Cass Business School
CITY UNIVERSITY LONDON

Centre for Professional Service Firms

E·S·R·C ECONOMIC & SOCIAL RESEARCH COUNCIL

"Leading Professionals" Conference

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Centre for Professional Service Firms, Cass Business School

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This conference was organised in conjunction with Professor Laura Empson's research study "Understanding Leadership Dynamics in Professional Service Firms" funded by the Economic and Social Research Council of Great Britain (RES-062-23-2269)

Overview
Leading Professionals Exploring the distinctive challenges of leadership in professional organisations

- How do you define leadership in professional organisations, when the people in them prefer not to describe themselves as leaders or followers?
- How are leadership processes in professional organisations different from the organising and coordinating processes that comprise management?
- What is the relationship between leadership and power in professional organisations? Can you have leadership without power?

These were among the thought-provoking questions debated by some of the world's leading scholars in the fields of leadership and professional organisations at a major academic conference held at Cass Business School on 20 April 2012.

The conference, which was organised and chaired by Professor Laura Empson, Director of the Cass Centre for Professional Service Firms, brought together a distinguished group of scholars from a variety of theoretical perspectives. Their aim was to identify theoretical approaches and key themes to focus on for future leadership research in this context.

In a series of intellectually stimulating and often highly provocative presentations, Professors Ann Langley, Peter Gronn, Laura Empson, Mats Alvesson, Mary Uhl-Bien, Keith Grint, Dan Kärreman and Bob Hinings rejected the traditional image of leadership based on powerful individuals aligning their colleagues behind a strategic vision. They subjected leadership in professional organisations to a complexity lens and cultural theory; according to their analysis it was “pooled”, “negotiated”, “configured”, and sometimes even disappeared. The academics in the audience challenged these arguments, made connections to other relevant bodies of research, and debated areas for further research.

It was clear that the emerging body of process-based leadership theory was the most promising area for future research in this context, particularly given its emphasis on plural models of leadership. In fact, all the presenters focused on leadership as a process: arguing that more conventional individually based models of leadership are of limited value in professional organisations as leadership is more typically the product of the collective rather than just a particular individual. Finally, as Professor Bob Hinings suggested in his thoughtful summing up, there remains the question of power, particularly pertinent in professional organisations where formal authority is constrained but informal influence can be considerable.

The conference was preceded by a masterclass for PhD scholars conducting research in the field. Because interest among academics was so high and the conference was heavily over-subscribed, plans are being made for a future conference at Cass.

Professor Ann Langley
Leadership in the plural: Implications for professional organisations

Ann Langley outlined alternative models of “leadership in the plural”. She examined how this term encompasses various different forms and theoretical approaches.

First there is “shared leadership” which draws heavily on team-based leadership research. There is generally a leader in the team and it is assumed that all members share a set of common goals. This approach, she argued, does not address the issue of power, because of the implicit assumption that power resides in the team leader.

More common in professional settings is “pooled leadership” where a small group jointly lead the organisation as a dyad, triad or constellation. This arrangement, common in arts organisations, bridges different managerial and professional expertise and also solves problems of legitimacy, as professionals prefer to report to managers whose professional expertise they respect. In order for this leadership arrangement to work the roles should be specialised, differentiated and complementary – and mutual trust is essential. The limitation, of course, is that it is not clear who is in charge, creating a potentially fragile balance at the top.

In certain professional organisations, there can be a relay of leadership responsibility.

Ann Langley classified this as “spreading leadership” across levels and time. This is consistent with concepts of distributed leadership in educational institutions as discussed by Professor Peter Gronn later in the conference. This type of leadership is emergent so it is difficult to recognise until it has developed. It cannot be deliberately constructed and there is no clear hierarchy.

Finally in the “producing leadership” perspective, leadership is relational, happening between people in a series of micro-interactions. This approach directly reflects Mary Uhl-Bien’s work on complexity leadership (as discussed later in the conference). Ann asked: if we can't identify the people engaging in leadership, then how do we know it is actually happening?

In looking at how far these different models are found in professional environments, Ann Langley talked about two fundamental distinctions within the literature on plural leadership: the difference between pluralising leadership and channelling plurality. The advocates of pluralising leadership emphasise democratisation and decentralisation but professional organisations are more commonly characterised by an “excess” of democracy and the challenge is how to channel it in productive ways.

Professor Peter Gronn
The unfinished business of leadership configurations

Building on Ann Langley's presentation, Peter Gronn took issue with some of the literature's descriptions of leadership in the field's "post-heroic" phase. He felt that this approach often failed to take account of the potential variations in form of leadership at different levels within an organisation: "distributed leadership is not the same as plural leaders all showing strong individual leadership", he said. In particular, he spoke of the "compositional fallacy" of assuming that how leadership works in one part of the organisation will be the same as how it works across the whole organisation.

Peter Gronn introduced the term "leadership configurations" to describe how leadership can be structured across a whole organisation, with different leadership arrangements taking place in the various units within it.

He illustrated this by presenting a description of Geelong Grammar School in Australia, which is structured with four campuses, five satellite schools, five boarding houses, and The Office (the central bureaucratic function). At certain times and in certain parts of the organisation there may be a single leader, or a unit leader working closely with the Head – or indeed a whole team working together. He described a key project in The Office that over a period of two years restructured the finances of the school. "No one [involved in the project] described themselves as leaders or as reconfiguring the way the school was run. They were concerned only about the impact on overall performance of the school".

He used the term "hybrid leadership configurations" to describe the way in which organisations rely on these mixed forms of leadership models, some planned for, and some emergent. He talked about the combination of design and adaptation and the "messiness of everyday, on-the-hoof leadership".

Despite being uncomfortable with most leadership "labels", he emphasised that labels *do* matter because they affect what people do and how they represent themselves.

Professor Laura Empson
Collective leadership in professional service firms

Laura Empson's presentation focused on a single-firm case study and the leadership dynamics that became evident as the firm responded to the financial crisis of Autumn 2008/09.

The firm is one of the leaders in its field. Her study uncovered a high degree of ambiguity in the authority structure – one that was deliberately constructed and strongly supported by senior leaders in the firm. For example, neither the Senior Partner nor the Managing Partner could respond immediately or definitely to the question, "Who is in charge?" Both emphasised their lack of formal authority and the highly contingent nature of their power. All major practices had at least two leaders. The boundaries of roles were negotiated on an ongoing basis, and this ambiguity was celebrated by firm members.

But when the financial crisis hit it became clear that there was a hidden hierarchy. It emerged that power was concentrated within an inner circle of around fourteen people – indeed there was an even smaller informal group, of eight people, and the others were unaware of its existence.

The leadership group recognised the need to reduce the size of the partnership but also recognised they had no authority to do this. But, rather than opt for a formal consultation process within the partnership, as their constitution required, the leadership group chose to handle the matter discretely.

The people at the centre of the leadership constellation began the process, repeatedly cycling through the decision-making process. Over a five-month period they progressively expanded the number of people involved. They analysed data about partner performance, asked for recommendations, then repeatedly challenged those recommendations, alternatively tightening and loosening their controls. Ultimately all partners accepted their decision and no vote of the partnership was ever called.

This case study prompted a number of questions and a lot of discussion, as people saw a rare insight into the functioning of leadership elites within elite organisations. As the crisis revealed the hidden hierarchy, could leadership be said to have been genuinely plural before the crisis or was it in fact merely a "performance of plurality"? Where does the leadership team's power come from if not from formal authority? How can ambiguity be used as a form of power by those who are able to navigate it most effectively?

Professor Mats Alvesson
Leadership for professionals: A contradiction?

Mats Alvesson emphasised that, in the context of professional organisations, responses to leadership are voluntary: persuasion is vital. Leadership is about relationships and interactions, rather than the "style, focus, and values" which are the typical emphasis of leadership research and management development.

Mats Alvesson argued that much of what is claimed as leadership is really management. Managers/leaders studied in his research may think that they are involved in strategising, being visionary and helping people grow; but in fact they are mostly involved in sitting in meetings. Within the context of hierarchies, subordinates will often go along with supporting this myth, "pretending" that the manager is exercising leadership.

Mats Alvesson acknowledged that, while professionals may not choose to follow leaders, it can be a lot more complex than a simple preference for autonomy. For example, this quote from his research is from a subordinate manager in a consulting firm who had clearly chosen not to be a follower:

> "My work has seldom received much leadership...I am directed by goals and dislike being told what to do. So who or should I say what is leading me? The projects' milestones and the projects' resource capacity lead my work. This is what I and my group primarily have to adapt our work to."

This individual portrayed himself as enjoying autonomy and being "led" by the project. But, Mats Alvesson asked, what would happen if the projects' milestones are not met? Or if the product is not fit-for-purpose? Would he in fact start looking for conventional leadership by a person at this point?

Mats Alvesson concluded that work-related situations may call for increased centralisation or leadership, such as a crisis or conflict. A natural hierarchy can be created where there is a large difference in experience or ability between team members. In addition, there are costs – such as time and lack of autonomy – associated both with agreeing to lead and agreeing to be a follower. If people say they are looking for leadership, he asked, what exactly are they looking for?

Professor Mary Uhl-Bien
A complexity lens on leading professionals

Mary Uhl-Bien's presentation was based on a research project looking at leadership and adaptability in the healthcare sector using the theoretical lens of complexity theory. The project looked at six hospitals and their leadership processes in the context of a strategic initiative, undertaking a total of 195 interviews over a 16-month period.

A complex environment, such as that in which hospitals operate, is characterised by a large number and great variety of different pressures for change. To cope with a complex environment, organisations need complex responses: those that enable dynamic interaction and emergence. This goes against the natural instincts of many managers (and employees) who want to respond to complexity with directives and control to generate feelings of order. Organisations by definition have structure, and need to have bureaucracy to keep themselves functioning and performing. But if everyone is aligned around a central vision (as traditional leadership theory would have us believe), and put aside personal views, then there is no room for creativity or adaptation.

Adaptive behaviours naturally function in networks and groups that operate outside the hierarchy. Adaptive dynamics are often present or are trying to be present in every organisation, looking like new ideas, innovations, pushback, and pro-social rule-breaking. But without control, they would result in chaos.

Complexity leadership is about striking a balance in the “adaptive tension” between the administrative and adaptive functions within an organisation. It is a combination of tightening and loosening these behaviours so that adaptive behaviours can be first enabled and then absorbed and channelled into day-to-day performance. Interestingly, this “tightening and loosening” concept mirrored Laura Empson's description of what the leadership in the professional service firm were doing as they repeatedly cycled through the decision-making process.

It is not comfortable: complexity itself tends to be felt as pressure. And because complexity leadership goes against a traditional understanding of what leaders do - it distributes leadership responsibility broadly, rather than restricting it to the top - many will not recognise it as effective leadership. Complexity leaders often feel they are going against the tide, and it takes great tenacity to withstand the tremendous pressures to pull back to equilibrium.

Keith Grint
Cultural theory and leading professionals

Rather than looking at the environment, Keith Grint's starting point was the professionals themselves: what are professionals like and how should you best approach organising and leading them?

He identified four ideal “types” categorised by their positions on the axes of group orientation and adherence to rules and roles: how do you persuade each type and what would be their single, or “elegant” solutions to a variety of problems?

Most professionals fell somewhere between what he described as “individualists” and “egalitarians”. The key to solving the problem of leading them is, first, to recognise that “elegant” solutions will probably not work: acting just on the principle of solidarity (which appeals to egalitarians) is not enough.

Keith Grint suggested that we should look on it as a “wicked” problem requiring a “clumsy” solution, which combines different approaches. In an organisation, he said, egalitarians are limited by an endless search for consensus as a solution to internal conflict. This can lead to a paralysis of decision-making. Contrary to what egalitarians might expect, the organisation needs ”hierarchists” to make decisions and individualists to protect individuals.

Hierarchists, on the other hand, have numerous ways of resolving internal conflict. However, without the distrust generated by egalitarians they are likely to degenerate into excessive control; and without the creativity of individualists they stagnate.

Meanwhile, individualists seek to avoid or ignore group conflict – but they ultimately rely upon egalitarians and hierarchists to develop systems to protect individuals and promote exchange.

Solving wicked problems, Keith Grint said, required “bricoleurs”, not rational calculating machines (he had already proved to the audience the futility of attempting logical argument in interpersonal relations). Bricoleurs are “pragmatists”, his fourth category of professional, who solve problems in a clumsy way rather than being restricted to elegant single logics. They “do it themselves”, experiment, and learn from their mistakes.

Professor Dan Kärreman
Substitutes for leadership in knowledge work

Dan Kärreman argued that knowledge work, which is what professionals engage in, has characteristics that tend to make leadership “disappear”.

Knowledge work is characterised by complexity and ambiguity, with problem solving and performance as key practices. It is opaque, difficult to evaluate, and, drawing upon Keith Grint’s analysis, there is a prevalence of wicked problems. Tame problems can be solved with process and management; critical problems are urgent and can cause people to switch to command mode. Wicked problems are uncertain in duration and solution, and need leadership.

So if knowledge workers do not have leadership, what do they have? Dan Kärreman suggested they had developed three substitutes for leadership. First, the “work process” itself could be seen as making leadership redundant, with its dependence on peer-to-peer cooperation and evaluation, and collective decision-making and action. Second “professional identity” becomes another substitute for leadership – authority and influence within the organisation derives from professional expertise in this context. And finally, “brand”, which further specifies identity at an organisational level and gives both clients and professionals a sense of the appropriate form of service and solution.

A lively discussion following this presentation raised the question of whether there was an anti-leadership discourse in knowledge work. In organisations where there is a glorification of leadership, everyone is eager to portray themselves as leaders: in many knowledge organisations and professional service firms they deny it. However, as so many of the presentations had shown, they were nevertheless engaged in leadership practices.

Professor Bob Hinings
Concluding remarks

Summing up, Bob Hinings noted that in professional organisations, and in our own research, leadership seemed to be both everywhere and nowhere. It is a concept that we take for granted, that we all imagine we know the meaning of – but the difficulties of defining it speak to a variety of social sciences issues. It was not the purpose of this conference to resolve these issues. Instead Bob Hinings identified out some of the issues that merited further exploration.

He argued that it was important to continue to think critically about leadership, and to examine assumptions, especially when looking at different types of organisations and contexts.

As the title of the conference implied, leadership is thought to be different in professional organisations. In particular there was the problem of legitimacy in talking about yourself as a leader. He asked how is the concept of leadership different in different forms of organisation, and what changes would there have to be in a professional organisation to allow individuals to talk about leadership more directly?

Another question that was raised more or less explicitly in many of the presentations was leadership's relationship with power. Keith Grint entertainingly proved that no one really has the power to make anyone do anything, and the interviewees in Laura Empson's case study had made it clear that they had no formal authority. Bob Hinings, however, suggested that leadership really is about power, indeed, in this context leadership *is* power.

Finally he talked about leadership over time. We tend to think of leadership as a static quality, but the literature about distributed leadership talks about how leadership changes and switches around over time. We need perhaps to look not just at how leadership is now, but at how it will change over time and in the future.