# A change from leadership (vertical powerstructure) to leadingship (horizontal powerstructure) at work. The theory and practice.

**Rune Kvist Olsen © 2006**

# Contents:

# A change from leadership (vertical powerstructure) to leadingship (horizontal powerstructure) at work. The theory and practice.

By Rune Kvist Olsen

## 1. Introduction

During the course of lectures and workshops about workplace issues and organizational matters, I sometimes ask participants the question; *«Do you know the difference between «Leader-ship» and «Leading-ship?»*. Most of the answers I get are like this;

*«Leadership means that a person in charge is leading while leadingship means that other persons follows the person in the lead.»*.

I then describe and illustrate the answer in my own way through the following image; *«A «Leader-ship» is a ship that is in the lead because of its supreme authority, position and rank as a superior entity. We can tell it´s a leader-ship because of its formal status, prestige and priveleges. A «Leading-ship» is a ship that is in the lead because of its authentic character, individuality and personal authority based on its autonomous competence, ability, capacity and skills.»*.

The reactions are often formidable and astonishing. Then I ask the question; *«Which of the two ships would be in the lead if the two ships would be in the same race?»*. The answers from the audience are as expected; *«The «leader-ship» must be in the lead because it is entitled to be in the lead by its supreme function and role as a superior. The other ships must consequently follow because of their submissive roles as subordinates.»*. No questions about that at all!

What are the beliefs and values that underlie these reactions? The dominant perception and the widely held view is that someone always must lead and others must be led, as if these others are not capable of doing the leading by themselves. We call this concept *«the vertical principle of power»*. When the vertical power-principal is the foundation of our beliefs and values, then the *«leader-ship»* must be in the lead as if this was a natural law, rule and regulation. The vertical power-principle then shapes our views and perceptions of the human being as a entity, and forms our conceptions of individuality itself. Some are better able to lead others, are worthy the supreme authority placed in the superior position and rank, and are entrusted the right to make decisions upon others. These others are by their virtue as subordinates, better off being led by someone and are not worhty the same trust and freedom to make their own decisions.

I then introduce the alternative thoughts and ideas of the nature of the *«leading-ship»* as a steering-mechanism which enables the ship *to lead it self together with other ships* because of its ability to take responsibility for its own decisions in collaboration with others. With this statement I obviously steer up confusion and bewilderment in the audience. We call this alternative thinking and consept *«the horizontal principle of power»*. If the horizontal principle of power is the premise of the race, then the functions and roles as superior and subordinate entities are removed. The ships then can make the race as equals based on their personalities as sovereign and autonomous entities.

You therefore have two main options in chosing and selecting your right kind of ship:

1. **The Leader-Ship:**
   The ship for persons who aspire and have the desire for the rank and position to lead others in the sense of making decisions for them. In this way they operate on behalf of other persons.

2. **The Leading-Ship:**
   The ship for persons who want to lead themselves together with others in the sense of making individual decisions and contribute to common decisions.

The famous English author William Shakespeare wrote in the story of Hamlet *«To be or not to be? That is the question»*. If we use the subtle underlying meaning of this expression and transfer it to our terms of *«leader-ship» and «leading-ship»*, we might say instead *«To lead or not to be led? That is the question»*. If the vertical power-principle is the operative premise, then we might get our answer in the following statement; *«Someone to lead and others to be led»*. If however we use the horizontal power-principle as the premise, we will find our answer in the opposite statement; *«Everyone to lead and none to be led»*.

## 2. The concept of «leadership versus «leadingship»

In the 1980´s I started to develop the concept of *«leadingship»* as a function of the joint efforts of individuals working together in contrast to the concept of *«leadership»* as a assignment of tasks by the person in charge. I started to outline the nature and substance of the inner psychology of power connected to the way organizations are shaping and structuring their work-processes. In my research and design of concepts I defined the concept of *«leadingship»* as a contradiction to *«leadership»*.

**A. Leadership:**

The nature of leadership is expressed through the actions of people in superior positions who are handed power (the authority to make decisions) to command, control, give orders, supervise, surveille, and sanction their subordinates based on their supreme rank in the organization.

Leadership is about the deprival of the human rights (personal authority and autonomy) of subordinate individuals to decide what is best for themselves, in their own situations and in their relations at work. It is as if this obvious right to self-determination (based on the fact that people are quite capable to make own decisions) ceases when people are joining the working life. When people are in the job-business as employees, they must exchange and trade their human rights as independent and responsible persons, into subserviency and submissive behaviour in favour for employment, occupation, work, jobs and income. This is the primary condition in becoming an employee and staying as an employee in working life.

The ability to acquire and maintain the authoritarian power control in the workplace has been enhanced during the last 20 years in numerous ways through the development of sophisticated and advanced controlling devices and methods. Systems of electronic surveillance and supervision have accellerated in extreme proportions, wich have made the superiors even more able to keep the control over others (both on a close and a remote distance). Richard Sennet (1) writes in his book:

*«Time in institutions and for individuals has been unchained from the iron cage of the past, but subjected to new, top-down controls and surveillance. The time of flexibility (a token of autonomy) is the time of a new power. Flexibility begets disorder, but not freedom from restraint.».*

As subordinated employees, people must entrust their right of independency to superior employees who, through their positions and ranks, are entitled to determine and make decisions over other peoples work-power, work-time and working-situation. This is the nature of *leadership as a system*, the locus of managerial control, and the legitimacy of management in command.

The system of leadership necessitates a powerstructure where a lot of people are deprived of their human rights in the workplace because of their subordinate positions and ranks. This structure requires that people are treated based on their position and ranks (in contrast to be treated based on their individuality and identity as human beings). Consequently *leadership* is a system of *organized inhumanity*, because this system rejects the human principle of the right to self-determination for a large group of people in the workplace.

The definition of leadership amounts therefore to this:

*«The determination over others by superiors and the subjection to direction of subordinates.».*

Leadership in practise can be described as *«getting things done through others»*. The leadership-model is therefore based on these principles:

1.  The right to lead others.
2.  The duty to be led by others through coercive loyalty.

The consequence of leadership in the workplace is that some people, based on their positions and ranks as superiors, must be controlling and commanding other people in excercising and executing their jobs. The subordinates must submit with loyalty, subservence, conformity, and obedience to the controlling and commanding person in charge as the main condition of subordinated employmency.

**Leadership is therefore the disposition:**

*«To govern by preserving power for oneself and protecting joint power together with fellow leaders.».*

**B. Leadingship:**

The nature of leadingship is diametrically opposed to the nature of leadership. The contradictions between the two phenomenon are based on incompatible principles and values which are irreconcilable in theory and in practice. Leadership is connected to the person in charge, while leadingship is connected to the function of leading. Leadership excludes the possibility that people at work can make decisions by themselves based on the nature of their individualities and personalities, and also excludes the possibilities that people can have a equal share in the determination-process as peers.

Leadingship acknowledges people´s rights to determine by themselves and make their own

decisions regarding their work and work-situations. Leadingship means that people will use their work-power to contribute to common purposes and efforts in the organization as individuals whether alone or together with others. In that way they are able to keep their independence and freedom as sovereign and autonomous human beings intact. This is the nature of *leadingship as a system*. This system necessitates a powerstructure where all people in the organizations have equal rights as human beings to make their own decisions within their respective area of responsibility. This system through its participative character, establishes and maintains people´s right to influence and contribute to decisions that affect their own working situation in the workplace.

The essence of leadingship is that it enables people to be leaders in their own leading-processes and enables everyone to contribute with their competencies to the common leading-processes in an organization. Leadingship requires that people are treated on basis of their *person* as unique and equal individual human beings. We can therefore say that *leadingship* is a system of *organized humanity* because the system acknowledges and grants individuals their human rights to work and function as sovereign and autonomous human beings with the right to self-determination in the workplace.

The definition of leadingship therefore is this:

*«The self-determination for the individual to make personal decisions within his or her own area of responsibility and the concurrent access to participation in common decisions».*

Leadingship in practise can be described as *«getting things done through oneself in collaboration with others»*. The leadingship-model is therefore based on the principles:

1.  The right to lead one self.
2.  The duty to lead (support/assist) each other in trustworthy mutuality.

The consequences of leadingship in the workplace is that everyone in the organization based on their personalities and individualities as separate human beings, get their jobs done through their independent and responsible actions as equal members and partners of the organizational staff.

In leadingship-processes people are treated as the persons they are in the sense that all individuals are treated with dignity and decency based on the belief that all individuals are deserving access of equal freedom and trust in the workplace.

**Leadingship is therefore the disposition:**

*«To govern by sharing power with others and enabling each other to become powerful individuals».*

The philosopher Michel Foucault (2) gave for many years ago a statement on the question of «how does one govern one-self?»;

> *«How does one «govern oneself? By performing actions in which one is oneself the object of those actions, the domains in which they are applied, the instruments to which they have resource and the subject which acts.».*

To clarify how the principles of «leadership» and «leadingship» can be applied to structure an

organization, we can start by unpacking and unfolding some central aspects. As a starting point we must differentiate between:

* Leadership as a task (assigned to a person).
* Leadingship as a function (individual and collective efforts, achievements and performances).

The following pattern will then be manifested as follows:


## Leadingship as a function

**Leading of processes**
(individual responsibilities)

**Leadingship-needs**
to achieve and contribute
(have the control and influence over ones own work-process and work-situation)

**Leadingship-role**
(performer of services)

**Leadingship-demands**
(the demands individuals put forward in enabling necessary resources in the production and deliverance of the services to the customers)

**Leadingship-competence**
(the necessity of personal knowledge and skills in regarding the request of abilities and capacities in the production and deliverance of services)

**Leadingship-training**
Training and education for everyone (because everyone are leading and are leaders). Personal development of the individual competence on the job and participating in training programs to develop human relation abilities and capacities. The training encompasses all the people on the local workplace.


## Leadership as a task

**Leading of persons**
(management responsibilities)

**Leaderships-needs**
to manage and contribute the conveying task (command and control others through motivating, persuading, convincing or coercing others to do their jobs).

**Leadership-role**
(monitor and superviser of people below)

**Leadership-demands**
(the demands the superior makes on the subordinates)

**Leadership-competence**
(the knowledge and skills the superior must acquire to be able to exercise the controlling and commanding task over others)

**Leadership-training**
Training and education for someone (who are in position as superiors) through meetings and coaching. Participation in management programs to develop the condition for managing the work-power. Management programs are organized outside the workplace.


When we apply *the strategy of leadingship* or *the strategy of leadership*, we will find that our view of ourselves and others in our organization differs depending on which strategy we chose and select.

The *leadership strategy* is based on positions and ranks, and will inevitably lead us to percieve our environments, circumstances, relations and jobs from this position-based point of view. The *leadingship strategy* is based on persons as individual human beings, and will inevitably lead us to perceive our organizational reality from this person-based point of view. To approach the essential phenomenon of «leading», we can look at how we perceive this phenomenon from our respective points of view.

During the last 25 years I have done and led several projects within working-environments and examined different aspects of organizational functioning. The examination have been arranged as quality surveys using soft-methods to encourage and create individual participation, and thereby giving the individual employee a real opportunity to present and share his or her personal experiences about working-conditions and work-situations in a way that covered a wide range of topics. The answers were provided in writing and anonymously. The participants indicated their position-role in their organization as respctively «leader» (superior) or «non-leader» (subordinate). The topics varied from organization to organization aside from the topic *«leadership/leadingship»* which was a common item in all the project-surveys carried out.

To get a clearer picture of this research (as I will characterize as a action-oriented way of organizational intervention) I will refer to a specific project a few years ago which can illustrate *the logic of leadership*. The project was carried out in a middle large pharmacist company. The primary object of the survey was to enable the workers in developing a shared conception of their collective reality at work in their organization. To achieve this, the individual employees had to be able to acknowledge, adopt and address one another´s separat reality-orientation. On this basis, they would be able to form and develop a shared conception of their common reality. Then these people would be able to say; *«This is our conseption of our reality»* and not only; *«This is mine perception of the reality»*.

On this foundation the next objective for the project was to apply the inputs from the survey into the restructuring and reorganization of the company. The main idea was that it is only possible to create a shared vision of the future for all individuals when people share and accept their distinct views of reality based on equal and mutual worthiness and truthfulness. When they have obtained the necessary insights from each other´s perceptions of reality, people will be willing to implement a development-process within the company on the ground of shared understanding of a reality to which they all belong.

Our perception of our reality is the basis for our subjective belifes and assumptions, while acknowledgement and understanding of the reality is something that will lead us to commonsense knowledge and wisdom of our reality as *a whole*. A quality survey would therefore provide us with authentic knowledge of the real work-situation of all employees regardless of their positions and occupations.

The main conclusion of the survey was that the individual perceptions of the work-reality within the company were directly connected to the position of the person in question. If the person was a leader, the person would perceive his or her reality-orientation from the vantage point of their superior position. If the person was a non-leader, the person would perceive his or her reality-orientation on the basis of the subordinate position. The answers from leaders and non-leaders had wide variations because the reality perceived upward (from the non-leaders/subordinates) was very different from the reality perceived downward (from the leaders/superiors point of view).

Leaders and non-leaders generally conceives their common reality in the organization as contrary realities, because they can only look at reality through contrary «spectacles/lenses». Our view of the world becomes the reality as *we see it* based on our individual and personal needs, aspirations, desires and ambitions. We are focused in utilizing our profession at work and in making our career and advancement in the organization. One of the most important consequences of contrary views of the reality in a company, is that persons in leader-positions will have just a minimum of understanding and limited empathy for the persons in non-leader-positions, and the persons in non-leader-positions will have the corresponding orientation the other way. This contradictory orientation in the relationship between superiors and subordinates, creates a serious dysfunction in the organization; namely a severe lack of communication in workplace relationships. *How can people communicate (an essential ingredient for collaboration) when their respective perceptions of reality and their attendant needs for communication, are plain contrary and opposite as a result of their unequal positions as superiors and subordinates?* This is a dysfunctional aspect of the vertical powerstructure in every type of verticalized organization.

An example of the consequences between leaders and non-leaders in their perception of reality and in their viewing of the human being at work, was illustrated through the relation between *«leadingship-needs»* and *«leadership-needs»* concerning the exchange of information and the flow of communication in the company. The leaders were generally in favour of the (leadership) notion that *«The superiors needs in providing information must be the reason for providing information to the subordinates».* As one of the leaders expressed; *«My leadership-need conserning information, is to give my subordinates the type of information that I decide they will need to do their jobs.».*

The non-leaders, for their part, shared a common view in their consideration of their needs for information within the company. Their view was that *«The subordinates needs for information must be the primarily basis for the leader´s responsibility in passing and sharing information.».* As one of the non-leaders said: *«My interest in attaining information is in getting the information that I consider important for my self in carrying out my responsibilities and in performing my services.».* From these comments and views we can begin to understand how the contradictions in reality-orientation between leaders and non-leaders in the company, had created and maintained a deep discrepancy and a dysfunctional disorientation in the communication-flow regardless of the topic in question.

The main problem with the vertical powerstructure within the organization, is that the power-distribution is evident uneven and unbalanced with almost all the power (the authority to make decisions) in the hands of the superiors and allmost none in the hands of the subordinates. This is not an awkward and peculiar characteristic of the hierarchical organization, but a main steering-mechanism in the maintenance of the vertical powerstructure. The dividing line between those in charge and those not in charge, can best be described as a line of demarcation between the powerful employees and the powerless employees in the organization.

The superior person has, by virtue of his or her position and rank, overall authority to determine the correct version of the truth in any kind of situation in the workplace; what has happened in a given situation, what has caused it to happen and so on. The subordinate person must therefore (in keeping his or her job) accept the superior´s version of the situation as *the Truth and only but the Truth* with unquestioned loyalty and obedience. When the description of the actual matter is different between the superior and the subordinate, the subordinates description in the case will inevitably be declared less reliable, invalid, intolerable and powerless.

Within this context, the survey in this company led to following conclusions:

## 1.
Leading in the company is synonymous with the leader in charge (not leading as a function). It is the leader alone who can decide the content of the leadership, the subordinates needs of leadership-services, and how the leadership is exercised and executed.

## 2.
Superior persons in the organization have managed to twist and distort the picture when describing situations end events in ways that cause others (on higher levels) to accept their distortions as facts and realities. Superiors in the middle management level seek and get support for their views and their perceptions of reality from the senior layers in the organization (superiors both confirm and protect each other irrespective of their management level in the organization). Disinformation and misinterpretation are normal mechanisms and tools that people use to get their versions of reality confirmed and supported. The superiors often actually succeed in doing so because of the collegiality that bonds superiors in the organization.

## 3.
The organizational culture can be characterized as one-sided, anti-mutual and biased, and is re-enforced by the superiors through their leadership on a daily basis. The normal decision-making practice is that the superior makes decisions first and informs the subordinates about them later. Subordinates are seldom consulted in decision-making processes which affect their own working-processes, because of the supreme authority to lead others vested in the leadership-role. The exclusion of subordinates in decision matters is often also caused by fear of disagreement, opposition and resistance from subordinates when decisions are forced down their throats. The fact that a decision can be made on false assumptions and on incompetent grounds, does not seem to concern and affect the superiors in their decision-practices.

In sum the leadership strategy as we have seen in this example can be described as follows:

*People perceive their reality differently according to their position and rank as superiors and subordinates in the organization. This difference in perception means that people in high level and low level positions perceive their common reality as contradictory, and pursue their personal interests according to their respective status. The consequence of unbalance between high and low status is that people are inclined to behave and relate in provocative and conflicting ways towards each other. Superiors exploit their respective personal interests to achieve and maintain power on the expence of the people below. Subordinates respond with loyalty and obedience. In perfunctory compliance with the superiors wishes and demands, the subordinates undertake self-adaptation and self-suppression.*

What was the results of the survey and investigations in this company regarding the will and ability within the organization to follow up the conclusions downpassed in a comprehensive report?

Shortly after the presentation of my report, the management closed the project from further attention and sealed the report with a penstroke as a stored, completed and finnished matter. The leaders refused to relate to the conclusions in the survey and rejected them by judging them as unreliable and invalid. On this bias foundation the survey was therefore brushed aside as a senseless absurdity in the managements point of view, and the descriptions put forward was declined without hesitation

Rune Kvist Olsen © 2006

as not useful, not adaptable and not applicable in the organizations further search for acceptable solutions.

Was the fate and destiny of this spesific project – the total rejection of the survey by management – exceptional? Was the managerial reaction to the critical reality-description and the unified sentiments from about 85 % of the employees in the company, representative of management reactions to such criticism in general? Can we deduce from this spesific case some general tendencies and patterns concerning managerial behaviour in vertically-driven companies (about openness and closure to unpleasant and critical exposure).

From my experience I would say yes. I have conducted a large number of surveys during my 25 years as a organizational designer and, during this time, have observed a clear and spesific pattern which have developed into the 21$^{st}$ century. These observations thoroughly documented by survey-results are self-evident. The difference in reality perception between superiors and subordinates in the workplace reveals a significant gap between leaders and non-leaders. This gap is perhaps the main reason behind fundamental conflicts and confrontations in the workplace because of the dysfunction in communications that this gap creates between the powerful and the powerless.

To illustrate *the logic of leadingship* I will use an example from a development project in an production unit within a mechanical industrial company that I was involved in a few years ago. This project was established to make further improvements in productivity and efficiency. The production unit had, over a long period of time, taken various steps in implementing productivity-actions. After about 10 years it had achieved an optimalization of results in its production processes. However the production manager was of the opinion that there was considerable potentials for improvements to unleash and release among the human resources in the organization.

The employees were still dependent on direction from the manager to be told what to do in a certain degree. Even if productivity had improved to its relative maximum, the employees had not yet developed their ability and capacity in being 100 % independent and responsible in their own actions and in achieving their true and genuine human potential. If and when the employees reached this level of optimal personal performance, the manager truly believed that he would be substantial relieved from his detailed supervisory responsibilities. He had a strong hope that he could transform his *leadership-role* into a *leadingship-role*, relating to employees as person to person compared to the relationship between superior and subordinate. In other words the manager was thinking about transitioning from a *interventionist leadership style* (vertical powerstructure) to one of a *counseling leadingship style* (horizontal powerstructure).

By this time the manager had read my article of *The New Working Life* (2003), and hoped that the ideas presented in this article could provide a sufficient and appropriate approach in developing and improving his organization to its maximum potentials. Through the release of latent individual resources the manager was convinced that these ideas could bring the production unit to a world-class level by substituting the vertical powerstructure with a horizontal powerstructure. This total restructuring of the distribution of power in the organization through *leadingship*, was the key-stone in establishing each individual person as an equal with a truly mutual status among his or her peers.

To reach this goal and gain the corresponding practise in leading, each of the employees would have to be regarded as leaders and gain individual independence and personal responsibility within their own working-area in the production-process. The manager had an absolute belief in his fellow

workers abilities and capacity to become truly independent and responsible if the necessary working-conditions was provided.

On this basis I was invited to share my ideas and experiences and assist in applying and implementing t*he concept of leadingship* into the organization. The main challenge in this process was to get the people used to the idea of being 100 % independent in their own working-process and to take 100 % real responsibility for their own actions. This transition-process demanded hard work over a long period when the old vertical powerstructure was removed and replaced by the new horiziontal powerstructure. This structural transformation would then create a real alternative in relation to the old ways of thinking in vertical patterns and the hierarchical ways of working, by developing new mental models of individual independency and personal responsibility.

The process of establishing a horizontal powerstructure and a egalitarian and humanitarian organizational structure in this organization went on for about a year and proved definitively that a workplace where a *leadingship strategy* is applied can achieve extraordinary results in quantity, in quality and efficiency when compared to verticallly structured organizations and hierarchical workplaces that use traditional performance metrics. This comparison is valid in relation to restructured organizations that have gone through a flattening-process to reduce their hierarchical levels. When the measuring scale is calibrated to a hierarchical way of thinking, the results achieved through a *leadingship strategy* will in the best case be perceived as unreliable and invalid, and in the worst case as unthinkable and impossible. When the measures are attuned to horizontal and egalitarian values, the results can readily be acknowledged as logical and valid based on our belives in the actual potential of the human being.

An example of how improvement-results have been measured in a vertical organization (the production unit before transformation) and a horizontal organization (the production unit after transformation), is as follows;

**1. Measuring of productivity in a vertically driven organization:**

> A meassurement-scale in a vertically-driven organization is based upon a predictable scale from 0 to 100% in measuring probable statistical improvements in increasing or decreasing amounts. The magnitude of improvements can be measured and expressed as a percentage. The production unit that was involved (described above), realized a 10 % increase in productivity (as a result of 150 actual improvements) throughout the first year of their improvement-project. After 10 years, productivity had increased by 85 % (based on aproximately 1300 improvements each year). To achieve the maximum increase of 100 %, the organization had to reach 1500 improvements in a year. This limit was conceived as the maximum achievement that was realistically possible based on the measurement-scale that was devised to track the organization´s result. If and when the organization achived this result or something close to it, it would consider itself a world-class performer.

**2. Measuring of productivity in a horizontally driven organization:**

> A measurement-scale in a horizontally-driven organization takes into account the extent to which hitherto dormant human potentials are being unleashed in the effort to improve business. If the human being releases his or her true potential, the increase in productivity will expand and reach far beyond the conventional limits of measures that are used to track

productivity improvements in vertically driven processes. The potential is there to achieve improvement-results that far surpass conventional expectations in production and service delivery. The results grow and progress in a synergistic manner as an ongoing, unlimited and never ending performance improvement process involving both quantity and quality. This is consistent with the limitless nature of the human being; *the indefinitely and renewable potentials of human resources.* When the production unit implemented the horizontal powerstructure based on the value of the individual human being as the core and key-factor in the work-process, the production unit achived 2500 improvements in the first year of its  horizontalization. At the end of the second year the organization achieved 4500 improvements. These result exceeded those in the vertical operation by more than 300 %! In addition this achivement included a significant and corresponding increase in quality of production and services throughout the production-chain as a whole.

When the effects of leadingship could be measured through concrete and verifiable production results, the organization and the workplace had attained a fundamentally new standard in how work is done and how the outcomes could be evaluated and measured.

The starting point for the improvement process in the production unit was based on the 5 fundamental thesis (extracted from the concept) of developing a horizontal powerstructure in the organization:

1. In our organization all are leaders.
2. Our leaders will lead through leadingship.
3. Leadingship means that all of us do our jobs independently and together depending on what we need of neceessary working-agreements at any time.
4. Leadingship requires that all of us function completely independently and responsible as individual human beings within our respective area of work.
5. Leading is the function where each of us take equal and mutual part in the decision-process. We  make sovereign and autonomous personal decisions and act as loyal colleagues towards each other´s personal decisions and our joint decisions.

The context of leadingship based on these thesis or principles demands a certain way of viewing and perceiving the human being at work;

1. The belif that the individual human being is capable of steering and governing his or her own person and taking responsibility for his or her own actions in the workplace. This enables us to grant each other personal freedom and to show everyone trust without conditions (in contrast to the belief that people can only attain freedom once they have proven themselves worthy). Mutual trust and personal freedom are unconditional human rights and not conditional priveleges that are granted as rewards or compensation. Every person is worthy of the trust and freedom that all types of working situations require and this consciousness is needed to enable the self-respect, the self-esteam and self-confidence in getting the job done.

2. Our personal will to self-determination and our individual will-power to create full personal independence and individual responsibility must be confirmed by our ability and capacity to treat each individual person as the human being the person certainly is (and not by treating

individuals as the persons they are expected to be in the eyes of others).

3. As colleagues we must confirm through our actions that we can relate to the the fact that all individuals are different as human beings and have unique competencies that they can contribute to work processes with. On this basis we must acknowledge that the personal contributions from everyone are required and are necessary in achieving sufficient standards of service and performance. The effort to unleash and release human potentials and latent human resources is the enabling mechanism that can ensure that different jobs are done in the organization by the individual person in charge through collaboration with others.

Through these principles and values the project progressed, developing the new horizontal organization and in the end creating a *new vision* of working conditions and work processes within the production unit. The new vision was as follows;

1. We acknowledge, accept and treat each other as individuals with different and unique identities and personalities.
2. We relate to each other as equals and acknowledge the fundamental human right to be respected as the person we are with mutual trust and personal freedom.
3. We achieve results through goal-oriented, conscious and competent activities independently or in collaboration and cooperation with each other.
4. We adjust our working styles and forms to our tasks and responsibilities by adapting our work-processes to the spesific matter at hand.
5. As an individual member of the organization I take full responsibility for my own actions and undertake responsibility for our collective goals and for the results of our joint efforts to achive these goals.
6. I am responsible for developing my competence consistent with the demands for services that I am involved in providing.
7. We have a joint responsibility to share and exchange experiences with each other and to make certain that our own and others learning-activities are integrated and become a part of our collective values in our progress as individuals and as an organization.
8. We are as individual members dependent on each other to release and unleash our potentials and to use our resources in the work-process as a whole. This element demands total equality, mutuality, openness, trust, security and safety among us as autonomous peers and sovereign partners in the process of adding value to our services. We must understand that we must first must function well as individual human beings to be able to function well as a community at work.
9. We must acknowledge that personal ownership and individual anchoring of the work-process as a internal personal value, are created and shaped through our real participation and concret influence in the decision-processes in which we, as individuals, are granted inclusive participatory right. This personal ownership and individual anchoring is the main factor that gives us the drive and energy to perform high-class services at any time.

With the help of this vision everyone went ahed to get prepared for the new workplace reality. They developed a strong disposition toward supporting and assisting each other in the process of reshaping the structures of power and work organization. The result of this ongoing process was the establishment of a horizontally driven organization both in relation to the distribution of power and

the work-processes, with the individual person as the core in adding value in the production of goods and the delivery of services to internal and external customers.

There is one central element in this transformation process that is worth mentioning, namely the effects by cooperation and involvment of every individual person from the start of the process and throughout the implementation phase of the new organization in operation. The participants agreed that cooperation and involvment only become cultural norms in the organization when the right to real participation for everyone is supported by a corresponding powerstructure that will grant everyone their participatory right as individual human beings. This participatory right must be an absolute unconditional right based on the value of the individual as a free, responsible and trustworthy entity. Unless this right is granted and secured, the individual will very likely conteract the process with resistance and opposition. To secure the success of the transformation process from vertical and hierarchical to horizontal and egalitarian structures, the people in the production unit understood the need to develop *the idea and vision of leadingship* in enabling the organization to replace the old vertical powerstructure with the  new horizontal powerstructure. In other words the employees had to focus on replacing the fear, intimidation and anxiety caused by hierarchical mechanisms and vertical environments with mutual trust gained in true relationships between equal human beings operating in horizontal and egaliterian circumstances.

In sum *the leadingship strategy* as we have seen in this example can be described as follows:

*People view their reality differently as individuals with different conceptions and perceptions. But when people are able to communicate as persons on the same level, they will evolve a joint view of their reality on the basis of a vision that has emerged and emanated through real participation among all the individuals in the organization. The people will reach a common conception of their reality the moment the individual person accepts and ackowledges other´s conceptions of the reality as a integral part of his or her own reality. This is because a shared reality conception that develops through communication will inevitably create an awareness inside the individuals as members and partners of the same reality context. In other words, a collective conception of reality occurs when individuals accept that other´s perceptions of their reality can be as real and true as their own. This is a fundamental factor in creating a joint effort at shaping a common consciousness in the organization as a base for integrated and coordinated individual actions and collaboration between the individuals.*

The idea of "leading-ship" is not new or something that exists only in theory. Societies that functioned (and functioned quite well) using collaborative models, have existed throughout human history. The ideas was also a fundamental belief of the International Workers of the World, a radical (or so they were labeled) union that  was formed in the 19th century by workers who believed that the domination of working people (in the workplace and in society in general) was inherently wrong.

There is an ancedote about the IWW (known as "wobblies") that underscores their belief in the concept of leading-ship:

> *"When that boatload of wobblies come*
> *Up to Everett, the sheriff says*
> *Don't you come no further*
> *Who the hell's yer leader anyhow?*

*Who's yer leader?*
*And them wobblies yelled right back --*
*We ain't got no leader*
*We're all leaders*
*and they kept right on coming'."*

(From an interview with an unknown worker, Sutcliffe, Nevada, June, 1947)

The Wobblies were marginalized and villified as crazies and were subject to particularly brutal repression in the United States and in Canada. No wonder. There's a whole system of domination that rests on the concept of leadership. They were promoting its polar opposite. By the way microbiologists now believe that organic systems are collaborative in nature. Cooperation is the key to survival. Survival of the fittest is a myth which, according to some, leads inevitably to extinction.

David Korten (3) provides abundant evidence that collaborative societies existed in significant numbers up until about 5,000 years ago. Korten posits that;

*«For 5,000 years the ruling class has cultivated, rewarded, and amplified the voices of those story tellers whose stories affirm the righteousness of Empire and deny the higher order potentials of our nature that would allow us to live with one another in peace and cooperation».*

Now is the time, he states, for human being to cast off the shackles of "Empire" and create "earth community». He writes;

*«We must infuse the mainstream culture with stories of Earth Community. Just as the stories of Empire nurture a culture of domination, the stories of Earth Community nurture a culture of partnership. They affirm the positive potentials of our human nature and show that realizing true prosperity, security, and meaning depends on creating vibrant, caring interlinked communities that support every person in realizing their full humanity. Sharing the joyful news of our human possibilities through word and action is perhaps the most important aspect of the Great Work of our time».*

The author Wanda Marie Pasz (4) writes following comments to Korten´s theory:

*«Korten's theory is that the Empire survives by perpetuating certain myths or, as he calls them, "stories". The rightness of **the vertical power structure** in the workplace might read something like the following story:*

*In order for businesses and other institutions to survive, grow and prosper, it is necessary to have strong leadership at the top of the organization. A strong leader is necessary to articulate a mission and vision for the business and to motivate and inspire workers to do their best to produce and deliver the organization's goods and services. It is necessary for all who work at the institution to defer to the wisdom of the leader, as he is gifted with great vision and intelligence. He is the leader. No more proof of his superiority is needed than the fact that he occupies a high position.*

*To further ensure that the organization is operating in an efficient, cost-effective way, it is*

*necessary to command and control people and what they do.*

*This can be achieved by compartmentalizing what people do, breaking down tasks into their simplest components so that they can be performed quickly and consistently. Work must be organized into positions or jobs into which people can then be slotted depending on their perceived ability to do the work quickly and efficiently and defer to the authority of those above.*

*In order to command and control these workers, it is further necessary to create a layer of "higher workers" who will decide what the lower orders will do from day to day, year to year and who will reward the productive and punish the not-so-productive. The work of this higher order is also be compartmentalized into positions that will have better pay, higher status and a degree of power over others. In a large organization it is necessary to have many layers of positions, each layer commanding and controlling the layers beneath. The power, prestige and rewards of these positions motivate those below to work hard in order to (a) remain employed or (b) work their way up into these more desirable positions. In this way, order, efficiency and productivity are encouraged and maintained in the organization, for the greater good of us all. The institution is able to prosper and compete in the marketplace or (if a public institution) to maintain the confidence of the citizens in achieving its mandate.*

*If we did not have **the vertical power structure** in the workplace, there would be chaos, anarchy, gross inefficiency. Work would not get done, people would spend their time fighting with each other about how to do things and before long our economic system would collapse.*

*That's the "story" of vertical power relations in the workplace. We could add a lot more to it of course, such as how our education system teaches children from an early age to be submissive and deferential to "higher authority", how our judicial institutions treat the leaders and the led and so on. It's all part of a highly integrated socio-economic system of domination.*

*The time, as Korten says, has never been more pressing to infuse our culture with a different story – one that is more suited to the concept of "earth community" where every person can realize their full humanity. It's hard to realize your full humanity when you're under somebody's heel for the better part of your waking hours.*

*It doesn't really matter what you do with your "free time". Eight hours a day, five days a week, 50 weeks of each year of your life living and thinking like a slave make for a powerful form of brainwashing. It's no wonder most people go home from mind-numbing work and turn to other mind-numbing activities (mind-numbing entertainment or wasteful consumerism to name a couple of favourites) as panceas for the humanity-deprivation they feel.*

*It's time to change the story and so the time has never been better to promote the concept of "leading-ship" in workplace relations».*

Rune Kvist Olsen © 2006

The main difference between *«leadership»* and *«leadingship»* as described above is how we as human beings perceive our human nature, and which corresponding strategy we chose in furthering our respective views and values. Leadership as a strategy is based upon a conception of the human being as someone who must be controlled and be led. Leadingship as a strategy is based upon the conception of the human being as someone who is able to take control and lead himself or herself in collaboration with other equals. The main point in organizing the workplace is therefore to be aware of these crucial differences and on this basis chose the appropriate strategy.

## 3. Designing and modelling of corresponding structures in organizations

The contemporary verticalization of the powerstructure in the workplace has brought humankind to a fork in the road where we are confronted with two possible directions in our evolution as human beings at work. We can move forward by re-enforcing the *verticalization* through *leadership* or find a durable path through *horizontalization* and *leadingship*. To be able to make this fundamental choice however, we will need a strong awareness of the alternative options and strategies, values and concepts that can help us to achieve and practice our selected principles and visions.

L. H. Strickland (5) wrote in a paper about this management dilemma as follows;

> *«The situation is that the use of surveillance, monitoring, and authority leads to management's distrust of employees and perception of an increased need for more surveillance and control. Because all behaviour is seen by managers as motivated by the controls in place, they develop a jaundiced view of their people. For the employees, the use of hierarchical control signals that they are neither trusted nor trustworthy to behave appropriately without such controls damages their self-perception. Surveillance that is perceived as controlling threatens peoples personal sense of autonomy and decreases their intrinsic motivation. One of the likely consequences of eroding attitudes is a shift from consummate and voluntary cooperation to perfunctory compliance.».*

Michael Enzle (6) and Samuel Anderson (6) wrote in their book as follows;

> *«Surveillants come to distrust their targets as a result of their own surveillance and targets in fact become unmotivated and untrustworthy. The target is now demonstrably untrustworthy and requires more intensive surveillance, and the increased surveillance further damages the target. Trust and trustworthy both deteriorate.».*

The picture of the manager that emerges in realizing the ideal of efficient leadership in the verticalized organization, is of the strong leader who is in charge through the excercise of command and control. But what if the leadership-practice leads to dehumanization and organized inhumanity? Does this prospect of the degeneration and deterioration of humaneness at work have any significant consequences on how we internalize this awareness as a integrated part of our personal integrity, accountability and credibility as fellow human beings? To address this question and its implications for our conscience and consciousness as human beings, I think we should consider the statement from Thomas Kuhn (7) when he wrote:

> *«Mere disconfirmation or challenge never dislodges a dominant paradigm, only a better alternative does.».*

On this ground we better come up with an alternative to verticalization of the workplace with the main argument being that the dominant vertical powerstructure leads humankind into dehumanization, degeneration and alienation. We have to develop, apply and implement a better alternative which can put this dehumanization to an definitive and terminal end. Pfeffer (8) and Fong (8) wrote in their book about these circumstances:

> *«The current paradigm is deeply embedded in the context that sorrounds us. For a significant shift in our priorities some significant support, resources and reassurances are needed to change that context.».*

Sumantra Ghoshal (9) wrote in a paper about the dilemma of shifting perspectives and priorities as follows:

> *«The problem with any version of utopia is that the concept itself fails to recognize the dilemma that are posed because of the conflicts among different values and preferences, and among different desired outcomes.».*

Solving this dilemma must start with the recognition of our values, potentials and resources as human beings. That must be the fundamental ground and primary motivator that compels us to reshape our organizational context. Our belief in ourselves and in others as human beings must form the central core in how we conceive our contemporary and future workplaces. This is certainly not about being utopian, but about being realistic in how we perceive our unrealized potentials as individual human beings.

From research we know that we use only about **5-10 %** of our human resources at work. Back to Shakespeare´s words *«To be or not to be? That is the question.»,* we can reformulate this expression once more in our terms of the matter; *«To rely or not rely? That is the question.».* Or maybe *«To connect with others or not connect with others?. That is the question.».* Rely on others like you´d like them to rely on you. Treat others with the same reliance you want to be treated by others. That is the formula for how we can evolve from the current paradigm and the contemporary verticalization of our working lives to a new and better alternative in organizing our workplace based on human values instead of strict adherence to economical values that dictate how we work and live. Or we can say *«I am accountable for my own actions because someone is counting on me.».*

Within vertical organizations there is a distinctive feature of indifference to others by the absence of trust which is, in turn, caused by the belief that no particular individual is needed for any other individual to succeed. The need for someone else (or the need to be connected to others) has been replaced with self-interest and has become a rejection of the needs and dependency of others. This characteristic leads to the idea that people are disposable and can be replaced at any time. This is the main thought behind restructuring and reorganizing of the workplace.

Since the beginning of the 1990´s this perpetual process of reorganizing has been institutionalized under various terms such as «downsizing», «re-engeenering», «outsourcing» and «de-layering». The consequences of these forms of restructuring has caused the development of the attitude in corporate business life that employees can only rely on themselves and not on each other. This emerging attitude have by other words entailed the view of the individual as isolated and separated from others, and have given nourishment to the belief that the individual is not needed and in that

sense replacable and disposable.

A person who feels that he or she should be *needed* as a valuable person in the workplace is considered almost as a failure and confirms the corporate attitude of the individual as a dispensable object and not as a unique individual being. An employee who thinks in this way is considered to be someone who is not able to manage oneself at work in the vertical organizational context. The notion that trustworthy people are not needed in the organization is a self-fulfilling prophecy or sorts, caused by the absurd belief that there is no need for trust between employees. It´s a sad and scary statement I would say, but nevertheless an expression of one of the mainstream values in contemporary corporate life. I have to ask; *«Is there anyone who can function well in a vacuum without trust, with no need for a connection to others, when doing one´s work without no opportunity for collaboration with others in the workplace?»*. What type of workplace do we get when we conceive the need of others as something negative and objectionable? Richard Sennet (1) wrote in his book; *«I know regimes which provides human beings no deep reason to care about one another and can not long preserve their legitimacy.».*

There is no doubt that in the long run a shift in our priorities (from vertical to horizontal) in relation to how we shape the structures and mould the cultures in organizational life, will pay off in multiple ways. To invest in people with the purpose of generating outcomes based on our reliance on each other, certainly has the potential to tap a mine driver in human nature. This in significant contrast to the strategy of consuming and burning out human resources to the point of extinction in the pursuit of a prosperous and profitable organizational life. This fundamental factor of inter-human reliance must therefore pave the way in the creation of a new reality at work.

**Powerstructure and organizational structure.**

The organizational structure in a company is a mirror and a reflection of its existing powerstructure. The shapes and forms of organizational structures are, in other words, a consequence of the actual power-principles that govern the distribution of authority (the right to make decisions) in the organization.

When a *vertical powerstructure* is chosen the organization will automatically form an *hierarchical and authoritarian organizational structure*. When a *horizontal powerstructure* is chosen the organization will form an *egalitarian and humanitarian organizational structure*.

When leaders of organizations talk about self-directed teams or work-groups as a means to developing horizontal organizations, but keep the vertical powerstructure intact, the team or group will be organized in a hierarchical manner with superiors (in the form of team-leaders or group-managers) and subordinates (as team-members). These organizations may believe that they are developing new working methods and new ways of organizing the work, but they are in reality just modifying their organizations with new hierarchical lines and charts. Flattening the hierarchy does not make the organization and the workplace less vertical even if the number of hiearchical levels are reduced. The powerstructure in the organization continues in the same manner with the same practices as before. When however, an horizontal powerstructure is established in the organization, the organizational structure must be based on relationships with eqality and mutuality between people at the same level. And that shift in our priorities will require a fundamental change in how we relate to and view each other, and will be the starting point for the end of our superficial playing

around with lines on organizational charts.

What do we actually mean with the term «powerstructure»? A powerstructure in a company refers to:

**The principles of distribution of power and sharing of power:**

1. Distribution of power between functions and levels.
2. Sharing of power between persons.
3. The system of governance.

**Vertical powerstructure is:**

1. The distribution of power according to the respective management level (top – upper – middle – front line – team) in the organization.
2. The sharing of power according to positions and ranks.
3. The system of eksternal governance outside the individual person (with superiors and subordinates).

**Horizontal powerstructure is:**

1. The distribution of power according to functions and the corresponding tasks.
2. The sharing of power according to the respective responsibility area of the individual person and based on the competence of the individual person in charge.
3. The system of internal governance inside the individual person (with equals and peers).

When the vertical powerstructure is chosen and selected the organizational structure is shaped by the vertical principle that there has to be someone (superiors) who has the authority to decide over other persons (subordinates) and those other persons must submit to the decisions made by the persons in charge. In executing decisions on behalf of others, the person (leader) in charge acts on the authority vested in his or her *leadership-role*. This formal and eksternalized authority enables the leader to impose decisions on others.

When the horizontal powerstructure is applied, the organizational structure is shaped by the horizontal principle that every person in the workplace has individual authority to make sovereign and autonomous decisions whitin his or her respective area of responsibility. All persons function independently and responsible in relation to their own actions in collaboration with the others, and relate to their *leadingship-role* as real participants and accountable partners in adding value to a business for profit or non-profit objectives. People relate to each other as equals and peers on the same level within their respective work-function in providing service to internal and external customers.

The meaning of the term *«organizational structure»* in a company can be described as:

1. Organizing of work-processes.
2. Description of working-areas.
3. Description of working-tasks.

4. Identification of competencies.
5. Identification of the individual persons involved.

When the vertical powerstructure is implemented, the organizational structure becomes hierarchical and authoritarian. Superiors and subordinates form a line all the way through the chain of command and control and into the work-processes. *Hierarchical* refers to the relation between persons as superiors and subordinates, while *authoritarian* referes to the person in charge as an authoritarian person in a authocratic regime.

When the horizontal powerstructure is implemented, the organizational structure becomes egalitarian and humanitarian. Work-processes are organized with the individual person as the core resource in enabling the «the heart and brain» of the organization. Individuals work together as equal members in individual and joint efforts and as contributers in the delivery of services. *Egalitarian* refers to the relationship between persons as equals and peers, while *humanitarian* refers to the fundamental right every human being is granted to become a sovereign and autonomous individual person led by himself or herself.

As I have mentioned, it is essential to understand the coherence between powerstructure and organizational structure and how the powerstructure in an organization inevitably will be enforced through its organizational structure. The organizational structure is the powerstructure *in practice*. Therefore when considering how organizations function, we must be aware of the significant connection between powerstructure and organizational structure. This is especially important if and when we set out to design structures in creating a new reality at work.

As long as the powerstructure is unchanged and remains intact in the organization, working conditions in the organization will correspondingly remain unchanged. The vertical powerstructure will preserve itself irrespective of token efforts intended to enable real change. Changing the vertical powerstructure to horizontal is the only real option that will enable substantial transformation of the workplace. It is totally useless and meaningsless to talk about transforming of how we can relate to each other in new ways and of how we can work in new ways as long the fundamental principles of power remain untouched.

The flattened organization can be described as a more of a horizontal organization if the number of management levels are reduced. But this flattening does not mean that the organization can be characterized as a real and genuine horizontal organization when the organization still is hierarchical structured. As long as the organization preserveres the vertical powerstructure, the organization cannot and must not be identified as a horizontal organization neither in theory nor in practice.

Many concepts are used to describe an organization that has been through a flattening (or «delayering») process as horizontal. Among the more familiar is the horizontal organization described by Frank Ostroff (10). Ostroff discusses the typical horizontal organization and characterizes the organization as relatively flat after a process of reorganization and restructuring. The organization Ostroff describes can by no means be called horizontal as long as the nature of power flow in the organization is vertical.

To call an organization horizontal based only on how it is oganizing its work-processes (from

departmentalization of functions to organizational working-processes), and not taking into account how it structures the distribution of power, is contradictionary and inconsistent with the true and genuine nature of a horizontal organizational structure. Ostroff, however, offers the opinion that this type of horizontal organization can be described as horizontal, even though it is not horizontal at all (bacause of the lack of a horizontal powerstructure).

From a review of Ostroff´s book we can read; *«It eliminates the prevailing hierarchical organization of command and control and replaces it with horizontal organization that manages the basic core processes that create and deliver products and services.»*. This assertion raises the following contradiction; Firstly, horizontalization does not by itself eliminate hierarchy without focusing on the rout cause, namely the operative powerstructure. As we will see in the following remarks, the lines of command and control are still in place in the vertical driven horizontal organization, and the hierarchical organization is still intact despite of the horontalization of the organization. Secondly, Ostroff states that it is the core processes in the horizontal organizising that makes its products and services. This assumption do not recognize the fact that it is the individuals through their personal efforts, alone and collectively, that are the key-factors in adding value to production and services, and not the cross-functionality connected to the working-processes themselves.

Ostroff focuses on transformation of the work-flow (from departmental functions to cross-operational functions) but ignores the need for a corresponding transformation of the relationships (superior/subordinate versus equal/peer) between the human beings in the organization. He offers a limited and superficial transformation which preserves and protects the supremacy of the powerholders in the hierarchical establishment. Ostroff writes;

*«A certain amount of hierarchy will always be necassary because human capabilities are naturally limited. Consequently all organizations – large or small, wealthy or poor, need leaders to make decisions for others. The result is a flatter but still hierarchical arrangements of teams that replaces the steeper, more vertical hierarchies of traditional functional management. Flatter, not flat, is an important distinction to making a description of the horizontal organization. Although management retain control, their emphasis shift to be leading teams.».*

Ostroff´s contention in the last sentence raises a number of questions; *How in the world is it possible to lead a team with no regard at all for the persons on the team? How is it possible to engage the human beings in the group if their humanity is nullified as a main condition of joining and being in the team? How is it possible to use and apply individual resources as long as the dominant attitude characterizes human potentials as limited and restricted?*

If we look at one of the 5 principles related to the design of Ostroff´s horizontal organization, we may find an reasonable explanation; *«Make teams, not individuals, the cornerstone of organizational design and performance.»*.

This expression doesn´t make any sense in a true horizontal context of the term, but it makes perfect sense in a vertical context. Furthermore Ostroff never clarifies the regulation of the relationship between the middle management and the workers in this team-based environment. Ostroff´s organizational reality is populated with fulfilled managers, happy workers and satisfied customers. Ostroff writes *«It is increasingly apparent that the long favoured vertical model is, by it self, no longer capable of meeting all the different needs of business.»*, but he makes the erroneous

assumption that it is necessary to keep the vertical system intact (because of the ingrained belief that someone must lead and decide and others must be led and decided upon).

On this basis we can draw the following conclusions about the character of the apparently flattened organization;

A flattened organizational structure that is grounded in the vertical power-principle, is *hierarchical and authoritarian* because of the maintenance and preservation of a system with positions, ranks, superiors and subordinates, and which rejects the right of everyone to equal freedom and trust. A flat organizational structure that is grounded in the true horizontal power-principle, is firstly, *egalitarian and humanitarian* because the system with positions and ranks is replaced with individual responsibility areas where people work alone and together as equals and peers. Secondly, the horizontal power-principle guarantees the unconditional right to function as sovereign and autonomous human beings at work. As long as the vertical powerstructure is maintained parallel with the flattening of hierarchical levels and restructering of work, the leaders in their restructured positions will inevitably build new hierarchies and levels around their new positions. This practice is evident in a numerous business transformations processes and exposes a paradoxical new re-enforcing of hierarchical organizational structures to compensate for the old ones that where eliminated through the flattening of the hierarchical regime. After a period with flattening of hierarchical levels, the pyramidal structure will once again come to life and a new hierarchy will appear. New flattening-processes will again be implemented with the intention and purpose of getting these newly build layers reduced. This is a perpetual cycle of doomed transformations (where we continously are repeating our patterns as undurable and non-effective transformations). This feature is one of the elements in the nature of «the iron law» in a hierarchcal and bureaucratic system.

If we look a little closer at the use and application of the team as a working form and a work method in corporate transformation today, we will find that teamwork is the major component and central ingredient in the construction of new work processes. The team metaphor has been in popular use since the 1960´s and has been a favoured tool in efforts to democratize the workplace throughout the world.

In my (11) latest paper *«From a vertical and hierarchical order to a horizontal and egalitarian order in structuring and shaping the flow of power in the organization»* I discussed among other things, the team as a working form in a cultural perspective. In this paper I will discuss the team as a mechanism in organizing the workplace. The team is the mantra of the modern working-organization. If we look into organizational development-projects and research-projects of the last 10 to 15 years we will find that the team has been elevated to a god-like stature in transforming organizational life and working life.

But there are aspects of the use of the team which can be problematic because of its tendency and disposition to conceal certain realities. The team is often positioned as an effort to humanize the inhuman nature of the leadership by its quality to empower workers. This is a delusion and a manipulative effort to get us thinking about teams as the way to provide individuals with autonomy and empowerment. These empowerment efforts are, however, a modernized way to disguise a more advanced and sophisicated form of controlling people in their workplace. In British studies, Cunningham et.al.(12) found that practices allegedly associated with empowerment do not contribute to employee autonomy. Their survey states; «*Empowerment fails to give employees much*

*in the way of increased power and influence.»*. Bill Harley (13) stated in his research that *«The relative capacity of individuals and groups to exert control over production is determined primarly by virtue of their respective positions within organizational hierarchies.»*. Harley found that managers (as team-leaders) are managers by virtue of their positions whitin their organizational context (f.example in teams) which affords them the capacity to exercise power over their subordinates. Harley concludes in his survey; *«It is this fact of organizational life that provides the most compelling explanation of why empowerment does not empower workers.»*.

When we go back to the central principle in team-management; *«Make teams, not individuals, the cornerstone of organizational design and performance.»*, we can better understand that the underlying premise of this statement provides a means of retaining the control over individuals in the hands of managers as team-leaders (as a form of modernized leadership). In this sense we can describe the team as a superficial way to humanize work because authority within the teams is exercised by a superior member (team-leader) over subordinate members (team-workers). Because teams in this context do not lead to fundamental changes in individual autonomy or a more humanized workplace (because the vertical powerstructure is intact), the team-concept can be regarded as superficial and manipulative form in a human perspective. Superficiality in business transformations, in corporate life and in the (vertical) organization of work can be described as follows;

*The fear of going down to the bottom line or the source of the root cause in the risk of revealing something too unpleasant and uncomfortable to face and confront. Hence the effort to cover and conceal what must not be exposed to the light of day. The security in staying on the surface enables avoidance of the timid tensions underlaying the threatened reality.*

To illustrate the paradox of corporate superficiality we can use an example from the book of Annie Murphy Paul (14). She writes; *«The administration of personality tests is freequently presented as a gesture of corporate goodwill, a generous acknowledgement of employees uniqueness. Under this banner of respect for individuality, organizations are able to shift responsibility for employee satisfaction onto that obligatory culprit «fit». There´s no bad worker and no bad workplace, only a bad fit between the two.»*.

We can understand through this illustration that the superficial practise of personality testing is a way of trying to convince us to believe that the worker is OK, the workplace is OK and the employer is OK. The only problem is the mismatch between these elements and this is what allows employers to rationalize rejection or dismissal in terms of an inadequate «fit». This illustrates a corporate delusion intended to have us believe in a reality where there are no problems and complications at all. This is of cource just a management trick aimed at reducing complexity to simplicity, and this must surely be characterized as a superficial way of practicing engagement between the corporation and those who it employs. We have used this example with personality tests because of the superficiality in dealing with the human personality as a predictable, shallow and limited entity. The superficial rational of personality testing surveyed in Paul´s book found not a shred of scientific credibility and validity in the methodology of testing personality fitness. Paul concluded that the investigated testing objects had zero predictive value in their own terms. Nevertheless corporate businesses use these test-methods on a vast scale because they provide a superficial rationality in dealing with the complexity of the human nature. This type of simplification of complicated aspects of the human being can perhaps be called «efficient» in a context of cooperate business practices. To think you can sufficiently get to know a person through

a personality test and can judge the person´s suitability for a job without letting the person get to know you, is an illusion and a remarkable example of superficiality in corporate life.

Teamwork in a hierarchical context, is a demeaning and condescending tactic used to camouflage its real intentions and purposes. This is because teamwork in this organizational context pretends to be an empowering tool but instead function as a leadership tool to ensure the controlling (surveillance) and commanding (supervision) authority of the powerholders. Team-concepts that enable the empowerment of oneself and controll of others are a contradiction that can be understood through the distinction between l*eadingship* (organizied humanity) and *leadership* (organized inhumanity). Richard Sennet (1) wrote in his book about the demeaning feature of teamwork; *«Temanwork, though, takes us into that domain of demeaning superficiality which besets the modern workplace. Indeed, teamwork exists the realm of tragedy to enact human relations as a farce. ....Groups tend to hold together through keeping to the surface of things; shared superficiality keeps people together by avoiding difficult, divisive, personal questions. Teamwork might seem to be just another example, therefore, of the bonds of group conformity.... the art of feigning in teamwork is to behave as though one where addressing only other employees, as though the boss weren´t really watching».*

The sociologist Gideon Kunda (15) states in his research that teamwork obliges individuals to manipulate apperances and behaviour with others. He called this behaviour *«the actor´s mask of cooperation»* because of his findings that group-members rarely behaved in the same way offscreen as they did when the bosses were watching.

Laurie Graham (16) found in her research from the Subaru-Isuzu plant that people were oppressed in a particular way by the very superficiality of the fictions of teamwork. The fiction of cooperating in teams was used by the company in its drive for improved productivity. After a intial period of enthusiasm, a team-worker told Graham that; *«I thought this place would be different with its team concept, but management is just trying to work people to death.».*

Labor economists Eileen Applebaum (17) an Rosemary Batt (17) questioned the glorification of teamwork as a universal solution in business transformations, concluding that; *«Teamwork do not change the fundamental nature of the production system or threaten the basic organization or powerstructures of the firms.».* That is why teamwork is a dependable tool in business transformation processes because it is harmless when it comes to confronting fundamental questions about human relationships in organizational life.

This discussion of team as the central core in organizing work in contemporary organizations, have hopefully clarified that the use of teams as a work-form will achieve different and contradictory results in a vertical perspective versus a horizontal perspective. The team as a working-form in a vertical perspective of power, will inevitably lead to a hierarchical and authoritarian organizational team-structure. There is no way that we can create of a horizontal organization by introducing a team and applying team-methods within a vertical structuring of power. Even if the production-flow in the best case can be  characterized as horizontal, the organization cannot be called horizontal. The term horizontal has a spesific interpretation when we look at the organizational context to which it is applied.

The team as a working form in a horizontal perspective of power will, however, lead to an egalitarian and humanitarian organizational team-structure. In other words, if we use the term

horizontal in a organizational context based upon a horizontal structuring of power, we may then talk about a true horizontal organization of teams. The condition however, is that the team is based on the individual human being as the core in the structure of a temporary working form focused on a spesific task or project.

To successfully transform an organization, its structure and culture, the organization must obtain the consent and approval of its own people. The transition to new standards must enable the people in the organization to adjust their mind-set and tune-in personally to the tranformation frequencies and wave-lengths. A transformation is a result of our personal willingness to make fundamental changes in our reality and in our practices. Our personal transformations is dependent on our understanding of what happens around us and to us. We have to understand in order to be able to learn. The ability to learn is dependent of our understanding of the premises that underlie the need for transformation. It is no help to be told by others of the need and necessity for change, if we have not personally conceived the need and consequence of the transformation for our own sake. Without personal understanding we lack the ability to make necessary and adequate decisions. Without sufficient personal understanding and learning we are unable to change our mind-set – an essential condition for transformation. Personal understanding, individual learning, mental adjusting and the will-power to undergo transformation, are dependent of our personal freedom to make our own choices as sovereign and autonomous individuals. Recognition of our right to become independent persons  and to make our own choices, is a prerequisite to our meaningful participation in the transformative process. If, however, we are ordered to change ourselves by others (superiors), we will resist and oppose the demands of  transformation. A transformation process can therefore only be successful if and when the process is enabled, willingly, from within the individual. The transformation will become a failure if its enabled from outside the individual as a external value envisioned from the manager´s point of view.

In the foregoing, we have decribed a coherent connection and correlation between powerstructure and organizational structure. How we organize the workplace is determined by how we structure the distribution of power. We chose the way we are organizing our relationships at work, through the principles we apply in the structuring of power at work.

## 4. Conclusion

In the horizontal powerstructure the core is the individual person. How the individual works - alone or in groups - is just a way of getting the job done and not a principle in the design of an organization. The principles of organizational design are related to the structure of power. Working forms are ways to reach goals and an obtain results. The individual person is the primarily mover who makes things happen. The team is a gathering of individuals and a form to create the conditions that will enable the individuals to work together. On this basis we the can make the following statement;

**The individual human being is the cornerstone of organizational design and performance in a horizontal structuring of power.**

*How can it be otherwise?*

All other resources: technology, finance, administration, sales, production, deliverance etc are

additional assets to the core factor in the organization; *the individual person*. The individual human being is the only resource in the organization who can operate as an independent and responsible entity. All other resources must be steered, led and governed, while the individual person posesses the unique ability and capacity to steer, lead and govern himself or herself in the organization. The human resource who is granted the ability to feel, think and act as a autonomous and sovereign identity, must without any doubt be the overall core factor in every type of organization bacause of his or her irreplaceable personality and human identity. This is in contrast to being treated and judged on the basis of one´s position and rank.

The organization founded on a vertical powerstructure and the organization founded on a horizontal powerstructure are two incompatible and incomperable entities. This means that the results obtained by vertical and horizontal organizations must be measured differently. This is because the standards of achivements and performance in these different organizational contexts are contrary and irreconcilable. The vertical organization (which in some cases is characterized as horizontal without regard to the real horizontal term) is focused on production-oriented work- processes. These processes are based on pure technical standards and systems. The true horizontal organization is focused on human and inter-human processes. These processes are based on standards of individual human rights and human relations. Against this background, we can conclude;

| **Horizontal powerstructure** | **Vertical powerstructure** |
| --- | --- |
| Egalitarian and humanitarian organizational structure. | Hierarchical and authoritarian organizational structure. |
| Leading-ship. | Leader-ship. |
| Individual-driven processes. | Leader-driven processes. |
| Internalized steering of work-processes (managed by the individual person). | Eksternalized steering of work-processes (managed by superiors/leaders). |
| The individual human being as a personalized subject. | The individual human being as a instrumentalized object. |

The underlying aspect of this model is the distinction between «authority» and «authoritarian». Personal authority is a value inside the individual and part of a system of personal conscience. Authoritarian is a value outside the individual and a part of a system of obedience. Authoritarianism is based on the myth that people must rely and belive unquestionably and uncritically upon an authority outside of themselves and adopt an external authoritative system as their own.

To become a believer of authoritarianism the individuals must first lose their belief in themselves as human beings and renounce their own conscience and self-confidence. Control over others is based upon the idea that people cannot and will not belive in themselves. This perception comes from the persuasion and coercion from external authorities. In case people might take control over

themselves, their oppositional behaviour will be perceived as a sign of disobedience and a threat to the authoritarian system. Self-control must not occur according to the authoritarian regime. Powerholders will resist people gaining control over themselves. If that should happen, the authoritarian powerholders would lose their power, and that would lead to chaos and anarchy among the subordinated and powerless people. In this connection I will refer to the comprehensive discussion about the myth of chaos and anarchy in the workplace presented in my (11) recent paper.

Personal authority is based on your own power over your self, and your own trust and reliance to your own abilities and capacity to act as a sovereign and autonomous human being. Personal authority is also based on your trust and reliance on others as individual authorities, in the same way others trust and respect you as a autonomous and sovereign individual. Personal authority is the power inside of you which enables and empowers you with your individual strength to be and become the unique person who you really are. Through this insight and understanding of the aspects of *«authority»* and *«authoritarian»,* we hopefully have the grip to conceive the basic principles behind the horizontal structuring of power in contrast to the vertical structuring of power at work and in organizational life.

I would like to conclude this paper with the last passage from my recent paper (11). It goes as follows;

*«When the horizontal powerstructure is implemented as an actual and formal reality in the organization, people will start to relate to each other as true equals. Then for the first time they will be able to share what they are and what they have with others without being afraid os losing anything and without fear of being punished just bacause of the persons they really are. When this power-structure is in place it will be a great victory for humankind. The main standard for getting the work done will be the equality of relationships between people, governed by human values.».*

## 4. References

1. Richard Sennet, «The Corrosion of Character», 1999
2. Michael Foucault, «Résumé des cours», 1989
3. David C. Korten, «The Great Turning», 2006
4. Wanda Marie Pasz, «Personal Comments and Practical Examples», 2006
5. L. H. Strickland, «Surveillance and Trust», 1958
6. Wichael. E. Enzle & Samuel C. Anderson, «Surveillant Intentions and Intrinsic Motivation», 1993
7. Thomas S. Kuhn, «The Structure of Scientific Revolution», 1962
8. J. Pfeffer & C. T. Fong, «The End of Business Schools», 2002
9. Sumantra Ghoshal, «Bad Management Theories Are Destroying Good Management Practices», 2004
10. Frank Ostroff, «The Horizontal Organization», 1999
11. Rune Kvist Olsen, «From a vertical and hierarchical order to a horizontal and egalitarian order in structuring and shaping the flow of power in the organization», 2006
12. I. Cunningham & J. Hyman & C. Buldry, «Empowerment; The power to Do What?», 1996
13. Bill Harley, «The Myth of Empowerment», 2000
14. Annie Murphy Paul, «The Cult of Personality; How Personality Tests are Leading Us to Miseducate Our Children, Mismanage Our Companies, and Misunderstand Ourselves»,

2004
15. Gideon Kunda, «Engineering Culture», 1992
16. Laurie Graham, «On the Line at Subaru-Isuzu», 1995
17. Eileen Applebaum & Rosemary Batt, «The New American Workplace», 1994