

# **Designing Systems which Create Leaders: putting experience not competence at the heart of leadership development**

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## **Abstract**

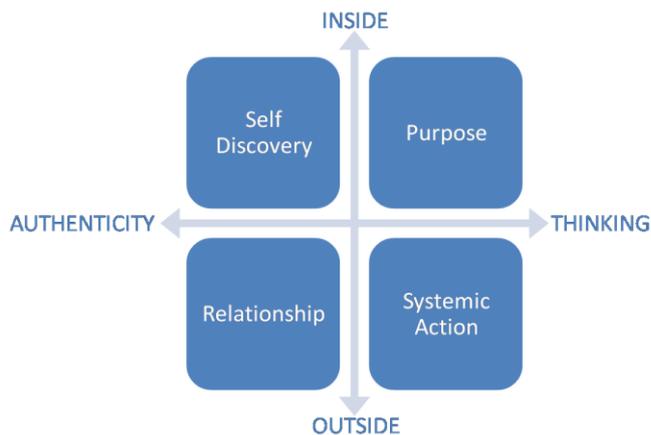
This paper argues that leadership development should facilitate the emergence and practice of leadership, not train discrete leadership capabilities that may or may not be put to work. The framework proposed can be used to shape the design of new leadership development systems and to review the effectiveness of existing leadership programmes and make improvements. It offers seven principles and guiding practices to ensure leadership development results in better leadership and improved organisational performance. The framework is intended for use wherever people are involved in the important work of developing leaders and leadership.

## **Challenging Old Assumptions about Leadership Development**

Leadership development isn't working. Why, because too many programmes are driven by outdated assumptions about leadership development. These include a preoccupation with education not learning, classrooms not workplaces, teachers not coaches, events not systems, the future not the present, competencies not action, independence not interdependence, skills not values, and content not outcomes.

We urgently need a new paradigm for leadership development, with interventions that facilitate the emergence of leadership. In this paradigm solutions simultaneously embrace leadership development from the inside-out – an exploration of the leader's identity, values and purpose – and leadership development which engages the outside-in world of diagnosis, action, relationship and performance. To be effective and sustainable, leadership development must marry inner and outer realities.

Leaders emerge when they realise they can achieve more than they thought possible, are guided by a compelling and ethical purpose, know how and where they want to make a difference, and create change in relationship with others. To facilitate leadership emergence development systems must stimulate personal change in four domains: self discovery, purpose, systemic action, and relationship.



Although these domains appear separate in the framework, in reality they comprise an ‘integral’ solution<sup>1</sup>. For leadership development to occur the individual must experience development in all four domains. Most leadership development programmes occupy one domain solidly and tread lightly or not at all in the other domains. For example, development centres assist self discovery, while action learning is strong in the systemic action domain.

Before we venture into the four domains let’s briefly look at the organisational context for, and human challenge of, leadership development.

### Leadership in the Organisational White-water

Leaders at all levels are in permanent organisational white-water, under pressure to get things done at breakneck speed, in the swirl of countless business changes. Despite the turmoil and complexity, stress and frenetic activity, leadership can and does emerge, not in planning, predicting and analysing, but in decisions to intervene thoughtfully and authentically in the flow of events.

White-water leadership is both spontaneous and visionary. We see *spontaneous* leadership in the actions of ordinary people who tackle tough problems head-on and make a difference to the people around them. Joe Badaracco calls this quiet leadership<sup>2</sup>. It is leadership *in* the white-water: realistic, ethical, immediate, and drilled with unglamorous compromises and tough choices. It is guided by character and revealed in qualities of authenticity, purpose, openness, trust, courage and compassion. It is not coping, reacting or surviving.

We also see *visionary* leadership from the riverbank which is not so prone to capricious and



uncontrollable currents. With the benefit of perspective, leaders spot opportunities for greatness. They examine the organisation and see beyond the routine and technical work of management to choose a better future. They look deeply and wisely into the organisation to understand what is really going on. They ask penetrating questions and make insightful observations into the nature of things. Harvard professor of leadership Ron Heifetz calls this “getting on the balcony” and “diagnosing the system”<sup>3</sup>.

In the wake of 9/11, when the other major airlines cut their flights by 20 percent and laid off 16 percent of their workforces Southwest Airlines avoided layoffs altogether, and framed its decision as "taking care of our people." From the riverbank, Southwest saw these difficult times as an opportunity to increase its presence and expand the availability of its product to the flying public.

### **Invisible Barriers to Leadership**

Both forms of white-water leadership - spontaneous and visionary - are acts of creation. They are wise choices based on a careful reading of events. But clear thinking alone is not enough for leadership. Leaders show up and engage, authentically and courageously. They are aware of their inner fears and want to transcend them. They get onto the field of play despite the obstacles.

Human beings automatically attach meaning to past events and use this autobiographical narrative to interpret and evaluate subsequent life events. This inner narrative sets limits and possibilities on what someone believes they can achieve in the world. In the language of systems thinking this narrative is a mental model and, in the nature of all systems, is constantly on the lookout for feedback that proves the interpretation is correct. The narrative isn't true, just a made-up story. But because it seems to make sense and feels real it stops people from imagining and realising alternative possibilities for their life. The challenge is to take the past out of the future and to view life (and leadership) as a process of becoming not a fixed way of being<sup>4</sup>.

As well as these limiting beliefs on the inside people are also pressured from the outside to give up



their individual sense of self and adapt to what 'society' expects of them. Jerry Harvey labels this group tyranny, a powerful emotional drive towards social and cultural conformity<sup>5</sup>. Ideas that threaten the status quo excite fierce resistance. A socially inherited frame of work values put behaviours like goal setting, winning at all costs and rational decision-making above the capacity for truly independent action. It is a proxy for what social psychologist Erich Fromm calls the fear of freedom.

### **The First Domain: Self Discovery**

Self-protecting mental models and social pressures to conform to social and cultural norms are powerful forces that curb leadership thought and action in organisations.

But how are these deep-rooted and habitual barriers to leadership overcome? Can leadership development really generate more authentic and courageous action in the white-water workplace? And what about so-called facts of human existence: avoidance of fear and anxiety, attachment to limiting life stories, conformity to social expectations, and submission to group norms? Are leaders free to make themselves?

Self discovery for leadership development visits the realms of applied philosophy and psychology. According to Peter Block "*philosophy* asks us to shift the framework of how we understand our

experience, to essentially place us in the first person perspective in relation to our experience.”<sup>6</sup> This involves examining significant life experiences that shaped our present way of being. It means reflecting on the values and assumptions that direct choices, the quality and nature of relationships, and beliefs about life and the way it should turn out. Practically it involves revealing hidden stories and meanings, separating and disconnecting from aspects of personal identity that are unhelpful, and exploring new ways of being.

But being able to access this rich vein of personal power is insufficient for leadership; commitment to building behaviours consistent with leadership aspirations is also necessary. In order to change an individual must be willing to accept feedback, recognise what behaviours need to change, and then invest the effort required to make the change. A *psychological* inquiry raises awareness of strengths, talents and vulnerabilities. Psychometric profiles like the Hogan Personality Inventory<sup>7</sup>, Leadership Development Framework<sup>8</sup> and Leadership Effectiveness Analysis<sup>9</sup>, together with multi-rater feedback, accelerate accurate self awareness and identify avenues for future growth.

Self discovery through inquiry and reflection is a life skill: “- not just to look, but to look at the act of looking itself; not just to think, but to think about thinking itself; not just to learn, but to learn about learning itself; not just to feel, but to examine the act (or passion) of feeling itself”<sup>10</sup>. Paying attention to one’s own experience and *why* we show up and engage with the world in a particular way can unlock leadership. Getting people to want to play a bigger game, on a larger field, is the prize in this domain.

## **The Second Domain: Purpose**

What connects wanting to play a bigger game with first steps onto the field of play is the articulation of a sense of purpose. It is tough to change if you don’t have a really good reason. Sustained change requires strong commitment to a compelling purpose, and orientation to a significant meaning. Like Nobel Peace Prize winner Aung San Suu Kyi’s purpose to bring democracy to Burma<sup>11</sup>.

Purpose is the defining thread that runs through and connects different experiences. A meaningful purpose is a powerful motivator; it releases energy and opens up possibilities. There is no universal meaning or purpose – everyone has their own unique contribution to find and make. When we uncover what we stand for, what is genuinely important, we are driven to achieve our goals. We make big promises and take bold steps.

Brian Bacon, founder and Chairman of Oxford Leadership Academy<sup>12</sup>, suggests four questions that reveal core purpose.

- If you were writing the story of your life what would be the title of the next chapter?
- In the next chapter of your life what would you do if you had no fear?
- In the next chapter of your life your truth is going to play out. In that case, what do you most have to give?
- When you sit quietly and you look at what is going on in your life – health, relationships, work – what is time calling you to do?

Just as someone who is sincere isn't necessarily authentic, a purpose fuelled by self-interest will not drive true leadership. According to concentration camp survivor Viktor Frankl, "being human always points to something or someone other than oneself—be it a meaning to fulfil or another human being to encounter. The more one forgets himself—by giving himself to a cause to serve or another person to love—the more human he is and the more he actualises himself."<sup>13</sup>

Leadership development asks leaders to articulate what or whom they serve. Discovering an authentic purpose is fundamental to the process of leadership emergence.

### **The Third Domain: Systemic Action**

Purpose meets practice in the difficult realities that arrive every day. Leaders seek out the challenges that face their teams and organisations. They test for strength and fragility. They get up on the riverbank to gain perspective, look for patterns and insights, and ask "what do we need to accomplish?" And they embark on a meaningful and ethical course of action.

Leadership is first of all diagnostic and asks searching questions of the organisational or social system it inhabits. For example:

- Does the organisation have enduring core values and a meaningful purpose for these turbulent times?
- Do the parts of the organisational system perform well together? What are the issues and concerns of the different groups?
- Do employees feel as if they belong to the organisation, do they share its values, and participate in creating its future? Or are they alienated and cynical?
- Is the organisation looking outside its immediate context to connect with ideas and opportunities beyond existing markets, geographies and industries? Is the business receptive to new ideas, innovation and inspiration?
- Do strategies to cut costs and reduce debt coexist with strategies to encourage innovation and growth?
- What are the global issues and challenges associated with this organisation and its products or services?

Leaders ask these questions and interrogate different sources of data - including their own experience - to decide what is going on and what action to take. They distinguish between technical and adaptive challenges, between routine problems with clear-cut solutions and non-routine problems which require genuine innovation and learning.



Typically the diagnostic process is iterative, moving back and forth among data collection, interpretation and action. Leaders understand that change objectives are riddled with internal contradictions: engagement programmes that don't engage, talent processes that lose talent, performance management systems that damage performance, and so on. They can see cultural, structural and behavioural obstacles to change and think deeply about how to navigate them. And leaders realise that their job is not to know

all the answers, but to mobilise the organisation or community to tackle tough challenges.

A marketing company asked me to help the leader of a team in their Northern Ireland region understand why they had fallen from the top of the sales league to the bottom. This was the presenting issue at the tip of the iceberg. Beneath the waterline the team was disabled by internal competition, scapegoats, and accusations that the team leader played favourites. The leader was prepared to have this difficult conversation with the team and tackled head-on some people's belief that favouritism had a foundation in sectarianism. His courage led to a breakthrough in relationship and an upswing in the region's sales performance.

From diagnosis leaders develop a theory of the situation they want to change and a strategy to intervene in the organisational or social system to produce the change. They are aware of the counter-moves the system makes to neutralise or undermine action and how to navigate and transform these traps. And they understand how their own mental models influence what they see and do.

Courses can give leaders diagnostic tools and frameworks and a sanctuary to think about what is really going on, but leadership won't bloom until it meets triumph and disaster in the quotidian problems of everyday life. Organisations sometimes manufacture 'crucible experiences' which expose high potentials to a variety of developmental assignments such as running a business in a different sector, working on cross-functional teams, or an overseas assignment. But leaders create everyday crucibles, by pushing against their performance contracts and taking on a team or organisational challenge that really matters. Leaders develop at the edge of their comfort zone, on the frontiers of their job, when they call attention to tough questions, make hard choices, and push their intervention forward. The act of leading develops leadership.

### **The Fourth Domain: Relationship**

According to authors James Kouzes and Barry Posner leadership is a relationship<sup>14</sup>, but what kind of relationship? Traditionally leadership has been associated with 'being out front' and enlisting people in a (your) common cause. In this conventional view, leaders set direction and followers commit to the leader willingly, because of certain traits the leader is born with, like charisma. An alternative view of personal leadership is that leaders 'get inside the heads' of followers and tap into individual motives for following. In this view, leadership is a process of social influence which can be learned.

This view of *personal* leadership as an emotional exchange between leaders and followers shows up in leading people and teams. At its best it is selfless, authentic and empowering. People decide they want to be led because they admire characteristics like inspiration, courage, tolerance, honesty, listening and tenacity. The antithesis of personal leadership is micro-managing, cynical, arrogant, egotistical and bullying behaviour, where leaders attempt to impose 'their truth' on others. Individual leaders are either praised or rewarded when things go well or blamed and punished when things go badly.

After the Texas City oil refinery fire in March 2005 when 15 people died, BP's executive management realised that leadership in the company was positional not distributed. To prevent similar disasters

they concluded that leadership was needed everywhere, not just from the top. The organisation had to act more responsively in a diversified environment; it couldn't afford to wait for edicts from above. Historically, beliefs and assumptions about who leads had been enshrined in people processes, like leadership development and succession planning, and contributed to a corporate culture where frontline workers were not empowered to raise safety concerns and to stop work if they thought conditions were unsafe. As one senior executive said "If we've learned one thing from this tragedy it's the need for humility."<sup>15</sup>

*Relational* leadership has an altogether different context. It tends to be more relevant where leaders have little or no positional power and are faced with the challenge of creating solutions out of complexity, diversity and competing worldviews. It is becoming important in organisations that need their business units and functions to be interdependent, so as to generate synergy, innovation and new sources of value. Leadership through this lens is a collective property and doesn't require an individual's heroic intervention. It is an antidote to insularity, secrecy, competition and self-interest. It is a process of communication and joint action.

Relational (or collective, collaborative or shared) leadership is far from easy, as the climate change conference in Copenhagen shows. Although the press may have given Obama a starring role in brokering what was a limited political deal this was a collective leadership challenge for 192 countries. It may be unrealistic to expect viable solutions to emerge from delegations as large as the one that met in Copenhagen, but being able to forge creative and binding agreements from the different needs and priorities of large and diverse groups of leaders will become the norm.



Personal and relational leadership are not opposites. Both may be necessary, depending on the situation. But extraordinary times will increasingly require that leaders share control with direct reports and peers and entail a change in how leaders view themselves and their relationships. It will mean a transition from 'power over' based on authority or command to 'power to' suggesting the ability to take collective action. At the root of both forms of leadership is the ability of the leader to empathise, to pay attention to what people are thinking and feeling, and to take account of others needs and aspirations—a surfeit of connection and compassion.

### **Designing Leadership Development Systems that Work**

Leadership development programmes and processes take many forms – multi-module courses at business schools, developmental assignments, master-classes, expeditions and quests, retreats, development centres, action learning, social responsibility projects with charities and NGO's, coaching and mentoring... the list goes on.

The challenge for all of these interventions is to convert learning into action. Leadership development that does this connects to purpose, expands fields of vision, and impels people to engage with their situation in new ways. This calls for exceptional design skills to create an enabling

system where leadership can emerge and flourish. The outcome of a programme or process of leadership development cannot be a vain hope that participants will translate their learning into leadership, but the practical realisation of leadership action that makes a positive difference. The *practice* of leadership must be designed into the leadership development system.

The purpose of this paper is not to specify the perfect leadership development experience but to propose some principles, grounded in the framework discussed above, that *increase the likelihood* that leadership development will occur as the result of a planned intervention.

**Principle 1: *Build a container.*** Leadership development is a trajectory not an event; it takes time. Design a process which requires the individual to focus on their leadership and development over several months. We know that individuals find it hard to convert good intentions into practice when they return from a course to work. So punctuate the development process with regular opportunities for conscious thought and reflection away from work. Ensure the container has a beginning middle and end. Participant experience often shifts at the halfway stage.

**Principle 2: *Create intimacy and a climate for dialogue.*** Self discovery requires reflective space and trusting relationships. This space is an antidote to the ambiguity and turbulence of the white-water workplace. Skilful coaching and facilitation creates a climate where participants recognise and test their assumptions; examine personal, professional and organisational issues; and decide what leadership work is required. Peer leaders share issues that confront them (like resistance); probe seemingly intractable polarities and dilemmas; and experience intense bonding and moments of profound learning. They toggle between working within their existing strategies and approaches and going beyond them to achieve new levels of human or organisational value.

**Principle 3: *Ensure there is ample expert leadership coaching available.*** Coaches who can encompass insights from philosophy and psychology are rare. These coaches know when to nurture and when to be more demanding; they are lovers and warriors. They nudge participants to push against habitual ways of seeing and doing. They stimulate deep inquiry into the big questions: who am I and what am I trying to achieve? What impact do I hope to have on the people around me, in my workplace, on my community, or on society? Am I willing to share control with others? What do I avoid and why? Am I prepared to learn from my mistakes and scrutinise my assumptions? Great coaches hold the ambiguity and discomfort in the early phases of a development journey to ensure conditions are right for leadership to surface in the longer term.

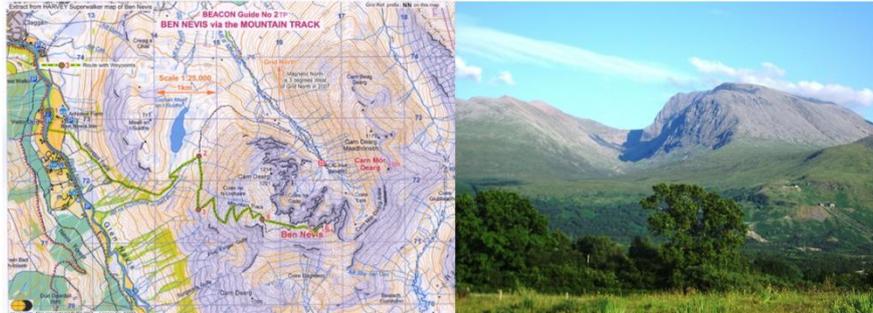
**Principle 4: *Integrate workplace and learning space.*** Time out of the white-water is essential. But personal discovery, purpose-building, organisational analysis, and the rest must be set within the context of real leadership challenges and performance goals. Participants may arrive at the first event with a long list of leadership objectives and development goals but expect them to change substantially as they wrestle with the meaning and practice of leadership. Focus on the health and performance of their teams and organisations. Invite them to seek out moral and ethical dilemmas. Encourage the art of the long view. Help them find the courage to face and interrogate reality. Ensure plans are actionable in the moment, on return to the workplace, and carry enough stretch and risk to cause the system to change.

Principle 5: *Provide maps and frameworks that aid self discovery and systemic diagnosis.* If you want to develop leadership don't teach strategy, economics and financial analysis. Useful as it is in other contexts, this type of education is an escape from leadership. Introduce leaders to tools which distinguish between adaptive and technical challenges. Some maps will help participants surface and examine their mental models about change<sup>16</sup>.

Others will give insight into an organisation's stage of development and signpost opportunities for business growth<sup>17</sup>.

Remember, though, that

these maps plan the journey but won't say what the traffic will be like, or how the weather will affect the journey. They are not truths but generalisations which inform diagnosis, choice and action. Leadership requires that we go to the territory itself.



Principle 6: *Provide leaders with the means to monitor and evaluate the impact of their leadership.* How do leaders know they are keeping the promises they made? Leadership development will not happen without the full and active engagement of the people the leader wants to engage. In some organisations – and for many leaders – it will mean fostering a complete cultural, emotional and intellectual break from past norms and behaviours. This is not the implementation of a predetermined plan or methodology, but a transformation in relationship with the people whose lives leaders affect. This is *the* philosophy change: leadership development does not occur on programmes but in the teams, organisations and communities where purpose and performance is realised every day.

Principle 7: *Encourage leaders to see they are part of a bigger game.* If possible create opportunities where they can encounter nature and culture, other human beings, suffering, tragedy and sacrifice – not as tourists but active participants. Allow them to get back in touch with the worth of their life and the worth of their work. Ignite their spirit! Deep reflection on the inside is often triggered by some event or experience that penetrates from the outside.

## Conclusion

Let's not forget that the purpose of the enormous financial and human resources invested in leadership development is to create better leadership and improved organisational performance. Ask if your programmes and processes generate enough of the leadership your organisation needs to meet its challenges? Are they designed to facilitate the emergence of leadership rather than to train competencies that may or may not be put to work? Do leadership systems allow leaders to learn from the actual practice of leadership? Can you and they discern tangible changes in leadership from the inside-out (self discovery, purpose), and leadership from the outside-in (systemic action, relationship)? With authentic and thoughtful diagnosis and design leadership development can be more than a cocktail of hope and good intentions.

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- <sup>1</sup> For more on integral thinking see Ken Wilber (2007), The Integral Vision
- <sup>2</sup> Joseph Badaracco (2002), Leading Quietly
- <sup>3</sup> Ron Heifetz, Alexander Grashow, Martin Linsky (2009), The Practice of Adaptive Leadership
- <sup>4</sup> See Arbinger Institute (2006), The Anatomy of Peace, for example
- <sup>5</sup> Jerry Harvey (1988), The Abilene Paradox and Other Meditations on Management
- <sup>6</sup> Peter Koestenbaum and Peter Block (2001), Freedom and Accountability at Work, p.9
- <sup>7</sup> <http://www.hoganassessments.com/hogan-personality-inventory>
- <sup>8</sup> <http://www.harthill.co.uk/leadership-development-framework/what-is-the-LDF.html>
- <sup>9</sup> [http://www.mrg.com/documents/LEA\\_model.pdf](http://www.mrg.com/documents/LEA_model.pdf)
- <sup>10</sup> Peter Koestenbaum (1991), Leadership: the Inner Side Of Greatness, p.62
- <sup>11</sup> Aung San Suu Kyi (2008), The Voice of Hope
- <sup>12</sup> <http://www.oxfordleadership.com/>
- <sup>13</sup> Viktor Frankl (2004), Man's Search for Meaning, p.115
- <sup>14</sup> James Kouzes and Barry Posner (2003), Leadership as Relationship, in Business Leadership: a Jossey-Bass Reader
- <sup>15</sup> <http://www.bp.com/genericarticle.do?categoryId=98&contentId=7017238>
- <sup>16</sup> Lee Bolman and Terrence Deal (1997), Reframing Organisations
- <sup>17</sup> Robert Terry (2001), Seven Zones for Leadership: Acting Authentically in Stability and Chaos

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