

# **WHO DO WE THINK WE ARE LEADING? A JOURNEY ACROSS FOUR SECTORS**

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## **1 Introduction**

When Jim McCalman asked me to share something from my experience, I thought I might reflect on leadership from the perspective of having journeyed in my career across four sectors: public, private, voluntary and academic. My first 10 years of working life were in the public sector, as a fast-stream civil servant in the Treasury. I followed this with 18 years in the private sector as a headhunter, latterly as deputy chairman of Saxton Bampfylde. I continue to earn my living in the private sector as the founder of my own careers advice boutique, Maslow's Attic, focusing on successful individuals who wish to explore lateral or creative career moves.

Alongside this I have had the good fortune to have a number of roles in the voluntary sector: first locally; then founding with my wife a small charity concerned with South Africa; then a trustee and for two years treasurer of the Diana, Princess of Wales Memorial Fund; and for the last four years chairing the Refugee Council. With 300 staff and several hundred volunteers, we are the largest British refugee charity, with a two-thirds elected board which connects us to the nationwide tapestry of refugee community organisations and partner agencies.

A few months ago I completed a management doctorate at the University of Hertfordshire and now do a day a week at Cass Business School as a senior visiting fellow. As it should, the doctorate prompted me to re-think my experience of leadership, and I know that was part of what Jim hoped I might share this morning.

So if I may, I will give this talk in two halves. First, taking one aspect of leadership – courage – and reflecting with you on some experiences from my wandering career. Second, raising a challenging question which emerged for me from my doctoral studies.

## **2 Courage in the voluntary sector**

I became chair of the Refugee Council a week before our AGM in January 2007 – which is when my first story took place. On the day our director of communications told me we would be showing a ten minute video of Jade Amoli-Jackson, one of our refugee volunteers, to

whom would I then please present this Arsenal football shirt. I was assured that Jade was an Arsenal fan.

When the video started, I came off the podium and sat next to her. I watched her image speaking on the screen with increasing horror. Jade has since written about her experiences in northern Uganda in a book (2007). Her husband was seized by soldiers and beheaded. By bribery she got her husband's body to bury it, but the bribe didn't extend to the return of his head. While Jade was still in deep grief, some months later her twin sister was killed. In 2001 her children were abducted. Jade herself was held by soldiers for two months and raped. Someone whom Jade had helped repaid a favour and she arrived at Heathrow, ill and unconscious, in July 2001.

My blood ran cold twice over: once for what Jade had lived through and once, selfishly, for myself. How on earth could I thank Jade for sharing all this with more than one hundred people at our AGM with an Arsenal shirt?

In the closing minutes of the video Jade explained that of course there are days when she is tormented by these horrors. She still does not know where her children are, or if they are alive. But not every day is like that, and she values the days when she is putting down new roots, and for a while can be an ordinary person again. Suddenly I knew how the Arsenal shirt fitted in, and I presented it to her with a big hug and a grin. What better way for anyone to learn about inspiration than to lead an organisation of inspirational people like Jade?

Now it's four years on. The Refugee Council's 300 staff and several hundred volunteers include people like Jade and they all help people like Jade, yet many of these jobs are at risk because of cuts by the Home Office. The current challenge for leaders at the Refugee Council is to address that.

It's impossible not to think of courage as a key element of leadership – leadership exercised at all levels in a society - when you work alongside refugees. David Cameron wishes to see a 'Big Society' full of active citizens. While each refugee's story and circumstances are different, many of the small number of refugees who reach the UK are refugees precisely because they were active citizens and courageous leaders in their societies of origin.

I had no idea when in 2000 I became a trustee of the Diana Memorial Fund that that would require courage. But that was demanded of all its trustees some years later when we found we were embroiled in ruinous US litigation under the eye of the world's media and Buckingham Palace, without the protection of limited liability. I can remember going home to tell my wife that we might be bankrupted by this modest, unpaid role. But what an educational experience to observe board dynamics and see how one's own and colleagues' behaviour changed. We were under the threat of that cosh for a couple of years. After that I was unlikely to forget courage as an element of leadership.

### **3 Courage in the public and private sectors**

For me an abiding example of courage straddling both the private and public sectors was the work which two women economists, Clare Spottiswoode as director-general of Ofgas and Eileen Marshall as chief economist, did between 1993 and 1998 to break up British Gas and liberalise the gas market. I had a hand in Clare's recruitment. At that time her cv said that she was running a small import-export business from home while raising children. British Gas had been privatised in 1986 as a single monopoly. It had also been run by powerful, brilliant men like the late Denis Rooke who – to put it mildly - didn't take kindly to others – let alone non-engineers, let alone women - interfering in their patch. To see this change through required not only considerable intellectual resources but personal fearlessness. If you take the view that banking post-crisis needs a critical and fearless look, then you will take comfort that Clare is one of the members of the Independent Commission on Banking.

### **4 The complexity of courage – and its corruptions**

The kind of courage which I most needed as a headhunter in the private sector – I don't for a moment say I always achieved it – was the courage to give clients advice which they really did not want to hear. And perhaps also to own up to mistakes. There is a pressure which is not unique to the private sector, but can be particularly acute there, which we might all recognise as the "jump – how high?" syndrome. The pressure for ever better, ever faster and ever cheaper results – which is not in itself a bad pressure – can mutate into a cancerous form, in which only executives who bring forward "solutions" not "problems" have a place in the corporate sunshine. It's a courageous and necessary act of leadership, and something at the heart of what I am saying this morning, for someone in the middle or senior levels of an organisation to swim against this kind of tide.

So now let's introduce some academic perspective. I had the good fortune to get a place on a terrific doctoral program at the Complexity and Management Centre of the University of Hertfordshire. This has an international following, resulting from the work done by its pioneers Ralph Stacey, Doug Griffin and Patricia Shaw, whom I was privileged to have as faculty and supervisors. They have carved out a deep analysis of organisational and managerial life which connects what all of us do every day, whether as leaders, managers, consultants or simply workers, with substantial philosophical and sociological roots, in a way which challenges head-on much of do-ers and thinkers often take for granted about leadership and management. Stacey and his colleagues insist that the consequences of all our actions are much more unknowable than we like to admit, and he has linked this directly to the recent financial crisis in a book which he brought out at the beginning of this year (Stacey, 2010). I have written about this linkage from the perspective of having done a lot of headhunting for regulators, including the FSA; I also compare Stacey's book with the latest post-crisis offering from Rosabeth Moss Kanter (Board, 2010). Perhaps I'm a bit unkind about Moss Kanter.

I particularly highlight the way in which the Walker report on corporate governance – which was the enquiry set up by Gordon Brown to look at what should have happened differently in the way banks were led – is suggestive of an ideal of leadership in our society which is really

quite brittle: not well able to deal with serious constructive challenge, and lapsing frequently into the "jump? How high?" mode. By contrast, even in the short three years of a doctorate, I learned something of the academic mindset in which – at its best – a powerfully articulated and radical view searches for challenge. The academic ideal is to crave contrary perspectives which are no less powerful in order to learn and improve one's own thought.

The doctorate also left me with a much sharper understanding of the way in which terms like "courage" – which I have been using as a centrepiece of this talk – can and will mean many quite contradictory things; prompting the need to be very alert when words like this are flung around.

An example from a few weeks ago is a talk I gave to MSc students at Cass. They were using an excellent collection of readings on leadership by Jon Billsberry (2009). Two of the chapter-authors talk about Shakespeare's Henry V, which is much used in certain kinds of leadership training. And surely Henry V is about courage, if it is about anything?

We few, we happy few, we band of brothers.  
For he today that sheds his blood with me  
Shall be my brother; be he ne'er so vile,  
This day shall gentle his condition ...

And gentlemen in England now abed  
Shall think themselves accursed they were not here,  
And hold their manhoods cheap whiles any speaks  
That fought with us upon Saint Crispin's day.  
(Billsberry, 2009, p. 260)(Henry V, Act 4 scene 3)

The more I thought about it, the more unhappy I became with the kind of courage advocated here. There is something profoundly thoughtless about it. It glorifies unquestioning sacrifice in the face of daunting odds in a way which – I suggest – connects with the "jump? How high?" syndrome; with the global financial crisis to which that mindset contributed; and to something much more unpleasant. Can you see anything about leadership training by Henry V which would not fit effortlessly into an Al Qaeda training camp?

## **5 Who do we think we are leading?**

I've now begun to talk a little bit about what I've learnt about leadership from the three years that I've spent thinking about it academically. But the most shocking realisation for me from the doctorate was seeing starkly the extent to which dehumanisation is built into most contemporary management thinking and best practices. The base of thought underlying much that competent managers are expected to do is that we are leading rats or robots, not people like Jade. This is a rather gross accusation to make, so to cut it down to size let me explain just three things:

- firstly, what my accusation is in more detail;

- secondly, pointing where some other voices challenging this hegemony of rats and robots can be found; and
- finally, suggesting what this might mean for leaders in practice.

Probably the most powerful piece of HR technology to affect my work as a recruiter has been the idea of competences. Competences can be linked back to work by Richard Boyatzis in 1982, when he published in "The Competent Manager: a Model for Effective Performance": the results of studies involving over 2,000 managers working in eight Fortune 500 companies and four federal US agencies. Competencies are defined more broadly than skills to include other underlying characteristics of people which result in effective or superior performance in a job (1982, pp. 20-21). For today's purposes we can simply think about competencies as transferable skills, identified as objectively as possible in relation to what any particular organisation needs and what any particular executive or candidate offers.

Competencies have been good news. They have forced managers to think about and articulate, and in some cases measure, what they mean by effective or superior performance. They have enabled deployments of talent across national, functional or business unit boundaries, to the benefit of companies and individuals alike. And we need to take seriously the knowledge vacuum and poor practice that existed before these and other HR advances of the last 30 years. Explaining the background which motivated his huge knowledge-gathering effort, Boyatzis talked about a study undertaken by the Broadway Manufacturing Company. This forward-thinking business looked at the people who had entered the company as supervisory managers 20 years previously. The study could find only one objective characteristic that differentiated the people who during those 20 years had been promoted the most within the company: they were taller (1982, p. 4).

So in giving more rigorous attention to the human functioning of organisations, Boyatzis and many others have been doing something very welcome and necessary. The catch is that his underlying concept of what a human is, is an animal whose behaviours respond automatically to stimuli – the laboratory rat. Please don't think I'm poking fun at Boyatzis: he was using the best science available to him, and he was moving our knowledge dramatically further on from the poor Broadway Manufacturing Company. For example, this is what Boyatzis had to say about high achievers:

When people with a high achievement motive encounter a situation in which their performance can be measured and a goal can be stated, their achievement motive is aroused. Once aroused, the motivated thought directs and selects their behaviour.  
(1982, p. 28)

Let's think about what this rat-like model is saying. It says, if we choose rats for senior jobs who are highly motivated, then presented with something to jump over, they will simply ask "how high?". I have suggested that this is a big headache for us as a society. The model of human action built into competency frameworks doesn't allow for either the possibility, or the

need, for self-conscious ethical reflection – indeed for the very thing that makes us most human.

If nowadays many computers proudly boast that they have "Intel inside", when we take management theories or Harvard Business Review-commended "best practices" out of their attractive packaging, we should be looking hard for one of the two labels which most commonly ought to be there, but never are: "rat inside" or "robot inside". By "robot" I mean to indicate all that large family of human studies, notably in economics, which model the human being as a rational maximiser. Once we start looking, we don't have to search far to find that we're trying to solve really quite big problems by treating each other as rats or robots. Take for example the pages of agonising which are pouring out from regulators, politicians and elsewhere to change the bonus remuneration of bankers. My own view is that that remuneration does indeed need to be rethought: but making the main argument one about what proportion of bonus can be paid out after three or five years is to discuss the arrangement of pieces of cheese in front of a rat, not an attempt to solve a complex human problem with complex human capabilities.

I will point to a few places where thoughts of the kind I'm offering this morning have been worked out. Within the management literature, an important and readable example is Peter Vaill, an American professor whose book "Managing as a Performing Art" takes up competencies and much else in a critical way (1989). That was in 1989. More recently in 2007 Sharon Bolton and Maeve Houlihan who teach at universities in Scotland and Ireland respectively brought together the valuable collection "Searching for the Human in Human Resource Management" (2007).

My paper on leadership in the financial crisis makes connections to the criticisms made by professors at London Business School and Harvard of the way business schools over decades had been turning management into an ethically-denuded activity, principally shareholder value maximisation, rather than something rich, complex, conflicting and confusing, created by the best and the worst which we humans can do, and needing more than a dumbed down response (Ghoshal, 2005) (Khurana, 2007).

Let me connect, but also clearly distinguish, the argument I am making from the debate which goes on from time to time about humanistic approaches within HR. One could characterise the latter debate something like this. In simple form it goes straight back to theory X versus theory Y. The debate is usually framed as: is there any evidence that treating humans as humans pays off for shareholders? Broadly speaking the hard evidence seems weak, whether approached in sympathetic (Wall & Wood, 2005) or critical (McGuire, Cross, & O'Donnell, 2005) veins.

Of course, if we feel we do not have to hand empirically persuasive evidence – or even a business case – then there is still the possibility of adopting humanism simply as a value commitment: this I believe, that I am leading humans, and I can do no other. If we do this, we

are at least taking a stance in an ethical arena, and as such acting as more than rats or robots. But we can make an argument beyond this.

We do not owe science, that great god of our age, the false homage of insisting that we can only take humans to have thoughtful, self-aware, ethical capacities once sufficient scientific evidence has accumulated to establish the point. If we start by assuming that we have no thoughtful, self-aware, or ethical capacities, then the enterprise of science must itself be a hollow charade. If we can't think, we can't do science. So to insist that treating people as more than rats or robots needs to be justified by an empirical or business case is illogically weak. We know that people are more than rats or robots, because if we did not know that, we would not know anything resembling science. So the case for treating people as more than rats or robots rests simply on the reality that *we are* more than rats or robots. Moreover, anyone who tries to lead people soon finds out what powerful antennae we have, which often warn us when we're not being treated as a person.

I'll finish with an academic point and a practical point. The academic point: it is hard to grasp how dominant scientific thinking has become in contemporary society; how we swallow with barely a murmur that if research budgets have to be cut, it is the science budget that contributes to wealth creation and which must be protected; and how little we keep in mind the limitations of scientific thinking. Outbreaks of post-modernism are relegated mostly to the arts, far away from anything to do with resources and power. But once we remember science's limits, then we will realise that there are many other places where we can (and should) look for the intellectual resources to help us develop management and leadership fitting for human beings: to philosophy, sociology and political science – for example books such as "The Genesis of Values" by Hans Joas (2000), or "The Struggle for Recognition" by Axel Honneth (1995).

And the practical point: whatever our role in organisations, whether leading them formally or informally, managing them, advising them or simply working in them, once in a while we might make the time to put all our understanding about our organisation and how we are trying to make it better out there metaphorically on the table – everything from the mission statement through the business plan to the remuneration system, to the recruitment system, to every other system we can think of – including how we ourselves are trying to lead or act to make it better. From that large mess, let us reverse engineer our organisation and our leadership: let us ask, as a Martian might if he or she found all the pieces lying there on that table, what kind of entities – what kind of transposable labour units – what kind of organisms – was this organisation engineered to lead? For most of us, it surely will have a lot of rat and robot designed into it; but hopefully there might be room for a little more.

Making that room a little larger – or arguing that the available space for being human might be shared a little differently than it is now - might take thoughtful courage. That would fundamentally be an act of leadership.

## 6 Windsor Leadership Trust scholarships

There's an additional reason why I am grateful to have had the chance to say something today. I am delighted that as part of the Windsor Leadership Trust's commitment to creating diverse, powerful learning experiences for leaders, the Trust has offered two charity-rate bursaries for refugees to participate in its courses. I'm thrilled that the Refugee Council has managed to raise the funds so that the first two refugees can take up these places in 2011, and we will be organising a national competition so that two people are chosen who – like Jade, but each in his or her own way – can learn and share experience with individuals like yourselves. If any of you see any possibility that your organisation might find a few thousand pounds to sponsor two more refugees in a future year, please get in touch: I'm sure we can find ways – for example through having your sponsored refugees come and talk to your staff – through which your investment in building leadership would be repaid tenfold.

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