

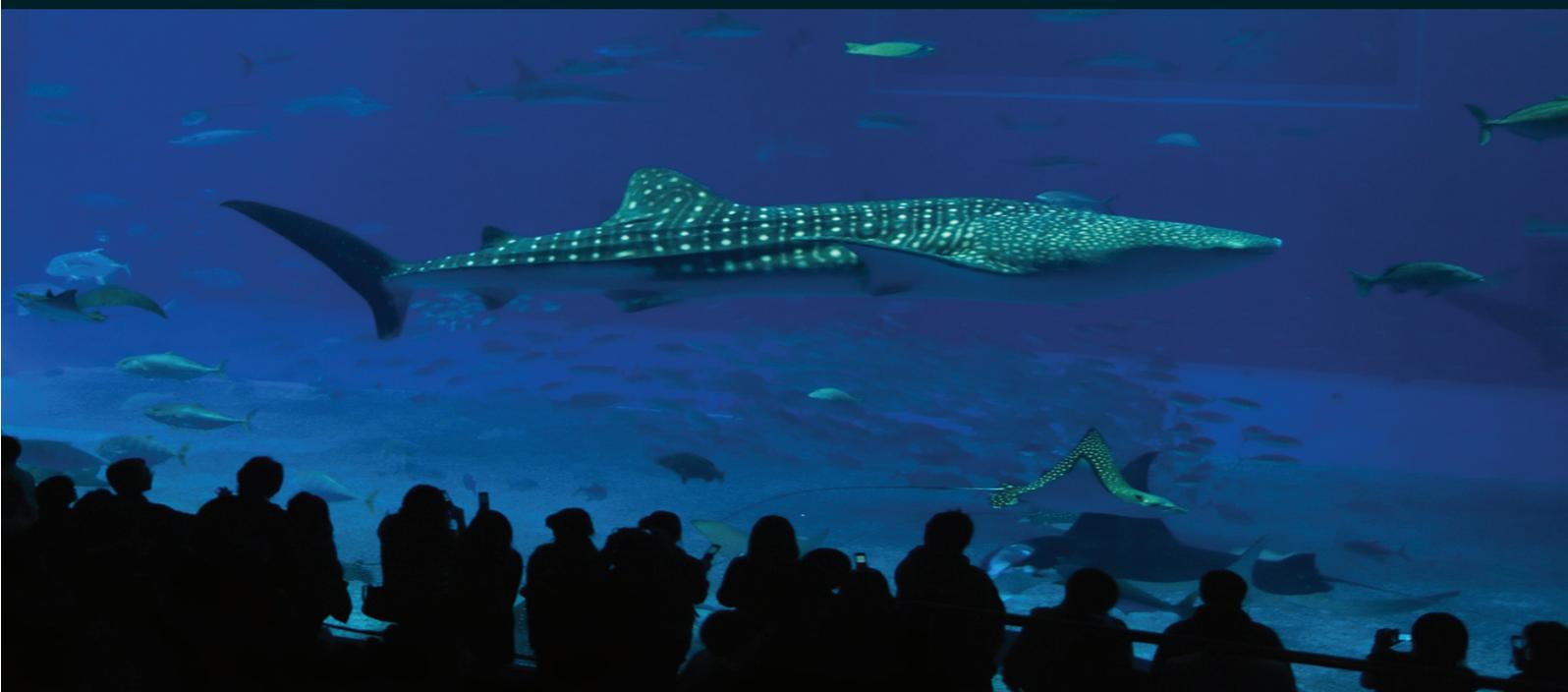
SYSTEMIC LEADERSHIP TOOLKIT

Diagnostic questionnaires and practical guidance to help any organisation understand the way its leadership can be improved and applied to benefit the business as a whole.

WILLIAM TATE

Systemic Leadership

Leadership is more than a human quality or skill: working properly, it is an integrated organisation-wide system, including culture, structures and processes.



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MODULE 8: LEADERSHIP AND THE SHADOW

For the organisation's managers and in-house HR and development specialists

The focus

Every formal, legitimate, rational, designed or intended system has a parallel shadow-side system. For a state of good health and the ability for leaders to perform effectively and wisely, this side of human and organisation personality needs to be understood, acknowledged, discussed and integrated, rather than ignored or denied.

KEY POINTS FROM THE BOOK

1. Organisations are not rational places. Besides their formal/official side, organisations have a more potent non-rational side – messy, crazy and sometimes dark, casting a shadow – which can be, and needs to be, recognised, understood and managed.
2. The shadow aspect of the organisation's nature and dynamic can be depicted as a system which describes, explains, contributes to, and displays the reality, richness and at times dysfunctionality of organisational life and performance.
3. The shadow half of organisational life is tragi-comical. There are times to laugh at it, times to be grateful for it, and times for sadness, horror, disgust, grief ... but also challenge and hope.
4. The shadow system is inevitable, and needs to be held in a healthy and balanced relationship with the rational/formal/legitimate system.
5. Awareness of, and respect for, the shadow system's contribution and power is essential for effective leadership, especially in the context of change. A healthy scepticism for the rational system's relative impotence (e.g. the futility of relying on edicts) is also a prerequisite of effective leadership, and avoidance of hubris and naivety.
6. Failure to understand and work with the grain of the shadow side and its network is a major source of failure to achieve efficiency gains, as in centralisation, specialisation, economies of scale, hot-desking, targets, inspection and IT.
7. Besides formal networks, an organisation's relationships, interactions and communications have informal ('shadow') networks within its shadow system.
8. The balance between the two networks affects the degree of resonance and dissonance in the organisation (or department/community/group). This, in turn, influences how creative or unsettled the group is.
9. The ability of leaders to shape the destiny of an organisation and fulfillment of their vision is constrained by the self-interested nature of the shadow network. But leaders can foster an appropriate environment for the shadow network's self-interest.
10. For an organisation to be vital, innovative, flexible and changing, it needs to be held at a point that is just stable – not ossified but not anarchic – at a point known as 'the edge of chaos'.

(Extracts from *The Search for Leadership: An Organisational Perspective*)

Note

The questions are worded in such a way that a high score is intended to signify a healthy state of balance between the two sides of organisational life. But note that the higher the score the stronger the shadow system. In question 8, for example, it is healthy that people feel permitted to network, but you don't want everyone doing it all of the time.

MODULE 8 QUESTIONNAIRE: LEADERSHIP AND THE SHADOW

The organisation's rational and non-rational faces

Examine the two columns below, then answer questions 8.1 - 8.7

RATIONAL FACTORS (LEGITIMATE OR OFFICIAL SYSTEM)	NON-RATIONAL FACTORS (SHADOW SYSTEM OR UNOFFICIAL SYSTEM)
<ul style="list-style-type: none"> • Announcements • Edicts • Directives • Exhortation • Mission • Goals • Objectives • Targets • Strategies • Policies • Systems • Statistics • Databases • Plans • Standing instructions • Company rules and regulations • Codes of practice/ethics • Statements of business principles • Credos • Organisation charts/structure • Budgets • Sign-off authority levels • Contracts • Laws and statutes • Job descriptions • Job titles • Published policies • Committee structures • Qualifications • Skills, knowledge • Lists of competencies • Appraisal procedures • Pay structure • Training courses • Office standards (e.g. dress codes) 	<ul style="list-style-type: none"> • Culture • Climate • Values and beliefs • Ethics • Norms, custom and practice • Myths • Personal rivalries • Departmental rivalries • Territorial ('turf') disputes • Power struggles • Empire-building • Competition/collaboration • Personal jealousies and envy • Biases and prejudices • Office politics • Ambition • Greed • Self-interest • Trust • Respect • Fear and insecurity • Turning a blind eye • Personal friendships • Sexual relationships and attraction • Socialising • Networking • Short cuts • Expediency • Groupthink • Bosses not on speaking terms • In-groups and out-groups • Grapevine • Bullying and intimidation • Personal appearance • Favours • Bribes and backhanders • Horse-trading • Surveillance • Sabotage • Ploys

8.1 Which of the factors in the left-hand column are the most significant and contribute positively to your organisation's life?
(Place a 'P' against these)

8.2 Which of the factors in the left-hand column are the most significant and contribute negatively to your organisation's life?
(Place an 'N' against these)

8.3 Which of the factors in the right-hand column are the most significant and contribute positively to your organisation's life?
(Place a 'P' against these)

8.4 Which of the factors in the right-hand column are the most significant and contribute negatively to your organisation's life?
(Place an 'N' against these)

How well do these statements describe your organisation? Rate each one on a scale of 0 - 3, where 0 = not at all/untrue and 3 = very well/true.

8.5 Your organisation responds to problems that originate in the right-hand column with action located in the left-hand column.
Don't know 0. 1. 2. 3.
Give examples

8.6 Your organisation understands that matters such as bullying and other abuses cannot be solved by rational action alone: e.g. by policy announcements, codes and edicts.
Don't know 0. 1. 2. 3.

8.7 Your organisation understands that training's ability to solve solve most shadow-side (right-hand column) problems is limited.
Don't know 0. 1. 2. 3.

Strength of the unofficial system

How well do these statements describe your organisation? Rate each one on a scale of 0 - 3, where 0 = not at all/untrue and 3 = very well/true.

In your organisation...

8.8 ...people feel they have permission to take risks beyond their job description.
Don't know 0. 1. 2. 3.

8.9 ...people feel permitted to network.
Don't know 0. 1. 2. 3.

8.10 ...people feel permitted to improvise.
Don't know 0. 1. 2. 3.

8.11 ...people feel able to exercise personal discretion to solve problems for which there is no laid down procedure.
Don't know 0. 1. 2. 3.

8.12	...people feel they have freedom to perform as individuals and not simply as job holders.	Don't know	0.	1.	2.	3.
8.13	...people can flex their jobs to suit their strengths rather than be confined rigidly to the job description.	Don't know	0.	1.	2.	3.
8.14	...there is acceptance that loosening control might be more beneficial than tightening it.	Don't know	0.	1.	2.	3.
8.15	...office politics are kept in proportion.	Don't know	0.	1.	2.	3.
8.16	...the most important decisions rarely get decided through informal channels rather than formal ones.	Don't know	0.	1.	2.	3.
8.17	...lack of trust is not a significant issue.	Don't know	0.	1.	2.	3.
8.18	...budgets are put together and managed rationally.	Don't know	0.	1.	2.	3.
8.19	...things are not regarded as important because they are measurable.	Don't know	0.	1.	2.	3.
8.20	...numbers are not used pseudo-scientifically to lend spurious credibility to a policy, result, etc.	Don't know	0.	1.	2.	3.
8.21	...your own department's numbers are never altered to present a more favourable picture.	Don't know	0.	1.	2.	3.
8.22	...you are never on the receiving end of management numbers that stretch credulity.	Don't know	0.	1.	2.	3.

Risk of ossification or disintegration

How well do these statements describe your organisation? Rate each one on a scale of 0 - 3, where 0 = not at all/untrue and 3 = very well/true.

8.23	Your organisation maintains a healthy state between ossification and disintegration, where respect for the legitimate/formal system is maintained while creativity and constant change remain possible (this point is known as 'the edge of chaos').	Don't know	0.	1.	2.	3.
8.24	The risk of your organisation tipping unhealthily too far in one direction (towards rigid stability and order, or towards anarchy and disorder) is low.	Don't know	0.	1.	2.	3.

Beliefs about managing

How well do these statements describe your organisation? Rate each one on a scale of 0 - 3, where 0 = not at all/untrue and 3 = very well/true.

- | | |
|------|---|
| 8.25 | Your organisation considers the statement ‘The role of a manager is essentially one of designing an organisation and controlling its activities’ simplistic and outdated. |
| | Don't know 0. 1. 2. 3. |
| 8.26 | Your organisation considers the statement ‘The role of a manager is to chose strategic directions and persuade others to follow’ simplistic and outdated. |
| | Don't know 0. 1. 2. 3. |
| 8.27 | Your organisation considers the statement ‘Success equates with a state of equilibrium, consensus and conformity’ simplistic and outdated. |
| | Don't know 0. 1. 2. 3. |
| 8.28 | Your organisation considers the statement ‘There will be no coherent patterns in the development of an organisation without a blueprint or plan’ simplistic and outdated. |
| | Don't know 0. 1. 2. 3. |

Silos

How well do these statements describe your organisation? Rate each one on a scale of 0 - 3, where 0 = not at all/untrue and 3 = very well/true.

- | | |
|------|--|
| 8.29 | There are no silos that are having a dysfunctional effect on your organisation as a whole. |
| | Don't know 0. 1. 2. 3. |
| 8.30 | There is evidence within your organisation that the negative aspects of any silo are recognised by those outside the silo. |
| | Don't know 0. 1. 2. 3. |
| 8.31 | There is evidence within your organisation that the negative aspects of any silo are recognised by those inside the silo. |
| | Don't know 0. 1. 2. 3. |
| 8.32 | In your organisation the psychological causes of silos are understood. |
| | Don't know 0. 1. 2. 3. |
| 8.33 | In your organisation the system-design causes of silos are understood. |
| | Don't know 0. 1. 2. 3. |
| 8.34 | Your organisation has plans to control any problems with silos. |
| | Don't know 0. 1. 2. 3. |
| 8.35 | Your organisation knows how to deal with any problems with silos. |
| | Don't know 0. 1. 2. 3. |

MODULE 8 GUIDANCE AND IMPLEMENTATION: LEADERSHIP AND THE SHADOW

Points to consider, especially if you have some low scores

Limits to rationality

Humans and the organisations they inhabit are far from rational in their behaviour. Managers need a way of taking account of this in order to understand and manage their organisation's behaviour. That includes its unwritten rules, bullying, departmental rivalries, nepotism, etc.

To accept that rationality is neither the reality nor attainable and that, at times, it is not even the correct goal for organisations and managers requires the ability to recognise, understand and manage the nature and psychology of an organisation, especially those parts of it that relate to its shadow nature. This informal and unofficial 'shadow system' complements the organisation's more formal, legitimate, rational system.

The organisation's rational and non-rational faces

In which of the two worlds depicted in the questionnaire (the official or the shadow) do you personally feel most comfortable and prefer to spend most time?

One shadow-side element is internal competition and cooperation. These are natural and powerful dynamics in organisations. Both are healthy in moderation and damaging in excess. They share similar instincts with human nature. In the way that some organisations and some departments suffer from an excess of competitive zeal, so do some people. Those who are intensely competitive tend to see it as normal.

For your organisation...

- What is the state of balance between competition and collaboration?
- How does this accord with your own personal instinctive behaviour and comfort?
- Do either competition or collaboration need to moderate or increase? (See also page 223 of the book for examples and advice.)

Risk of ossification or disintegration

The healthy state referred to in the question is not static; it cycles within acceptable limits. As Trevor Bentley points out (page 246 in the book), order is inevitably followed by disturbance and a period of chaos, which in turn is followed by the creation of a new order. Any attempt to resist this 'dance of life' leads to ossification and/or disintegration.

Ossification occurs when the old order is rigidly maintained using an increasingly doctrinaire legitimate system. The inflexible demand for conformity causes people to contract; creativity dies, and the organisation withers away.

Disintegration occurs when the shadow system is so far removed from the legitimate system that the two cannot be reunited. People become so expanded and diverse in the shadow system that the legitimate system no longer holds any value or purpose for them and so it and the organisation die.

- What is your organisation's present state of balance between ossification and disintegration?
- Is there too much or too little pressure to maintain rigid order using interventions based in the legitimate/rational system?

Beliefs about managing

The work of Ralph Stacey and other complexity scientists casts doubt on organisations' reliance on rational management because it calls into question the degree of predictability arising from managers' actions. If right, this raises awkward questions about popular assumptions and beliefs, and the role and value of management and leadership. A low score may indicate delusion. In particular, excessive belief in rationality can lead to the comforting but illusory belief that we are in control. Hubris stands not far away. (For more on this see page 233 of the book.)

The practical limits to managers' ability to control and predict people's behaviour is explained by this quotation from Trevor Bentley (2008): 'All organisational functioning lies within the relationships that exist between the individuals who choose to operate within the organisational system in order to satisfy some personal need. All communication and interaction have the single endeavour of personal satisfaction. The desire to conform and the desire to differentiate both have this ultimate focus of attention. ... no organisation can legislate for what might happen in individual relationships. The consequence of this is that it is the ebb and flow of human relationships that determines organisational success and not the visions of leaders ...'

Bentley goes on to advise that leaders can influence the environment in which people work, they can make an impact on what matters to the business, they can shake up and cause much-needed disturbance and generate energy, all of which might influence the relationships that people have and the choices that they make. But it is primarily the relationships and choices of individuals and small work groups that determine the destiny of the business and/or community. All attempts to design, control, direct and lead from the top have the potential to fail to move the organisation in any direction that individuals and their work groups, particularly their shadow groups, don't perceive to be beneficial for them (Bentley, 2008).

Silos

The existence of silos in organisations will be familiar to anyone who works in a large and complex structure. Groups and departments erect firm walls around themselves; they defend their territory, role and local goals against other groups at the expense of the wider interests of the organisation, services or customer need as a whole.

In Case Study No. 11: 'What the Baby Peter (Baby 'P') Case Teaches Us About Leadership' the various agencies exhibited silo behaviour, to the extent that the social services department put

up a notice against involving the police. Groups manage and protect their own identity and favourable self-image by bolstering their own at the expense of others.

In your organisation...

- What are the most destructive manifestations of silos in the wider organisation?
- What are you doing to guard against silo behaviour in your own area?
- Where does responsibility lie for resolving silo situations?
- What do you consider is the biggest barrier to resolving silo situations?

To break down silo behaviour between a number of departments that are required to cooperate, if you are a top executive you can use the 'super leadership system' methodology developed by Ian Robson and mentioned in Module 7 of this toolkit, 'Leadership and Systems'.

GROUP SCORING OF MODULE 8: LEADERSHIP AND THE SHADOW

Total number of points scored
Out of a possible maximum of *(Fill in after adding or deleting questions)*
Percentage = %

OVERALL CONCLUSIONS

What are the main messages and priorities from your diagnosis and discussion?

What does your group consider are your organisation's major strengths?

What does your group consider most needs improvement?

What ideas and suggestions does your group have for improvement action?

**PERSONAL REFLECTIONS AND ACTION SHEET
MODULE 8: LEADERSHIP AND THE SHADOW**

NAME:.....

Capture your observations, thoughts and ideas here.

Good ideas that I have picked up:

Important things that my organisation / my department should do:

Urgent things that my organisation / my department should do:

Things that I can and should do myself:

Things that I need to investigate further:

Things that I need to discuss with other people (make a note of whom):