

PreReading

# Lateral Leadership

## NEW STRUCTURES REQUIRE A NEW ATTITUDE

In an increasing number of organizations hierarchies lose their importance and instead companies focus on more network-like structures. In these new structures there is no room for hierarchical leadership concepts. Employees without hierarchical power, who lead inter-divisional, even outside the company borders and sometimes from below to above, come to the fore.

Even in organizations, that still focus on hierarchies, a new attitude emerges. More and more leaders focus on cooperative relationships with their employees. Especially in societies with a high level of education, old-fashioned hierarchical leadership styles don't work anymore.

These changes cast light on a long-known leadership principle– the principle of lateral leadership.

Lateral leadership (leadership from the side; Latin: *latus* – “side”) does not manifest itself through vertical influence but rather through horizontal cooperational relationships. Lateral leadership follows different principles than classic hierarchic leadership. Collaboration is not a one-way street (“I give this task to you and you should achieve this or that goal”). It is about winning over others for your project/idea. Lateral leadership can therefore be seen as a goal oriented, social, interpersonal, behavioral influence. Through communication processes you are able to achieve the completion of the shared tasks.

Let's imagine: someone in your working environment asks you to do him a favour. That should be easy for you, because this happens to us on a daily basis. However, this person is not hierarchically superior to you, comes from a different department, or perhaps even from a different organization. In short, basically this person has no right to tell you what to do. Now you will try to estimate the effort to help him/her out and to find out, how this favour could fit into your current agendas. Perhaps you even wonder in a first step, whether you like that person or not... It is there, where you did already get to the core of lateral leadership. Lateral leaders need to build trust, convince, inform and listen. Because the task of a lateral leader is to develop, foster and strengthen relationships.

Building such relationships requires the development of new skills. Long-term observations in the corporate practice and discussions with hundreds of seminar participants have ultimately led to the very simple insight that lateral leaders essentially need two different types of skills:

- analytical, strategic skills and
- communication skills.

On the one hand the successful implementation of your project in a large organization, without hierarchical authority, requires the ability to assess the current situation. A profound analysis of the situation is the foundation for decisions regarding the right processes, tactics and the choice of strategic options.

On the other hand, even the best strategy won't help us to make progress, if we fail to win over others. This can only be achieved through effective communication.

## THE LATERAL LEADER AS STRATEGIST

A basic element of lateral leadership is to develop commitment to achieve shared goals. But before you start, you should evaluate the current situation to plan next steps. What are my intentions? What is my role? What is my target? What challenges may arise?

These questions are important to gain clarity, because only if you have a good overview, you can communicate your intentions to others in a clear way.

Having this foundation, by clarifying your current situation, it is now important to think about your environment: Who is involved? What are the interests of the individuals and the department? This next step is all about analysing the intentions of the lateral environment.

When working together with other people you often encounter differing and sometimes competing interests, goals, beliefs, values, visions etc., which can lead to conflicts. As a lateral leader it is therefore important to know with whom you are dealing with. Before you meet each other on the “lateral market” you should analyze the “players”. What department are they coming from? How long have they been with the company? What skills and competencies do the different individuals possess? In which projects are they usually involved? What goals and ideas do they pursue?

When analysing your environment, it is also important to find out what benefits the „players“ have for your project. Questions like

- What does this person expect?
- What are his/her worries?
- How does the person affect my plans?
- How could they support me the best way possible?

help you to gain clarity.

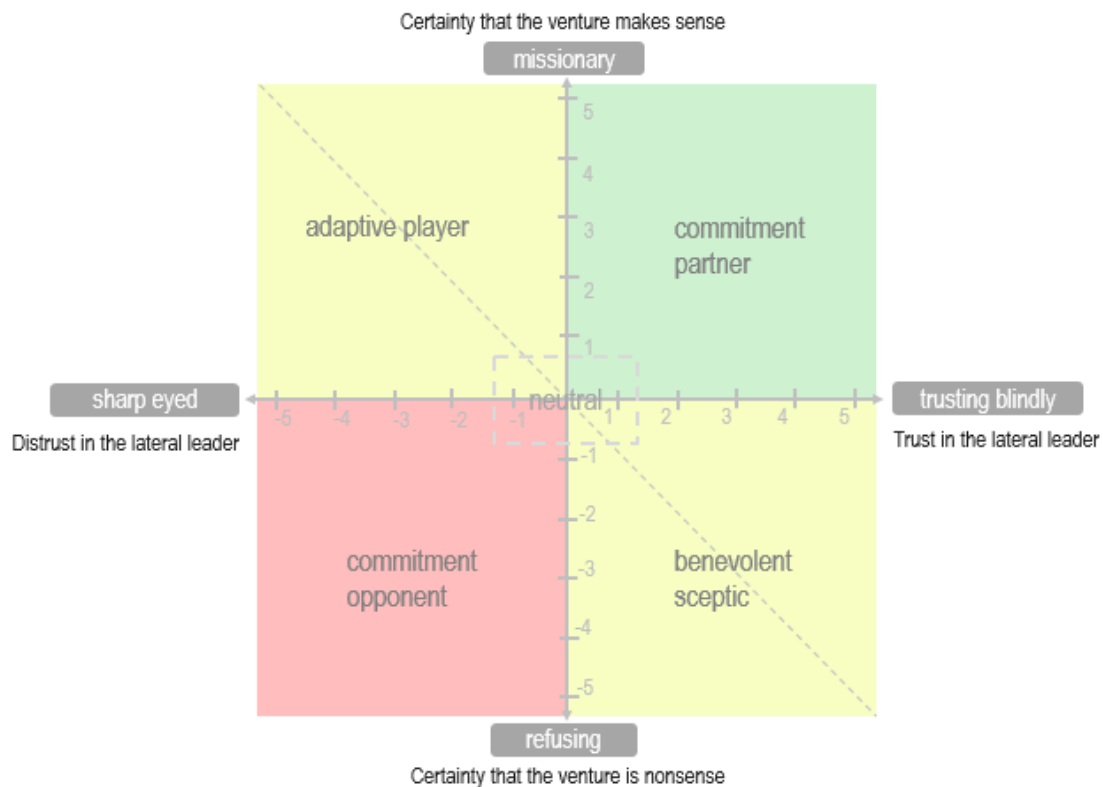
In addition to the evaluation of the current situation it is important to analyse the goal. Why do we want to achieve this? Where do we want to go? What is our target? Nothing can convince more, than a person with a clear strategy!

Reflecting on your own role, skills and interests as well as on those of the other players is the best foundation for starting to work together. But even if you considered every eventuality, you might still be running into challenges, roadblocks, conflicts or even power plays. Lateral leadership will work, if we manage to align individual and collective goals in a constant process. That’s why the basic idea of lateral leadership is to create commitment. We define commitment as the amount of motivation and trust a person has with regard to a specific task. To gain commitment we need two elements:

- trust in the lateral leader
- belief that the project makes sense.

Yes, that’s right, these are already a lot of points that you should consider before you actually start. But don’t worry! To support you in the process of strategy development, we have developed an analysis tool. This tool helps you to get a good overview and to show you networks and interdependencies: The Commitment Game board.

With the commitment game board you can recognize danger zones, potentials, but also power plays. It helps you to define tactics for your next steps. As already mentioned before, the lateral environment is dynamic. Therefore you should evaluate your assumptions from time to time, because the commitment game board only reflects the current situation.



The commitment game board allows you to develop and evaluate your individual tactic during the whole process.

So, we have analysed the situation and the goal, we have got a good overview regarding the other players - Now we can start!

Let's get to know the lateral leader as a communicator a little better.

## THE LATERAL LEADER AS COMMUNICATOR

The lateral leader as a communicator develops and fosters relationships that lead to win-win-situations. Effective communication is our instrument. There are a lot of concepts and methods concerning effective communication. But who can remember all those approaches and how can you find out which tools fit to which situation?

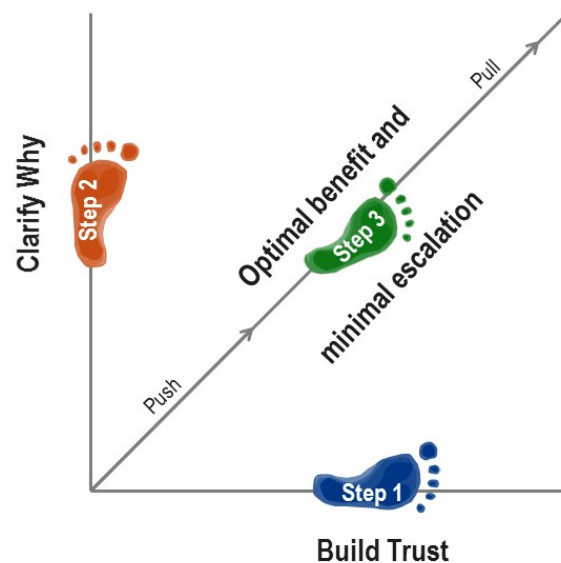
When it comes to supporting lateral leaders with effective communication, Yin/Yang Communication Techniques help you to find your way. It's a very simple model, which follows a simple pattern in three steps.

Yin/Yang serves as a metaphor to illustrate the receptive and expressive parts of conversations. In Chinese philosophy, especially in Daoism, both Yin and Yang stand for a pair of opposites – “giving” and “receiving” or “active” and “passive”.

In this case, it is about finding the balance between Yin: “Establishing Resonance”, “Partner Centred Listening”, “Asking Effective Questions” and Yang: “Telling”, “Convincing” and “Rewarding and Pressuring”.



Yin/Yang commitment communication follows 3 steps. These three steps are also connected to the “Commitment Game Board”:



**Step 1 – “Establish and Extend Trust”:** Firstly, focus on the relationship. If something goes wrong on this level, we won’t make progress on the factual level. Step 1 meets the wish to move your discussion partner a bit more to the right on the horizontal trust-axis.

**Step 2 – “Clarify Purpose and Interests”:** Secondly, focus on the content. What is the purpose, the motivation behind my request and what are the interests of the other player? Step 2 meets the wish to influence and convince the person you are talking to, to make him/her move up on the vertical axis.

**Step 3 – “Optimal Benefit and Minimal Escalation”:** Thirdly, focus on the solution: Most of the time we are able to achieve win-win-situations for all persons involved. But if the other person isn’t ready to cooperate, we need escalation strategies. Step 3 describes moving on the diagonal line through Rewarding and Pressuring. E.g. a compelling offer can cause pulling force. Pressure can be built up e.g. under threat of negative consequences.

The Yin/Yang attitude is a prerequisite, because it is relevant to all three steps. This means, each of the 3 steps described consists of Yin and Yang components.

## FIRST STEPS AS A LATERAL LEADER

Since it is of particular importance for lateral leaders to build relationships and expand the personal network, start thinking about ways how you can build new relationships and strengthen your current ones. Just a recommendation: everyone loves lunch invitations and in a relaxed atmosphere, even unpleasant subjects, are often solved in an easier way.

We wish you great success!

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