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Leadership and organizing: sensemaking in action

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Abstract

This paper aims to challenge some of the assumptions which we make in our understanding of leadership, through empirical illustration from a large organization where a Chief Executive endeavours to 'lead' global change. The continuing search for the Holy Grail which seems to characterise interest in leadership implies that research efforts are perhaps being directed at 'solving the wrong problem'. Leadership as a form of social influence is hard to distinguish from many other influences in relationships between people yet, it is argued, its emphasis on moving towards future action encourages a conception not dissimilar to *organizing*. The case analysis developed in this paper goes on to reframe leadership as an example of sensemaking. It concludes that while sensemaking will never replace leadership as a focus or topic of interest, to understand leadership as a sensemaking process helps illustrate more clearly what happens in the daily doing of leading.

(149 words)

Key words: leadership, organizational change, organizing, sensemaking.

Biography:

Dr Annie Pye is a Senior Lecturer in Management at the University of Bath, School of Management. Funded by ESRC in 1987-89 and again in 1998-2000, she has interviewed Chief Executives, Chairmen and directors about how they 'run' their organizations eg. Prudential, Marks & Spencer, Hanson, etc. Amongst other projects, she has also researched leading change in the NHS. She continues to work with organizations and boards, researching leadership, organizing, strategy and corporate governance and publishes in journals such *Organization Science*, *Journal of Management Studies*, *British Journal of Management*, *Management Learning*, *Corporate Governance: An International Review* and the *Financial Times*.

Leadership and organizing: sensemaking in actionⁱ

Introduction

In the UK, the Council for Excellence in Management and Leadership recently spent two years considering leadership and management in the UK. In 2002, Patricia Hewitt, Secretary of State for the Department of Trade and Industry pronounced that UK management performs poorly and needs better leadership, and engaged consultants (Michael Porter) to generate some solutions; central government initiated a major drive to strengthen leadership in the public sector (PIU, 2001) the military college at Sandhurst now offers their leadership expertise in courses for civilians; schools have a national college of leadership for headteachers; higher education has a Leadership Foundation; the NHS have the Leadership Centre within the Modernisation Agency, specifically briefed to develop leadership throughout the NHS; and there has been plentiful growth in numbers of providers of leadership training and development to match ever-increasing demand for their services (Skills Task Force, 2002). These are just a few of the very many examples of how everyone wants more and better leadership.

Each year, there continues to be an overwhelming number of papers, articles and books published on leadership and one can take courses in it in just about every possible guise, and in almost as many places. Dubrin (2000) estimates there are around 35,000 definitions of leadership in academic literature. The word leadership has a magnetic quality: attracting interest from those who would like to know “the answer” to what is leadership as well as a repelling others who have no time for such fruitless exploration.

This paper makes three principal observations. One is that we have known for some time that understanding leadership is problematic (Barnard, 1948: 81); ‘lead’ is both a verb and a noun, hence has a double meaning and multiple implications. The second is that, if we have spent so many years in search of the Holy Grail and still not yet found it, then perhaps we may be searching for the wrong thing: that is, much of research effort into developing our understanding of leadership seems to have been directed at solving the wrong problem precisely (Mitroff, 1978). This has led to many very sound studies which conceptually seem to add little to developing our understanding of leadership and leads to my third observation: leadership as a form of social influence is hard to distinguish from many other influences in relationships between people (Pondy, 1978) and with its close relationship to organizational culture (Schein, 1985), seems

intimately allied to conceptualisation of organizing. Key to this is the emphasis on relationships between actors and developing context(s) over time(s) which ensures leadership is situated and seen through the improvisational dynamics of ‘moving’ to the future: a conception not dissimilar to that of organizing.

This paper is structured into four main sections. The first outlines my position. Rather than simply cut a path through the jungle of leadership literature to justify the case which I am making, I believe it is crucial for readers first to understand the conceptual grounds on which my perspective is built. So first, I will clarify some of my core assumptions of leadership and organizing, drawing on particular aspects of leadership and organization studies literature. This is followed by a short section which introduces the research which underpins my paper – a series of studies over a period of now seventeen years which involve interviewing chief executives, chairmen and board members in large UK FTSE companies (ie. listed on the London Stock Exchange). This section will seek to clarify matters of method and methodology.

Section three then offers an empirical illustration drawn from my dataset of over one hundred interviews with chairmen, chief executives (CEs) and board members in ten large UK organizations about how they ‘run’ their organizationsⁱ. All interviewees offered accounts of their endeavours ‘to lead’ and ‘of leadership’ but it is impossible to convey the richness and variety of this kind of data in any generalised manner which suits article format. Instead, I will elaborate in greater detail, one particularly graphic case of the doing of leading, which can be seen through multiple lenses: as a case of a leader, of a top management team engaging in organizing, of doing leadership (verb) and of being the leadership (noun).

The final section then goes on to discuss and to conclude this case and its analysis. It is striking to realise that in 1942, more than sixty years ago, Barnard (1948:81) noted, “leadership has been the subject of an extraordinary amount of dogmatically stated nonsense”. In 1976, the Center for Creative Leadership (CCL) at Greensboro, North Carolina, held a conference entitled ‘Leadership: Where Else Can We Go?’, such was the frustration and despair with the stagnation of theorising in this field at that time. Regrettably, it seems we have not learnt from this history, hence seem destined to relive some of it. We may well debate the degree of conceptual development this field has seen in the last sixty years, yet I would argue that the CCL question still remains pertinent: no stone is left unturned in this search for the definitive truth about leadership. My conclusion is that a more fruitful answer can be found by framing our subject, not as leadership, but as a case of sensemaking in action: this reframing will never replace leadership

as a topic of interest but will at least encourage a more informed appreciation of the daily *doing* of leading, grounded in organizing, just as it is in everyday life.

Section 1: Conceptual Background

Conceptualising leadership presents a challenge which is akin to capturing the ethereal qualities of ‘the moon on the water’: you know it when you see it, but it absolutely defies capture. We have had decades of work on traits, styles, contingency theories and more recently, ‘new’ theories of leadership (summarised for eg. in Bryman, 1996). Dispersed, transformational, empowered, inspirational, spiritual and servant are all prefixes used to describe variations on ‘new’ theorising about leadership as well as superleadership, co-leadership and a host of other varieties which comprise current business bookshelves. Examined in this way, it becomes clear that Barnard’s (1948) point about the double meaning of leadership was well made but has not been so well attended by many authors on this subject.

He effectively highlighted the ambiguity of the term: leadership was often confused with ‘pre-eminence or extraordinary usefulness’, as he described it: the verb, to lead, may mean ‘to excel, to be in advance, to be pre-eminent’; and ...[alternatively] ‘to guide others, to govern their activities, to be head of an organization or some part of it, to hold command.’ (p.82). Such variety of meanings continues to this day and serves to confuse the nature and understanding of this subject. Weick (1979) also engages in discussion of verbs and nouns and picks up Vickers (1967) point about how the language of business is descriptive of relationships: “The familiar forms of language conceal from us the extent to which the objects of our attention are not “things” but relations extended in time” (Vickers, 1967: 68) and leads Weick to “urge people to stamp out nouns. If students of organization become stingy in their use of gerundsⁱⁱ, then more attention would be paid to process and we’d learn about how to see it and manage it” (1979:44)

Hence, in order to ensure clarity of meaning about what I understand by the term leadership, I follow the advice of Venzin, von Krogh and Roos (1998) who insist on the importance of “knowing more about the epistemological assumptions of [the] conversation partner[s]”, in order that future research “may increase mutual understanding” (1998: 61). Although they were writing about research in knowledge management, I believe their point remains valid in any social science field and for this reason, intend to clarify first some of the assumptions which I

make. This should then help the reader to appreciate the basis on which my argument is developed and from which it should be evaluated.

My core assumptions are those of a social constructionistⁱⁱⁱ, in which people are active interpreters of their own social worlds, such that reality is said to be a social construction, built out of meanings which are social in origin and social in persistence (Berger & Luckmann, 1966). As Berger & Luckman pointed out, “‘reality’ ... has a being independent of our own volition (we cannot ‘wish them away’)” (1966:13). Historicity and context are important to their analysis, as also is institutionalisation and legitimation of objectivated reality. Although Berger and Luckmann’s work is widely quoted by researchers who claim a social constructionist perspective, not so many seem to appreciate some of these finer details of their sociology of knowledge in everyday life. They are, however, important for this discussion, and will reappear later.

As Berger and Luckmann (1966) point out, “...there will always be a social-structural base for competition between rival definitions of reality and [that] the outcome of the rivalry will be affected if not always determined outright, by the development of this base” (137). They go on, a definition of reality “... is ‘demonstrated’ to be pragmatically superior not by virtue of its intrinsic qualities, but by its applicability to the social interests of the group that has become its ‘carrier’” (138). ‘Applicability’ sounds curiously distant and much less colourful than the everyday experience of determining the superiority of one definition over another. However, it is in this notion of applicability to social interests that the very stuff of organizational life, the interaction or co-operation or even competing interests and power dynamics which underpin relationships, are played out through continual and complex influencing processes.

Power to define meaning in the context of leadership was more fully elaborated through the classic paper by Smircich and Morgan (1982) but remains an area where theorising about leadership trails off. As Barrett and Sutcliffe (1993) pointed out,

“By conceptually separating leadership from power, and by failing to comprehend the central manipulative role that power plays in managing compliance, leadership theories generally, and texts on leadership in particular, can be accused of failing to analytically reveal the true nature of the leadership process, and of leadership, to students of management.”

Barrett & Sutcliffe (1993)

It is surprising how little the concept of power is addressed in much of the literature on leadership. Recent attention to social identity theory and group processes has gone some way towards bridging this gap between social psychological analysis of group process and leadership and organizational studies analysis of leadership (van Krippenbergh and Hogg, 2003). The importance of power in enacting leadership will be illustrated in section three and discussed further in section four.

Pondy (1978) observed that “Most definitions of leadership define it as a form of social influence but so are most things that involve more than one person (eg. social facilitation effects, group decision making).” (p.87). And the situation is little changed since then which perhaps gives us some clues as to why we seem to keep going round in conceptual circles: that is, we are, as Mitroff (1978) put it, committing a Type III error of solving the wrong problem precisely. So while leadership research methods may be sound and analysis very thorough, the basic research issue is being wrongly defined. This is where the fundamental human dialectic (I resist defining it as being the sole property of either social constructionism or post modernism or structurationism or any other ism) of our being shapers of and at the same time, being shaped by our environments, must be fully recognised.

Much of the early research into leadership implied it was something which was ‘done to’ other people. The leader (person) often becomes confused with leadership (process) and outcomes in terms of social influence are often over-attributed to the influence of the leader. Meindl, Ehrlich and Dukerich (1985) talked of the romanticized view of leadership and its effects. It also suits our current pay-for-performance environment, where assumptions are made of cause and effect such that overt leadership (ie. actions ‘led’ by the leader) has precedence over other forms of social influence. So my aim is to conceive of the process by which a group of people move forward in a way which fully reflects the fundamental human dialectic, described above.

The root definition of leadership starts from a dictionary basis where to lead means:

“ to guide with reference to action or opinion, to bring by persuasion....to or into a condition, to conduct by argument or representation to a conclusion, to induce to do something.”

Oxford English Dictionary

Thus leading is imbued with a notion of movement, of progress, of transition from one place to another, literally and metaphorically. Hence its derivation, leadership, is usually taken to mean the process by which this movement is shaped, concurring with Pondy's point above.

From here, it seems perfectly reasonable to emphasise the present participle, through an analysis of *leading* rather than the more static notion of *leadership* which seems to imply some set of personal qualities or competencies or at least, a checklist against which comparisons can be made. However, to analyse leading presents a much more complex challenge of exploring the process of enacting, organizing, explaining, managing, shaping collective movement/ action/ ing. This array of synonyms helps emphasise this point: a rose by any other name would smell as sweet! There has long been debate about whether or not management and leadership are different from each other, with strong supporters both for (Zaleznik, 1977/91, Kotter, 1999) and against (Mintzberg, 1973, 1990, Quinn et al, 2002). Perhaps most illustrative of this language issue is Kotter (1999). When *HBR* reprinted his 1982 landmark paper on 'what effective general managers really do', he wrote a reflective commentary in which he noted how surprised he was to find he had not once described their work as leadership in the original 1982 article, yet it was now clear to him that this was what they were really *doing* (Kotter, 1999). And indeed, he himself has spent much of his time in the intervening years writing about leaders, leading change and clearly distinguishing leadership from management. Consequently, even though one can argue most eloquently and persuasively for there being difference between leadership and management, it seems much less significant when what really matters most is (effective) organizing.

This emphasis on '*doing* leading' can be found in some empirical researches of leadership (Mangham and Pye, 1991; Mintzberg, 1998) yet remains curiously mercurial: that is, as Mintzberg (1998:144) observed that in the course of his day with the Tovey Bramwell, Conductor of the Winnipeg Symphony Orchestra, he saw only one overt act of leadership. Instead, in Mintzberg's view, "leadership infused everything Bramwell did, however invisibly", leading him to conclude that we perhaps need a greater appreciation of "...not leadership actions in and of themselves – motivating, coaching and all that – but rather unobtrusive actions that infuse all the other things a manager does" (144). From this, he develops an analysis in which shaping culture describes the heart of the conductor's role and themes such as trust, inspiration, mutual satisfaction and linking (with key stakeholders) as well as the leader's ability as an Indian to work with so many Chiefs, are addressed in his discussion. In other words, perhaps a comprehensive case of organizing.

Other authors such as Smircich and Morgan, (1982), Peters and Waterman (1982), Schein (1985, 1997) and Weick (1985) have also noted the central importance of the leader's ability to work with and manage culture. However, once again one finds resistance to this analysis and claims that culture cannot be managed (Pettigrew, 1990; Anthony, 1994). The notion of direct control does seem a little far-fetched but one way of conceptualising what leaders do is as seeking to limit the range of responses to any action such that a preferred definition of reality prevails: As Mangham and Pye (1991) explained:

“the measure of any piece of behaviour is the response to it^{iv}: following is the measure of leading, and leading the measure of following. Neither makes any sense in the absence of its effects....We take some particular activity to be an example of good leading by *the followers* playing their parts; a good piece of following is known by a *leader* playing his or her part....Acceptance of [this view], of course, implies that leading/following is not simply a matter of individuals and roles but also an instance of process.....” (Mangham & Pye, 1991:59).

This draws attention to what occurs *between* people rather than on heroes or stars. “Not every chief executive feels the urge to sing, conduct the band and play the drums. Many of our respondents were reported to adopt a somewhat more androgynous approach involving immediate colleagues in discussions and decisions not only because it appeared to them impossible to do otherwise, but also because they appeared to be convinced that sharing secures better decisions and even greater effort from those with whom one shares influence” (Mangham & Pye, 1991:65). This was an important part of what we observed as their ability to minimise the range of random response - that is, if the meaning of any action lies in the response to that action, then the job of leader is “a matter of bringing people together who in an evolving dialectical fashion construct and reconstruct patterns of response such that mutual expectations are fulfilled” (Mangham and Pye, 1991: 46).

The way they did this was through their explanations by which we meant their talk as well as the symbolic implications of all their actions: for example, “all attempts at structuring, all schemes of organization are, as it were, hypostasised explanations. Those doing the organizing, those suggesting the framework, declare in the very act of drawing up their little boxes and the lines of communication and decisions which link them and in the selection/rejection of individuals to ‘fill the boxes’ that this is the way the world is and therefore, this is how we will organize to deal with

it. *Schemes of organization embody explanations.*” (Mangham and Pye, 1991:9, emphasis added).

Such ideas echo with pragmatist philosophy, in which a core idea is that ‘truth’ must be sought in the relevant effects or consequences of action and also reflect the social constructionist’s interests in historicity and time. This bringing together of beliefs and action in the pragmatist view is of particular relevance to this analysis because it emphasises immanence and process, as well as implying an element of risk and judgement:

“It is the belief that thought is always *in transit* which defines the open-ended quality of pragmatism and bestows upon it that tentativeness which has often disturbed its critics.... It was the belief of pragmatists that the inescapable demands of the situation will help to select from our store of theoretical knowledge what is *relevant* for dealing with that situation; the background of inquiry and of thought in transit, however, endures. Practice intervenes and forces us to judge, to decide and to act against this background but the demands of practice do not alter the character of inquiry. It is simply that belief and action are always accompanied by risk.” (Smith, 1978:115).

The relationship between behaviour and situation has long been important to leadership researchers. For instance, style theory spends much of its energy on identifying the relationship between style and situation. Goleman’s (1998) emotional intelligence ideas of style are a prime illustration of this, where the pacesetter and coercive styles are said to have ‘negative consequences’ on the context although may be justifiable under certain circumstances. In contrast, the other four emotionally intelligent leadership styles – affiliative, authoritative, democratic and coaching are said to have positive effects. Yet even this analysis which is built around a concept which has largely been absent from leadership (and organization) research ie. emotion, still offers only a partial view of this social relationship between two or more parties and encourages a tick-box approach to evaluating leadership, based on western cultural assumptions.

In particular, it says nothing of power to define meaning in this situation which requires full appreciation of followers and context and their part in this dialectical process. That is, if ‘followers’ do not respond to the leader’s actions as intended by the leader, there is what Peckham (1979) calls ‘random response’ or what Smircich and Morgan (1982) suggest are the “seeds of disorganization in the organization of meaning” (259). And ultimately, as we have seen

in particular amongst UK CEs recently, leaders may fall as a consequence. For example, under pressure from shareholders, Roger Holmes has recently stood down as CE of Marks and Spencer plc, after only two years in post. That is, his ability to sustain a particular meaning to his actions appears to have failed in favour of an array of response from key shareholders which share the common theme that his position as CE is no longer tenable.

This seems to make the case for analysis of sensemaking as being more important than that of leadership because it is more inclusive and draws in other crucial elements of everyday life in organizations which are overlooked by much of the leadership literature. In so doing, it takes Pondy's (1978) observation of leadership as social influence seriously.

"Any attempt to pinpoint *the* leader or to explain survival by looking at a single set of actions is doomed to failure because it does not reflect how needs change as a crisis unfolds nor does it reflect how different coherent groupings form to meet the new needs."

Weick (1993:119)

What is sensemaking? "Sensemaking is what it says it is, namely, making something sensible" (Weick, 1995:16). He goes on to articulate sensemaking through the seven distinguishing characteristics "that set sensemaking apart from other explanatory processes such as understanding, interpretation and attribution:

1. grounded in identity construction
2. retrospective
3. enactive of sensible environments
4. social
5. ongoing
6. focused on and by extracted cues
7. driven by plausibility rather than accuracy."

(Weick, 1995: 17)

It is the integration of 'retrospective' and 'ongoing' sensemaking which is perhaps the most difficult of this list to articulate. In Weick's terms, retrospective sensemaking derives from Schutz's analysis of 'meaningful lived experience' summed up in Weick's memorable phrase 'that people can know what are doing only after they have done it'. The notion of ongoing refers to the idea that sensemaking "neither starts fresh nor stops cleanly" (1995, p.49). Thus it becomes

difficult to integrate the notions of retrospective and ongoing, where the continuing, ongoing nature of experience means that retrospective sense may continue to be re-written. Kierkegaard perhaps best summed up this challenge to our integrati(ng)ve senses when he observed that life is lived forwards but understood backwards.

In conclusion, this seems so sum up some of the considerable difficulties which are central to the concept of leadership: *it is something grounded in identity construction, about which we make retrospective sense, enactive of sensible environments, undoubtedly social and ongoing, focused on and extracted by cues and most definitely driven by plausibility – shaping plausible meaning – rather than any notion of accuracy.*

Section II: Fieldwork

Weick's analysis of sensemaking also almost echoes a methodological process, hence will not be repeated here. Instead, this section offers a brief introduction to my work over the last 17 years, with CEs and board members of some large UK plcs which speaks to a number of fields, including strategy, corporate governance and leadership. This paper draws in particular on two substantial projects, in 1987-89, and again in 1998-2000, funded by the Economic and Social Research Council (ESRC), to research how it is that small groups of people 'run' large UK organizations. The second project included a question about whether or not directors were still to be seen as managers and leaders of change or was it more that our conception of what people do in these roles should be changing. We were regularly reminded during the 1990's and around the time when the grant application was being prepared in 1996, that the challenge of the age for managers is change (Kanter, Stein & Jick, 1992, Howard, 1993, Georgiades & Macdonnell, 1998), summed up by Sir Colin Marshall when he said: "the only meaningful job of a manager is the management of change" (Georgiades & Macdonnell, 1998:viii).

Both studies have been qualitative and interpretative, interview based projects. In 1987-89, we interviewed 46 board members in twelve large plcs. Avon Rubber, Beazer, BTR, Coats Viyella, Glynwed, Hanson, Lucas, Marks and Spencer, Metal Box, Prudential, Reckitt and Colman and TSB (Mangham & Pye, 1991). In 1998-2000, I returned to these contributors and to their 'current equivalents' in these organizations (excluding BTR, Lucas and Metal Box where ownership had changed significantly), and also Scottish Power (interviewing sixty six people) effectively with the same question: how do you 'run' a large organization? Although only seven of the original

twelve organizations had retained the same corporate label as they had at the end of the 1980's, this was not seen as problematic because on closer inspection, it was clear that the label is not necessarily the same as the core identity. That is, even of those companies which remained with the same label eg. Glynwed and Avon Rubber, their core founding businesses had been sold and the company's identity as well as industry sector were now quite different.

As we wrote before: 'We are interested in the kind of sense individual managers make of their surroundings, but we take it that that sense will be influenced by the sense others construct. Order, for us, is improvised, to be sure, but it is an improvisation around values and beliefs (of which the individual performer may be more or less conscious), affected and effected - brought in to being - by several performers.' (Mangham and Pye, 1991, p.2). The important point however, is that the interpretative frameworks which surround the enquiry also change with time. Thus theorising is an important process which continues across time although the outcomes of this process, ie. theory, may not always have such longevity. As Weick (1979) points out: "Our joint interest (is) in the activity of theorizing as well as the product of theorizing, coupled with our belief that the products of theorizing age quickly and have a short half-life...." (p.26).

In terms of method, primary data in both studies were collected by usually 1½ hour face-to-face interviews (sometimes up to 2½ hours). Although the central enquiry of the recent study had not changed, some of the questions had to change considerably as indeed, the kinds of things which contributors talked about had changed significantly. For instance, in the late 1980's, the phrase 'shareholder value' was never used by any of our contributors: by the late 1990's, it was hard to find one who did not use the phrase. Hence it was seen to be an important issue for contributors and had to be pursued.

In the late 1980's, institutional investors were only mentioned to the extent that most CEs noted that they were beginning to have to spend more time (at most, 10% of their time) 'talking to the City' (of London) which included stock brokers, analysts and merchant banks as well as primary shareholders. However, current CEs and Finance Directors (FDs) estimate they may each spend between 20 and 30% of their time talking to the City and much of that is spent in one-on-one meetings with investors. In part, this reflects consolidation amongst institutional investors and the growth of what is called the 'equity culture' (Bogler, 1999). In the past, none described talking through their strategic decisions on a regular basis with investors. Now it seems to happen routinely (often observed by lawyers as well as investor relations staff) in the majority of contributor organizations. To this end, I added interviews with five key fund managers to my

interview sample because they seemed to have considerably more influence in terms of boardroom practice than was the case ten years earlier^v.

So for various reasons, the idea of 'repeating' a study conducted ten years previously has to be fully questioned: not only has the sample changed but also the interpretive context, the prevailing analytical frameworks and the explanatory devices ultimately create a different context in which sense is made, hence the study cannot be 'repeated'. This is a particular strength of this kind of work: that is, it fully reflects the nuances and developments found within the corporate context whereas a more positivistic, quantitative survey approach would be insensitive to many of these changes over time.

Of the forty six directors who contributed to the 1989 study, by 1999: fifteen had fully retired and played no further role in the corporate world; three were deceased; two had emigrated; twenty six were in active, mainly non-executive corporate roles of whom; ten were non-executive chairmen; three were still working in the same organization as before, of whom two^{vi} were still in executive roles at the start of the study.

Only one of the active twenty six declined to contribute, and remaining twenty five were all interviewed. (There had been no interviews with these people in the intervening period.) Of the twelve original organizations, nine form the core sample which runs throughout both studies and a further thirty interviews have recently been conducted in these organizations with current executive and non-executive directors. While one would never doubt that different people would be employed in these roles after ten years, it is clearly the case that the organizations themselves may change beyond recognition. So one might question why it is that we still expect organizations to endure in order to conduct longitudinal research. That is, the continuity of identity appears to be more important to the analyst than it is to the organizational performer (Albert, Ashforth and Dutton, 2000). Perhaps this is because method and methodology are an important part of the sensemaking process in the academic context although have little relevance for the essentially pragmatist businessperson.

With social and technological change also comes change in practice such that video conferencing and international travel are now common place for all our contributing executives which creates a different environment and different expectations of how executives perform. Thus the interpretive context changes which has an important bearing on the sense made. Whereas management competence and competitive performance were key framing devices in the late

1980's for understanding how people run large organizations, now the frameworks for this question include performance in terms of shareholder value, global change and value added.

Thus I conclude this section by noting it is not possible to repeat, per se, a study of organizations but it is possible to repeat research of a core question, so long as you pay attention to changing interpretive and explanatory frameworks. What does remain unchanged are the core assumptions which underpin my approach to understanding organizing which I articulate around the four criteria identified by Venzin, von Krogh and Roos (1998): thus I assume that (i) the domain of my inquiry is an holistic appreciation of organizing which necessitates a systemic view of organization and environment; (ii) there are several base disciplines which inform my project while social psychology, organization studies and pragmatist philosophy share a lead role; (iii) the methodological approach is that of qualitative, interpretive 'sensemaking' and (iv) the purpose of my inquiry is in part to contribute to academic theorising and in part, to contribute to practitioner understanding and awareness of practice, performance and future development/learning. To this end, grounded theory (Glaser and Strauss, 1967; Strauss and Corbin, 1998; Locke, 2000) continues to provide the framework for method and analysis, in particular through constant comparison and sampling of data in the process of generating sensitising constructs by which to make sense of these data.

Section III: Analysis

As noted in my introduction, from the hours of tape recorded interviews, extensive pages of transcripts and notes and complex array of cases, I propose to concentrate on one case in particular which illustrates very comprehensively and in considerable detail, some of the difficulties and delicacies of 'leadership and organizing, and sensemaking in action'. The case is that of a large, global retail manufacturer and distributor whose results had been "in decline" for some time. Aware of the need for significant change, the board brought forward the appointment of the new CE. Common to most CEs in this position (Askenas et al, 1995), he felt a great need for action on two different fronts: both to keep the business running and performing well and also to start raising performance levels through a strategic change initiative. He spent some considerable time addressing these problems, gathering data, talking to people, and shaping up his plan.

In the process of so doing, he was enacting leadership all the time: talking, listening, shaping meaning and conveying in every aspect of his demeanour some sense of his definition of the

situation. And so he developed his plan, his new vision of a global change programme, presenting and discussing it first with executive colleagues in the Executive Operations Group, (EOG) taking soundings with major shareholders and other ‘outsiders’, and then achieving final sign-off at board level. In both the EOG and amongst main board members, he found it to be apparently well supported. So as soon as it was agreed, implementation plans were put into action. Or at least, that was what he thought was happening.

During the course of the next six to nine months, he began to realize why it was that the business was not actually delivering the numbers it should have been in order to deliver effectively this new strategic direction: that is, it was not being fully or properly implemented because it was seen as “[CE’s name]’s vision” and lacked support from key people in many different ways and places. That is, regardless of his unfailing efforts to shape this particular definition of the situation, the range of random response from key players was too great. In Smircich and Morgan’s (1982) terms, “disorganization” occurred; from my analysis, I would argue that it simply was a case of not achieving the kind of organizing which he was intending. Certainly, it was a very unsuccessful and unsatisfactory time in this organization’s experience.

As the CE described it:

“In my first attempt, I assumed.... that... great leadership knew everything and so what you were expected to do if you were the head of a corporation is actually to know the answers. It’s a very big mistake because you’re not and you won’t. So Version I ... was intellectually perfectly sound but it didn’t have the hearts and minds of anybody else. And off I went with this [strategy] but none of my colleagues were with me and so it wasn’t possible to change anything. They would say ‘well that’s all very logical and we’re happy with that’ but nothing changed because they weren’t part of it. And ... actually it was described as “[CE]’s Vision” which was awful. The first time I heard that I thought ‘oh, great’, the second time I heard it I thought ‘Oh!’. ... and it [became] very clear that if I wanted to do this thing, I would have to completely and utterly and radically change the way I operated!”

Indeed, the view from the front line was that the CE’s vision was nice in theory but bore little relation to practice: that they were supposed to be showing customer-focused values but that the way resources were being used had quite the opposite effect. A project conducted by a middle manager in one substantial division of this business in the UK at this time and supervised by the

author, identified a lack of clarity as to who those customers might even be because in some cases they were called clients and were dealt with on an individual basis and in others, they were Head Office buyers, many steps removed from where the product was to end up and in other places, may even be considered to be ‘internal’ customers. From this manager’s point of view, it was not only not the right kind of definition of the situation but also was impossible to sustain because it was not supported through the structures, systems and working practices of the organization.

In research conducted with regional managers in a key division of this company, one explained how at the time this strategy was being implemented, “the power in this organization was in the head of the local business unit level. These guys had the power of veto over everything because at the end of the day, the card they could play was “yes, we can do that but do you realize that we won’t get enough profit?” And so they won’t do it.” This very clearly illustrates classic ideas of institutionalised formal power and the ability to define reality. Another senior manager gave a more personal illustration of the exercising power: “I choose not to remember the STC [servicing the customer] working brief.... because I think that [senior management] are trying to move forward all the global businesses which, in some parts of the world, start a lot better than we do.”

This might be described as simple non-compliance or deliberate sabotage: either way, it illustrates very clearly the impossible challenge which the CE faced in terms of minimizing ‘random response’, given the lack of support for the definition he was seeking to shape and sustain.

Based on the CE’s concern that the corporate vision was seen as his rather than anyone else’s, he did a lot of reflecting on his own leadership, talking with others outside the organization as well as searching within. He then got the top thirty senior managers together initially for three days, went back to the drawing board and began again. Working together and in smaller groups with the help of a facilitator, they worked out their vision of what they should be and ultimately, following subsequent meetings, agreed a form of words which had unanimous support, to the extent that they each signed their names on the page around this (to be public) statement of vision. This was even the case for those for whom this was effectively signing their redundancy notice, because one consequence of this change meant that over half of this group would no longer have a role. However, they all agreed to it because there was a collective understanding of this as the most sensible and only way forward for the business.

This was a much more effective and successful way of ensuring a shared definition of reality; generating ownership of and commitment to the definition (ie.. shared sensemaking) and it was subsequently fully and promptly implemented in a way which generated the kinds of responses which the CE had always intended.

The nature of the leader's role and behaviour changed during the process of moving from imposed vision to sharing the process of shaping meaning and developing 'common-sense-making. As one executive director put it, to achieve the second vision:

"The mechanics that were necessary to implement [global change in this division] ...basically [CE] ran interference. That's a football term - Americans do like football - to run interference means you allow someone to get to the goal line because you're out there tackling people who are in his way and so [CE] really ran interference. He did the tackling and the blocking and said, 'listen, if you can find from a shareholder's point of view, a flaw within the system that's being developed, and the logic that [Speaker's name] is saying, then go find it but otherwise you will comply'. And he did a wonderful job at it and so it made my job not only easy but possible."

This is an excellent example of leadership in action to achieve 'implementation' (ie. responses which sustain this vision), comprising a delicate balance of constructing and blocking forces for and against in the continuing negotiation and shaping of the prevailing definition of reality.

It would be inappropriate to say that everything was planned and anticipated in this case because the CE himself would be the first to admit, this is simply neither possible nor especially helpful, because it is inevitably a process of negotiation. Hence there were unintended consequences of some actions and in other cases, a more emergent process of 'seeing what happens' which clearly contrasts with the deliberate, focused intentional strategy implementation (aiming to hit a target), characteristic of most explanations of executive leading. In former cases, perhaps unintentionally, strategy evolves and becomes known through hindsight, as senior managers make decisions which enable them to see what they are doing (Pye, 1995). There are shades of Weick's (1979) idea of speaking in order to see what you have said and clearly, strategy in this example is an excellent illustration of sensemaking, in which sense is made after something has happened.

The other way is through ‘unintended consequences’ where as a consequence of the primary drive or intended definition of reality, one thing leads to another and so changes are shaped. For instance, one non-executive director in this case observed:

“I think [the CE] found there was a great deal more he could do than he had bargained for. One of the difficulties is that many of our products had been heavily tailored to a local domestic situation and you can’t just suddenly say ‘well look here, you’ve had this product all these years ... now you’re all going to have change and have the same thing.’ ... and so you create quite big strains. He appointed, for instance, a worldwide marketing director ... obviously geared to harmonising all the selling and marketing and advertising programmes.... But again, it all has to be related to the reality of the situation on the ground. You can’t just suddenly ... say ‘well this is the product you’re going to have’, because the consumer says ‘well that being the case, I don’t think I want it anymore’. So it is expensive, it is time-consuming, it’s very frustrating and you can’t achieve results overnight but that is the way worldwide competition has driven the company.”

Again, this illustrates issues of power and person in the process of shaping reality. (This company had always had a presence across the globe but had not been organized on a global basis.) Consequently, tucked away in this observation are also illustrations of the ‘fall out’ from the global push which happened in myriad ways, some of which could be and were anticipated but many of which could not be anticipated at the level of developing the global strategy.

Section IV: Discussion and Conclusions

In conclusion, this case clearly illustrates the first of my three principal observations of how the term leadership can have multiple meanings: eg. a noun or an adjective, derived from the verb, to lead, meaning to excel and to be pre-eminent or to guide. There are illustrations of all these in the case described which become further complicated when one starts to interrogate them. For instance, does one call the first failed attempt at achieving global change an illustration of ‘leadership’ (noun/adjective) or of failed leadership? The leader (noun) retained his position (ie. still CE) so remained formally in charge – both pre-eminent from an institutionalised position point of view as well as endeavouring to lead in terms of guiding this organization. He still had the Executive Operations Group (EOG) who reported to him and who still showed him respect as their leader and in turn, led their own part of the operations of this company (noun, verb and

adjective implied). And the EOG and the board had agreed that his vision for global change was the one which they wanted. So presumably this has all the qualities of leadership? Yet below this superficial appearance, it transpires that some of these leadership attempts were not being effective at engendering the necessary change in organizational behaviour to achieve the new vision.

Whichever interpretation one prefers, the fact is that the multiple meanings of leadership in this context make it hard to find a common thread. However, if one reframes this example of organizing in terms of sensemaking in action, the outcome of the analysis bears a much closer resonance with the case as described by interviewees. That is, there was a lot happening in terms of *identity construction* in this case, with the new CE seeking to establish himself in his role, developing relationships with key people around him, bringing in new and different energies to the senior management team, right the way through to the identities being constructed at front line, with client, with customer, with internal customer and so on. However, these were known *retrospectively*: only after action had taken place, could sense be made because at that point, it can be located in history and context. Weick emphasises the term *enactment* to ensure we pay attention to the fact that “people often produce part of the environment they face” (1995:30). This is very graphically illustrated in this case.

There is also no doubt that this is also *social and ongoing*, that sensemaking occurs in the ongoing interactions between people as they enact their environments: “a constant substrate that shapes interpretations and interpreting. Conduct is contingent on the conduct of others, whether those others are imagined or physically present.” (1995:39). In this process, sensemaking is *focused on and extracted by cues*: “simply, familiar structures that are seeds from which people develop a larger sense of what may be occurring.” (1995:50). And it is here that leadership has a dual role: in part, helping to extract appropriate cues (ie. shaping key sensemaking reference points) and in part, providing a crucial cue (ie. being a key referent point) for others to extract. As Smircich and Morgan (1982) pointed out: “Leadership lies in large part in generating a point of reference, against which a feeling of organizing and direction can emerge” (1982:258).

The final point about sensemaking being driven by *plausibility rather than accuracy* is also well illustrated in this case: “sensemaking is about plausibility, pragmatics, coherence, reasonableness, creation, invention, and instrumentality” (1995:57). These are amply illustrated in this case and also reflect the social constructionist’s interest in historicity and time. The CE would argue that the accuracy of his reading of the situation was never in doubt: shareholders were unhappy with

corporate performance and expected change and had made this unmistakably clear to him. The company had to become a global player in this business but still had shades of the ‘pink bits of the map’ (ie. the British Empire) in its cultural legacy. However, his first attempt to implement global change was paid lip service but never embraced as the changing definition of reality. The second attempt directly drew in key players who took an active role in shaping that definition.

“If accuracy is nice but not necessary in sensemaking, then what is necessary? The answer is, something that preserves plausibility and coherence, something that is reasonable and memorable, something that embodies past experience and expectations, something that resonates with other people, something that can be constructed retrospectively but can also be used prospectively, something that captures both feeling and thought, something that allows for embellishments to fit current oddities, something that is fun to construct. In short, what is necessary in sensemaking is a good story.”

Weick (1995: 60-61).

I believe we have all these in this case.

My second observation was to draw attention to a conference run by McCall and Lombardo and the Center for Creative Leadership in Greensboro, North Carolina in 1976, entitled *Leadership: Where else can we go?* and to a potential ‘error’, embodied in leadership research. That is, the field of leadership research was felt to have stagnated at that time, following the preceding decades of trait, style and contingency studies. In their closing chapter, McCall and Lombardo (1978) observed: “the pursuit of rigor and precision has led to an overemphasis on techniques at the expense of knowing what is going on in a direct, human way” (146).

From this, they concluded that there was a clear need for “greater tolerance for imprecision and non-rigor”, otherwise the search for new and creative approaches to the study of leadership might just continue to embody what Mitroff (1978) called a Type III Error – ie. *solving the wrong problem precisely*.

Across the intervening twenty six years, some might argue things have changed with the literature in this field ever-expanding: indeed, with almost as many varieties as there are adjectives which can be prefixed to leadership. For all this, it seems we have made little conceptual progress since then: business and the public sector alike are still searching for the Holy Grail, for the heroic figurehead who will sort things out and lead them to the Promised Land

To this extent, much leadership research might still seem to be solving the wrong problem precisely.

In contrast, by reframing ‘the problem’ to be an example of sensemaking, one avoids the pull to define the wrong problem precisely but instead, seeks to understand the sensemaking process by which groups of people enact and make sensible their environments. This leads to my third key conclusion which is that undoubtedly, as Pondy (1978) pointed out, most definitions of leadership refer to it being a social influence process. However, there are many kinds of social influence process which make it difficult, on occasions, to prioritise one over another: for instance, one might wish to reconsider the case described here in terms of minority influence (which for some, is the ultimate definition of leadership, Myers, 1994); or as group decision making (Schein, 1988) in which the CE carried out the critical functions of a leader; or as leadership; or as simply a case of organizing, in which the balance of power to minimize random response shifted, and ultimately at the point where this description ends, resting in favour of the CE. While he might claim that the outcome was a collective effort reflecting the views of all who had voice (leadership, the noun), ultimately it falls to him to lead (the verb) this ‘new order of organizing’ and its cultural consequences.

In essence, what is taking place here is a shaping of the prevailing definition of reality in which in this case, one person, by virtue of his/her institutionalised CE role, is expected to define reality and indeed, will be held to account if s/he is deemed not to be ‘leading effectively’ (Smircich and Morgan, 1982:259). In this way, I argue that leaders (noun) lead (verb) by performing an explanatory function for others who in turn exemplify these explanations in their responses (*doing* leadership in action). The cultural consequences of such actions may be to sustain or transform systems of shared meaning. The case elaborated here illustrates for an endeavour to transform which initially fails to limit the range of response and achieves only sustaining leadership which helps to maintain the status quo for a while. The second attempt at global change, however, inculcates new meanings for others and is seen to be transforming and transformational (noun, verb, and gerund), allowing new sense to be made. Thus I conclude that the topic of leadership will never be replaced by sensemaking but to understand leadership as a sensemaking process helps us to see much more clearly what is going on in this daily *doing of leading*.

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ⁱⁱ A gerund is “a noun with the ending *-ing* formed from a verb and having the qualities of a verb” *Chambers 20th Century Dictionary* (1974).

ⁱⁱⁱ Gergen (1999) distinguishes between social constructionism and social constructivism: “for social constructionists, what we take to be real is an outcome of social relationships ...” whereas the social constructivist position “proposes that individuals mentally construct the world, but they do so largely with categories supplied by social relationships.” In my view, it would be impossible to construct one’s world with categories which could not in anyway be linked to some aspect of prior interaction in social relationships, hence have difficulty in sustaining this distinction between the two positions. More important to emphasise is the dialectical view that we are both constructors of and constructed by our social worlds. That is, there is no point in trying to establish whether the chicken or the egg came first, but it is very necessary to consider of the role of power to define reality.

^{iv} We fully acknowledge in the book the development of these ideas in the work of Morse Peckham (1979) and Peter Sederberg (1982).

^v Although not a representative sample, this group comprised five very influential investors: Gartmore, Hermes, Liontrust, Merrill Lynch and Philips and Drew. Their combined asset portfolios in 2000 amounted to over 10% of UK equity (Golding, 2001).

^{vi} Interestingly, the one who continues to remain in an executive role with the same organization was in fact one of on two executives who were not main board directors in our first sample.