THE 4 KINDS OF PROBLEMS:
Matching Your Mindset to the Challenge at Hand

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Habitat for Humanity

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LET'S
MOVE

Stand up.

Take one step towards the screen.

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LET'S MOVE

Identify another person in the room, BUT don't lock eyes with them or signal to them in any way.

Start moving around the room, following that person.

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LET'S MOVE

Move around the room quickly, however you want.

(But do be careful.)

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?

Does your leadership context in 2025 feel like BANI?

Why or why not?

B.A.N.I.
the world we've got...

Brittle
seems solid, but may collapse under stress

Anxious
creates overwhelm, helplessness, difficulty trusting

Non-linear
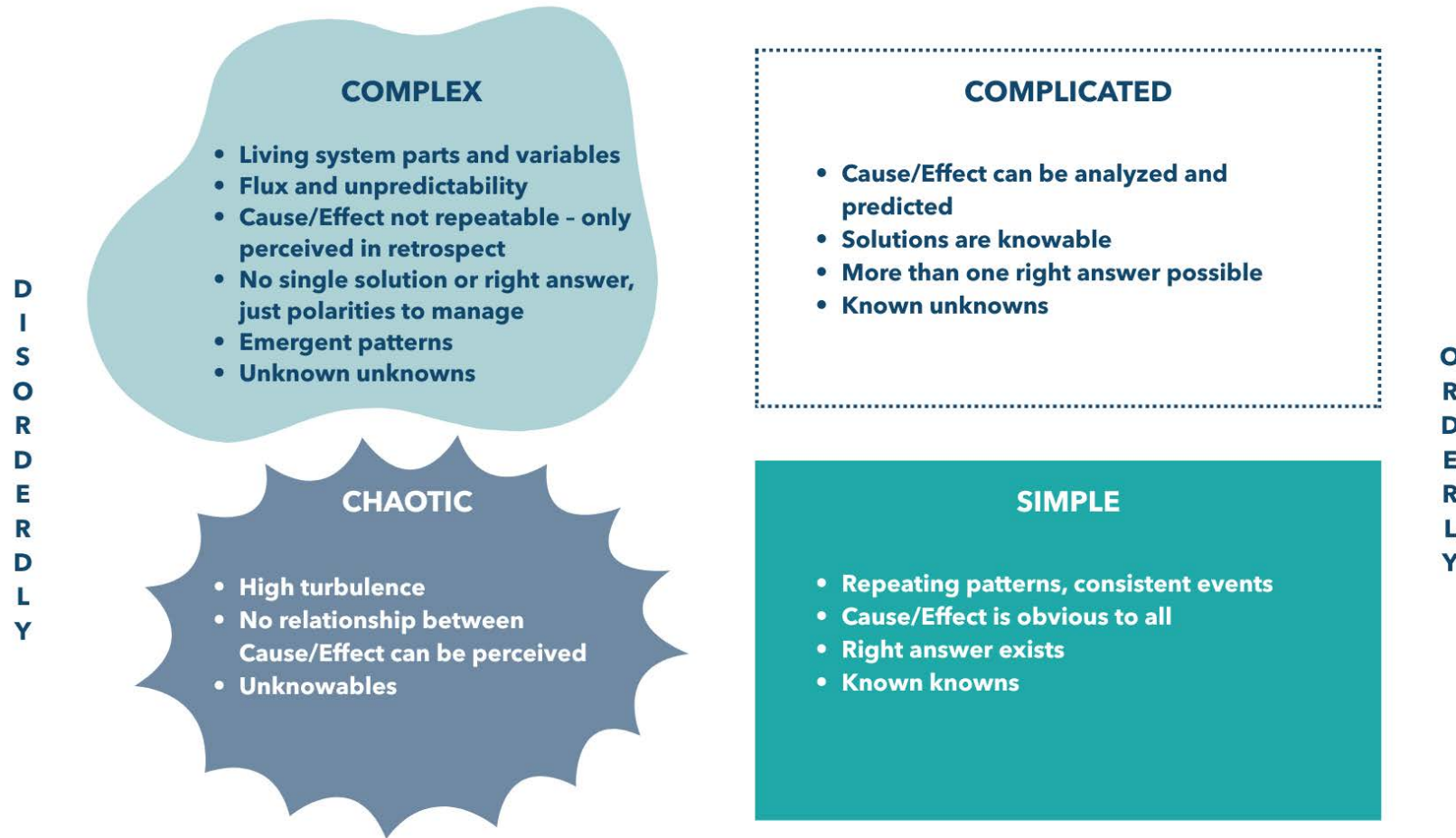*unclear cause & effect (and time between them), counterintuitive progression of events*

Incomprehensible
chaotic, senseless

The 4 Kinds of Problems

The 4 Kinds of Problems

COMPLEX
- Living system parts and variables
- Flux and unpredictability
- Cause/Effect not repeatable – only perceived in retrospect
- No single solution or right answer, just polarities to manage
- Emergent patterns
- Unknown unknowns

COMPLICATED
- Cause/Effect can be analyzed and predicted
- Solutions are knowable
- More than one right answer possible
- Known unknowns

CHAOTIC
- High turbulence
- No relationship between Cause/Effect can be perceived
- Unknowables

SIMPLE
- Repeating patterns, consistent events
- Cause/Effect is obvious to all
- Right answer exists
- Known knowns

DISORDERLY

ORDERLY

Source: A Leader's Framework for Decision-Making, David Snowden & Mary Boone, Harvard Business Review

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LET'S
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SIMPLE
- Repeating patterns, consistent events
- Cause/Effect is obvious to all
- Right answer exists
- Known knowns

Stand up.

Take one step towards the screen.

LET'S MOVE

COMPLICATED

- Cause/Effect can be analyzed and predicted
- Solutions are knowable
- More than one right answer possible
- Known unknowns

Take the same number of steps towards the screen that corresponds to your birthday month.

(Ex: April = 4, October = 10, etc.)

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CHAOTIC
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LET'S CHAT

Identify a problem in your work that you consider "Complex".

Share with a partner: What's the challenge, and what makes it Complex?

How have you tried approaching this problem?

What's worked? What hasn't?

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Strategies for the 4 Kinds of Problems

SIMPLE

- Repeating patterns, consistent events
- Cause/Effect is obvious to all
- Right answer exists
- Known knowns

Use of Data:
- Take in data → Categorize it → Respond accordingly

Key Activities:
- Implement and follow processes
- Delegate

Communication:
- Communicate clearly and directly
- No need for over-communication and over-collaboration

Decision-making:
- Make decisions based on facts at hand

Guiding Principle for Action:
- Follow "best practice"

Strategies for the 4 Kinds of Problems

COMPLICATED

- **Cause/Effect can be analyzed and predicted**
- **Solutions are knowable**
- **More than one right answer possible**
- **Known unknowns**

Use of Data:
- Take in data → Analyze it → Respond accordingly

Key Activities:
- Research and analyze data
- Generate guiding principles and repeatable solutions

Communication:
- Communicate clearly and directly
- Listen to conflicting advice

Decision-making:
- Leverage experts as advisors to decisions
- Make decisions based on facts at hand

Guiding Principle for Action:
- Follow "good practice"

© Source: A Leader's Framework for Decision-Making, David Snowden & Mary Boone, Harvard Business Review

Strategies for the 4 Kinds of Problems

Use of Data:
- Probe for data → Take it in → Respond accordingly

Key Activities:
- Spot patterns
- Create experiments to nudge the system
- Manage starting conditions, then monitor for emerging conditions, then flex approach
- Try creative, innovative approaches
- Make time for reflection

Communication:
- Communicate clearly and often
- Increase interaction
- Proactively generate ideas, encourage dissent and diversity

Decision-making:
- Make decisions based on emerging patterns

Guiding Principle for Action:
- Follow "emergent practice"

© Source: A Leader's Framework for Decision-Making, David Snowden & Mary Boone, Harvard Business Review

Strategies for the 4 Kinds of Problems

CHAOTIC

- High turbulence
- No relationship between Cause/Effect can be perceived
- Unknowables

Use of Data:
- Act → Take in data → Respond accordingly

Key Actions:
- Take swift action to reestablish order (command & control ok here)
- Take advantage of the opportunity for innovation
- Try to shift the context from chaotic to complex

Communication:
- Clear, authoritative communication

Decision-making:
- Make decisions based on rapid experiments and course corrections
- Look for what works vs. seeking the "right answers"

Guiding Principle for Action:
- Follow "novel practice"

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"

We are experiencing a mismatch between the world's complexity and our own...

There are only two logical ways to mend this mismatch – either reduce the world's complexity or increase our own.

"

–Immunity to Change, Robert Kegan & Lisa Lahey

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horizontal development

What you know

Growth =
adding knowledge & skills

Impacts:
expertise, ability

vertical development

How you think

Growth =
evolving mindsets & worldviews

Impacts:
meaning-making
what you value, how you see yourself and interpret the world

The Mindset Stages of Vertical Development
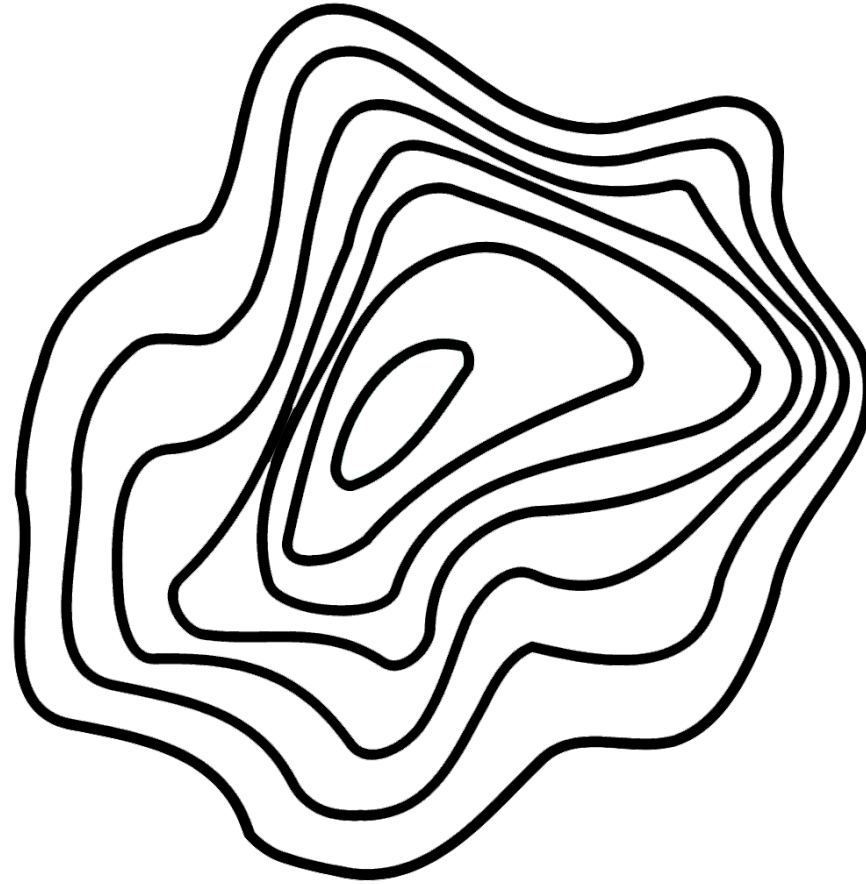
MAGICAL CHILDHOOD MIND

Emerges at Birth

OPEN TO MYSTERY AND MAGIC

Gifts: Deeply connected to Life Source; Unity with other beings; Inherent sense of wholeness; Open to mystery and magic

Limitations: Unaware of individuality; Rational thinking is out of scope

For Example: A wide-eyed babe, completely dependent on mama and taking in the wonder of it all.

⭐**Value to the Org:** Sense of wonder and play

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OPPORTUNIST

Usually emerges in Toddlerhood

ASSERTS SELF TO GET NEEDS AND WANTS FULFILLED

Gifts: Aware of individuality and own needs; Acts on survival instinct to protect self

Limitations: Feels less whole and connected; Focused on threats; Can be selfish

For Example: *That wide-eyed babe is now a red-faced tike screaming, "NO!" and "MINE!"*

Value to the Org: Decisive, tough-minded

DIPLOMAT

Usually emerges in Childhood

SEEKS TO FIT IN AND BELONG

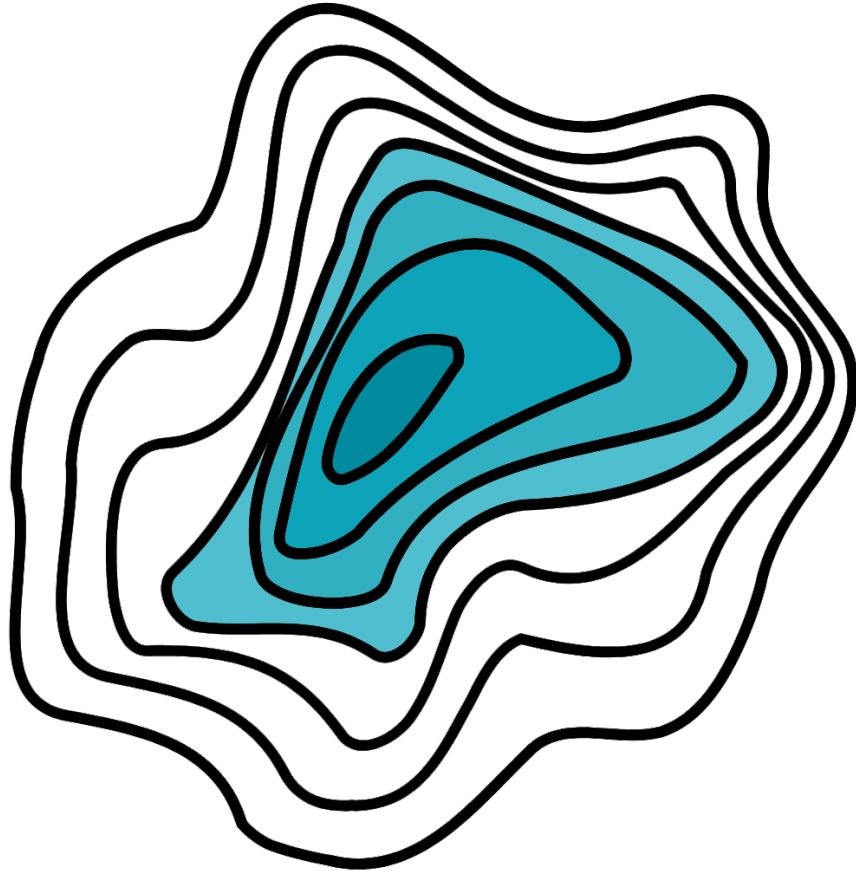**Gifts:** Values group cooperation and belonging, complies with behavioral expectations

Limitations: Out of touch with own unique point of view; Follows rather than leads

For Example: *Your school-aged niece wears horrendous "mom jeans" because apparently those are cool now?!?*

⭐ **Value to the Org:** Devotion to a common cause

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EXPERT

May emerge in Teens or Adulthood

**FOLLOWS THE PLAYBOOK, BUT MAKES A UNIQUE CONTRIBUTION**

Gifts: Pursues individual mastery to contribute to goals of a group important to them; Committed to doing things the "right way" according to some authority or best practice

Limitations: Tends to see things in black and white; Unlikely to innovate or rewrite the rules

For Example: An early-career hire or seasoned team player who is eager to learn and get it right.

Value to the Org: Develops mastery, strong contributor

ACHIEVER
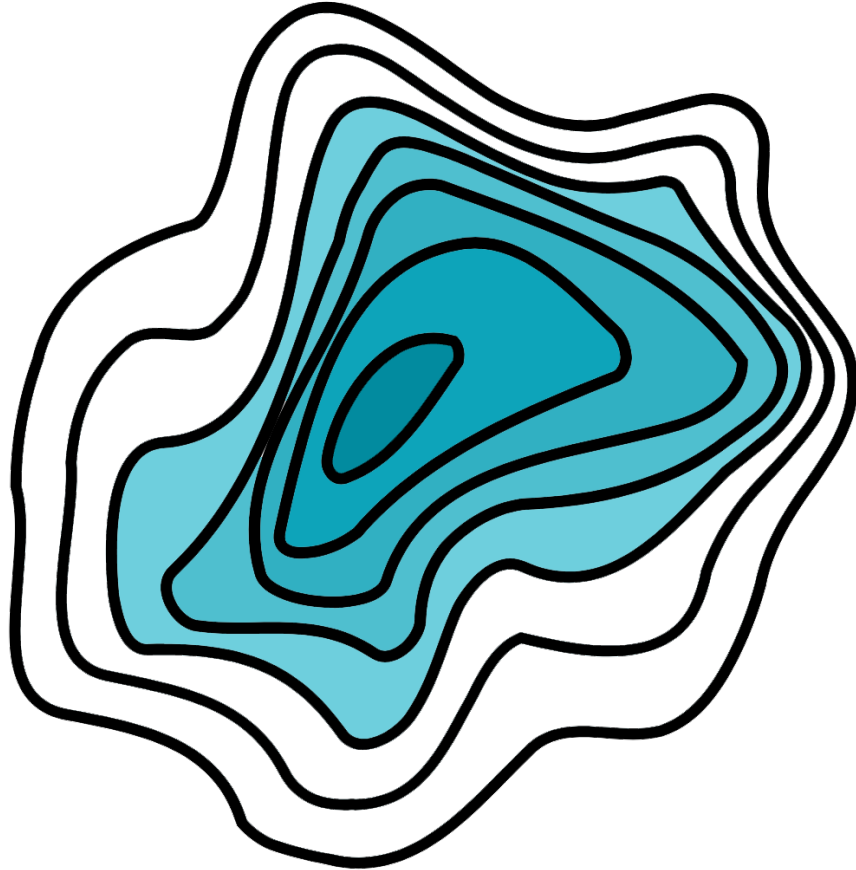
May emerge in Adulthood

CREATES GOALS TO PURSUE SUCCESS, LEADS AND INFLUENCES OTHERS

Gifts: Creates, pursues, and executes their own goals; Can rally others to achieve results
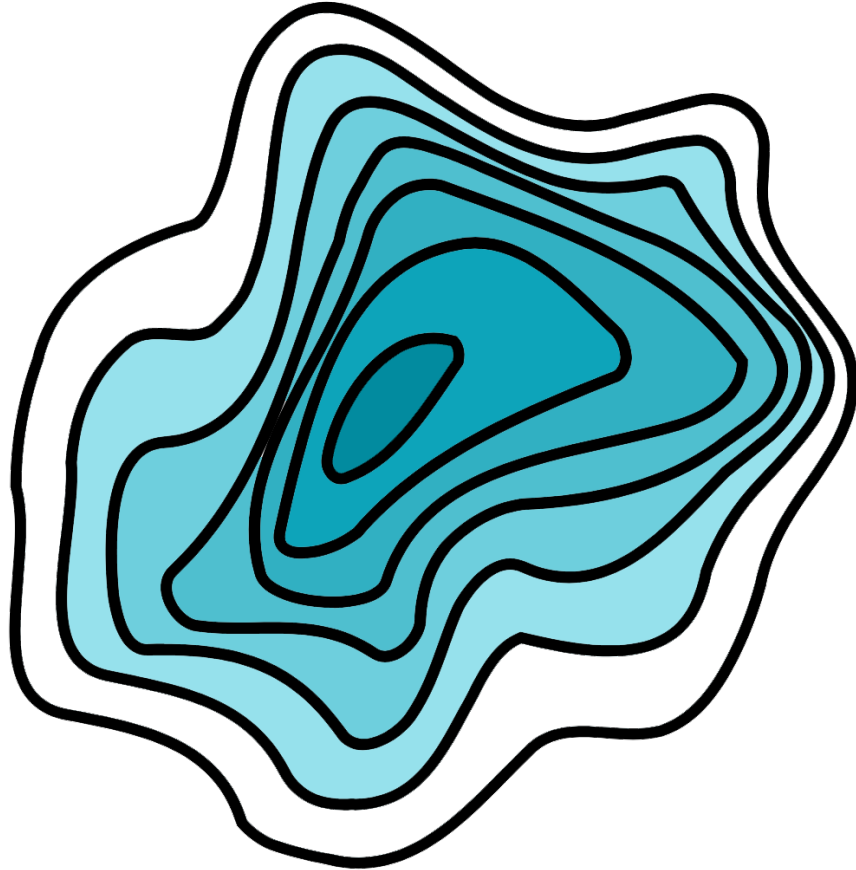
Limitations: Focus on success and individual achievement may prevent them from challenging status quo and connecting to deeper purpose; Risk of over-work

For Example: A leader or strong individual contributor intent on knocking it out of the park.

Value to the Org: Autonomy, capacity to lead

REDEFINING

May emerge in Adulthood

SEEKS MEANING AND FULFILLMENT, QUESTIONS IDENTITY AND STATUS QUO

Gifts: Redefines success to pursue meaning and fulfillment over achievement; Questions the status quo; Can deal with abstractions and seemingly opposing viewpoints

Limitations: Can be overly absorbed by questions and less focused on action; May feel "lost" sometimes

For Example: A previously energetic high performer wonders if they're burning out or having a mid-life crisis.

Value to the Org: Expands perspectives, infuses meaning

TRANSFORMING
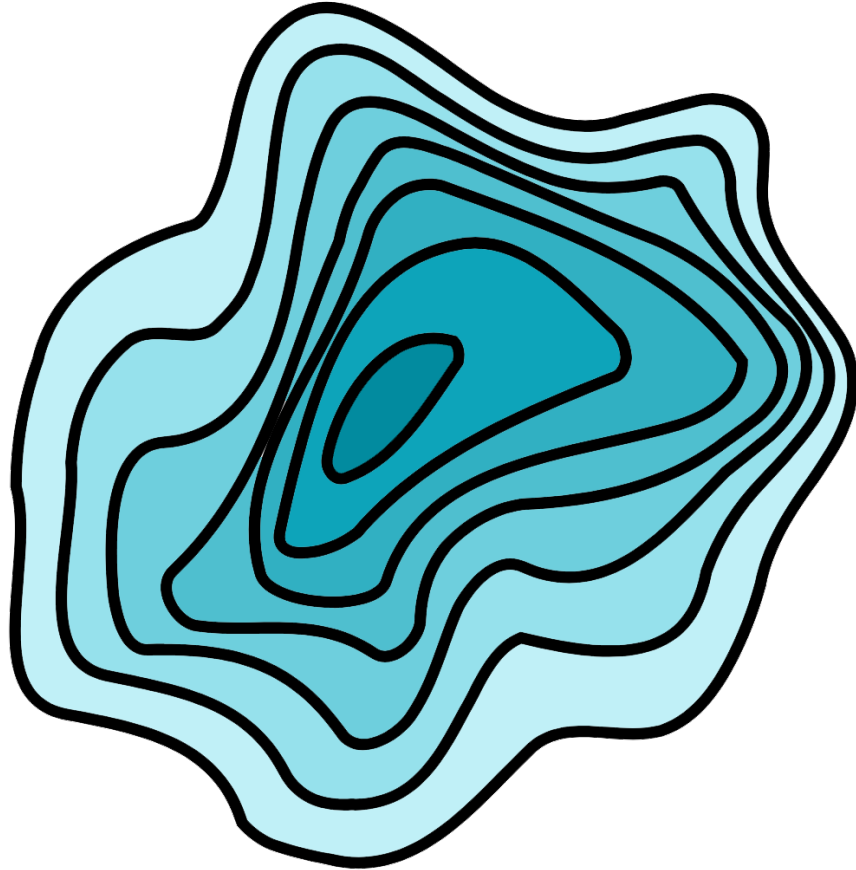
Rare; may emerge in mid-to-late Adulthood

**TRANSFORMS SYSTEMS TO SERVE THE GREATER GOOD**

Gifts: Significant release of ego and self-protection; Serves the bigger picture; Navigates complexity; Transforms complex systems

Limitations: Can seem high-minded and out-of-touch to others – must tailor communication to help others act on their vision; Risk of arrogance

For Example: A wise leader who inspires others to connect to the deeper "why", and who seems unrattled by the usual corporate dramas.

Value to the Org: Navigates complexity, sees the bigger picture

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ALCHEMICAL
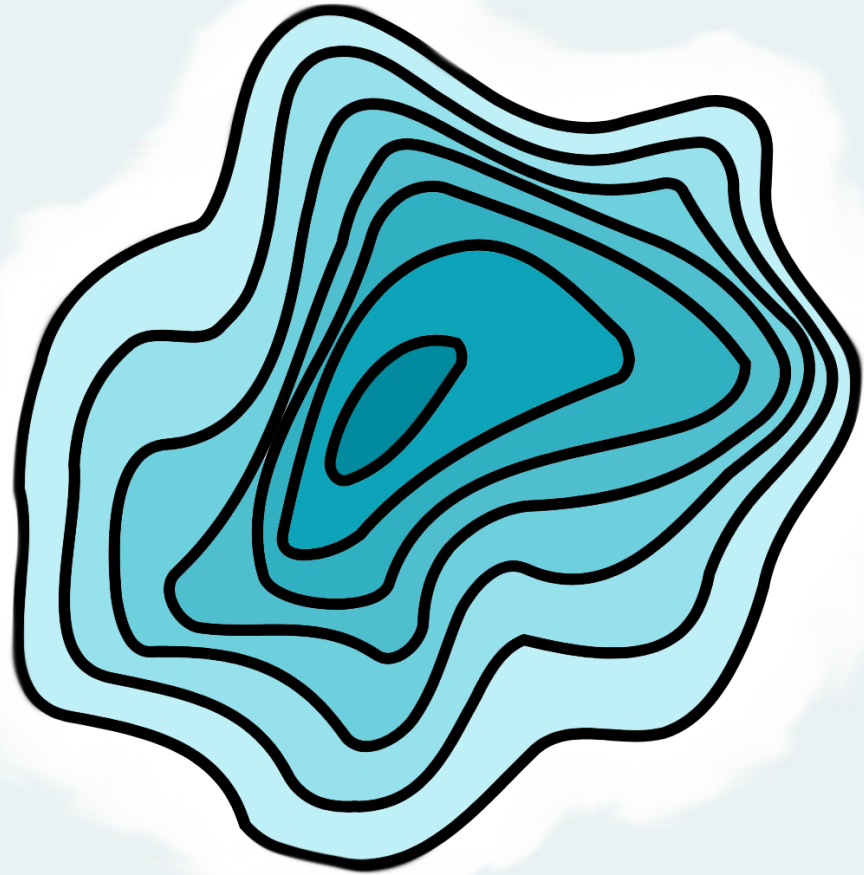
Extremely rare; may emerge in mid-to-late Adulthood

AWARE THAT "REALITY IS AN ILLUSION", LIVES IN A STATE OF FLOW

Gifts: Deeply connected to all life; Fully surrendered to "being" instead of "doing"; Serves the diverse whole of humanity in an "elder" role
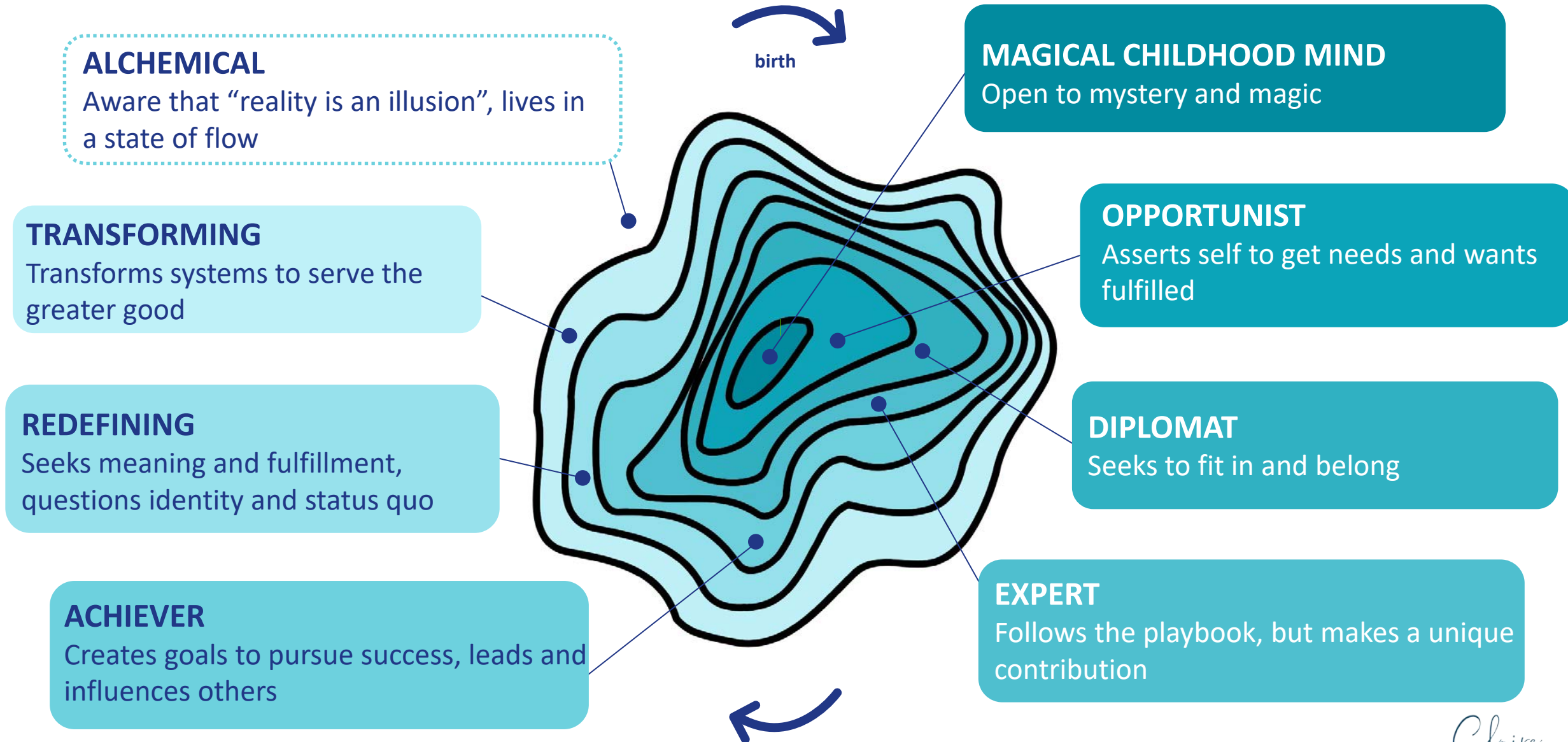
Limitations: Difficult to relate to and understand; Loneliness resulting from having few peers

For Example: Ghandi, Buddha…you get the idea

Value to the Org: Wise elder, illuminates deeper truths

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mindset stages of vertical development

birth

ALCHEMICAL
Aware that "reality is an illusion", lives in a state of flow

TRANSFORMING
Transforms systems to serve the greater good

REDEFINING
Seeks meaning and fulfillment, questions identity and status quo

ACHIEVER
Creates goals to pursue success, leads and influences others

MAGICAL CHILDHOOD MIND
Open to mystery and magic

OPPORTUNIST
Asserts self to get needs and wants fulfilled

DIPLOMAT
Seeks to fit in and belong

EXPERT
Follows the playbook, but makes a unique contribution

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LET'S POLL

Which Mindset do you think you operate at most of the time?
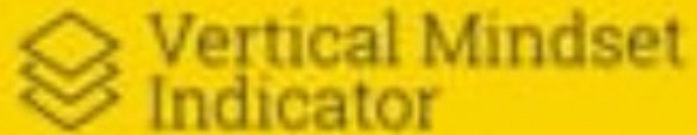
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LET'S POLL

Which Mindset would best help you address your Complex problem?

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How Vertical Growth Impacts Leadership

❑ **Autonomy:** increased self-direction

❑ **Time Orientation:** can operate with a longer time horizon, see around the corner

❑ **Task Complexity:** can juggle more priorities

❑ **Contextual Complexity:** can deal with abstractions, make connections not obvious to others

❑ **Evolving Systems:** generates ideas and improvements without a roadmap

❑ **Stakeholder Relations:** seeks to understand divergent perspectives, not threatened by them

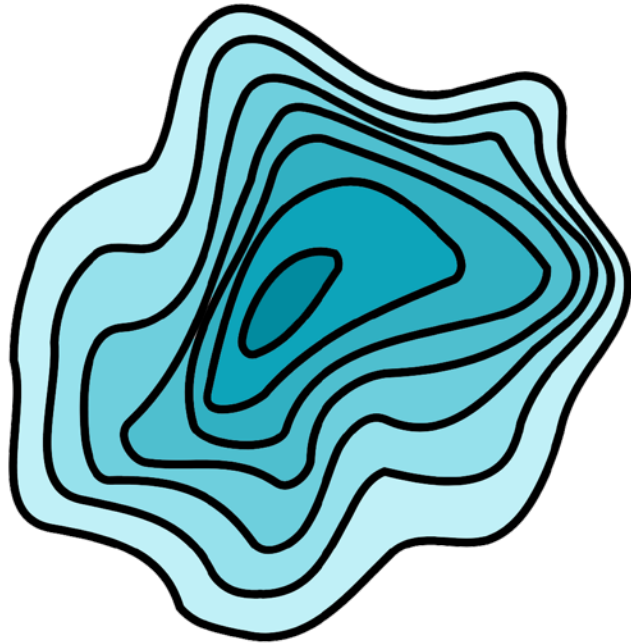❑ **Flexible Thinking:** sees many shades of gray rather than black and white

Mindset Range

Mindset Range

7 ALCHEMICAL

6 TRANSFORMING

5 REDEFINING

4 ACHIEVER

3 EXPERT

2 DIPLOMAT

1 OPPORTUNIST

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Flex Your Mindset

Match Your Mindset to the Challenge at Hand

REACH BACK

Use an earlier-stage mindset when:
- Tried and true methods work fine
- Audience needs simplicity and clarity
- Details matter
- Straightforward problems with clear solutions

STAY & STRENGTHEN

Use your dominant mindset when:
- Situation's level of complexity already aligns to your mindset
- Your mindset stage is similar to your stakeholders'
- Strengths of this mindset outweighs the liabilities

STRETCH FORWARD

Stretch into a later-stage mindset when:
- Situation is complex, solution is unclear
- High ambiguity
- You feel "in over your head"
- Competing priorities and various systems at play
- Key stakeholders operate at a later-stage mindset

Source: Adeption, Vertical Mindset Indicator, 2023

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Flex Your Mindset
Best Practices

REACH BACK

- Focus on details and tangible, logical steps.
- Be careful not to criticize or judge, rather ask questions to get at specifics that will move things forward.
- Proceed based on what worked in the past.
- Spend less time reflecting and looking for different angles.

STAY & STRENGTHEN

- Leverage the inherent gifts and strengths of your dominant worldview

STRETCH FORWARD

- Focus on the perspective from the balcony… consider the bigger picture and how things are interconnected.
- Engage more people across the org, consider the interconnections, and seek out and empathize with other's perspectives.
- Consider the conditions that enable collaboration and constructive, candid conversations.
- Suspend (temporarily) your own needs for certainty, clarity, and quick results.
- Focus team members on the higher meaning and purpose.

Source: Adeption, Vertical Mindset Indicator, 2023

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A Week in the Life...

1 OPPORTUNIST

2 DIPLOMAT — Complies with governance standards in spite of inefficiencies

3 EXPERT — Applies rigorous attention to detail to slides for upcoming board presentation

4 ACHIEVER — Creates a Strategic Roadmap and Goal Plan with clear metrics, roles, and responsibilities for team

5 REDEFINING — In a leadership team meeting, challenges group to consider how a proposed initiative aligns with organizational values

6 TRANSFORMING — Spots an emerging trend in an alternate industry which could disrupt your industry; inspires others to connect these dots, too

7 ALCHEMICAL

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"

In times of change, the learners will inherit the future while the learned will be perfectly equipped for a reality that no longer exists.

– Eric Hoffer

"

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COMPLEXITY ROADMAP

THE ISSUE

FUTURE VISION

More of:

Less of:

NON-NEGOTIABLES

Fixed Targets:

Guardrails:

---

1 **FLEX YOUR MINDSET RANGE**
Circle 5-7 approaches that will help you succeed in this situation. What's the primary mindset needed? What's the range?

Diplomat
Follow rules
Maintain harmony
Demonstrate loyalty

Expert
Get it right
Be efficient
Follow a process
Apply logic

Achiever
Create goals and plans
Add value
Drive for results
Set high standards
Rally the team

Redefining
Connect to greater purpose
Include diverse perspectives
Challenge the status quo
Find new ways
Ask provocative questions

Transforming
Start with the big picture
Navigate VUCA
Cultivate shared ownership
See around the corner
Transform people and systems

---

2 **SEE THE SYSTEM**

Get on the balcony to gain a "rich picture of now". Explore:

- Who is impacted by this issue? Who is invested in the outcome?
- What stories are people telling about this issue?
- What values and priorities are at play? Are any in tension with each other?
- What system parts & variables are at play? (processes, dependencies, groups, forces, goals, metrics, etc.)
- What patterns or habits are common in the system and relate to this issue in some way? (Aka, what is the system inclined to do? Consider culture, norms, ways of working, etc.)

Draw an image or generate a metaphor that represents the system and the issue at play.

COMPLEXITY ROADMAP

3   **ASK DIFFERENT QUESTIONS**

The key is to ask a different sort of question than you usually would. Most of us usually ask questions to gather facts and solve problems. Try asking questions like this instead:

What am I not seeing yet?
What are other ways of looking at this?
How might I be wrong?
What am I most curious about here?
What are the possibilities?
What are the risks?
What would the ripple effects be if the possibilities and/or risks played out?
What's a narrow or biased story I'm telling myself about this issue?
What can be known in this situation? What can't be known?

What if we thought about this in a new way?
What can I/we learn from this?
What assumptions underpin my actions or opinions about this? The actions and opinions of others?
How does this issue connect to other things I'm working on and care about?
How might we work together to shape and reshape the issue? How might it shape and reshape us?
What is lost if we succeed here? What is gained if we fail?

4   **TAKE MULTIPLE PERSPECTIVES**

Ask yourself (or better yet – ask others directly):
How do the other parties involved see this issue?
What's most important to them?
How are they the hero in their own story?
What could I learn from their point of view?

5   **DESIGN EXPERIMENTS & ACTIONS**

What are 2 or more experiments you can try to "nudge the system" and to move the issue towards the Future Vision? For each experiment, (1) determine how you will measure/monitor the impact and respond/adjust flexibly, (2) proactively manage risks, (3) plan to communicate clearly along the way, and (4) cultivate a growth & learning mindset.

OPTION 1   **OPTION 2**   **OPTION 3**   **OPTION 4**

?

What is ONE THING you will carry forward from this session into the busy Spring season?

"

[We] need to admit that [we] don't actually know exactly what the future will look like but that [we're] going to try like mad to influence the uncertain future anyway."

– Jennifer Garvey-Berger, Simple Habits for Complex Times

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Recommended Resources

Articles and Whitepapers

- A Leader's Framework for Decision-Making, David Snowden & Mary Boone, Harvard Business Review
- Coaching for an Increasingly Complex World, by Jennifer Garvey-Berger and Catherine Fitzgerald, Cultivating Leadership
- Human Responses to a BANI World, by Jamias Cascio, Medium
- What BANI Really Means (and How it Corrects Your Worldview), by Jeroen Kraaijenbrink, Forbes
- Claire's full Vertical Development series on The Diving Board: Part 1, Part 2, Part 3
- Understanding Vertical Development, by Sandra Ellison
- The Seven Transformations of Leadership, Harvard Business Review, by Bill Torbert and David Rooke

Online Resources

- Jennifer Garvey Berger's video on the 4 Kinds of Problems
- Nick Petrie's Vertical Development Resource Hub
- Vertical Development Institute's Research Hub and Substack Newsletter
- Transformations Cards Virtual Self-Guided Activity

Assessments
- Vertical Mindset Indicator (Adeption)
- MyWorldView (Global Leadership Associates)

Books
- Unleash Your Complexity Genius, by Jennifer Garvey-Berger (and all books by her)
- An Everyone Culture, by Robert Kegan and Lisa Lahey
- Reinventing Organizations, by Frederic LaLoux

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the diving board

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Subscribe to my "business-casual" newsletter for a regular dose of **development** and to stay in the loop about my **upcoming book** on Vertical Development!

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