

Looking inside the organisation for leadership

William Tate

Ideas about leadership in organisations and how best to develop it are converging around the "C" words: context, challenges and colleagues. We need to consider whether this formula results in an improvement in how leadership is applied in organisations. Also, whether management development is crowding out the "OD" words, organisation development, and its distinctive contribution to improving leadership.

Consider some common beliefs.

1. Organisations cannot decide things; only individuals can take decisions.
2. An organisation is simply the people who work in it.
3. The way to improve leadership in an organisation is to develop people to be better leaders.
4. Providers of leadership development know better than users what they need.

While the first assumption seems to be true, the second and third are more dubious. The fourth: you decide. What is beyond dispute is that you can improve leadership in organisations in other ways — ways that are themselves organisational rather than individual and personal. This is where OD comes in.

In a pragmatic culture few people think about how they think. They wander down a path that may end up somewhere comfortable but unchallenging. Such was the fate of the Council for Excellence in Management and Leadership, set up to enhance the national provision of management development. Barren seeds were sown in the terms of reference. The familiar line of thought runs: (better) leadership — therefore individual leaders — therefore individuals' leadership skills — therefore individual leadership skills

development — therefore individuals' leadership skills development provision.

With this mindset you view leadership development through the lens of providers — such as business schools and corporate universities — and see only what providers can or want to see. But the providers' view is limited by their business model and by constraints on their access. They find it easier to get their hands on individuals who work for organisations than to access what is going on in the organisation itself. Developers who think and operate this way are mostly content to develop potential, limiting their sphere of interest to *means*, and leaving the *ends* (what organisations do with leadership) to others. Organisations often like to keep it this way.

Boosting the provision of high-quality development is a "push" strategy. The emphasis is on the delivery of better development, in essence the quality, volume, methods and energy of providers. Integration with user organisations is rightly advocated but it is pushed more by the developer's agenda than it is pulled by the client organisation's own problems and needs. Engagement with clients is undertaken principally for the purpose of identifying development needs, not understanding the organisation's leadership issues in the round. Down this mental path lies a supply-side dominated brief for a spate of Government-spawned leadership excellence centres — for local government, the National Health Service, schools, civil service, etc.

Such a strategy runs the risk of taking too little account of the demand side, especially the dynamics of what is actually going on currently in prospective users' own organisations (about which they are often blind and need help to see) and what

their perceptions and feelings are about their needs and wants. On the basis of their perceptions they will choose to take action or not. Arguably, too much effort goes into researching how to bring about the development intervention that outsiders believe is needed, and not enough into why more senior executives don't readily embrace the initiatives urged upon them.

Take local government and the pressure from the Audit Commission and the schemes and excellent advice emanating from the Office of the Deputy Prime Minister (ODPM). Do chief executives perceive they have a choice? What do they perceive themselves to be in control of? Do they perceive they are in danger of losing personal control? What do they perceive to be the personal risks to their authority, credibility and status? How do they perceive their own leadership role? Do they perceive that there is little point in taking radical action if David Miliband, the Minister for Local Government, is going to throw the national structure up in the air again? Is "hanging on" the best they can aim to do?

What is needed is an intervention strategy containing a better blend of supply and demand that addresses each organisation's unique needs for better leadership at that time. These needs are captured in terms of the organisation's desired "output", not the needed behavioural "input" of individual leaders. In other words, the focus needs to be on the desired change resulting from better leadership of, by and for the organisation.

If the organisation's own agenda is to be accessed and targeted for improvement (not just the needs of its individual managers) the primary skills needed to



intervene in the organisation are not those of training and education but those of mining and detection. Instead of jumping to conclusions about who needs personal development, one must dig deeply into the organisation's psyche to find out what is really going on when people say there is a leadership problem and opportunity for improvement.

But does the organisation possess a psyche? This returns us to the philosophical argument implied in the opening paragraph. How far should we accept that an organisation has human-like attributes of its own, such as a personality, mind, competence and morality, that can be considered separately from the people who work in it?

Those with a philosophical disposition

will point to the risk of straying into the contentious practice of reification (the fallacy of misplaced concreteness — the process of regarding an abstract construct as a material entity). This misgiving may lead some to conclude that one can only develop something tangible, hence one possible explanation for the dominant focus on people development. It may account for OD having a low profile compared with management development. That may be changing, however, with Government-published guidance aimed at *Transforming Your Authority* (in the local government sense).

There are some workplace characteristics that are incontrovertibly organisational, not merely linguistically convenient. For example, the organisation

culture, hierarchical structure, appraisal policies and promotion systems. Unlike the taking of decisions, it cannot be argued that these variables are properties or characteristics of individuals. So, if leadership isn't working in the way the organisation needs, we can and should reach beyond individual performers and examine the organisation as a *system* to find explanations and seek solutions.

High-quality leadership is one of an organisation's most prized assets, along with its customer base, brand reputation, and its implicit licence to operate. If this point is accepted, then leadership as an organisational resource needs to be managed directly. It may sound like an oxymoron, but leadership can and must be managed. But you wouldn't think so if you

looked at the way most organisations subcontract leadership to individual managers, and then further subcontract individual development. They make the dangerous assumption that the organisation will automatically be well led — that trained leaders will know to what to apply their skills, and that they will not experience obstacles when they try.

But is this true? In its mass leadership development programme, the BBC says to its thousands of individual managers: "You are the organisation; if it needs changing, it's up to you to change it". In the spirit of empowerment, these are fine words. But what happens when individual managers try? They are up against the system and pressure to retain the status quo. The organisational system really does seem to have a life of its own, often irrational and obstructive. This is part of the shadow side of the organisation's personality.

A group of senior leaders and thinkers in the field shared their experience of leadership in the annual leadership consultation held at Windsor Castle at the end of January. Among other things, they explored where the barriers to leadership lie, and what needs to be tackled. Naturally, they identified and discussed issues of hierarchy, values, power, taboos, roles, etc. There may be little new here. But, interestingly, almost all of these aspects of leadership point the finger at the organisation rather than at individual leaders. It is in the organisation where the biggest barriers to leadership are to be found. It is in the organisation where action needs to be taken to make the most of opportunities for improved leadership. Yet, the strange myth persists that the overwhelming concentration of improvement effort should be on

individuals, and on their personal development.

Still not convinced? The organisation is where the business's purpose lies — and its customers. Once you start to dig, it's where you see what leadership is currently being used for, and where you find the new business challenges. It's where you learn what leadership is needed for — what it is about the organisation that leadership needs to change and, crucially, how the practice and preoccupations of leadership itself need to change.

The latter challenge is particularly crucial and tough. Unfortunately it contains a Catch 22: it takes leadership to recognise that leadership itself needs to improve. But if leadership needs to improve, it may not be able to recognise and deal with that. Yet subcontracting the organisation's leadership definition and agenda to its individual managers and developers is not the answer. Distributing leadership is fine but it needs to take place within a valid organisational framework.

To fulfil the organisation's leadership agenda the organisation provides managers with their structure and hierarchy, with systems, policies, protocols, rules, budgets, and with their human resources, and careers and status. The organisation provides managers with their relationships, with followers, colleagues, collaborators and competitors.

It is sometimes claimed that leadership is all about relationships. If so, leadership improvement needs to dwell on the gaps between individuals and not on those individuals themselves. And those spaces, and defining which are new and important and the desired nature of those relationships, "belong" to the organisation.

Spaces are part of people's environment.

Leaders are responsible for providing this environment but they also "swim" in their own. It is tempting to think about leaders and leadership in isolation of all that surrounds them. But leaders' environment is arguably more potent and constraining than any deficiency in personal qualities and skills. Their organisation's history of leadership, its systems and bureaucracy, climate and leadership culture, let alone the challenges it faces, are all part of this "field".

A small group from last year's Windsor leadership consultation examined the theme of managing the fish tank rather than the fish. Key to this was the idea that the fish tank (any organisation's internal environment) becomes toxic. The role of leader is to remove organisational toxicity, so that the inhabitants can thrive. Training and developing the inhabitants to look good while not improving their surroundings is a waste of time. As an example of a toxic environment just think about the number of taboo subjects in your own organisation that are beyond discussion.

The organisation is where you find the leadership culture that conveys the organisation's values and carries the norms of everyday acceptable leadership behaviour. It reveals how power is used and abused, and the depth of darkness in the shadow. It contains the processes — usually inadequate — by which leaders are held to account and determines what they can get away with. It's where managers encounter obstacles when they try to show leadership in the face of cultural inertia that thwarts their energy.

June 2005 saw a high-profile case of poor and defensive leadership in local government.

Victoria Climbié — five years on

Lisa Arthurworrey was the disgraced social worker at the heart of the series of mistakes in Haringey Social Services department that failed to prevent Victoria Climbié's murder in 2000. In June 2005 Arthurworrey launched a legal attempt to win back her good name. She argued that she had been scapegoated to protect senior officers in Haringey Council. Her appeal was successful.

Reported systems deficiencies included an unreasonably high caseload, lengthy investigation of cases lasting months and even years, a culture that was hostile to co-operating with the police (there was a sign pinned on the wall "No Police"), flawed local procedures at odds with national guidance, an absence of supervision, a lack of people for social workers to share case worries with, and an unclear structure of accountability.

(Extract from *Organisational Leadership Newsletter*, July 2005)

Such organisation dysfunction clearly tells us much about leadership. To improve how well the organisation is led requires the ability and willingness to look at the dirty fish tank. Issuing edicts and blaming, firing or retraining individuals doesn't work. We need to examine the way the system works to deliver leadership, not just the way individuals work within it. The latter is a job for management but

reforming a flawed system takes leadership.

To do something about this requires an OD intervention. Yet, the typical strategy assumes that pushing more talented individual leaders into the organisation per se will lead to the changes that the organisation needs *for itself*.

Clearly diagnosed and enunciated organisation needs are demand-pull in nature. They express a clear requirement for leadership improvement that the organisation needs to pull into itself uniquely at a given time in order to deliver specific change required for its future business needs and way of working. But, in addition to this and as an even a higher priority, it includes changes to how well the organisation works as a system to deliver improved leadership. Only when the latter dimension is addressed can it adequately get on with the outward business focus.

Such demand-pull needs make an uncomfortable match with the typical supply-push tactics of development when focused on individual managers, or even on collective teams of managers. While most people would accept that manager development has merit in its own right for individuals, their careers, professionalism, jobs, marketability, and suitability for promotion, it cannot fix the organisation's unique systemic needs and ills.

The trouble is that most organisations don't know what those needs are, and don't know how to go about finding out. In the absence of this they specify needs in terms of a solution — providing more and better manager development. But management development (not manager development) can be used to bring teams of senior managers together as part of an OD intervention to work out how they can

attend to the organisation's distinctive needs for improvement.

In summary, it is the organisation that determines the leadership it needs and gets, not the individual. So, the key question that needs to be asked of the collective top team of any organisation is this:

How well does the organisation work as a system to deliver improving leadership appropriate to its future? To get into this new mindset, it helps to think "improvement" rather than "development". And to improve leadership, think about how you're thinking.

The author of this article, William Tate of Prometheus Consulting, can be contacted on tel: 01252 792322 and by e-mail at bill.tate@prometheus-consulting.com.

Points to ponder

- How is the leadership definition and agenda currently shaped in your organisation?
- In your view, who is/should be responsible for ensuring that leadership development meets the organisation's needs? How do you know that the current approach is working?

References:

- ¹ *The Organisational Leadership Audit*, William Tate (www.organisational-leadership.com), Cambridge Strategy Publications, 2003.
- ² *Working with the shadow side of organisations*, William Tate, Developing HR Strategy, May 2005.