CEO: Hero or Villain?

When things go wrong we want to hold the person in charge to account – just look at the attacks on former BP chief executive Tony Hayward, over the mistakes that led to the Gulf of Mexico oil spill. Are we expecting too much from leaders at the top?

The world is fascinated by the wealthiest and most successful people, whether it is Bill Gates or Sir Richard Branson. Part of this fascination is the expectation that leaders at the top can drive an organisation to success, almost single handedly. But is this an accurate picture of how leadership works in practice?

Organisations need radical change to survive these uncertain times and too often all hopes are pinned on the person at the top. Of course the leader at the top is important: chief executives must provide a clear strategic direction and embody this in a way that inspires confidence.

A significant dispersal of leadership is needed because complexity, global reach, diverse cultures and many local stakeholders mean top-down leadership cannot reach deep enough into the organisation. As well as needing leadership at many levels, some critical leadership issues cannot be addressed in an individualistic way. Such examples include: collaboration rather than competition amongst senior business unit managers; changes involving many teams or units rather than falling within any one manager’s remit; breaking down ‘silo thinking’ and adopting cross-organisation processes.

For these, we need a shared approach and initiatives that introduce novel ways of working. To do this they will need strong CEOs and cannot do, and what our own leadership role can be, to hold a realistic view of what top leaders can and cannot do, and what we want to place our faith in leadership.

Effective and successful change requires collective leadership practices to which many people contribute. Individual leaders may not even understand all the interconnections involved in a transformational change.

Leadership is not something ‘applied to’ the organisation by people in senior roles but part of a response to new challenges and opportunities.

A potential barrier to creating new leadership practices to meet these 21st century needs (‘we’ rather than ‘I’, ‘leadership’ rather than ‘leader’) arises from our wishful thinking about leaders at the top. Ironically, when times are tough we are more likely to want ‘strong’ top leaders than when there is a rosier outlook.

We want to place our faith in superheroes when the future seems bleak. Indeed, we need leaders to set the tone and values by which we operate. But implementing real organisational change requires us to hold a realistic view of what top leaders can and cannot do, and what our own leadership role can be, wherever we sit in the organisation.

As organisations look to an uncertain future they will need huge commitment to bring about radical changes, efficiencies and new ways of working. To do this they will need strong CEOs but just as importantly, they will need confident and collaborative leadership practices throughout their organisation to address the challenges that many organisations now face.

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The fury directed at him personally reflects the psychological hero-villain role that leaders acquire depending on the circumstances. However, there are significant problems with only addressing leadership at the top, if the organisation needs transformation.

There is much evidence that leadership is important throughout an organisation. A significant dispersal of leadership is needed because complexity, global reach, diverse cultures and many local stakeholders mean top-down leadership cannot reach deep enough into the organisation. As well as needing leadership at many levels, some critical leadership issues cannot be addressed in an individualistic way. Such examples include: collaboration rather than competition amongst senior business unit managers; changes involving many teams or units rather than falling within any one manager’s remit; breaking down ‘silo thinking’ and adopting cross-organisation processes.

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