

# CONTEXTUAL INTELLIGENCE: REFRAMING LEADERSHIP BY LEARNING TO THINK IN THREE DIMENSIONS



[Dr. Kutz's] concept of contextual intelligence is **truly cutting edge** and has the **real potential to increase your influence** and positively change the way you practice leadership and develop leaders.

Jeffrey Taylor  
Senior Vice President of Sales, MEDLAB

## Overall Benefits

- Helps to explain what is missing when, in one environment an individual flourishes, but then fails in another.
- Reduces conflict and increases awareness of other's values and ideas.
- Offers a model for increasing one's influence when making decisions and initiating change.
- Help the individual better respond to and profit from unexpected or complicated change.
- Increases team cohesion and ultimately reduces the risk of team failure.
- Decreases team's resistance to change.
- Accelerate ability to contribute in a new context or role.
- Help employees and teams appreciate external and internal influences on the organization.

## Executive Summary

Contextual Intelligence requires the combination of two skill sets. The first skill set requires thinking in three dimensions. "Thinking in 3D" requires asking and answering questions that pertain to the past, present, and future all at the same time. An uncertain world requires people to instantly and intuitively adapt. The foundation of contextual intelligence involves integrating knowledge of past events with the acute awareness of the present and the preferred future. The second skill set requires intentional practice of 12 unique behaviors. When these 12 behaviors are exercised in conjunction with 3D thinking contextual intelligence is the outcome. Contextual Intelligence is the ability to recognize and diagnose the variables in an event or circumstance, which results in the observer adjusting their behavior(s) in order to create or sustain influence.

"The greatest danger in times of turbulence is not the turbulence; it is to act with yesterday's logic."

— Peter Drucker

Today's world is fluid, dynamic, and unpredictable. New realities, unforeseen problems, or unexpected opportunities seem to appear overnight. To further complicate things, the economic, social, cultural, and personal variables that influence us and our surroundings are multidimensional. Additionally, the number of stakeholders and the diversity between their values is growing. This is forcing the rapid evolution and enhancement of leadership skills. Today's leaders, managers, and professionals must be able to recognize and diagnose the values stakeholder's have; then quickly adapt (i.e., *proactive-reactivity*) to that momentary reality or risk becoming obsolete or irrelevant.

Contextual Intelligence enables an individual to behave more **appropriately** in a diversity of contexts or when their context **unexpectedly changes**.

To flourish in this kind of context and to sustain one's influence requires the ability to respond and adapt quickly. In order to respond in a volatile environment the ability to be able to recognize many of the variables that have an impact on us and others increases dramatically.

Failure to correctly diagnose the issues that influence the environment puts you at a disadvantage. The inability to accurately diagnose the context hinders a smooth transition during times of change and robs you of needed flexibility. However, being able to accurately assess what is influencing your context is an advantage. Two factors that may hinder the perception of the environment are:

1. the rate and pace of change
2. the complexity of the variables that influence the environment

The rate of change is accelerating. No other time in history has so much changed so quickly. What used to take weeks, months, or years is now done in seconds, minutes, or hours. Furthermore, the complexity and sheer number of the variables that influence people's actions, their beliefs, and society are growing exponentially. Never before have people been required to consider so many viewpoints and perspectives as they do now.

Established systems and past success often create incredible obstacles to adapting to changing contexts.<sup>5</sup> Analytic models and rational plans do not work well in rapidly changing contexts. Therefore, traditional behavior and "business as usual" can be a hindrance in dynamic organizational or social contexts where innovation, creativity, and change are needed. Therefore, there arises a new commitment to intentionally be alert to what informs the behaviors and attitudes of self, others, and society, which requires a shift in the current way of thinking, classifying and solving problems, and using information. This will require the combining of unique skills and perspectives. The ability to do this is called **contextual intelligence**.

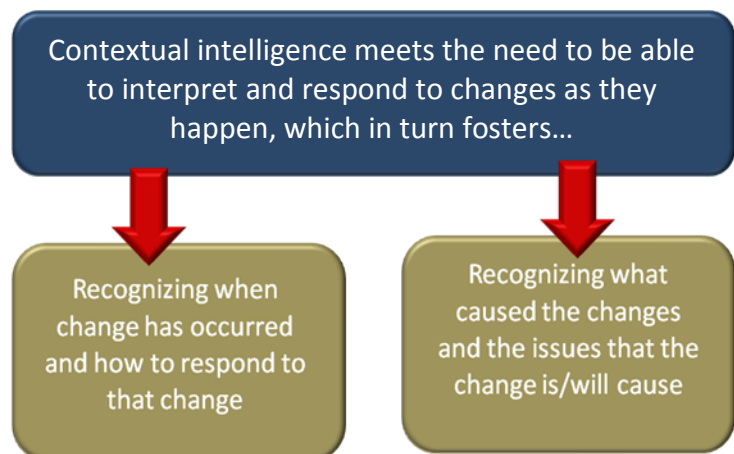
### The Concept of Contextual Intelligence

Correctly understanding the benefits and applications of contextual intelligence requires a brief overview of

several familiar concepts, such as context, intelligence, intuition, experience, and learning. In general these concepts are easily

recognizable. However, to fully appreciate contextual intelligence it is necessary to reframe some of these ideas. It is also necessary to introduce the idea of "thinking in 3D" as well as 12 contextually intelligent behaviors. Before we reframe and introduce these concepts I will define contextual intelligence.

*Contextual Intelligence is the ability to intuitively recognize and diagnose the variables inherent in an event or circumstance, which results in the intentional adjustment of behavior(s) in order to create or sustain influence.*



## Use of Intuition

The aspect of *intuitive recognition* is important to contextual intelligence and is an important facet that delineates it from other leadership models. Researchers have noted that formalized procedures hinder quick and effective intuitive-based decisions needed in times of rapid change.<sup>3,7</sup> Therefore, having “intuitive-based” decision models are growing in importance. Contextual intelligence offers an intuitive-based model that is reinforced by sound logic.

The most successful people repeatedly demonstrate the ability to **connect** apparently **unrelated events**, ideas, or set backs from a **variety** of disciplines and experiences.

Intuition (i.e., arriving at knowledge without rational thinking) often forms the basis for advanced intellectual exercises.<sup>6</sup> “Intuition is an innate ability to synthesize information quickly and effectively.”<sup>3</sup> An intuitive person can easily reconcile and apply experiences from past events with the current context.

Intuition is especially useful in turbulent environments.<sup>7</sup> Ironically, in turbulent times the accuracy of decisions decreases as more time is taken to decide; therefore, scholars suggest that using intuition is a way to reduce mistakes.<sup>3</sup> It is the expert-level practitioner who is most adept at using intuition.<sup>2</sup> Achieving expert status requires being able to extract practical wisdom (i.e., learn) from several seemingly isolated situations. The most successful people repeatedly demonstrate the ability to connect apparently unrelated events, ideas, or set backs from a variety of disciplines and experiences.

The contextually intelligent practitioner is knowledgeable about *how to do* something (i.e., has technical knowledge about their industry, but more importantly is intelligent enough to know *what to do*). Knowing *what to do*, as opposed to knowing *how to do* something enables an individual to act appropriately in a context of uncertainty and ambiguity where cause and effect are not easily predictable.<sup>4</sup> The contextually intelligent practitioner must always view their current context through the three lenses of past experience (i.e., history and precedent), the present situation, and the preferred future (i.e., vision and goals). Meaning, present experiences, as they occur, regardless of the context they occur in, should all be intentionally retained for use and application now and in the future.

## Context and Intelligence

*Context* consists of all the interactions between external, internal, inter-, and intra-personal dimensions of the individual and the world around them. The origin of the word context means to join or weave together, which implies there is a complex combination of variables often associated within an event. Context is the behind the scene information that can help make sense of what is going on right now.

*Intelligence* is the ability to transform data and information into useable knowledge. That

means intelligence is the *process of transforming* data into applicable knowledge. It is not the remembering or repeating of data and facts. That knowledge is then needed to help change irrelevant or unproductive behavior.

Contextual intelligence ultimately becomes a leadership construct that when used can be helpful in any situation. This in turn enables an individual to behave more appropriately in all the different places he or she finds themselves or when there are unexpected changes. Therefore, this skill set has implications for decision making, using influence, and leading. Figure 2 is an illustration of how one’s surroundings (i.e., context) can influence one’s knowledge and experience, but when those two converge they can influence or change the original surroundings.

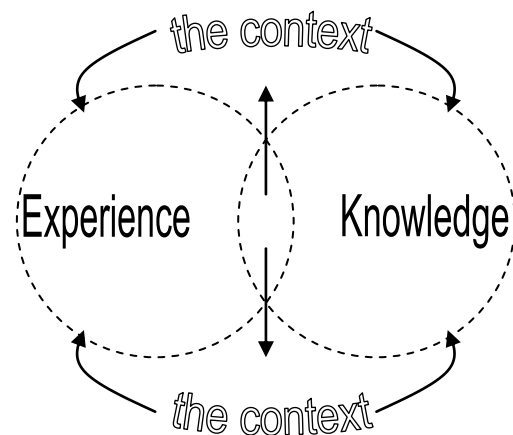


Figure 2 Contextual Intelligence Convergences



Contextual intelligence requires two skill sets that need to be practiced simultaneously. The two skill sets are:

1. Learning to think in three dimensions
2. Learning to practice 12 unique behaviors

At this point it is important to ask, are their predictors of an individual’s capacity for contextual intelligence? Are there specific skills needed to practice contextual intelligence? Yes and yes. \*There are at least 12 behaviors that contextually intelligent people practice. Those behaviors are listed and described in Table 1.

The contextually intelligent individual **perceives learning in a different light** and uses all experiences and all contexts as an opportunity to learn and **intentionally applies** what was learned into different contexts.

These 12 behaviors are assessed on two levels. The first is the degree (or level) to which each behavior is present in an individual; and the

Thinking in 3D requires one to consistently consider the past, present, and future when making decisions. Practicing the 12 behaviors requires learning new behaviors, how to integrate them, and to accurately assess your influence in light of the 12 behaviors.

second is the symmetry (or how equally present) the 12 behaviors are. This as well as how well someone engages in “thinking in 3D” can be measured with the Contextual Intelligence Diagnostic Profile™ (see sidebar on page 5).

Thinking in 3D (Figure 3) is the foundation to demonstrating the 12 contextually intelligent behaviors. Thinking in 3D includes having an:

1. Intuitive grasp of relevant past events.
2. Acute awareness of present contextual variables.
3. Awareness of the preferred future.

### The Concept of Context in Learning

The science of hermeneutics teaches us that knowing the specific context is imperative to the correct interpretation of an event. As one “reads” their environment in light of the context learning takes place. Learning is not an isolated event, learning is social. In other words learning requires many different experiences and many interactions with people. Often time’s lessons learned are used only in the context they were taught. For example, lessons about business are used only in business settings. However, there are many lessons that can be applied to multiple settings. Contextually intelligent individuals use their experiences as an opportunity to learn and intentionally apply what was learned into many different situations.

When the 12 behaviors of contextual intelligence are practiced in conjunction with “thinking in 3D” contextual intelligence is the outcome.

Therefore, context can be real and perceived, psychological, social, physical, and metaphysical and is influenced by geography, gender, industry, job role or title, attitudes, faith, values, politics, cultures, symbols, organizational climate, the past, the desired future, and ethics. Adding to the difficulty of determining the context is the need to recognize these variables in ourselves as well as in others. This makes each context unique, unpredictable, and subject to rapid change.

When one considers all these variables (the ones in self, in others, and in the culture) their combination is called the *contextual ethos*. In other words, contextual ethos is the social or group atmosphere that is created when the

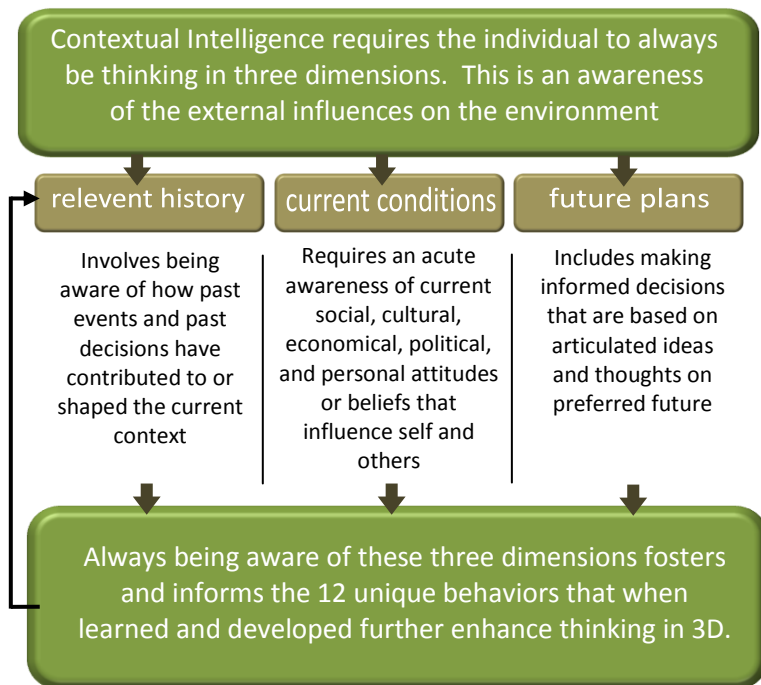


Figure 3: Thinking in 3D



attitudes, beliefs, experiences, and emotions that different people bring with them are mixed in a given situation. To add further complexity these variables also should be considered in light of political, economic, social, cultural, and organizational events and realities. Identifying the variables and to what level they influence the contextual ethos is central to behaving correctly “in that moment.” Therefore, being able to determine the variables within a given contextual ethos is a skill that is useful to anyone anywhere.

Contextual intelligence does not challenge the idea that there are context-specific leadership behaviors in certain industries or jobs. However, it does imply that

there are “difference-making” leadership skills that can be used effectively in any role or industry. Therefore, for people who are contextually intelligent transferring between roles or even industries may not be as difficult as previously thought. If nothing else contextual intelligence can help people adapt to new surroundings more quickly.

The mindset required for contextual intelligence is one of intentional learning from the environment. When context is approached with the intent to learn about what influences it, the knowledge taken away is easier to transfer to new situations.

### Reframing Experience and Learning

To appreciate contextual intelligence requires that the typical understanding of “experience” be reframed. The foundation of experience is rooted in intelligence. The origin of intelligence is hotly debated. Intelligence is traditionally believed to happen one of two ways. One way is that it is something that grows in an individual as a result of experience and learning. The other way is that it is “something” other than what accumulates from experience and knowledge.<sup>8,9</sup> Obviously, this second notion is very vague. However, this second notion supposes that intelligence is natural in everyone and can be separated from what one would gradually accumulate over time and through experience.

Therefore, experience is measured by the capacity to meaningfully contribute. This means that experience is not necessarily based doing the same thing over and over or for a long period of time. For that reason, gaining experience in an unpredictable environment requires the looking for wisdom from the many different experiences one has and then applying that wisdom to new situations and events.

Experience happens when preconceived notions and expectations are challenged, refined, or disconfirmed by the actual situation.<sup>2</sup> In other words; experience is the result of correctly responding to the unexpected. Therefore; demonstrating appropriate behavior is the best indicator of experienced-based intelligence and not the

**Table 1: List of behaviors, skills, and brief descriptors associated with contextual intelligence.**

<b>Future-minded</b>	Has a forward-looking mentality and sense of direction and concern for where to be in the future.
<b>Influencer</b>	Uses interpersonal skills to non-coercively affect the actions and decisions of others.
<b>Ensures an awareness of mission</b>	Understands and communicates how the individual performance of others influences the perception of how the mission is being accomplished.
<b>Socially responsible</b>	Expresses concern about social trends and issues and volunteers in social and community activities.
<b>Cultural sensitivity</b>	Promotes diversity in multiple contexts and provides opportunities for diverse members to interact in non-discriminatory manner.
<b>Multicultural Leadership</b>	Can influence and affect the behaviors and attitudes of others in an ethnically diverse context.
<b>Diagnoses Context</b>	Knows how to appropriately interpret and react to changing and volatile surroundings.
<b>Change agent</b>	Has the courage to raise difficult and challenging questions that others may perceive as a threat to the status quo; is proactive rather than reactive in rising to challenges or making change.
<b>Effective and constructive use of influence</b>	Uses interpersonal skills, different types of power, and influence to effectively, affect the behavior and decisions of others.
<b>Intentional leadership</b>	Assesses and evaluates own leadership performance and is aware of strengths and weaknesses. Takes intentional action toward continuous improvement of leadership ability and has delineated goals for achieving personal best.
<b>Critical thinker</b>	Cognitive ability to make connections, integrate, and make practical application of different actions, opinions, and information.
<b>Consensus builder</b>	Exhibits interpersonal skill and convinces other people to see the common good or a different point of view for the sake of the organizational mission or values.



Contextually intelligent people **routinely go outside of their existing context** to acquire useful information about the world they live in and **integrate that information** into their decision-making.

accumulation of several similar or redundant behaviors, activities, or duties.

It is common knowledge that similar experiences result in different behaviors by different people. In other words, two people can experience the same thing and learn two totally different lessons. Basically, the schools of thought about learning can be summed up as either, intelligence is a result of the accumulation and recall of some external stimuli (and therefore people in similar circumstances should come to similar conclusions) or intelligence is a form of internal awareness and coding which, all other things being equal, are often interpreted differently by individuals. It is this second idea of intelligence that is required to accurately understand contextual intelligence.

Discovering the correct answer is not always linear. In an uncertain and contextually rich world  $A+B$  does not always =  $C$ . What you know and how you came about learning it is much less important than the ability to learn.<sup>4</sup> Scholars agree that while there is ample evidence that cognitive factors do play some role in intelligence, none of these [cognitive] factors is generally accepted as the only cause of intelligence.<sup>2,10</sup> In other words, intelligence is more than what can be observed or rationalized and goes beyond the ability to “parrot” back information and facts.

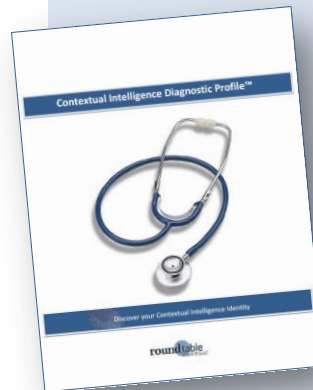
Aristotle wrote that the “defect” of not having wisdom is from “living at the beck and call of passion.”<sup>1</sup> In other words, people who are unwise do what they want when they want without considering consequences. The implication is that maturity is not a result of physical or chronological age, but is the wisdom to deny one’s passions. Maturity (or in our case experience) is then synonymous with discipline. Therefore, wisdom is not necessarily a direct result of years of experience or age but is a result of being able to control one’s self in any environment.

Furthermore, because “experience” is so unique and individualized it is difficult to use it as an outcome of learning or ability with any kind of predictive strength.<sup>4</sup> For example, someone with five years of experience may be more “unwise” and less able to contribute than someone with one year of experience. That one year

could be significantly bolstered by a number of meaningful experiences. Based on how well one can extract wisdom (i.e., learn) from a single experience one-year may be equivalent to four or five years.

That phenomenon is what I refer to as “experience in dog-years.” Therefore, “experience” should be evaluated in light of significant contributions made. Given this, experience can be accelerated if one can

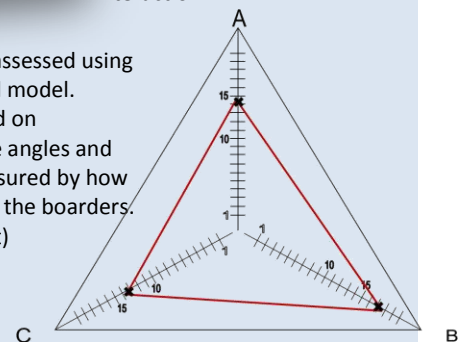
### Sidebar: Contextual Intelligence Scorecard™



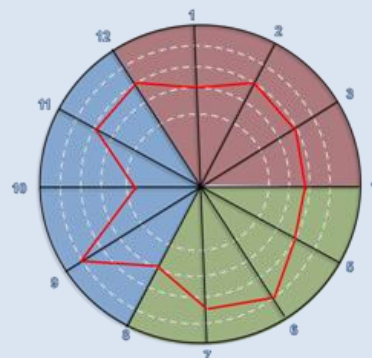
Thinking in 3D and the 12 CI behaviors can be measured. The CI Scorecard assesses each skill set on two levels: **Symmetry** and **Magnitude**.

Symmetry represents how related (integrated) each aspects are with each other. Magnitude represents the degree (or level) to which the skills are present in your daily interaction.

**Thinking in 3D** is assessed using a triarc peer-rated model. Symmetry is based on relationship of the angles and magnitude is measured by how close you score to the boarders. (see figure at right)



**The 12 behaviors** are assessed using a standard curve scale. Symmetry is based of the “roundness” across the continuum and magnitude is measured by how high you score to the edge. (see figure below)



learn to effectively use history in making decisions. A contextually intelligent person will often use the experiences and observations of others. The value of that experience is then determined by the individual's capacity to leverage that knowledge by being able to contribute early and often in a new environment and influence others regardless of their role.

### Implications

The concept of contextual intelligence has far reaching implications for individuals and organizations. It may help to explain what happens (or what is missing) when, in one environment an individual flourishes, but then fails in another. Contextual intelligence can serve to reduce this phenomenon. Furthermore, learning to *think in 3D* may reduce conflict, increase awareness of other's values and ideas, foster empathy, and increase influence when making decisions and initiating change. Finally, contextual intelligence can help the individual better respond to and profit from unexpected or complicated change.

Organizationally, contextual intelligence may increase team cohesion and ultimately reduce the risk of team failure; as well as decrease resistance to change. Furthermore, it may accelerate an individual's ability to contribute in a new context or role. Additionally, learning contextual intelligence can help employees and teams better understand and appreciate the many different values stakeholders bring; as well as grasp and appreciate external and internal influences on the organization.

### Summary

Contextual intelligence provides a framework of skills that aids transitioning into new and unfamiliar roles. Most importantly, contextual intelligence is the ability to converge cognitive and intuitive input, while simultaneously recognizing past and current events in light of the preferred future. Contextually intelligent individuals can rapidly identify the contextual ethos and think and act appropriately when the context changes. They tend to intentionally lead by always scanning the horizon for knowledge that can be used instantly and in the future. Finally, contextually

intelligent people “think in 3D” and routinely go outside of their existing context to acquire useful information about the world they live in and integrate that information into their decision-making.

*\*Note: contextual intelligence is based on empirical research. To read more about the research and specific methods of the study see [www.leadershipreview.org/2008winter](http://www.leadershipreview.org/2008winter)*

**Matthew Kutz, Ph.D.** is an assistant professor at Bowling Green State University's College of Education and Human Development, a textbook author, and lead consultant for Roundtable Group, LLC. Dr. Kutz can be reached at [mkutz@roundtablegroup.net](mailto:mkutz@roundtablegroup.net)

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## Endorsements for Contextual Intelligence

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[Dr. Kutz] entices a leader to see beyond strategic planning and look at unique perspectives from their past, present, and future experiences and access them simultaneously into unique leadership behaviors and outcomes. If you are a person that likes to think outside the box, then “Contextual Intelligence” should challenge your preconceived ideas and capture your curiosity about the adaptation to leadership. Dr. Kutz’s presentation will put you on the edge and keep you there. I highly recommend this course to anyone that is in management or plans to go there.

**Nelson Evans**

Mayor of Perrysburg, OH

I attended Dr. Kutz’s Contextual Intelligence seminar in September 2009. It was amazing. With precision, humor and a great deal of knowledge Dr. Kutz taught us how to practice and perform on a much higher level by developing our Contextual Intelligence.

**Amy Vanek Bennett**

Bowling Green, OH

The Contextual Intelligence seminar is every bit as exciting and intriguing as the name implies. Learning these concepts is vital for business leaders in these turbulent times. Contextual Intelligence may be just the tool you need to build momentum in the coming years.

**Darren T. Munn, CFA**

President & Chief Investment Officer  
Munn Wealth Management

Contextual Intelligence is a fresh look at the dynamics of decision making that is both practical and inspired...and is higher learning that actually works in the real world. I have participated in many seminars and leadership trainings, but this is one of the few that actually had people buzzing afterwards. That is because these principles are transformational in your personal life as well as your workplace.

**Jim Oedy**, CEO, Community Sports Network;  
Founder YES FM Radio Network

Having attended and managed countless conferences and training sessions [I was skeptical]... I personally attended, brought one of my assistant directors, and invited other colleagues to the event. I was not disappointed. Matt is a dynamic speaker, and he also backs up what he is talking about with research and science. He is introspective and thoughtful, but also engaging and connected to his audience. Matt is simply a joy to work with. He is creative but also detail-oriented and sensitive to the deadlines and constraints that exist during the planning and successful management of any event.

**Ann M. Light**

Assistant Dean, Bowling Green State University  
College of Continuing & Extended Education





# What to do next?

**Assess your current level of Contextual Intelligence by taking the *Contextual Intelligence Diagnostic Profile™* developed by Dr. Kutz and only available from Roundtable Group, LLC.**

**Contact Dr. Kutz for seminars and workshops on Contextual Intelligence or for Contextual Intelligence Coaching and assistance with the *CIDP™***

 [www.roundtablegroup.net](http://www.roundtablegroup.net)

 830.481.7915

 [mkutz@roundtablegroup.net](mailto:mkutz@roundtablegroup.net)

