To what extent can power affect leaders´ adaptation to adversity in VUCA business conditions – a critical realist view

Joerg Krauter
Synk Group GmbH & Co

Power in all its form is a central issue in leadership today. Some researchers focus on the 'dark side' of power in leadership relation such as toxic leadership and corruption and other researcher investigate the collective dimension of power focusing collaboration and empowerment. Little research has been applied on the topic to what extent can power affect leaders´ adaptation to adversity in VUCA conditions. Recent studies have shown that a significant number of leaders are not able to successfully adapt to adversity within today's increasingly volatile, uncertain, complex, and ambiguous business conditions. Some of them use power as a resource for their successful adaptation, others fail because power becomes a trap for them.

This study addresses the question "To what extent can power affect leaders´ adaptation to adversity in VUCA business conditions" based on the main results of the authors PhD thesis regarding the more general view of leaders´ adaptation to adversity in volatile, uncertain, complex and ambiguous business environment (Krauter, 2018). The phenomenon of power will be discussed within the paradigm of critical realism, which in general have the aim to explain events that are emerged by the underlying structures, conditions and mechanisms (Bhaskar, 1975a, 1975b; Bygstad & Munkvold, 2011; Sayer, 1992; Zachariadis, Scott, & Barrett, 2013).

Leadership and power relations

Leadership and power are related, because leadership use power to influence employees and to reach organizational goals (Ross, Matteson, & Exposito, 2014) and other researcher states that leadership means power or is the exercise of power (Zogjani & Llaci, 2014) or leadership should be discussed as a epiphenomenon of power (Janda, 1960).

Leading people can be described as an intentional social interaction to achieve a common goal (Bass & Bass, 2009; Northouse, 2015) and social interactions need social structures and other conditions in which they can happen (Bhaskar, 2014; Bhaskar & Danermark, 2006). Power can be described as the ability of a person A to motivate a person B to do something that B would not otherwise do regarding her/his own interests (Bass & Bass, 2009; Dahl, 1957; Rees & Porter, 2008).

Therefore, leadership and power are intertwined.

Leaders´ adaptation to adversity in VUCA conditions

This section provides a brief overview about the research results of the authors´ PhD thesis.

Adversity is one of the most challenging leadership issues to date (Lawrence, 2014) (DuBrin, 2013; Friedman, 2005; Jackson, Firtko, & Edenborough, 2007; Johansen, Johansen, & Ryan, 2011; Schein, 2010; Snyder, 2013). Burnout is increasingly recognised as adversity in leadership triggered by volatile, uncertain, complex, and ambiguous conditions (Hannemann, 2015; Stegmann & Schröder, 2018; Zimber, 2015, 2018; Zimber, Hentrich, & Meyer-Lindenberg, 2018). Leaders affected by a high level of the impact of adversity (magnitude, probability and relevance) Dohrenwend, 2000, 2010; Everly et al., 2013; Hannah et al., 2009; Hoffman & Lord, 2013) and a low level of sense-making of adversity (Pan, Wong, Chan, & Chan, 2008; M Van den Heuvel, Demerouti, Bakker, & Schaufeli, 2013; M. van den Heuvel, Demerouti, Schreurs, Bakker, & Schaufeli, 2009; Zaccaro, Banks, Kiechel-Koles, Kemp, & Bader, 2009), have increased burnout risks (Nübling, Stößel, Hasselhorn, Michaelis, & Hofmann, 2006; Nübling et al., 2011). These mechanisms were experienced in VUCA conditions or adverse workplaces. Underlying social structures such as leader role expectations by the organizations and individual structure of the leader i.e. own expectations and values accompanied by VUCA conditions (Bass & Stogdill, 1990; Hannah, Uhl-Bien, Avolio, & Cavarretta, 2009; Steiger, 2013; Tourish, 2014) were identified as the basis in which the mechanisms of impact of adversity and sense-making of adversity attenuate or intensify burnout as the experienced adverse event (see figure 1) (Krauter, 2018).
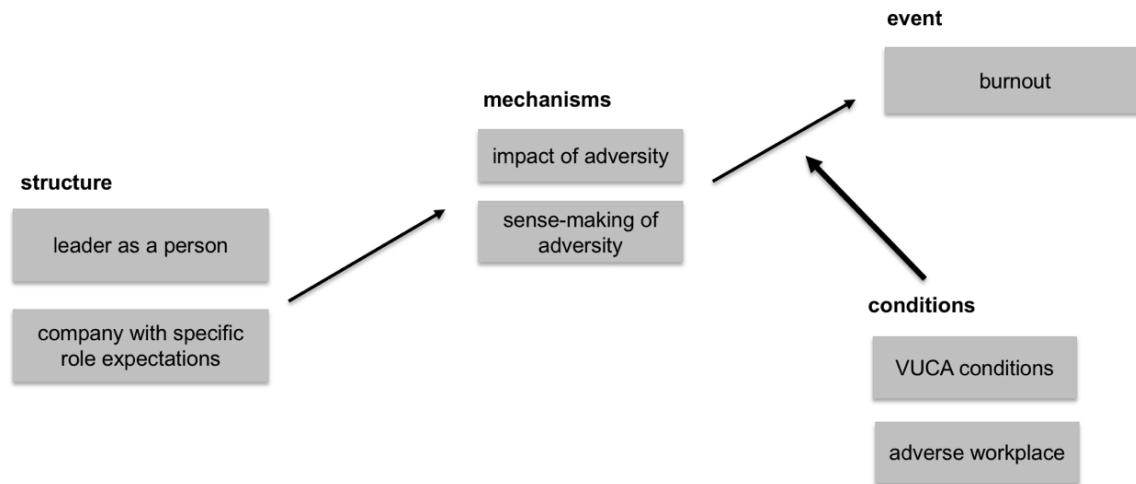
event

burnout

mechanisms

impact of adversity

sense-making of
adversity

structure

leader as a person

company with specific
role expectations

conditions

VUCA conditions

adverse workplace

Figure 1: Process of adversity (burnout) occurring within the given context

Source: the author

Leaders' adaptation to adversity is characterised by the task adaptive performance (Kröger & Staufenbiel, 2012; Pulakos, Arad, Donovan, & Plamondon, 2000). Impact of adversity, psychological capital (Avey, Reichard, Luthans, & Mhatre, 2011; Luthans, Youssef, & Avolio, 2007) and authentic leadership (Alok & Israel, 2012; Peus, Wesche, Streicher, Braun, & Frey, 2012; Walumbwa, Avolio, Gardner, Wernsing, & Peterson, 2008; Walumbwa, Avolio, Gardner, Wernsing, & Peterson, 2007; Youssef & Luthans, 2012) are the central mechanisms influencing task adaptive performance. These mechanisms operate in conditions of burnout and sense-making of adversity, self-reflection and conscientiousness. The main structural element is the leader herself/himself categorised as an individual structure consisting of personality, mental model and human agency aspects (see figure 2) (Krauter, 2018).
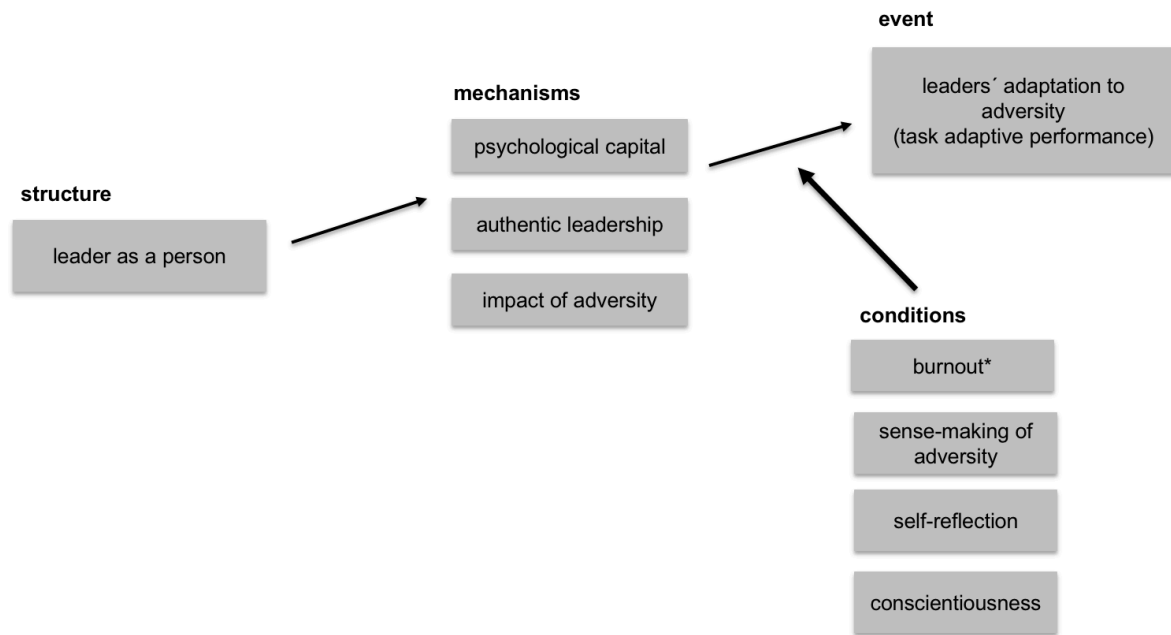
structure

leader as a person

mechanisms

psychological capital

authentic leadership

impact of adversity

event

leaders´ adaptation to adversity (task adaptive performance)

conditions

burnout*

sense-making of adversity

self-reflection

conscientiousness

Figure 2: Process of leaders' adaptation to adversity
Source: the author

Power of leadership

Power can be assigned in two positive categories "power to", and "power within" "power over" and one neg "power within" (Berger, 2005).

The category of 'power to' refers to the potentiality or ability of a leader to produce an intended result done by themselves or together with others. Leaders as power holders are able to successfully focus on their decisions and attain their aims because of their developed self-regulation, selective resource allocation, ability of creative thinking and their capacity of dealing with complex problems that need innovation and future vision (Guinote, 2017). The "power to"-category is the basis for the "power with"-category a and consists in a capacity to act (Berger, 2005; Galinsky, Gruenfeld, & Magee, 2003).

The category of "power with" consists of the idea of empowerment and a collective action of group of a leader and her/his followers to reach a common goal driven by solidarity, shared decision making, dialogue and negotiation (Bass & Bass, 2009; Berger, 2005; Dahl, 1957; McCullough, 2018). Researchers suppose that the main reason why there are very few authentic leaders today is, because most of them use their positions to command and control (Covelli & Mason, 2017). This is against

authentic leadership which states that there should be cordial relationships between the leaders and those they lead without the use of any force (Covelli & Mason, 2017). Similar, Celik, Akgemci, and Akyazi (2016) investigate the impact of authentic leadership regarding crisis management and find that there seems to be a need for more authentic, inspirational, and empowering leaders in today's organisations.

The "power over"-category describe power as the possibility of a person to affect behavioural pattern of others driven by control, coercion, self-interest, dominance, punishment, corruption and force (McClelland, 1975). Thereby, research focus on the dark side of leadership and identified three types of personalities (narcissists, machiavellians, and psychopaths) using power in a negative way (Furtner, Maran, & Rauthmann, 2017). Dark leaders seem to be driven by selfish interests and applying toxic behavioural pattern while taking their leader role, but they can be also effective as prosocial leaders (Furtner et al., 2017). Hence, destructive and toxic behaviour of leaders can also lead to adversity (Kaiser, LeBreton, & Hogan, 2015; Padilla, Hogan, & Kaiser, 2007). Similar, Tourish (2013) confronts that transformational leadership supports the excess of power, and incentivises destructive leadership behaviour, such as narcissism, often with disastrous results. Guinote (2017) found out that power and corruption are related, but its application depends on national culture (Torelli & Shavitt, 2010), organizational culture (Ashforth & Anand, 2003), power stability, intergroup conflict (Maner & Case, 2016), self-interests (Maner & Mead, 2010), moral identity (DeCelles, DeRue, Margolis, & Ceranic, 2012), the task (Galinsky et al., 2003) and the predispositions of people in power (Sassenberg, Ellemers, Scheepers, & Scholl, 2014).

In sum, it can be argued that power itself is neither good or bad. Its´ impact depends on the person, her/his intention and various other contextual factors whether it is functional or dysfunctional (harmful). When power is used within a high ethical standard, fair play and common purposes it can improve effective leadership (Sims, 2002; Zogjani & Llaci, 2014).

Power, structure and human agency

The link between power and human agency is the responsibility of the leader for the consequences of intentionally doing things or not doing things evaluated by the criterion of morality (Hayward & Lukes, 2008). The action of a person within a leader

role is limited by the action of other leaders or followers, by the contexts such as rules, laws and norms of the organization and society (Hayward & Lukes, 2008). Acting within these structural limitation leaders experience the expectation of others and develop their own expectation about their power to do something. They make sense of the situation and interpret the meaning of others about the situation with the aim to find a common sense. Therefore, the structural limits do not determine leaders´ action and the use of power, moreover, it shapes the leaders´ social action through sense-making and a cycling process of interpretation and reinterpretation and it creates behavioural patterns with a lower or higher probability of its´ occurrence (Hayward & Lukes, 2008).

The extent to what power can affect leaders´ adaptation to adversity

It can be argued that power of leadership is neither a phenomenon that can be explained by human agency or by the determination of social structure alone.

Power of leadership can only be understood as an emergent phenomenon of the interplay between human agency (leader as person, active self, personality, characteristics, psychological resources, leadership skills and past experiences) and social structure (leader role, leader-follower relation, leader-group relation, organization, society) and various other contextual work factors (culture, goals, task, workplace conditions). Furthermore, the impact of power of leadership itself is neither good or bad, it depends on the emergent state of power as a "power to/power with" or "power over" within a particular event.

Therefore, the extent to what power can affect leaders´ adaptation to adversity is multi-faceted.

The emergence of power can activate negative mental models as a "power over" behaviour from leaders´ with a narcissist, machiavellian, and psychopath personality. Destructive and toxic behaviour of leaders can also lead to adversity (Kaiser et al., 2015; Padilla et al., 2007). Destructive leadership could harm the follower, the organisation, and the relationship between the leaders and followers with the result of stabilising or increasing adversity, e.g., burnout (Dinh et al., 2014; Webster, Brough, Daly, & Myors, 2011). Also, the failure of achieving goals based on implicit motives for power can increase burnout (Brandstätter, Job, & Schulze, 2016). This means that the emergence of power can affect the structure and the conditions of burnout (see figure

1) and subsequently influence the mechanisms which let burnout occur. Burnout itself is a condition activating the mechanisms of leaders´ adaptation to adversity and therefore power can indirectly affect these mechanisms.

The power-category "power with" seem to be related with authentic leadership, which is a mechanism that could increase leaders´ adaptation to adversity (Celik et al., 2016; Covelli & Mason, 2017).

The emergence of power can activate a leaders´ social action through sense-making of adversity (Hayward & Lukes, 2008) and increase a leaders´ self-regulation, selective resource allocation, her/his ability of creative thinking and their capacity of dealing with complex problems (Guinote, 2017). Sense-making of adversity is also a condition that affect the mechanisms of leaders´ adaptation to adversity and self-regulation is a dimension of authentic leadership.

In sum, the development of structures and conditions which increase the probability of the emergence of a "power with" state and simultaneously decrease the probability of the occurrence of a "power over" state can foster the success of leaders´ adaptation to adversity in VUCA conditions.

Surprisingly, the answer how to do this can be found within the process of leaders' adaptation to adversity (see figure 2). Leadership development programmes should focus on authentic leadership, sense-making of adversity and the reduction of burnout. The training of self-reflection could support self-awareness and reduce mental biases regarding own possible tendencies for personal disorders such as narcissism. The development of the leaders´ own psychological capital can support the positive effect of authentic leadership and give the leader hope, optimism, a feeling of self-efficacy and resilience resources to deal with adverse events and not fall in the trap to be forced to use a "power over" strategy for self-assertion.

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