



## flow leadership®

### Study

# Emotional and social responsibility as a weak and silent aspect of managing complex change

#### What the article is about:

- Due to uncertain objectives and dynamic conditions leading change is one of the daily challenges for each manager.
- Instead of an 'impose & direct' behaviour a manager should rather act with an attitude of 'Prudentia' ('Phronêsis').
- Helpful predispositions are discussed and analysed by an empirical study with 270 managers.

#### The theory behind it:

Matrix for the Development of Attitude (MDA) and Future Skills for Leadership (FSL) – both elements of the Power-Potential-Profile® (PPP)

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## Content

### **Emotional and social responsibility as a weak and silent aspect of managing complex change**

Phronêsis and complexity: Vor-Sicht (“view ahead”) .....	3
The prudent power of managing complex change .....	4
Authority and responsibility as parameters for attitude .....	4
Measuring attitude with the Matrix for the Development of Attitude (MDA).....	5
Results .....	8
Conclusion .....	11
References .....	13
Correlation coefficient (with FSL observer results; N = 103) .....	14

## Emotional and social responsibility as a weak and silent aspect of managing complex change

Leading change is one of the daily challenges for each manager. This challenge rises if change becomes complex due to uncertain objectives and dynamic conditions. Subsequently the 'plan of the match' is emerging by doing. Instead of an 'impose & direct' behaviour a manager should now act with an attitude of 'Prudentia' ('Phronêsis'). Helpful predispositions are discussed and analysed by an empirical study with 270 managers.

### **Phronêsis and complexity: Vor-Sicht ("view ahead")**

Phronêsis as an "exercise of practical wisdom" (Dunne, p. 244-247) becomes important in the face of complex situations a manager has to deal with. Especially these states of uncertainty, outdated promises and non-durability of plans need phronêsis, the "ability in the orientation of own and foreign actions" (Ebert, p. 165).

According Ashby's law – the higher the opportunities for action ('variety') the better a steering system is able to equalise disturbances – managers should enlarge their portfolio of action, competence and attitude for better managing organizational change that becomes more complex (cf. IBM). With the Deleuzian "accord discordant" ('disharmonized harmony', p. 17) the interpretation of 'judgment' ('Urteils kraft') as "justification of purpose settlements" (Luckner, p. 35) is injecting variety to the Kantian notion of 'reason' ('Vernunft'): Not the optimized realization of predetermined targets is object of human abilities ('Vermögen') but the permanent juggling with a number of contradicting goals, purposes and requests (cf. Tushman/O'Reilly, p. 11).

Managers need this juggling to come through complex change challenges, because they stand facing different "complementary and competing forces that organizations face in managing the tensions between continuity and change and how to deal with perennial issues such as certainty/uncertainty, tight/loose control, large-/small-scale change, slow/fast change, and external/internal stimuli" (Graetz, p. 150)

As shown, for managing "chronically unfrozen systems" (Weick, p. 40) on one hand it is necessary to juggle, to keep or put things running – on the other hand leading in complexity doesn't mean arbitrariness due to "descriptive inexhaustibility" (Keil) with the impact not to steer, shape and develop. Phronêsis demands (a) to structure without being fixed, (b) to act methodically without planning out all just to the end, (c) to be persistent without being dogmatic and (d) to be flexible without being unpredictable. Prudentia, the Latin word for phronêsis, gives a clue for this sense: 'prudence' in English and in French means in German 'Vorsicht' – and in an incorrect spelling: 'Vor-Sicht'; translated 1:1 as: view ahead (just only as far as you can see!).

### **The prudent power of managing complex change**

Based on these considerations, a manager is not the only one in the arena of change with 'Urteilkraft'. Many powers and also many knowledges exist and only in a contingent interaction – as a so called nexus "savoir-pouvoir" (Foucault 1974, p. 1456) – accepted change emerges: "Only the power moves knowledge into the situation to work – only the knowledge enables power to impose." (Wippermann, p. 96). In this constellation power of leadership couldn't arise not any longer from a hierarchy based steering but from a successful bricolage of unfolding micro-powers and in situ accepted knowing. This could be interpreted as "pensiero debole" (Vattimo) which becomes strong if in the face of complex and uncertain challenges an attitude with higher consciousness of difference and unambiguity is asked. Only this attitude enables the 'weak' manager to observe patiently, to wait calmly and to experiment carefully – in sum: to act attentively for increasing variety. A number of appropriate tools already exist: Agile approaches like Scrum (Schwaber), entrepreneurial concepts like Effectuation (Sarasvathy) or organizational systems like Holacracy (Robertson). What they have in common is that they stipulate a few binding principles which may be used in real situations in a flexible way. The 'prudent' approach with its tensions as described above corresponds with the intention of these tools.

Variety increasing tools need managers who (a) initiate the implementation of loops that generate uncertainty and doubts to disturb the fast, coherent, predictable and arranged steps in the planning process (cf. Kahneman, p. 89ff.) and (b) bear the uncertainty produced by themselves by an "active work of managing novel contradictions" (Bjerregaard, p. 1507). A certain mindset is helpful doing that necessary work: (a) Equanimity as the "art of exemption from the pestering reality" (Safranski, p. 369) assuming "unowned processes" (Chia, 2014, p. 18) combined with (b) an inner tranquility to observe occurrences while building and tearing down patterns of sensemaking (cf. Jullien) and (c) the willingness and capability to (c1) initiate point ambidexterity (Turner et al., p. 12) and (c2) be on good terms with others to generate trust by practice experimenting with values on second tier (cf. Hartmann).

### **Authority and responsibility as parameters for attitude**

Power and knowledge are not stable property of a few persons, they are result of contingent relations between many players. Each member of this relation acts as a single person alone with himself – and he acts as a 'zoon politicon' with different roles in different environments. The introspective dialogues establish the authority, the role-based aspects constitute the responsibility of a person:

- The self-concept of a person is understood by 'authority'. Authority goes along with the questions,
- as I stand to myself, how much I respect myself (self-esteem);
- as I form own judgment and make independently decisions (independence);
- as I put through my opinion and strictly represent (assertion).

Not enough authority leads to own disregard, shapelessness and little spine.  
Too much authority causes domineering appearance, egocentrism and dogmatism – unless high authority is buffered by responsibility.

- Including the interests of others in one's own decision is understood by 'responsibility'. Responsibility goes along with the questions,
- as openly I am for my feelings and the feelings of others (emotional responsibility);
- as I accept my social involvement and with it accept, consider and use the interests and needs of others (social responsibility);
- as I perceive, estimate and include the effects of my action on other organisation areas and the whole organisation, (organizational responsibility).

Not enough responsibility leads to egoism, emotional cold and demarcation.  
Too much responsibility causes self-exploitation, touchiness and humility – unless high responsibility is buffered by authority.

In most cases, an attitude with a distinctive balanced authority and responsibility leads to a higher variety – precondition for a better management of organizational change. But this is not a general best practice, valid in all cases. Sometime more authority, other times more responsibility is needed – balanced-practice is not more than a good starting point attitude from which managers are able to juggle in an ambidextrous way with both ingredients. "Practical wisdom stays with the indwelt experience of making good judgements that are, by necessity, situation-specific." (Nonaka, p. 371)

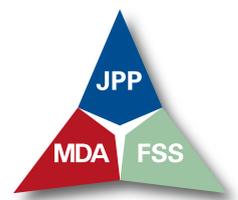
### **Measuring attitude with the Matrix for the Development of Attitude (MDA)**

The Matrix for the Development of Attitude (MDA) is part of a more detailed potential analysis, the Power-Potential-Profile (PPP) that consists of three modules:

Module 1: The Jungian Personality Profile (JPP) describes the individual tendencies (preferences) in the areas perception and decision as well as it shows where someone draws energy and how someone organizes himself in his environment. (self-assessment; 94 items)

Module 2: The Matrix for the Development of Attitude (MDA) describes the inner attitude toward authority, responsibility and power in six fields. Three authority factors: self-esteem, independence, assertion; and three responsibility factors: emotional responsibility, social responsibility, organizational responsibility. (self-assessment; 33 items)

Module 3: The Future Skills for Leadership (FSL) shows how someone assesses his ability in seven central competence fields: goal orientation, ability to innovate, ability to motivate others, communication, team building, conflict moderation, success con-



trol. With the help of external evaluations (superiors, co-workers, colleagues, customers etc.) a 360-degree-feedback is possible. (self- /external assessment; 69 items) Independent appraisals from 2007 and 2012 certify a high quality for this instrument, especially in combination of these modules (cf. Kastenmüller).

For building hypotheses, MDA and FSL are in the spotlight, because they represent the normative part of the PPP.

The targeted quadrant of the MDA is the shaping one above right – only here both parameters are positive. If the values for authority and responsibility are balanced (the point is on or near the diagonal of 45°), the result is better than an unbalanced result – e.g.: the yellow manager (A = 12 / R = 11) has a better result than the green ivory one (A = 4 / R = 22).

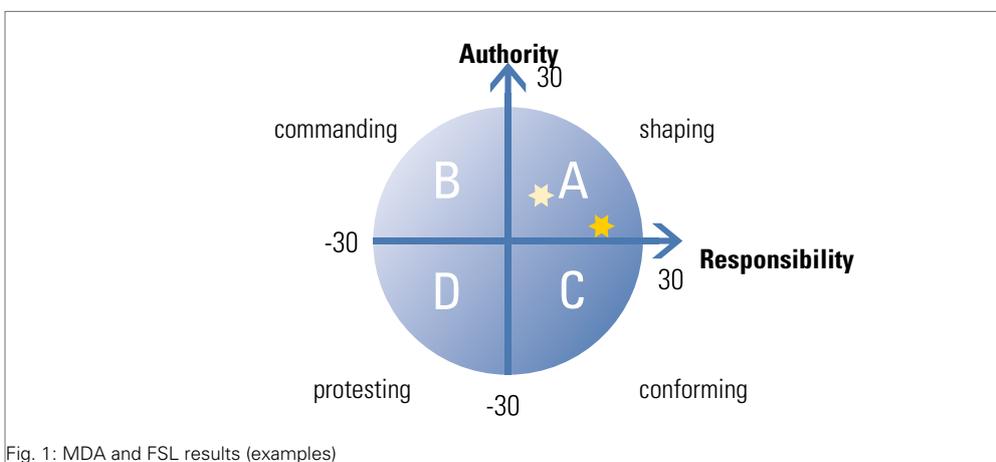
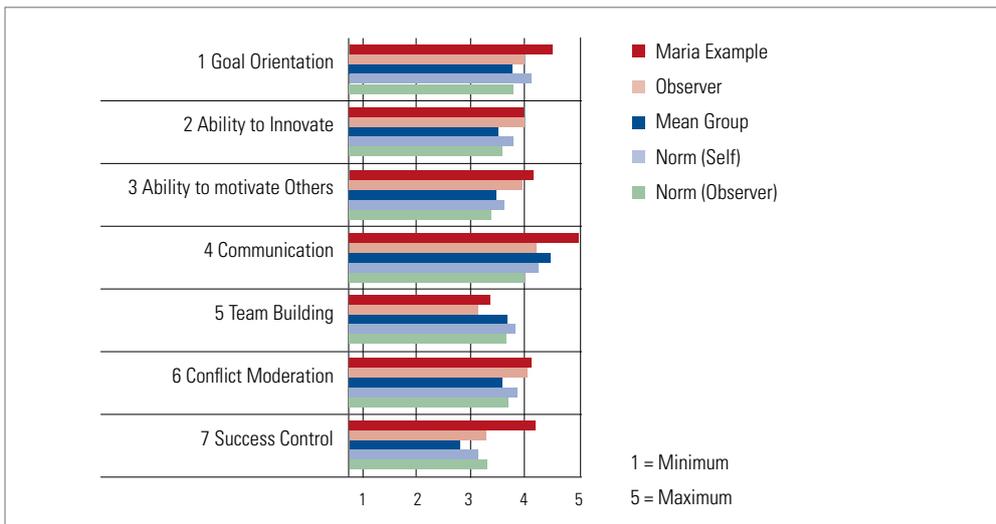


Fig. 1: MDA and FSL results (examples)

The targeted result of the FSL is a competence level as high as possible in all seven fields combined with an agreement between self and external assessment.

The modules do not measure the being of someone, but how a person perceives itself – who provides information about the picture which has somebody of itself concerning the consciousness of his own attitude (what I want to do) and competence (what I am able to do).

**Sample**

During the last three years 270 managers from DACH region (Germany, Austria, Switzerland) participated in the PPP, 103 of them with an additional external FSL-assessment. The age distribution shows a light predominance of managers between 31 and 35 years due to one of the favourite utilizations of the PPP in talent programs.

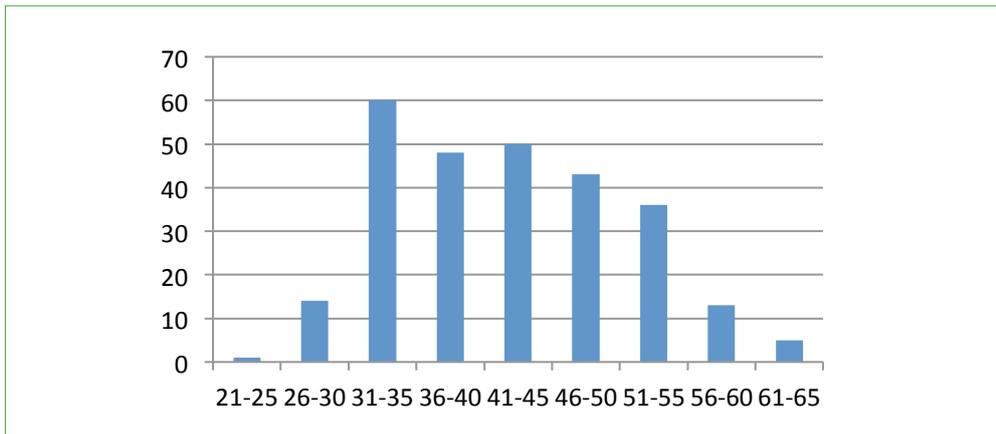


Fig. 2: Age distribution (N=270)

Half of the participants are middle / high managers, every tenth is executive. With the shown age and function distribution and with the fact, that more than 30 branches are covered, this sample could be seen as a representative cross-section.

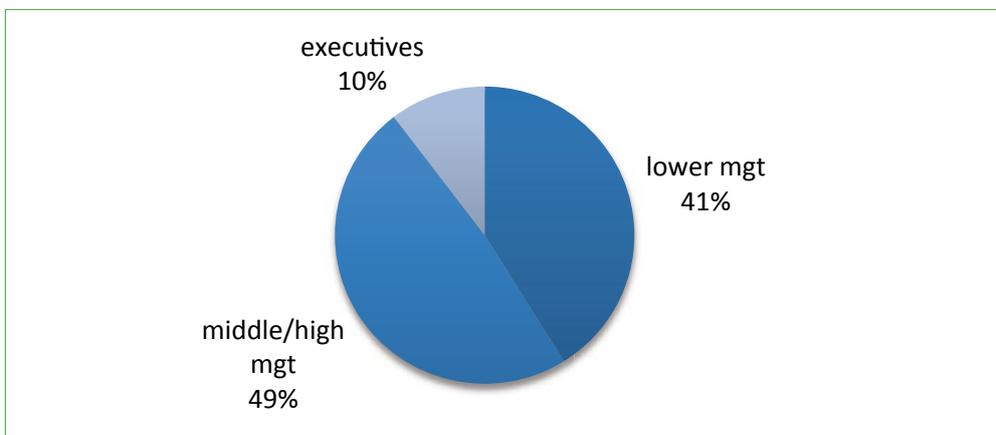


Fig. 3: Position of the participants (N=270)

**Results**

Due to their education and their experience managers in higher position have had more opportunities to train and to polish their attitude.

*Hypothesis 1:  
The higher the position of a manager in the organisational chart is the better is the position of the manager.*

The participants have ticked in which position they are working: as an executive, as middle/high manager or as lower manager. The following figure shows the results of all 270 participants. The coloured curves describe 'iso-attitudes' – this are combinations of authority and responsibility with the same square root of the product of the two values (orange: 5; red: 10, green: 15; purple: 20; blue: 25). The geometric mean was chosen to represent the quality of a balanced relation 'authority-responsibility'.

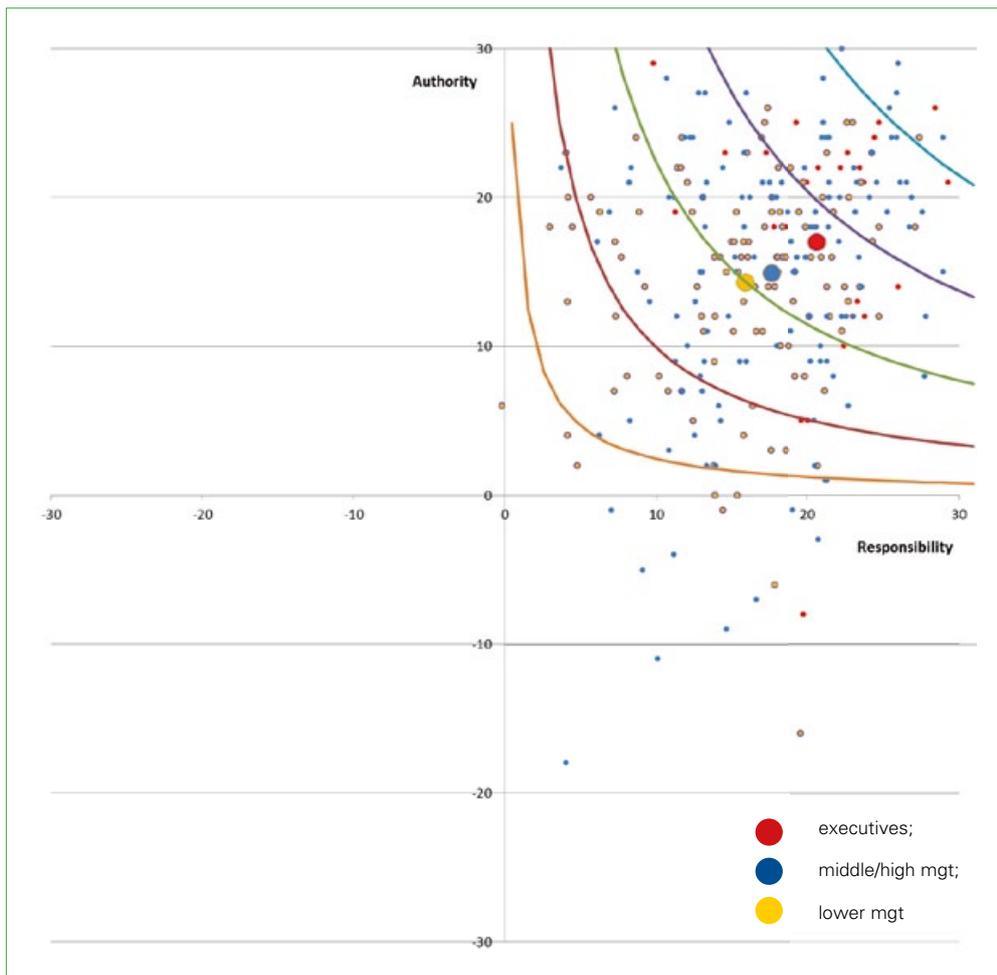


Fig. 4: MDA result

The big bubbles represent the means for the three different management positions. The following figure shows the statistical results:

			mean		median		standard deviation	
			authority	respons.	authority	respons.	authority	respons.
●	executives	28	17,0	20,7	20,0	20,4	8,6	4,6
●	middle/high mgt	131	14,9	17,6	17,0	18,3	9,1	5,8
●	lower mgt	111	14,3	15,9	16,0	16,9	7,2	5,7

Fig. 5: MDA results for different positions (N=270)

Hypothesis 1 is **confirmed**: The consciousness of authority and responsibility rises with the position of a manager.

In stable, non-dynamic and hierarchal situations managing change could be driven by attitude (transformational and charismatic leadership) or by competence (expert leadership). However, in complex situations the power of ‘weak leading’ (s. above) managers results from attitude as well as from competences: A shaping manager without skills is at a loss, a competent manager with a protesting attitude is ineffective. Therefore a higher consciousness of the power of authority and responsibility should entail higher consciousness of distinctive competences.

*Hypothesis 2:  
The higher a manager assesses his aggregated value for authority/responsibility, the higher he assesses his aggregated competence level.*

The following figure shows the correlation between the MDA and the FSL results. The (Pearson) correlation coefficient of .70 between the sum of all seven competence field assessments and the geometric mean of authority and responsibility indicates a strong correlation.

r =		authority	responsibility	√AR
cat_s1	goal orientation	.71	.27	.64
cat_s2	ability to innovate	.59	.35	.59
cat_s3	ability to motivate	.61	.37	.62
cat_s4	communication	.58	.30	.55
cat_s5	team building	-.16	.33	.02
cat_s6	conflict moderation	.52	.43	.57
cat_s7	success control	.45	.11	.38
	Σ_self	.69	.44	.70

Fig. 6: Correlations between authority / responsibility and competence (N=270)

Hypothesis 2 is **confirmed**: A consciousness for a good attitude corresponds with a consciousness for well-trained skills.

Significant correlations between 'authority' and six of seven competences as well as weak correlations between 'responsibility' and five of seven competences (fig. 6) invite for a detailed analysis.

As shown above, authority and responsibility should be in a balanced relation due to the capability of mutual buffering. With the confirmed hypothesis 2, each of the six MDA fields should be linked with each of the different competences in a similar way.

*Hypothesis 3:*

*The correlations between attitude fields and competence fields show similar development.*

The following figure. shows the correlation between the factors of the MDA and the competence fields (FSL).

		cat_A1	cat_A2	cat_A3	cat_R1	cat_R2	cat_R3
r =		self-esteem	independence	assertion	emotional respons.	social respons.	organizational respons.
cat_s1	goal orientation	.56	.58	.62	.12	.03	.45
cat_s2	ability to innovate	.50	.46	.49	.20	.12	.44
cat_s3	ability to motivate	.54	.48	.47	.22	.18	.38
cat_s4	communication	.50	.46	.45	.17	.17	.33
cat_s5	team building	-.13	-.12	-.13	.15	.47	.11
cat_s6	conflict moderation	.45	.44	.38	.33	.22	.32
cat_s7	success control	.35	.33	.42	.00	-.06	.34

Fig. 7: Correlations between factors of attitude and competences (N=270)

Except for the competence field 'team building' there are moderate or weak correlations for all three factors of authority and for one factor of responsibility. On the other hand only a few weak correlations exist between emotional or social responsibility and the seven competences.

Hypothesis 3 is **disproved**: There's no significant link between emotional resp. social responsibility and competences.

This distinction between the self-centred attitudes of authority together with the ‘material’ related attitude of organizational responsibility on one hand and feeling-oriented aspect on the other hand leads to the traditional difference between ‘hard’ and ‘soft’. Using this differentiation also for the seven competences (with the help of the good-old fashioned 7-S-modell) shows the following pattern:

				cat_A1	cat_A2	cat_A3	cat_R1	cat_R2	cat_R3
				self-esteem	independence	assertion	emotional r.	social r.	organisa-tional
		7-S		h	h	h	s	s	h
cat_s1	goal orientation	strategy	h						
cat_s2	ability to innovate	strategy	h						
cat_s3	ability to motivate	staff	s						
cat_s4	communi-cation	style	s						
cat_s5	team building	shared values	s						
cat_s6	conflict moderation	style	s						
cat_s7	success control	system	h						

Fig. 8: Pattern of ‘hard’ (h) and ‘soft’ (s) items

The pattern is very similar to the correlation results – except for ‘team building’. This finding suggests that the consciousness of ‘hard’ attitudes is linked with the consciousness of own competences. For ‘soft’ attitudes, a similar correspondence to competences doesn’t exist. Observer results of FSL underline this statement (s. attachment).

**Conclusion**

Emotional and social aspects of responsibility are not supported by conscious competences just as other ‘harder’ aspects of attitude. Even all factors of responsibility are covered by corresponding competences (the white cells in figure 8), these competences are not in mind. Taking the famous quote of Louis Pasteur – “La chance ne sourit qu’aux esprits bien préparés” – the mind of a manager isn’t well-prepared due to a significant unconsciousness of emotional and social related competences.

A fully equipped responsibility – and not only the objective “un-human” third of organizational responsibility – has to be ready for leading in complexity to safeguard the necessary variety of options. “Social empowerment is critical for middle managers involved in change as it helps ensure that interaction will cross systems resulting in cascading empowerment that can prevent change failure.” (Realin, p. 504). Even the ‘soft’ elements of responsibility are imperative for the needed mindset outlined above: Equanimity, inner tranquillity, point ambidexterity and trust by practice.

Power with authority in the light and responsibility in the shadow of consciousness leads to a variety of *téchne* (with plans, orders, budgets, org charts, schedules, ...). This is sufficient for limited and structured jobs with clear goals in a stable environment – the wisdom of the plan. For managing challenges of complex change authority and responsibility are needed both to be conscious. Together with related competences managers are able to increase variety in advance to be prepared – the wisdom of the situation, called *phronêsis*.

The following film about “*phronêsis* in action” takes only one minute.  
<https://www.youtube.com/watch?v=N22Wzgv8dKo&feature=youtu.be>

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**Correlation coefficient (with FSL observer results; N = 103)**

	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
1 authority	.24	.82	.84	.79	.06	.07	.46	.90	.68	.67	.65	.59	-.06	.55	.45	.70	.03	.23	.20	.22	-.04	.03	.02
2 responsibility		.16	.24	.20	.79	.71	.52	.54	.25	.38	.35	.30	.38	.52	.10	.44	.22	.05	.05	.27	.01	-.02	.08
3 cat_A1 self-esteem			.56	.42	.00	.09	.31	.75	.53	.61	.58	.50	-.04	.48	.33	.60	-.02	.06	.06	.11	.09	.01	-.02
4 cat_A2 independence				.54	.09	.07	.41	.77	.50	.49	.52	.45	-.08	.49	.35	.55	.08	.30	.19	.22	-.13	.09	.01
5 cat_A3 assertion					.07	.01	.40	.69	.62	.52	.50	.48	-.04	.37	.43	.58	.03	.23	.25	.23	-.07	-.02	.07
6 cat_R1 emotional r.						.29	.05	.35	.08	.15	.16	.07	.21	.38	-.01	.20	.16	.04	.00	.13	-.10	-.04	-.04
7 cat_R2 social r.							.28	.29	.02	.20	.22	.22	.43	.33	-.07	.25	.25	-.05	.07	.25	.19	-.03	.11
8 cat_R3 organisational r.								.53	.52	.55	.41	.44	.18	.36	.35	.56	.03	.11	.04	.21	-.02	.05	.16
9 √AR									.61	.65	.64	.57	.05	.61	.38	.70	.09	.20	.19	.26	-.02	.00	.04
10 cat_s1 goal orientation										.75	.61	.68	-.05	.47	.62	.82	-.02	.23	.10	.18	-.06	.08	.06
11 cat_s2 ab_innovate											.68	.60	.05	.57	.50	.84	.07	.14	.06	.30	-.05	.03	.10
12 cat_s3 ab_motivate												.52	.08	.65	.47	.81	.12	.10	.21	.29	.11	.08	.01
13 cat_s4 communication													.06	.54	.39	.73	-.01	.06	.21	.20	-.03	-.03	.10
14 cat_s5 team building														.18	-.01	.25	-.03	-.18	.06	.09	.20	-.13	-.03
15 cat_s6 conflict moderation															.33	.73	.23	.14	.36	.30	.16	.01	.07
16 cat_s7 success control																.73	-.09	.03	.17	.11	.06	.17	.06
17 S_self S_self																	.05	.10	.23	.29	.08	.06	.07
18 cat_o1 goal orientation																		.39	.40	.48	.06	.19	.35
19 cat_o2 ab_innovate																			.14	.30	-.27	.15	.21
20 cat_o3 ab_motivate																				.39	.28	.25	.31
21 cat_o4 communication																					.14	.28	.37
22 cat_o5 team building																						.27	.12
23 cat_o6 conflict moderation																							.18
24 cat_o7 success control																							

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