

# summary paper

## A comprehensive summary of New Trends in Leadership - April 2004

### 1. Introduction

Identifying and defining leaders for the 21<sup>st</sup> century poses a unique challenge. Leadership has become the new competency as organisations, individuals and influencers try to shape the leadership agenda. Each influencer is jostling for that taxonomy which will make sense of the challenges and outlast its creator.

#### 1.1 Key themes in Leadership

Substantial efforts are being made to redefine leadership for the 21<sup>st</sup> century. Initiatives and themes include the following:

- Emotional intelligence
- Positive psychology (developing strengths and use of humour)
- Morality of leadership
- The absence of innovation and risk taking
- Guru practitioners (e.g. Jack Welch and Rudy Giuliani)
- A new global definition of leadership
- Leadership as a career – an extra competency for some organisations, an embodiment of all competencies for others

#### 1.2 Discriminating between leadership types

Douglas S. Fletcher (Principal of Performex) describes three variations:

**Executive leaders** (CEOs) are responsible for articulating the vision and direction of the firm. CEOs make speeches and reorganise but have very little impact on the day-to-day operation of any kind of business. This is the job of line-leaders.

**Line leaders** are the lynch pins connecting lower levels to the top. They have a great deal of influence on what is important. They can act as filters or amplify the message executive leaders want communicated. Through their actions and even their non-verbal behavior they communicate what they think is important. They can kill any change program or they can take a leadership position and promote change. Unfortunately, this group of leaders can possess a mindset conditioned by years of adversarial relationships and can be wary of using interactive leadership techniques. Change programs often fail because of this group's lack of effective leadership skills.

**Network-leaders** are the third type. They are the invisible force behind how the firm really operates. Whether union representatives or a covey of technical experts, these individuals create a web of relationships and alliances that penetrate departmental walls. Often they represent communities having similar interests. They typically come together voluntarily, drawn by a common social and professional force. There are no bosses, diverse agendas, and no expected results. The egalitarian nature of these groups promotes openness to exchange knowledge, to listen, and to support disagreement. These natural work groupings with their network-leaders need identification and their networks formalised. Accepting and legitimising these communities of interest is formalising the informal organisation. This is where "tribal knowledge" is created.

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In order to promote new leaders, change, and innovation, these communities must be strengthened to leverage the benefits in today's network organisation.

## **1.3 The difference between leadership, ruler-ship and protector-ship**

The dilemma of a modern leader is about morality. From the dawn of history, leadership of all humanity has been either the call of the prophets, or the exclusive purpose of empires. The former relied mainly on moral authority, the latter principally on sheer physical force. One is more evocative of norms and principles and thus is closer to our conception of leadership, while the other stresses control and subjugation, akin to our view of rule. Indeed, the same working definition of leadership as an expression of moral principles can apply to the issue of institutional leadership and global governance. The tension here is not between individuals, rising to the moral challenges of leadership or succumbing to the expediencies of power. It is between two competing conceptions: the supreme rule of the concept of state sovereignty tenaciously defended by its principal beneficiaries on the one hand, and global governance institutions with a moral vocation to devise common solutions to common human concerns on the other.

## **2. The Business Context of Leadership**

The context in which 21st century leaders operate is complex and fast moving. Here is Getfeedback's summary of the latest business trends.

### **2.1 Economic**

Productivity remains a key driver – getting more for less. The paradox is that UK working hours are high relative to our European peers, yet productivity is lower. Organisations have an urgent need to work more efficiently and effectively and will push to keep unit costs down even if activity is ramped back up.

Relationship customer management – relationships are managed both up and down the supply chain as organisations specialise and chain elements fragment.

Service based economy. Organisations hire 'heads' rather than 'hands' with major implications for human capital management.

Globalisation of the economy with a local, service based focus.

Reform of the pension structure and lack of confidence in pensions schemes in general.

Lack of trust in corporations and their leaders high - particularly following Enron etc.

Aging population - 65% of the US wealth is held by the over 65's; 50% of European wealth is held by the over 50's.

The Eastern challenge to European business: 1 worker in Singapore costs as much as – 3 in Malaysia, 8 in Thailand, 13 in China, 18 in India; cost of a programmer in China \$12.50/hr – cost of programmer in USA \$56.

The UK outlook for 2004 is reasonable – the long term picture is weaker.

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## 2.2 Sociological

### 2.3 Political

The female £ is increasingly powerful but women are not correspondingly represented in business (a stakeholder group that is missing from the agenda)

Global Health issues - HIV/AIDS, SARS, obesity

Increasing mobility of the workforce - uncertainty is increasing the demand for leaders to understand how to motivate people in times of uncertainty

The importance of global corporate citizenship – research indicates that reputation outranks financial measures of success in the eyes of CEOs

Great brands create tribes

Human needs remain the same – security, food, being loved, relationships, fulfillment – despite changing ways of satisfying them

Work- life balance is a key issue of importance for new graduates, not just mature employees

Meta values direct consumer behaviour, worker motivation, investor relations - huge erratic fluctuations in how people feel. Media and emotions rule.

Europe is increasing in size with the aggregated economy approaching that of US in size. However surprisingly little integration – 25 countries, over 1000 tribes, 30 languages; policy unrest, poor democracy, weak leadership, strong regulations

Terrorism – a growing and uncertain threat at home and abroad. Implications for business and business travel.

The need for peace to promote security and prosperity

Recent Iraq war has led to poor trust of political leadership particularly in the UK and US

Increased regulation – every issue is pressure to become regulate (child labour, corporate transparency, recycling, safety at work)

### 2.4 Technical

Outsourcing strengthens and moves away from transactional to strategic partnering. Migration of manufacturing to third world countries

Increasing technology network – internet, intranet, web based solutions

Mixed skills and understanding of new technology in the general population

Good information and communications technology (ICT) encourages both foreign investment and local entrepreneurship.

Biotechnology – changes who we are, how long we live – potential huge impact on demographics

### How are business leaders responding?

Summarising, Thomas A. Stewart, Editor-in-Chief, Harvard Business Review, USA, five points emerged:

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1. Successful companies know exactly what their core business is.
2. They look closely at their customers.
3. They find something that they can do over and over again.
4. When deciding on expansion, they look to adjacent operations, like services.
5. They avoid the "allure of the new" and focus on what they can do to drive the core business forward.

## 2.5 The CEO as a Psychologist

While motivating people through fear or by incentives might produce short-term results, a workforce immobilised by anxiety, or preoccupied with maximising the rewards for every single action, will eventually stagnate, or worse, revolt. As leaders try to maximise the limited resources they have to work with, finding ways to maintain and sustain the company's richest resource – human capital – remains one of their biggest challenges. In exploring the leadership needs of today, Anthony Robbins, Chairman of the Board and Founder, Anthony Robbins Companies, USA, presented his key to success: today's leaders and managers must become practical psychologists.

Because our emotional state so significantly influences our actions, leaders must understand not only their own emotional state, but also that of the people they lead. "The only difference between brilliant and brutal moments is your [mental] state," said Robbins, who repeatedly demonstrated the powerful connection human physiology has to human emotion. Positive emotional power contributes to individual success. Robbins second major message was that "success without fulfillment is failure." The key to success, then, is understanding the nature of fulfillment. "To influence somebody else, you must know what already influences them," said Robbins, and he explained this influence by identifying six human needs: · the need for stability and certainty · the need for variety and uncertainty · the need to feel significant · the need for connection with someone or something · the need to grow · the need to contribute beyond oneself.

## 3. The Morality of 21<sup>st</sup> Century Leadership

Morality will be the challenge for 21<sup>st</sup> century leaders.

- Harvard Business School was the first to offer a class on "social factors in business enterprise" in 1915
- Higgs Report, CSR, corporate scandal and increased calls for corporate governance reform together will bring leadership morality to the forefront of the leadership agenda.

### 3.1 Defining moral leadership

There has been much work attempting to develop a general theory of leadership. Trait, transactional, transformational, path-goal, contingency and situational theories, all abound. These theoretical constructs seek to both define and explain leadership. However, there is no generally accepted or even widely disseminated theory of ethical leadership. As Northouse in *Leadership: Theory and Practice* (Sage Publications, 2001) states twice in the book: "... very little research has been published on theoretical foundation of leadership ethics ...". Without a theoretical foundation of support, the concept of ethical leadership is impotent to guide human behavior.

The subject of moral/ethical development ranges from infant development to the seventh stage of Kohlberg's moral development model in which the individual transcends his or her own mortality and comes to

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understand universal moral principles. Moral development and leadership is important to educators, health care professionals, community organisers and business professionals. The relationship between moral behavior and leadership with progress was clear. However, "how to" articles are few and articles on actual results of moral leadership development programmes were virtually impossible to be found.

### 3.2 Developing moral leadership practices

In order to begin to develop a theory of ethical leadership, one must realise that the term "ethical" in front of the word "leadership" today is merely seen as imposing constraints on the leader. Ethics today is taught from a negative point of view. One studies ethics in law school, other graduate schools and in new courses springing up in the business and non-profit worlds and each of these courses tries to teach people what not to do. No body of knowledge and certainly no successful behavioural modification training can ever be based on trying to teach people what not to do. The number and categories of unethical behaviour are infinite and only limited by the imaginations of the six billion people on the planet. No course can ever tell someone all the things not to do or even describe all of the categories of actions that are proscribed.

Any theory of ethical leadership must be based on two new premises. First, ethical leadership is a system of thought based on setting rules for what to do, not on what not to do. Second, our definition of leadership must evolve to include ethical behaviour not because ethical behaviour is simply a natural good in and of itself, but mainly as part of the core of what leadership is for pragmatic reasons.

### 3.3 Conclusion

The information search yielded the following conclusions:

- Individuals **can** be trained in Moral Leadership.
- Moral Leadership training leads to personal transformation and behavior changes.
- Personal transformation and behavior change leads to better job performance, and the ability and willingness to serve the community, which in turn leads to social transformation.
- However, virtually no organisations or training providers have grasped this area of development or maximised its potential as yet.

## 4. Defining the New Generation of Leaders

Numerous organisations and individuals have sought to place a framework around the key attributes of a successful leader. Chapter Five describes a major research project designed to test whether these multiple frameworks are actually describing the same attributes across the world.

Good leaders create real commercial value. Knowing this has prompted a focus on identifying and defining the attributes of executives and leaders more exactly. But in its enthusiasm, HR has made a crucial oversight.

Namely, by failing to distinguish between nature and nurture, HR has not distinguished between that which is durable (personality, motivations, cultural fit) and that which is changeable (behavioural competence, emotional intelligence). Instead it has relied on a multitude of simple classifications which sound meaningful, none of which help an organisation to either select or develop executives and leaders. HR has become preoccupied with personal attributes which cannot be changed (for example authenticity, courage, integrity, timing etc) – whilst concurrently insisting that leaders are made not born.

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The reality is leaders are born and then developed. Organisations should begin at the selection process and recruit individuals who display specific durable attributes, identified as being required for successful leadership in that organisation. Executive development is then about developing the changeable aspects of an individual, identified as being required for successful leadership, again, in that organisation.

Some durable and changeable attributes will be common to all executive development programmes whilst others will be unique to specific industries and organisations. The value that HR brings to the table is twofold: the clarity to distinguish durable and changeable attributes (selecting against the former and developing the latter) and the insight to define attributes required against the specific needs of the organisation.

As a business partner, HR needs a crystal clear view of the drivers of UK plc in order to strategically advise on executive development. HR must also be the guardian of the development agenda by discriminating between nature, which must be selected for, and nurture, which can be developed. With this in mind, executive development must start with a selection process with the capacity to detect strengths and limitations and then immediately focus on developing changeable aspects in the executive population, identified for success.

## 5. Global Leadership – the GLOBE Project

### 5.1 Leadership across the Globe – same or different?

In practice, leadership, particularly global leadership, involves facing some fundamental, obvious challenges: motivating followers; mobilising their knowledge, skills, and abilities; creating and implementing an organisational vision; and managing change. A simple universal recipe for overcoming these challenges, however, has been elusive, and truly exceptional leaders have often assumed almost mythical status, their decisions not entirely explainable by ordinary folk. In response, various schools of thought have arisen as to how leadership can be explained, and how it should be exercised, assessed, conceptualised and even defined. Each of these theories has implications for the understanding and practice of leadership.

Is there any evidence that leadership is the same across the globe? GLOBE is a multi-phase, multi-method project in which investigators spanning the world are examining the inter-relationships between societal culture, organisational culture, and organisational leadership. GLOBE is ground breaking because it defines the principle characteristics of leadership as perceived globally. It identifies nine attributes that are accepted across the globe as characteristics of successful leaders. It is the largest collection of data relating to leadership skills that has ever been collected and provides clear evidence that leadership can be defined as a global concept.

In addition, this groundbreaking research analysed what managers in different countries wanted more or less of from their leadership. This approach provides fascinating information for any leader who has to lead across different cultural boundaries. For instance, the research finds that in England, managers endorse leaders who aim for a freer organisation with less control, the implication being that those who are led exhibit self control rather than labouring under management control. This also reduces rule-based decision-making, giving discretion to those who are able to exercise it. Armed with culturally specific data that is matched to the culturally accepted and globally expected characteristics of leaders, leaders will better positioned to provide leadership that will transform an organisation from the as-is to the as-required in a more scientific fashion.

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Approximately 170 social scientists and management scholars from 61 cultures and countries representing all major regions throughout the world are engaged in this long-term programmatic series of cross-cultural leadership studies. The scale of the GLOBE research, and the volume of substantive data suggest that it would be possible to build a model by which existing leaders can be measured against the nine criteria referenced by Dr Simon Booth. In fact Getfeedback has already initiated this thinking to develop an objective assessment that will identify as-is versus perceived requirements of good global leaders compared with as-is and required capability thus, by implication, pinpoint the areas in which a leader may need development to become more effective and successful. This is different to current methodology used by most organisations which focuses on assessing leadership capability only to identify the development needs of the leader.

## 5.2 Developing global leaders

It is important to note that the leader who displays strengths in all four of these areas rarely exists because possessing all of the attributes would by implication entail that the leader is somewhat superhuman. The conclusion that we draw from this is that there must be a number of leaders combining their strengths for the good of the organisation, thus providing more evidence that the days of an organisation being led by one individual are becoming more and more unlikely.

### A complete model would look like this:

#### Step one – Information

- Cross cultural awareness

#### Step two – Empathy

- Cultural sensitivity

#### Step three – Modeling

- Cultural insider

#### Step four – Conceptual thinking

- Cultural comparator

#### Step five – Facilitation

- Trans-cultural synthesis

Most schemes involve the leader researching and empathising, but stop short of becoming a cultural insider. Becoming an insider is crucial to enable the leader to create a new culture within an organisation that encourages followers and is indicative of the success of that organisation.

Relationships and systems thinking are the currency of global leadership. The focus on relationships is a need to unify diverse people and cultures. The focus on systems thinking is the need to avoid falling in to the trap of systems archetypes – perceived solutions that turn out to be intractable problems.

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## 5.3 Summary of the key points

- Global leadership development needs to be led
- Global leaders are more than geocentric globe trotters
- HR's role in developing global leaders is design and governance
- More complex than national leadership development
- A framework gives leaders a currency in which to invest
- Global leadership is a career
- Global leadership = global collaborative advantage

## 6. Speakers and Gurus

### 6.1 Leadership Gurus

#### **Warren Bennis - Research Fellow, Harvard Business School**

Warren Bennis is University Professor and Distinguished Professor of Business Administration and Founding Chairman of The Leadership Institute at the University of Southern California. He is also Visiting Professor of Leadership at the University of Exeter and a Fellow of the Royal Society of the Arts (UK).

Starting his career over 45 years ago, he has authored or edited over 27 books, including the best-selling *Leaders* and *On Becoming a Leader*, both translated into 21 languages. The Financial Times recently designated *Leaders* as one of the top 50 business books of all times. In 1998, Jossey-Bass republished his pathbreaking book, first published in 1968, *The Temporary Society*, co-authored with Phil Slater. His book of essays, *An Invented Life; Reflections on Leadership and Change*, was nominated for a Pulitzer Prize. His latest books, *Organising Genius*, 1997 (chosen by Financial Times as one of the top 10 management books of 2000), *Co-Leaders*, 1999, *Managing the Dream*, 2000, and his 2001 co-edited volume, *The Future of Leadership* summarise Bennis' major interests: Leadership, Change, and Human Development.

#### **Lynda Gratton, Associate Professor of Organisational Behaviour, London Business School**

Also as Dean of the full-time MBA Programme, Lynda directs the School's executive Human Resource Strategy programme and is Research Director of The Leading Edge Research Consortium.

Lynda has a dynamic research portfolio, at the centre of which is The Leading Edge Research Initiative which focuses on identifying and articulating how business strategy is developed through people. Since 1993 a series of in-depth studies of 8 large companies have resulted in increased understanding of this complex issue. The results of this research have been published in a number of research articles and summarised in *Strategic Human Resource Strategy: Corporate Rhetoric and Individual Reality*, published by Oxford University Press.

#### **Sumantra Ghoshal, Chair of Strategic Leadership, London Business School**

Now Professor Strategic Leadership at London Business School after spells at INSEAD and MIT. Working in long-established partnership with Harvard's Christopher Bartlett he has become one of the world's most respected business thinkers through the co-authored books *Managing Across Borders: The Transnational*

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Solution (1988); Transnational Management (1990); Organisation Theory and the Multinational Corporation (1993); and The Individualised Corporation (1997).

His most recent work focuses on the need to develop strategy which encompasses people. He has been critical of the current fad for knowledge management. "To say knowledge management hasn't delivered the goods is an exaggeration", says Professor Ghoshal. "But overall, organisations haven't reaped the benefits predicted. Many companies initially saw knowledge management as a technical task and handed it over to their IT people, who went away and created sophisticated IT systems. But it's really a social not technological issue.

Where it has been effective it is because much more attention was put on the human dimension – the social, emotional and relational context."

## **Rudolph W. Giuliani, 107th mayor, City of New York**

Born in Brooklyn, New York, Rudolph W. Giuliani was elected the 107th mayor of the City of New York in 1993. Prior to becoming mayor, he had been Associate Attorney General, the third highest position in the United States Department of Justice, a position he left in 1983 to become US Attorney for the Southern District of New York. He was voted Time 2001 Person of the Year. He founded Giuliani Partners, a consulting firm, in January 2002, and is based in New York.

**Deepak Sethi** is Vice President of Executive and Leadership Development for the Thomson Corporation, a \$7 billion information and specialised publishing company. Previously, he was assistant director for executive education for AT&T. His work has been featured in the Wall Street Journal, USA Today, and NY Newsday. Deepak is a keynote speaker for Linkage Inc. at their annual Leadership Development Conference "No longer are we sure what it means to lead, whether at the top, the middle, or the front lines of an organisation. Yet we continue to define leadership primarily as the work of senior executives. In so doing, we overlook some of the most important and abundant sources of leadership."

## **Dr Patrick Dixon, Chairman, Global Change Ltd**

Dr Patrick Dixon is often described in the media as Europe's leading Futurist and has been ranked as one of the 50 most influential business thinkers alive today ([Thinkers 50](#)). Chairman of Global Change Ltd, he is author of twelve books printed in nine languages – titles include Futurewise: Six Faces of Global Change, The Genetic Revolution, The Truth about Westminster, The Truth about Drugs and The Truth about AIDS.

Dr Dixon has spoken to audiences in 43 countries and is one of the world's most sought after keynote speakers at corporate conferences and client events. His multimedia vision of the future is experienced by up to 3,000 people a time, in up to four countries a week. Challenging, hard-hitting, provocative, dynamic, passionate and practical as well as entertaining, motivating people to change, backed by data and original research.

He advises multinational company boards and senior teams on strategic implications of a wide range of global trends such as the new economy, the digital society, financial services, biotechnology, health care, geopolitical issues, lifestyle changes, consumer behaviour, employee motivation, public policy, corporate ethics and social responsibility.

## **Dr Dixon's 10 facets of Leadership in the 3<sup>rd</sup> Millennium**

1. Leadership is everything
2. Preparing for the unexpected

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3. Faster reaction times
4. Flatter structures
5. Teams and partners
6. Investing in people
7. Visionary technology
8. Sensitive to culture
9. Creating family
10. Providing purpose and meaning

## 6.2 Other Leadership and Management Thinkers

There is no shortage of guru lists out there but few offer an objective, quantitative ranking. Business publications generally gather nominees, and then editors or boards of experts rank them according to largely subjective criteria. But while these lists might provoke lively debate around the water cooler (and perhaps generate enough buzz to sell extra copies of the magazine), they offer managers and executives little in the way of practical, actionable information.

Here are two for reference, the first is ranked quantitatively and the second, qualitatively:

**Accenture's** quantitatively ranked [Top 50](#)

**Thinkers 50:** The Thinkers 50 2003 provides a completely new ranking, the definitive guide to which thinkers and ideas are in - and which have been consigned to business history. More than that, it offers a unique snapshot of the practices and personalities shaping the world of work and the way we do our jobs.

<http://www.thinkers50.com/>

## 7. Research Projects

### 7.1 Summary of Existing Research to date

The leadership literature of the 1970s and 1980s, with its focus on effective leaders, revisited personal traits as determinants of leadership abilities. It primarily contributed to understanding the impact of personal characteristics and individual behaviors of effective leaders and their role in making organisations successful. The studies differentiated between leaders and managers and introduced a new leadership characteristic -- vision -- and explored its importance. Along with having vision, effective leaders are said to facilitate the development of a shared vision and value the human resources of their organisations. In addition to these insights on leadership, a new theory emerged -- transformational leadership.

#### Leaders versus Managers

"Managers are people who do things right and leaders are people who do the right thing" (Bennis & Nanus, 1985, p. 21). Burns (1978) describes managers as transactors and leaders as transformers. Managers concern themselves with the procurement, coordination, and distribution of human and material resources needed by an organisation (Ubben & Hughes, 1987). The skills of a manager facilitate the work of an organisation because they ensure that what is done is in accord with the organisation's rules and regulations.

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The skills of a leader ensure that the work of the organisation is what it needs to be. Leaders facilitate the identification of organisational goals. They initiate the development of a vision of what their organisation is about. "Management controls, arranges, does things right; leadership unleashes energy, sets the vision so we do the right thing" (Bennis & Nanus, 1985).

The central theme of the research is that those who find themselves supervising people in an organisation should be both good managers and good leaders. As Duttweiler and Hord (1987) stated, "the research shows that in addition to being accomplished administrators who develop and implement sound policies, procedures, and practices, effective administrators are also leaders who shape the school's culture by creating and articulating a vision, winning support for it, and inspiring others to attain it".

## **Vision**

"All leaders have the capacity to create a compelling vision, one that takes people to a new place, and the ability to translate that vision into reality" (Bennis, 1990). Current leadership literature frequently characterises the leader as the vision holder, the keeper of the dream, or the person who has a vision of the organisation's purpose. In *Leadership Is an Art* (1989), De Pree asserts that "the first responsibility of a leader is to define reality". Bennis (1990) writes that leaders "manage the dream" (p. 46). Vision is defined as "the force which molds meaning for the people of an organisation" by Manasse (1986).

According to Manasse, this aspect of leadership is "visionary leadership" and includes four different types of vision: organisation, future, personal, and strategic. Organisational vision involves having a complete picture of a system's components as well as an understanding of their interrelationships. "Future vision is a comprehensive picture of how an organisation will look at some point in the future, including how it will be positioned in its environment and how it will function internally" (Manasse, 1986). Personal vision includes the leader's personal aspirations for the organisation and acts as the impetus for the leader's actions that will link organisational and future vision. "Strategic vision involves connecting the reality of the present (organisational vision) to the possibilities of the future (future vision) in a unique way (personal vision) that is appropriate for the organisation and its leader" (Manasse, 1986). A leader's vision needs to be shared by those who will be involved in the realisation of the vision.

## **Shared Vision**

An important aspect of vision is the notion of "shared vision." "Some studies indicate that it is the presence of this personal vision on the part of a leader, shared with members of the organisation, that may differentiate true leaders from mere managers" (Manasse, 1986). A leader's vision needs to be shared by those who will be involved in the realisation of the vision. Murphy (1988) applied shared vision to previous studies of policy makers and policy implementation; he found that those studies identified gaps between policy development and its implementation and concluded that this gap also applies to current discussions of vision. He stressed the need for the development of a shared vision. "It is rare to see a clearly defined vision articulated by a leader at the top of the hierarchy and then installed by followers" (Murphy, 1988). Whether the vision of an organisation is developed collaboratively or initiated by the leader and agreed to by the followers, it becomes the common ground, the shared vision that compels all involved. "Vision comes alive only when it is shared" (Westley & Mintzberg, 1989).

## **Valuing Human Resources**

Leaders go beyond the development of a common vision; they value the human resources of their organisations. They provide an environment that promotes individual contributions to the organisation's work. Leaders develop and maintain collaborative relationships formed during the development and adoption

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of the shared vision. They form teams, support team efforts, develop the skills groups and individuals need, and provide the necessary resources, both human and material, to fulfill the shared vision.

## **Transformational Leadership**

Burns (1978) introduced the concept of transformational leadership, describing it as not a set of specific behaviors but rather a process by which "leaders and followers raise one another to higher levels of morality and motivation". He stated that transformational leaders are individuals that appeal to higher ideals and moral values such as justice and equality and can be found at various levels of an organisation. Burns (1978) contrasted transformational leaders from transactional leaders which he described as leaders who motivated by appealing to followers' self interest. Working with Burns' (1978) definition of transformational leadership, Bass (1985) asserts that these leaders motivate followers by appealing to strong emotions regardless of the ultimate effects on the followers and do not necessary attend to positive moral values. The Reverend Jim Jones of the Jonestown massive suicide could be an example of Bass's definition of transformational leadership. Other researchers have described transformational leadership as going beyond individual needs, focusing on a common purpose, addressing intrinsic rewards and higher psychological needs such as self actualisation, and developing commitment with and in the followers (AASA, 1986; Bass, 1985; Bennis & Nanus, 1985; Coleman & La Roque, 1990; Kirby, Paradise, & King, 1992; Leithwood, 1992; Leithwood & Jantzi, 1990; Leithwood & Steinbach, 1991; Sergiovanni, 1989; 1990).

In summary, the literature reveals that effective leadership in an organisation is critical. Early examinations of leaders reported the differences between leaders and followers. Subsequent leadership studies differentiated effective from non-effective leaders. The comparison of effective and non-effective leaders led to the identification of two dimensions, initiating structures and consideration, and revealed that effective leaders were high performers in both. Leadership was recognised as a complex enterprise, and as recent studies assert, vision and collaboration are important characteristics of effective leadership. What is it about certain leaders that enables them to lead their organisations to change? There is a clear progression in the research literature from static to dynamic considerations. The evolution leads to the question addressed in the next section: What are the characteristics of leaders of change?

## **7.2 Upcoming research**

### **The Leadership Trust: Theories of leadership and their application cross-culturally**

A study is underway to explore the similarities and differences in leadership styles and behaviour in Asia, the UK and the USA. Preliminary findings have already been presented at conferences in Bahrain and Malaysia (q.v.). The Trust plans to extend this to Europe as a whole. This study raises the questions of whether there are corporate, national and regional cultural similarities or differences and whether there is a truly "global" leader, and it has practical implications for directors and managers moving from one organisation to another and working in foreign countries.

### **The Leadership Trust: The leadership styles of transactional and transformational leaders**

To what extent do transactional and transformational leaders use directive, consultative, participative and delegative leadership styles? And what does this imply for effective leadership? A study drawing on samples from the UK and Asia has been presented at a British Academy of Management conference and is reported in a working paper.

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## **London Business School**

The role of leadership in organisational change (Jay Conger, Rob Goffee) Personality characteristics of effective leaders & managers (Nigel Nicholson, Randall Peterson) Leadership dynamics in family firms (Nigel Nicholson) Leadership in technology organisations (Pino Audia)

## **Cranfield School of Management**

Latest research promotes the connections between effective business leadership development and alignment to strategic business drivers.

They have recently launched a new research centre on the women in leadership agenda

Other current leadership research projects include (click through links for more information):

- [Business Leadership & General Management Development – Creating Innovative Future Practice](#)
- [Developing External Perspectives in Senior Managers](#)
- [Luck, Legacy or Leadership?](#)
- [Developing Business Through Developing Individuals](#)

## **Harvard Business School**

The Leadership Initiative is an interdisciplinary initiative that strives to serve as a catalyst for cutting-edge research and course development. The initiative aspires to be at the forefront of leadership research and development in the 21<sup>st</sup> century, and aims to contribute to Harvard Business School's overriding mission to educate leaders who make a difference in the world. The projects and course development efforts aim to capture the realities of leadership throughout the organisation (not just at the CEO level) and also the challenges of leadership in context (across time and location). The core faculty collaborates and builds alliances with individuals and organisations across the globe. In addition, the initiative offers executive education programs and provides resources for interdisciplinary collaboration.

## **Insead**

Current research projects include research into how use of humour impacts leadership behaviour. Specifically the study investigates the mechanisms through which humour influences interaction dynamics in the role of a leader.

Promoting the importance of innovation and risk management, the 2004 conference includes key academic speakers on business risk and decision making including Dr Charles Galunic.

The INSEAD-PricewaterhouseCoopers Research Initiative on High Performance Organisations (HPO) is a five-year research program to study how high performance organisations operate and create value. The initiative will conduct research in strategy formulation, risk taking and management, resource acquisition and allocation, organisational design and change, creating and managing internal and external networks, intellectual capital development and knowledge management, and performance measurement.

## **Henley Management College**

HMC are currently promoting their research on the BT Global Challenge Yacht Race. The accompanying booking is Inspiring Leadership: Staying Afloat in Turbulent Times. Cranwell-Ward, Jane. The topic is leadership and emotional intelligence.

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## **Ashridge**

Current research projects include the power of story telling and living with change and uncertainty. Key speakers include Phil Hodgson and Randall White.

## **Roffey Park**

A new research programme into the effectiveness of global leaders sets out to examine the implications of the complex challenges and opportunities of globalisation on leadership requirements. The research focuses on what kinds of leaders are required in an increasingly global business place to enable organisations to compete successfully, what capabilities are required and what strategies are being used to develop them. This project builds on our earlier research in this area that examined the range of approaches used by companies to recruit, develop and retain international managers.

The research will be conducted through case studies with large international organisations. The key findings will be published in a report in October 2004

## **Centre for Creative Leadership**

Summary of current research projects:

**Choices and Tradeoffs of High-achieving Women** - Originally, the purpose of this project was to develop a better understanding of the dilemmas high-achieving women face in defining and shaping their careers. That has been done and the findings have been published in the Academy of Management Journal and in the new book from Jossey-Bass/Wiley, *Standing at the Crossroads: Next Steps for Developing High-Achieving Women* by Marian Ruderman and Patricia Ohlott. The understanding developed during the course of this study has been incorporated into CCL's Women's Leadership Program. The relevance of this work for international women managers is discussed in an article in *Euro Business* and in a forthcoming article in the Center publication, *Leadership in Action*. The project team is now extending some of their work to include men. In this extension, researchers are specifically looking to see if there are gender differences with regard to work/life issues for men and women managers.

**Connected Leadership** - This is an action-research project aimed at creating concepts and practices for developing leadership beyond the individual leader. The project framework sees leadership as a collective networked activity engaged in by people sharing work in a community or organisation in order to set direction, gain commitment, and create alignment. Leadership development in this sense is thus aimed not just at individuals, but also at the connection between individuals; and not just at groups and organisations but at the connections between such aggregates. In the first year, the project is casting a wide conceptual net to include understanding connectivity and networks, leadership strategy, organisational capacity for leadership, and the role of leadership in facing complex, adaptive challenges.

**Emerging Leaders** - The purpose of the project is to create a knowledge base which can help us to better understand the leadership development needs of the Emerging Leaders population, which we define as professional staff under 35 years of age. To this end we gathered data and worked with clients on the following questions:

# summary paper

- What are the leadership development needs of emerging leaders? How do these needs differ from those of other age groups?
- What are the learning styles of emerging leaders?
- How do these learning styles differ from those of other age groups?
- What are the challenges emerging leaders face in defining and shaping their careers?
- What are the challenges of working across generations?

The project team finished collecting data in December 2002, and currently have a research database with over 3400 valid observations. Initial findings are now available in the Emerging Leaders Research Summary Report, and is now available in PDF format free of charge. The report can be downloaded by clicking on the hyperlink provided below. It is anticipated that additional findings will be available in the next six months after more detailed analysis has been performed.

#### [Emerging Leaders Research Summary Report](#)

**Leadership Across Differences: Reconciling Ethnicity, Religion, Gender, and Culture** - In an increasingly interdependent and diverse world, a major leadership challenge is, and will increasingly be, the need to lead groups of people with very different histories, perspectives, values, and cultures. The purpose of this project is to identify leadership strategies that may prevent or reduce group conflict in organisations when the conflict mirrors tension over religious, ethnic, gender, or racial differences prevalent in the society at large. This is a multi year, multi-country project and our long-term goal is to develop a process to teach people who hold leadership roles how to prevent or resolve this type of group conflict in organisations.

**Storytelling** - This project aims to collect, understand, and document stories that we are using at CCL in leadership development, and to disseminate our findings in order to further the understanding of the use of storytelling in the business community.

**Sustainability** - This project was started to learn about the leadership qualities associated with being able to change the direction of an organisation to adopt the principles of environmental sustainability. A goal is to learn what is needed to teach these skills and capabilities to other potential leaders.

# summary paper

## 8. Key Resources and Websites

### Recommended websites for leadership articles and comment

Getfeedback	<a href="http://www.getfeedback.net">www.getfeedback.net</a>	Articles and comment on all aspects of leadership development and related topics
Linkage Inc	<a href="http://www.linkageinc.com">www.linkageinc.com</a>	Resource based consultancy in US. Hosts multiple conferences and summits on HR/Strategy/Leadership issues. Rich bank of articles and comment
Leader Values	<a href="http://www.leader-values.com">www.leader-values.com</a>	Resource based leadership consultancy site. Variety of resources on historical leaders, leadership themes and leadership theory presentation downloads
Global Change	<a href="http://www.globalchange.com">www.globalchange.com</a>	Futurist website – describes upcoming global trends and their relationships to business and leadership.
Leadership Lifestyles	<a href="http://www.leadershiplifestyle.com">www.leadershiplifestyle.com</a>	Guru based website/consultancy. Many, many articles on various aspects of leadership – largely 'How To' articles or leadership attribute frameworks.
Growth Strategies	<a href="http://www.growth-strategies.com">www.growth-strategies.com</a>	Leader based resource website – multiple articles on leading business and modern leadership. US-centric
Corporate Leadership Council	<a href="http://www.corporateleadershipcouncil.com">www.corporateleadershipcouncil.com</a>	Subscription required. Leadership resource centre – surprisingly mechanical/transactional – little on leadership but lots of case studies of performance management and