

why Leadership matters

Lester Levy

► Leadership is crucial to thriving amid uncertainty, but fostering it means letting go of outdated notions

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“Anyone can hold the helm when the sea is calm.”
—Publilius Syrus

MORE than two thousand years after these words were written, their relevance has been reinforced in a world characterised by unprecedented change, uncertainty and complexity. Breathtaking advances in technology, prodigious changes in social dynamics and attitudes, heightened consumer expectations, perplexing ethical dilemmas and grave environmental concerns are among the headline issues inducing this contextual change.



SCOTT KENNEDY (ALL ILLUSTRATIONS)

LEADERSHIP matters most when the course to be followed is unclear and with the “sea” now anything but calm, “holding the helm” has become much more demanding. Add the lethal whims of nature such as the Boxing Day tsunami, Hurricane Katrina and the earthquakes in Haiti, Japan and Christchurch, along with man-made crises such as the recent global financial meltdown and the Gulf oil spill and the result is a potent cocktail of turbulence and uncertainty.

As the stakes have increased, and with solutions fewer and harder to find, the focus on leadership has intensified. In politics, business, education, public service, science, sport, the arts, the media and the not-for profit sector, there is an unremitting call for more, and better, leadership.

This call for effective leadership is most likely to be answered if we first step back to reflect on, and understand, the substance rather than the form of leadership.

Leadership is often depicted as a divinely-inspired gift accessible only to those with

a charismatic disposition, positional authority or specialist expertise—and preferably a combination of all three. Hovering in the organisational mist is the question: “are leaders born rather than made?”

The prevailing view of those working at the intersection of leadership research and teaching is that leadership can be learned. The ‘leaders-are-born’ notion is now largely regarded as a fiction and the welcome news is that most, rather than just the favoured few, can access leadership.

It is important to be aware that the more recent contextual shifts associated with a litany of massive global corporate scandals—typified by disturbing self-interest, unbridled greed and a virtual ethical collapse—have had a significant impact on the concept of leadership, thrusting it into an uncomfortable

transition. Not only is leadership moving from the more familiar, but unlikely ‘hero-leader’ model to a more relational one; it is also moving to significantly higher standards of ethical practice and accountability.



In this more contemporary relational model the multiplier effect on performance is generated through having a shared mindset and aspiration, high levels of intrinsic motivation and an unshakable (ethically-based) shared trust.

Research published in 2007 by the acknowledged leaders in this field, Bruce Avolio and Fred Luthans, unearthed evidence that it is authentic leaders who create the powerful effect that results in higher levels of performance and achievement.

Authentic leaders have high levels of self-awareness, a transparent and consistent link between their expressed purpose (and values) and their actions, a profound sense of ethics and widely respected integrity and courage. In the context of authentic leadership, integrity is interpreted as not merely knowing the difference between right and wrong, but fighting for what is right independent of risk to self. The essence of this interpretation is perhaps best captured by Martin Luther King, one of the more widely known global authentic leaders, who said: “On some positions cowardice asks the question, ‘is it safe?’ Expediency asks the question ‘is it politic?’ Vanity asks the question ‘is it popular?’ But conscience asks the question ‘is it the right thing to do?’”

Authentic leaders have a grounded self-belief and a powerful sense of hope and resilience. They are optimists and, most critically, are able to foster all of these capacities in those around them. In an environment of authentic leadership, leaders and followers raise one another to higher levels of inspiration, motivation, creativity, performance and achievement. Regrettably, the opposite happens in a milieu of inauthenticity.

Are managers more right than real?

OF SERIOUS concern are the results from recent (2007) research, led by Lester Levy at the The University of Auckland Business School’s New Zealand Leadership Institute, into the authentic leadership of New Zealand managers.

Using a large, nationally representative sample of almost 1,000 working adults, this study revealed that the New Zealand managers who are considered to be authentic leaders are greatly outnumbered by those who are not. Only

37.4 per cent of New Zealand managers at all levels were judged as frequently, if not always, displaying authentic leadership behaviours, whilst 62.6 per cent were deemed to display these behaviours rarely, if at all. It is an alarming result.

Closer examination of the data suggests a worrying tendency of New Zealand managers to be less likely to encourage or accept points of view that are different from their own. They appear to have a strong need to be right, coupled with a distorted sense of self and an unwillingness to change. The behavioural elements that manifest as being valued highly by New Zealand managers are not strongly relational in nature. For example, the New Zealand leader appears more likely to value analysis of data over careful listening to different points of view, before making decisions.

The results of this study suggest that the typical New Zealand manager has an unwholesome tendency towards a dogmatic disposition, which is often expressed as an unwillingness to admit mistakes or to consider other perspectives that might challenge their own paradigms.

Only 39.5 per cent of the participants in the study were assessed as having high levels of confidence, optimism, hope and resilience. These four components—collectively described as ‘psychological capital’—unite to form a con-



stellation of inspiring, positive and motivational behaviours that lead to superior performance. The study reveals the psychological capital of the New Zealand workforce to be disturbingly low, and if not tackled with urgency, the outlook for improved New Zealand productivity looks bleak.

Psychological capital is a compelling opportunity for enhancing both organisational performance and profitability, as it is a reliable resource in effecting significantly greater workforce effectiveness. Its responsiveness to intervention, at relatively low cost, heralds it as an appealing option for human resource development.

Another interesting and somber finding of the New Zealand authenticity study was that hope and optimism, the two factors that relate most closely to a sense of possibility or aspiration, were the factors that ranked the lowest. It appears that in an environment of low authenticity, optimism and confidence may suffer the most, with an inevitable and significant detrimental effect on workforce motivation and performance. We know from the 2003 research of the most cited living psychologist, Albert Bandura, and his equally eminent and pioneering colleague Edwin Locke that confidence is very strongly linked to motivation and work performance. The New Zealand authenticity study suggests that it is a fragile capacity.

In ambiguous and challenging environments optimistic people react differently to pessimists in that they are more receptive to new ideas and workplace change and are therefore more constructive and valuable in what is now clearly a very fast-moving and uncertain world.

The New Zealand authenticity study's leadership impact results provided the final piece of a consistent picture. When authenticity in management is low, psychological capital within in the workforce is correspondingly low. As a result, there is an emergence of workforce disengagement, lack of alignment, lack of commitment and little to no propensity toward innovation.

Ultimately, leadership is about creating a sense of possibility and making a real difference for the better. This is unlikely to be achieved with the disconnected, misaligned, apathetic and risk-averse workforce, that arises from what this study reveals to be the over-managed and under-led environment that exists in far too many organisations.



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Are we pre-programmed to (only) manage?

IF LEADERSHIP offers such rich potential for boosting organisational performance, why not answer the call for more and better leadership by simply devoting the necessary focus, activity and resources to fix this problem?. Well, it is not that simple. Captured within the disquieting relationship between management and leadership is an idiosyncrasy that makes developing and enacting leadership more difficult than any of us would like.

The work of leadership differs from the work of management, as was underscored in 1999 by John Kotter, one of the foremost authorities on the subject. Kotter describes leadership and management as distinctive, yet “both are necessary for success in an increasingly complex and volatile environment.”

The relationship between management and leadership has been embedded in the literature for decades, and the nature of that relationship has in turn been thought of in terms of inherent differences, complementarity and, more recently, interdependence. The traditional frame of reference regarding the relationship is one of distinctive and contrasting personal and positional capacities, although two fresh perspectives on this relationship present the difference in terms of approach, forethought and circumstances.

Harvard-based leadership expert Ron Heifetz, known for his seminal work during the past two decades on the practice and teaching of leader-

ship, interprets management as the domain of known problems able to be solved through proven solutions (‘technical work’) and leadership as the preserve of uncertain problems requiring novel solutions (‘adaptive work’). The founding editor of the journal *Leadership*, Keith Grint of Warwick Business School, is even clearer in arguing that management and leadership represent a predilection for power, and a sense of ease with uncertainty, respectively.

Leadership matters, but not in the traditional, disembodied manner described by the insightful research of Matts Alvesson, one of the world's foremost researchers into managerial and leadership processes. His research with Hugh Willmott in 2002 has unearthed the fact that although managers frame their position and persona in unequivocal leadership terms, when asked to give a reason for their choice of leadership, the tendency is for much of their rationale to evaporate. It turns out to be difficult for them to differentiate leadership from management. Given that a leadership persona appears to endow an executive with greater value, cachet and gravitas than a management one, it is quite predictable that executives will effortlessly identify with the former, aspiring to be leaders even though they may not fully understand how to do so.

Theory-building research undertaken in New Zealand by Brigid Carroll and Lester Levy on a sample of senior and middle managers and

published in 2008 in the journal *Organization*, revealed the manager persona to be a default persona. Typically, when organisational challenges and responsibilities are encountered, this default persona is routinely and effortlessly reverted to, independent of the grandiloquent and ubiquitous leadership talk identified by Alvesson and Willmott. Carroll and Levy argue that this virtually automatic defaulting back to managing has critical implications for leadership thinking and, more importantly practice—perhaps identifying the underlying reason why so many organisations are over-managed and under-led.

In drawing attention to the pivotal role the manager persona plays in the evaporation of leadership, this research has the potential to contribute new insight and dynamism to the concept of leadership, leadership development and, most critically, to practicing managers committed to growing their leadership capacity and impact.

Additionally, this research reveals the importance of not seeing the concept of default in solely inauspicious terms. The management default position offers what Carroll and Levy describe as “a fall-back position, a well known repertoire of assumptions, activities and processes, and automatic ‘cover’ that could be considered vital as one experiments with more emergent approaches such as leadership”.

In a similar fashion to Heifetz and Grint, this empirical finding proposes that defaulting to an established and stable persona and set of practices like those relating to management is not troublesome if done in a calculated manner. On the other hand, Carroll and

Levy warn that a default position can be a problem, “if one gravitates there too readily, automatically and unconsciously.” Many managers are caught in precisely this awkward situation, embracing leadership talk “without moving away from a management point of reference.”

Given that management is the default or automatic option, as Carroll and Levy propose, it follows that any leadership orientation, action or response is one that must be intentionally chosen, repeatedly. Both Heifetz (1994) and Grint (2005) remind us that the leadership approach is the most countercultural, counterintuitive and potentially fraught of the models to choose because of its complexity, uncertainty, long time span and demands on others. While the leadership persona is unarguably attractive and desirable, the reality of being a leader is difficult and unpredictable. If we are serious about wanting more and better leadership then managers will need far more assistance and support to understand and develop a wider and more relevant range of management and leadership practices.

Substituting this undesirable default mechanism with a more intentional and conscious choice is possible through the practice of sophisticated judgment. This judgment, termed ‘apperception’ in the academic literature, has been described in a leadership context, by the pre-eminent leadership scholar Gail Fairhurst, as “the ability to frame and reframe situations” or, alternatively, “relate new experiences to previous experiences”. Carroll and Levy propose this ability as the pivotal learning in the transition from managing to leading,

and back again, arguing that it facilitates comfort and deftness with—and agility across—management and leadership modes.

Reflection and experience are the practices that the process of building apperception is dependent on. If reflection and experience can be harnessed together, then the ability to become familiar with, and to overcome, deeply embedded patterns becomes possible. This is important, given that if management is often an automatic default option it follows that more and better leadership only becomes possible by securing practices that “disrupt and re-route such a tendency”.

Researchers such as David Day, Paul Iles and David Preece have stressed the difference between management training and leadership development, suggesting that management training might degrade leadership development. The approach proposed by Carroll and Levy focuses on the relationship between management and leadership, rather than segregating skill or knowledge-building in one or the other. They raise the somewhat incongruous suggestion that effective leadership may best be developed alongside, and linked to, better management training.

Many current leadership development programmes will feel challenged by this notion of the interdependence of management training and leadership development. However, Carroll and Levy believe that the ultimate promise of managers who can move flexibly and purposively between management and leadership modes must surely generate substantive hope for innovative and successful organisational change.



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Are leadership competencies simply a caricature?

THE FACT that we live in turbulent times is discomfiting, as is the strident and unremitting call for more and better leadership. These feelings are somewhat counterbalanced by the welcome news that leadership is accessible to anyone possessing adequate intrinsic motivation, and that the most successful relational basis for leadership is authenticity not charisma. The nascent information about the management default mechanism is at the same time disturbing and reassuring—you can almost hear the managers' chorus: "it is not only me who finds the consistent enactment of leadership difficult—what a relief".

Leadership does matter. More, and better, leadership is essential. Leadership can be learned. Leadership is very hard to do (at least consistently over time). Why, then, would so many organisations and their managers compound difficulties by worshipping at the altar of leadership competencies?

There is no problem in understanding the appeal, and relevance, of competency models to technical and managerial work, but the self-evident extension of the competency model into the leadership realm is particularly problematic, inappropriate and misplaced. It has been challenged in New Zealand by the research of Brigid Carroll, Lester Levy and David Richmond on a sample of senior managers across the corporate, professional and not-for-profit sectors. The findings were published in a 2008 article in the journal *Leadership*. The article was re-published in 2011 as part of a Sage multivolume set titled *Leadership*, which focuses on the major works of leadership from 1947 – 2009.

Carroll, Levy and Richmond's findings reveal that despite the ubiquity of the com-

petency approach to leadership development and practice within organisations, there is an astonishing lack of empirical evidence to support it. Along with the distinguished researchers Jonathan Gosling and Richard Bolden at the University of Exeter's Center for Leadership Studies, Carroll, Levy and Richmond concluded that many of the assumptions underlying the leadership competency model do not hold true when subjected to vigorous scrutiny. One of the more obvious and compelling weaknesses of the application of competency models to leadership is that they fundamentally ignore followers and context—two of the staples of leadership—instead conveying the impression they are inconsequential. Moreover, this reductionist model effectively calls on managers to surrender their uniqueness, which is difficult to understand as uniqueness is in point of fact the glide path to leadership.

Carroll, Levy and Richmond argue that the ubiquity of competencies in the current organisational mainstream acts as a restraint rather than

a facilitator of superior organisational performance. They offer the notion of 'leadership as practice' as being more aligned with what practitioners actually require.

A practice approach is positioned as the direct opposite of competency logic, being intrinsically relational, collective and privileging lived experience. It would be impossible, for example, to create the critical capacity for improvisation—adaptive capacity—or for courage through the competency model, but it is entirely possible to do this in the practice model by harnessing the power of being experimental, experiential and reflective.

Will the weight of dependence on, and investment in, leadership competencies by so many organisations blind them to the drawbacks of the competency model in the leadership domain? Furthermore, will the challenge by Carroll, Levy and Richmond to the competency paradigm draw a reciprocal challenge?

An aphorism by the Danish poet Piet Hein offers a fitting answer:

Problems worthy of attack
prove their worth by hitting back. ■



Dr Lester Levy is Chief Executive of The University of Auckland's New Zealand Leadership Institute and Adjunct Professor of Leadership at The University of Auckland Business School. Dr Levy chairs several organisations, including both the Auckland and Waitemata District Health Boards. His research, with Dr Brigid Carroll, challenging the competency paradigm in leadership development was in 2011 re-published in a four-volume collection of the 64 major works of leadership research since 1947.

l.levy@auckland.ac.nz

KEY TAKE-OUTS

- Leadership *can* be learned. The idea that leaders are "born not made" has been disproved, meaning the pool of potential leaders is larger than once thought.
- Many managers fail because they embrace leadership "talk" but keep a management mindset. To succeed, a leadership orientation must be chosen intentionally and repeatedly.
- Organisations wanting to hone leaders must pay attention to followers and context and value experimentation, experience and reflection.