

The Leader of the Future¹

by

Edgar H. Schein

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Edgar H. Schein

**Sloan Fellows Professor of Management Emeritus and Senior
Lecturer**

MIT Sloan School of Management

In approaching this topic it is always tempting to start fresh with new insights and to forget history. Yet the question of what does the leader of the future have to be is not a new question. It is, in fact, one of the oldest questions in the field of leadership and one ought to reflect a bit on what will be genuinely different in the future before answering the question. In this brief paper I will first talk about those aspects of leadership that will not change and then speculate a bit about those aspects that will change.

What is Not New

Leaders have been studied throughout history and social psychology has, from the outset, made leadership one of its main foci of research. One of the most consistent findings from historians, sociologists and empirically oriented social psychologists is that what leadership needs to be is contingent on the particular situation, the task to be performed, and the characteristics of the subordinates. One reason why there are so many different theories of leadership is that different researchers focus on different elements: 1) the nature of the task (e.g. Schein, 1992; Vroom & Yetton, 1973;), the characteristics of

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people identified clearly as leaders (e.g. Bennis, 1994; Conger, 1993; Fiedler, 1967), the nature of the subordinates (e. g. Hersey & Blanchard, 1977). In a sense all of these theories are correct because they all identify one central component of the complex human situation that leadership refers to and analyze that component in detail while ignoring others. At another level these theories are lacking a concern with organizational dynamics, particularly the fact that organizations have different needs and problems at different stages in their own evolution. We tend to treat the topic of leadership in a vacuum instead of specifying what the leader's relationship to the organization is at any given point in time. As we look ahead, I suspect that this leader/organization relationship will become more and more complex, so a beginning model for analysis should be useful.

Given the above issues, I would like to focus on what are the unique characteristics of the challenges that face people who create organizations (entrepreneurs) , and who run organizations (CEO's) at various stages in the organization's own life cycle. In thinking about organizations as dynamic systems with a life cycle of their own, one can identify such unique challenges and consider their implications for leadership behavior (Schein, 1992). While the nature of organizations will undoubtedly change in the future, the challenges of creating, building, maintaining, and changing (evolving) organizations to new forms will remain the same.

1. The Leader as Animator

A unique leadership function that one sees at the early stages of organizational creation is to supply the energy needed to get the organization

off the ground. Much is said about the vision of entrepreneurs, not enough is said about the incredible energy they display in trying one approach after another as they face repeated failures in their efforts to get an enterprise off the ground. I have watched this process in a number of young companies and am always struck by the fact that the leaders have more energy and manage to transmit that energy to their subordinates. It is an energy born out of strong personal convictions that motivates the entrepreneur him or herself and that builds excitement in others. Such people often literally breathe life into the organization, hence we should use a term like "animator" to describe this kind of leader.

2. The Leader as Culture Creator

Once an organization has life and survival potential what one sees is the transfer of the entrepreneur's beliefs, values, and basic assumptions to the mental models of the subordinates. This process of building culture occurs in three ways: 1) the entrepreneur only hires and keeps subordinates who think and feel like he or she does; 2) the entrepreneur indoctrinates and socializes subordinates to his or her way of thinking and feeling; and 3) the entrepreneur's own behavior is a role model that encourages subordinates to identify with him or her and thereby internalize the beliefs, values, and assumptions.

What is crucial to recognize at this stage is that if the organization is successful and the success is attributed to the leader, the leader's entire personality becomes embedded in the culture of the organization. If the leader has conflicts such as wanting both a team based consensus process for decision making and, at the same time, wanting to maintain complete control

and rewarding subordinates for individual prowess in solving problems, we will see in the culture of the organization inconsistent policies regarding decision making, incentives, and rewards. It is not inappropriate, then, to think of leaders who actually create "neurotic" organizations which live with various degrees of conflict and exhibit uneven patterns of strengths and weaknesses (e.g. Kets de Vries & Miller, 1984, 1987). The point in highlighting this stage is that once the conflicts become embedded in the culture of the organization, they cannot easily be changed because they have also become associated with the prior history of success and are, therefore, taken for granted as the best way to do things (Schein, 1992).

3. The Leader as Culture Maintainer

As history has shown over and over again, successful organizations attract imitators who become successful competitors. Products and markets mature and what made an organization successful in its youth is often insufficient in maintaining it. The "neuroses" of youth that may have provided some of the energy of building the organization begin to be liabilities as the organization attempts to adapt to maturing markets, more severe competition, its own increasing size and complexity, and the aging of its leaders and workforce.

The creators and builders of organizations often falter at this stage. What was good for the young organization, the high energy level and compulsive vision of its founders, becomes a liability as the organization finds it needs to stabilize, become more efficient, deal with the commodification of its products, and, most important, evolve new generations of leaders for a different kind of future. The problem of making this transition has two components: 1) The

founder/builder does not want to or is emotionally incapable of letting go of the leadership role, and 2) The founder/builder creates (often unconsciously) a variety of organizational processes that prevent the growth of the next generation of leadership.

Management development is typically a very weak function in young organizations and succession is often based on criteria that are not relevant, e.g. promoting the people who are most like the entrepreneur, or who are technically the most competent in the area of the organization's work rather than seeking out people who have managerial talent. Founder/builders often glorify the "technical" functions such as R & D, manufacturing, and sales and demean "managerial" functions such as finance, planning, marketing, and human resources. At the personality level such leaders often prevent potential successors from having the kind of learning experiences that would enable them to take over or, worse, undermine those successors who display the strength and competence to take over.

Successful leaders at this stage are the ones who either have enough personal insight to grow with the organization and change their own outlook, or ones who recognizes their own limitations and permit other forms of leadership to emerge. If neither of these processes occur, the organization often finds itself having to develop other power centers such as Boards or political cabals who force the founder out of the CEO role into other roles or out of the organization altogether. A new CEO then comes in with the mandate to help the organization to grow and remain successful.

Such growth involves the ability to understand the organization's culture with all of its strengths and weaknesses, and to consolidate those elements that are needed to maintain the organization's ability to function and grow. This is a period that we often think of as "institutionalization," identifying the successful elements and giving them permanence and stability. If the organization continues to be successful, it grows in size and age, forcing leaders to consider how processes that worked on a small scale and with young people can be evolved into processes that work on a global scale with maturing employees--a totally different leadership task. The elusive qualities called judgement or wisdom are probably most critical for leaders to possess at this stage of organizational evolution

4. The Leader as "Change Agent"

Unfortunately, as the rate of change in the technological, economic, political and socio-cultural environments increases, the very strengths that were institutionalized can become liabilities. Leaders now have to begin to think like change agents, because the problem now is not new learning and growth, but how to unlearn things that are no longer serving the organization well (Argyris & Schon, 1978; Schein, 1992, 1993). Unlearning is an entirely different process, involving anxiety, defensiveness, and resistance to change.

Leaders who find themselves in a mature organization that has developed dysfunctional processes and who have, therefore, to think of themselves as agents of change, have to have two particular characteristics: 1) they have to have the emotional strength to be supportive to the organization while it deals with the anxieties attendant upon unlearning some processes that

were previously successful, i.e. the ability to create for the organization a sense of "psychological safety," and 2) a true understanding of cultural dynamics and the properties of their own organizational culture (Schein, 1992).

The critical thing to understand about cultural dynamics is that one cannot arbitrarily "change" culture in the sense of eliminating some things that may be dysfunctional, but one can evolve culture by building on its strengths while letting its weaknesses atrophy over time. Culture cannot be manipulated by announcing changes or instituting "programs." If the organization has been successful in a certain way of doing things and has evolved mental models based on that, it will not give those up. However, mental models can be broadened and enlarged.²

For example, an organization built on individual incentives cannot become a set of teams simply because the CEO announces that teamwork is now necessary and launches a team building program. However, if that CEO understands culture dynamics, he or she will begin to reward individuals for helping others and for contributing to other projects, thereby acknowledging the deep individualism of the organization, but broadening the concept of individual competence to increasingly include "working with others," "building trusting relationships," "opening up communications across boundaries" and so on.

The essential learning mechanism here, what I have called "cognitive redefinition," involves 1) new semantics--redefining in a formal sense what individualism means; 2) a broadening of perceptions to enlarge one's mental

² I am indebted to Geoff Ainscow for the insight that one does not necessarily give up cultural elements when one learns something new, but adds those elements to what is already there. When an Englishman becomes American, he does not necessarily give up being English, but he adds what it means to be an American to his total personality.

model of individualism to include collaborative behaviors as well as competitive behaviors while still seeing oneself as individualistic; and 3) developing new standards of judgment and evaluation so that competitive behavior may now be viewed as more negative while collaborative behavior is now viewed as more positive (Schein, 1968, 1987). Culture is "changed" or really enlarged through various key concepts in people's mental models undergoing cognitive transformations of this sort.

Note, however, that such transformation does not occur through announcements or formal programs. It occurs through genuine change in the leader's behavior and the embedding of new definitions in organizational processes and routines. It is here that the leader must "walk the talk," and that, of course, implies that the leader also has undergone a personal transformation as part of the total change process. If leader behavior and organizational routines change, the organization will remain culturally individualistic but the ability of its members to function as team members will increase. Whereas previously "individualism" might have meant personal competition to get ahead by playing political games, it is now broadened and redefined to include whatever teamwork is necessary to get the job done, and individuals are rewarded on this basis.

If the organization is in deeper trouble, and its culture is genuinely inhibiting the kind of growth and change that is needed, the leader as change agent sometimes has to bite the bullet and destroy elements of the organization itself, those elements that are the culture carriers. For example, many layers of management may have been so indoctrinated with the idea that individualism means competing with others in the organization to get ahead that they are

unable or unwilling to open themselves up to any other alternative. To become more collaborative would be tantamount to "not being themselves." Sometimes such individuals leave when leaders bring in new concepts, but if not, the organization faces what we colloquially call "turn arounds."

When the "turn around manager" comes in, it is no accident that the top layers of management are replaced and that massive reorganizations occur. The function of these drastic measures is to destroy elements of the old culture and to initiate a new culture building process by removing the people who carry and represent the old culture. It is incorrect to think of this stage as "creating a new culture," because that is not possible. The leader can create a new organization with new procedures, but the formation of culture takes collective learning and repeated experiences of success or failure.

It is more correct to think of this point in the organization's history as a point where the organization building cycle starts afresh. One can then think of turn-around managers as having to have many of the same qualities as entrepreneurs, particularly the ability to animate a new organization. In addition, however, the turn around manager must deal with the anxiety and depression of the employees who remain and feel guilty that they survived while many of their colleagues and friends did not. Rebuilding their motivation and commitment often requires higher levels of animation than building an organization in the first place.

What cannot be ignored by leaders is that culture destruction is extremely costly on a human level. Large numbers of people have to face that fact that the way they have been thinking and feeling is no longer functional. Personal

change at this level is typically difficult so people who represent the old way tend to be forced out of the organization. The new people who come in have to start a building process all over again, and it is not even clear whether this is possible. A mature dysfunctional organization may disappear altogether and be replaced by young organizations who started from scratch with new generations of entrepreneurs whose initial mental models were different and more adapted to current realities.

Those organizations that seem to have survived and made important transitions over many decades seem to have always had a cultural core that was fundamentally functional--a commitment to learning and change, a commitment to people and all of the stakeholders in the organization (e.g. customers, employees, suppliers, and stockholders), and commitment to building a healthy flexible organization in the first place (Donaldson & Lorsch, 1983, Kotter & Heskett, 1992; Collins & Porras, 1994). If such a cultural core does not exist from the beginning perhaps the organization will not survive in the long run, especially as environmental turbulence increases.

What If Anything Do or Should These Leadership Roles Have in Common? A Look Toward the Future

As we look back in history, it should be evident that the Animators and Builders are fundamentally different from the Maintainers and Changers. It takes strong vision, conviction, and energy to create an organization; it takes great skill in pulling large groups of people together to institutionalize processes on a global scale with a very geographically and age diverse population. And it takes learning ability and personal flexibility to evolve and change

organizations. It is around this last point that we connect with the future and what it will bring.

The one thing that is becoming clearer and clearer is that the institutions of the past may be obsolete and that new forms of governance and leadership will have to be learned (Michael, 1973, 1992; Rosell, 1994; Senge, 1992). Furthermore, as the rate of change itself increases, learning ability will not mean a one time "learn the new system," but perpetual learning and change as the only constant. Leaders of the future will, therefore, have to have more of the following characteristics:

1) Extraordinary levels of perception and insight into the realities of the world and into themselves.

2) Extraordinary levels of motivation to go through the inevitable pain of learning and change, especially in a world with looser boundaries in which one's loyalties become more and more difficult to define.

3) The emotional strength to manage their own and others' anxiety as learning and change become more and more a way of life.

4) New skills in analyzing cultural assumptions, identifying functional and dysfunctional assumptions, and evolving processes that enlarge the culture by building on its strengths and functional elements.

5) Willingness and ability to involve others and elicit their participation because tasks will be too complex and information too widely distributed for leaders to solve problems on their own.

6) The willingness and ability to share power and control according to who knows what and who has what skills, i.e. to permit and encourage leadership to flourish throughout the organization.

Perhaps the most salient aspect of future leadership will be that such characteristics will not be present in a few people all the time but will be present in many people part of the time as circumstances change and as different people have the insight to move into leadership roles. Leadership will then increasingly be an emergent function rather than a property of people appointed to formal roles. Whereas today the process of appointing leaders is a critical function of Boards, electorates, government agencies, and so on, one can imagine that in the future the appointed leaders will not play the key leadership roles but will be perpetual diagnosticians who will be able to empower different people at different times and to let emergent leadership flourish. They will not assume that all groups need leadership, they will not assume that leadership means hierarchy and control of others, and they will not assume that accountability must always be individual. Instead, the leader of the future will be a person with the characteristics mentioned above who can lead and follow, be central and be marginal, be hierarchically above and below, be individualistic and a team player, and, above all, be a perpetual learner. If the world is to learn to manage itself better, many more people in organizations will have to be leaders and the leadership functions described above will have to be much more widely shared.

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