### Chapter 31

# Contextual Intelligence: A Critical Competency for Leading in Complex Environments

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#### **ABSTRACT**

Context and intelligence are two concepts that when combined create unique insight relative to leadership in complex and ambiguous settings. Contextual intelligence is described as the ability to recognize patterns of interrelated artifacts inherent in events or circumstances, which result in intentional behaviors that facilitate influence. This chapter is divided into sections that introduce the concept of contextual intelligence as a framework rooted in three core concepts. Those concepts include understanding non-Newtonian thinking, synchronicity, and tacit knowledge. Following a discussion of these core concepts, the model is expanded to include three-dimensional (3D) thinking, which requires the practical application of hindsight, insight, and foresight through the lenses of the three core concepts. The chapter concludes with a diagram of the contextual intelligence circumplex and a breakdown and description of 12 meta-competencies (behaviors) associated with contextual intelligence.

#### INTRODUCTION

Charles Darwin (n.d.) is credited as saying, "It is not the strongest of the species that survives, or the most intelligent, but the one most responsive to change." Few people are more polarizing than Charles Darwin. Regardless of what you believe about Darwin's theory, it is our conviction that he did get the nature of survival correct. Survival is not dependent upon academic prowess or physical strength, but it is dependent upon adaptability. Indeed, our world is a place where "change and constant creation are ways of sustaining order and capacity" (Wheatley, 2006, p.4). Likewise, scholars such as Gardner (1983), Heifetz (1994), and Sternberg (1988) strongly promote the notion that

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intelligence and success is a product of flexibility and adaptation, as opposed to the traditional (i.e., IQ-based) understanding of intelligence.

Due to the constantly changing contexts in which leaders are required to operate (e.g., economic upheavals, educational and political reforms, globalization, technological advances, natural disasters) a drastic change in leadership perception is needed (Osborn, Hunt, & Jauch, 2002). Contextual intelligence can help delineate some of how that change can be implemented. The contextual intelligence model of leadership unites the concepts of *context* and *intelligence*, which may be able to facilitate better leadership and innovation for the globally minded leader in complex and uncertain environments.

To grasp the fuller implication of context it is necessary to explore several concepts, specifically synchronicity, non-Newtonian thinking, and tacit knowledge. Likewise, intelligence requires redefining the traditional metrics of intelligence and recalibrating how one interacts with time. Before we introduce contextual intelligence, let us briefly introduce concepts necessary to understand context and intelligence.

Synchronicity is a concept that was originally introduced by Carl Jung (1931 1969). Synchronicity is the meaning we assign to apparently unrelated or irrelevant occurrences. In other words, synchronicity is a way to describe two or more events that are not causally related but occur coincidentally and result in a meaningful connection. In Western thinking, it is natural to look for cause-and-effect relationships. Unfortunately, this can distract one from identifying synchronous relationships. The application of synchronicity, as it relates to contextual intelligence, requires recalling lessons that you learn in one context and applying it in an unrelated or apparently irrelevant context (Kutz, 2013).

Non-Newtonian thinking requires embracing a way of thinking about and interacting with the world which is not based on patterned, sequential, linear, or predictable models. To get a better grasp of non-Newtonian thinking, it is appropriate to contrast it to traditional Newtonian models. A traditional Newtonian model is a paradigm that is based on linear models and empirical science where it is assumed that everything is patterned, orderly, and predictable. Examples of non-Newtonian thinking would be models of behavior and leadership which include chaos theory, complexity theory, adaptability and resilience, systems thinking, or quantum mechanics or physics. As globalization grows, it is becoming increasingly important to embrace a non-Newtonian paradigm relative to leadership practices and behaviors.

Tacit knowledge is an important influencer of leadership behavior (Argyris, 1999). Tacit knowledge is what we know to be true about a person or event, but have no idea how or where we learned it (Kutz, 2013). Therefore, tacit knowledge is difficult to pass on or transfer. Perhaps we are more familiar with the concepts of wisdom, intuition, or experience, which are often used to explain tacit knowledge.

Traditional metrics of intelligence include IQ (intelligence quotient), GPA (grade point average), Scholastic aptitude tests (ACT or SAT scores, GRE scores), TOEFL scores, or grades on exams or thesis. In general, traditional metrics of intelligence are delineated by objective and quantifiable means. While these methods have historically been validated, is it possible they are becoming less relevant? However, one does not merely throw these metrics out. It is reasonable to assert that additional metrics must also be used in the quantifying of intelligence. These additional metrics should include one's capacity for resilience and flexibility, adaptability, critical thinking, and complex problem-solving.

Time orientation is another concept that is necessary to grasp in order to understand the full implications of intelligence. Time orientation is a predisposition to emphasize a specific time orientation over another (e.g., past, present, and future) specifically when engaged in problem-solving or a crisis situation. It becomes more appropriate

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