# The Way We Do Things Around Here

## *The Role of Leadership Teams in Shaping Progressive Organisational Cultures*

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*Abstract*
The links between organisational culture, leadership and success continue to capture the attention of organisational leaders. Providing illustrations from her work as an organisational leadership coach and drawing on J.L. Moreno's concept of social and cultural atom, Diana Jones proposes that leaders can shape positive change in their organisation's culture by enacting and modelling progressive functioning in their relationships with one another and their staff.

*Key Words*
behaviour, leadership teams, Moreno, organisational culture, relationships, social and cultural atom

## Introduction

Google tosses up 1,333,333 articles on organisational culture in .09 seconds. With understandable trepidation, therefore, I add one more. Increasingly, I have been entertaining the idea that the inter-relationships amongst leadership team members and their behaviours with one another as well as with their staff have an influence in shaping the culture, 'the way we do things around here', of their organisations. As a sociometrist, my intellectual heritage tells me that significant behaviours within a leadership team could be the result of the interconnected social and cultural atoms (Moreno, 1993:40-41) of the members. While a leader's overt function is the chisel-jawed, rational decision-maker, less obvious emotional responses exist within leadership teams. These result from team members' interactions with one another and their experiences of being liked or not, accepted or not and influential or not (Schein, 2003:437-460).

How does this work? Let me provide an illustration from my work. A recently

appointed general manager (GM) invited me to assist his organisation to move from separate business units to greater collaboration across the work group. I am sitting in a leadership team session, listening to an animated discussion regarding a new stakeholder selection process for business development in Aotearoa New Zealand. One group member proposes they meet daily for 10 minutes to update one another so that "everyone is on the same page". Others agree, reluctantly. I become aware that one leader avoids looking at others when he speaks. As well, I am sitting opposite another who is joining the meeting via video-conference screen. He also has his eyes downcast for the duration of the meeting. I realise that I am the only person looking at him. The others are positioned so that they are not able to see him on the screen. "What is going on here?" I wonder. On meeting with individual leaders afterwards, I discover that:

- Not one person was talking about the issues that interested them.
- Group members were frustrated with the GM's agenda.
- Each wanted to discuss strategic concerns rather than day to day operations.
- The GM was, up until that point, unaware of his team's agenda.
- No senior leader was willing or able to indicate their agenda.

So while the discussion seemed animated, with each leader contributing, not one was speaking about the issues/matters/elements that they thought would progress the business. It was possible that this group culture was one of compliance, of being polite and agreeable with one another. I could not help thinking that while the discussion and decision making appeared collaborative, individual group members were keeping their thoughts to themselves. The ensuing individual meetings with them made me more aware of their frustrations with one another and with the meeting. I sensed that this frustration would be the very thing that their staff might notice and discuss with one another.

What was to be made of all this? To be sure, culture, even a fragment of it, is complex and there are many layers even in the snapshot example above. But you have to start somewhere. I predicted that the emotional relationships between the GM and leadership team and amongst the team members themselves were weak. I began to ask myself questions. What might assist group members to develop stronger relationships with one another? What was needed for them to warm up to progressive roles in their interactions with one another? In this article I intend to address these matters, focusing particularly on the way that leaders' modelling of progressive functioning in their relationships with one another and their staff can permeate an organisation and influence positive cultural change.

## The Creation of Cultures in Organisations

Three of the many forces that shape organisational culture are interwoven and pertain to leadership teams.

- The organisational contexts and the extent to which they are integrated by the leadership team
- The emotional quality of the relationships amongst the Chief Executive Officer (CEO), the leadership team and their staff
- The behaviours of the members of the leadership team

I will address each of these factors in turn.

### *Organisational Contexts*

Organisations are made up of many parts or teams. Each team has its own context, meaning its functions, influences and events. These contexts inevitably impact on team members and produce a team's particular version of the organisation's culture, a kind of dialect of the main language as it were. For example, a finance team and a policy team in the same organisation will be characterised by different cultures, as their contexts are different. Finance teams value accounting transparency and expenditure approval systems, whereas policy teams value quality of discussion, consultation and position papers shaping future directions and current action. Thus the variable nature of the work amongst the groups means that behaviours will vary considerably, along with interactions between the players and with colleagues and stakeholders.

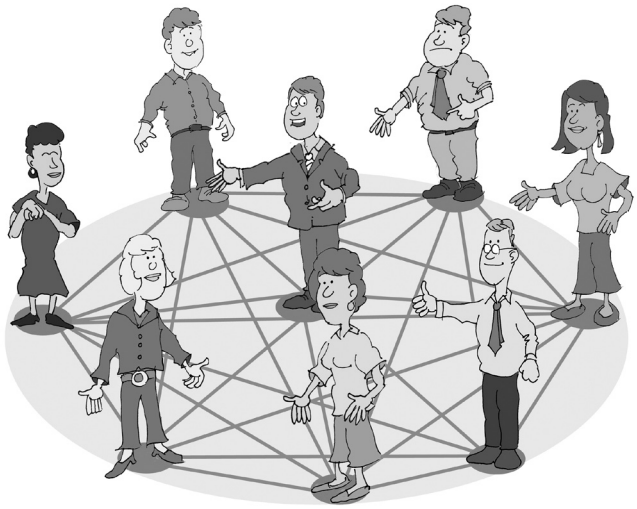
Organisational contexts tend to shift significantly over time as financial constraints, government directions and natural and social events come into play. Each shift creates the potential for disintegration, where leaders coping (defensive) responses (Clayton, 1982; Clayton, 1994) come to the fore. It is up to the leadership team to head these behaviours off and restore progressive (responsive) behaviours. In these circumstances, leaders who hold to their function ensure that everyone in the organisation continues to feel that they are part of the whole, that their contributions are valued and that their work contributes to the organisation's goals. This usually requires leaders to have an emotional expansiveness (Hale, 1981), a capacity to retain companionable connections under otherwise stressful conditions.

### *The Emotional Quality of Relationships*

The quality of the relationships amongst the CEO and members of the leadership team varies. Even though they are purportedly 'equal' as shown in Figure I following, that is all are equally important, each team member has an emotional response to each of the others in the team. Each will feel closer or further away from the action depending on who the CEO or other senior leaders

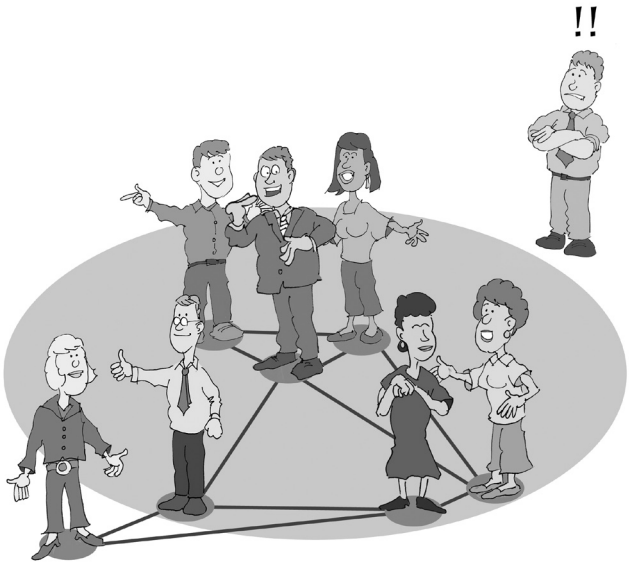
allow into an unspoken inner circle. Though many of the signs of this inclusion are hidden, somehow the position of team members in relation to one another is known or felt.

*Figure 1: An Example of Equal Mutual Relationships Amongst CEO and Leadership Team Members*



Relationships amongst leadership team members often reflect choices regarding who they work most closely with and favour as trusted advisors. The quality of their experience also varies to the extent that they feel either 'in or out' with the CEO or 'in or out' of the team. The resulting emotions experienced by group members and their feelings regarding their place in the group and in their relationships with one another are important influences on the success of the enterprise. In turn, the resulting behaviours are likely to directly impact on the quality of the experience of the staff members with whom they interact. Imagine the emotional experience of a senior leader where the members of his leadership team are in small cliques, as illustrated in Figure 2 following. He may well be relieved that he is trusted and the sociometry gives him the freedom to manage his time and interactions. Alternatively, he may be hurt that he is not included and feel frustrated and angry. His experience will influence his consequent behaviour towards his leadership team and in turn theirs towards their staff. The emotional quality of the relationships amongst the leadership team matters because it shapes the creation of an organisation's culture and that culture in turn influences the successful realisation of organisational goals.

*Figure 2: An Example of Leadership Team Relationships based on Criteria of Closest Work Colleague*




What creates the emotional quality in a work relationship? Few people would disagree that every communication has at least two elements, the content and its means of delivery. In many situations the way the communication is delivered determines the quality of the relationship with those involved. Imagine a manager who habitually continues word processing while he says to a staff member, "That was a great piece of writing you delivered. Keep it up". Then imagine another manager who appreciatively looks his staff member in the eye and says the same thing. Personal engagement tends to create a positive emotional relationship where both parties experience mutual valuing of one another and their work.

What are the implications of leaders' communication styles for team cultures? It could be that leaders are aware of their defensive behaviour triggers and coping roles and are able to manage these. They continue to think and act in a positive way (progressive roles) when things are failing around them and thus directly contribute to the maintenance of a positive organisational culture. Given this, leaders may find it worthwhile to be mindful of these aspects as they interact:

- Producing positive working relationships
- Creating unity in goals and directions
- Intervening early when relationships are dysfunctional and destructive
- Consciously expressing the value of each person's contribution

### *The Behaviour of Members of the Leadership Team*

Given no leader is perfect, the behaviours of members of the leadership team are likely to fluctuate between coping and progressive. In attempts to shape culture, some leadership teams develop value statements and identify expected behaviours. Despite these statements, as leadership team members behave and interact the real quality of their interactional style is revealed, either enabling or disabling those on the receiving end. "No one in organizational settings believes what they read or what they hear, so memos, instructions, training programs, wall plaques and the like are useless. People only believe what they see and what they experience" (Weiss, 2012:1).

Leaders frequently seek assistance to develop progressive behaviours. Here is an illustration from my work as a leadership coach. Richard, an experienced and successful executive, was shocked to discover through feedback that his leadership team experienced him as abrasive, task focussed and competitive. He discussed his desire to develop affiliative behaviour with his manager and I was invited to coach Richard to strengthen progressive roles and diminish overdeveloped coping roles. Richard and I discussed the impact of the identified behaviours. Several months into our coaching I asked Richard what he was learning.

> *I was aware I can be direct and focused on details. I was not so aware of the impact of this on others. I have learned the breadth and extent of the impact on people - them finding me harsh, immediately zeroing in on the negative, and lacking in empathy. I began to see I was difficult to talk to and people found it difficult to let me know what they thought or how they felt about things. That made me less accessible.*

Down the track, Richard and I again discussed his learning.

> *I began to recognise I was creating a sense of self-doubt in my team and they were disheartened rather than being self-assured and having a sense of achievement. I was undermining their confidence by only noticing the negatives. So while I knew I was creating an environment where people worked hard, my team had no sense of achievement. And I had wanted to create an environment where people thrive and achieve their potential.*

Richard, taking into account further feedback from his team, identified four new behaviours.

- He had begun acknowledging team members' work, thanking them for their efforts and insights and exploring additions with them.
- He was using more appreciative language, more 'feeling' language and less 'thinking' language. He was more likely to notice when people opened up and his feedback became personable.
- He prepared for work conversations and was more thoughtful and calm rather than biting back. He noticed that this new behaviour

meant conversations became more open and less confrontational.
- He began putting "annoying things" into perspective so that he did not lose sight of "all the good things".

Richard summarised.

> *All in all I see I am getting the results and where I am not, I still have the abilities to be direct if I choose to. It is just not all the time. Being direct and decisive is relevant in some circumstances and I am using that style in chosen circumstances.*

## Assessing Organisational Culture

If leaders are to consider shifting their organisational culture, it helps if they can develop the capacity to assess 'what is going on' behaviourally, emotionally and relationally. Put simply, much of an organisation's culture can be 'read' from observing the daily interactions between and amongst the members of its staff. To be sure, these interactions form a complex pattern but when the pattern is at least partially understood intervention possibilities become more apparent. My own experience tells me that direct observation of groups at work, supported by some well-placed questions, is helpful in discerning culture. A consultant can simply ask, "What is going on here?" The answer received depends, of course, on who is asked and when.

Workers in organisations will answer the question differently depending on their position, relationship with their manager, level of acceptance from their peers and so on. One first tier leadership team described their team culture as, "Results focussed, collaborative and inclusive". Ironically, the third tier managers in this same organisation described the leadership team as, "Smoking something! They are having a good time together and are completely out of touch with what is going on. We are 20% down in staff and have had our budgets slashed and yet we are still expected to deliver the same results. It's just not happening". To say the least, these two parts of the organisation had different views of the leadership team.

In order to bridge the difference, a leader needs some capacity to know that different perspectives exist, to make sense of them and form some views as to the causes. The "smoking something" speaker quoted above may have been a hostile outcast from his own group or he may have been reflecting the widely held opinion of third-tier managers. Answers taken from several sources, however, are likely to reveal a pattern that can help a consultant and leaders assess how well the culture of the organisation is likely to assist or retard the outcomes the leadership team is seeking. Responses may also hint at potential places for interventions.

## Changing Organisational Culture

When one dares to think about changing culture, a good but deflating assumption to begin with is that organisational cultures do not develop in a linear way and so are unlikely to respond to linear interventions (Wheatley, 1999:142-146). If they did, one could simply line up all the members of an organisation and tap them into perfect formation. I believe culture is best understood from a systems perspective, including the context, players, interactions, engagement, belonging and emotional states. With a systemic perspective it is possible for leaders to identify interventions that have the capacity to impact on the whole organisation and achieve more satisfying results for the staff and clients. This of course is easier said than done as any consultant, or CEO for that matter, will testify.

One significant element, discussed earlier, is for senior leaders to understand that they can change the culture of their organisations by shifting their behaviours and interaction responses, both with one another, their direct reports and within the wider organisation. Another intervention, helpful in some settings, is for leadership teams to produce sculptures of their perceptions of their team's working. This can be done in many ways. I use objects or the team members themselves to concretise sculptures. Participants are then invited to reflect on the ways that they experience one another and come up with new ways of relating. More often than not these reflections become part of a shared conversation. For some, shifting behaviour means no longer being the dominating vocal expert but a curious collegial explorer, inviting others' views by asking questions such as, "What do you think?" and "How would that work?"

There are many other points where a consultant might intervene. I want to focus on the specific area of candour (Ferrazzi, 2012) because as far as I am concerned it is the litmus test in discerning 'what is going on' in an organisation's culture. Candour constitutes the capacity to speak up collegially, plainly, respectfully and relevantly. It is vital that team members are able to express their original thinking to the group even when it goes against cultural conserves and includes bringing forward 'the elephant in the room'.

There are two parts to candour, speaking candidly and the consequences of speaking candidly. Speaking candidly is the opposite of complaining, 'blurting something out', wanting things to be different or trying to change someone else's behaviour. Candour is letting others know your thoughts, tentative ideas and experience. Frequently I meet senior leaders who criticise the culture in their leadership teams and organisations. "Our leadership team culture is poisonous", says one. "What is happening?" I ask myself. "The IT (read sales, finance or corporate services) manager is driving in a direction none of us other GMs want", says another. How come none of them speak up I wonder to myself. "I think the CEO approves of what is happening, although he isn't saying so", says a third. Hearing this, I have at least two thoughts. The idealist in me wonders who this GM thinks is responsible for creating culture if it is not the leaders themselves. But the realist consultant in me, noticing that people do not speak

up, begins an investigation by asking questions. Is the capacity to speak up underdeveloped in the individual or in the group as a whole, or are the consequences of speaking up too risky in this organisation? If I conclude that assertiveness is lacking, I might embark on a coaching path with that individual. If I conclude that the person is well able to speak up in other contexts save this one, I might make a start on discussing the risks of so doing at senior team meeting. This in itself is a perilous journey, since the consultant cannot take away these risks and make people's working lives safe from power and its abuses.

Ideally, being a senior leader means being willing to air concerns when your view is different from others, including the CEO's. Of course, speaking up is risky. You may not be listened to or liked or backed up by anyone else. You may end up standing alone. Research (Eisenhardt et al., 1997:77-84) has identified five elements which contribute to the development of progressive cultures within leadership teams.

- Shared goals
- Work with information rather than subjective experience
- Humour
- Generated options
- Depersonalised disagreements

The idea here is that senior leaders should function to ensure that it is safe for others to speak up, that they are listened to and their ideas taken seriously and appreciated, even if not taken up. This involves leaders finding ways to be collegial and inclusive, ensuring that contributions are valued and productive working relationships enhanced, including when there are differences. How is it possible to have a transparent organisational culture if the leaders are *not* willing to share their thoughts honestly and listen to the candid responses of others?

## An Example of Change in an Organisational Culture

Allow me to provide you with an example of a successful intervention with a newly formed leadership team of five, a GM and four other managers, who wanted to shift from a bureaucratic to a transparent customer focussed culture. They invited me to assist them to think systemically. They wanted to learn to take action after reflecting on and moderating their own inter-relationships and behaviour. I helped them to make a direct connection between the way that they were interacting and the way their staff would interact. With our work underway, they undertook to model the culture they wanted in all their interactions.

The managers made progress within their own groups, but found that staff complained about peers in other teams. To model a progressive way forward, the managers decided to lunch together weekly and get to know one another's

business issues and team members. They encouraged team members to work out their differences and followed up with simple "How is it going?" type questions. When a rift appeared between the leaders' strategic direction and the day to day demands of the business, the group identified 14 specialists in the organisation and set up weekly group meetings with the new 'Group of Nineteen'. To begin with, the leaders ensured that all 19 members of this group could describe to all others their work role, the results of their work and the support they received from their manager. Within two months this group was able to explain the relationship between current action and strategic direction to every other person in the wider organisation.

The leadership team worked systemically over the year to ensure that the culture they wanted to develop throughout the whole company was actually embedded within their own relationships. They began their meetings by applauding one another's successes and appreciating assistance that they had received. They identified and elaborated positive contributions of specific staff. They demonstrated empathy for one another regarding the pressures each faced within the business and within their families. At times they faltered under the pressures of delivering a strategy and results whilst also ensuring the maintenance of business as usual and struggling with inadequate staffing and imperfect financial data. But they gained ground in translating to one another and staff the reasons for shifting goal posts and a major restructure. This leadership group persisted in their goal of being united and transparent in all their decisions, despite their shifting context. They are currently on track in delivering major government outcomes.

In assessing the change brought about in their organisational culture, this leadership team noted four behavioural shifts.

- From thinking that the GM had all the answers, to everyone contributing to discussions and wanting to hear from one another
- From not knowing each other well, to understanding one another's drivers and foibles
- From being silent and resentful when piqued, to understanding interpersonal clashes as inevitable and sorting them quickly
- From being subject matter experts, to providing direction through their relationships with others

## Conclusion

Moreno's concept of the social and cultural atom forms the backdrop to my thinking about leadership and organisational culture. It provides the concepts and language to describe relationships and the roles that form patterns of behaviour. In this article, I have discussed and illustrated the way that a leadership team's enactment and modelling of progressive functioning in their relationships

with one another and their staff can filter through an institution to shape positive cultural change. Personal engagement amongst the managers and staff of an organisation tends to create emotionally positive relationships. Such a progressive culture potentially leads to the successful realisation of institutional goals. Thus when leaders wish to change the culture in their organisations they already have two of the most important levers at their disposal, their own behaviour and the quality of their inter-relationships.

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