Building the
Five Arenas
Leadership Framework

Contents

1. Introduction

The subject of leadership has enjoyed increasing popularity over the last 80 years. There are thousands of books, research papers, articles, and training courses concerning the subject published each year. Leadership development enjoys an annual worldwide spend that is second only to that spent on quality training. Many are questioning whether leadership development efforts have produced the 'pay back' required in terms of enhancing leadership.

While it is easy to become cynical about the value of some leadership development interventions, it is not advisable to dismiss the value of leadership in the life and health of organisations. Sociologists, organisational development experts, and behavioural psychologists all agree – the quality of leadership is a determining factor in the health of any organisation. Many experts go even further and say that leadership is *the* determining factor of organisation success. Numerous studies prove a solid link between the quality of leadership and the ability of an organisation to enjoy sustainable success.

It is not only the experts, however, who contend that leadership is a critical factor in organisational health. Anyone who has had the privilege of working with an outstanding leader, or the misfortune of working with a poor leader, knows first-hand that leadership matters. It is not superfluous to say that the organisations that have the best leaders will be better placed to win in tomorrow's marketplace.

With all the focus on leadership and leader development, why then revisit the issue? On the one hand there are practical reasons - such as the fact that there is a continuing demand on the part of organisations for improved management and leadership development. On the other hand, there is what can be called a crisis of relevance. *Time* magazine, some years ago, cried out: "Where are the leaders?" Every time the world seems to recycle itself, as it appears to be doing now, it seems that a 'leadership crisis' results. Old leaders appear to lack the new vision required to match the demands of a new world and, as on the cover of that same *Time* magazine, they seem small in comparison to the demands made on them. Ronald Heifetz in *Leadership Without Easy Answers* asserts that the problems encountered today demand *"not just someone who provides answers from on high but [someone who provides] changes in our attitudes, behaviour and values."* In this view, leadership matters, and the lack thereof matters even more. Organisations around the globe are desperately in need of leadership talent that can facilitate a path through tomorrow's world. The continuing need and relevance of the issue of leadership, then, makes it worthwhile to revisit the issue.

What though are the fundamentals of leadership? How do we define leadership? How do we identify the challenges leaders face and help make sense of them? How do we assist leaders with a framework to help them lead with more healthy impact? We will attempt to identify answers to these questions below.

2. Leadership Fundamentals and Definition

2.1. Fundamentals

Three words can help us explain what we mean by the fundamentals of leadership: 'purpose', 'people', and 'place'. We say these are fundamental in the sense that without them there is no actual requirement for leadership.

Every unit within any organisation has a **purpose** – a reason for existing. This is true whether the unit is a multinational organisation, division, function, department, team, small business, non-profit or faith-based organisation; there is a reason the unit exists and a purpose that it must accomplish. The leader of the unit is responsible for ensuring that the unit they lead is accomplishing its purpose. Without purpose there can be no leadership.

It is obvious that without **people** there cannot be any leadership in its purest sense within organisations. The term 'leadership' infers that there are others who are following. The leader needs to ensure that the people of the unit are performing and behaving (following) in a manner that accomplishes the purpose of the unit.

No one leads in a vacuum. Every leader operates within a particular environment – we can call this environment '**place**' to keep the alliteration with the letter '**P**' going. Again, this is true whether the person leads a multi-national organisation or a small team – every leader has a particular environment, or place, that they lead within. This environment can however be complex or relatively simple to navigate depending on the level and nature of the unit. Be that as it may, the leader needs to ensure that the unit they lead can successfully navigate its environment.

We contend that without **purpose**, **people**, and **place** there is no real requirement for leadership within organisations. As such, they are fundamental to leadership and the leadership task needs to be defined and examined with these fundamentals in mind.

2.2. Definition

Having briefly discussed the fundamentals of leadership, we can now define leadership. We know that there are as many definitions of leadership as there are people who care to commentate on the subject. Solicit a definition of leadership from ten people and you are likely to receive 11 different suggestions! Our contention, however, is that there are basic criteria that any sound definition of leadership must adhere to. Firstly, the word leadership infers that there are followers. Secondly, it infers a degree of influence and enablement. Thus, any definition of leadership must include the criteria of exercising sufficient influence on other people in a way that results in them following as well as enabling them to follow. Thirdly, a definition of leadership must deal with the fundamentals of leadership. We believe that our definition of leadership meets these criteria:

> *Leadership is about influencing and enabling people*
> *to accomplish a defined purpose*
> *within a particular environment (place).*

The definition above is robust enough to handle the different nuances that people attach to leadership and defines the output of all successful leadership behaviour.

Summary

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3. Leadership Challenges

Our definition of leadership sounds easy enough – but ask anyone who has been a leader for any length of time, and they will confirm that leadership is not easy at all! There are many challenges that arise when the mix of **purpose**, **people** and **place** are taken into consideration. People have different desires, dreams, competencies, personalities, and attitudes. The environment (place) is never static and is constantly shifting as different forces act upon it. Here we can think of internal and external stakeholders, markets and customer, competitors, economics, politics, legal, social, technological changes, etc. Even the relevance of a particular unit's purpose can be called into question from time to time. Balancing the needs, desires, and competencies of people with the requirement to accomplish the unit's purpose, while successfully navigating the environment, is not an easy task.

The mix of purpose, people and place results in **priorities** and **problems** that leaders need to deal with to lead effectively. We can combine priorities and problems under the single category of leadership *challenges*. We will discuss three sets of challenges that we have identified.

3.1. Contestability Challenges

These are the challenges that leaders face in making sure that their unit remains viable, relevant, and sustainable. In other words, able to 'contest' properly. Following is a list of generic factors that have, over the last few decades, impacted on an organisation's ability to be contestable. This is by no means an exhaustive list, but it explains what is meant by 'contestability' challenges:

- The nature of competition, given global trade, has dramatically changed what it takes to be competitive
- The entrance of new global players has caused considerable downward pressure on manufacturing costs
- The explosion in communication technology has sped up response times. Access to information is easier and quicker with the overall effect being the collapsing of catch-up time by competitors
- Trade agreements level the playing fields of the global economy by lowering trade barriers, thereby further increasing the intensity of competition and the challenge to be contestable
- The power and speed of the media, and the influencing power mobilised by stakeholder communities, has created a strong driver for organisations to be seen as being fair to all stakeholders simultaneously
- Old forecasting methods of planning simply do not work any longer. Leaders must chart uncertain courses while "white water" rafting. The best they can do is work within the context of several scenarios
- Today's leaders must often seek alliances with others in their industry to ensure contestability. This further increases the complexity of leading within organisations.

These contestability challenges are continually changing and certainly do not appear to be getting easier. The trend is on the one hand to contend with many more variables, and on the other hand to find ways of structuring greater ambiguity. There is less certainty. What worked yesterday may not work today. There is no clear-cut formula for success.

The 'type' of leadership required to deal with contestability challenges has been variously dealt with historically as:

- Task behaviour (Hersey & Blanchard)
- Task orientation (Reddin)
- Guidance (Kerr & Jermaine)
- Concern for production (Blake & Mouton)
- Strategic (Koestenbaum)
- Results oriented (Koestenbaum)
- Tasking (Stamp)

Conventional wisdom would call this the *hard* side of leadership. All these views tend towards defining an axis of leadership which clarifies what needs to be done for the attainment of goals, including the initiating of that goal. Our notion of the response to contestability challenges, however, includes all that it takes to craft the future, and to manage strategy and outputs by giving direction through a vision of the future. It further includes ensuring that the necessary resources, systems, and structures are aligned. As a result, much of what is termed management is really the minimum requirement for effective leadership. Good basic administration and management form

the foundation for meeting contestability challenges. We will therefore later use the notion of 'managerial leadership' - a term first coined by Elliot Jaques.

While we have highlighted (not exhausted) a list of factors that can impact on an organisation's ability to contest, it must be noted that every level of leadership within the organisation faces contestability challenges, although these differ in nature and extent depending on level. To highlight an example, a Chief Executive may have to face the challenge of global trade deals changing, while the leader of a regional sales team may face the challenge of a competitor discounting the price of competing products. All leaders, regardless of level, are on the front line of making sure that their unit can face its contestability challenges both now and in the future. This is done through prioritising the correct things while also dealing effectively with problems as they arise (foreseen or unforeseen).

3.2. Commitment Challenges

These are the challenges found in gaining, keeping, and growing the commitment and loyalty of people in the unit. What it takes to obtain the commitment of followers today has changed dramatically even if we think back only 20 years. We can also expect that it will constantly change in the future.

The 'type' of leadership required to deal with commitment challenges has been historically identified as:

- Relationship behaviour (Hersey & Blanchard)
- Good feelings (Kerr & Jermaine)
- Concern for people (Blake & Mouton)
- Relationship orientation (Reddin)
- Personnel (Koestenbaum)
- Matters of heart (Koestenbaum)
- Tending / Trusting (Stamp)

Conventional wisdom would call this the **soft** side of leadership. Not because it is easy, but because it deals with people and their vagaries. It cannot be easily grasped and concretised. It is, in fact, probably the most difficult area of leadership. The leadership role here sets out to obtain the commitment of followers to give their best to accomplish the unit's purpose.

Below is a list of generic factors that have, over the last few decades, impacted on an organisation's ability to gain commitment from employees. This is, again, by no means an exhaustive list but it suffices to explain what is meant by 'commitment' challenges:

- More people are better educated than ever before in human history. As people are better educated, they have more choices
- The globalisation of trade has made it possible for people to be much more mobile between countries

- The advent of strong trade unions has given followers a voice, to which leaders must pay far more attention
- The withholding of labour is an entrenched principle in negotiations and bargaining for conditions. This gives the worker considerable power
- The democratisation of the workplace, with greater follower participation in matters which affect the workforce is also a phenomenon of the last few decades or so
- The nature of work changes constantly through the advent of technology. Workstations do not always have to be at the physical place of work
- There is far more out-sourcing of work and far more alliances being formed
- Customers dictate the level and quality of service they require directly. Followers therefore must be more empowered to take decisions immediately to satisfy customer demands
- Information is instantly available, broadcasting in real time what happens elsewhere. This increases not only competition but also worker aspirations
- People have realised that in most organisations, they are the source of strength. They will not be treated as factors of production, or units of cost, or as a resource like finance and raw material.

Educated, enlightened, informed workers, with choices, pose very different challenges to obtaining their commitment compared to only a few decades ago. Currently, there seems to be a global employee engagement dilemma. Add to this the need to be seen as morally and ethically responsible by a whole array of stakeholders, and commitment challenges are often the most difficult for leaders to deal with effectively.

Leaders, at every level, face the challenge of creating an environment that fosters increasing commitment while at the same time dealing with the myriad issues that can prevent people from fully committing to the unit. As with contestability challenges, leaders do this through prioritising the correct things and dealing effectively with problems as they arise (foreseen or unforeseen).

3.3. Contribution Challenges

These challenges are about the leader making an appropriate contribution within the organisation. Making an appropriate contribution involves having the correct perspectives, competencies, and ability to handle complexity at the correct level, so that sound judgements are being made that match the level of the unit.

We all recognise that the leadership role of a Supervisor is very different from that of a Chief Executive. The one concerns themself with actions where they will see the results of these actions within a short time span of a week to a year. The other concerns themself with matters where the results may not be clear for 10 to 20 years. The one deals with a close-knit team of people usually working in the same physical location and they will be in touch with them daily. The other may see their direct reports only on a quarterly basis. The one works within clear policies and procedures

whilst the other has an open context. They both have priorities and problems (challenges) to deal with, but the required contribution to be effective will be very different from each other.

Regardless of the level of leadership, all leaders face the challenge of contributing effectively to the organisation with the correct perspectives, competencies, and complexity handling ability that is appropriate for the unit they lead.

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Leadership Challenges	*Identify, Manage, and Resolve*	**4. Priorities**	Avoid future problems and take advantage of opportunities	3 sets of challenges identified: o Contestability o Commitment o Contribution
		5. Problems	Manage and mitigate the extent	Will differ in nature and extent depending on context and level

4. A Framework for Leadership

We have briefly discussed **purpose**, **people** and **place** and seen that the mix of these fundamentals creates challenges (**priorities** and **problems**) for the leadership task. These challenges can be divided into contestability, commitment, and contribution. All leaders, regardless of level, face these three types of challenges as they seek to influence and enable others towards accomplishing purpose. These challenges will however differ in nature and extent depending on the context and level of leadership.

We can now build out the Five Arenas Framework (*5A Framework*). The main point of the *5A Framework* is to give leaders a context and a map for maximum ***healthy leadership impact***. As such it is focussed on what leaders should <u>**do**</u> (practices and behaviours). It is designed to help leaders influence and enable people to accomplish a defined purpose while navigating their environment

and dealing appropriately with their leadership challenges. We will use the three sets of challenges previously identified as axes to construct the Framework.

We can plot the contestability and commitment challenges to form the x and y axes of a two-dimensional graph. Within this graph we can locate five arenas of leadership that all leaders operate within (successfully or unsuccessfully).

4.1. Directional Leadership Arena

The main way of dealing with contestability challenges is through directional leadership, and therefore the directional leadership arena is located furthest along the contestability axis. The directional leadership arena consists of the leadership practices that assist the unit to be viable, relevant, and sustainable. The theme of this arena is '***create and guide the effort'*** – the sense here is that the leader creates the future and guides the people in the unit along the journey to get there.


4.2. Interactional Leadership Arena

The best way of dealing with commitment challenges is through Interactional Leadership, and therefore the interactional leadership arena is located furthest along the commitment challenge axis. This arena consists of the leadership practices required to keep and grow commitment, loyalty, and emotional equity in the Unit. The theme of this arena is '***engage and develop your people***' – the sense here is that the leader engages with and develops their people and obtains high levels of commitment. This is often considered the 'soft' side of leadership, but it has very hard performance outcomes!

4.3. Managerial Leadership Arena

The starting point of keeping your Unit viable as well as gaining people's commitment is managerial leadership. The managerial leadership arena is therefore located where the contestability and commitment axis meet. This arena contains the leadership practices necessary for leaders to influence and enable people to execute the operations of the unit while creating the conditions under which they can do their best work and where they are treated fairly. This is where your Unit's viability and your people's commitment
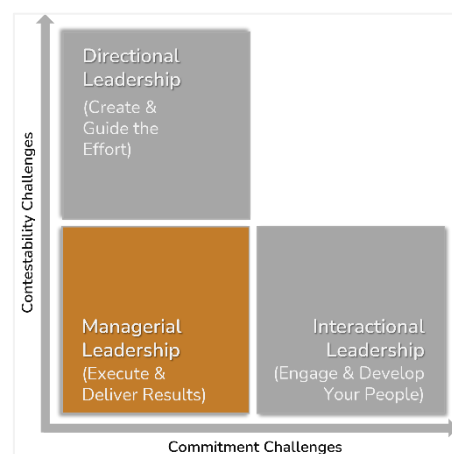
begin. Some say that this is not leadership in the purest sense. We contend that the distinction between management and leadership is not worth making in terms of developing leaders, because leaders, at all levels in organisations, are expected to both manage and lead within their role. Rather than split hairs, we describe managerial leadership using the leadership practices that influence and enable people in a leadership way as opposed to in an overly bureaucratic manner. The theme of this arena is '***execute and deliver results***' – the sense here is that the leader influences and enables so that plans are executed, and goals are delivered through good managerial leadership.

4.4. Transformational Leadership Arena
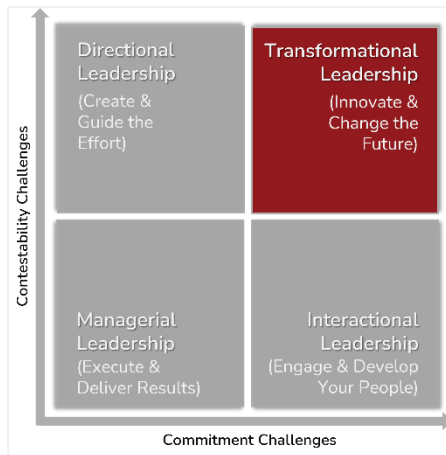
We live in a world where change is persistent, and where innovation is constantly required. This requires transformational leadership. This arena is located furthest along the contestability as well as the commitment axis because dealing with high-impact contestability and commitment challenges will usually require some form of transformation. This arena consists of the leadership practices required for continual improvement, innovation, and responsible change management. The theme of this arena is not surprisingly then, '***innovate and change the future***' – the sense here is that the leader must ensure that improvement, innovation, and change takes place to sustain success into the future.

We have located four arenas of leadership that every leader operates within to meet contestability and commitment challenges:

- Directional Leadership (Create and Guide the Effort)
- Managerial Leadership (Execute and Deliver Results)
- Interactional Leadership (Engage and Develop Your People)
- Transformational Leadership (Innovate and Change the Future)

Within the *5A Framework*, these arenas contain things that a leader must **do** to have impact. They contain the **proactive actions** necessary for healthy impact.

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*Healthy leadership impact requires performing the correct **proactive actions**.*

## 4.5. Intrapersonal Leadership Arena

Our framework however would be far from complete without speaking about the individual leader. The truth about leadership, if we require it to be healthy, is that you cannot separate who the leader is from the practice of leadership. For healthy leadership, who the leader *is*, is just as important as what the leader *does*. You can have high levels of competence in each leadership action arena, but if people cannot relate to you, trust you, see courage, integrity, passion, accountability, etc, from you – then you will struggle to have healthy impact as a leader. Who you *are* as a leader, always bleeds into what you *do* as a leader. The core of leadership is the **person** of the leader, and this arena sits in the centre of the framework. This arena describes what a leader must be and do to nurture and strengthen key leadership characteristics and behaviours. The theme of this arena is unsurprisingly '***nurture and strengthen self***'.
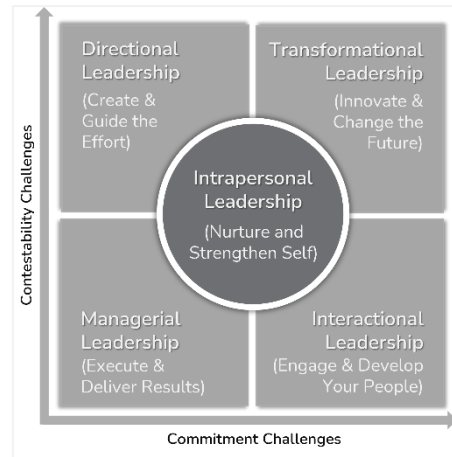
*Healthy leadership impact requires the right **person**, performing the correct **proactive actions**.*

4.6. Completing the Five Arenas Framework (3D)

In building the *5A Framework* we have so far identified five arenas of leadership that assist leaders deal with contestability and commitment challenges. If we now add the contribution challenge set as the depth axis of a three-dimensional model, we can complete building the three dimensions of the *5A Framework*. The diagram below shows the framework including the contribution challenge axis.
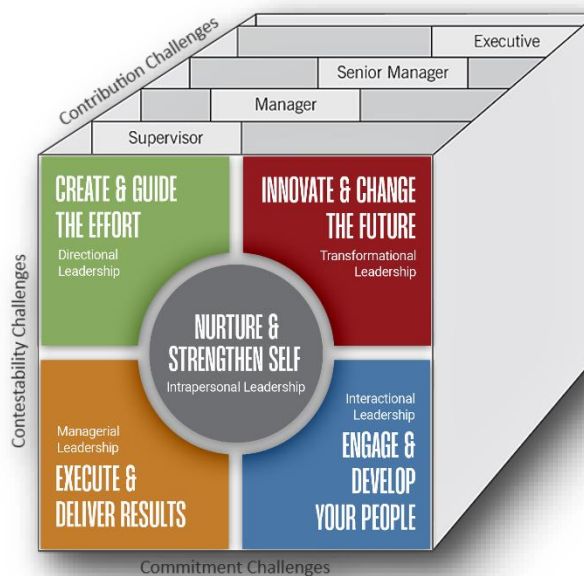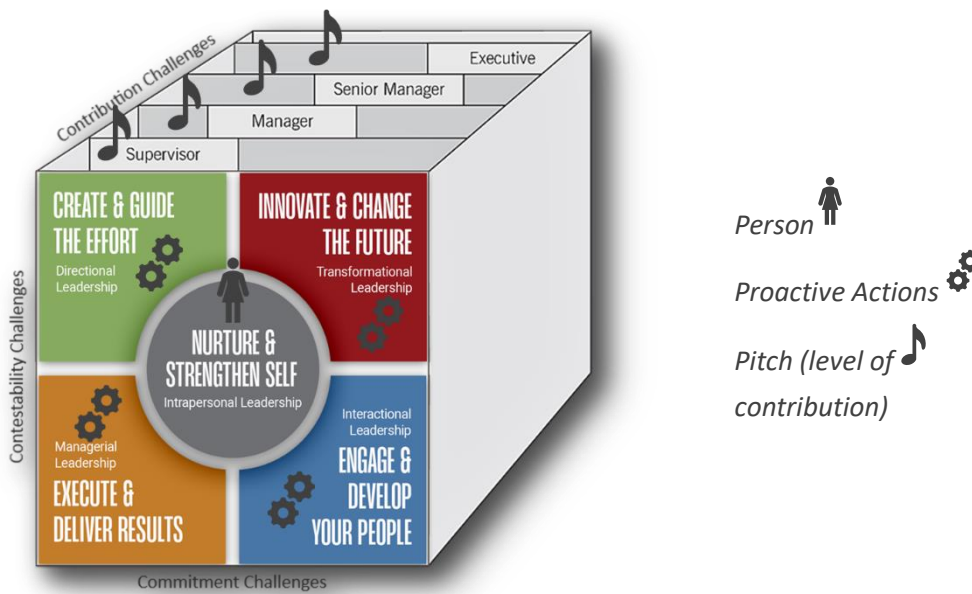
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While all leaders operate within all five leadership arenas, the required qualitative and quantitative contribution and focus will be different depending on the leadership level and the way the organisation is structured and its context. To be effective therefore, leaders need to operate at the appropriate level of leadership with the correct perspectives, competencies, and complexity handling ability that matches their level and context – in other words, leaders must meet the challenge of contributing at the appropriate level within each arena.

We can think of contributing at the correct level as getting the '**pitch**' of leadership correct. When a choir sings in harmony it is important that each part of the choir sings their notes at the correct pitch. If this is not done, then it is discordant and not a pleasing sound. Likewise, it is important for leaders to get the pitch of their leadership level correct – we all know stories of people who excelled at one level, only to falter at the next, because they didn't understand or could not meet the difference in leadership pitch that was required. Besides the issue of individual leaders failing, discordant leadership pitch within organisations leads to a fracturing of the organisation as the wrong priorities and problems get resolved at the wrong levels, or not at all!

4.7. A Framework for Leadership Impact (Person, Proactive Action, Pitch)

Overlaying the impact concepts of 'person', 'proactive action', and 'pitch' on top of the *5A Framework* completes the picture for achieving healthy leadership impact within organisations.

Person

Proactive Actions

Pitch (level of contribution)

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*Healthy leadership impact requires the right **person**, performing the correct **proactive actions**, at the appropriate **pitch**.*

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Leadership Challenges	*Identify, Manage, and Resolve*	4. **Priorities**	Avoid future problems and take advantage of opportunities	3 sets of challenges identified: o Contestability o Commitment o Contribution	
		5. **Problems**	Manage and mitigate the extent	Will differ in nature and extent depending on context and level	
Framework for Leadership Impact	*Provide Healthy Leadership Impact through the correct Practices and Behaviours at the appropriate Level*	6. **Proactive Actions**	What the leader does in providing healthy leadership impact	o Directional leadership o Managerial leadership o Interactional leadership o Transformational leadership	
		7. **Person**	Who the leader is to make a healthy impact	o Intrapersonal leadership	
		8. **Pitch**	The contribution the leader provides to make an impact at the correct level	o Appropriate complexity handling ability (understanding ambiguity and making judgments required at a particular level of leadership) o Level specific perspectives and mindsets o Competencies required at a particular level, discipline, industry, etc	

5. Conclusion

The topic of leadership will always attract time and money because decision makers know that it matters to the health and ongoing sustainability of their organisations. While this is true, we have noticed a growing cynicism towards leadership development born out of disappointment with the long-term results of leadership development interventions. We believe that a focus on the concept of 'healthy impact' (person, proactive actions, and pitch), together with a clear context and architecture for healthy impact, will assist leaders to provide more 'pay-back' for the time and money spent on their development.

To this end, Five Arenas Limited has:

- Populated the *5A Framework* with descriptions of the practices that provide healthy impact in each of the five arenas.
- Formulated normative guides dealing with each practice within the *5A Framework*
- Designed an assessment (CLIP) which accurately shows an individual leader's impact in the four proactive action arenas using validated statements.
- Developed 6 training modules designed to deepen understanding and application of the key practices required for healthy leadership impact.

The overall design of the *5A Framework* makes it suitable to be used for self-development, coaching, and training. In addition, it has positive organisation design implications which HRD departments and consultants can use to improve leadership and integration across levels within organisations.

The *5A Framework*, and associated assessments, training, and coaching, has been implemented within large and medium sized organisations. Implementation has spanned various industries, non-profits, as well as governmental organisations.

> *"Five Arenas is a framework for leadership development, relevant across all leadership roles, organizations, and industries. I found it to be one of the most powerful tools to provide context, content, and insight for the current and future development of leaders!"*
>
> *Marelyn Crestwell-Adolph: Head of Learning, Liberty Holdings Limited*

Our mission at Five Arenas is to '*improve leadership, enrich lives'*. We believe that good leadership makes the world a better place. The Five Arenas Leadership Development System (5A Framework, CLIP Assessments, and Improvement resources) is our contribution to making the world a better place.

To see how the Five Arenas Framework has been populated with key leadership practices and their associated components and focus areas, see the article *"Five Arenas Framework Architecture"*, or contact us at info@fivearenas.com .