

## **From systemic failure to systemic leadership**

Systemic leadership changes everything. Once you get into the habit of taking a systemic perspective, the scales are lifted and you observe leadership through new eyes. You see how the organisation's leadership can be enabled to flourish. A door opens to lasting improvement and making the organisation better led. So what exactly is systemic leadership?

The conventional model takes leadership to be a property of the individual, say a manager seeking to be a better leader. In this view, the organisation regards its role as that of developing the manager's personal leadership abilities and hoping for the best. By contrast, in the systemic model, leadership is a property of the organisation. Instead of viewing the organisation as a passive vessel waiting to have leadership poured into it, the organisation becomes an active player that has to contribute to leadership if it is to receive its due from managers. The connection between leadership and its host is symbiotic, with the organisation proving a vital partner both to leadership and improvement.

We use the expression “manage the fishtank, not the fish”. The fishtank is the organisation, and the fish are all those who have to swim and survive in it. They have to be able to see what they think is needed, and navigate its unclear and unsafe waters. These ‘fish’ include the managers and all leaders, who may get so used to the leadership culture (‘the way leadership is round here’) and their familiar environment that they lose sight of its shortcomings and what it is like for others to swim in. They develop personal survival skills that generally pit them against others. Hunt or be hunted. In this traditional model, perceived performance gaps are ‘solved’ by training. Fish are removed from their problematic environment from time to time, given some attention to smarten them up and make them smile, and then returned. But their workplace is still murky, often downright toxic – fear-ridden, unsupportive and bureaucratic. Once returned to the dirty ‘fishtank’ and its daily pressures the people revert to type.

Why do we cling to such a dysfunctional model? The answer is that, over a long period of time, the idea has taken hold that we live in an *individual* economy (to quote the management writer Simon Caulkin<sup>1</sup>). Organisations are assumed to succeed because individuals succeed, and fail if individuals fail. But this notion is false. The banks didn’t suddenly collapse as a result of individual leaders’ lack of

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<sup>1</sup> See

<http://www.guardian.co.uk/business/2008/aug/10/economics.workandcareers>

skills or poor behaviour; the banking system's dynamic played the major part. The fact is that we live in an *organisational* economy. Businesses, trade and society work (or fail) because of the way organisations operate as systems in delivering outcomes: products and services. Individuals and their skills are just one input to that. What matters is what the organisation does to glue those individual contributions together – what binds people in meaningful and purposeful relationships with each other and with the organisation's needs. And that comes from what organisations *surround* people with – i.e. the fishtank and the quality of the water they provide to sustain the 'fish', give them organisational life and health, and permit them to shine.

What is exciting and new is applying this systems thinking philosophy to the study and practice of leadership. It becomes clear that the system fails leaders as much as leaders fail the system. Just look at the parliamentary expenses fiasco in the UK. Blaming individual MPs and demanding honesty and repayment doesn't solve the problem. There is a flawed system running in the background that surrounds the MPs. This system is much more than the formal House expenses rules; it includes past norms, expectations, peer pressure (to be restrained, as well as to keep up with the Joneses), accountability structure, secrecy/transparency, the Fees Office, auditors, frozen salaries and perceived basic pay injustice, etc. Even the Speaker's example ("I have been a

trade unionist all my life. I did not come into politics not to take what is owed to me”) is part of that system.

Displaying leadership – including moral leadership – isn't easy in a quagmire. If we want to improve MPs' and anyone else's behaviour in an organisation we need to examine the system and look at what people are surrounded with. The MPs' quagmire is of their own making. This is not unusual in organisations. Those whom we think of as leaders often create their own mess. Or they fail to notice that entropy is doing that for them. They often have to clean up the mess themselves. Unlike the owners, leaders are inside their fishtank, not watching comfortably outside.

Systemic leadership reflects a change in vocabulary. Recent years have seen increasing awareness and mention in reports of 'systemic failure'. Think of the tragic death of Baby P, the Metropolitan Police's shooting of the Brazilian Jean Charles de Menezes, rogue trading in banks, filthy and uncaring hospitals, lost computer disks in government departments. (These are mostly UK examples, but others abound.)

Discomfort with the word 'systemic' (failure) and its regular confusion with 'systematic' is on the wane. The children's hospital chief executive who can still claim on Radio 4's Today programme that 'systemic failure' is no more than a simple "catch all" for a range of errors is becoming more of a rarity. Those who get defensive about their organisational stewardship, who cite a 'few bad apples', and who offer more

training of individuals as the solution are increasingly found wanting. In cases such as Baby P's death, ministers such as Ed Balls (Secretary of State for Children, Schools and Families), appear naïve when they insist that 'there is nothing wrong with the system and Haringey was a special case'. Balls ordered council children's services chiefs to undergo intensive training programmes. A few heads roll, but the public recognises a scapegoat when it sees one. They know there is more to a failed system than that. Even the minister is inside the system; he is also swimming in the fishtank – hunting or being hunted.

A sophisticated management understanding of how organisations work as systems is vital. They offer explanations of failure – personal, collective and whole organisation system. But this is just the first step. In fact, this is the easy bit. Even those who have got this far know little of what to do next with their new-found understanding and vocabulary beyond mouthing the mantra – wearily and incredulously – “lessons will be learned”. The crucial next step is in how they respond by *displaying* systemic leadership. Those fondly quoted 'lessons' are rarely learned because the response is not systemic. You can't fix systemic problems with old-style leadership, with its top-down approach consisting of edicts, targets, incentives, punishments and training. Leadership of the system is called for. The leader's focus needs to switch to the fishtank – noticing it,

understanding it, and then knowing how to clean and improve it.

Systemic leadership changes everything.

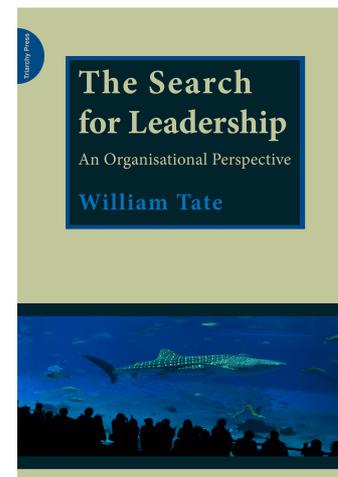
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*The Search for Leadership: An Organisational Perspective* by William Tate is published by Triarchy Press. Paperback £28.00, hardback £40.00.

The *Systemic Leadership Toolkit* is a further resource based on the book, and offers a practical way for managers and advisers to diagnose the organisation's leadership gaps and plan appropriate changes.



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