

CREATING EXTRAORDINARY ORGANIZATIONS

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I am writing this letter for those innovators, explorers, and pioneers who want to move beyond the ordinary to the Extraordinary in creating business organizations.

Please feel free to pass this letter on to anyone you think would like to join this journey to Extraordinary.

This letter is sent only to recipients who have personally opted to receive it. To change your sign-up information, please follow the instructions at the end of this letter.

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THOUGHTS ON LEADERSHIP — IS IT NECESSARY.

This letter and the next, question the concept of “leadership”. This has two parts. First, is this a useful term? Second, do we really need “leaders” and “leadership?” I know that most people would answer, “Yes” to both. I answer, “No”, to both.

This letter supports that answer by looking at two issues:

- 1. Communication — Because the terms “leadership”, “leader”, and “lead” mean different things to different people, it confuses how we think and communicate about business.*
- 2. Organizational effectiveness — Designating or thinking about people as leaders, formal or informal, reduces organizational effectiveness by reducing personal responsibility and the flow of information and by producing a mismatch between people and activities.*

Thinking and Communication

The problem

A friend recently vigorously defined a “leader” as someone who builds community. Instead, I might be defining it as Ronald Heifetz does in his book *Leadership Without Easy Answers*—someone who mobilizes people to do adaptive work. Thinking of leaders in these two very different ways, we are not even close to understanding each other.

Furthermore, if there were others with us, they would probably be hearing something else like decision maker or vision builder. After all, even a standard dictionary has ten meanings for the transitive form of lead and fourteen for the intransitive. “Leadership” has four meanings. How can we communicate about “leading, leaders, and leadership” if we do not have a common meaning for the term?

The alternative

The simplest and most useful answer is, “Don’t use it”. When a word has garnered so many meanings, it is no longer useful for thinking or communicating. To replace it we need to look for something common to all these meanings.

That common feature is that they all describe some function we need to run a business. We need to build community, do adaptive work, make decisions, and build vision. We would communicate more clearly, if we thought and talked about the function we need to run a business. We need to build community, do adaptive work, make decisions, initiate action, and create vision. Using one of the “lead” terms just adds a level of abstraction that covers up the essential information—what we need to do?

For instance, in his *Creating Leaderful Organizations* Joseph Raelin says leading consists of four processes. All of them are essential. He says that members of a team or group need to share performing them. Then he lumps them all into the term leadership or leading. This means that every time he uses those terms he has to explain to which process he is referring. It would be much clearer just to talk about the processes themselves.

There is another advantage to talking about the individual processes or functions. Seldom if ever is one person the most capable to do all functions. However, we expect a single “leader” to perform all the various functions we dump into that catch all term. If we talk about the functions individually, we can examine each and determine the best person(s) to perform it. When we lump them under the leadership terms we reduce communication and may not assign tasks in the best way. In either case, we are likely to reduce organizational effectiveness.

Organizational Effectiveness

One of the dictionary definitions of “leader” is “One who is in charge or in command of others”. That meaning does not work in an Extraordinary Organization. It violates the core belief that an organization has no hierarchy. It also violates a belief underlying no hierarchy—No one has an inherent right to “command” or control another.

Some will argue that a leader is not a formal title and therefore is not part of a hierarchy. Whether it is formal or not, most people see a leader as someone with authority. They then defer to this authority coming from the leader’s position—I do as you say because of your position. This does not fit the EO view of authority as a contract—I give you authority in return for something you will do for me.

Seeing a leader as an authority figure has serious consequences for organizational effectiveness. First, it sets up a parent/child like relationship. The “child” takes less responsibility for what happens. In contrast to this, the greatest effectiveness comes from every person or group taking as much responsibility as possible.

The highest effectiveness and the highest energy come when everyone takes as much responsibility as possible. To achieve this, you must never do for someone what s/he can do for herself or himself. Can she build community, do adaptive work, make decisions, initiate action, or create vision? Most people expect a leader to do all these whether s/he is the most capable to do them or not. This means the leader is doing for others without ever examining whether they can do it on their own.

People act differently when they think of someone as a leader. S/he becomes an authority figure and they defer to that authority. This means that those s/he is leading are afraid or unwilling to voice other opinions or ideas. Therefore, the leader may act without the benefit of knowledge and expertise held by

those not speaking. Furthermore, as already mentioned, someone else may be able to perform better the function the leader is fulfilling. In either case, the leader risks completing the function at less than its best possible result.

Conclusion

For thinking and clear communication, it is best to eliminate the terms “leader”, “lead”, and “leadership”. Instead, it would be better to come down one level of abstraction and talk about the actual function the business needs. Clearer definition of the needed task allows choosing the best person(s) to perform it.

Setting up an individual as a leader violates the belief in no hierarchy. As in any hierarchy, having an authority figure creates parent/child like relationships. This reduces responsibility, access to information, and choosing the most capable person to perform any function. These conditions arising from having “leaders” reduce organizational and hence business effectiveness.

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ANNOUNCEMENTS, INFORMATION, AND COMMENTS

Ongoing phone conversation series

The next conversation will be at **10 AM PST** on Wednesday, May 19. We will have 90 minutes open although we may not use all of it. You may stay for any part or come in at any point. Your only expense will be your telephone charges to "attend".

If you would like to attend, click on [Participate](#) to send me an email. I will send you an invitation with the phone number and access code. I hope you will join us [whoever that may be].

Comments and questions please

Please let me have your questions and thoughts so I can include them in the letter. Just click on the email link in the Contact Information section below. Thanks

Active shared involvement

I invite you to join the Yahoo group called **eogroup**. It allows you to send messages to all others in the group and get a written conversation going. You can join by clicking on [Join EO Group](#)

When you get there, just click on the "Join This Group!" button and follow the instructions. You will not find this group listed in the directory. I set it up that way so it will only include people we have invited. Once you join, please let others know you are there and post your questions or ideas so all can read and respond.

Forward this letter

If you know someone you think would enjoy receiving this e-letter, please forward it. Just click on the Forward Email link at the bottom of this letter. You will receive a form on which you can add a personal note and the name and address of the recipient.

Receive notifications of future phone conversations and events

You can now sign up to receive notices of future phone conversations as well as EO events. Click on the Update Your Profile link at the bottom of this letter. A form to indicate your choices will then pop up.

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Until Next Time

This letter has suggested that organizations function as leaderless systems. An obvious question is whether this is possible. It is, but the organization must meet at least six criteria to do so.

The next letter will address these conditions. It will also give examples of organizations that function this way. Until then, I would like to suggest you think about organizations that you have participated in that had no identified leader. What were the conditions that made this possible? How did members accomplish necessary functions without a “leader”? Did they accomplish them more effectively? Did they accomplish them more effectively?

No one addresses these questions as long as they hold to the oft-stated belief, “You have to have a leader”.

Be Well, and Be Extraordinary!
Don Yates
Extraordinary Organizations

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