

# The Rise of the New Model Leader

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## Intangibles

Leadership is one of the great intangibles of the business world. It is a skill most people would love to possess, but one which defies close definition. Ask people which leaders they admire and you are as likely to be told Gandhi as Anita Roddick, Nelson Mandela as Richard Branson, Suu Yui as Tony Blair. Yet, most agree that leadership is a vital ingredient in not-for-profit and business success and that great leaders make for great organisations.

“Broadly speaking there are two approaches to leadership. You can theorise about it or you can get on and do it. Theorising about it is great fun, hugely indulgent and largely useless. Doing it – or doing it better – is demanding, frequently frustrating and of immense value,” says Francis Macleod, former chief executive of the Leadership Trust. “Those who want to change an organisation must be able to change people and in that process there is only one starting point that makes sense. Learning to lead oneself better is the only way to lead others better.”

When considering leadership in the business context most roots lead to the military world. Management, long used to the concept of divide and rule, has perennially sought its leadership role models from the military. The temptation to view the business world as a battle field is, even now, highly appealing. Indeed, the success of Sun Tzu's *The Art of War* as a management text points to the continuing popularity of this idea.

## Machiavellian leadership

Another key historical text, and one which is increasingly referred to, is Machiavelli's *The Prince*. Amid the grey-suited pantheon of management greats, Niccolò Machiavelli (1469–1527) holds an unlikely, but undeniable, place. A Florentine diplomat and writer, his career was colourful – punctuated by interludes of indulgence in “petty dissipations,” torture on the rack, and farming. His abiding relevance to the world of management rests on a slim volume, *The Prince*.

*The Prince* is the sixteenth century equivalent of Dale Carnegie's *How to Make Friends and Influence People*. Embedded beneath details of Alexander VI's tribulations lie a ready supply of aphorisms and insights which are, perhaps sadly, as appropriate to many of today's managers and organisations as they were nearly 500 years ago.

“It is unnecessary for a prince to have all the good qualities I have enumerated, but it is very necessary to appear to have them,” Machiavelli advises, adding the suggestion that it is useful “to be a great pretender and dissembler.” But *The Prince* goes beyond such helpful presentational hints. Like all the great books, it offers something for everyone. Take Machiavelli on managing change: “There is nothing more difficult to take in hand, more perilous to conduct, or more uncertain in its success, than to take the lead in the introduction of a new order of things.” Or on sustaining motivation: “He ought above

all things to keep his men well-organised and drilled, to follow incessantly the chase.”

Above all, Machiavelli is the champion of leadership through cunning and intrigue, the triumph of force over reason. An admirer of Borgia, Machiavelli had a dismal view of human nature. “Empowerment” was not in his vocabulary. Unfortunately, as he sagely points out, history has repeatedly proved that a combination of being armed to the teeth and devious is more likely to allow you to achieve your objectives. It is all very well being good, says Machiavelli, but the leader “should know how to enter into evil when necessity commands.”

In companies addicted to internal politics, Machiavelli remains the stuff of day-to-day reality. But, warns Robert Sharrock, Machiavellian management may have had its day. “The gentle art of persuasion is finding fashion with managers. The ends no longer justify the means. The means, the subtle management of relationships, are the ends by which future opportunities may be created.” This is particularly true of the not for profit sector where the ethics of how we conduct our business are as important in many cases as the “business” itself.

## **Military models**

Leadership re-emerged on the management agenda in the 1980s after a period of relative neglect. A great many books were produced purporting to offer essential guidance on how to become a leader. These tended to follow military inspirations with the business leader portrayed as a general, inspiring the corporate troops to one more effort. (And such metaphors entered the charity and public sector too.)

Even so, there are some useful inspirations in the military world for today’s corporate leaders. One of the most persuasive, and under estimated, is Field Marshal William Slim. Slim believed that the leadership lessons he had learned in the army could readily be applied to the business world. In his book, *Defeat Into Victory*, Slim described his thoughts on raising morale:

Morale is a state of mind. It is that intangible force which will move a whole group of men to give their last ounce to achieve something, without counting the cost to themselves; that makes them feel they are part of something greater than themselves. If they are to feel that, their morale must, if it is to endure – and the essence of morale is that it should endure – have certain foundations. These foundations are spiritual, intellectual, and material, and that is the order of their importance. Spiritual first, because only spiritual foundations can stand real strain. Next intellectual, because men are swayed by reason as well as feeling. Material last – important, but last – because the highest kinds of morale are often met when material conditions are lowest.

The doyen of the military-inspired approach is the UK leadership writer and practitioner, John Adair, who was himself in the army (as well as spending time on an Arctic trawler and various other adventures). Adair has identified a list of the basic functions of leadership: planning, initiating, controlling, supporting, informing, and evaluating. Central to Adair’s thinking is the belief that leadership is a skill which can be learned like any other. This is one of the fundamentals of the military approach to leadership – leaders are formed in the crucible of action rather than through chance genetics.

In the management world there is a tendency to fluctuate between the two extremes. On the one hand, managers are sent on leadership development courses to nurture and discover leadership skills. On the other hand, there is still a substantial belief that leaders have innate skills which cannot be learned.

Modern leadership writers tend to suggest that leadership as a skill or characteristic is

distributed generously among the population. "Successful leadership is not dependent on the possession of a single universal pattern of inborn traits and abilities. It seems likely that leadership potential (considering the tremendous variety of situations for which leadership is required) is broadly rather than narrowly distributed in the population," wrote Douglas Macgregor in *The Human Side of Enterprise*. The American Warren Bennis, inspired by Macgregor, has studied leadership throughout his career. Bennis also concludes that each of us contains the capacity for leadership and has leadership experience. He does not suggest that actually translating this into becoming an effective leader is straightforward, but that it can be done, given time and application.

While such arguments are impressively optimistic about human potential, they are disappointed by reality. The dearth of great leaders is increasingly apparent. This suggests that either innate skills are not being effectively developed or that the business world simply does not encourage managers to fulfil their potential as leaders.

## **The evolution of leadership**

Leadership thinking has moved rapidly from one theory to another. The main schools of thought can be divided into nine theories.

### *Great Man Theory*

Great Man theories were the stuff of the late nineteenth and early twentieth centuries, though their residue remains in much popular thinking on the subject. The Great Man theory is based round the idea that the leader is born with innate, unexplainable and, for mere mortals, incomprehensible leadership skills. They are, therefore, elevated as heroes.

### *Trait Theory*

This theory continues to fill numerous volumes. If you know who the Great Men are, you can then examine their personalities and behaviour to develop traits of leaders. This is plausible, but deeply flawed. For all the books attempting to identify common traits among leaders there is little correlation.

### *Power and Influence Theory*

This approach chooses to concentrate on the networks of power and influence generated by the leaders. It is, however, based on the assumption that all roads lead to the leader and negates the role of followers and the strength of organisational culture.

### *Behaviourist Theory*

In some ways the behaviourist school continues to hold sway. It emphasises what leaders actually do rather than their characteristics. Its advocates include Blake and Mouton (creators of the Managerial Grid) and Rensis Likert.

### *Situational Theory*

Situational Theory views leadership as specific to a situation rather than a particular sort

of personality. It is based round the plausible notion that different circumstances required different forms of leadership. Its champions include Kenneth Blanchard and Paul Hersey whose influential book, *Situational Leadership Theory*, remains a situationalist manifesto.

#### *Contingency Theory*

Developing from Situational Theory, contingency approaches attempt to select situational variables which best indicate the most appropriate leadership style to suit the circumstances.

#### *Transactional Theory*

Increasingly fashionable, Transactional Theory places emphasis on the relationship between leaders and followers. It examines the mutual benefit from an exchange-based relationship with the leader offering certain things, such as resources or rewards, in return for others, such as the followers' commitment or acceptance of the leader's authority.

#### *Attribution Theory*

This elevates followership to new importance, concentrating on the factors which lie behind the followers' attribution of leadership to a particular leader.

#### *Transformational Theory*

While transactional leadership models are based on the extrinsic motivation of an exchange relationship, transformational leadership is based on intrinsic motivation. As such, the emphasis is on commitment rather than compliance from the followers. The transformational leader is, therefore, a proactive, innovative visionary. Kouzes and Posner have identified and written about five exemplary practices that transformational leaders utilize. These are "encouraging the heart," "challenging the process," "inspiring a shared vision," "modelling the way" and "enabling others."

## **The new leader**

"Today's leaders understand that you have to give up control to get results – they act as coaches not as 'the boss'," observes Robert Waterman in *The Frontiers of Excellence*.

The increasing emphasis in the 1990s focused on leaders as real people managing in a consensus-seeking manner. Instead of seeing leadership as being synonymous with dictatorship, this view sees leadership as a more subtle and humane art. It also breaks down the barrier between leadership and management. Traditionally, in theory at least, the two have been separated. "Men are ripe for intelligent, understanding, personal leadership, they would rather be led than managed," observed Field Marshal Slim.

From the 90s onwards, management and leadership have been increasingly seen as inextricably linked. It is one thing for a leader to propound a grand vision, but this is redundant unless the vision is managed into real achievement. While traditional views of leadership tend eventually to concentrate on vision and charisma, the message now seems to be that charisma is no longer enough to carry leaders through. Indeed, leaders

with strong personalities are just as likely to bite the corporate dust (as Bob Horton found to his cost at BP). The new model business leaders we have seen over the last few decades have included people like Percy Barnevik at Asea Brown Boveri, Virgin's Richard Branson, Anita Roddick at Body Shop and Jack Welch at GE in the United States. Non-commercial examples might include Nelson Mandela, Al Gore and Mo Mowlem.

The magic which marks such executives has been analysed by INSEAD management expert Manfred Kets de Vries. "They go beyond narrow definitions. They have an ability to excite people in their organisations," he says. "They also work extremely hard – leading by example is not dead – and are highly resistant to stress. Also, leaders like Branson or Barnevik are very aware of what their failings are. They make sure that they find good people who can fill these areas."

## **Leadership at all levels**

Leonard Sayles, author of *Leadership: Management in Real Organisations* and *The Working Leader* is representative of a great deal of the new thinking. Sayles suggests that leadership affects managers at all levels, not simply those in the higher echelons of management. "It is leadership based on work issues, not just people issues, and is very different from the method and style of managing that has evolved from our traditional management principles."

Sayles argues that the leader's role lies in "facilitating co-ordination and integration in order to get work done." Sayles is dismissive of the perennial concept of the great corporate leader. Instead his emphasis is on the leader as the integrator of corporate systems. The leader is a kind of fulcrum "adapting, modifying, adjusting and rearranging the complex task and function interfaces that keep slipping out of alignment." Instead of being centred around vision and inspiration, Sayles regards the leader's key role as integrating the outputs of his or her work unit with those of the rest of the organisation. To Sayles, "managers who are not leaders can only be failures."

Interestingly, and unhelpfully for the practising manager, leadership attracts such aphorisms rather than hard and fast definitions. Indeed, there are a plethora of definitions on what constitutes a leader and the characteristics of leadership. In practice, none have come to be universally, or even widely, accepted.

The individualism that has been associated with leadership in the past is now a bone of contention. The people we tend to think of as leaders – from Napoleon to Winston Churchill – are not exactly renowned for their team working skills. But, these are exactly the skills management theorists insist are all-important for the 1990s and beyond.

"In some cases, the needs of a situation bring to the fore individuals with unique qualities or values, however, most leaders have to fit their skills, experience and vision to a particular time and place," says psychologist Robert Sharrock. "Today's leaders have to be pragmatic and flexible to survive. Increasingly, this means being people – rather than task-oriented. The 'great man' theory about leadership rarely applies – if teams are what make businesses run, then we have to look beyond individual leaders to groups of people with a variety of leadership skills."

## **Leadership and Empowerment**

Warren Bennis advocates that empowerment is a crucial part of leadership. "Leadership can be felt throughout an organisation. It gives pace and energy to the work and empowers the work force. Empowerment is the collective effect of leadership."

Leadership thinker James McGregor Burns coined the phrases transactional leadership and transformational leadership to describe two leadership styles which aim to empower others to act and therefore achieve more for the organisation overall. Transactional leadership involves leaders who are very efficient at giving people something in return for their support or work. Followers are valued, appreciated and rewarded. Transformational leadership is concerned with leaders who create clear visions and are able to excite others about the vision to the point where they are committed to achieving that vision.

Peter Drucker has observed that great leaders habitually talk of "we" rather than "I." These leaders appear to be natural teamworkers, a fact overlooked by the past heroic models of leadership. In *The Tao of Leadership*, John Heider produces another aphorism – but one which cuts to the heart of modern leadership: "Enlightened leadership is service, not selfishness."