Chapter 1

Appreciative Intelligence: The Missing Link

A fool sees not the same tree that a wise man sees.
—William Blake (1790)

When the Hubble Space Telescope was launched in 1990, the general public, as well as scientists in the aerospace field, held high hopes. The world waited expectantly for discoveries and answers to riddles of the universe that would be revealed by the telescope’s views of space.

But blurry images caused by a flawed mirror sent those hopes crashing down to earth. Congress demanded an explanation for the failure. The project and its creators became the butt of late-night television jokes. Stress was high among NASA engineers, as were health problems.

“It was traumatic,” said Charlie Pellerin, the former director of NASA’s astrophysics division, who oversaw the launch of the Hubble. Nobody could see how to fix the problem, which many seemed afraid even to address.

Well, nobody except Pellerin. He not only had the initial insight to solve the problem but also found the funding and the resources to repair the telescope, for which he received NASA’s Outstanding Leadership Medal. The ultimate reward was that over the next decade, the telescope provided spectacular images and important discoveries of stars, galaxies, and other cosmic phenomena.
What was behind Pellerin’s success? There were dozens of other people at NASA with high IQ and world-class technical knowledge—they were, after all, rocket scientists. They could perform the same analysis, use the same logic, and wield the same models and mathematical formulas. So what gave Pellerin the insight to help the telescope get a metaphorical pair of eyeglasses? What made him persist until the telescope was fixed when others felt overwhelmed by the challenge?

Pellerin possessed something more than the others did: Appreciative Intelligence. While he lived with the same conditions and circumstances as everyone else, his mind perceived reality very differently than others did. He reframed the situation as a project that was not yet finished, not as a completed product that had failed. He saw the potential for a positive future situation—a working space telescope. He saw how that positive future could happen as the result of technical solutions—a corrective optics package and repairs performed by a crew of astronauts—that were already possible with a rearrangement of funding and resources that already existed within NASA. By reframing, recognizing the positive, or what worked, and envisioning the repaired telescope, he was able to help orchestrate the unfolding of a series of events that changed the future.

Consider another story. In 1979, after participating in a project to immunize children in the Philippines against polio and reading about the worldwide eradication of smallpox, Clem Renouf, then president of the civic organization Rotary International, telephoned John Sever, then chief of the Infectious Diseases Branch at the National Institutes of Health and a fellow Rotarian. Renouf asked Sever to find out whether Rotary could help eradicate a disease. A month later, Sever recommended pursuing polio eradication.

For the next two decades, a group of key stakeholders, backed by a million Rotarians, overcame challenge after challenge to battle the disease. They reassured the medical community that focusing on polio wouldn’t take away from the battle against other diseases such as measles, tuberculosis, or HIV/AIDS. Rotarians raised millions of dollars to buy polio vaccine. They persuaded reluctant government health ministries in many countries to help the cause and invited the World Health Organization, UNICEF, and the U.S. Center for Disease Control to join Rotary as its
program partners. They motivated volunteers who transported vaccine in developing countries where there were few roads and who found ways to keep the vaccine vials cold where there was no electricity. Rotary provided infrastructure, organization, and helping hands worldwide to deliver and administer the oral polio vaccine to millions of children, many whose parents were impoverished, illiterate, and afraid that the vaccine was voodoo or a disguised attempt by culturally or politically different organizations to sterilize or harm their children. With the audacious goal of eradicating the virus, the program raised awareness of immunization and disease prevention for illnesses beyond polio. It spurred the allocation of government funds for vaccines in certain countries and improved disease surveillance processes. At the same time the program was changing the world’s response to disease, it reduced the incidence of polio by 99%, from over 350,000 cases in 125 countries in 1988 to 1,255 cases in 2004.2

What was behind the string of creative and innovative solutions behind the polio eradication project? What differentiated this project from the medical community’s attempts to eradicate other diseases such as malaria and yellow fever? What was behind more than 20 years of persistence? If the same vaccine, medical knowledge and expertise, challenges, and conditions existed for others who looked at the situation, what ability made the difference for this group of Rotarians—a volunteer group of predominantly business and community leaders—to face polio and reduce its incidence by 99%?

The opening for a different outcome was created when Rotarians reframed the challenge of eradicating polio. Renouf, Sever, Herb Pigman, and Carlos Canseco, with the help of Dr. Albert Sabin, who had developed the oral polio vaccine, reframed polio as an organizational challenge instead of a medical problem. They focused on Rotarians’ organizational skills, leadership, talents, and resources as the key to the solution. They saw a positive future—a world without polio—and envisioned a string of managerial decisions and organizational operations—transportation, refrigeration, finances, communication, and education provided by Rotary’s established worldwide network of volunteers—that were already possible at that time.

What did Charlie Pellerin and the leaders of Rotary have in common that led to their projects’ success? What is the ability that enables
some people to take new or challenging circumstances and turn them into golden opportunities and enriching experiences for themselves and those around them, while others falter at similar situations? It is Appreciative Intelligence, the ability to perceive the positive inherent generative potential within the present. Put in a simple and metaphorical way, Appreciative Intelligence is the ability to see the mighty oak in the acorn. It is the ability to reframe a given situation, to appreciate its positive aspects, and to see how the future unfolds from the generative aspects of the current situation.

*Appreciative Intelligence: Seeing the Mighty Oak in the Acorn* offers a new perspective on successful people and provides a road map for those who want to realize their full potential. It offers an explanation of a unique ability of those who formally or informally lead projects and people and who make a difference in their small groups, organizations, the larger community, and the world. It provides a new answer to what enables successful people to dream up their extraordinary and innovative ideas; why employees, students, partners, colleagues, investors, and other stakeholders join them on the path to their end goals; and how they achieve those goals despite obstacles and challenges. It shows how a new type of intelligence, not traditional IQ or other types, links to success. In the next ten chapters, this book introduces Appreciative Intelligence, a new construct that explains a competitive advantage possessed by exceptional leaders in business, education, government, and nonprofit organizations.

*Appreciative Intelligence* also offers another perspective on what it means to be smart or intelligent. Ask a group of people what it means to be intelligent, and their answers might vary considerably. Several people who spoke with us during our research told us that they weren’t sure they were *that* smart—smart enough to have created such success. They felt that luck was certainly a factor in their progress. Yet in every case, the people we interviewed were leaders or participants in exceedingly effective projects with innovative solutions and far-reaching outcomes. Their definition of smart or intelligent was too narrow to encompass the ability that allowed them to see the possibilities that “luck” provided—a notion described by the nineteenth-century scientist Louis Pasteur, when he said, “Chance favors the prepared mind.” Their definition excluded the
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mental processes that resulted in ideas and outcomes that amounted to what others would call “brilliant” or even “genius.”

When Carol, one of the authors, was in grade school, her entire class “knew” what it meant to be intelligent. “Intelligent” meant a classmate Chris (not his real name)—sometimes called by his nickname “Brains”—who earned top grades and quickly understood lessons from teachers and from books. He had a solid grasp of academic fundamentals in math, English, and science. Chris grew up to be a successful Wall Street executive. At a high-school reunion the graduates all knew that our old friend was still just plain smart.

In the same grade school, students also considered who wasn’t as intelligent. Surely the girl who sat in the back of the class chatting away with her friends, paying less attention to class work than to the behavior of classmates around her, was less intelligent. At a later school reunion, a few alumni overheard her talking about her work. When her father passed away, he left her a piece of property in our small town. She had noticed that as the tiny town grew, more traffic passed by the corner where her property was located, so she opened a convenience store on the corner. Noting new needs and desires around town, she rented her extra space to a startup limousine service. In a relatively short time, she became a successful businesswoman.

Both classmates drew upon their abilities—one upon mathematical, analytical cognitive thinking, the other upon the ability to notice people’s behaviors and recognize opportunities inherent in them—to become successful business people. The successful businesswoman used her Appreciative Intelligence to see hidden potential in a piece of property and a situation of changing needs to realize business value.

Defining Appreciative Intelligence

Appreciative Intelligence is the ability to perceive the positive inherent generative potential within the present. Put in a simple way, Appreciative Intelligence is the ability to see the mighty oak in the acorn. Metaphorically, it is the ability to see more than the present existence of a small capped nut. It is the capacity to see a strong trunk and countless leaves as emerging from the nut as time unfolds. It is the ability to see a
breakthrough product, top talent, or valuable solution of the future that is currently hidden in the present situation.

There are three components of Appreciative Intelligence:
  - Reframing
  - Appreciating the positive
  - Seeing how the future unfolds from the present

Like a three-legged stool that cannot stand if a leg is missing, Appreciative Intelligence is not present without all its components. Each part is essential to the construct.

**Reframing**

The first component of the intelligence we discuss in this book is the ability to perceive—to see, to interpret, to frame or reframe. Framing is the psychological process whereby a person intentionally views or puts into a certain perspective any object, person, context, or scenario. One of the most common examples of framing is that of calling a glass half empty or half full. Regardless of how the glass is described, the amount of water is the same; it is only the perspective that is different.

In any act of perception or reframing, a person is faced with a series of choices. He or she chooses to pay attention to one stimulus and, at least for the time being, to ignore the remaining stimuli. That decision is a judgment call, value-based in the sense that what gets focused on must have more value than what does not. Consider the scenario of the half-glass of water. Factors, such as whether the perceiver is an optimist or pessimist, dying of thirst or attempting to bail out a boat that is about to sink, will affect his or her value judgment of the amount of water. Using Appreciative Intelligence, the person consciously or unconsciously reframes what is in the present, thereby shifting to a new view of reality that leads to a new outcome, just as the Rotarians reframed polio eradication as an organizational, not medical, challenge.

**Appreciating the Positive**

Ask several people what it means to be appreciative. Some may refer to rising property value; another may recall that a “thank-you” note or recognition speech needs to be written. But most will have an accurate sense of what the word means and that subjective value is at play. In this
book, the term *appreciation* specifically refers to a process of selectivity and judgment of something's positive value or worth. This is the second component of Appreciative Intelligence.

Consider the following scenario: You are browsing through an art exhibit at a museum while your friend is checking out a few paintings at a nearby flea market. You both see similar paintings by the same artist. Assuming neither of you is an art critic, you are more likely to have a better appreciation of the painting than your friend has at the flea market. Because you are in the art museum, you have an appreciative mindset. Aware that an expert might have picked the painting as worthy of being displayed in the art gallery, you are intentionally looking for beauty in the painting. As you look intently, you see aspects of the painting you might have missed had you looked with a casual eye. Meanwhile, your friend might be looking for a bargain. She tries hard to discover some fault in the artwork in order to negotiate a lower price. It is reasonable to think that your friend is intentionally looking for deficits while you are trying to appreciate the picture. A cognitive psychologist would say that you are actually interpreting or reframing the details of the painting as beautiful or exquisite because of the appreciative context that has been created. In the end, both your friend and you find what you are looking for.

Similarly, successful people have a conscious or unconscious ability to view everyday reality—events, situations, obstacles, products, and people—with appreciation. Because they are reframing to see the positive, they often see talents or potential that others might miss.

**Seeing How the Future Unfolds from the Present**
The implication of the second component is that useful, desirable, or positive aspects already exist in the current condition of people, situations, or things, but sometimes they must be revealed, unlocked, or realized. People with high Appreciative Intelligence connect the generative aspects of the present with a desirable end goal. They see how the future unfolds from the present, the third component of Appreciative Intelligence. Many people have the ability to reframe and the capacity to appreciate the positive. Yet, if they don't see the concrete ways that the possibilities of the present moment could be channeled, they have not developed their Appreciative Intelligence.
Consider an instance in the story of Brownie Wise, the marketing genius of Tupperware, who was building a sales force in the 1950s to sell plastic home products through home parties. Once, a poorly dressed woman showed up in a coal delivery truck to talk with Wise about becoming a Tupperware dealer. Wise reframed the context by ignoring the appearance of the woman and intentionally focusing on the positive, the “desire in her eyes.” Furthermore, Wise had the ability to see how the future could unfold from the present as she saw what could generate success—the woman’s strong determination—and a concrete way to realize it—by booking parties, demonstrating products, and selling Tupperware.

The following real-life examples, historical and present-day, have characteristics in common with Charlie Pellerin and the Hubble Telescope repair, and Rotary International’s and their partners’ 99% reduction of polio worldwide. They show Appreciative Intelligence and hint at the power and consequences of the three components working together.

1. Coca-Cola’s Asa Candler saw the potential for a top-selling soft drink in a failing headache remedy. He reframed the product as a beverage instead of a health product, focused on proving its great taste to other people, and set into motion what is now a multibillion-dollar business.

2. Cosmetic company founder Estee Lauder saw a shoeless woman who entered an upscale store as a possible good customer, and ended up selling two of each cosmetic product to her and more to her relatives the next day. Lauder saw beyond the outward appearance of the woman and reframed her as a potentially good customer, rather than as a poor visitor to the store. She treated her as someone of value, thus creating a dramatically different sales transaction from what would have occurred had Lauder listened to the employee who suggested ignoring her.

3. At W. L. Gore & Associates, founder Bill Gore sparked the idea for Glide Floss, shred-resistant dental floss, when he attached a ribbon of Gore-Tex fabric to his toothbrush and began to floss his teeth. Company associate (Gore’s term for an employee) Dave Myers had a flash of insight that led to Elixir guitar strings after coating his mountain bike gear cables with a thin layer of slick plastic material. Since Gore’s inception in 1958, its innovators have dreamed up and
realized a range of other products, including wires and cables that have gone to the moon and a waterproof cast lining that allows patients to swim or shower while their broken bones heal. The company is best known for Gore-Tex fabric, used in sportswear and outdoor clothing. By reframing the uses of their plastic materials, seeing the positive value in their products and people, and connecting technology and materials possible in the present with the vision of better products for the future, the company has enjoyed a long tradition of bringing original products to the market.

4. In response to concerns that the number of U.S. students earning engineering degrees has declined in the past decade, Dean Kamen, inventor of the Segway Human Transporter, founded FIRST (For Inspiration and Recognition of Science and Technology). He formed the organization to address the decline as a cultural issue, rather than as an educational problem. FIRST introduced math, science, and engineering principles to 73,000 high-school-aged students in 2005, not through additional classes or science fairs but through a giant robotics event akin to an “Olympics for Smarts,” featuring games, music, and cheering spectators at the Georgia Dome.

The leaders in these stories have commonalities—persistence, big dreams, passion, conviction that their actions matter, ability to overcome obstacles, creativity, innovation, and a knack for persuading people to share their goals and hard work. They also created significant business and organizational success.

At the same time, we all could also point to examples of leaders, and their organizations, who couldn't overcome obstacles or change their circumstances; couldn't disentangle themselves from a web of difficulties; couldn't attract and hold talented employees, loyal customers, or investors; and couldn't accomplish goals. In short, we all know people who didn't succeed.

The Genesis of Appreciative Intelligence

What is the ability that enables some people to take new or challenging circumstances and turn them into successful experiences for themselves and those around them, while others waver at similar situations?
That was the question that Tojo Thatchenkery, one of the authors of this book, asked shortly after he arrived in the United States in 1987. While working on his doctoral studies in organizational behavior, he observed that in the culture of his university department, leaders possessed a distinctive manner of dealing with fellow faculty, students, and their environment. They were constantly looking for ways that others’ ideas might work, how their proposed concepts might be realized and developed. He also noticed an aura of success among the faculty that, in turn, led to successful graduates. This was in marked contrast to a culture of critique he was previously familiar with, where it was assumed that if the gaps and deficiencies in ideas were pointed out, it would lead to improvement. It quickly became apparent to him that a culture that appreciatively framed others’ ideas into possibilities led to more original and more rapidly generated concepts and discoveries.

On a larger scale, Tojo noticed a high incidence of innovation in the United States, such as that associated with the phenomena of Silicon Valley. The technology center in California that originated as Stanford’s University’s solution to financial shortages ultimately became the birthplace of many of the world’s computers, semiconductors, electronics, and software inventions. During the late 1980s and early 1990s, Silicon Valley produced a significant quantity of intellectual capital that resulted in the phenomenal growth of the Internet and the subsequent Information Technology revolution and globalization. As he witnessed a pervasive attitude of looking for the next nugget of gold in the pan of dust, Tojo began to perceive that there was a link between entrepreneurs’ and leaders’ positive and appreciative approach, innovative and creative ideas, and successful organizations. He also noticed that such people had a unique ability to perceive opportunities, talents, and innovative ideas and to bring them to fruition when others didn’t. Tojo coined the term Appreciative Intelligence to capture this ability.

After studying hundreds of stories of real-life leaders and talking with additional ones (in a methodology described in Chapter 9 of this book), and examining research from the new field of social cognitive neuroscience (discussed in Chapter 10), we found evidence to explain what Tojo previously had intuitively perceived. A common characteristic of many successful leaders and innovators is a unique way of thinking—the newly identified intelligence called Appreciative Intelligence.
Appreciative Intelligence is a new construct. Different from a concept, which “expresses an abstraction formed by generalization from particulars,” a construct is a “concept that has been deliberately and consciously invented or adopted for a specific scientific purpose.” Constructs are developed to help us make sense of various phenomena in our world. They can be observed and measured, thus allowing us to make predictions about behavior. Development of new constructs can also lead to theory development, research, and practice.

The new construct of Appreciative Intelligence helps explain the thinking behind success. Behind top leaders’, inventors’, and innovators’ achievements, it shows up in a myriad of ways, foremost in the perception of products, places, people, events, and situations. In each case, reality is seen as possessing high value, regardless of its face value. In much the same way that Coca Cola’s Asa Candler saw possibilities for a popular beverage in an unpopular health product, an architect with high Appreciative Intelligence may see a quaint historic home in what others view as a rundown house in a depressed neighborhood. A sports or talent scout might see a future star in an amateur athlete or actor. Or another person might see a catastrophe as an opportunity for change. Appreciative Intelligence encompasses the capacity to appreciate people, to see and reveal the hidden value in others, and to look past stereotypes, as did Estee Lauder, who saw the shoeless woman as a potential customer, and Tupperware’s Brownie Wise, who saw a successful salesperson in an untested, unremarkable-looking job candidate with few credentials. Such leaders see positive endings to stories where others might not even perceive a story exists.

This ability is followed by persistence, the conviction that one can achieve a goal or perform a task as a result of one’s own actions, tolerance for uncertainty, and “irrepressible resilience,” the ability to bounce back from a crisis or difficult situation. Appreciative Intelligence is associated with uncommon perceptions and beliefs about accomplishing a task that rely less on the extent of abilities or resources available as how abilities and resources available can be utilized. This notion is expressed in the famous American scientist and inventor George Washington Carver’s explanation for creating his own lab apparatus for experiments from bits of trash—“Equipment is not all in the laboratory, but partly in the head of the man running it.”
Unlike other models of intelligence, Appreciative Intelligence is linked to humans’ need for meaning, vision, and value. There is intentionality about it. Appreciative Intelligence is behind creating new possibilities and helping see the steps necessary to realize them. It allows us to dream and to strive. It keeps humanity’s desire for continuous improvement alive by generating new opportunities. Appreciative Intelligence is also about a way of knowing and interpreting situations. It is similar to what Viktor Frankl, survivor of a German concentration camp, wrote in his classic book, *Man’s Search for Meaning*, about the power of looking horror in the face and finding leverage in it to survive. It is that capacity not to flinch or deny but to learn from failure and the things we fear. To quote Frankl, “everything can be taken from a man but one thing: the last of the human freedoms—to choose one’s attitude in any given set of circumstances, to choose one’s own way.”

Those with high Appreciative Intelligence have a capacity to endow everyday activity with a sense of purpose. Because they can reframe, they are flexible and actively and spontaneously adaptive. Seeing a situation from a new perspective allows them to deal with obstacles with courage and resilience. Because they can see what is positive and how the future unfolds from the present, they have a capacity to face adversity without letting it destroy them. They are predisposed to see the larger picture and the connections between diverse things because they can shift their frames of reality to see possibilities, not boundaries. Due to their higher capacity to embrace ambiguity, or shades of gray in situations, they can live in uncertainty without knowing the answers. Because they see how a positive future can come from the present, they live their lives with a sense of realistic optimism.

Those who possess a high level of Appreciative Intelligence lead organizations to higher incidence of innovation and creativity, more productive members, and greater ability to adapt in a changing environment. Hence, their organizations enjoy a competitive advantage, greater financial success, and greater world impact.

The identification and development of Appreciative Intelligence has far-reaching implications for individuals, organizations of all types and sizes, and our society as a whole. As we discuss further in subsequent chapters, everyone has Appreciative Intelligence to a greater or lesser
degree. The most recent understanding of intelligence as a changing capacity that can be enhanced and nurtured, rather than as a static entity, leads to the conclusion that Appreciative Intelligence can be developed and enhanced. Recognizing and cultivating it means the ability to affect prosperity, health, and success on individual and organizational levels. Further ramifications are that we can shape the future we desire by choosing and grooming leaders and innovators who possess high Appreciative Intelligence and helping expand its application.

The most effective and successful people exhibit the ability to reframe, appreciate the positive, and see how the future unfolds from the present. They have Appreciative Intelligence, the ability to see the mighty oak in the acorn.

**Ahead in This Book**

The following ten chapters of this book are designed to walk you through a deeper introduction to the core of Appreciative Intelligence and its components through a variety of studies and real-life stories.

Chapter 2 discusses the application of this new intelligence. Appreciative Intelligence leads to four qualities—persistence, conviction that one’s actions matter, tolerance for uncertainty, and irrepressible resilience—as shown in this chapter through stories of real-life leaders and innovators.

In Chapter 3, we look at Appreciative Intelligence in action by examining a school whose leaders, teachers, and mentors use their Appreciative Intelligence to shape the next generation.

Chapters 4, 5, and 6 take a closer look at the three components of Appreciative Intelligence. Chapter 4 discusses reframing. It also discusses the mysterious quirks of human perception and the effect of conscious and unconscious choices we make as we see reality. Chapter 5 further probes the second component, appreciating the positive. It includes information from the fields of Positive Psychology and Positive Organizational Behavior and discusses the methodology and technique of Appreciative Inquiry. Chapter 6 discusses the third component, seeing how the future unfolds from the present.

Chapter 7 explores the organizational effects of leaders and members with high Appreciative Intelligence. Whether an organization is a
for-profit corporation or a not-for-profit institution, whether it works with adults or students and sells products or services, an organization that weaves its members' Appreciative Intelligence into the fabric of its culture displays some extraordinary practices and results.

Chapter 8 provides a Personal Appreciative Intelligence Profile and practical, concrete exercises to develop your own personal Appreciative Intelligence. The profile and exercises spring from the notions that everyone has Appreciative Intelligence to a greater or lesser degree, that intelligence isn't static, and that because our brains are continually evolving, our intelligence and behaviors can change, too.

For those of you curious about how Appreciative Intelligence came about or others who are looking for the technical background, Chapters 9 and 10 provide explanations and studies of intelligence, Positive Psychology, and the brains behind the mental processes we call Appreciative Intelligence. They discuss others' studies from the field of social cognitive neuroscience, as well as some of our analysis and insight from reading about and interviewing successful leaders and innovators.

Finally, Chapter 11 concludes with a deeper look at possibilities and implications for the future and an invitation to develop further practices and approaches to evaluation, development, and predictions of the construct. We invite others to plant their own acorns from the knowledge of this intelligence.
this chapter has been excerpted from

Appreciative Intelligence
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by Tojo Thatchenkerry and Carol Metzker

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