What happened to democratic leadership?

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Recent debates on democracy can benefit from an exploration of democratic organisation in a broader context, especially in the field of work.

In this article we trace the development of ideas about democratic leadership, beginning in the late 1930s, and giving particular attention to the contribution made by the human relations tradition. The policy high watermark for ideas about industrial democracy came with the Swedish Social Democrats' legislation for 'Wage-Earner Funds' in 1983, and in Britain with the Bullock Report on Industrial Democracy of 1976. Their practical high point in Britain was the Upper Clyde Shipyards Work-In of 1971-2, which followed on from the significant movement for industrial democracy of the 1960s and 1970s. The cause was, however, virtually extinguished by the defeats suffered by social democracy after 1979 and the rise to global dominance of neoliberalism - in which emphasis is placed not on democracy but on the role of individuals functioning as consumers and producers within competitive markets or quasi-markets. The role of collectivities, functioning through participating members, or even through the ballot, is disparaged. (To see this, consider the steady erosion of the powers of elected local government.) The consumer, not the participating citizen, is supposed to be king, although, as Colin Crouch points out, it is corporations more than consumers who wield most power.[1] David Cameron's' 'Big Society' purports to address the deficit in social solidarity and

membership of a society dominated by market and state, but there is little sign that this is any more than a rhetorical and cosmetic remedy to the problems it identifies. Indeed the Big Society functions as a classic form of triangulation, since its critiques lead not to the lessening of the domination of society by state and market, but rather to the further dismantling of the democratic state to the benefit of those who exercise power through markets.

The dynamics of neoliberalism, and its grasp over our society, is now becoming widely understood, through a plethora of writings and campaigns (such the Occupy movement). But it is proving more difficult to identify routes away from this domination, which extends over economy, society and the mind. Here we seek to reclaim one tradition of thinking about democratic organisation as part of an alternative to neoliberalism.

An idea and its evolution

The idea of democratic leadership, in the tradition considered here, has its origins in the famous, if still contested, experiment undertaken by Kurt Lewin and Ronald Lippitt in the United States in the later 1930s and first published in two seminal papers in 1938 and 1939, just before the onset of war.[2] Lewin was a refugee from Nazism, and his work was part of a broader anti-authoritarian critique of that period. In the experiment, school children were assigned to one of three groups, operating under three differentiated leadership styles: authoritarian, democratic and laissez-faire. The *authoritarian* leader sets clear expectations about what needs to be done, when and how. There is a sharp division between leader and followers and all decisions are taken by the leader with minimal input from others. The *democratic* leader offers guidance to group members, but also participates in the group, encouraging active member involvement, including in decision making, while the *laissez-faire* leader offers little or no guidance, takes little or no part him or herself and leaves all decision-making up to group members. Each group then took part in a common activity project, observed by the researchers. In respect of outcomes, democratic leadership emerged as the most effective of the three styles, with members feeling more engaged and motivated, working together more cooperatively and creatively. Though less productive than members of the authoritarian group, their contributions were judged as of a much higher quality. In contrast, while more productive, the authoritarian group were less

creative, more dissatisfied and prone to become either aggressive or uninvolved. In turn the laissez-faire group were the least productive, showed little cooperation or satisfaction and made more (unmet) demands on the leader.[3]

Lewin's work, both on group decision-making and on the dynamics of social change, was to have an enduring influence within the group of psychoanalysts, psychologists and social scientists who reconstituted the Tavistock Clinic after the war - which initially incorporated the Tavistock Institute of Human Relations as one of its divisions.[4] Over the ensuing thirty years or so, the Institute was to pioneer and offer a conceptual basis for a series of action research and consultancy assignments which were both to extend and deepen the idea of democratic leadership, its dynamics, relevance and scope.

But Lewin's work was not the only strand in this evolution. Of equal importance, and echoing something of Lewin's emphasis, were the innovations of war-time military psychiatrists Wilfred Bion and John Rickman, in particular in their approach to the group treatment of military personnel suffering from supposedly neurotic disorders in the Northfield Experiment. Their intention was to release the group from its defensive manoeuvres in order to liberate the capacity for co-operation and courage in addressing the challenges it was facing: 'to produce self-respecting men, socially adjusted to the community and therefore willing to accept its responsibilities, whether in peace or war'.[5] In the conclusion to their paper on this work Bion and Rickman sought to define 'the good group spirit that has been our aim'.

Bion's early work with groups focused on developing the group's capacity for recovering a sense of internal agency, a capacity which was compromised not only by the group's own internal dynamics but also by a systemic collusion. In the context of a military psychiatric hospital, this collusion was described by him as 'some sort of equilibrium of insincerity … achieved by patients, doctors and community alike'.[6]

It is notable that in their specification of aims Bion and Rickman make no reference to any concept of leadership. It is as if, rather on the pattern of Lewin's studies, but here taken further, what is emphasised is the group's capacity for self-regulation, with leadership as an emergent function rotating in different settings or circumstances (cf Bion's earlier development of the leaderless group method in the selection of officer candidates). By implication, any superordinate leadership function would primarily be to foster and support maintenance of the conditions

underpinning this capacity.

Incidentally, Bion himself was certainly aware of the wider social radicalism of the war-time experiments. In 1948, in a remarkable and now largely forgotten paper on 'Psychiatry at a time of crisis', he wrote that 'we have also to bear in mind those organisations of society which in themselves produce problems for the majority of those living in that organisation. It is possible for society to be organised in such a way that the majority of its members are psychically disinherited'.[7]

Drawing on the ideas of self-regulation implicit in both Lewin's and Bion's experiments, Eric Trist (a cofounder of the Tavistock Institute who had worked with Lewin in the USA before the war) and his colleagues at the Institute set out to challenge the prevailing hierarchical and bureaucratic model of organisation that had characterised the patterning of work relations across most of the industrial sector pre- and post-war, both private and public. Building on an unanticipated discovery by one of the Institute's Industrial Research Fellows (Ken Bamforth) of an innovation in work practice and organisation in a Yorkshire coalfield, they were able to show that the assumed 'technological imperative' underpinning work structures and relations (fragmentation and specialization of tasks and roles; multiplication of supervisory and management control systems or chains of command) could be 'disobeyed with positive economic as well as human results'.[8]

Trist has described the excitement he felt on hearing Bamforth's news, and what the two of them were to discover when they visited the colliery and were given the opportunity, by local management and union, to research their innovation:

> The work organisation of the new seam was, to us, a novel phenomenon consisting of relatively autonomous groups interchanging roles and shifts and regulating their affairs with a minimum of supervision. Cooperation between task groups was everywhere in evidence, personal commitment obvious, absenteeism low, accidents infrequent, productivity high … The men told us that in order to adapt with best advantage to the technical conditions in the new seam, they had evolved a form of work organisation based on practices common in the unmechanized days when small groups, who took responsibility for the entire cycle (of operations) had worked autonomously. These practices had disappeared as the

> pits became progressively more mechanized … leading to aggregates of men having their jobs broken down into one man/one task roles, while coordination and control were externalised in supervision, which became coercive. Now they had found a way, at a higher level of mechanization, of recovering the group cohesion and self regulation they had lost and of advancing their power to participate in decisions concerning their work arrangements.

For Trist and Bamforth, this self-generated innovation, driven by the miners themselves, gave them a glimpse of the 'emergence of a new paradigm of work', in which the 'best match would be sought between the requirements of the social and technical system', without the one being subordinate to the other. It foregrounded the work group rather than the individual job holder, promoted internal rather than external regulation, developed multiple skills in the individual and 'immensely increased the response repertoire of the group'. It extended and further elaborated Bion and Rickman's characterisation of the 'good group spirit', seen now as dependent on the creation of appropriate structural settings. In turn, it recast ideas around the democratisation of work in terms of a conception of 'work linked democracy', whereby the 'participation is secured of those directly involved in decisions about what shall be done at their level'.

Over the following three decades, staff at the Institute, alongside associated professional groups in America and Europe, were to test both the resilience and the limitations of this paradigm in a series of action research assignments in both industrial and public service organisations. It is sometimes forgotten, for example, that Isabel Menzies' original and hugely influential study of nursing started off life as 'an attempt to introduce in an experimental ward the concept of a group of nurses becoming responsible for a group of patients'.[9] Menzies' paper focuses on defences against anxiety. But one could also read her findings as reflecting the imposition in a medical culture of a hierarchical paradigm that mirrored the fragmentation and mechanisation of the factory system.

While much of this work was broadly to confirm the insights consequent on the original mining study, as well as their transferability across industrial sectors and cultures, the changes introduced into work organisations were to prove difficult to sustain and diffuse over time.[10] This may have been partly to do with changing social and political trends which we discuss below, and partly with deeper sources of

resistance, as Menzies' nursing study had brought sharply into view. Even what was perhaps the most ambitious venture in the field - Fred Emery and Einar Thorsrud's Norwegian study of industrial democracy across the board - was not in the end able take root beyond the boundaries of its four, high-profile experimental sites.[11]

These setbacks drew attention to a limitation inherent in the Institute's approach, namely a tendency for change to get 'encapsulated' at the level of the primary work group, without having fully taken into account the wider organisational or societal context, the distribution of power and attendant fears around the loss of control. In later years this was to lead to a radical extension of the concept of organisational democracy (now Trist's preferred terminology), which sought to involve staff across all levels and specialisms, both in participative work planning and in contributing to working through strategic directions.[12] In place of the conventional model of leaders and followers, or leaders and subordinates, the 'Tavistock model' proposed that relations between leaders and groups needed to be dynamic and interdependent if they were to bring about creative outputs.

Writing in the mid-1980s, Trist noted that 'a large number of those present, including myself, expected a further solid development to take place during the 1980s'. But as he also noted, by and large this did not happen.[13] By now, many of the Institute staff most associated with developing this vein of work were scattered abroad. The language of industrial or organisational democracy no longer seemed to have purchase, at least in Britain. At best it had become incorporated or subsumed within a more neutral, less politically contentious body of theory. Something of the founding passion was lost.

Socio-technical changes: from hierarchies to networks

One explanation of the decline of industrial democracy as a programme lies in the political moves against all kinds of collectivism which took place under the aegis of neoliberalism. But the main focus in this section is not on this but on the substantial socio-technical changes which also took place during this period, the most important being the shift from 'Fordist' to Post-Fordist' modes of production, and the move from hierarchies to networks. The adoption of 'internal markets', and of the dismantling of centralised organisations in favour of networks linked through contracts and partnerships, is one aspect of this, and Manuel Castells'

trilogy, *The Network Society*, set out some of the theoretical foundations of these changes.[14] Luc Boltanski and Eve Chiappello's *The New Spirit of Capitalism* interprets these changes as a response by capitalism to the challenges of the 1960s and 1970s.[15] They describe, mainly in relation to France, the dysfunctions of authoritarian management systems in conditions of antagonism, and see the emerging new systems as a 'displacement' of these conflicts, which is to say as ways of absorbing some of their explicit and implicit demands in ways which sustained the dominant goals of the system.

Breaking up organisations into their sub-units, and demanding that each of these take responsibility for their competitive performance, was one such strategy. Information technology has been a key resource in this process, since enhanced information flows permit indirect control over disseminated units, as a condition of their having access to central resources. Because 'brands' become key points of appeal to consumers, access (or its denial) to their potency became a means of control within the organisations that 'own' them. In fast-moving markets, where innovation is key, project-based organisation becomes an essential competitive resource.

It is possible to confuse the forms of autonomy which are enabled by 'flexible' organisations, and that which is brought about by truly democratic processes. One advantage of network and project-based organisation over hierarchy was its potential for encouraging - even enforcing - individual and group- initiative. Boltanski and Chiapello argue that revolutionary demands made in the 1960s and 1970s for more expressive and individualised forms of consumption, and for less alienated and more autonomous work, were to a degree 'displaced' into these new forms of organisation. In consumption (including as a user of public services) there was no longer the necessity that 'one size must fit all.' Japanese car manufacturers exemplified a trend in seeking a more inclusionary relation with their workforce through 'quality circles' and the like - although the design of their entire manufacturing process (e.g. the 'just in time' system of making components available only when and where they were needed) was probably more important in assuring their success.

It seems that methods like these seek some of the advantages of 'democratic organisation' which the Tavistock socio-technical system theorists had set out, but in a political context in which the democratic ideals which were the original context for them were being faced down. Thus workplace democracy disappeared

as an aspiration, even while project-based and devolved forms of organisation sought to simulate its methods (for example in endless synthetic 'consultations'). The idea was to make employees take more responsibility for organisational survival, while simultaneously taking away from them power to determine the goals of their enterprises. (Thus the market rules.) This may amount to devolving responsibility and blame for failure and its consequences. Although one can find examples of relatively democratic practices surviving in this situation, the mainline development of neoliberalism has been contrary to this, towards the 'individualisation' of commitments and responsibilities. The idea that the work-group is itself often the main designer and incubator of creativity is frequently ignored by management strategies designed to extract more output from individuals. While the physical assembly line of Fordist manufacture may have become uncommon in Britain, its disseminated substitute (e.g. in call centres, fast food outlets, and even classrooms) has become a familiar feature of working life. Our purpose here is to reinstate the core conceptions of workplace democracy, and to see what useful application they may have.

Arguments for democratic organisation

Two main arguments have been advanced for the advantages of consensual and democratic forms of leadership over authoritarian systems. One concerns motivation and loyalty. Members of a work-group are more likely to commit themselves to its purposes where they feel valued. This is especially important where detailed surveillance of employees' performance is technically difficult, and where they have therefore to be trusted to regulate themselves. One reason why democratic organisation was effective at the coal face in the example studied by Trist and Bamforth was surely that, deep underground, in unpredictable conditions, the miners had to exercise initiative if they were to produce coal. It was not feasible to keep them under continual surveillance, or to completely routinise the tasks they carried out.

The second argument concerns the links between innovation, complexity and uncertainty. One element of democratic organisation theory emerged from studies which compared methods of production which were routine and predictable, with those where uncertainty and unpredictability were intrinsic to the task. Burns and Stalker contrasted 'mechanistic' organisational structures, better adapted to

stable environments, with 'organic' structures, more adapted to dynamic ones.[16] In manufacturing firms, the contrast was between the mass production line, and the research department. In the former, 'verticality' and hierarchy ruled, with conspicuous distinctions between blue-collar, white-collar and managerial roles, functions and privileges. But in a research department, where outputs were necessarily uncertain, and where contributions needed to be made by employees with different expertise and seniority, relationships had a stronger 'horizontal' element, and formal status hierarchies were weaker.

In present times, some organisations seem to have thrived through structures which maximise the loyalty of employees. The John Lewis Partnership is such an example, and an approach which emphasises employee inclusion may also in part explain the success of Japanese motor manufacturers, even when operating in the UK.

A further advantage of democratic models of leadership is in cases where capabilities for innovation are key to a production process, and where these need to be located in different complementary specialisms. There are film and television production companies which describe their dependence on these attributes. Thus the BBC television series *Dr Who*, in its reincarnation over the past five years, has an accompanying 'film of the film' series (*Dr Who Confidential*), which displays the interdependence of the various roles and functions of the production team, around the leadership of its central figures - the head writer and two executive producers. This programme each week displays a different specialism (writing, stunts, explosions, design, catering, make-up etc). It suggests that the quality of the series depends on a high degree of shared team commitment, supported perhaps by the location of production in Wales.

Another example of this kind is Studio Ghibli, the Japanese animated film company. In one of its DVD 'Extras', the studio's founder and principal director, Hayao Miyazaki, describes his long-standing team of five or so close associates, each with a critical role in the production process (producer, composer, animator, colourist, background artist), who have been involved in nearly all of his films over a period of twenty-five years. He also refers to the large number of artists, animators and others who make up the workforce for this industrial scale of production. The studio was set up, after Miyazaki's first successful animation film, to provide stable conditions of employment in an industry in which short-term work is the norm. Miyazaki is filmed painting pictogram credits for all of the 420 members of the production team for

one film, explaining this by asking 'Have you ever seen alphabetical credits?' These are examples of places where a somewhat democratic (and charismatic) mode of leadership has sustained high-quality production over many years.

One example from the public sector - work with which one of the present authors has been associated - that implicitly challenged the assumption that public organisations are simply prisoners of centralised systems of regulation is the series of initiatives undertaken a few years back at a large inner-city College of Further Education under the overall leadership of its Principal. Facing a population of students outside the mainstream of formal education ('disaffected from learning' in ways that were felt to 'challenge the system' including its current funding methodology), a variety of self-regulating staff teams were set up to devise and run innovative learning programmes within the College's core provision. These teams were to set their own objectives and goals, research and familiarise themselves with their student populations, and devise settings, activities and frameworks of staff-student and student-student relations which could, through a mixture of patience and challenge, re-engage young people in learning. Each of these teams simultaneously saw themselves as researchers, whose findings might enhance the College's and potentially the sector's broader provision. The Principal referred to these programmes as ventures in 'dignified dissidence', and to her own role as to 'legitimise them, give them a name and find resources', drawing from the College development funds and/or private sector contributions. The key was that the team managed these resources themselves, creatively, while accounting for them in orthodox ways.

Each of the above is an example of a work environment that has incorporated 'democratic' approaches within a larger system in which the demands of competitive markets or the instructions of large organisational hierarchies have to be met. They show that these approaches can be viable and efficacious in modern conditions. One argument for them is their contribution to social inclusion. Another is that they facilitate the creative and innovative forms of production on which an economy such as Britain's must surely depend in future.

Democratic organisation today

The problems which have beset the system of neoliberalism since the credit crunch of 2008 indicate that not is well with its model of economy and society. This may

well be a systemic crisis of reproduction, in which the exclusion of increasing numbers from participation in either production (through unemployment) or consumption (through poverty) threatens the stagnation of much of the economy, with many negative social consequences.

A renaissance of democratic organisation, in both private and public work-settings, offers a remedy to these problems, making possible greater commitment and initiative in work, and a greater equality of distribution. A more 'responsible capitalism' - which all political parties have suddenly decided is a good idea - is one which gives much greater voice and involvement in the experience of work.

How could this be achieved? Certainly it calls for much more than placing employee representatives on remuneration committees, to hold back the excessive rewards of senior managers. More substantial would be employee (and other 'stakeholder') representation on the main boards of companies, or on a tier of supervisory boards, as has been a constitutional requirement in Germany since 1976. But action needs to come from below, as well as from governments. Indeed only if it does come from below will governments do anything.

Employees should demand formal representation in the governance of their enterprises, arguing that such representation will enhance their commitment and performance. This, incidentally, is an argument for effective voice, and need not be a threat to existing ownership as such. And those who now hold leadership and management positions, in public, private and voluntary sectors, should themselves adopt and practice democratic methods, as far their own responsibilities within hierarchical structures allow. Sometimes, as we have found, they do allow; and it can be shown that more participative and democratic methods of organisation enhance creativity and commitment. But there can be no advances towards democratic organisation, whether in work or in politics, unless people argue for them in their everyday lives.

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Notes

1. Colin Crouch, *Post Democracy*, Polity 2004; and *The Strange Non-Death of Neoliberalism*, Polity 2011.

2. K. Lewin, R. Lippitt and R. White, 'Patterns of Aggressive Behaviour in Experimentally Created Social Climates', *Journal of Social Psychology* 10, 1939.

3. We shall not be further discussing laissez-faire modes of organisation in this article, but this is not because organisations do not exist which decline to recognise their need for effective means of leadership.

4. E. Trist, and H. Murray, 'Historical Overview', in Eric Trist and Hugh Murray (eds), *The Social Engagement of Social Science*, Vol 1, Free Associations 1990.

5. W.R. Bion and J. Rickman, 'Intra Group Tensions in Therapy', *The Lancet*, 2, 1943.

6. Bion's later work with therapeutic groups and its emphasis on the regressive elements in group behaviour has tended to draw attention away from the intention underlying this earlier work.

7. W.R. Bion, 'Psychiatry at a time of crisis', *British Journal of Medical Psychology*, 21, 2, 1948.

8. E. Trist, 'Introduction to Volume 2', in Eric Trist and Hugh Murray (eds), *The Social Engagement of Social Science*, Vol 2, University of Pennsylvania Press, pp37-9; 48; 55-6.

9. I.E.P. Menzies, 'A Case Study in the Functioning of Social Systems as a Defence against Anxiety', *Human Relations*, 13, 1960; and Trist 1993, op cit.

10. For an example of transferability see Ken Rice's 1983 study of the Calico Mills in Ahmedabad: 'Productivity and Social Organization', in Trist and Murray, op cit.

11. F.E. Emery and E. Thorsrud, *Democracy at Work*, Centre for Continuing Education, Australian National University, Martinus Nijhoff 1976. This developed and tested a model for introducing Industrial Democracy across the board and was undertaken for the Norwegian Employers and Trades Union Confederations.

12. F. Emery and M. Emery, 'The Participative Design Project', in Trist and Murray (eds), Vol 1, op cit.

13. E. Trist, 'Introduction to Volume 2', op cit.

14. M. Castells, *The Information Age: Economy Society and Culture*, Vols 1, 2 and 3, Blackwell 1998.

15. L. Boltanski and E. Chiapello, *The New Spirit of Capitalism*, Verso 2005.

16. T. Burns and G.M. Stalker, *The Management of Innovation*, Tavistock Publications 1961, 1994.