

LEADERSHIP: REFRAMING, ETHICS AND ACTION

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Executive Leadership Development Program CAREC Institute, ADB March 2010 Singapore

## LEADERSHIP



- I. Leadership: Reframing Organizations
- II. Effective Leadership: Reframing, Getting Things Done
- III. Ethics
- IV. Case Study: The Datu Paglas Story
- v. The CAREC Vision: Building Effective States, Strengthening a Region (Greater Mekong Subregion Case Study)

## I. Leadership: Reframing Organizations



- A. Organizations, Change, and Leadership
- B. Reframing Organizations
  - 1. Structural Frame
  - 2. Human Resource Frame
  - 3. Political Frame
  - 4. Symbolic Frame

## A. Organizations, Change, and Leadership



ORGANIZATION (people and process):

"An organization is a group of people intentionally organized to accomplish an overall, common goal or set of goals."

### Change/Complexity

- Globalization
- IT revolution/new technologies
- Democratization
- CNN and Blogosphere society
- Potential pandemics, natural disasters
- Collapse of grand ideologies
- Global financial and economic crisis
- Demographic change
- Environmental Challenges

You want not only to survive but to THRIVE!



### Leadership



Leadership is a process whereby an individual influences a group of individuals to achieve a common goal.

--Peter G. Northouse

## WHAT IS A FRAME?



- A mental or conceptual map
- A set of ideas and assumptions that help us understand and navigate a particular territory
- How we think and make sense of the world around us

"From a dog's point of view, his master is an elongated and abnormally cunning dog."

--Mabel L. Robinson

### FRAMES



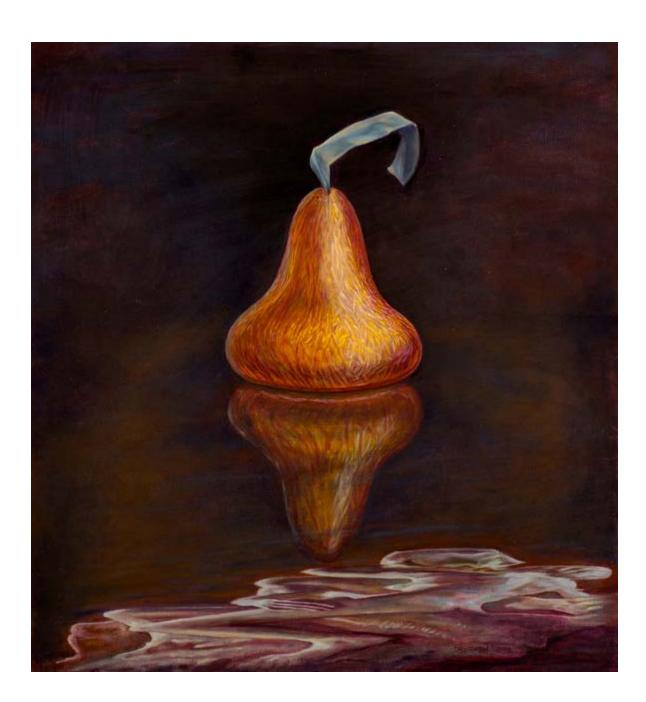
#### FRAMES inform our:

- Opinions
- Analysis
- Decisions
- Actions
- Feelings
- Approaches

## Hans Holbein, The Ambassadors (1533)













## Auguste Rodin, The Kiss (1884)

## Reframing



- Thinking about the same thing in more than one way
- "Hoodwinked": Little-Red Riding Hood, Rashomon-style





## Why Reframe?



- To understand something better
- To synthesize multiple perspectives
- Have a well-informed and sound basis for decision-making.
- Avoid the "curse of cluelessness" (Enron alibi; \$80 to \$.80).
- Identify levers that will help us implement change successfully.





The problem lies in how people think and make sense of the world around them.

- wrong ideas
- dogmatism
- incomplete data points
- masked flaws
- distorted understanding of situation

# Alan Greenspan on the Global Financial Crisis...

Were you wrong?

"Partially . . . I made a



mistake in presuming that the self interest of organizations, specifically banks and others, was such that they were best capable of protecting their own shareholders and the equity in the firms."

## B. Reframing Organizations1. Structural Frame



METAPHOR	IDEAS	ACHILLES' HEEL
Factory "Salt Mines"	<ul> <li>inputs, process, outputs;</li> <li>goals, specialized roles, formal relationships;</li> <li> rules, procedures, policies, and hierarchies;</li> <li>rationality as an overarching value</li> </ul>	What happens when structure no longer matches changing environment? Can adaptation happen on time and effectively?

#### **Structural Frame: Assumptions**

- Organizations exist to fulfill clear goals.
- Specialization drives performance.
- Coordination and control are critical.
- Rationality should reign over personal preferences and external pressures.
- Structures must fit organization's circumstances and specifics.
- Resources are needed for execution.





## **Variables that Impact Structure**

- Size and age of organization
- Core process
- Environment
- Strategy and goals
- Information Technology
- Nature of work force

## Coordination



- Horizontal or Lateral Power: Group decisionmaking; everyone has a stake; consensus
- Vertical: works well when combined with horizontal power; boss can give top-down instructions that are executed because all have a stake in implementation
- Type of coordination needed can depend on the task at hand.

### **Structural Troubles**



- Impulsive Firm: fast growth, simple structure, one person in control
- Stagnant Bureaucracy: old, tradition-bound, predictable, stuck, obsolete
- Headless Giant: feudal fiefdoms, weak core, no real leadership or strategy, dysfunctional

## **Case: Ant Colony**





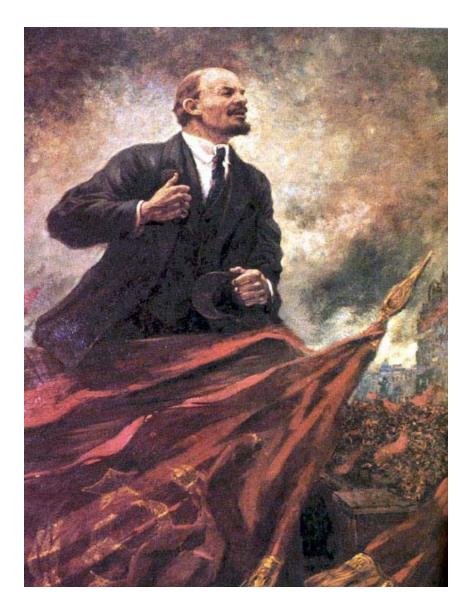
## CASE: What happened on 9/11?



"TIME RAN OUT." (9/11 Commission)

- Multiple organizations involved.
- Government failure at federal level?
- On the ground, specialized agencies had own procedures, but uncoordinated with others (NYPD, FDNY, PAPD, OEM).
- Communication, command and control failures. (firefighter radios known for years to work poorly in high-rises).
- Miscommunication for people to stay or evacuate.
- Imminent collapse known 20 minutes before event but firefighters did not get warning.

#### CASE: Soviet Planned Economy, 1928-1991



- Hyper-centralized but poorly coordinated
- CPSU, Politburo, Central Committee, Party Congress, Council of Ministers, Gosplan
- Sectoral planning bet. "heavy industry" and "consumer goods"
- Deficit economy
- Exploding TV's, matches and cigarettes as "currency" in early 1990's
- Disconnect between makers and consumers of goods

## **CASE: Harvard University**



- Highly successful
- Small administrative structure at top
- Decentralization
- Each school has own dean, endowment, academic year, autonomous decisionmaking
- Professors have autonomy over teaching, research, other activities

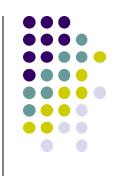
#### 2. Human Resource Frame



METAPHOR	IDEAS	ACHILLES' HEEL
Extended Family	Organizations consist of individuals with needs, prejudices, skills and limitations. Hierarchy of needs; organizations must meet needs of individuals Emotional intelligence is important.	Is it always possible to have people get the job done while also making them feel good about it?

## **HR: Assumptions**

- There is a hierarchy of human needs
- 1. Physiological
- 2. Safety
- 3. Belongingness and Love
- 4. Esteem
- 5. Self-Actualization



## Assumptions



- People and human capital are at the heart of the matter
- Organizations can be "energizing, productive, and mutually rewarding"
- Organizations that care about people's welfare will succeed

#### **Theory of Human Needs**



"We recognize readily enough that a man suffering from a severe dietary deficiency is sick. The deprivation of physiological needs had behavioral consequences. The same is true—though less well recognized—of deprivation of higher-level needs. The man whose needs for safety, association, independence or status are thwarted is sick as surely as the man who has rickets."

--Prof. Douglas McGregor

#### 2. Human Resource Frame

ask

Old frame: workers should work hard, follow orders, ask no questions, get a paycheck



#### **Managers' HR Frame**



- Managers view workers as lazy, resistant, passive, unambitious.
- Managers coerce, control, threaten and punish.
- Workers withdraw, fight back, join unions, sabotage, produce less.
- Manager's assumptions about people become self-fulfilling prophecies.

#### Theory Y

- Managers recognize hierarchy of needs.
- Managers arrange conditions so that "people can achieve their best goals by directing their efforts towards organizational rewards."
- Individual needs and organizational goals are aligned.



#### "Hows" of HR Frame



- Develop a public statement of your HR Philosophy
- --Fedex: "Take care of our people; they, in turn, will deliver impeccable service demanded by our customers, who will reward us with...profitability."
- --Google: "Don't be evil." (or why I almost joined Google)

## "Hows" of Human Frame



- Hire the right people; know what you want, pay the price if you can
- Keep your people (benefits, promotion, satisfaction)
- Invest in your people; train and educate
- Share the wealth
- Promote diversity



## What are some limitations?

- Entitlement mentality
- Manager passivity
- Lag in motivation and competitive spirit
- Diversity for diversity's sake
- Others?

## **Management Style**

- Myers-Briggs Type Indicators
- Manager at top sets tone for group dynamics below and across the board
- What is your style and emphasis?

## Style can be very costly... "The Ethnic Theory of Plane Crashes"

--Malcolm Gladwell, Outliers

# "The ethnic theory of plane crashes..."



Malcolm Gladwell, Outliers (2008)



# Ethnic theory of plane crashes...



Overlaid on top of our personalities are "tendencies and assumptions and reflexes handed down to us by the history of the community we grew up in..." [FRAMES!]

Power Distance Index (PDI): attitudes towards hierarchy

"Captain, the weather radar has helped us a lot." "Yes, they are very useful."

# **Emotional Intelligence**



... The ability to identify, assess, and manage your emotions and those of others...

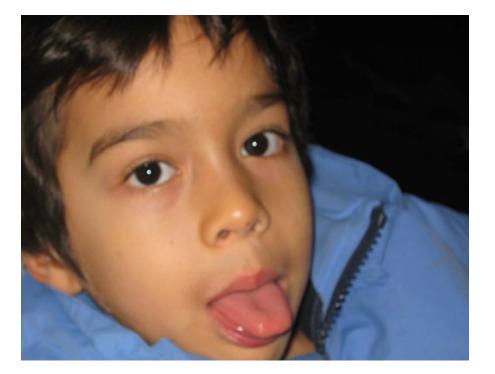
Emotional Intelligence		
INTERNAL	EXTERNAL	
Self-awareness: how do I feel and what is my impact on others?	Social awareness: empate others' thoughts and feeling organizational awareness (relationships and network commitment to service	ngs;
Self-management: self-control, authenticity, adaptability, drive, initiative, optimism	Relationship management: inspiration, influence, developing others (don't feel threatened), catalyzing change, managing conflict, team work	



#### **Case: Deficient Emotional Intelligence**

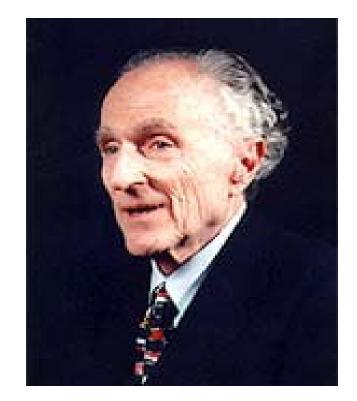
- Is very aware of his feelings ("This is the worst day of my life.")
- Is not aware of his impact on others
- Is authentic but has no self-control
- Not always willing to adapt
- Little empathy

Have you worked with or for people who are like this, except they are not 5 or 6 years old?



#### **Case: High Emotional Intelligence**

- Former president, Carnegie Corporation of New York
- Recipient of Presidential Medal of Freedom
- Scientist, educator, husband, father, and grandfather
- Devoted life and scholarship to conflict prevention
- Friends with presidents and with humblest employees
- Worked with Democrats and Republicans
- Fair and full of integrity
- Admired even by those who disagreed with him



# A Leadership Model



- Avoid defensiveness and blaming others
- Emphasize common goals and mutual influence
- Communicate openly
- Combine advocacy with inquiry
- Listen well
- Doubt your infallibility!
- Use group to create shared vision, then steer the ship!

#### 3. Political Frame

METAPHOR	IDEAS	ACHILLES' HEEL
Jungle, war Hobbesian: Life is "nasty, brutish, and short"	<ul> <li>Individuals and groups have competing interests. They form coalitions to lobby for power and scarce resources.</li> <li>Bargaining, negotiation, coercion and compromise are normal.</li> <li>Political skills are key to winning.</li> </ul>	Conflict can become dysfunctional. It can also be fatal to the organization. What happens when power gets overly centralized or overly dispersed?

#### **Political Frame: Assumptions**



- Organizations are *coalitions* of diverse individuals and group interests
- Enduring differences exist in values, beliefs, information, interests and perceptions of reality
- The most important decisions involve who gets what: competition over scarce resources.

#### **Political Frame**



- Conflict is unavoidable; the question is how it is managed.
- --Getting-to-Yes (win-win; interests, not positions)
- --Mutual Assured Destruction
- --"Return to the King" (run to the boss)
- --Machiavellian Style (Stanley Bing book)
- (He would fire his own mother, if necessary; he would lie when necessary; he would torture people until they were only too happy to destroy themselves; he would permanently cripple those who disappoint him; he would feast on other people's discord, etc.)





 Authority is NOT the same thing as power (the British vs. Mahatma Gandhi)

 Tension between authorities (exert top-down binding decisions) and partisans (want to exert bottom-up influence). Partisans can break an organization.

#### **Sources of Power**

- Position
- Information and Expertise
- Control over rewards
- Coercive power
- Alliances and networks
- Access and control of agendas
- Framing or control of meanings and symbols
- Charisma, personal power



#### **Political Skills for Managers**



- Agenda-setting: Know what you want and articulate it. Provide vision and have a strategy for implementation. Set goals, schedules.
- Mapping Political Terrain: Agents of change, formal and informal communication channels, internal and external mobilization, other people's strategies, landmines (!)

#### **Political Skills for Managers**



 Networking and Coalition-Building: Allies, opposition. Cultivate enemies and friends. Horsetrading. Positioning. (e.g., *krysha*)

"This is a town where people don't root for you unless they know you're dying and they've seen the lab reports."

--Scott Rudin, Hollywood film producer

 Bargaining and Negotiation: Getting-to-Yes; Principled bargaining vs. positional bargaining (Fisher & Ury) (focus on interests, not positions; separate people from the problem, invent options for mutual gain, use objective criteria)

# Getting Past No (some tactics)



#### Don't react: Go to the balcony

"Speak when you are angry and you will make the best speech you will ever regret"

- Don't argue: Step to their side
- Don't reject: Reframe
- Don't push: Build them a golden bridge

"Build your opponent a golden bridge to retreat across"

#### • Don't escalate: Use power to educate

"The best general is the one who never fights" (Sun Tzu)

# Politics and External Constituencies



External constituencies: other organizations, funders, boards, regulators, clients, public opinion, electorate, international community, ministers, head of state, etc.

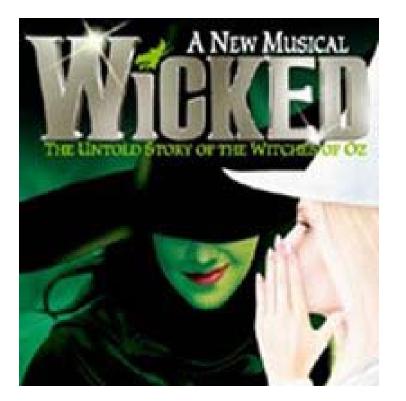
DO YOU UNDERSTAND YOUR ECO-SYSTEM?

#### 4. Symbolic Frame

METAPHOR	IDEAS	ACHILLES' HEEL
Tribe, theater, carnival	Culture and symbols are key to organizational effectiveness.	"Audiences" may not catch symbolism.
	Everyone is an actor or an audience member, propelled less by rationality than by symbols, rituals, ceremonies, stories, heroes, and myths.	What happens when people become cynical of symbols?

# Not a powerful wizard...but people want to believe.







## Definitions



- Organization: a unique culture or tribe with identity, beliefs, values, practices, artifacts
- Culture: shared basic assumptions learned by a group while responding to problems of adaptation and integration; taught to new members; a product and process



#### **Symbolic Frame: Assumptions**

- What's most important is not what happens but what it means.
- Because of uncertainty and ambiguity, people create symbols to increase predictability, find direction, and have anchor for hope and faith
- Events and processes form a cultural tapestry of secular myths, heroes, rituals, ceremonies and stories that help people find purpose and passion
- Culture becomes the glue that holds organizations and people together

# **Symbolic Frame**



- Myths: "Stories behind the story"; create internal cohesion, confidence, direction (e.g., MM)
- Rituals: Give structure and meaning. (e.g., morning coffee, retreats, lo-hei)
- Stories: Convey morals, values, information; builds group identity
- Ceremony: Grand gestures, less frequent; build esteem
- Humor, play: Diminish tension, build rapport

# Some symbols do stand out.



Despite their diversity, Harley riders have something in common: a fanatical dedication to their Harleys."





# What do these tell you?











# **Rituals, theatre**



- Meetings
- Off-sites for strategic planning, retreats (more important for "drama" than actual results?)
- Traditions (parties, festivals)
- Evaluation ("magic numbers," "a ritual . . .to calm the citizenry and to perpetuate an image of . . . rationality, efficiency, accountability"

--Floden and Weiner, 1978

## **Structure as Theatre**

- "Corner Office"
- A School
- Lenin's Tomb.









# Myths, stories

 Obama inauguration concert at the Lincoln Memorial, Lincoln Bible, Bono/U2







#### II. Effective Leadership



Good leadership matters. Good = EFFECTIVE AND ETHICAL (Joseph Nye, *The Powers to Lead*)

- Effective Leaders: ranked highest in quantity and quality of unit performance; subordinates reported high degree of satisfaction with their boss
- Successful Leaders: got ahead in their own careers (may not necessarily be effective)

#### Effective Leaders Integrate Frames



	YES	NO	
Are individual Commitment and motivation essential to success?	HR Symbolic	Structural Political	
Is the technical quality of the decision impt?	Structural	HR, Political Symbolic	
Is there high level of ambiguity and uncertainty?	Political Symbolic	Structural HR	
Are conflict and scarce resources significant?	Political Symbolic	Structural HR	
Are you working from bottom up?	Political, Symbolic	Structural, HR	

## **Effective Leaders**

- Structural: rethink structure, strategy, environment; focus on implementation; experiment, evaluate, adapt
- HR: believe in people, empower others
- Political: clarify goals, assess interests and power distribution, build linkages to key stakeholders, know when to persuade, negotiate, use force
- Symbolic: use symbols to get attention, communicate vision, tell stories, build group identity and cohesion



# Getting Things Done/Operational Leadership

Internal Tasks

- Define and clarify goals
- Structure for results (resources, roles, delegation)
- Facilitate communication and decisionmaking (systems and processes)
- Invest in people
- Maintain standards of excellence



# **Getting Things Done**



External Tasks

- Network and form alliances (Who can help you?)
- Advocate and represent team to outsiders
- Negotiate upward to obtain resources, support and recognition
- Protect team from environmental distractions
- Assess team performance, get stakeholders' feedback
- Share relevant external information with team

#### III. Ethics



What does it profit a man if he gain the whole world and suffer the loss of his own soul?

Mark 8:36

The greatest use of life is to spend it for something that will outlast it.

William James, psychologist and author

...the well-being of the other person is also our wellbeing. ...When you are nourished by brotherhood, happiness is possible ...

Thich Nhat Hanh, Zen master

#### **Ethics**



**Do good:** "Be quick in the race for forgiveness from your Lord, and for a Garden (paradise) whose width is that of the heavens and of the earth. . . Those who spend (freely), whether in prosperity or in adversity, who restrain (their) anger and pardon (all) men - for God loves those who do good." Holy Qur'an, Chapter 3, Verses 133-134

### **Ethics**



Ethics has to do with good action towards the goal of human well-being or a *well-lived life* (some people call this happiness). It requires practical wisdom, reason, and doing (not just theorizing). It focuses not just on general rules but on seeing the best course of action in a particular situation.

(Aristotle)

# **Organizational Soul**



"Ethics must rest in 'soul', a sense of identity that defines an individual or an organization's core beliefs and values." (Bolman and Deal, 395)

- CPSU ("Workers of the world, unite!")
- Southwest Airlines: "Culture Committee"
- Ben and Jerry's: people, planet and profits
- Merck: "preserving and improving human life"

How do you create soul, cultivate it, and make it last?

# **Reframing Ethics**



FRAME/	ORGANIZATION-	ROLE OF
METAPHOR	AL ETHIC	LEADER
Structure/	Excellence	Authorship
Factory		
HR/Extended	Caring	Love
Family		
Politics/Jungle	Justice	Power
Symbols/Temple	Faith	Significance/
		Meaning



# Ethics/ "Moral Intelligence"

INTEGRITY	RESPONSIBILITY	COMPASSION AND FORGIVENESS
<ul> <li>Act consistently with principles, values, beliefs</li> <li>Tell the truth</li> <li>Stand up for what is right</li> <li>Keep promises</li> </ul>	<ul> <li>Take responsibility for personal choices</li> <li>Admit mistakes and failures</li> <li>Embrace reponsibility for serving others</li> </ul>	<ul> <li>Actively care about others</li> <li>Let go of your own mistakes</li> <li>Let go of others' mistakes</li> </ul>

# IV. Case Study

#### The Datu Paglas Story





### **BE A DOER!**



- What kind of state or country do you want to see in 5, 10, 15 or 20 years? How do you get there?
- Where and how do you imagine your grandchildren living?
- What kind of legacy do you want to leave behind as a leader?

Identify an ethical principle that you will apply. Make one personal goal before you leave.

# V. THE CAREC VISION: Effective States, A Strong Region



#### What is the modern state?

- The dominant model for organizing societies within defined territories
- An organization that successfully "claims a monopoly on the legitimate use of physical force within a given territory." (Max Weber)
- Legitimacy: widespread acceptance of, and support for, state authority

#### **STATE-BUILDING**



### State-building is the process through which states enhance their ability to *function* to achieve certain *ends*.

### WHAT IS INVOLVED IN STATE-BUILDING?



Not just a process of technical capacity enhancement but a **political process** that involves:

- Political deals (usually among elites; general agreement on how things should be run; disaffection of important political elites could be a problem)
- Prioritization of core government functions
- Willingness to respond to public expectations (varies from state to state)
- Building of institutions

### **OUR FOCUS IS INTERNAL...**



State-building as an internal process of building state-society relations. National leadership is CRUCIAL.

> Who are your leaders? What is their vision? Can they deliver?

#### VISION + RESULTS



"There are books to teach you how to build a house, how to repair engines, how to write a book. But I have not seen a book on how to build a nation out of a disparate collection of immigrants from China, British India and the Dutch East Indies, or how to make a living for its people when its former economic role as the entrepot of the region is becoming defunct."

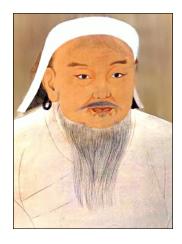
--Lee Kuan Yew, Head of State at the age of 42

### LEADERS MATTER!

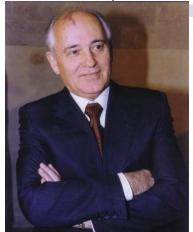


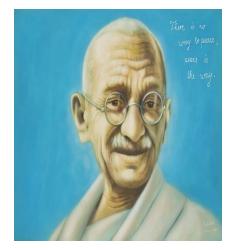






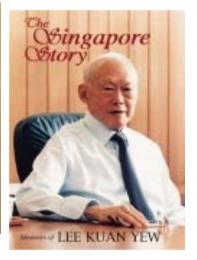




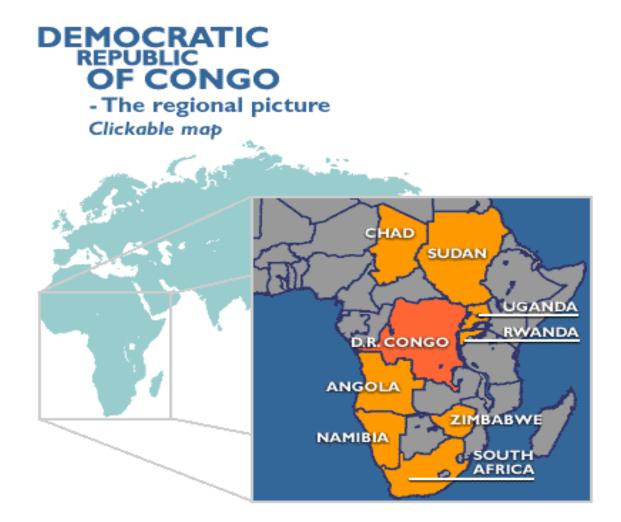








# What you don't want...failed, failing, flailing states





### **DRC AT-A-GLANCE**

- Population: 60 million
- Mining-based economy, third largest country in Africa
- •Life Expectancy: 46 years
- •Infant Mortality: 129/1,000 live births
- •GDP (PPP): US\$21.6 billion; \$300 per capita (2009)
- •Civil War: 1998-2003; up to 5 million dead, 1 million IDP's; 20,000 UN peacekeepers
- •Literacy: 63%
- •Feb. 2009 forex reserves: \$3million (one week); "rescues" from IMF, WB, AfDB
- •Restart of violent conflict after 2003 agreement



### What you do want....

- EMPIRICAL STATEHOOD
- Population (loyal, cohesive)
- •Territory (generally secure and delineated borders)
- •Effective Government (a functioning state)

#### JURIDICAL STATEHOOD

 Legal and recognized membership in international community

• Right to enter into relations with other states



# Ingredient A: NATIONAL IDENTITY and COHESION

- Who are we? (narrative, symbols, markers, etc.)
- What makes us different from others? (Self-Image and Other-Image)
- How do we deal with "others" (inside and outside the state; civic vs. ethnic nationalism)?
- What are our common goals? (National Mission)
- How do we want to be ruled?



### **Ingredient B: INSTITUTIONS**



- Include FORMAL STRUCTURES AND RULES, as well as INFORMAL VALUES AND NORMS.
- Institutions set incentives and shape the behavior of organizations and individuals in society.

### INSTITUTIONS



- Formal Institutions
- Informal Values and Norms: efficiency, rule of law, meritocracy, pragmatism, integrity, inclusiveness, dogmatism, patronage, corruption, cult of personality, connections over qualifications, centralization vs. decentralization, rigidity vs. resilience, clan-based politics

# Ingredient C: Stable, peaceful, profitable foreign relations

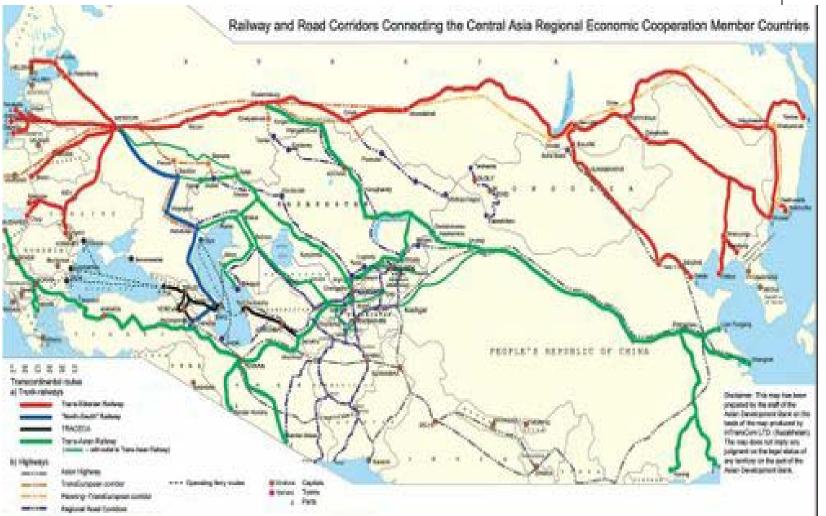
- Sovereignty and Independence
- --Military capability and other security institutions
- Foreign Relations
- --Threats are managed
- --Relationships with neighbors generally friendly
- --Regional cooperation
- --Productive membership in, and collaboration with, international organizations



## The EFFECTIVE STATE is able to fulfill these FUNCTIONS:

- Law-Making/Rule of Law
- Monopoly on the Legitimate Means of Violence
- Administrative Control
- Sound Management of Public Finances
- Investments in Human Capital
- Creation of Citizenship Rights via Social Policy
- Provision of Infrastructure Services
- Formation of a Market
- Management of Public Assets
- Effective Public Borrowing

#### Strong states in a strong region







### A strong region

- Stable borders
- Combined capabilities to address common challenges arising from shared historical legacy, geography, culture
- Larger market (116.4 million people)
- Efficient development
- Efficient use of water, energy and other resources

## What is your vision? What can you do as leaders?

# The Greater Mekong Sub-Region: A Case Study



- What are the lessons of regional cooperation from the GMS case?
- What outcomes should leaders expect from regional cooperation and how can these outcomes be measured?
- What ongoing problems and challenges do you see in the GMS case?
- Are there any lessons for the CAREC region?



### Effective leadership is not about making speeches or being liked; leadership is defined by results not attributes.

--Peter F. Drucker

### **THANK YOU!**