

# HORIZONTAL LEADERSHIP

The following white paper introduces Performance Frontiers' model for Horizontal Leadership: the key leadership shift that supports the success of Agile organisations and our ability to navigate this contemporary environment of constant change.

We present this as the second version of the Horizontal Leadership model – with a number of iterations since publishing the first edition of this paper in 2018, made through observations of how people can best make the shift required.

# THE ROLE OF LEADER IS TRANSFORMING

Our ever-changing environment has necessitated that modern organisations adapt to be more agile, innovative and customer-focused.

We are seeing companies adopt Agile methodologies, processes and ways of organising. Traditional hierarchical structures are being replaced with flatter, matrixed models of organisation, where interconnected teams deliver business outcomes through partnership, collaboration and empowerment.

The leadership of the past, characterised by pyramids of power, fortified silos and internal competition is fast becoming obsolete.

Just as we are reinventing the organisation, so too must we reinvent leadership.

As leaders, you now deliver outcomes for your internal team or function, balanced with a considered understanding of what is best for your entire organisation. The leadership required is one that not only sees vertically, but horizontally as well.

**Enter the age of Horizontal Leadership, with a new set of priorities and practices to consider.**

# HORIZONTAL LEADERSHIP

Horizontal Leadership is leading across an organisation, rather than top down through vertical power, thus optimising an organisation's potential, end-to-end, as one thriving whole system.

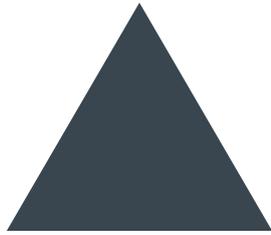
In practice, Horizontal Leadership looks like partnering, collaborating, sharing, coaching, empowering and influencing end-to-end. It's breaking down internal silos and leading across teams, divisions, functions and geographies. Among a long list of benefits, Horizontal Leadership:

- Optimises delivery through deep levels of ownership and accountability
- Empowers and unlocks potential – people have the freedom to step up, learn, grow and innovate
- Activates end-to-end thinking for well-considered, strategic and purposeful decision making
- Brings to life purpose, vision and strategy so people stay connected, aligned and engaged
- Enables the organisation to better anticipate, respond and adapt to change
- Enhances problem-solving through collaboration, diversity of ideas, and the sharing of resources
- Builds cultures of trust and openness where teams thrive

Although many are beginning to understand the benefits of Horizontal Leadership, it can be a different story when translating it into practice. When it comes to getting the job done, it's often our vertical relationships (our direct reports and managers) and our own work that takes priority. It can also seem quicker and easier to stick to the tried and tested route of power and control. For those of us who do try to make a shift, we are often working against deeply ingrained hierarchical mindsets, habits, systems and processes.

In our work at Performance Frontiers supporting large transformations, particularly in the shift to Agile, we have identified six key levers that unlock Horizontal Leadership success and support the beginnings of culture change.

We call these the six movements of Horizontal Leadership.



## FROM TRADITIONAL LEADERSHIP

### **Vertical Hierarchy or Siloed Thinking**

Top-down, ego-centric: serving myself or my own team or function's success

### **Fixed Mindset**

Protecting the status quo, closed, fearing change

### **Transactional Relationships**

"Only if I get something in return", mistrust or little confidence in others, one way communication

### **Power and Control**

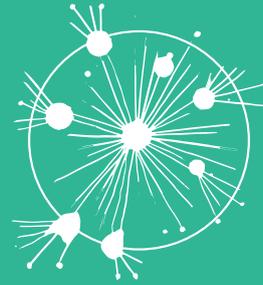
"Do, because I said so", micro-management, reactive

### **Competition**

"Us versus them", achieve outcomes at any cost

### **Information as power**

Withholding information to ensure status and to use for leverage



## TO HORIZONTAL LEADERSHIP

### **Whole System Thinking**

End-to-end, eco-centric: serving our whole organisation, with our customer at the centre

### **Growth Mindset**

Learning and improvement-driven, curious, change = opportunity

### **Mutually Engaging Partnerships**

"We're responsible for each other's success", trust, purposeful dialogue

### **Influencing and Enabling**

"Do, because you believe in it", empowerment and enablement, inspiring through purpose

### **Collaboration and Co-authorship**

"We're in it together", achieve purposeful outcomes together, commitment and accountability

### **Transparency**

Distributing and sharing information intentionally to help the system see and know itself

"THE AGILE WORLD IS HORIZONTAL...  
THE AGILE MINDSET IS HORIZONTAL...  
ITS COMMUNICATIONS TEND TO  
BE HORIZONTAL CONVERSATIONS...  
ITS FOCUS IS ON CONTINUOUS  
INNOVATION. ITS DYNAMIC IS  
ENABLEMENT. IT IS ORIENTED TO  
UNDERSTANDING AND CREATING THE  
FUTURE."

- Steve Denning, Author: The Age of Agile

# MOVEMENT 1

## FROM VERTICAL HIERARCHY OR SILOED THINKING, TO WHOLE SYSTEMS THINKING

Traditionally, we viewed organisations quite like machines. There were separate parts and functions; a centralised source of power; decisions were made at the top and filtered down the chain of command; success was about high volume production and employees just cogs in the machine. Today, however, the complexity and speed of change in our environment has necessitated a new model – one that can adapt, evolve and grow. One that is alive.

The modern organisation can be thought of as a living ecosystem. Your team is just one component of a diverse network of interdependent parts, all of which are constantly self-organising, connecting, evolving and contributing to the health of the greater whole.

Leadership is no longer about simply executing your own strategy and achieving your own goals by drawing the straightest line from point A to B. Your new priority is to seek outcomes that are in the best interest of your entire organisation, your customer, and your surrounding community – the greater ecosystem in which you sit.

You must now think and deliver end-to-end, shifting from ego-centric leadership to eco-centric leadership, acting in service of others in the whole system. This is whole systems thinking.

Before you act or make a decision, take a step back and look across your entire network, end-to-end. Consider your place within the ecosystem, how you support the overarching strategy, purpose and vision. Think about your relationships with other constituencies, and how you might connect to, impact and rely upon each other. Look for both direct and indirect connections, understanding that every action can cause a ripple effect across the entire ecosystem.

### ASK

What are our strategic priorities? What do I see when I look across teams, divisions or departments? What are the needs and priorities of others? How do we impact each other? What are the opportunities within my network, both internal and external? How could I have a better impact? How can we support our whole system to self-organise and take on a life of its own?

# MOVEMENT 2

## FROM FIXED MINDSET TO GROWTH MINDSET

If we accept that organisations are living ecosystems, then every team member plays a key role in contributing to, evolving and growing a thriving system. Here, mindset is everything.

Our mindsets are the subconscious drivers behind every decision we make. They either propel or prevent us from achieving potential. Left unexamined, they may guide less than desirable behaviours and actions that undermine the success of our whole system – particularly when mindsets are ingrained in cultures and many people share them.

In her seminal work on mindsets and motivation, Carol Dweck identified two mindsets that we tend to hold about the capabilities of ourselves and others: The Fixed Mindset and the Growth Mindset.

If you have a Fixed Mindset, your abilities and qualities are “carved in stone.” Skills and talents are just something you have, or don’t. They are innate, finite and deeply tied to your value and status. Failure is feared. Self-preservation is your goal.

On the other hand, a Growth Mindset means you see qualities and capabilities as things you can develop and grow over time through experience, experimentation and support. Although some people may be born with different strengths, success comes as a result of learning, development and grit. As such, improvement is your goal.

If you embrace a Growth Mindset in your leadership, you will see abundance and possibility in your whole system, and are more likely to engage across boundaries. You will see any change, challenge or failure as opportunities to learn, innovate and grow. You will be bold and take calculated risks. You won’t feel threatened by the success of others, and instead will actively seek out ideas and input. You will welcome feedback, diverse perspectives and constructive conflict, knowing that these elements will lead to better solutions and constant learning and improvement. You’ll recognise potential in others and are likely to be generous with your time and expertise, investing in mentoring, coaching, and sharing knowledge to lift others up.

In this way, a Growth Mindset will ensure you grow yourself, you grow others, and the organisation evolves and grows with you.

### ASK

What are some basic beliefs I hold about my abilities and those of others? How can I better practise a Growth Mindset? How can I coach others to be more-growth focused? Where might I need to grow and develop? Who might I learn something from?

# MOVEMENT 3

## FROM TRANSACTIONAL RELATIONSHIPS TO MUTUALLY ENGAGING PARTNERSHIPS

In a connected ecosystem – we must break down silos and share knowledge and resources across boundaries, working together over time to achieve greater outcomes. Therefore, effective Horizontal Leadership involves shifting from transactional relationships (where each party is in it for themselves), to partnering relationships (concerned with mutual outcomes) wherever possible.

A partnership is defined as a relationship where both parties feel responsible for the success of whatever project or process they are jointly engaged in. Partnering with others optimises the creation of value and enables us to achieve outcomes that we wouldn't be able to accomplish as effectively, innovatively or successfully if we attempted them alone. Through partnership - across teams, other companies, and with our customers and communities - we pool resources, develop a greater perspective of issues, and tap multiple areas of expertise to get solutions up quickly.

To partner well with others, it's essential to start with a baseline of:

- Assuming the positive intent of others and extending trust. If you take one thing away, trust should be it. This is perhaps the most important foundation - it underpins all others. There can be no mutually engaging partnership without a level of trust, and showing trust in others is the quickest way to grow trust
- A shared intent to create or add value for a mutual cause
- Awareness of shared needs and goals, as well as a deep appreciation for our differences: the contexts in which we are operating, and our boundaries
- A level of equity – shared power, risk and reward

Dialogue is essential to growing a partnership. True dialogue involves seeking, listening to and engaging with others' points of view instead of just pushing your own agenda. This shows that you value your partner's perspective, further strengthening your relationships. Make sure that your conversations are constructive and equally participative.

You can further grow partnerships and lead the development of partnering cultures by cultivating empathy and generosity. Strengthen these qualities by investing in others when you don't need anything in return. Do everything within your power to understand and support the needs of those within your network. However, be sure to balance your selflessness with complete intellectual, emotional and financial independence, and a clear awareness of boundaries.

### ASK

What opportunities exist in both my internal and external networks? Who can I partner with to create or add value?  
What is the investment I need to make in this relationship? How can I develop an astute understanding of my partner's needs and motivations? How can I contribute to their success? What boundaries, guidelines and constraints exist? How do I constantly add value?

# MOVEMENT 4

## FROM POWER AND CONTROL, TO INFLUENCING AND ENABLING

Once upon a time those with position held power. Nowadays, those who can influence have the power. Influencing allows you to motivate others without using authority as the key driver. It enables you to shape agendas and impact decisions for positive business outcomes, without needing to be “hands on” or controlling. It is therefore one of the key skills required when shifting from a vertical to horizontal approach to leadership.

Influencing, in a sense, is taking a step back. Once again, trust enters the equation. To step away from a need to control or be the expert, you must show a deep level of trust. You trust that, with support and guidance, others are capable of stepping up, leading and achieving great outcomes. You trust that when people are given greater freedom, they will bring their unique ideas and strengths to the table, and are able to deliver in ways you may not have considered, thus enhancing innovation potential. Your job is to inspire, empower, unite, and guide teams in the right direction.

There are many ways to influence. Good influencers can both plan and think on their feet. They understand that influencing often takes time, and they invest in relationships and networks to sow the seeds of thought. They know that influencing is a dance between advocacy and curiosity. You need to confidently stand for a clear position and speak with conviction, but you must also remain curious and open to other perspectives. By remaining empathetic, attuned and highly socially aware, you can accurately interpret the motives and actions of others through observation and inquiry, and may modify your approach or position.

Influencing also requires a level of charisma. Develop your presence, interpersonal style and an authentic personal brand to build rapport and win people’s allegiance. Inspire and move people through story: share an exciting narrative for the future and instil a sense of shared purpose to bring it about. And remember: One of the greatest ways to influence others is to lead by example.

### ASK

How can I develop an astute understanding of other people’s needs and motivations? What is my personal brand? What stories can I tell to communicate my key messages? What are the seeds I need to sow that will ignite engagement? How do I communicate with conviction, clarity and curiosity? How will I let go of control? How can I create the space for people to reach their potential? How will I lead by example?

# MOVEMENT 5

## FROM COMPETITION TO COLLABORATION AND CO-AUTHORSHIP

Within a connected ecosystem, collaboration is your operating mantra. To collaborate well, shift from a mindset of competition and winning (often at the expense of others) to a mindset of co-authorship.

You are now all part of the one team. Seek to understand the goals of other departments, divisions and functions then find the intersection between your own goals. Proactively look for ways you can co-author shared outcomes for the benefit of the whole.

Effective collaboration requires joint agenda-setting at the outset, frequent engagement, shared ways of working and clear accountability. Get to know your network deeply and understand where your co-dependencies lie. Cut through any ambiguity by making decisions with conviction as early and quickly as you can. Make sure that all parties have agreed upon shared ways of working and engaging, and clearly understand what they are accountable for.

“IT IS THE LONG HISTORY OF HUMANKIND (AND ANIMAL KIND, TOO) THAT THOSE WHO LEARNED TO COLLABORATE AND IMPROVISE MOST EFFECTIVELY HAVE PREVAILED.”

- Charles Darwin

Collaboration also requires regular and proactive communication. Communicate any decisions, progress updates or anticipated issues so people can jointly tackle obstacles together. When speaking with others, be highly descriptive. Do not assume or expect understanding. Make sure you are also proactively seeking input from others. Encourage people to share their honest views, even those that conflict with your own or dissent from majority opinion.

Understand that great value can be found in conflict. It increases authenticity, enables you to make more informed decisions, provokes new ideas and can lead to innovation in teams. Suspend your judgement, let diverse views emerge and ask curious questions to clarify and unearth insight. Use your skills in synthesis to find common themes and points of alignment. Leverage these commonalities to explore possibilities and solutions.

### ASK

Who needs to be involved? How are our priorities aligned?  
How can we identify our shared goal/s? What are the outcomes we need end-to-end? What decisions need to be made, and how soon can we make them? What are our ways of working?  
How can we hold ourselves and each other to account? How can I create a safe space for exploring dissent? How will we work constructively through conflict?

# MOVEMENT 6

## FROM INFORMATION AS POWER TO TRANSPARENCY

Trust underpins Horizontal Leadership – indeed, you can find it seeded throughout this paper. Trust is a vote of confidence and reliability in a relationship and is the catalyst for high performance in teams and across organisations. Without trust, there is no shared accountability, no mutuality, and no foundation for an organisation to accomplish its goals. A key way to build trust is to shift from viewing information as power to leading a culture of transparency.

Traditionally, we viewed information as a form of power: something we could use to get ahead, or something that, if shared, could be used against us. Wielding information as power is to know something that others don't and withhold it, dilute it, muddy the waters with misinformation to maintain your position, or even go so far as to leverage information against others to actively weaken their position. This behaviour breeds a culture of competition, mistrust and fear. It deters people from collaborating with others. It is fueled by a Fixed Mindset of self-preservation and stagnates growth across the whole system.

Transparency, however, is a complete absence of ambiguity. It is acting in a way where all can see and understand your actions. People have clarity of information, of decisions, and, importantly, clarity of intent – the understanding that all are acting with a level of good will and integrity.

A culture of openness and transparency creates a sense of certainty. It ensures everyone across the system is always operating from the clearest picture of the strategy, and what is current and emerging in the environment. This enables leaders and team members to anticipate and respond to change, to make good decisions, and take strategic, purposeful action.

“Show, Ask and Tell” is a useful framework to lead with transparency. “Show” refers to showing integrity. Having integrity means you never let your actions compromise your core beliefs. Be authentic, play fair, and do what you say you will, and over time you will be seen as credible, reliable and trustworthy. “Ask and Tell” is a reciprocal “show of cards”: if you are going into other business functions in any way, ask; and if you hear information that pertains to others’ business areas, tell. This shows that you both have each other’s back. For this to work, you must assume good intent and step back from any initial visceral reaction to issues that may arise.

Do not be afraid to be vulnerable and pioneer a culture of transparency. Recent studies indicate that when you show others trust, you motivate them to do the same in return.

### ASK

What is the transparency and clarity others need from me?  
What do I need to pay attention to in my actions and behaviours to invoke trust and reliability? How can I “Show, Ask and Tell”? How will I ensure others can see and understand my actions? How will I support everyone to maintain a deep understanding of our strategy?

# FURTHER READING

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