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Quest for the European Leader

At the end of 2004, Phil Hodgson convened a round table at Ashridge during which an international group of thought leaders explored the concept of whether a European Leadership Model exists. This report records how their thoughts began to unfold.

European identity: crisis, crucible or cradle?

For some people today's Europe is, as Bismarck once remarked of Italy, a "mere geographical expression". Henry Kissinger complained that he didn't know how to call "Europe" on the phone: who speaks for Europe, takes decisions for Europe? Yet at the beginning of 2005 Europe is more than a concept. In one version, it's a collection of 25 states with a newly agreed constitution and a president. In other versions, Europe is a sprawling aggregation of sales territories defined by multinational companies, often embraced within an even larger agglomeration known as EMEA (Europe, Middle East and Asia). And, whether they like it or not, for Europe's millions of citizens,

their continent exists as a potential economic, social and political contrast to the world's sole superpower across the ocean.

It seems impossible for us to escape the challenges – or the opportunities – of being European, however we define that state. For organisations like Ashridge seeking to understand and develop leadership effectiveness, the European context raises serious questions. To what extent is leadership universal – so that the methods and behaviours that work in one part of the world can, like economics and accounting, be applied in other parts of the world? A growing body of evidence (*see References*)

suggests that leadership is contextual and at the very least can only be understood against the background of environment in which it is practised.

In order to develop effective leaders who live and work in Europe, do we need a model of how Europeans lead? Does it even make sense to talk about a European Leadership Model that is distinct from other models around the world and in particular, contrastable with the mainstream concept of leadership espoused in the United States? If such a model exists, what does it look like, and how does it help us achieve our business, social and personal goals?

If the model does not exist, should we attempt to create and propagate one? Are our motives in seeking such a model, whether pre-existent or desired, rationally based or an expression of collective low self-esteem?

In November 2004 Ashridge convened a round table as a first step on the quest for a European Leadership Model. This initial event aimed to verify whether these kinds of questions can contribute to the development of leaders across Europe and perhaps elsewhere. Our starting premise was:

Imagine that an intellectual wall had existed down the middle of the Atlantic from the post war years until now. How would European thinking about leadership have evolved?

To our surprise, we were able to construct a basic model of the characteristics of European leadership remarkably quickly, working from commonalities in approach within European settings rather than contrasts with American practices. But to our equal surprise, we were unable to generate more than a few examples of well-known European leaders from Continental organisations. Those we could identify (for example, Richard Branson and Jean-Marie Messier) tended to be entrepreneurs clearly following American role models in inviting publicity and basing their company's brand on their personal qualities.

Searching for an authentic European leadership identity drew us to three perspectives. Firstly, we considered whether European leadership is in 'crisis'. Secondly, we looked at whether European working preferences make the Continent a "crucible" in which relationships are forged and tested. Thirdly, we looked at Europe as a potential "cradle" for innovative practices.

Towards a European Leadership Model: binary progression

By chance, the main points of agreement achieved during the round table fitted into a binary progression:

0. We began with an absence: the sense that Europe is missing a commonly understood leadership model.
2. In approaching the issue, the point of departure is a simple opposition between two potential poles: an American model and a European model defined in contrast to it.
4. We identified four dimensions in which leadership operates in the European domain: individual, relationship, context and culture.
8. We identified eight challenges for European leadership.
16. We identified 16 characteristics of a European leadership model, all of them happily beginning with the letter 'C' (see page 18).

Crisis

One word often associated with 'identity' is 'crisis'. In raising the issue of a European leadership model, we don't mean to imply there is a critical lack of leadership in organisations across the Continent. We do however believe that by not being able to discuss – or argue about – a shared model of what leadership means in Europe and how it operates, we may be needlessly hindering the development of leaders and denying the next generation a stable and attractive role model.

Like a psychologist's trick picture, Europe can show an old face or a young one depending on how you choose to view it. In the realm of leadership, the history and traditions built up over generations of creating and running enterprises in Europe's public and private sectors provide a rich heritage of behaviours and exemplars from which leaders can draw. As business across the Continent renews itself in a continuous cycle, the lessons of the past feed into new ways of working and new

ways of thinking about ourselves and our goals. This creative regeneration means that Europe is as much a cradle of innovative leadership as a crucible of diverse viewpoints, ambitions and methods. The reality of leadership as it is practised day by day in Europe's vast range of organisations is a combination of old and new. Any useful European leadership model will need to describe the range of current best practice, but also point the way towards best practice in the future.

More work needs to be done on determining which characteristics of the model are evidenced in common practice and which are 'nice-to-haves'. Such analysis will help us support the model's propagation in appropriate ways, ensuring it is used to help organisations develop their leaders rather than providing a stereotype against which they are measured – and found wanting.

Crucible

Leading is, in the end, all about individuals taking action in real situations, facing real dilemmas and actively providing direction. Yet we believe an over-emphasis on the individual is a profoundly non-European leadership trait. We found that the shared understanding of the leader in Europe is not the image of a lonely, heroic individual extracted from the mass and positioned above her or his former peers, to excel or die in a succession of ever greater, all-or-nothing struggles. Nor is it a de-glamorised version of this image, with the lone functionary attempting to 'head' a cynical band of undifferentiated 'hands' into an uncertain future. These highly polarised images have little to do with the felt experience of leadership in Europe, which is of an activity carried out by the few with the mandate of the many. In many ways, the success of 'leadership' in the European domain depends to a large extent on co-

operative followership. We suspect that European leadership draws as much on a concept of service as it does on the concepts of domination and the imposition of a personal vision.

Cradle

In fact, it seems European leadership is very much composed rather than imposed. What we call leadership, but experience as *leading*, is the product of co-operation between those in leading positions and those around them as they negotiate life's journey together. It should perhaps be self-evident that 'leadership' is meaningless without 'followership', yet one of the valuable tasks a European leadership model can fulfil is to redress the balance of leadership studies, training and commentary towards an appreciation of leadership in context. Acts of leading make a better focus for understanding than abstract concepts of leadership, especially in an age which promotes leadership as the cause and cure of every business issue.

European-style leaders therefore act with a 'licence to lead' rather than a right. That licence is granted by the communities in which they are embedded. Though the licence's terms may be renegotiated and licences can be revoked, changing a leader on the basis of short-term results is not an instinctive European reaction to poor organisational performance. Equally, exceptional organisational performance is rarely ascribed solely to the actions of leaders. The community's awareness of the leader's high interdependence with the organisation she or he leads generates a number of external properties that are sometimes mistaken for fundamental differences in the way leaders are valued in Europe and elsewhere. A European company's unwillingness to sacrifice its leaders to market fluctuations may look like weakness or even corruption to an

American onlooker, while an American company's ability to ditch its lawbreaking officers and rapidly re-establish its credentials may look like a confidence trick to the European observer. The European leader is less interchangeable than his or her counterpart in the US, and while this arguably makes European business less fluid in terms of cross-organisational careers, the upside is a greater investment in building long-lasting enterprises that quietly continue to serve their markets.

In our discussions about the commonalities and differences of leading in Europe we found one particularly striking facet: Europeans expect and accept difference. A European leader will expect her or his people to challenge, rather than accept, as their first instinct. This is what we have in common as Europeans, and why we are different from leaders from other backgrounds. We feel that the common trait of dissent found in European organisations and the tolerance of – and welcoming of – ideas which clash with those of the leaders, is a major strength of the model. Different nations, regions and groups have arrived at the tradition of dissent from different causes bound up with their historical experience. We didn't all acquire our habit of questioning authority and licensing leaders from the same cultural sources, but we recognise the effects in each other's treatment of leadership. It's almost as if, from our divergent origins and through a long history marked by conflict, Europeans have converged on a consensual understanding of what leaders are and how they succeed.

Ironically, as Europeans arguably are learning to work and live together more closely, much of the current leadership research is focused on differences between cultures rather than similarities. The European leadership model is neither

inferior nor superior to any other – but it is different. It provides an alternative, rational framework for leaders in a field that is otherwise dominated by purely individualistic, prescriptive and sometimes mystical advice. As our understanding of the model grows, we hope it will act as a touchstone for organisations that want to support the current generation of leaders and inspire the next.

European leadership in practice: contexts and solutions

Context

Apart from the willing acceptance of difference, what other factors impact upon European leaders? We suggested that the following issues are significant and would repay further research:

Eight European issues

1. Embracing difference
2. History of conflict between countries
3. Building consensus
4. Regulated environments (large public sector, high taxes, widespread unionisation, works councils)
5. Multiple languages
6. Multiple jurisdictions
7. Lack of centralised media
8. Varying geographic boundaries.

Solutions

We then explored what kind of approach might be appropriate to support leadership in the European context. We established a number of characteristics which we felt were common to the practice of leading in Europe. Each of these characteristics is in itself a spectrum, so our first-cut model is not meant as a simple checklist of desirable leadership attributes.

In fact, insisting on the sensitivity of the model – and denying any intention to use it as a mould or a straitjacket – strikes to the heart of the model's potential political cast. This is a model that stands for variety, flexibility and holism. As such, it stands in

opposition to the dominant model of leadership which favours individualism, ingenuity and quick results. Since the dominant model emanates from North America and our alternative is born of European perspectives, it may look like we are making a political point. However, we believe that the utility of the 'European' model makes it as universal in application as the 'American' model. Useful models create choice, enabling individuals to make conscious decisions about how they interact and how they value the outcomes of their interactions. We offer our leadership model in this spirit.

European '16Cs' leadership model



The dominant view of leadership is often tagged as one of realism: a hard-headed approach to leading. However, the standard approach to leadership is also simplistic, offering little latitude for different interpretations of goals or methods. The standard model is also somewhat romantic: it asks for superhuman effort and promises extraordinary results. Its imagery is close to that of the hero myth as presented by Hollywood.

Heroes make for compelling stories. There's something deeply satisfying about experiencing a hero's challenges and willing him on to success. But real life isn't a coherent narrative with a beginning, middle and end – and a point to make. Leaders aren't acting out a theme. With the benefit of hindsight, we may be able to see an organisational journey in terms of classic story elements. Finding a moral in corporate errors or downfalls is a staple of business journalism. Yet the leader's role is not experienced in such artistically compelling or complete terms. The actual business of leading is much messier. It is beset with ambiguities and uncertainties. Even where leadership is bolstered by sets of measurables, the larger part of the task remains a subtle and crucially interactive practice that engages the leader's full attention and, hopefully, entire repertoire of behavioural responses. Leadership is not an essence that can exist in a vacuum. It is a quality generated by leaders in co-operation with the groups they lead. As such, it is a creative force, not a narrative tradition.

Attempting to live up to the fantasies embodied in most of the leadership literature makes for anxious and short-lived leaders. No one can measure up to

perfection. Ironically, our deep-seated acceptance of imperfection means we have come to expect a rocket-like trajectory for our leaders: brave ascent followed by an ignominious fall. In this way, we use up the talents of those who step forward to be leaders and deter others from attempting the role. The 'hero industry' of the leadership literature lays a dead hand on the development of leaders and seems to stifle the growth of alternative approaches to leading.

The reality of leading emerges from real stories: the stories we tell of our experiences in organisations. At the first Ashridge round table on European leadership we heard various anecdotes that sharply suggested the wide variations in basic assumptions that exist between the different nationalities represented by the participants. These unspoken clashes in world view can frustrate attempts to work together and confirm unvoiced prejudices.

For example, a visitor from northern Europe was horrified by the atmosphere at an Asian manufacturers which he likened to that of "a prison camp". In another example, an British facilitator working with a mixed American and Swedish executive committee found that the American use of the word "confront" in phrases like, "we must confront our issues" was sending a much more aggressive message to the Swedish managers than was intended.

These are not simply subtle differences in working environment or language but indicators of deeply held values. Unless we pay attention to the issues signalled by such indicators we cannot hope to foster genuine co-operation amongst groups from different nations and cultures.

The European leadership model we are presenting aims to offer a holistic, grown-up concept of leadership informed by experience and reflection. It is an idea of leadership, rather than an ideal: something to live, rather than live up to.

We intend to do more research on this potentially significant area, first by collecting better references to European examples of European leaders. We hope to follow up with some specific interviews with European leaders to test the hypothesis that there really is a European leadership style worth promoting, nurturing – and celebrating.

We would like to thank George Binney, Martyn Brown, Bjorn Helge Gundersen, Atle Jordahl, Rita Kellerman, Kai Peters, Erik Swartz and Pauline Van Der Meer Mohr for a stimulating three days at Ashridge. We hope in this brief article we have managed to represent at least some of their many excellent thoughts.

We would also like to invite the participation of any readers who would like to join us in our quest to explore and understand further the concept of the European leader. Please contact phil.hodgson@ashridge.org.uk

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