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EXECUTIVE SUMMARY

Connected leadership is an emerging view of leadership as an inclusive and collective networked activity occurring throughout organizations. Out of this project grew the Changing Nature of Leadership (CNL) research. Its focus: to explore the current field of leadership and forecast future trends. CNL relied on several interdependent streams of research, including academic literature, surveys, benchmarking and classroom research.

More than 500 respondents completed one or more aspects of the research. Of these respondents, 84 percent believe that the definition of effective leadership has changed in the last five years – indicating some interesting trends in leadership. But the question remains: How has leadership changed and will it look different in the future?

The results across our numerous data points to one conclusion: Leadership is changing and approaches focusing on flexibility, collaboration, crossing boundaries and collective leadership are expected to become a high priority.

CHALLENGES ARE BECOMING MORE COMPLEX

Prior to examining leadership directly, it is important to first look at the challenges facing organizations and their leaders. It is clear that the challenges are becoming more complex and therefore more difficult to solve. Leaders consider these challenges to be within their problem solving expertise, yet most are taking more than six months to solve, suggesting that known solutions are not working effectively. Additionally, when leadership is viewed as a whole (across the organization), less than half of the respondents believe the expected outcomes of leadership are being met effectively.

GREATER RELIANCE ON INTERDEPENDENT WORK

Respondents agree that the challenges leaders are facing go beyond their individual capabilities, and that these challenges result in a greater reliance on interdependent work across boundaries.

SHIFTING REWARD SYSTEM

Leaders would like to see their organizations shift reward systems to a balance of rewarding short-term, individual production and collaboration to reach long-term objectives. Specifically, teamwork will need to be a greater focus in rewards.

THE RISE OF A NEW LEADERSHIP SKILL SET

Asking leaders to focus more energy on creating an environment where others can help them succeed is another important trend. This becomes apparent when comparing the individual skills deemed most important in 2002 with those expected to be important two years in the future. Participative management, building and mending relationships, and change management rose to the top in the future, replacing skills such as resourcefulness, decisiveness and doing whatever it takes.

VIEWING LEADERSHIP AS A COLLECTIVE PROCESS

When examining an organization’s approach to leadership from the past to the future, we see movement from more individual approaches (i.e., leadership as a position) to those that are more collective (i.e., leadership as a process). Specifically, respondents believe organizations will continue to move toward viewing leadership as a process that happens throughout the organization through interdependent decision making.

GLOBAL ORGANIZATIONS ARE AT THE CUTTING EDGE OF COLLECTIVE LEADERSHIP

With the inclusion of a large international sample, we were able to examine trends in U.S. versus European and Asian populations. These findings show that organizations in Europe and Asia-Pacific made a significant jump from individual to collective leadership approaches from the past to the present, when compared to U.S. organizations. In the future, these global organizations expect to have fewer boundaries and rely more on emergent strategy when compared to U.S. organizations.
The Changing Nature of Leadership research (CNL) began in Fall of 2003 with the purpose of exploring the current field of leadership and forecasting future trends. CNL utilized an exploratory, multi-method, cross-national data collection process focused on two main questions:

- Are leaders currently facing challenges that go beyond their individual capabilities? If so, what are these challenges? How do they overcome them?
- How has the definition of effective leadership changed over the last 10 years? Is there a movement from leader development toward leadership development?

To best answer these questions, CNL relied on several interdependent streams of research/innovation:

- **Survey Research:** An online survey was administered to 128 participants that focused on organizational challenges, reward and investment, and changes to the definition of leadership.
- **Interactive Classroom Research:** An innovative data collection process (called wall chart continuums) was used with 389 respondents to test 11 constructs of organizational leadership to see if there has been significant movement from five years in the past to five years in the future.
- **Archival Research:** All issues of the journal Leadership Quarterly were reviewed to determine whether the construct of leadership has changed (conceptually and operationally) since the journal’s inception.

**WHO PARTICIPATED IN THE RESEARCH?**

Respondents included 389 volunteers who completed one or more aspects of the research. The demographic breakouts provided below are for all 389 respondents. The statistics presented are all frequency percentages unless otherwise noted.

**PARTICIPANT PROFILES**

The 389 respondents were alumni of the Center for Creative Leadership’s Leadership Development Program (LDP)®, a week-long developmental experience that aids mid-to-upper-level managers in identifying their individual strengths and development areas.
WHO PARTICIPATED IN THE RESEARCH? (continued)

ORGANIZATIONAL LEVEL

The respondents represented a variety of organizational levels. As expected, the vast majority of respondents were upper middle-level management. Surprisingly, the executive/top management level was the second highest percentage.

<table>
<thead>
<tr>
<th>ORGANIZATION LEVEL</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executives/Top Management</td>
<td>28%</td>
</tr>
<tr>
<td>Upper Middle</td>
<td>44%</td>
</tr>
<tr>
<td>Middle/First Level</td>
<td>14%</td>
</tr>
<tr>
<td>Not Relevant</td>
<td>13%</td>
</tr>
</tbody>
</table>

COUNTRY OF RESIDENCE

An important aspect of this research was its focus on U.S. versus a global population. With assistance from the CCL campus in Belgium, a sizable global sample was created. As we were interested in differences in leadership across geographic cultures, we used country of residence as the variable of focus (over language and country of origin).

<table>
<thead>
<tr>
<th>COUNTRY OF RESIDENCE</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>54%</td>
</tr>
<tr>
<td>Europe</td>
<td>26%</td>
</tr>
<tr>
<td>Asia</td>
<td>16%</td>
</tr>
<tr>
<td>Other</td>
<td>4%</td>
</tr>
</tbody>
</table>

The global population heavily favored European countries, with the United Kingdom making up the largest percentage, followed by Germany. It is important to note that approximately 28 global countries were represented in the sample.
WHO PARTICIPATED IN THE RESEARCH? (continued)

AGE OF RESPONDENTS

Fifty percent of the data was collected from respondents between the ages of 29 and 50 and above. Only 12 percent of the data was collected from leaders whose age is 50 or above. Given the targeted population of LDP®, these findings are not surprising.

SIZE OF ORGANIZATIONS

When the size of the organization was examined (by number of employees), we found that respondents represented a wide range. It should be noted that 22 percent of respondents indicated they hailed from organizations with 100 to 999 employees. The high percentage of leaders from smaller organizations could account for the increased number of executives/top management that were identified in the organizational level section (page 5).
WHO PARTICIPATED IN THE RESEARCH? (continued)

![FIGURE 5]

<table>
<thead>
<tr>
<th>SIZE OF ORGANIZATION (# OF EMPLOYEES)</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 to 99</td>
<td>10%</td>
</tr>
<tr>
<td>100 to 999</td>
<td>22%</td>
</tr>
<tr>
<td>1,000 to 4,999</td>
<td>17%</td>
</tr>
<tr>
<td>5,000 to 9,999</td>
<td>12%</td>
</tr>
<tr>
<td>10,000 or More</td>
<td>26%</td>
</tr>
<tr>
<td>Unknown</td>
<td>13%</td>
</tr>
</tbody>
</table>

GENDER OF RESPONDENT

The respondents were predominately male, with females making up only 28 percent of the total population.

![FIGURE 6]

<table>
<thead>
<tr>
<th>GENDER</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>60%</td>
</tr>
<tr>
<td>Female</td>
<td>28%</td>
</tr>
<tr>
<td>Unknown</td>
<td>12%</td>
</tr>
</tbody>
</table>

WHAT ARE THE MAJOR CHALLENGES?

A section of the Internet survey (completed by 128 of the respondents) focused on the types of challenges organizations and their leaders are facing today.

TYPE OF CHALLENGE

The challenges facing organizations are becoming increasingly complex. Complex challenges are bundles of technical challenges – within our current problem-solving expertise, adaptive challenges – requiring new processes and perspectives found outside current knowledge and resources and critical challenges – resulting from an unexpected event requiring an immediate and often drastic organizational response.

When we examined our survey data, technical challenges were most often cited, followed by adaptive and critical challenges. The dominance of technical challenges could be explained as an organization's need to see challenges as within their skills and problem solving methods.
The Changing Nature of Leadership

**WHAT ARE THE MAJOR CHALLENGES? (continued)**

During the qualitative analysis of these challenges, we were able to better define and differentiate the three types of challenges. The definitions can be found in Figure 8.

<table>
<thead>
<tr>
<th>TYPE OF CHALLENGE</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technical Challenge</td>
<td>43%</td>
</tr>
<tr>
<td>Adaptive Challenge</td>
<td>37%</td>
</tr>
<tr>
<td>Critical Challenge</td>
<td>10%</td>
</tr>
</tbody>
</table>

**FIGURE 7**

<table>
<thead>
<tr>
<th>TYPE OF CHALLENGE</th>
<th>CHALLENGE DEFINITION</th>
</tr>
</thead>
</table>
| Technical          | - A description of a process/system/structure implementation.  
                    | - An admittance that the challenge will require a redistribution of resources.  
                    | - A recognition of a well-defined plan of action to overcome the challenge.  
| Adaptive           | - The recognition of a systemic challenge with no clear solution.  
                    | - Communication of a strategy for creating new processes/systems/skills as opposed to a redistribution of them.  
                    | - Challenges that focus on the implementation of novel solutions.  
| Critical           | - Communication of a recent and drastic change in overall strategy/direction of the organization.  
                    | - The recognition that an “event” would require significant and immediate systemic change.  

**FIGURE 8**

**IMPACT OF ORGANIZATIONAL CHALLENGES**

If assumptions hold, facing complex organizational challenges should influence an organization by forcing significant shifts in the way the system behaves. Based on the data presented in Figure 9, it appears that complex challenges require employees to interact more collaboratively across functions, resulting in improved employee relationships. The latter finding could be due to the high stress that facing these challenges can put on individuals and their work relationships.

The percent agreement across these impacts was below 50 percent (with the exception of working across functions). This raises the question of whether organizations and their leaders are learning from these challenges effectively? If the answer is no, will organizations repeat their own mistakes?
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**LENGTH OF TIME CHALLENGES ARE FACED**

The data in Figure 10 indicate that organizational challenges were typically faced for one year or more. Only 15 percent of respondents’ challenges were faced for less than six months. This important finding suggests that though organizations and their leaders are being asked to act more quickly to solve challenges, the challenges might linger longer than expected, raising the question of whether challenges morph from technical to adaptive to critical.

When the impact of the challenge was examined by the length of time, the general trend suggests that challenges have the greatest impact on organizational behaviors when faced for six months to a year or for more than two years. Though more research must be done to clearly understand this finding, it could be assumed that in the first six months, challenges are so new that employees are merely managing the transition. At the same time, challenges that are faced between one to two years could reduce employee motivation to change.

<table>
<thead>
<tr>
<th>LENGTH OF TIME CHALLENGES ARE FACED</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than Six Months</td>
<td>15%</td>
</tr>
<tr>
<td>Six Months to One Year</td>
<td>29%</td>
</tr>
<tr>
<td>One to Two Years</td>
<td>18%</td>
</tr>
<tr>
<td>Over Two Years</td>
<td>35%</td>
</tr>
</tbody>
</table>
Organizational and leadership researchers hold a number of theories and hypotheses about trends in leadership. This section of the survey asked respondents to consider their organizations’ leadership approach and answer the following theory-based items.

THE DEFINITION OF LEADERSHIP

More than 84 percent of respondents believe that the definition of effective leadership has changed in the last five years. In hopes of uncovering these changes, the research team asked two additional questions examining the challenges faced by leaders and the extent to which interdependent work is a central foundation of leadership. Though respondents believe that interdependence is important and that challenges go beyond their own capability, the percent agreement shows there may be other shifts in leadership signaling this definitional change.

<table>
<thead>
<tr>
<th>THE DEFINITION OF EFFECTIVE LEADERSHIP</th>
<th>% AGREE</th>
</tr>
</thead>
<tbody>
<tr>
<td>The definition of effective leadership has changed in the last five years.</td>
<td>84%</td>
</tr>
<tr>
<td>Leaders face challenges that go beyond their individual capabilities.</td>
<td>60%</td>
</tr>
<tr>
<td>Interdependence work is the foundation of effective leadership.</td>
<td>58%</td>
</tr>
</tbody>
</table>

THE OUTCOMES OF LEADERSHIP

Central to the CCL definition of effective leadership are these three tasks: setting direction, building commitment and creating alignment. It is believed that if these outcomes are achieved, leadership must be present. The question is: How well are organizations accomplishing the outcomes at the present time? As seen in Figure 12, the results indicated that there is substantial room for improvement, with organizations and their leaders receiving less than 50 percent agreement in all three categories.

<table>
<thead>
<tr>
<th>THE STATE OF ORGANIZATIONAL LEADERSHIP</th>
<th>% AGREE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leadership sets direction effectively.</td>
<td>50%</td>
</tr>
<tr>
<td>Leadership gains commitment effectively.</td>
<td>46%</td>
</tr>
<tr>
<td>Leadership creates alignment effectively.</td>
<td>40%</td>
</tr>
</tbody>
</table>
WHAT IS THE CURRENT STATE OF LEADERSHIP (continued)

THE NEED FOR CHANGE LEADERSHIP

CCL is currently exploring the area of change leadership, or using culture and leadership as the key drivers for sustainable change. Only 58 percent of respondents felt that change efforts are sustainable and those efforts focus more on systems/structures (76%) than culture and values (59%). The results point to the importance of this approach. (See Figure 13)

<table>
<thead>
<tr>
<th>THE STATE OF ORGANIZATIONAL LEADERSHIP</th>
<th>% AGREE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change efforts are sustainable (i.e., long lasting).</td>
<td>58%</td>
</tr>
<tr>
<td>Change efforts focus on values and norms (i.e., culture).</td>
<td>59%</td>
</tr>
<tr>
<td>Change efforts focus on systems, structures and processes.</td>
<td>76%</td>
</tr>
</tbody>
</table>

ARE ORGANIZATIONS INVESTING IN THE RIGHT AREAS?

The final section of the Internet survey examined the reward and investment activities of organizations. In this section, we provided each respondent with 100 “investment or reward points” and asked them to allocate these points across a pre-defined set of activities.

CURRENT AND FUTURE REWARD/RECOGNITION

The reward/recognition item compared the current approaches to rewards with what leaders believed to be optimal. Figure 14 shows the mean number of points that respondents allocated to each of the activities.

A comparison of the current approaches to the optimal show that respondents hoped organizations would focus less on “making the numbers” and individual performance in the future, and begin to focus on areas like teamwork, long-term objectives and innovation. The general trend is moving away from short-term, individual-oriented reward systems and toward more interdependent rewards systems that are long-term oriented.
ARE ORGANIZATIONS INVESTING IN THE RIGHT AREAS? (continued)

<table>
<thead>
<tr>
<th>MEAN PTS. AWARDED FOR REWARD/RECOGNITION ACTIVITIES</th>
<th>CURRENT</th>
<th>OPTIMAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Teamwork</td>
<td>10</td>
<td>14</td>
</tr>
<tr>
<td>“Making the Numbers”</td>
<td>25</td>
<td>13</td>
</tr>
<tr>
<td>Individual Performance</td>
<td>19</td>
<td>13</td>
</tr>
<tr>
<td>Unit-level Performance</td>
<td>10</td>
<td>8</td>
</tr>
<tr>
<td>Innovation</td>
<td>8</td>
<td>11</td>
</tr>
<tr>
<td>Collaboration</td>
<td>8</td>
<td>11</td>
</tr>
<tr>
<td>Long-term Objectives</td>
<td>6</td>
<td>12</td>
</tr>
<tr>
<td>Working Across Boundaries</td>
<td>5</td>
<td>8</td>
</tr>
<tr>
<td>Other</td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>

ORGANIZATIONAL INVESTMENT

The investment item asked respondents to allocate “investment points” according to which activities would improve the organizations’ ability to respond more effectively to new challenges and opportunities. Figure 15 shows the average percentage of points allocated to each activity.

Individual leadership rose to the top of the investment list with organizational culture appearing as second most important to responding to future challenges. The convenience sample of leaders, who had just gone through an individual development experience, probably skewed these results. More importantly, the even spread across all of these activities is notable as it suggests either that leaders are not sure where to invest or that the specific challenges might require differentiated investment. When this data was broken down by organizational level, only one significant difference arose. For front-line employees, organizational culture rose to the top of the investment list.
HAS LEADERSHIP CHANGED IN THE LAST 10 YEARS?

The second major research method used two forms of interactive data collection as part of the “in-class” experience of participants. Both of these data collection methods examined if leadership has changed over the last 10 years. A worksheet was used to uncover the individual leadership skills thought to be most important two years in the future while the wall chart method was used to better understand organizational philosophies of leadership.

INDIVIDUAL LEADERSHIP SKILLS

Eighty-five respondents were asked to choose up to five of 16 skill categories (from CCL’s Benchmarks® 360-degree assessment tool) that would be most important in becoming a successful leader in two to five years. The skills chosen were compared to the Benchmarks database as of 2002. This comparison provided a gap of about five to six years to see if there were any notable differences.

The data in Figure 16 ranks the individual leadership skill category by percent of respondents who chose it. So, the skills that are ranked higher (nearer to one) are those that were selected most often.

There are some notable differences between the skills respondents thought were important in 2002 and the skills they believe would be most important in the future. The most striking difference is the rise of what we might call “soft skills,” such as building relationships and participative management. Building relationships moved from the fifth most important skill to the second most important. Additionally, change management moved from seventh to third, indicating leaders expect the unpredictability of late to continue.

These results point to a belief that future leadership skills should place increased emphasis on building relationships, collaboration and change management.

<table>
<thead>
<tr>
<th>INDIVIDUAL LEADERSHIP SKILL CATEGORIES</th>
<th>2002 RANK</th>
<th>FUTURE RANK</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leading Employees</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Building &amp; Mending Relationships</td>
<td>5</td>
<td>2</td>
</tr>
<tr>
<td>Change Management</td>
<td>7</td>
<td>3</td>
</tr>
<tr>
<td>Participation Management</td>
<td>6</td>
<td>4</td>
</tr>
<tr>
<td>Resourcefulness</td>
<td>2</td>
<td>5</td>
</tr>
<tr>
<td>Decisiveness</td>
<td>4</td>
<td>6</td>
</tr>
<tr>
<td>Doing Whatever It Takes</td>
<td>7</td>
<td>7</td>
</tr>
<tr>
<td>Straightforwardness and Composure</td>
<td>3</td>
<td>8</td>
</tr>
</tbody>
</table>
HAS LEADERSHIP CHANGED IN THE LAST 10 YEARS? (continued)

ORGANIZATIONAL LEADERSHIP – OVERALL

The 389 respondents were asked to complete charts looking at their organizations’ approach to leadership five years in the past, now, and five years in the future across 11 paired continuums. The rating scale is provided in Figure 17.

![Figure 17](image)

The paired continuums were created based on current leadership literature, insights from CCL faculty, and aspects of the Connected Leadership framework. The purpose of the pairs was to compare individual approaches to leadership (i.e., leadership as a position) to more collective approaches (i.e., leadership as a process). Half of the pairs were reversed on the posters to reduce rater bias.

Figure 18 shows the overall data. Leaders believe their organizations’ leadership approach has shifted in the past five years across all but one of the continuums (logical/rational versus feeling/emotional). There was a definitive shift from using individual approaches to leadership in the past with a balance of individual and collective in the present.

Looking at the future, respondents believe organizations will continue to move toward viewing leadership as a process that happens throughout the organization through interdependent decision making. Organizations should continue to seek more of a balance between developing leadership through individual competencies and groups/network competencies, and between a functional versus a boundary-less orientation.
HAS LEADERSHIP CHANGED IN THE LAST 10 YEARS? (continued)

ORGANIZATIONAL LEADERSHIP – U.S. VS. GLOBAL

Figures 19-21 highlight the data for U.S., European, and Asian populations. The data indicates that organizational leadership approaches seem to be changing for all populations.

**U.S. Organizations**

Five years ago, the U.S. population followed an individualistic approach with leadership taking place at the top of the organization, while the present saw a shift to leadership as a process that is happening throughout the organization.

In the future, the U.S. population made the smallest jump as compared to Europe and Asia Pacific, with findings showing a resistance to both a further increase in development through groups and networks and greater reliance on emergent strategy. There could be a number of factors accounting for this apparent resistance to more collective forms of leadership. First, this could be due to the strong psychological orientation leading to a more individualistic sentiment in the U.S. or being accustomed to prolonged organizational success, which tends to breed resistance to change. Second, leadership development for groups and networks is an emerging field in the U.S. without the proven impact of individual development experiences.
HAS LEADERSHIP CHANGED IN THE LAST 10 YEARS? (continued)

Third, as asserted by CCL’s Connected Leadership Project, to develop groups and networks there must be a basis of “common leadership language” at the individual level.

European Organizations

The European population made a significant jump from individual to more collective approaches from the past to present. This shift continued in the future, with Europe’s greatest increases being found in a boundary-less orientation, leadership taking place throughout the organization, and rewards based on the success of others.

This trend fits with the decade-long rise of the EC and Europe’s general sociological approach to their lives. The belief that collaboration is necessary to successfully compete on the world stage is in line with this trend. In addition, these findings are consistent with the rise of the triple bottom line that has gained favor, where profitability alone does not ensure success. Rather, it is necessary to pair profitability with the improvement of one’s environment and community as a whole.
HAS LEADERSHIP CHANGED IN THE LAST 10 YEARS? (continued)

Asia Pacific
Five years ago, Asia Pacific was the most collaborative in their approach to leadership, but made the smallest shift in the present. In the future, Asia Pacific made a significant shift in power through knowledge, collaboration, and more feeling/emotion when compared to the U.S. and Europe.

This trend can be explained at least partially by the rise of globalization, which positioned Asia Pacific as the “hot bed” of global commerce. Asia Pacific organizations have successfully used their skills and knowledge toward collective leadership to open the door to multinational collaboration.

Conclusion
The findings from these populations confirm that a one-size-fits-all approach to leadership will not work. Instead, each population’s leadership approach must be developed based on economic, political, and geographic needs. We must work hard to gain an in-depth knowledge of the cultural and leadership differences before attempting collaboration or global expansion if we are going to be successful in a boundary-less world.
HAS LEADERSHIP CHANGED IN THE LAST 10 YEARS? (continued)

TRIGGERING THE LEADERSHIP SHIFT

There is no doubt that the definition of leadership is changing. It has changed in the past five years and will shift even further during the next five. But what is contributing to this shift? The following six factors come from anecdotes collected through conversations with leaders around the world.

Shifting Competition Bases. There are few industries that are immune to shifting competition bases, such as the rise of disruptive technology or ideas that emerge and alter the very landscape of a market or industry. A major competitor of a large, well-established organization can completely disappear one day and be replaced instantly by a college graduate working out of her parents’ garage.

Globalization. As we enter new markets, we are learning the art of ground truth – the idea that we must fundamentally reshape tried and true solutions and products to fit a new time, place, and customer. As we move beyond our own borders, we must seek to understand the new markets and environments before ever attempting to practice leadership within them.
The Changing Nature of Leadership

TRIGGERS & RESPONSES (continued)

*Increased Expectations.* Success is no longer based simply on profits. Stakeholder demands are as varied as the communities that people work in – and as the profiles of the shareholders themselves. There is a lot more to think about in terms of whose expectations you need to satisfy and how to go about it.

*Drive for Innovation.* Organizations must always focus on what’s next because the speed of innovation is unbelievable. Companies know that even if they own a tremendous product that no one can touch today, they must continue to push themselves to be ready for the next great leap ahead.

*Boundary Spanning Resulting from Mergers and Acquisitions.* When organizations join together in a partnership or merge to form a new company, it’s very difficult to bring the strengths of both organizations together and keep them alive in the new entity.

*Need for Reinvention.* There is a need for new business models that are more appropriate for a different place and time. The recent news from Ford and GM exemplifies this push. These factors are causing an increased complexity and driving a greater reliance on more people to be successful. Hence, the balance between bottom-line skills and relationship skills is shifting, with relationship- and connection-based skills increasingly being viewed as primary or pivotal.

PREPARING FOR THE FUTURE

What does this shift mean for leaders – both aspiring professionals, as well as leaders who have been in place for some time? What will this new leader look like?

It’s no longer the time of the heroic leader – the leader who walks in and takes up all the space in the room. The job of today’s leader is to create space for other people – a space in which people can generate new and different ideas; a space where seemingly disparate departments and people in the organization come together and have a meaningful conversation; a space in which people can be more effective, more agile, and more prepared to respond to complex challenges.

*New Skill Sets.* The new leader needs to achieve bottom-line results, but must do this through collaboration, teamwork, and innovation. The key to success is being able to do all three well. While profits and funding are still important to companies and nonprofit organizations, they are no longer the great differentiators of performance. Instead, there is a clear shift toward skills that are tied to relationships and managing change. Today’s leaders need right-brain skills – empathy, inventiveness, and quest for meaning – to achieve professional success and personal satisfaction. In fact, the best MBA programs are moving in this direction and offering soft-skill training, such as how to build stronger teams and how to communicate more effectively.
TRIGGERS & RESPONSES (continued)

Greater Collaboration. In addition to being a participative manager, leaders need to build important relationships and work across boundaries to collaborate effectively. This is critical to providing greater agility and flexibility for organizations and their leaders in order to respond faster to changes in society.

Change the Environment. To create an environment that facilitates the new skill sets for leaders, an organization must change its systems and the way it operates to allow people to collaborate and work more interdependently. For example, one way is to change the reward system so that you are no longer rewarded simply for your individual input but also for teamwork, achieving long-term objectives, and innovation. Leaders are calling for reward systems that focus on a balance of individual, team, and innovation. Another way is to change the design and structure of your organization to allow the traditional silos and other relationship inhibitors to be broken down more easily.

Create a More Flexible Style. One way for individuals to build skills is to accept or actively seek challenging assignments that take you out of your technical expertise and into work that involves a broader range of people across the organization. Also key is pairing up-and-coming leaders with those who already practice participatory management and giving aspiring leaders real-life experiences to actively learn on a day-to-day basis. In addition, executive leadership opportunities outside of your organization are important. A number of executive-education institutions around the world offer effective and powerful workshops focused on expanding skill sets.

Be Open and Adaptable to New Ideas. Leaders need to be as flexible as possible and participate in numerous diverse experiences. Try out different approaches so that you have them when you need them and won’t have to build them while you’re in the middle of a new challenge. For those who already have a significant part of their careers under their belts, expand your horizon. Be sure not to rely on a single skill set or strength that might have helped you through the first 10 years of your career. Instead, pursue more challenging experiences, consider working with a mentor, and interact with a variety of people – not only those who see the world your way.

Find Examples of Positive Disobedience. The best place to find these tools is within your own organization. Look to the leaders who have been successfully practicing participative leadership and change management. Now is the time to embrace these leaders as teachers and study their methods. They can teach you how to think outside of the box and practice a new kind of leadership.
The Changing Nature of Leadership

IS ACADEMIA SEEING SHIFTS IN LEADERSHIP?

Though much of the research for CNL focused on practicing leaders, there was an attempt to examine the academic perspective on shifts in leadership and leadership development. This section focuses on an academic review of the Leadership Quarterly over the last 10 years.

The purpose of the research was to uncover articles, theories, and hypotheses that moved beyond the mainstream view of leadership, (i.e., beyond a leader-centric approach that focused on how the characteristics or behaviors of leaders impact the attitudes, behaviors, and performance of followers).

More specifically, we looked for articles on:

- **Collective or Distributed Leadership**: Systems and processes that involved multiple people working together to make leadership happen.

- **Leading Laterally**: Leading across boundaries or in non-authority contexts.

- **Relationship-based Leadership**: Utilizing relationships as the key aspect of producing leadership (in contrast to characteristics of individuals).

**Organizational Culture and Systems**

Through a reiterative, qualitative analysis, 40 articles of over 300 reviewed fell into one of these four previously mentioned areas. Figure 22 shows “relationships as a central focus” had the largest percentage of articles (33%) followed by an even split of the other three.

There were three central findings from this research. First, although we found articles that moved beyond the mainstream view of leadership, the frequency of these articles had not increased over the last 10 years. Many of the same approaches seen in 1994 appeared in more recent years. Second, non-traditional views of leadership were often associated with studies of leadership in less hierarchical settings – for example, joint ventures, networks, cross-cultural teams, community groups, and religious organizations.

Lastly, four perspectives emerged from the analysis that helped further define the Connected Leadership Perspective. They were:

1. Leadership when leader & follower roles are not clearly distinguished.
IS ACADEMIA SEEING SHIFTS IN LEADERSHIP? (continued)

2. Leadership when there is not a clear authority hierarchy.

3. Leadership when the active role of followers is seen in the leadership process.

4. Leadership when the role of culture is seen as a shaping aspect.

REFLECTION QUESTIONS

• What is the potential cost of overlooking critical and adaptive aspects of complex challenges?

• What would happen if organizations captured lessons of experience more effectively? Would the leadership be more effective in achieving expected outcomes?

• Which outcome (setting direction, building commitment, or creating alignment) is most critical to address in your organization? Why?

• What obstacles are standing in the way of organizations adapting more interdependent rewards systems?

• How is your organization currently developing the skills of collaboration, participative management, and relationship building in your leaders?

• How can your organization develop more collective approaches to leadership?

• Why are global organizations seeing a more significant shift in their leadership approaches when compared to U.S. organizations?

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