



# U.LAB FOR SYSTEMS CHANGE



PRESENCING  
INSTITUTE

## AS SYSTEMS COLLAPSE, CITIZENS RISE

As old systems and structures continue to crumble and collapse, leaders and citizens are responding in one of the following ways:

1. *Muddling through*: Re-enacting old patterns. More declarations, more empty rhetoric (example: mainstream politicians today).
2. *Moving backward*: Building walls and architectures of separation. This response amplifies social-emotional fields of **prejudice**, **anger**, and **fear** (example: Donald Trump and the far right).
3. *Leaning forward empathically*: Cultivating architectures of connection and collaboration. This response activates the social-emotional fields of **curiosity**, **compassion**, and **courage**—the deeper levels of our humanity (example: the response by the citizens and the mayor of Munich to the refugee crisis).

Right now, across countries and systems, the public debate is shaped by a fruitless back-and-forth between the first two positions: mainstream politicians (muddling through) vs. Trump-style regressive strongmen (moving backward).

Almost unnoticed and in the blind spot of this ongoing debate, the third response is beginning to emerge. It includes a global landscape of change makers, initiatives, and generative social connections that embody versions of leaning forward empathically. Examples of this landscape are abundant, spanning all cultures, sectors, and systems—but currently, they are not harnessing moments of disruption for systems-scale renewal and change.

Historically, when movements succeed in organizing in intelligent ways with each other and with enlightened partners inside the old system (as we saw during events that brought down the apartheid system in South Africa, the cold war system in Europe, and the nuclear power industry in Germany), they create change that previously seemed impossible.

Brexit, Trump, Turkey; 500-year storms and record-breaking heat; Paris, Brussels, Nice: The past twelve months have been a year of disruptive change.

With the rise of global terrorism and authoritarian strongmen, we see the world's societies responding to disruptive change in ways that can only exacerbate the deeper ecological, social, and spiritual challenges that give rise to the very problems they are trying to solve.

**It does not have to be this way.**

**While these moments of disruptive change confront us with an unprecedented risk of global collapse, they also present us with an unparalleled opportunity to catalyze profound renewal and change.**

# MOVING MOUNTAINS

We live in a “plastic hour” in history in which a relatively small group of thoughtful and aligned citizens can make mountains move in one way or another. The next five to ten years are likely to set the basic developmental trajectory of this century. It’s a time in which anything can happen and in which we witness the clashing of two social fields:

- **absencing** (moving backward by closing down mind, heart, and will) and
- **presencing** (leaning forward by opening up the mind, heart, and will).

Figure 1 shows how social reality emerges from the clash and dialectic interplay between these two forces and social fields.



The following description outlines how **Theory U** and the work of the **Presencing Institute** aim to **catalyze a global shift** from the current field of **absencing**, that is, the cycle of destruction fueled by the dynamics of **prejudice, anger, and fear**, to the field of **presencing**, that is, the cycle of creation enabled by **curiosity, compassion, and courage**.

Figure 1: One Earth, Two Social Fields (Source: Otto Scharmer, Huffpost)

## OUR THEORY OF CHANGE

**The deeper the disruption we face as individuals, systems, and communities, the deeper the level of change we need to access** in order to respond in generative ways by leaning in to the emerging future.

We believe the amplification of absencing across the planet results from a mismatch between an ever-increasing stream of disruptive events that people are exposed to and an insufficient inner capacity to cope with these events in generative ways. Instead, people, organizations, and systems respond by downloading (same-old, same-old) or freezing (regressing) instead of by opening up and leaning in.

Figure 2 depicts four levels of systems change: symptoms, structures, thought, and source. The deeper the disruption we face as individuals, systems, and communities, the deeper the level of change we need to access in order to respond in generative ways by leaning in to the emerging future (figure 2).

Our work builds and strengthens the capacity of individuals, communities, and systems to respond to the disruptive challenges of our time by connecting to these deeper levels in order to co-sense and actualize emerging future possibilities.

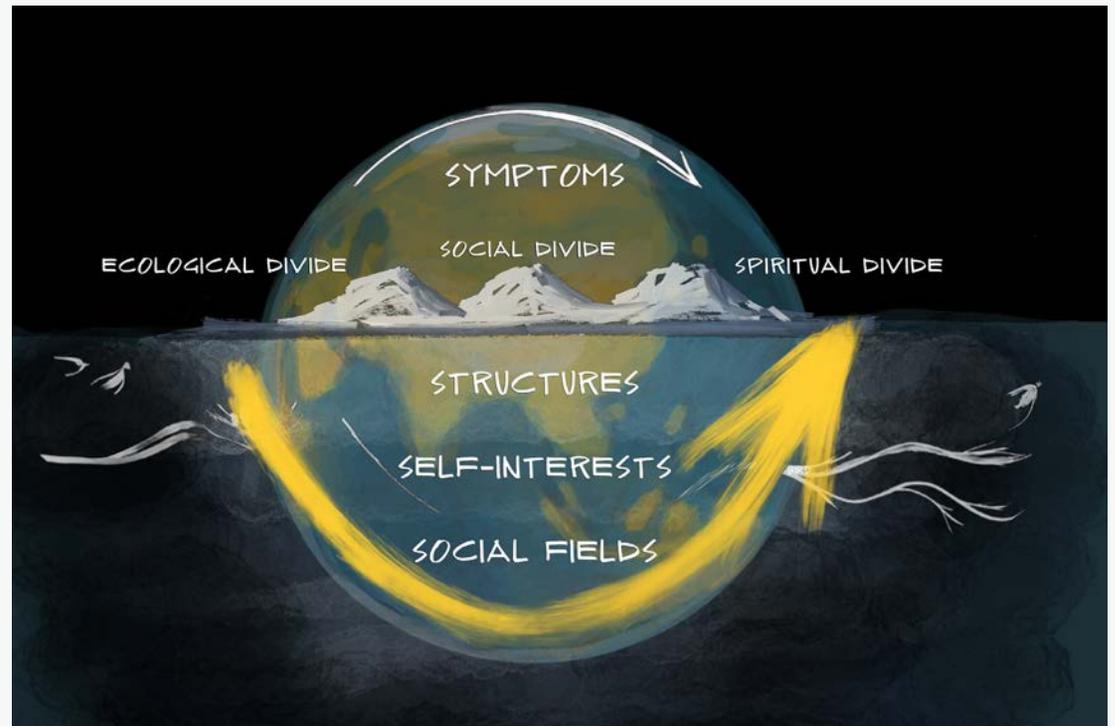


Figure 2: Four Levels of Systems Change

## U.LAB

The u.lab for systems change is an emerging global innovation eco-system, co-initiated by the Presencing Institute and its partners around the world, that enables a growing network of leaders to address the deeper sources of today's societal challenges. The u.lab supports these deeper levels of change by:

- **Helping 600+ place-based hubs** for change makers that prototype solutions to the systemic challenges they face.
- **Creating new social technologies**, based on original research into how profound social innovation happens, that catalyze massive positive change in addressing the *ecological, social, and spiritual challenges* of our time.
- **Pioneering scaling mechanisms** that combine new tech tools with such novel social technologies in ways that generate a unique blend of locally grounded entrepreneurship with global collaboration and movement building.

## ASSETS ALREADY IN PLACE:

- A global network of **75,000-plus change makers** who have formed 600-plus hubs worldwide
- A global eco-system of **master practitioners**, co-facilitators, and living examples that demonstrate the practical results of U-process prototypes (see Global Impact Examples below)
- Tested and **refined methods and tools** that support deep innovation processes (see <https://uschool.presencing.com/tools/ulab>)
- A community of **tens of thousands of graduates** (over two decades) of introductory and advanced programs offered through the Presencing Institute, the Society for Organizational Learning, and Synergos.
- **Deep institutional relationships**, with **MITx, edX, Tsinghua University, XuetangX** (China's version of edX), leading global companies, NGOs, and governments in North America, Brazil, Costa Rica, Africa, China, Indonesia, and Europe, as well as leading innovators in finance and social entrepreneurship such as the Impact Hub network. These relationships uniquely position the u.lab at the heart of an awakening global movement.

# IMPACT

## Innovation labs

In Namibia, a public health lab contributed to a 14% decrease in infant and maternal mortality; in Ethiopia, an agriculture lab helped bring about a 44% increase in production of tef (the national grain) and 18% in wheat. In the United States, our social technologies helped the Fight for Fifteen (FF\$15) initiative to secure pay raises for the working poor (including for 40 percent of the Los Angeles workforce and more than 2 million workers in NY).

## Place-based hubs

In Scotland, the national government is rolling out our hub system in 30+ communities across the country in an effort to pioneer a more decentralized approach to governance.

## Capacity building

In 2015, we used a Massive Open Online Course (MOOC) to activate a dormant network of change makers worldwide. We reached more than 75,000 participants from 185 countries. Ninety-three percent of exit-survey respondents described their experience as inspiring (60%) or life-changing (33%).

## Social technologies

Over the past 20 years, we have created and refined a set of methods and tools that are freely available, used by change makers globally, and published in three books that have reached hundreds of thousands of readers.

# CALL FOR ACTION

We are looking for **5 founding partners/venture philanthropists** to each contribute **\$100,000–300,000 annually over a 3-to-5-year transition period** in order to help us better **catalyze positive change** at a level of scale commensurate with current societal challenges.

## These partners will help us:

- **build** a globally distributed core **team**,
- **upgrade** our institutional/digital **infrastructure**, and
- **add to the current u.lab MOOC offering** two additional courses that together constitute a year-round cycle of societal renewal. These offerings will help link the global community of change makers with one another in order to operate in more connected, intentional, and co-creative ways. They will be able to see themselves as part of a bigger picture that is working to transform many societal tracks, including education, health, sustainability, business, government, and other areas.

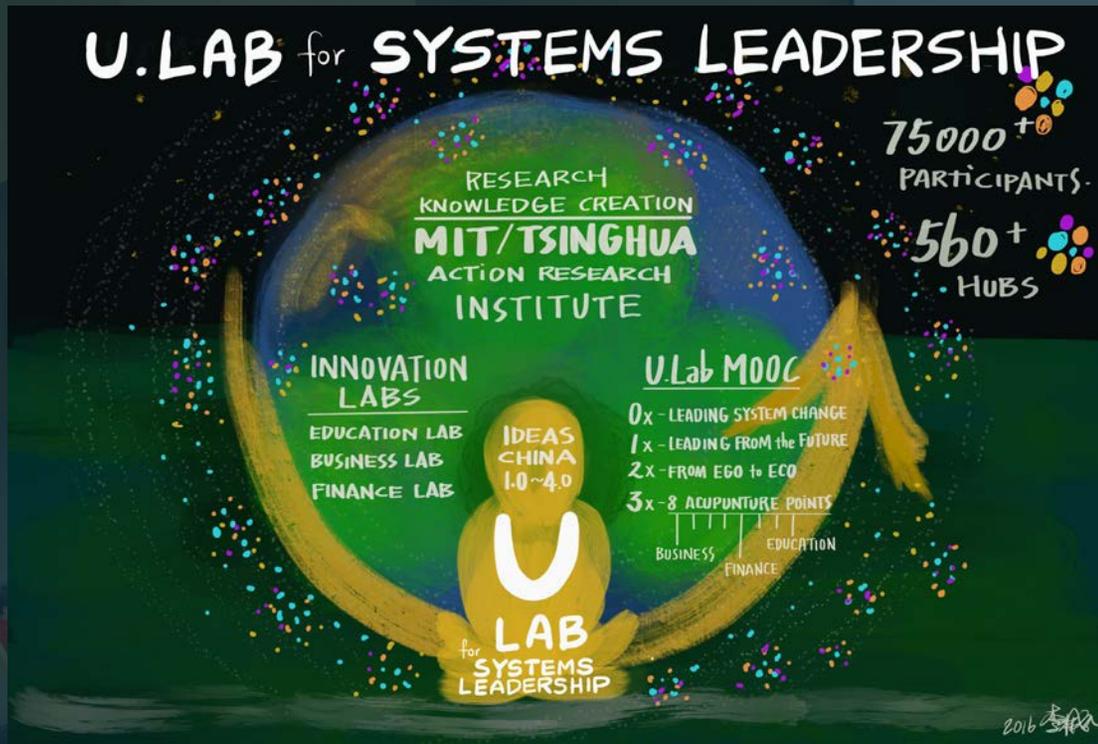


Figure 3: u.lab for Systems Change

## CURRENT STRUCTURE

The current institutional structure of the u.lab is extremely lean and includes the Presencing Institute (501c3 in the US), PI Europe (non-profit based in Berlin), and in China a university-wide action research institute in the making at Tsinghua University (co-initiated by MIT and in partnership with the UID Foundation).

Current resources: \$0.5 million in grants and \$1.1 million in self-funding revenue, all managed by a small staff aided by a vast number of globally distributed volunteers.

## OUR STORY

Over the past three decades, the u.lab's methods and tools have been ground-tested by action researchers at MIT, the Presencing Institute (PI), the Society for Organizational Learning (SoL), and Synergos in large-scale change projects across sectors and cultures. Books that serve as field guides for diverse groups of change makers, such as *The Fifth Discipline* (by Peter Senge) and *Theory U* (by Otto Scharmer), have reached millions of readers worldwide.

In our practical work, we convene stakeholders who need each other in order to effect profound change and facilitate journeys that help them develop new mindsets, practices, and prototype projects that support the wellbeing of the whole ecosystem.

Our work aims to update the current operating code of our economies, democracies, and educational systems with the goal of co-creating sustainable wellbeing for all.

# GLOBAL IMPACT EXAMPLES

Theory U and the u.lab related efforts of the Presencing Institute have been instrumental in numerous large multi-stakeholder change efforts around the world. They include:

## WELLBEING

### From Consumerism to Wellbeing for All

- **The Global Wellbeing Lab (Worldwide):** Co-convened with Germany's GIZ and the Gross National Happiness Centre in Bhutan, the lab uses hands-on prototyping to support innovations that shift organizations and economies from a narrow focus on profit and GDP to serving the wellbeing of all stakeholders.
- **New York City:** The mayor of NYC is considered the standard-bearer of progressive urban politics in the US. In two of the city's five boroughs, the Bronx and Brooklyn, MIT CoLab—a u.lab partner—is working with his administration to develop meaningful alternatives to existing urban development approaches that, over the past 40 years, have not delivered on their promise to reduce poverty. As the first concrete effort in this joint project, Mayor de Blasio recently committed \$2.5 billion in city funds to retrofit city buildings for energy efficiency.
- **FIGHT FOR FIFTEEN (FF\$15 - US):** MIT CoLab's Mel King Community Fellows Program (MKCF) has convened a critical set of labor and worker center leaders to think through ways to address inequality, particularly among people of color. The participants are emerging leaders in some of the US's largest union locals representing people of color and low-wage workers (Local 1199, United Long Term Care Workers Union/Service Employees International Union (SEIU)), as well as centers representing non-unionized low-wage workers and immigrants.

- **(FF\$15 - US Continued):** Using Theory U methods and tools, the MKCF process played a significant role in shaping the SEIU's approach to a nationwide campaign to raise the US minimum wage to \$15/hr. Victories in that campaign in New York and California so far will mean pay raises for 40 percent of Los Angeles's workforce and for more than 2 million workers in New York. It has done more to raise wages for low-income workers than the past 30 years of collective bargaining.

## ECO-SYSTEMS

### From Depleting Resources to Cultivating Eco-Systems

- **Agricultural Transformation (Ethiopia):** Engaging top leaders from the Ministry of Agriculture to prototype new ways to increase yields, leading to an increase in the production of tef, the national grain, by 44%, and an increase in wheat production by 18%.
- **The Coral Triangle Initiative (Indonesia):** Prototyping new ways to implement sustainable eco-system management practices in the second largest ecosystem on the planet.
- **Nigeria:** In collaboration with the Gates Foundation and Synergos, supporting the effort to shift Nigeria's over-dependence on oil by activating the potential of the country's agriculture sector.
- **South Africa:** Contributing to an enabling environment with farmers that has helped them shift toward a restoration economy with investment from large-scale business and investors (commonland.com).

## BUSINESS

### From Pure Profit to Bridging The Three Divides

- **Eileen Fisher:** An organizational transformation process of the Eileen Fisher company, a leading innovator in women's clothing that is aiming for 100% sustainability by 2020 and, in the longer term, to transform the entire fashion industry (the second worst polluting industry on the planet).

## FINANCE

### From Extractive to Intentional

- **Social Finance (Brazil):** Mobilizing wealth and resources to activate impact investment for societal wellbeing.
- **China:** Engaging top financial institutions such as **ICBC** and leading technology companies such as **Alibaba** in an “**evolutionary business lab**” initiative, supporting social transformation and evolution in the technology age.
- **Just Money Initiative:** Creating a movement of small and medium-sized financial institutions that use **finance as a tool for social change**. This initiative is being developed in close partnership with the Global Alliance for Banking on Values ([gabv.org](http://gabv.org))

## HEALTH & EDUCATION

### From Outcome-Centric to People- & Awareness-Driven

- **Improving the Maternal Health System (Namibia):** Contributed to a 14% decrease in infant and maternal **mortality in Namibia between 2007 and 2013**, as well as large-scale improvements in the public health service. An independent evaluation found that the program created a “culture shift” at the top level of the ministry and was instrumental in the creation of “Regional Development Units,” which have been **replicated across seven regions** in Namibia.
- Leadership for attaining **Universal Health Coverage in Africa** (in collaboration with the World Bank and GIZ).
- **U.lab MOOC (Global):** After the initial offering of the 2015 u.lab MOOC, we sent out a post-course evaluation survey. Participants responded that they had not only absorbed the material but had also been deeply inspired to create change in their own communities. The survey found that 50% formed 3 or more collaborative initiatives through their participation in the course. Participants estimated that, on average, 60 people outside the u.lab were impacted by changes a u.lab participant initiated. Thirteen percent of participants reported that they raised more than \$1,000 to support their own prototyping work.
- **Education Lab and MOOC** in China and global (launched in May 2016).

# GOVERNANCE

## From Hierarchy And Competition to Awareness-Based Action

- **The Scottish government** is using u.lab to empower thousands of citizens to identify issues that matter to them, organize, and take action. In Glasgow, u.lab participants have launched “The University of Life in Recovery,” a platform for building long-term recovery in the community by offering courses and experiential learning opportunities.
- **Novos Urbanos (Brazil):** In Sao Paulo a cross-sectoral collaboration among 40+ organizations is focusing on increasing children’s and low-income communities’ access to higher quality food and nutrition. Through the work of the Novos Urbanos Lab, Coca-Cola, Pepsi, and AmBev have committed, beginning in August 2016, to end the sale of sugary drinks in all Brazilian schools to children under 12. Instead they will offer water, 100% fruit juices, and milk. Advertising of sugary drinks in schools will also be banned.
- **Zambia:** Theory U is being applied to the campaign to attain gender equality in Zambia’s Public Service (in collaboration with the British government’s Department for International Development and the UNDP).
- **Tanzania:** In collaboration with the World Bank, we helped the Tanzanian government (end of 2015) to develop the current National Skills Development Strategy, which links education with the real needs of society and the economy.
- **China:** The IDEAS Philanthropy Program is linking top-down (national and provincial government) approaches with bottom-up tactics (activating civil society).
- **Shanghai 2030:** This cross-sectoral leadership program seeks to make Shanghai an innovation metropolis, a national strategy in China.
- **IDEAS JingJinJi (Beijing, Tianjin, and Hebei integration)** is utilizing the U process in a high-level national strategy supported by the Standing Committee of the Politburo in China.

# APPENDIX: CORE TEAM

## USA

- **Otto Scharmer** (MIT, Innovation Labs and MOOCs, convening and facilitation)
- **Dayna Cunningham** (MIT, Innovation Labs and MOOCs, convening and facilitation)
- **Katrin Kaeufer** (MIT, Innovation Labs, convening and facilitation of finance lab)
- **Janice Spadafore** (General Manager)
- **Adam Yukelson** (MOOC development)
- **Kelvy Bird** (Creative design and knowledge capture)
- **Arawana Hayashi** (Social Presencing Theatre)
- **Lily Steponeitis** (Values-based banking/Finance lab)
- **Antoinette Klatzky** (Innovation Labs, convening and facilitation)
- **Liz Solms** (Innovation Labs, convening and facilitation)
- **Marie McCormick** (Innovation Labs, convening and facilitation)
- **Reola Phelps** (Innovation Labs, convening and facilitation)

## Europe

- **Julie Arts** (Hub development and Innovation Labs, convening and facilitation)
- **Angela Baldini** (Project Manager)
- **Wibo Koole** (Innovation Labs, convening and facilitation)
- **Ursula Versteegen** (Innovation Labs, convening and facilitation)

## Africa

- **Martin Kalungu-Banda** (Innovation Labs, convening and facilitation)
- **Aggie Kalungu-Banda** (project management)
- **Marian Goodman** (Innovation Labs, convening and facilitation)

## China

- **Lili Xu Brandt** (Innovation Labs, convening and facilitation)
- **Lili Yi** (project management)
- **Jayce Lee** (Visual design and knowledge capture)

## Indonesia

- **Ben Chan** (Innovation Labs, convening and facilitation)
- **Frans Suguiarta** (Innovation Labs, convening and facilitation)
- **Shobi Lawalata** (Innovation Labs, convening and facilitation)

## Brazil

- **Denise Chaer** (Innovation Labs Convening & Facilitation/Novos Urbanos)
- **Daniel Contrucci** (Innovation Labs Convening & Facilitation)

## Australia

- **Katie Stublely** (Innovation Labs, convening and facilitation)

## India

- **Manish Srivastava** (Innovation Labs, convening and facilitation)

## CONTACT:

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