

Review

The Work of Leadership *by Heifetz and Laurie*



About Review

Review is a new publication for Welsh NHS Confederation members that aims to provide a literature review of key texts and ideas in health and related fields written by leading edge thinkers from around the world.

Introduction

As we approach the setting up of new unitary health bodies that will need to be organised and work differently from their predecessors, it is important to hear about others' views and experiences in managing change.

The Work of Leadership is an article written by Heifetz and Laurie that appeared in the January-February 1997 edition of the Harvard Business Review. It is based on Heifetz's 1994 book *Leadership Without Easy Answers*, and the core principles of the article are further extended and developed in the 2002 publication *Leadership on the Line: Staying Alive Through the Dangers of Leading* by Ronald Heifetz and Marty Linsky.

The article discusses the management of change and focuses on what is described as "adaptive challenge", which is about the locus of responsibility shifting to the employees in a company where an adaptive change is required, and how the leader can help facilitate this.

As Ronald Heifetz is a graduate of Harvard Medical School, it is perhaps unsurprising that the article begins with the allegorical tale of a doctor advising a patient of what changes of habits and lifestyle are needed to lead a more healthy and better quality of life. The doctor is the leader and the patient the one who has the "adaptive challenge" to mobilise and make the changes. So it is in an organisation.

The authors regard this role of leadership to be the most difficult. All organisations face adaptive challenges in markets, competition and technology, and the nature of the required adaptive work tends to face systemic problems where there are no obvious and easy answers. They suggest that leaders should get away from the habit of providing solutions, and devolve this responsibility to the "collective intelligence of all employees". The role of the leader in facing adaptive challenges is to protect employees from outside threats while allowing the pressures of reality to be felt without too much distress – challenging values, beliefs and norms in the process.

The six principles

Heifetz and Laurie have identified six principles for leading adaptive work:

1. Getting on the balcony
2. Identifying the adaptive challenge

3. Regulating distress
4. Maintaining disciplined attention
5. Giving the work back to the people
6. Protecting voices of leadership from below

Claiming that leadership is about more than identifying a vision and aligning the workforce with that vision, the first role in leading an adaptive challenge is the ability to observe and mobilise.

While a leader must be able to understand the current business focus, he or she must also understand the many reactions to change within the organisation. As if on a balcony with a clear view of all the organisation's activities, moving back and forth between the "field of play" and the balcony view will allow the leader to mobilise the right people in the right way to do the necessary adaptive work. Without this overview the leader can become a prisoner of the system.

The balcony view allows the leader to identify the second principle, the adaptive challenge needed. The authors illustrate how new adaptive changes can be quite challenging, this time using the simile of a band of chimpanzees knowing how to respond to a threat from a leopard yet not knowing how to react to a human with a gun.

Heifetz and Laurie move from simile to example in summarising the account of British Airways' (BA) adaptive challenge in the 1980s. It was during this period when BA's new chief executive identified the need to change the values, practices and relationships in the organisation to create a greater customer focus. The adaptive challenge was to establish trust throughout the organisation and this was achieved by the CEO and his team gaining ideas and consensus at all levels, identifying conflicts as clues to the underlying reality, and by holding a mirror to themselves to gain insight as to what was the best and worst of the company's values and norms.

Describing leadership as a "razor's edge", the authors go on to explain that once the adaptive challenge has been identified, the leader's next task is to generate just enough distress among the people in order that the need for change is felt by everyone. They prescribe three fundamental tasks for a leader to regulate distress:

- Create a "holding environment" by regulating new initiatives, introducing progress at the right pace.

- Set direction by framing the key questions, protecting by managing the rate of change, orienting by defining realities and key values, and instilling conflict as a means to creativity.
- The leader must be emotionally capable to withstand uncertainty, frustration and anxiety in order to communicate confidence.

Maintaining disciplined attention is the fourth principle. Each employee possesses different experiences, beliefs, values and norms. Using another example from the airline industry, the authors cite Jan Carlzon, CEO of SAS, the Scandinavian airline in the 1980s: "People can learn their way to collective solutions by understanding one another's assumptions". The leader's role here is to ask questions, reframe the issues, and get conflict out into the open and use it as a source of creativity. Teamwork is essential, and leaders must demonstrate the need for collaboration: "Disciplined attention is the currency of leadership".

With principle number five, giving work back to the people, the authors point out that people in all levels of an organisation possess specialised knowledge and information, but the norm is to rely on senior management to make all the decisions. The argument here is that this leads to complacency and the avoidance of responsibility, and that leaders should provide support, rather than control, to allow the people to solve their own problems. This in turn, leads to a collective self-confidence based on experience, success and the organisational environment.

The sixth principle, is about giving a voice to the people in the organisation. Again, an example is used to make the point. The senior management of an organisation encouraged employees to look for problems, speak openly and take responsibility. One manager took them at their word and raised a specific issue about a project close to the CEO's heart. With knowledge of the project, the manager had pointed out problems, outlined competing perspectives and provided a summary of consequences, only to be admonished by the CEO.

The learning here is that it is important to understand what motivates the leaders on the one hand, while on the other, leaders must allow individuals to raise contentious issues and ask the question "is there something we are missing?"

The six principles for leading adaptive work, outlined in the first part of the article, are witnessed in action in the context of a genuine organisational change process in the final section. The authors depict the strategic challenge faced by the chairman of KPMG Netherlands in 1994. Although KPMG was profitable, there were limited growth opportunities in the sectors it served.

The corporate culture at KPMG was likened to a group of fiefdoms, with each senior partner being a "lord"; consequently, any change would be seen as a threat to their control. The adaptive challenge would mean a major cultural shift. The chairman, rising to the challenge, set about creating the right conditions to facilitate change. He personally led the initial communication process through dialogue, beginning with the senior partners. Building trust, and with the involvement of twelve of the senior partners, task forces were formed

from within to tackle the adaptive challenge. They looked at future trends, defining core competencies and addressing the adaptive challenge itself. The KPMG corporate culture was confronted first of all, which was described as "developing opposing views, demanding perfection and avoiding conflict". Individuals were rewarded for not failing, and business unit loyalties impeded cross functional problem-solving.

At first, some task forces fell foul of this very culture. However, framing the adaptive changes required for and by themselves, they defined the desired culture: "Create opportunities for self-fulfilment, develop a caring environment and maintain trusted relationships with colleagues". The task forces believed in the process and became emissaries, identifying adaptive changes at the individual level as well as the corporate. The level of trust in the organisation rose and the collective intelligence was tapped to solve problems.

The nature of this change process was in itself distressing, and one of the chairman's main concerns became the regulating of this distress. Assignments with limited instructions were now being issued, when previously they had been complex and highly structured.

Eventually, attitudes and behaviours changed. Hierarchical power was reduced through increased dialogue and teamwork, with less emphasis on individuals and a greater importance attached to understanding others' perspectives. The opening up of individual responsibility, the asking of questions and making a virtue of curiosity became strengths in the new culture. The adaptive challenge process unlocked passion and creativity.

Leaders often try to transform an organisation through merger and acquisition and re-structuring, treating the whole process as if it were a technical problem and ignoring the main adaptive challenge. The authors observe that leadership is often summarised as coming down to a "grand knowing and salesmanship", which ignores the way organisations succeed in addressing adaptive challenges. Adaptive work involves, and adaptive solutions demand, all members of an organisation taking responsibility for the situations that face them. The leadership role is to engage people in the adaptive process, and it is a leader's role from whatever position in the organisation to adjust values, change perspectives and learn new habits.

About the authors

Ronald A Heifetz is founding director of the Centre for Public Leadership at Harvard University's John F Kennedy School of Government. The 1994 publication 'Leadership Without Easy Answers' is his best-known work.

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