings between the Mayor's office staff and GICI' team. When the GICI Board approved the formation of GEI as a separate organization, it *enabled* the new entity to explore charter schools even more thoroughly. Each of these enabling leadership activities served to further amplify the push toward formal educational services for GICI. These enabling leadership actions were essential to the case and the charter school initiative would not have survived without them.

The importance of enabling leadership to the generative emergence process is supported by the findings from the case, which reveal two important aspects of this CLT function. First, throughout the entire case, enabling leadership represented only 30% of all leadership actions (20 of 66). Second, an isolated view of Phase 3 of the case shows that enabling leadership occurred *more often* than the other CLT functions. More specifically, 60% of all enabling leadership actions in the case (12 of 20) occurred in Phase 3. Lichtenstein describes Phase 3 as a time when the "venture is pushed to the brink of its capacity…Will the venture take off? Will the opportunity get capitalized on? These questions are decided at the critical event." The large number of enabling

leadership actions present during this Phase of the case suggests they were critical to the opening of the Indy Met High School – and to moving GICI's educational initiative into Phases 4 and 5 of the generative emergence process.

The importance of enabling leadership to the growth and success of new ventures is also supported by the literature. Actions that manage the "entanglement" (Uhl-Bien et al., 2007) between the structure and direction provided by administrative leadership and the flexibility and creativity supplied by adaptive leadership are required for the success of innovative, entrepreneurial ideas. Uhl-Bien and Arena (2016, p. 8) write that "understanding, developing and rewarding enabling leadership practice is critical for organizational success and survival in today's complex world." Hazy and Uhl-Bien (2015) explain that when enough these types of actions are present, "the organization is irreversibly moved in a new direction, for good or for ill" (p. 86). The growth of the charter school initiative at GICI is a clear example of how enabling leadership actions push new ideas from Phase 3 to Phase 4 of the generative emergence process.

Conclusion 3

For a new idea to successfully take root in an organization, adaptive leadership must be the most prevalent CLT function throughout generative emergence of that idea.

Adaptive leadership, as defined by Uhl-Bien et al., is an "interactive dynamic that produces adaptive outcomes in a social system. It is a collaborative change movement that emerges nonlinearly from interactive exchanges." In the literature, this type of leadership is characterized as an instigating force that launches new ideas. Uhl-Bien and Arena review the idea of adaptability through the lens of March's (1991) ideas about organizational exploration and exploitation. Adaptive leadership is linked to exploration

behaviors, which create "new knowledge, skills, and processes…through search, variety, risk taking, experimentation…etc." (Uhl-Bien & Arena, 2017, p. 90). In contrast, exploitation uses "existing knowledge, skills and processes to produce results for current success through…efficiency, implementation execution, etc." (p.90). Uhl-Bien & Arena extend this line of thinking by drawing on the concept of organizational ambidexterity. They note, "Ambidexterity theory shows that balancing the tension between exploration and exploitation (Tushman & O'Reilly, 1996) is the key to leadership for organizational adaptability" (Uhl- Bien & Arena, 2017, p. 92).

The connections to exploration, exploitation, and ambidexterity mentioned above support three important ideas connected to adaptive leadership in this case. First, adaptive leadership appears to be the primary source of new, emerging ideas in an organization. Second, adaptive leadership is also a potentially disruptive force that must be managed – or at least balanced – by an increase in administrative, exploitative leadership actions. Third, the interactive and collaborative actions that make up adaptive leadership need to occur both inside and outside of the organization.

This research study shows that, in practice, a successful new idea requires a high number of internal and external adaptive leadership actions – supplied at a steady rate - throughout all five phases of the generative emergence process. While adaptive leadership may serve as a starting point for generative emergence, it is also required at sufficient levels to move the new idea through each phase. Thus, in addition to the infusion of creativity and fresh thinking it supplies, adaptive leadership actions also appear necessary to overcome the history, structure, and authority associated with administrative leadership actions.

This case also demonstrates that, within each generative emergence phase, adaptive leadership actions may play slightly different roles. For GICI, adaptive leadership at the outset of the emergence process primarily involved organizational *curiosity* about the effectiveness and impact of traditional Goodwill job placement services. This led to structured *research and learning* projects that connected GICI team members to each other in new ways as well as introducing people and ideas from the community. This increased interaction led to the involvement of the GICI board, and the growing realization that educational services might be a viable option for the organization. By Phase 3, most adaptive leadership actions involved the *external influence* of community members, educational experts, and potential funders for the emerging charter school. In Phases 4 and 5, adaptive leadership came from yet another new angle – the *creative operation* of the newly launched Indy Met High School.

Conclusion 4

When a new, innovative idea successfully matures and takes root in an organization, adaptive leadership is the most critical CLT function during phases 4 and 5 of the generative emergence process.

As noted, adaptive leadership actions supply the interconnectivity and creativity necessary to launch new ideas and allow them to move through the entire generative emergence process. Further, different types of adaptive leadership actions may play slightly different roles in each phase of the process. The case shows that, in the final two phases of generative emergence, high levels of adaptive leadership actions are required to operationalize and sustain a new initiative. Essentially, once the primary elements of a

new idea have been established, even *more* adaptive leadership is required to ensure its long-term success. Lichtenstein (2014) describes this phenomenon as a natural part of moving through a "threshold event" (p. 297) and cites MacIntosh and MacLean (1999) who explain that "during this period, a new order based on the new deep structure will seek to impose itself…this order will reflect both content and process aspirations" (p. 21) Even in the latter stages of emergence, it is possible for the organization to revert to more familiar, traditional practices and abandon the emergent idea. Adaptive leadership works to prevent this by supplying continued interaction between people and teams so that the new initiative can thrive.

At GICI, the process articulated above was evident in the higher amounts of exploitative adaptive leadership actions required in phases 4 and 5 of the charter school initiative. Although the Indy Met school was well run and generally successful, several issues also surfaced quickly. For instance, the model espoused by the Big Picture Company was not an ideal fit for the Indianapolis community and it became clear that a high school diploma alone would not provide graduates with sustainable employment. In the face of these challenges, GICI could have decided to alter or abandon charter schools altogether, despite all the effort and commitment already invested. Instead, numerous instances of adaptive leadership pushed the new idea forward. Teams and individuals were allowed and encouraged to experiment with alterations to the Big Picture structure and research into a wide array of supportive, complementary social services was conducted with the goal of allowing students to better focus on their education. Later, even as the Excel centers were launched, more adaptive leadership actions were required to allow curriculum to be redesigned so students could earn their diploma faster and to

add complementary programs like child care and Goodwill Guides, which enhanced the student experience and improved the operation of the schools.

Considered together, Conclusions 3 and 4 add to the literature on leadership in complex systems by addressing the need to better "understand the rich interconnectivity that underlies the forces of change in our societies and organizations" (Uhl-Bien & Arena, 2017, p. 11). They also provide a richer description of what Uhl-Bien et al. describe as "conditions in which adaptive dynamics emerge and generate creative adaptive knowledge that exhibits sufficient significance and impact to create change" (2007, p. 307). Specifically, these conclusions provide three important insights about the nature of adaptive leadership actions. First, adaptive leadership actions may be the primary source of new ideas and activities within organizations. As such, they need to be kept in steady supply throughout all five phases of the generative emergence process. Second, adaptive leadership actions supply emergent ideas differently in each generative emergence phase. Third, a high level of adaptive leadership is required to ensure that new, emergent initiatives remain operable and sustainable over time. Understanding these points may help organizations become more comfortable recognizing and leveraging opportunities to supply adaptive leadership more often and in more thoughtful ways.

Limitations of This Study

As with any research, this case study had limitations. Acknowledged in Chapter 1, three of these limitations were connected to the generalizability of the case, the interpretation of case data, and researcher bias. These three limitations, as well as an additional limitation linked to the availability of documents for review in case, are reviewed in this section.

Generalizability

As a qualitative case study of one high performance nonprofit, this research was limited to specific interactions within the subject organization. Thus, the study is not generalizable across all nonprofits (Creswell, 2014). The results cannot be assumed to be present in other organizations. However, as Yin (2012) points out, results may be generalizable to theory. With this limitation in mind, it is the intention that the findings will contribute to the broader understanding of leadership in complex organizations.

Interpretation of Data

Although other theoretical work has been completed in relation to the concept of leadership in complex systems, CLT is not a prescribed, or even a common method for conceptualizing leadership in the subject organization. Evidence of CLT and the other key concepts discussed in this work was based on the subjective interpretation of the researcher. Validity was established through member checks with interviewees and peer review by the researcher's academic colleagues with respect to conclusions.

Researcher Bias

Finally, the researcher acknowledges a personal connection to Goodwill Industries. For the past 20 years, the researcher has been both an employee of GII as well

as a local Goodwill member organization. In both roles, the researcher provided leadership, learning, and development services to individual Goodwill managers and executives. The researcher has a personal interest in and passion for supporting staff in formal leadership roles as they seek to grow both personally and professionally. It was critical for the researcher to acknowledge, explain, and explore this personal connection to the organization and the subject matter of the study. As Merriam (2009) writes, readers must be able "to trust that the study was carried out with integrity and that it involves the ethical stance of the researcher" (p. 229).

Document Review

As both Yin (2012) and Stake (1995) encourage, this study used numerous documents produced by GICI during the timeframe covered by the research. This data collection method was selected with the intent of adding substance and rigor to the study by gathering written records from a wider group of sources than that represented by the interview subjects in the case. The researcher acknowledges that most of these were produced by a single individual, GICI CEO Jim McClelland who also served as an interview subject for the project. Thus, while the numerous documents that were used did prove valuable to the case, a wider variety may have helped shape the findings and conclusions of the research more definitively.

Theoretical and Practical Implications

The results of this study have other important implications for the continued study – and practice – of leadership in organizations. This section presents these implications and makes recommendations for future research.

Implications for Theory

In a broad sense, this study is significant because it adds empirical research to the conversation around complexity and leadership within organizations. As noted in Chapter 1, various aspects of leadership have been considered in relation to the complexity view of organizations, but few studies exist that have examined these concepts through empirical research in organizations. This study helps to answer these calls for empirical work that further shape and test these existing theoretical ideas.

Looking deeper into the relationship between leadership and complex systems, the study has three primary implications for theory. First, the study helps to further build complexity leadership theory (CLT) by providing empirical evidence of the theory itself in relation to the three functions of administrative, adaptive, and enabling leadership. Second, it helps to further the theory of generative emergence because it provides empirical examples of how each phase of the emergence process unfolds in an organization. Third, the study provides an empirical example of the interaction between CLT and generative emergence. These implications are discussed below, along with suggested research-based responses to each.

Implications for CLT. The conceptual frame for this research was constructed using several different theoretical lenses. The primary lens was Complexity Leadership theory (CLT), which addresses the nature of leadership in organizations when viewed as complex adaptive systems (CAS). The study was designed to examine CLT and its function in the initiation and growth of a new idea within the organization.

As articulated in both the findings and conclusions of the research listed above, the primary elements of CLT (as defined and articulated by Uhl-Bien et al. (2007)) were

all present the case. However, complex systems include a myriad of elements and parts that are constantly in motion. Thus, as also noted, a single action viewed from a different perspective often exhibits the characteristics of more than one CLT elements. Further empirical research will provide more clarity to the nature and function of each CLT element as it operates in relation to new organizational initiatives.

Implications for generative emergence. Lichtenstein (2014) offers generative emergence as a theoretical solution to the question of how the phenomenon of emergence occurs within organizations designed to promote and support entrepreneurial activity. The findings and conclusions of this research study contribute to generative emergence theory by providing needed empirical examples of each of its five phases. This contribution is significant since no other empirical work yet exists in this area. However, the phases of generative emergence are cyclical and can also appear at various locations and levels of analysis inside a complex system. Therefore, further research could help to further clarify the exact nature of each of these phases. Specifically, it may help to identify specific characteristics related to the probability of an entrepreneurial idea's success or failure in moving through each successive phase.

Another implication of this research in relation to generative emergence concerns the idea complex system's boundaries. If, by nature, complex systems are open - and have permeable boundaries - the idea of defining the specific "borders" for any organization viewed as a CAS may become problematic. Specifically, it is important to consider the idea of emergence *within* an organization as opposed the emergence *of* an organization. This study makes its primary contribution to the conversation around emergence *within* an organization. However, as evidenced when GICI created Goodwill

Education Initiatives (GEI), the case also includes examples of activity that could be considered emergence *of* an organization. This is important because further research into this difference may clarify any important differences in how generative emergence plays out in each circumstance.

CLT and generative emergence. This study makes an important contribution to theory because it helps to both *clarify and connect* two extremely broad concepts – leadership and emergence. Specifically, the results and conclusions of the study imply that a useful connection may exist between complexity leadership theory (CLT) and generative emergence. While some existing literature addresses the relationship between leadership and emergence, this study makes a more focused contribution by considering how a specific type of leadership (CLT) operates in conjunction with a specific type of emergence (generative emergence). Further study might allow for a more detailed description of this connection between CLT and generative emergence. For example, some situations might exist where individual CLT roles are more (or less) definitively connected with a specific phase within the generative emergence process.

Implications for Practice

Broadly, this research contributes to practice by providing a detailed examination of organizational leadership that may serve as a model for nonprofits as they seek to survive and adapt in a complex and changing world. While some prior studies have used a complexity lens to study leadership, Hazy and Uhl-Bien (2013b) called for more empirical work of this nature, specifically for the purpose of more clearly defining leadership in relation to innovation and product development. This research answers part of that call by providing examples of how leadership functions in relation to the

emergence of new ideas, in high performance nonprofits.

Leader vs Leadership

More specifically, this study contributes to practice by examining the nature of leadership and its practice. Leadership behavior has been studied at length for many years, yet most existing investigations share the perspective that individuals practice leadership. As noted in Chapter 2, this research study took a different view, adopting Katz and Kahn's (1978) definition of leadership, which is: "the influential increment over and above mechanical compliance with the routine directives of the organization" (p. 528). This study found evidence of this "influential increment", providing two important implications for practice. First, leadership in a CAS does not always come from a specific individual or respective role. Second, it does not link formally assigned or delegated power with the ability to produce influence in the organization. Several current complexity leadership scholars (e.g., Hazy, 2011; Marion & Uhl-Bien, 2001; Schneider & Somers, 2006) have also used Katz & Kahn's definition of leadership to guide their work. This study adds to this prior research by providing empirical evidence of leadership in a CAS that sometimes comes from a single person on role – and sometimes is provided as a result of interactions between agents with no specific role-based authority.

At GICI, the charter school initiative did receive consistent amounts of Administrative Leadership (direction from individual "leaders" in formal roles). However, Adaptive Leadership (growing from interaction between individuals in the organization) occurred more often throughout the case than Administrative Leadership. This evidence implies that other organizations might benefit from finding ways to pay more attention to interactions between employees as they work carry to out assigned

tasks – while also interpret the goals of the organization as well as any changes in their environment.

Terminology

This study also has implications for practice related to the structure and definitions provided by both CLT and generative emergence. If managers and leaders are able to agree on the meaning of a smaller list of terms in relation to these topics, organizations may be able to more efficiently generate and manage the growth of new ideas. For example, if leaders within an organization understand the nature of – and differences between – administrative, adaptive, and enabling actions, they may be better able to ensure that these occur at an appropriate level and in a timely manner. Similarly, organizational members might benefit from leveraging the phases of generative emergence as a guide or "roadmap" for innovation and entrepreneurial efforts as they arise.

Finally, this research has important implications for the future of nonprofit organizations as they seek to find sufficient ways to address the serious challenges facing our world. Nonprofit social enterprises like Goodwill Industries work to increase both social and economic value within their communities and, in turn, the broader world. New challenges arise regularly, and new ideas will also need to grow in response to these. In practice, the results of this research may help these nonprofit, socially focused organizations better achieve their goals by understanding both complexity leadership and generative emergence in helpful ways.

Recommendations for Future Research

The study of organizations using the lens of complexity theory is a growing but

nascent area of work. While this case study adds several contributions to this area of work, more research will help in several ways. Some specific recommendations are outlined below.

Leader vs. leadership. Both CLT and Generative Emergence argue for the consideration of leadership as a phenomenon that occurs in the "space between" agents in a complex system. Yet, in both theories, the idea of the individual actor plays a prominent role. Specifically, in CLT Uhl-Bien et al. (2007), use the specific phrase "individuals in formal managerial roles" (p. 306) when describing adaptive leadership as a CLT element. Likewise, generative emergence is often sparked by a "lone entrepreneur" (Lichtenstein, 2014, pp. 232-233). While a few existing theories do provide similar demonstrations that leadership emanates from a variety of sources, more work is needed to examine the role of the individual in relation to new ideas in complex systems. Tourish (2018) echoes this call. He notes that the challenge for future research into complexity leadership "is to proceed from the foundational assumption that leadership cannot be understood so long as it is envisaged as a means whereby powerful actors exercise more or less unidirectional influence on others and on organizational systems" (p. 15). Schwandt and Szabla argue similarly, that,

> We must broaden our perspectives to include a more distributed concept of human interactions, we must add specificity to our models of social interactions, and we must continue to relate our theoretical and simulated models to the practices of human interaction.

This study surfaced evidence of leadership being practiced by individuals as well growing out of the interaction between individual agents in a CAS, and future research could develop this concept more fully. Social network analysis (Tichy, et al., 1979),

organizational network analysis (Wasserman & Faust, 1994), and link analysis (Liebowitz, 2005) are all tools that might be leveraged to locate and discern the specific nature of what actually occurs in the "space between" agents as they are enacting leadership in an organization. The number of interactions, as well as their duration, content, and sequence could all be examined in relation to both CLT functions and generative emergence phases. This examination might better clarify the true nature of leadership as it impacts the growth and success of innovative ideas in organizations.

The nature of administrative leadership. This study concluded that the successful emergence of new, innovative ideas in organizations may be more dependent on a sufficient amount of administrative leadership than has been highlighted in previous complexity leadership literature. The charter school initiative at GICI was full of enabling and adaptive leadership examples, yet role-based administrative behaviors from specific individuals in authority positions were the most consistent type of leadership actions in the case. Thus, future research into leadership as it relates to both CAS and generative emergence might benefit from a re-examination of administrative leadership. This type of investigation might help better define the actual nature of power dynamics and authority associated with administrative leadership. In turn, this may lead to a better understanding of when – and how – enabling and adaptive leadership actions most often appear in the innovation process, and when they might be most effective.

Accessibility and terminology. Although, as noted above, this study helps to more clearly define the terminology associated with both CLT and generative emergence, the overall set of ideas connected to the field of complex systems is rife with obtuse terms and unnecessarily detailed terminology. Future research may be able to address this

challenge by continuing to simplify language and agreeing to label things in similar ways across multiple contexts. Eliminating these types of terminology barriers may increase accessibility to the topic. In turn, general understanding and application of specific research findings and suggestions might also increase.

As an example of the above, a cursory review of existing literature surrounding the role of leadership in complex systems reveals a variety of terms connected to similar phenomena. For example, in addition to Complexity Leadership Theory (CLT) (Uhl-Bien et al., 2007), other related ideas include:

- Complex Systems Leadership Theory (CSLT) (Hazy et al., 2007)
- Complexity Leadership (Uhl-Bien & Arena, 2017)
- Adaptive Leadership, (Heifetz & Linsky, 2002)
- Generative Leadership (Surie & Hazy, 2006)

All of these acknowledge the complex nature of organizations as well as the impact and importance of leadership upon them. Further research would provide an opportunity to create consistency by suggesting the use of one specific term to describe the theoretical connections between leadership and complexity. In turn, a more universal theoretical description might also allow for the consolidation of terminology within each major theoretical element.

Hazy & Uhl-Bien (2015) provide a model of this type of theory refining work, examining CSLT (Hazy, et al.,2007), CLT, (Uhl-Bien, et al., 2007,) and the Leadership Capabilities Model (LCM) (Hazy, 2012). Their analysis yielded a proposal that, in large part, each of the existing theories contained similar elements that played similar roles but had different names. As a result, they propose that five leadership functions are unique

within a CAS (generative, administrative, community-building, information-gathering, and information-using). Future studies may be able to contribute a similarly designed, but broader meta-analysis of theories that have been constructed to explain and document leadership in complex systems.

This type of unifying work might help distill a more consistent and impactful set of terms for the field, while also acknowledging the work of the many theorists, scholars, and practitioners who have contributed thus far. In turn, the field will gain credibility and impact as it moves away from defining itself and shifts towards practical application of its functions.

Data Coding and analysis. Increased accessibility and refined terminology (as noted above) in relation to CLT and generative emergence may improve future research efforts in addition to practice techniques. This study contributed clarity around the nature of the three CLT functions and the five phases of generative emergence. However, qualitative case study research will always require the researcher to serve as the primary data collection and analysis tool (Creswell, 2007). As a result, coding and analysis around theoretical concepts that are still being formed may produce slightly differently outcomes from study to study. Future qualitative work designed to specifically provide more consistent terminology and clarity around the differences between CLT functions and generative emergence phases may, in turn, support still more research by allowing more consistent coding and analysis.

Research environment. The organization at the center of this study (GICI) was considered as a CAS throughout the research process. Like all CAS entities, it is part of – and interacts with – a much larger external environment. For GICI, the external

environment provided few challenges – and many benefits to the charter school initiative. Indiana state law allowed for adults who had never completed their secondary education to receive funds at the same rate as more traditional age students. The mayor of Indianapolis had direct authority to authorize charter schools. GICI had a significant amount of experience with – and access to - the population that benefitted most from increased access to education. GICI also had the ability to provide financial support for many of its educational endeavors thanks to its strong thrift retail operation.

Future research into leadership in relation to CAS and generative emergence might benefit from selecting a research site situated in a different type of environment. Different surrounding characteristics might impact the functions of CLT within each generative emergence phase. The intentional selection of a site with more or fewer community influences, challenges, and opportunities may yield different results that help to strengthen the overall understanding of leadership in complex systems.

Organization type. This research work was intentionally conducted in a non-profit organization in the United States. Further studies like this one, if conducted in other types of organizations (i.e., for-profits, government agencies, B-corps), will help to improve the understanding of both CLT and generative emergence in a more robust way. Specific questions for this type of research may include:

- Do CLT elements (administrative, adaptive, and enabling leadership) function in the same way regardless of organization type?
- Are CLT elements distributed in a similar way through the generative emergence process – regardless of organization type?

Summary

This study investigated the function of complexity leadership in the generative emergence of new ideas in high performance nonprofit organizations. It sought to identify what leadership behaviors a successful, exemplary nonprofit uses to thrive in a complex and fluid environment. The research considered the important elements of complexity theory as they apply to organizations—specifically, the idea that these organizations function as CAS. Specifically focused on the function of leadership in these types of organizations, the research was centered on the emergence and adoption of a successful idea.

To address the problem statement as articulated, the study sought to address a central research question: What is the function of complexity leadership in the generative emergence of new ideas in high performance nonprofit organizations?

Related sub questions included:

- What is the function of administrative leadership in the generative emergence of new ideas in high performance nonprofit organizations?
- What is the function of adaptive leadership in the generative emergence of new ideas in high performance nonprofit organizations?
- What is the function of enabling leadership in the generative emergence of new ideas in high performance nonprofit organizations?

The study was completed as a case study, and included the in-depth analysis and interpretation of the data, resulting in specific findings and allowing for multiple conclusions to be drawn. These findings and conclusions provide a contribution to the scholarly conversation surrounding complexity leadership, as well as the practical issues

surrounding the challenges of organizational leadership in the contemporary environment.

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Appendix A:

Key Terms and Definitions

Term	Definition
Adaptation	"make strategic changes that adjust individual or systematic responses to pressures" (Marion, in Uhl-Bien and Marion, 2008).
Adaptive Leadership	"an emergent, interactive dynamic that produces adaptive outcomes in a social system. It is a collaborative change movement that emerges nonlinearly from interactive exchanges, or, more specifically, from the "spaces between" agents" (Uhl-Bien, Marion, & McKelvey, 2007).
Administrative Leadership	"the actions of individuals in formal managerial roles who plan and coordinate organizational activities (e.g., the bureaucratic function)" (Uhl-Bien et al., 2007).
Case Study	"an in-depth description and analysis of a bounded system" (Merriam, 2009).
Complex Adaptive System	"a dynamic network of many agents (which may represent cells, species, individuals, firms, nations) acting in parallel, constantly acting and reacting to what the other agents are doing. The control of a CAS tends to be highly dispersed and decentralized. If there is to be any coherent behavior in the system, it has to arise from competition and cooperation among the agents themselves. The overall behavior of the system is the result of a huge number of decisions made every moment by many individual agents" (Waldrop, 1992).
Complexity Leadership Theory	"a framework for leadership that enables the learning, creative, and adaptive capacity of complex adaptive systems (CAS) in knowledge-producing organizations or organizational units" (Uhl-Bien et al., 2007).
Complex	"…complex problems and systems result from networks of multiple interacting causes that cannot be individually distinguished; must be addressed as entire systems, that is they cannot be addressed in a piecemeal way; they are such that small inputs may result in disproportionate effects; the problems they present cannot be solved once and for ever, but require to be systematically managed and typically any

	intervention merges into new problems as a result of the interventions dealing with them; and the relevant systems cannot be controlled – the best one can do is to influence them" (Poli, 2013, p.142).
Complexity	"has to do with the interactions in the system, through which something new emerges" (Goldstein et al., 2010).
Complexity Theory	"The study of the dynamic behaviors of complexly interacting, interdependent, and adaptive agents under conditions of internal and external pressure" (Marion, in Uhl-Bien & Marion, 2008).
Complicated	"Complicated problems originate from causes that can be individually distinguished; they can be addressed piece by piece; for each input to the system there is a proportionate output; the relevant systems can be controlled and the problems they present admit permanent solutions" (Poli, 2013, p.142).
Edge of Chaos	"used as a coarse metaphor for a phase transition, a critical point with maximal complexity or a boundary between order and disorder, stability and instability, regularity and irregularity, organization and chaos. In other words, it marks the boundary between order and chaos." (Retrieved from http://wiki.cas-group.net/index.php?title=Edge_of_Chaos)
Emergence	"the arising of novel and coherent structures, patterns, and properties during the process of self-organization in complex systems." (Goldstein, 1999)
Enabling Leadership	"enables effective CAS dynamics by fostering enabling conditions that catalyze adaptive leadership and allow for emergence. "manages the entanglement between administrative and adaptive leadership; this includes (1) managing the organizational conditions in which adaptive leadership exists, and (2) helping disseminate innovative products of adaptive leadership upward and through the formal managerial system" (Uhl-Bien et al., 2007).
High Performance Organization	"an organization that achieves financial and non-financial results that are better than those of its peer group over a period of time of at least five to ten years." (De Waal, 2012)
Innovation	A - "production or adoption, assimilation, and exploitation of a value-added novelty in economic and social spheres; renewal and enlargement of products, services, and markets; development of new methods of production; and establishment

	of new management systems. It is both a process and an outcome" (Crossan & Apaydin, 2010). B - "We view innovation as a social process rather than a purely technical one; innovation emerges in the context of interactions to solve problems" (Surie & Hazy, 2006).
Requisite Variety	"any effective control system must be as complex as the system it controls: a wide variety of available responses and actions is indispensable in order to ensure that a system which aims to maintain itself in a certain state can actually adapt itself satisfactorily if it is confronted with a wide variety of perturbations from the outside."(Ashby, 1958) (Retrieved from http://wiki.cas-group.net/index.php?title=Edge_of_Chaos)
Self-Organization	"pattern and regularity emerge without the intervention of a central controller" (Anderson, 1999).

Appendix B:

Prototypes of Emergence (Lichtenstein, 2014)

Type	Definition
Prototype I - Relational Properties	Emergent properties result from relationships between a large number of homogeneous agents.
Prototype II - Exo-Organization	External energy driven into constrained systems, forcing system elements into a far-from-equilibrium state that leads to emergent outcomes.
Prototype III - Computational Order	Rule-based interactions of simulated agents. Macroscopic aggregations of agents will eventually form as discernable patterns, groups, and simple hierarchies.
Prototype IV - Autocatalysis	Involves a cycle of positive feedback based on an initial, strong reaction between agents. This reaction becomes a catalyst for high levels of positive feedback that supply sufficient energy for the emergent entity to thrive.
Prototype V - Symbiogenesis	"The envelopment of one microorganism by another, whereby each one retains its integrity through a radial interdependence that enhances the functioning of both" (Goldstein et al., 2010, p.87).
Prototype VI – Collaborative Emergence – Social Structures	An ongoing stream of interactions across a large number of individuals. These interactions are both enabled and constrained by the stable elements of a society. Results in a number of *unintended emergent structures*.
Prototype VII - Generative Emergence	An entity (e.g., an organization) emerges through an aspiration – partly planned and partly evolving – to provide some kind of value, that is, a product, service, or offering that is valued by other agents.
Prototype VIII – Collective Action	Elements of emergence are themselves semi-autonomous agents, like organizations or ventures. Together, these also combine in a shared intention to reach a shared intention or goal. Emergent entities here can be new industries, product markets, or organizational communities.

Appendix C:

Interview Protocol

Part One: Data and Logistics	
Topic of Research Study	The role of leadership in the emergence and implementation of new ideas in high performance nonprofits.
Time of Interview:	
Place:	
Interviewer:	
Interviewee:	

Interviewee Job Title:	

Part Two: Explanation of the Study
• Briefly describe the nature of the research study. • Ask for – and respond to – any questions from the interviewee. • Explain the process for conducting the interview. • Ask for – and answer – any questions regarding the interview process. • Allow interviewee to read and sign the interview consent and participation form.

Part Three: Conduct Interview

Ask the following questions in order:

Round One:

1. Please tell me about your current role at GICI.
2. How did the idea for the charter school begin within GICI?
3. Please tell me about your role in the formation, implementation, and current operation of GICI's charter school program.
4. What was the involvement and behavior of the leadership of GICI in response to the charter school?
5. How do you feel that the charter school program reached its current level of performance?

Round Two:

1. What individual components came together to make up the charter school initiative? *(Follow up to question 3)*

2. How are new ideas typically introduced within GICI? *(Follow up to question 2)*

3. How do you define leadership within GICI? *(Follow up to question 4)*

4. What specific roles does leadership play at GICI? *(Follow up to question 4)*

5. How does GICI define a high performance project or program? *(Follow up to question 5)*

Appendix D:

Interview Consent Form

You are invited to participate in a research study under the direction of Mr. Lane Schonour, doctoral student in the Department of Education and Human Development, George Washington University (GWU). Taking part in this research is entirely voluntary.

The purpose of this study is to understand the role leadership plays as new ideas emerge and are implemented within nonprofit organizations.

You are being asked to participate in this study based for one of two reasons:

1. Your role within the organization allows you to experience the introduction of new ideas on a regular basis and requires you to make decisions regarding the future of these ideas.

   or

2. You have been identified by one of your colleagues as someone in the organization who has experience with the introduction of new ideas on a regular basis and participates in decisions regarding the future of these ideas.

Please read this form and ask any questions that will help you decide if you want to participate in the study. If you choose to take part in this study, you will be interviewed and asked a series of questions about the business practices in your agency. Specifically,

the questions will be focused on a discussion of successful, innovative practices – and the role that leadership played in the emergence and development of these.

The total amount of time you will spend in connection with this study will range from one to two hours over the course of a week. You may refuse to answer any of the questions and you may stop your participation in this study at any time.

Any follow-up questions will be conducted via e-mail or by phone. The entire time of your participation (including follow-up questions) should not exceed one to two hours.

The possible risks or discomforts you could experience during this study are minimal but could include discomfort answering interview questions. You are free to decline answering a question or to stop the interview at any point. Please do not hesitate to ask any questions about the study either before or during the time you are participating in it.

You will not benefit directly from your participation in the study. The benefits to science and humankind that might result from this study are:

- Understanding leadership's role in the emergence of new, innovative ideas.
- Understanding how innovative practices grow and develop in a nonprofit organization.

Every effort will be made to keep your information confidential, however, this cannot be guaranteed. Should you choose, your name will not be associated with the research findings in any way, and only I will know your identity as a participant. To further minimize any potential risk with regard to your confidentiality, if requested, pseudonyms

will be used to identify your name and the name of your organization in all study documents and findings.

The Office of Human Research of George Washington University, at telephone number (202) 994-2715, can provide further information about your rights as a research participant. Further information regarding this study may be obtained by contacting Dr. Andrea Casey, Ed.D., George Washington University. Dr. Casey is the chairperson for this dissertation study and can be reached at telephone number 703-726-8396.

To ensure anonymity your signature is not required, unless you prefer to sign it. Your willingness to participate in this research study is implied if you proceed.

*Please keep a copy of this document in case you want to read it again.

Appendix E:

Structural Codes

Level 1 Structural Code & Link to Conceptual Frame	**Related Structural Codes**
Complexity Leadership Theory	Administrative Leadership Enabling Leadership Adaptive Leadership
Generative Emergence	Opportunity Tension Amplification and Critical Events Disequilibrium Organizing New Order Through Recombination Stabilizing Feedback Stress and Experiments
High Performance Organization	Continuous Improvement Long-Term Orientation Management Quality Openness and Action Orientation Workforce Quality

Appendix F:

Level 1 and 2 – Code Lists

Key: *italicized = structural code;* **bold = code appears in two categories**

Level 1 Code Categories	**Level 2 Codes**
Brand	**customer satisfaction** brand awareness/protection
Culture	defines organizational culture cultural fit
Change	comfort with ambiguity crucible moment overcoming resistance paradigm shift
Complex Adaptive System (CAS)	coevolution edge of chaos permeable boundaries recombination and evolution
Environmental Scanning	understanding external environment understanding community needs acknowledge reality identify market opportunity initial conditions/current reality strategic thinking

General Codes	communication organic growth process organizational adaptation/evolution
Ideas	slow hunch leadership open to new ideas new ideas non-traditional ideas seeking new ideas
Impact	external environment impact on org focus on impact - not activity reputation for action and impact
Innovation	*openness and action orientation* risk taking entrepreneurial catalyst exaptation building on existing platforms serendipity sees adjacent possibilities
Leadership	*management quality* *enabling leadership* *administrative leadership*

	adaptive leadership
Learning	experiencing failure self-awareness curiosity personal learning and growth seeks learning opportunities capacity for learning learner learning from failure organizational learning
Mission Focus	holistic mission support
Organizational Capabilities	systems thinking available organizational resources organizational alignment requisite variety/complexity
Organizational Values (Basic Principles)	**customer satisfaction** **informed decision making** respect for individuals **continuous improvement** good **stewardship**
Performance Measurement	**informed decision making** using data

	continuous improvement
Relationships	honesty builds trust partners/allies
Stewardship	responsible growth fiscal accountability financial stability social enterprise balance - economic and social value
Talent Acquisition and Management	*long-term orientation* *workforce quality* commitment to team member development
Vision	high expectations/aspirations foresight

APPENDIX G:

Comprehensive List of Leadership Actions

Leadership Action	Type							CLT Function		
Organizing Move A – GICI Focuses on Increased Community Impact	*RL*	*EE*	*EI*	*IE*	*O*	*CU*	*RE*	*ADMIN*	*ADAPT*	*ENABLE*
The person who was head of – worked in the agency, the state agency that administered what we called 'welfare' back in those days came over to us and he said: Can you guys help welfare recipients get jobs? (McClelland)			X				X	X		
Jim said, 'OK, identify what (mission) models we should do and let's figure out how to	X	X				X	X	X		X

bring them to GICI in a way that affects and improves our community.'" (Lange)										
We had a program here that we developed, another experiment; we were trying to bring together skills trades and inner city people. We thought if we could provide the adult education and the educational side…read, write you know things like that…basic arithmetic, things like that, and then get the unions to come alongside us … then we could in fact put together a program that would feed them				X		X			X	

into…apprenticeship programs in the skills trades and particularly in the construction trades (Jensen)										

Leadership Action	Type							CLT Function		
Organizing Move B – GICI Researches High School Graduation Data.	*RL*	*EE*	*EI*	*IE*	*OP*	*CU*	*RE*	*ADMIN*	*ADAPT*	*ENABLE*
When we started examining demographics, we were shocked to discover that 50% of them did not have high school diplomas. (McClelland, 2015a)	**X**				**X**	**X**		**X**		
we had become aware that, my gosh, fourteen percent of the adult population in this state does not have a high school diploma" (McClelland)	**X**	**X**			**X**				**X**	
Eric comes up with research that says,	**X**	**X**							**X**	

you know, if you've got a high school diploma, earn, on average, forty-one percent more than a high school dropout" (Delgado)										
you know without completing your high school education your chances of being able to find a sustainable job was you know slim to none and so we kept encountering that and I'm sure that that kind of factored into hey, we need to do something about this (Nowosielski)	**X**	**X**							**X**	
Around 1996, after Goodwill had	**X**		**X**		**X**		**X**		**X**	

become involved in operating the WorkOne Centers in Marion County, we discovered that 50% of the tens of thousands of unemployed adults we were seeing in those centers each year did not have a high school diploma. (McClelland, 2007)										
we began wondering if, as an organization, we had anything to offer young people who weren't headed in a positive direction. We figured if we could help them stay in school and get a high school	**X**			**X**		**X**			**X**	

diploma, those young people would be less likely to need Goodwill's services once they became adults. Therefore, the organization's long term impact in the community would be greater. (McClelland, 2015a)										

Leadership Action	Type							CLT Function		
Organizing Move C – GICI offers ESL, ABE, and GED classes.	*RL*	*EE*	*EI*	*IE*	*OP*	*CU*	*RE*	*ADMIN*	*ADAPT*	*ENABLE*
we had already been dabbling in some education pieces and we work with those folks you know we had them down in a wing (Kramer)		**X**			**X**		**X**	**X**		
Jim said several times we should get into the world of education, we should get into the business of education, and I think that's the simple seed that got planted that started some conversations. (Stevens)		**X**						**X**		

we also were running adult basic education here and adult basic education was becoming sort of disenchanted by authorities even by the military and so forth. You'd rather have a diploma than a GED (Jensen)			**X**		**X**				**X**	

Leadership Action	Type							CLT Function		
Organizing Move A – GICI Responds to Foundation Opportunity	*RL*	*EE*	*EI*	*IE*	*OP*	*CU*	*RE*	*ADMIN*	*ADAPT*	*ENABLE*
we updated the President and the Treasurer of Lilly Endowment on the progress of our explorations and our interest in building on the Tech West experience (and shared) our interest in developing a new capability that would enable us to provide more and better employment opportunities for people and our interest in finding		**X**		**X**	**X**		**X**	**X**	**X**	

ways to improve educational skill levels and learning										
GICI should consider this as similar to the "major transformative grants" made in recent years by Lilly to selected Indiana colleges and universities. Our focus, however, would be on students who are at high risk of dropping out of school and others who are not college bound, unemployed people who lack marketable skills, and low wage workers who need to learn			**X**	**X**	**X**		**X**	**X**		

new skills to qualify for higher paying jobs." (GICI Report 6, 2002)										
Consultant focus is to explore "a series of ideas about the possibilities facing GICI and how (they) might be of service. This is not a formal proposal for service but is intended to stimulate further thoughts and conversation" (Johnson et al., 2002)		**X**	**X**						**X**	
Develop Advancement Centers that focus on skills development for employable unemployed people,		**X**			**X**			**X**		

people working in low wage jobs, and students at risk of dropping out. (GICI Report 7, 2002)										
Advancement Centers should bring together employers, schools and other education and training institutions, and funding resources and should provide some skills training that includes the kind of additional support most of our target populations need to succeed. Some of the skills training should be offered at hours convenient for people		**X**	**X**		**X**			**X**		**X**

already working in low wage jobs. (GICI Report 7, 2002)										

Leadership Action	Type							CLT Function		
Organizing Move B – GICI Operates Education-Focused Programs	*RL*	*EE*	*EI*	*IE*	*OP*	*CU*	*RE*	*ADMIN*	*ADAPT*	*ENABLE*
…we started out with an experiment at Northwest High School. …we would bring them over and teach them technical skills and in some cases, we had them working in the greenhouse learning that kind of stuff, along with the academics" (Jensen)		**X**			**X**	**X**	**X**		**X**	
expand the use of computer-based instructional material for basic computer skills, ABE, ESL,		**X**		**X**	**X**			**X**		

and any other suitable course to make services available to more people in more locations. We should also explore the viability of using distance learning to reach more people at more locations at lower unit costs. (GICI Report 7, 2002)										
Over the past decade we have worked closely with the Adult Education Division of Indianapolis Public Schools (IPS) to provide greater access to Adult Basic Education/GED and					**X**		**X**		**X**	

English as a Second Language programs. (GICI Report 7, 2002)										

Leadership Action	Type							CLT Function		
Organizing Move A – GICI Conducts Study of Successful Model School.	*RL*	*EE*	*EI*	*IE*	*OP*	*CU*	*RE*	*ADMIN*	*ADAPT*	*ENABLE*
I was involved in this Big Picture Learning and I told Jim I thought he should look at that because I thought that that was an organization that was driven by what I thought was some of the best research in education. (Fountain)							**X**	**X**		
So, he did go out to Providence, Rhode Island and talked with Dennis and looked to see what they were doing there and was quite			**X**			**X**	**X**		**X**	

intrigued by it. (Fountain)										
we became affiliated with Big Picture and the notions there are really very simple and I'm sure well known to everyone (Fountain)			**X**				**X**	**X**	**X**	**X**
What Goodwill was able to do is to invest a lot of upfront resources and by doing that it puts them in a much better position to be successful. They also partnered with Big Picture Learning to get their first school started. (Harris)				**X**	**X**			**X**		**X**
It's based out of Rhode Island and so I	**X**		**X**				**X**		**X**	**X**

remember going with Jim and Perry and another woman in the mayor's office and I went to Providence to see that school early on and we went a few times to see that – to see them. (Harris)										
(the board held) several months of discussion with many knowledgeable people (McClelland, 2015a)	**X**		**X**	**X**			**X**	**X**		**X**
Byron helped facilitate dialogue with them - Big Picture Learning - that's what it was, a dialogue with them and Jim and (Byron said) just - let's talk	**X**		**X**				**X**			**X**

about this. (Stevens)										
There was a large group of us that were brought together when we first started talking about this whole idea of doing a charter school and Big Picture model and all this stuff. (Stevens)	**X**		**X**		**X**		**X**			**X**
20 of us sitting around a table spit balling ideas, really, and talking about well what would this look like and who do we want to serve and what is our niche and that sort of thing and it was just a real free-thinking thing. (Stevens)			**X**		**X**	**X**			**X**	**X**

Leadership Action	Type							CLT Function		
Organizing Move B – GICI Opens Charter High School	*RL*	*EE*	*EI*	*IE*	*OP*	*CU*	*RE*	*ADMIN*	*ADAPT*	*ENABLE*
Harris approached me and asked if we would consider starting a charter high school. (McClelland, 2015a)			**X**			**X**	**X**		**X**	**X**
He and the Mayor wanted to get some strong local organizations involved in education improvement efforts (McClelland, 2015a)			**X**				**X**			**X**
they wanted to bring to the city some education models that had been developed and implemented elsewhere, but did			**X**		**X**					**X**

not exist in Indiana. (McClelland, 2015a)										
our board decided to apply for a charter. (McClelland, 2015a)		**X**	**X**				**X**	**X**		**X**
We are confident that the schools you have planned will be strong, innovative additions to our City's public schools and will provide real educational choices for families in our community. We look forward to working with you over the next several months and hope that we can be a resource to you during this start-up phase. (City of Indianapolis, 2004)			**X**		**X**		**X**			**X**

Move that the Committee recommend that the Goodwill Board of Directors authorize the staff to apply to the Office of the Mayor of Indianapolis for charters to open four high schools in conjunction with The Big Picture Company, with the goal of opening two schools in the fall of 2004, the remaining two in the fall of 2005. (GICI Report 5, 2003)		**X**			**X**		**X**	**X**		

Leadership Action	Type							CLT Function		
Organizing Move C – GICI Creates GEI Organization.	*RL*	*EE*	*EI*	*IE*	*OP*	*CU*	*RE*	*ADMIN*	*ADAPT*	*ENABLE*
(GICI should) take all necessary actions to establish a new 501c3 corporation that would operate the schools (GICI Report 5, 2003)	**X**	**X**			**X**			**X**		
Goodwill has formed a new 501c3 entity, Goodwill Education Initiatives, Inc. (GEI), that will hold the charters and operate the schools. (GICI Report 12, 2004)					**X**			**X**		**X**
GEI will be governed by a Board of Directors composed					**X**			**X**		

of nine individuals, five of whom will be appointed by Goodwill's Board. Goodwill's President/CEO will be President/CEO of GEI, and a Goodwill staff person will serve as Chief Administrative Officer (CAO), arranging for and overseeing all the schools' non-academic functions. The Principals, who will be employees of GEI, will report to the CAO. (GICI Report 12, 2004)										
We organized what is called Goodwill					**X**			**X**		

Education Initiatives. We made it a subsidiary…it's separate in a way but it has its own Board and its own Chair. (Jensen)										

Leadership Action	Type							CLT Function		
Organizing Move A – GICI Considers Impact of The Met	*RL*	*EE*	*EI*	*IE*	*OP*	*CU*	*RE*	*ADMIN*	*ADAPT*	*ENABLE*
…we discovered one group of students that we were not doing well with and those were students who were 18 year or older who had fewer than 20 credits. In Indiana, it takes roughly 40 credits to graduate so they were less than halfway done and 18 or older. (Bess)	**X**		**X**		**X**				**X**	
Four years after opening the school, Eric Lange, a very bright recent college graduate, joined	**X**	**X**				**X**		**X**		

Goodwill, and I asked him to do some research into the links among poverty, low education levels, crime rates, teen pregnancy, and a host of health issues. (McClelland, 2015a)										
While there are a lot of organizations that are good at some of the pieces, we aren't connecting those pieces well. As a result, we aren't solving the big problems. (McClelland, 2015a)	**X**				**X**				**X**	
We then began doing more serious thinking about what we might do in response to	**X**		**X**			**X**			**X**	

what we were learning. (McClelland, 2015a)										
Jim kicked off a really rapid period of learning so we're – we've got these kids in The Met, right, and we're looking at all of these things they're dealing with and they're – you know some of them bounced around schools, they're coming to us in their junior year, they're so far behind (Schlegel)	**X**	**X**	**X**			**X**			**X**	**X**
Now we have this knowledge base, I think that as much as the Met drove some	**X**			**X**	**X**					**X**

of what you see in the Excel Center because it's not just the school, right? You have childcare available, you have – you look at when you can go I mean it's – the hours are very different from a traditional school so you have these things that I think this body of organizational learning that contributed to that idea and wants…it's been wildly successful and extremely well received (Schlegel)										

Leadership Action	Type							CLT Function		
Organizing Move B – GICI Changes Structure and Design of The Met	*RL*	*EE*	*EI*	*IE*	*OP*	*CU*	*RE*	*ADMIN*	*ADAPT*	*ENABLE*
We soon saw that if we didn't help some of the students deal with some of the problems they were facing outside of class, they weren't going to be in class. We also saw that 10-15% of the female students were pregnant or already had babies. (McClelland, 2015a)	**X**		**X**						**X**	
Consequently, we began wrapping services around some of the students and		**X**	**X**		**X**			**X**	**X**	

sometimes members of their families. The home situations of some of the students were terrible, and by the second year I was no longer surprised at anything I heard, although I was still appalled by some of it. (McClelland, 2015a)										
We also began to appreciate the vital importance of every student's having a positive, long term relationship with at least one responsible adult. Such relationships had not existed in many of the students' lives.	**X**			**X**	**X**				**X**	

While a lot of learning was taking place (by the staff as well as the kids), we wanted to better understand some of the issues we were dealing with. (McClelland, 2015a)										

Leadership Action	Type							CLT Function		
Organizing Move C – GICI Opens Excel Center Charter School	*RL*	*EE*	*EI*	*IE*	*OP*	*CU*	*RE*	*ADMIN*	*ADAPT*	*ENABLE*
The Excel Center grew out of some of the learning from the Indianapolis Metropolitan High School. None of the students who entered at age 18 or 19 with few credits succeeded. They needed a different kind of school. (McClelland, 2015a)	**X**				**X**				**X**	
Scott...was digging through some state law and said hey you know there's no upper age limit in	**X**	**X**	**X**			**X**			**X**	

Indiana for K through 12 5 funding and what if we created another high school called the Excel Center – that would serve people who had already dropped out (Riley)										
… through Eric's research we became aware that nearly 15% of the adult population in the city and state lacked a high school diploma. Options for them had been few, and most of those led to a GED. However, few who start a GED preparation program successfully complete	**X**	**X**							**X**	

it, and research shows that those for whom a GED is their highest level of education attainment make no more money and are employed at no higher a rate than high school dropouts. (McClelland, 2015a)										

Leadership Action	Type							CLT Function		
Organizing Move A – GICI Addresses Funding Challenges	*RL*	*EE*	*EI*	*IE*	*OP*	*CU*	*RE*	*ADMIN*	*ADAPT*	*ENABLE*
So, the Chairman of the Senate Appropriations Committee…notices this thing (state budget expense). (McClelland)			**X**						**X**	
We go down there and we explained to him what we were doing. (McClelland)		**X**			**X**		**X**		**X**	
(Chairman of the Senate Appropriations Committee) decides, "I'll do that, (approve funding) but I'm going to make it a separate			**X**		**X**			**X**	**X**	

appropriation, I'm going to pull it out of the state funding formula and we're going to make it a separate appropriation" (McClelland)										
(The State Senate) pulled it out and they made changes to this thing the last night of the session but they made a separate appropriation and identified the schools by location and name - and ours were all in there and what we wanted was in there. (McClelland)			**X**		**X**			**X**		

Leadership Action	Type							CLT Function		
Organizing Move B – GICI Adjusts Excel Curriculum and Student Support.	*RL*	*EE*	*EI*	*IE*	*OP*	*CU*	*RE*	*ADMIN*	*ADAPT*	*ENABLE*
…we said, "How can we condense the curriculums so that they can earn credits quickly?" Because the other thing you know about adults who have dropped out of school have had limited success, they need quick wins. They need to be able to go through an 8-week term and earn a lot of credits. (Delgado)	**X**		**X**		**X**	**X**			**X**	
So, we consciously set up the Excel			**X**		**X**					**X**

Center to be a case where it was accelerated so in other words even if you came in with no credits at all, it wasn't going to take you four years to get done. If you did good on your levels it might take you a couple years and we've actually had people who have gotten – came in with zero credits and got done in nine months with high school. (Bess)										
We worked for three years to find a way to bring NFP to the state. …after three		**X**			**X**		**X**		**X**	**X**

years, we have over 600 moms and expectant moms enrolled, over 660 babies born to date to participating moms, and 31 bachelor's and master's degreed registered nurses on our staff. (McClelland, 2015a)										
We've augmented the basic NFP program… extending the relationship beyond the child's second birthday and by linking the moms with education (through the Excel Centers) and employment services (through GICI's				**X**	**X**		**X**		**X**	

TalentSource unit). (McClelland, 2015a)										
Relationships have been developed with major health systems in the area, as well as with child care providers, housing agencies, and others to provide wrap-around services for participating families. (McClelland, 2015a)		**X**			**X**		**X**			**X**
Staff called Goodwill Guides provide the continuity in the relationship and help link families with services they need. (McClelland, 2015a)		**X**			**X**		**X**		**X**	

Leadership Action	Type							CLT Function		
Organizing Move C – GICI Expands Excel Center	*RL*	*EE*	*EI*	*IE*	*OP*	*CU*	*RE*	*ADMIN*	*ADAPT*	*ENABLE*
I mean we're deeply involved in that, we're doing a lot of things for them under the contract but it's not ours to operate and the same with Memphis, we're doing a lot of things with them and for them, the same with Austin, but it's a different feel than saying 'okay we're going to open our school'. (Bess)		**X**	**X**		**X**		**X**	**X**		**X**
Replicate Excel Centers as opportunities and	**X**	**X**	**X**		**X**			**X**	**X**	

resources permit. (GICI Report 1, 2013)										
Continue working to make the Excel Center model available for use by qualified organizations in other states and in Indiana communities where a licensing or franchise arrangement would be preferable to Goodwill's operating a school. (GICI Report 1, 2013)	**X**	**X**	**X**	**X**	**X**		**X**	**X**	**X**	
we now spend an increasing amount of our time educating key individuals in the legislative and executive branches of		**X**			**X**		**X**		**X**	

state government about the Excel Center and its benefits. (McClelland, 2015a)										
An economic impact study done by a university-based economic research firm shows substantial positive impact that reinforces a strong case for expansion. (McClelland, 2015a)	**X**		**X**						**X**	