



THE AUSTRALIAN LEADERSHIP PARADOX

**WHAT IT TAKES TO LEAD
IN THE LUCKY COUNTRY**

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CHAPTER 8

LEADING ACROSS DIFFERENCE— THE GREAT AUSTRALIAN CHALLENGE

The following section presents a number of capabilities that can, in our experience, transform the way we think about and practise leadership in Australia. The preceding two sections looked at what is going on in Australia from a leadership perspective and offered some hypotheses about why these things might be happening. The paradoxes of leadership in Australia are a way to think about what might get in the way of leading better and also the opportunities inherent in the paradoxes. Unsurprisingly they mostly revolve around how we perceive, relate to and use our power and authority.

Core to making progress on the paradoxes of leadership is how we use our authority to address one of the biggest challenges and greatest opportunities for change—what we call *leading across difference*. These are differences of competing values, preferences,

needs and interests. They are part of every leadership challenge that we are likely to encounter. Working across difference exposes many of the paradoxes of leadership in Australia discussed earlier, when inevitably we have to deal with issues of authority, competition, equality and the type of relationships we have with each other. When we are:

... struggling to tackle more intricate problems whose causes and consequences pay no attention to the boundaries we have created ... Issues spill over more quickly into adjoining agencies and neighboring jurisdictions. As the world becomes flatter, many local issues reach around the world and many global issues have local implications.¹

Our world is rapidly changing. Every day we become more reliant on those around us for our continuing stability and prosperity. The world's problems are our problems: climate change, energy management, asylum-seekers and religious extremism to name a few. Australia itself is also becoming increasingly diverse. In the 2012 census, Australia's biggest city, Sydney, had more than one-third of its citizens born overseas. Our ability to do business solely with 'people like us' is quickly diminishing. Diversity is now becoming the mainstream. While that brings opportunity and creativity, it inevitably also brings more conflict.

Increasingly we are being called upon to be innovative. We can't do this work alone—neither as Australia the nation or as Australians. Nor can we do it alone within our own sector, function, value set or culture. We cannot rely on authority to have the answers to these challenges. The solution to many of our toughest challenges lies in their co-creation with others.

These times call for leadership across a diversity of difference. Geoff Gallop, former premier of Western Australia, argues this kind of leadership means:

... accepting complexity. We're in a much tougher period since September 11. The type of leadership required now is quite different. Leadership in the 90s was more managing expectations in an era of growth and now it's managing ... vested interests.

It's a battle between those who say, 'We have to accept this new framework and tackle the interests which are holding us back,' and those who are saying, 'No, all we have to do is keep doing whatever we were doing so we can go back to where we were'.

I don't think we can ever go back to where we were.

To address any one of the social and economic challenges that we face requires bringing a range of diverse interests, values and beliefs to the table and to work in a way for which we haven't been trained or prepared. No-one has taught us how to really work across difference. Yet engaging with this difference is the key to the co-creation of something new. We have an opportunity to use and integrate the strengths that Australia's diversity brings.

... where the parties develop a willingness to enhance each other's capacity for mutual benefit and common purpose, collaboration occurs. Here the parties share risks, responsibilities and rewards; they have high levels of trust, large time commitments and they share turf.²

This is commonly called collaboration. We are intentionally using the term 'leading across difference' to highlight the challenge and the opportunity that lies at the heart of collaboration. When

collaboration works well it draws on the uniqueness that each party brings to it. Acknowledging and leveraging difference and diversity, rather than ignoring it, gives way to new thinking built on the energy of difference. This involves being open to discovery, while appreciating and challenging our thinking about leadership practice.

To work across difference in this way is transpersonal. It generates many more ideas beyond our self-interest. It requires a willingness to drop being wedded to a particular approach, to be wrong, to be vulnerable and to be ready to give something up. This is not what comes to mind when most people think of 'collaboration'; it requires an ability to assess and build trust with our collaborators. Ultimately it involves having compassion for others.

To maximise our ability to lead across difference we need to know why so many collaborations fail. The easy answer is that we had the wrong people, poor timing or insufficient resources. These are important factors but they are only part of the answer.

The 'seduction' of collaborating

Collaboration is a seductive idea. Government departments actively encourage NGOs (non-government organisations) to work in collaboration to achieve more sustainable outcomes. NGOs espouse the benefits of collaborative practice and business is starting to talk about the need for more collaboration with the communities and customers they serve.

This may be part of the answer. Yet the reality is often that the majority of leadership initiatives that require and espouse working collaboratively fail. This failure is partly due to the fact that not all challenges require collaboration. Sometimes, collaborating

makes things worse. Expectations are raised and people end up disillusioned and disappointed. Often what is required is for those in authority to make a decision, but unfortunately collaboration can be used as a way to avoid taking this responsibility. It can allow us to avoid making tough decisions or having conflict. It is not a panacea. Most of what organisations strive to achieve is, and should be, done alone.³

Knowing when progress requires a collaborative response requires us to first understand whether the problem is 'adaptive' or 'technical':

- **A technical challenge**—Is the problem relatively well defined and you currently have the resources and thinking to tackle it by yourself? Or can you bring in the specific skills and capacities to tackle it with you? If the answer to these questions is yes, the problem may require coordination but not necessarily collaboration.
- **An adaptive challenge**—Is there a high level of complexity where numerous approaches have been tried and the answer is still unknown? Does no single entity have the resources or authority to make the required change? Does making progress depend on the whole system being able to work with people, organisations and communities who hold different views, beliefs and ideas? If the answer is yes to one or all of these questions, then this problem requires collaboration.

Collaboration is not a goal in itself: it is required when the system as a whole has to find a way to think and work *together* to make progress. It seems like we have the same romantic thinking about collaboration as we do about another cross-stakeholder venture: marriage.

In marrying another we believe, or at least hope, that the unity or joining together will always produce something good and create a better life than the one we could have on our own. Yet the sad reality is that one in three marriages end up in divorce in Australia. Collaboration, like marriage, takes us to the edge of our competence: we need to learn new ways, give up a few things and compromise to make it work. Leading across difference, also like marriage, requires us to step into the unknown. And while the newness can be exhilarating, once the romance wears off we have to get to know people in a more real and honest way.

Collaboration often brings us together with people we haven't worked with before. Even if we know them, new challenges are going to bring out different roles, approaches, allegiances and values. We don't know what's going to happen and we don't know how the other parties are going to respond. This point of ambiguity is where collaboration often fails. When we can accept this uncertainty, new possibilities often open up. As CEO of United Way, Doug Taylor, describes:

In my role I'm meeting with boards and other CEOs. I realise that they often don't know what to do either. There's something very motivating in that . . . because they're the people you would expect to know. That's given me huge confidence because I've come to the conclusion that if everyone else is struggling, then why don't I take the lead? I often tell people I don't know what to do, that we're making it up as we go along and it gives us extraordinary freedom.

While this kind of freedom is enticing, it is not easy. It brings forward a number of traps which can kill collaborative efforts before they get too far. We call these traps the 'three Cs of collaborating': *competition, control and commitment*.

Competition

Motives and agendas of people are inevitably diverse. Stakeholders in any system are often in unspoken competition for resources, authority, recognition or power. That's just on the surface. Underlying we also have competing values and interests that demand to be maintained or looked after.

For example, in the corporate sector, organisations often have unspoken factions that align according to whose needs are most important to serve: shareholders, employees, customers or the greater community. It's not surprising that marketing, human resources and finance departments often find it so hard to speak the same language let alone collaborate. And that's just within the organisation—these 'competitions' become amplified beyond the organisation's borders.

In the community sector, organisations are often in overtly competitive tendering processes for government funding, yet are also required to work together to deliver services that benefit clients. And when they're working for the 'greater good' competition becomes a dirty word.

In the government sector, most federal policy reforms require both cross-departmental and cross-sector collaboration. With functional silos so common, leading across a department's boundaries requires change agents to have increasing agility in looking past their own functional interests to the broader departmental and systemic purpose and goals.

Competition is inevitable when different values and beliefs are being negotiated. Yet it is often not the competition that gets us stuck, but the silence and difficulty we have in acknowledging when, and with whom, we are in competition. This silence is a result of our challenge in acknowledging the different levels

of power and resources that we all bring to the table. It means that those with less power and resources can feel unappreciated, devalued, and consciously or unconsciously end up blocking progress. The result is often unspoken competition for whatever power is available.

Collaboration requires us to understand, bring to the surface and speak to the underlying values and potential fears that are really at the heart of making change or progress. It can help progress if we are also able to 'get skin in the game' by showing that not only do we understand what's at stake, but are also willing to give up something to make progress. As Richard Sennett states in *Together*: 'By its very nature, competition breeds resistance, since the loser doesn't want to lose. Competition must embrace the losers' share in this exchange.'⁴

To be able to work with competition in collaboration we need to firstly be able to work with it in ourselves. We often deny this trait in ourselves and project it on to others. Yet, the gift of competition is that it also represents positive values—including survival, care for our family, community or tribe, a desire for progress and an interest in learning. These are useful values to bring to any collaboration if we appreciate, accept and know how to use our own competitiveness.

Control

Leading across difference requires us to let go of full control of what's going to happen and how it may happen. This can be a hard gig, particularly when we are used to having power, being in control and looking competent. For example, it can be hard for government when collaborating with the community sector

to genuinely enter a creative space and let go of the 'master and servant' relationship they may hold.

Levels of power and authority are always unequal in collaboration. When we feel we have less power and are undervalued or unacknowledged, we hang on to what we have in the power and resources stakes. If we are struggling to trust our partners in the collaboration and feel we need to better compete, we may believe we stand to lose something and hold on to what we have a bit more tightly. Alternatively, if we are used to being the dominant partner in a collaboration then we may fear losing our power to others.

The tighter we hold on to what we have or know, the harder it is for us to innovate, take risks, and be open to difference and diversity.

Employees want to keep information and expertise to themselves often because of a fear of becoming less valuable if their knowledge and expertise is shared by others: a 'knowledge is power' attitude. Helping others within the organisation can often be a low priority and sometimes people are just afraid of being embarrassed by sharing a creative or whacky idea to solve a colleague's problem.⁵

Commitment

It is highly unusual for a collaborative venture to have all parties with equal motivation and levels of commitment. There are always competing commitments, but in and of themselves these are not the problem. It is when competing commitments are unacknowledged or misunderstood that they can immobilise or block progress.

Surfacing these differences challenges the assumption that we are equal collaborators in terms of commitment and effort. This inevitably brings some level of conflict. Many collaborations fail when people believe, often rightly, that they have more commitment to the outcome than other stakeholders. This might manifest in stakeholders failing to deliver on what they've committed to do. So one stakeholder may just take over and others might be accused of not pulling their weight.

Often stakeholders don't commit to creating the right processes to allow adaptive collaboration to happen in the first place. In other words, we want to work differently together but use the same approaches that are designed to maintain the status quo. We get halfway through the work of collaboration and realise we didn't really put enough resources, time and thinking into enabling us to work differently and creatively. A new learning space is needed for collaborations to be successfully adaptive, to shift thinking and to co-create the new solutions required. We call this the creation of a holding environment (to be discussed in Chapter 12).

What is required to lead across difference?

Leading across difference is the primary work of leadership. With a greater awareness of what traps we can fall into through the paradoxes of Australian leadership, we now move to exploring what skills are required to collaborate successfully. Generally, the skills we think are required tend to be technical; having the right structures in place, with clear goals and processes, is important. However, the main skills needed to sustain collaborations are predominantly interpersonal, not technical. Namely, our self-awareness and how we work with others are crucial elements in

successful collaboration. Our ability to be open, explore possibilities, hear different views, empathise and experiment tend to make the difference between whether we succeed or not.

A 2012 study of senior managers in the US public service⁶ found that the defining characteristic of successful collaborators was interpersonal skills as opposed to technical expertise: 'Contrary to expectations, the federal executives most frequently mentioned individual attributes and interpersonal skills as essential for successful collaboration, followed by group process skills, strategic leadership skills, and substantive/technical expertise.'

In our work with thousands of change agents in the corporate, government and community sectors, we have seen people exercising a combination of skill and awareness that facilitates leading across difference. The next chapters offer more detail about the skills that enable us to shift the way we think about and practise leadership in Australia. They are the 'how to' of leading across difference. In these chapters we address the challenges and opportunities presented by the paradoxes of leading in Australia.

First we need to know *why before how*. Chapter 9 puts forward the importance of a clear collective purpose that is aspirational, achievable and galvanising.

Chapter 10 explores how we use our *power, rank and authority* to realise our purpose. To lead across difference we need to understand the power that we have at our disposal. This chapter describes what power looks like in effective leadership and further explores how to utilise the different types of rank that our power gives us. We examine what happens when we are not aware of the rank that we have and the impact this has in thinking about and changing our leadership practice.

Confusion and blurred boundaries between self and role are common obstacles in making progress, particularly in Australia.

Knowing how to *find*, *make* and *take* our role are skills that we can develop. Chapter 11 explores the range of roles that can emerge when leading across difference and outlines the awareness required to occupy the role of leadership.

Innovation emerges when diversity is harnessed to co-create new solutions. With this diversity comes conflict. The subject of Chapter 12 is knowing how to harness the potential of *conflict to promote growth and innovation*.

We have outlined how our Australian story on authority is always influencing the kind of relationship we develop with those above us. It also influences the way we take up the role of authority ourselves. One of the main sources of conflict arises when we try to negotiate with the authority role. Chapters 13 and 14 explore *why* and *how to do business with authority*.

We reflect on how to *do more than survive* in Chapter 15. The enticements and seductions of leading can often divert us from the reason we are trying to have an impact in the world. If we want to improve the world around us, we have to start with ourselves.

Finally, we call for a new story about Australian leadership in Chapter 16, one where we leverage the opportunity of the paradoxes.

CHAPTER 9

LEADING IN AUSTRALIA— THE WHY BEFORE THE HOW

To know how to free oneself is nothing. The arduous thing is to know what to do with one's freedom.

ANDRE GIDE

The vision thing

The vision for Australian leadership we are trying to bring forward in this book has been both explicit and under the surface. The first part of the vision is that leadership has a positive social impact—regardless of where it is practised or by whom. This means that we can look back and see that our actions have over time made our whole system, not just one part of it, better off. Leadership then is assessed not just in terms of our economic growth but in terms of fairness, inclusion and sustainability. If it doesn't have a positive social impact, it isn't leadership.

The second part of the vision is that if Australian leadership is going to shift, Australians need to play a central part in that.