

April 2008



Developing leadership capability for a collaborative city

Introduction

Capital Ambition commissioned the London Collaborative to look ahead at the challenges facing London over the next fifteen years, in order to shape the development of more effective action across the city to tackle these challenges. Since many of these will require London-wide responses, future leaders will need to work effectively both within their organisation or borough and within citywide networks.

Our first series of reports set out the current trends and six potential future scenarios. However, identifying the most important future problems is no simple matter. Nor is solving them. Our six scenarios offer very different potential futures, some, at least, requiring radically different ways of working. Levels of uncertainty are increasing, driven by the interaction of divergent pressures.. This points us to the conclusion that adaptive capacity and a focus on resilience will be key factors in the capital's future success. But how do we develop adaptive capacity? What sorts of processes and ways of working will develop resilience effectively?

In this paper, we explore the increasing requirement for leaders to make complex judgements, to rethink and redesign systems, and to find integrative solutions that make sense from several different perspectives. We identify the need to develop a stronger 'problem solving capability' across the city; and a greater self-awareness about mental models, to equip the next generation of leaders for the future. We suggest ways that the London Collaborative can add value to the development of networks across the city, without duplicating important development work that is going on elsewhere. Our argument is that development should not simply be a separate strand in the London Collaborative's work, but that we should, in everything we do, work in ways that best develop adaptive capacity.

Where have we got to so far?

In the 1980s, management development was primarily instrumental – teaching the skills people needed to do their current job, and often developing for the first time a focus on performance and on managing staff, rather than simply being a 'senior professional'. By the 1990s, the focus was on developing more rounded managerial leaders, with emphasis on "people skills" using tools derived from social psychology, and on strategy, environment scanning etc. By 2000, leadership was the buzzword, with emphasis on 'transformational leadership', managing change and on leadership 'behaviours' rather

than leadership 'characteristics'. Emotional intelligence surfaced as a key capability; leaders were expected to be self-aware and aware of the reactions and needs of others.

Recent work recognises that leadership is situational, transferring the focus in leadership development to an ability to 'read' situations accurately, and to the self consciousness and self-discipline needed to deploy oneself accurately into different situations. Some recent accounts refer also to 'emergent' leadership, able to distinguish between situations in which the response must be to adapt to a changed environment; and those situations which can be 're-shaped' by more ambitious intervention. The role of local government as 'place-shaper' emphasises the situational dimension of leadership, since political leadership and leadership in partnerships requires different approaches to leadership inside organisations. Place-shaping inevitably leads to discussions about legitimacy and about the values we bring to bear when trying to 'shape' events outside our organisational boundaries. Mark Moore¹ highlights the importance of a distinctive approach to leadership in the public domain, identifying both the need to 'organise legitimacy' and the imperative to 'explore after public value.' Julia Middleton of Common Purpose has recently written about the leadership challenges for managers across sectors working in partnership settings outside the comfort zone of their formal role.²

In the past few years, greater resource has been made available for leadership development, both through central government and through a change in local priorities. Leadership programmes have become more sophisticated, and have begun to explore many of these ideas - authorities are developing bespoke programmes for their senior managers, including more creative approaches: organisational raids; theatre, role-play, n learning setsetc. Development has become more action-learning and more experiential. Common Purpose, OPM and the Young Foundation have all been pioneering more interactive and reflexive forms of learning, especially in London.

How can the London Collaborative add value?

It is important that the London Collaborative doesn't duplicate or simply replicate this work, and is able to build on the strength of the development offer that already exists within the London boroughs. A key objective will be to concentrate on developing and accelerating the capacity of "London" (and since by London we really mean our people) through improving the effectiveness of networks and learning exchange. In reality, networks and partnerships have often failed to fulfil their potential. So part of our work will be to provide the development support which can help to optimise 'results for effort'. But to do that, we need to accelerate innovation, to explore the dilemmas, and to find ways round some of the blockages to action.

¹ Ref Mark Moore, Creating Public Value

² Ref Julia Middleton, Leading beyond Authority

From 'technical' to adaptive change

Managers and politicians are now focused not simply on delivering direct services, but on a wider range of actions to improve the lives of the communities they serve. Despite a lot of talk about innovation, it is often presented as a form of 'process compliance' – adopting best practice from elsewhere, bringing in consultants or following guidance or toolkits. And yet our futures work illustrates the extent to which we are working in the context of greater insecurity, complexity and uncertainty. The events that local government leaders now have to deal with - terrorist attacks, tornados, carbon reduction, economic failure in the private sector, binge drinking, riots - require different responses. Heifetz³ suggests a distinction between 'technical' and 'adaptive' change; the approach hitherto (often either encouraged or constrained by government) has often been within the 'technical' model, but the changes prefigured in our future scenarios imply a shift towards the 'adaptive' model. Heifetz calls adaptive challenges "problem situations for which solutions lie outside the current way of operating". In these situations the gap between reality and the desired state of affairs cannot be closed using existing approaches. Instead, they require radical rethinking. This presupposes an active debate about 'what really matters' – in relation to both values and outcomes – since tough trade-offs will be necessary, letting go of many assumptions and ways of doing things in order to protect and develop others.

One of the dimensions of the adaptive challenges that London faces is that they cannot be tackled within a single borough or organisation – and yet we don't yet have either shared values and assumptions, shared ways of working, or a debate about what matters across the city.

The need to 'think' better

Far from simply learning compliance, or how to run existing work systems, future managers will need to create solutions to as yet unknown problems. 'Adaptive' responses are about creative redesign, finding ways to 'think' problems differently, so that what looks insoluble can be solved. As Barry Quirk⁴ has pointed out, local government is far better placed for adaptive change than is central government, but our 'adaptive capability' is patchy. How do we develop it further?

Leadership development often concentrates on skills and behaviour; but change is also cognitive – about developing our thinking capacity. This is not about making us more intelligent, but about accessing more of our intelligence – enabling us to be self-

³ Ref Heifetz, Adaptive Work in the Adaptive State, Demos

⁴ Ref Barry Quirk, Local government, the Adaptive Tier of Government, The Adaptive State, Demos

conscious about the mental models we are using to 'think' different problems. Sometimes these processes of reasoning and judging are caught inside mental models which limit our ability to think our way through problems. It is the ability to evaluate and reframe those mental models that will offer resilience for the future. For example, many of our organisational metaphors come from machines 'driving change'; 'stepping up a gear' or 'machinery of government' – and yet we know that our organisations, let alone our local communities don't remotely resemble machines in the ways they interact.

Public organisations have learnt to rely on strategic planning, which has become both complicated and unwieldy, but as Barry Quirk suggested in his recent LGC article, we have paid too little attention to the 'strategic intuition' that leaders often use to plan when to intervene in complex and fast-moving situations. The current generation of local government leaders learnt this from experience; becoming expert in a range of activities where there is no formal qualification or training. Current chief executives and top managers built up an understanding through experience of several different dimensions of public leadership – moving from being politicians to being managers for example, or moving from the private to the public sector – and through experiencing the seismic shifts in local government since the 1970s. Many local government leaders and chief executives are learning to become 'adaptive'. Can we then treat personal adaptive styles of current chief executives work as 'prefiguring' the leadership approaches that will be needed more widely in the future? Perhaps the network can begin to learn from this directly? What dilemmas are chief executives currently struggling with, that can equip the next generation of top leaders across the city?

Thinking our way through complexity

Of course there are many different ways of thinking, and many different ways of thinking about ways of thinking – simply to create a typology as I do below itself involves a mental model that assumes typologies are useful, about which we could (but I hope we won't) argue for hours. But if we begin to talk about how we are thinking about a problem, it will be possible to surface the different mind-sets involved, and to make explicit some of the limits and constraints we may have put on the possible solutions.

These different cognitive approaches come from different academic and professional trainings, and from different value sets, political and social judgements as well as more fundamental epistemological bases. Several writers have attempted to create typologies

see Tarplett⁵, and Gardner⁶ and Beddoes Jones⁷– but at a practical level we can perhaps begin with a few:

Different ways of thinking about problems:

- Analytical thinking – using data and evidence; assuming that they describe and explain the world, drawing logical inference, extrapolating to planned solutions (learning from experience elsewhere, using data, interrogating evidence, analysis, plan-making)
- Systems-thinking – working from assumptions that human interaction and organisational interaction can be seen as analogous to complex systems (organic systems models focus on adaptation to environment and seek balance, while all systems models look for feedback loops and ‘systems effects’) treating causality not simply due to intended actions but explaining unintended consequences through the working of the system. (using feedback; action-learning, systems re-design etc – exploring other systems)
- Exploratory thinking – what-if? Exploring alternatives; potential futures, identifying the groups of factors that exist concurrently to sustain existing trends and investigating what would happen if one or more of them changed – using imagination to create alternative ways of doing things. (learning laboratories; scenarios, imaginative work, improvisation, stimulation from outside)
- Micro-political – understanding the world through competing interests – identifying the interests of different individuals or organisations – looking at the impact of divisions or inequalities; expecting conflict based on individuals or groups sharing interests – trying to maximise their own well-being and success (Simulations; role-play)
- Integrative – expecting to find different ‘versions’ of the world based on different ways of seeing the same facts, understanding differences and potential for conflict from the stand-point of different mind-sets – understanding systems but recognising that the same set of events could be seen through different ‘systems’ lenses – learning from the collision of ideas - trying to find solutions that win consent and can solve problems from several perspectives (Open strategy; world café; co-production)

⁵ Ref Paul Tarplett, Management Metaphors, OPM

⁶ Ref Gardner

⁷ Ref Diane Beddoes-Jones, Thinking Styles; from Cognitive Fitness Consultancy

- Strategic – seeing problem solving as a process through time involving a range of approaches and players with different perspectives and ways of working – orchestrating or ‘holding’ that process in ways that manage uncertainty and take account of the different needs and perspectives (understanding ‘leadership systems’, linking different approaches; designing collaboration and engagement in a whole process)

(In brackets I have tried to relate each mental model to the different learning techniques that could help to develop its use.)

Many minds make light work?

One of the starting points of our work has been the need for London to respond effectively to increasing complexity, moving away from silo-based, incremental change or from highly detailed project planning that breaks down into many parallel processes, involving lots of activity but little change. Changes in ways of thinking may be helpful in breaking through this complexity; a process I refer to as moving from **complicated and easy**, to **simple and difficult**. An example would be to break through the struggle to deal with overlapping and complex structures at area, neighbourhood and ward levels, and recognise that we are working with ‘systems’ not structures so that we don’t need fixed boundaries – each problem could be solved by bringing together the right people and data at the right level. Rather than seesawing between unwieldy partnerships on the one hand and silo solutions on the other, we could begin to develop what Charlie Ledbeater called ‘modular’ approaches, working effectively within small areas, or individual boroughs, but within a wider shared picture.

The complex social outcomes for which we are now aiming are more likely to require integrative than simple solutions. Many problems appear at first sight insoluble because they are the result of a conflict of interests – school exclusions is a classic; excluding troublesome kids from class enables the rest of the class to do better, but the excluded child does worse. We often argue endlessly between these positions without moving forward, because the cases made come from different perspectives, different mind-sets. Integrative thinking enables us to recognise the truth of both halves of the perspective – and to work from the ‘double truth’ to find a solution.

Different approaches to thinking through problems will require input from many different perspectives. Expert or professional solutions tend to fail because they are stuck within existing paradigms. It is often the process of conflict or at least the collision of ideas and mind-sets that can ‘break through’ to a solution. That’s why interactive events involving many different players can reach solutions that are beyond the power of any single agency or organization, and why co-production, drawing on the energy, design and effort of service users, can tackle problems that providers can’t solve.

Much of the co-production agenda is predicated on the need for integrative solutions – solutions that can solve multiple problems simultaneously, and can look at a problem from several different perspectives, recognizing that several truths co-exist. Managers are working in this way much of the time without reflecting on it, but where it is not happening, problem solving tends to grind to a halt.

Collaborative working

Collaborative working inevitably is both potentially more effective at finding solutions where single organisations have failed, and likely to exacerbate the tensions created where different approaches to a problem are being applied in an unexamined way. Inevitably, where people come from a range of different professional and/or organisational settings, they will see a problem very differently, and will get out different ‘problem-solving tools’ in response. Inter-agency collaboration can be brilliantly effective and create new solutions from the ‘collision of ideas.’ The Young Foundation report on Social Innovation suggests that social innovations are usually new combinations or hybrids of existing elements and that what leads to breakthrough is often ‘connected difference.’

However we shouldn’t underestimate the tension and irritation that can occur in collaborative working if conflict between very different mind-sets is neither planned, nor examined. This points to the need for creating ‘safe’ spaces in which to explore differences, and carefully designed settings in which ‘hybrid’ thinking can be allowed to flourish.

The Young Foundation’s work on social innovation identifies four sorts of barriers to social innovation: efficiency (since it always slows down immediate performance); interests (since some people will have a high stake in stability) minds (since any social system comes to be solidified into assumptions, values and norms that appear ‘obvious’) and relationships (since while the system is working, relationships between movers and shakers create additional stability and commitment to the status quo.) Their research implies that these barriers can only be overcome by paying attention to all four areas; identifying ways in which current systems are sub-optimal; finding those with an interest in change; helping to change mental models and building new sorts of relationships.⁸

For collaborative working to be effective, managers will probably have to be self-aware and reflective about all of these dimensions; about the pressures they are under which

⁸ Ref Mulgan et al, Social Innovation, Young Foundation and Skoll Centre for social Entrepreneurship

make it difficult to explore longer-term agendas; about the interests they are having to manage; about the mental models they bring, and about the relationships they will need. Only by working at all these levels will managers be able to explore the assumptions they carry, and to find ways to 'unstick' thinking that is constrained by those assumptions. Perhaps the hardest mindset to develop is 'open-mindedness' to different ways of doing things.

Developing future capabilities

Future leaders across the city will need to be able to:

- Use and interrogate data effectively – drawing together data from different sources and creating a holistic picture of a place with sufficient analytical rigour to derive judgments about workable plans for change –becoming familiar with the data for the city as a whole, and its relationships both with other cities and with a wider south-east hinterland
- Adapt and redesign delivery systems to respond to very different pressures and imperatives; reconfiguring services radically across boundaries to generate new sorts of provision. In the private sector, there is now talk of 'chaordic' organisations that are primarily networks operating with fluid delivery but strong governance. The future challenge will be to design approaches to governance that can secure strong legitimacy and accountability for networks of organisations that are fluid and creative
- Rethink the use of resources – including sharing/exchanging between agencies or communities, or even trading or borrowing and lending resources; redesigning energy use, transforming the way we use energy; and re-design work process and work patterns to adapt to new patterns of transport and movement
- Explain, examine and debate the values that underpin public services and intervention; identifying those that are most important to protect in any process of change: not only public service ethos, but values that underpin attitudes and behaviours both of other agencies and wider communities: standards of care; social behaviour; and values such as civility, reciprocity that enable conflict and tension to be resolved
- Create and refresh systems for engagement, governance and partnership working achieving the potential that partnerships have (but have seldom achieved) to maximise the "collision of ideas" but to do so within relationships that find serious debate energising and are able to resolve conflict
- Build effective public consent and legitimacy for actions that may challenge conventional assumptions or require changes in behaviour; finding new ways to

build trust and reciprocity with fast-changing communities, and re-thinking co-production to develop shared responsibility for issues such as waste and energy use

- Find solutions to multiple sets of problems – or to problems with multiple-causality – such as obesity; or climate change
- Examine and test out their mental models, constantly learning and reframing problems and solutions.

All the approaches to ‘thinking’ set out here will be important; what will be most important is navigating between the different approaches to find solutions that are not simply workable, but command widespread consent, and avoid unintended consequences.

Implications for the London Collaborative project

The London Collaborative will be agreeing with you a series of projects over the next year; which will address the future needs of London. It will be important that we don’t tread on the toes of the many collaborative working groups that already exist across the city, and are not seen to duplicate practical work that is already underway on many pressing issues. Leaders across the city, in programme after programme, tell us that their greatest challenge is finding time to think. That seems to be the most effective offer we can make – an investment in thinking time and space.

The London Collaborative can be seen as the R&D arm of Capital Ambition, able to think further into the future and to explore ideas with more freedom, because it is not charged with finding immediate managerial solutions. We have often been concerned that the public sector, unlike most major private sector industries, is unable to invest ‘up-stream’ in innovation and new product development. London Collaborative can concentrate on finding ways of thinking about the ‘next generation of problems’ in ways that will be developmental for participants in the network, and that may throw up practical gains – rather in the way that the space industry has led to many scientific advances, only a few of which have involved travelling into space! We plan to be London’s ‘laboratory space’ in which leaders can think. In doing so we will need to make links with social innovators⁹ and innovation projects, for example in health and education sectors, with agencies such as the Innovation Unit, and with London’s universities and colleges – to create a supporting infrastructure for ideas generation.

⁹ Ref Mulgan et al Social Innovation

Practical implications

The implications are more about 'how' we work on issues and projects, rather than about what we work on. We would want to discuss with you not simply a parallel development stream, but the careful design of each workstream to ensure that it offers scope for innovation. This will differ from workstream to workstream, but the range of potential approaches could include:

- Experience of how cities are working elsewhere in the world, with the possibility of visits, speakers, exchange, organisational raids etc.
- Experience from other authorities, agencies and partnerships within the UK, offering opportunities to share and explore practice – challenge events etc
- Bringing together academic expertise and thinking with managerial thinking to find new ways to frame questions
- What-if thinking – challenge sessions – identifying alternative ways of doing things from the private sector or from voluntary and creative sectors
- Systems thinking and systems redesign, identifying the working of 'London-wide systems, perhaps counter-intuitive ones, and exploring how they could be developed differently
- Micro-political explorations of complex issues – using simulations or role-play
- Integrative problem solving – using familiar techniques such as open strategy or co-production approaches – working to solve problems in ways that tackle several dimensions at once
- Development and learning sessions – opportunities to reflect on experiences where different mind-sets or mental models collide – exploring 'strategic thinking' and ways of orchestrating a 'problem solving process' to maximize the effectiveness of colliding ideas.

Once the themes have been established, we want not only to offer a 'wrap around' series of development events, but to work with you, and with the network, to design innovation into each workstream. Our proposition would be that we consciously plan to use different techniques in different sessions, and to reflect on the effectiveness of different approaches, building up a stronger shared language and awareness of the mental models in play at any one time.

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April 2008