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Highlights

This is our second article on subversive leadership – the benevolent case. In this article we examine a large electric public utility company's operations, engineering and support departments. The Senior VP responsible for the organization was struggling – his operating plants were underperforming, his engineering department was bogged down with backlogged work and with no end in sight. His support departments (Maintenance, Human Resources, Training, and others) were also struggling because they were constantly in a reactive mode of operation. The department heads (VPs and GMs) all realized this Senior VP's ineffectiveness. The HR department took action in a variety of ways to bolster his lack of leadership. Their approach involved the following:

1. Individual development for the Senior Vice President
2. Organizational effectiveness assessments
3. Team development

All these initiatives were to make this very large department successful despite the lack of leadership and ineffectiveness of the Senior VP.

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Subversive Leadership II

by

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Our first Subversive Leadership article established the fundamental philosophies of this concept. As part of that we defined the two types of subversive leadership as benevolent and malevolent (or malicious). To illustrate and develop the concept we are using case studies.

Our first article developed the malevolent case. This article presents subversive leadership in a benevolent context. Before we proceed, though, we feel it important to review our definitions of benevolent and malevolent subversive leadership to ensure continuity and consistency between both articles, as well as to review the background of why people believe subversive leadership is necessary.

Definitions

Benevolent subversive leadership is when an organization's legitimate leadership is ineffective, incompetent, corrupt or just too busy, and those who are responsible for getting the work done change their own approach to achieve the organization's goals. If the organization's management is lucky, the employees recognize the leadership's ineffectiveness and become motivated to do something about it, generally running the organization through the informal networks that exist in every workplace.

Malevolent subversive leadership is when people in the organization attempt to subvert the legitimate leadership in an effort to disrupt legitimate business outcomes, and possibly to depose the legitimate leaders and fill those positions themselves. These people believe the incumbent leadership should be displaced and that they can do a better job themselves.

Why do people believe Subversive Leadership is necessary?

As previously defined, when an organization's legitimate leadership is ineffective, incompetent, corrupt or just too busy, those who are responsible for getting the work done change their approach. If the organization's management is lucky, the employees recognize the leadership's ineffectiveness and become motivated to do something about it, generally running the organization through the informal networks that exist in every workplace. If this attempt fails, becomes too difficult, or in situations where employees initially feel disenfranchised from the company they work for, employees will likely sit back, do just what they are told to do, stay out of trouble, and slowly grow into what we refer to as "dead wood."

In the former sense, we must accept that the employees are performing benevolent subversive leadership. They continue to work for the good of the organization. The latter cannot be considered subversive leadership, rather just giving up and accepting a bad

situation. Sometimes their actions or inactions could be construed as ‘malicious obedience;’ this aspect will be covered in a later article.

In its benevolent context, subversive leadership can manifest itself as breaking rules that really don’t matter at the end of the day, or senior staffers doing things outside company policies to get things done or to protect the senior executive(s) from themselves.

A Benevolent Case Study

The situation: A large electric public utility company’s operations, engineering and support departments comprised about 2,500 people. The Senior VP responsible for the organization was struggling – his operating plants were underperforming, his engineering department was bogged down with backlogged work and with no end in sight. His support departments (Maintenance, Human Resources, Training, and others) were struggling because they found themselves constantly in a reactive mode of operation. The department heads (VPs and GMs) all realized this Senior VP’s ineffectiveness. The HR department took action in a variety of ways to bolster his lack of leadership. Their approach involved the following:

1. Individual development for the Senior Vice President
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All these initiatives were enacted to make this very large department successful despite the lack of leadership and ineffectiveness of the Senior VP.

Background

While this Case Study is based in reality, it is important to note that in the actual situation there were several other issues and complications that affected the ultimate outcome. For the purposes of presenting this as an article, we have simplified the dynamics and are unable to provide a rigorous historical perspective; this approach allows us to focus on the aspects of marginal leadership.

In our first article on this topic, we established a fundamental assumption: when people come to work for a company, they come to work motivated to do the best job they can. For this article there is another consideration as we discuss the leadership of an organization: those who are trying to subvert the legitimate leadership in a benevolent context typically like

the leader and want him to succeed. They want him to succeed personally and they want the organization to succeed. We are establishing this as another fundamental assumption.

Returning back to this case study, the HR Department recognized that the Senior Vice President needed both professional and individual development. His shortcomings were affecting the organization as a whole. Some of the signs they observed included his relationship with his direct reports as well as their effectiveness.

The challenge was threefold: to address the Senior VP’s leadership issues, to attempt to help his direct reports become more successful, and to address an organizational culture that was deteriorating because of limited success, lethargy and complacency.

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Individual Development

Helping a senior executive with his individual development is not an unusual occurrence in the corporate world. Individual development means many things, and for this case study we focus on interpersonal skills and image. Our case study Senior VP had issues with his interpersonal skills as well as his appearance, particularly his attire. The HR Department felt that if he could improve his ability to communicate and interact with his direct reports as well as those to whom he reported, his effectiveness would improve. The issue of his appearance combined with his marginal interpersonal skills exacerbated his limitations and therefore diminished his overall effectiveness.

With all this said, the HR Department felt that the proper start would be to remove some of the simple obstacles to the Senior VP’s effectiveness. HR sent him to training that focused on his improving both interpersonal skills and appearance (dressing-for-success). Some might call this “charm school.” While this may not be considered subversive leadership, the HR Department did take the initiative to try and help the Senior VP improve some of the more immediate issues affecting his effectiveness.

Organizational Effectiveness Assessments

As part of the effort to help this Senior VP succeed, one of the more telling exercises was an historical reconstruction of the fate of his predecessors. This exercise illustrated that the star performers either left the organization or moved up within it. Those who struggled were parked somewhere in the organization where they could do little harm and live out their time for retirement (remember, the case study is about a public utility company about 10-12 years ago). The point here is that graduating from “charm school” does not guarantee that the organization will turn around. So what else is needed?

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In this context, subversive leadership teaches us that lack of effectiveness may be partially a leadership issue but is rarely entirely a leadership issue. Consequently, to shore up the leadership once again, the HR Department recognized the need to be sure that the right people were in the right jobs across the organization.

It is important to understand that in the early 1990s, the public utility industry was a bit chaotic. The leadership was struggling with a deep-seated public utility culture and the unknown territory of deregulation. Deregulation meant accountability; it meant having to become a profit-motivated organization rather than an oligopoly; it meant that the safety afforded by a family model of running 'the business' would soon be a thing of the past.

The challenge was to move away from the existing comfort zone and attempt to become proactive by assessing the organization and its people. Rather than tackling the whole organization at once, the approach was to focus on departments that appeared to be struggling the most but also had the most significant impact on the organization as a whole. With that underlying philosophy, the initial focus was on the Engineering Department.

Getting back to the point of this article – you might be asking why this behavior constitutes subversive leadership. We said that subversive leadership is providing leadership around the formally established system of rules or regulations in place. The existing formal rules and work practices in this case were not yielding the necessary or desired results. Replacing leaders had produced marginal results and sometimes negative effects. Something had to be done. The philosophy was to start addressing these issues internally, around the existing rules via the HR Department.

As a department, HR took the leadership position and began driving change within the organization, though not through traditional downsizing, but rather through a programmatic assessment that involved individuals within the department. The overall approach was designed to keep the best people, processes and functions of the department, and to have those within the department identify the people, processes and functions that needed changing. While all this was going on the leadership (the Senior VP and the VP of Engineering) were also being assessed. Remember, the goal was for these guys to be successful and also to put the right people in the right jobs.

Recognizing that it is very difficult to convey the full scope of this case in a newsletter article, we ask our readers to take a leap of faith and follow to the outcomes. First, HR was able to provide specific recommendations (from the contributions of the people within the department) regarding people, process, function and structure. They used the process throughout the whole organization, department by

department. Finally, they prepared very confidential reports that were taken to the leadership and stated the personal and organizational issues that needed to be changed. All this was done in the spirit of helping the incumbent leaders become successful.

The relationship between those driving the change and the incumbent leaders evolved into more of a partnership. The team development of the project started to reestablish the legitimacy and effectiveness of the leaders.

Team Development

The third leg to this stool is team development. HR needed to show that things could change. The change they wanted to illustrate was not in the traditional sense of announcing organizational/ position changes or promotions, but in a context of tangible change and accomplishments.

Recall that in the beginning of the article we talked about the backlog of work and constant

underperformance. To demonstrate change HR needed to show small wins and needed people to start believing that they could pull out of the quagmire in which they found themselves. This began the culture change resulting from subversive leadership.

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HR selected a team of high-potential individuals from across the whole organization. Their charge was to demonstrate that things could change for the better, that barriers could be taken down, that the hallowed, lumbering public utility could move toward a more nimble and responsive business entity. With some teambuilding and coaching this team started taking on issues. They established criteria by which they would select those issues to tackle and separated the real barriers from the perceived ones, thus working within the system to remove them. If the system in place could not support change, that system was taken on as an issue. As everyone involved in this process moved forward, things started changing for the better.

Perhaps one of the most important 'design' aspects of the team development was the rotation of team members back into the organization as change agents, and the assignment of new team members who learned how to succeed. To ensure continuity in the cultural change that was occurring, only 50% of the team members were replaced in each rotation period. HR started creating a generation of people who knew how to succeed, building upon their successes by putting them back into their respective departments as role models and mentors.

Conclusion

Benevolent Subversive Leadership is significantly different from the malicious case study of our previous article. The highlights are:

- Despite their shortcomings, when benevolent subversion is taking place, it can generally be assumed that those who are in the leadership position are typically likable people whom the organization and their direct reports want to see succeed.
- The subversion takes on the form of proactive improvement that may be perceived in its most obvious context, but also has an added dimension that includes an underlying purpose of addressing tough problems in a very constructive context. We liken this to a flanking maneuver rather than frontal approach.
- This case study focused on ineffective leadership and not necessarily the incompetent or corrupt forms of inept leadership reviewed earlier in this article.
- In the context of this case study, the overall initiative started as benevolent subversive leadership. It ended in a partnership with the leadership as well as substantive outcomes and the start of cultural change – necessary to position the organization for deregulation. The tools and approaches developed during this process then became the way things were done, i.e., they became the ‘rules’
- While this case study is based on a real situation that comes across as a story-book scenario, there was a tremendous amount of effort, coordination and cooperation necessary to achieve the success indicated.
- Time is an issue. If there would have been a way, at that time, to accelerate the outcomes, we believe HR would have achieved even more success. Inherently, in an attempt to benevolently subvert legitimate leadership, time to tangible results is often slower than more traditional approaches.

As in our last issue, I wish to thank Steve Clark and Dr. Robert Care for joining us in this edition of Update. I also want to thank Mr. Anthony Aмео for being a critical evaluator.

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