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**Citation:** Empson, L. ORCID: 0000-0002-8715-287X (2019). Ambiguous authority and hidden hierarchy: Collective leadership in a professional service firm. Leadership,

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**To be published and cited as:**

**Empson, L. (Forthcoming) “Ambiguous authority and hidden hierarchy:  
Collective leadership in a professional service firm”, *Leadership* (X:X: ppx-x)**

**AMBIGUOUS AUTHORITY AND HIDDEN HIEARCHY:  
COLLECTIVE LEADERSHIP  
IN AN ELITE PROFESSIONAL SERVICE FIRM**

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This paper forms part of a study ‘Understanding Leadership Dynamics in Professional Service Firms’ funded by the Economic and Social Research Council of Great Britain

## **Biography**

**Laura Empson** is Professor in the Management of Professional Service Firms and Director of the Centre for Professional Service Firms at Cass Business School, University of London. She is also Senior Research Fellow at Harvard Law School. Her research, supported by a series of ESRC awards, focuses on the professions, professionals and professional service firms. She has explored themes such as leadership, governance, mergers, professionalisation of management, organizational and identity change, knowledge management, diversity, and overwork. In addition to her extensive range of leading international journal publications she has published three books with Oxford University Press, most recently *Leading Professionals: Power, Politics, and Prima Donnas* (2017). She has also published a series of autoethnographic studies.

## **Acknowledgements**

I would like to thank David Collinson together with the following people for their considerable encouragement and insights during the development of this paper: Johan Alvehus, Mats Alvesson, Jean Bartunek, Louis-Francois Brodeur, Ann Langley, Mike Reed, Viviane Sergi, David Wilkins, members of the Cass Centre for Professional Service Firms, attendees at the Lancaster 17th International Studying Leadership Conference, together with the anonymous reviewers and the Economic and Social Research Council of Great Britain for funding this research.

# **Ambiguous authority and hidden hierarchy: Collective leadership in a professional service firm**

## **ABSTRACT**

This study represents a detailed analysis of collective leadership, examining the distinctive power dynamics revealed among professional peers as they attempt to act decisively in response to an acute organizational crisis. It identifies how professional peers deliberately construct and amplify ambiguity in both the composition and authority of their collective leadership group, and examines how that ambiguity can serve a functional purpose for group members. Intuitive mutual adjustment is the prevailing pattern of interaction, but this changes to a more managed form of mutual adjustment as a hidden hierarchy is revealed in response to the crisis. The study identifies the micro interactions which constitute both intuitive and managed mutual adjustment, and shows how members of a collective leadership group can maintain cohesion and act decisively, in spite of lacking the formal authority to do so. The findings challenge some foundational assumptions of collective leadership theory and extend our understanding of leadership power dynamics more generally by: demonstrating how leaders can exercise considerable informal power under the cloak of ambiguity, highlighting the hidden hierarchy that can exist within a collective, and emphasising the significance of the individual 'heroic' leader within collective leadership.

## INTRODUCTION

*'I do think that ambiguity can perform a very, very useful role because it allows for gaps into which pressure can dissipate. If you make everything too rigid – “did you have a mandate for this, did you get the right number of votes for that, is that your responsibility or my responsibility?” – You have to create so many hard lines that it becomes unworkable and also quite destructive as people are always saying – “I’m worried, am I supposed to be doing that or is somebody else supposed to be doing that?” ... And the other advantage of ambiguity is I don’t have to decide, and nor does anybody else, who is the real leader. As soon as you’re forced to decisions – “Who’s the leader? Tom or Harry? Make your mind up” – you’re having to sort of stake something which doesn’t need to be staked.’ (Partner, Elite professional service firm)*

Magee and Galinsky (2008) argue that ‘even when hierarchy is minimised by different modes of organising ... it is never absent, inevitably emerging within and between groups’ (352). It is this ambiguity of power relations among members of a collective leadership group<sup>1</sup>, and the dynamics of their interactions through which they attempt to exercise leadership, that is the focus of this paper.

In recent years a significant body of research has developed to challenge traditional conceptualisations that position leadership as top-down, hierarchical and ‘heroic’ (Avolio,

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<sup>1</sup> A collective leadership group, sometimes referred to as the executive or leadership constellation (Hodgson et al, 1965; Denis et al, 2001; 2010), represents the informal group of individuals recognised by organizational members as being ‘in charge’ of the organization. It does not hold a formal role in the governance of the organization and, while it is likely to include members of the board and executive committee, it is not coterminous with these formally constituted bodies. It is this body of collective leadership theory which Denis et al, 2012 refer to as ‘pooling leadership at the top to direct others’ (215).

Walumbwa, and Weber, 2009; Uhl-Bien and Ospina, 2012). This emerging ‘post-heroic’ approach emphasises a more plural and processual view of leadership (Collinson, 2005, 2019; Denis, Langley and Sergi, 2012; Fairhurst, 2016), eschewing binary hierarchical distinctions between leaders and follows, to focus on relational interactions among colleagues (Denis, Langley, and Rouleau, 2010). It views leadership ‘as a collective phenomenon that is distributed or shared among different people, potentially fluid, and constructed in interaction’ (Denis et al, 2012: 212). Studies of collective leadership groups, therefore, shift the unit of analysis away from the individual, hierarchically sanctioned leader (Bligh and Schyns, 2007) towards ‘leadership configurations’ (Gronn, 2009); groups of individuals exercising leadership within a ‘shared role space’ (Gronn, 2002) who ‘carry out leadership functions through collective social processes’ (Cullen and Yammarino, 2014: 180).

In recent years a series of literature reviews have sought to organise and synthesise the diverse, fragmented and inconsistent literature on collective forms of leadership (Bolden, 2011; Cullen and Yammarino, 2014; Denis et al, 2012; Gibeau, Reid, and Langley, 2016; Sergi, Denis, and Langley, 2012; Yammarino, et al, 2012). The current study is concerned with one specific perspective on collective leadership, which Denis et al (2012: 215) describe as ‘pooling leadership at the top to direct others’. This approach is therefore both positional and processual<sup>2</sup>. It focuses on interactions among multiple individuals who form an elite coalition within an organization and seek to subsume their contested power relations to jointly exert influence over their colleagues. Yet, as studies of collective leadership groups

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<sup>2</sup> Studies of leadership research in general can be crudely categorised as falling into two distinct ontological perspectives: positional and processual. This binary approach represents yet another dichotomisation to which leadership research seems particularly prone (Collinson, 2019). The current study recognises that a process view is fundamental for understanding how leadership is achieved in organisations, but emphasises that positional aspects of leadership remain significant since leadership and related phenomena such as leader and follower roles and identities are continuously negotiated in interpersonal interaction (DeRue and Ashford, 2010).

emphasize, this aspiration for consensus is problematic. Such groups are inherently fragile and subject to complex interpersonal dynamics, resulting from the need to create and sustain a coalition amongst multiple individuals who aspire to leadership positions (Denis, Lamothe, and Langley, 2001; Reid and Karambayya, 2009).

Denis, Langley, and Cazale (1996) argue that ‘the need for collective leadership is directly related to the ambiguity of authority’ (695), whereby the disposition of authority is unclear, authority relations are complex, and no single individual has the authority to direct their colleagues. Such conditions prevail in professional settings such as health and social care (Denis et al, 2001; Currie and Lockett, 2011); education (Gronn, 2008; Gronn and Hamilton, 2004; Spillane, 2006); and cultural institutions (Reid and Karambayya, 2009). Professional service firms represent an exemplary context in which to study collective leadership (Empson and Langley, 2015; Empson and Alvehus, 2019) as ambiguous authority is institutionalised within the partnership form of governance (Greenwood and Empson, 2003; Greenwood, Hinings, and Brown, 1990).

In this model of ‘collaborative interdependence’ (Adler, Kwon, and Heckscher, 2008), leadership capability is no longer the preserve of a few powerful individuals in senior leadership roles but resides within an extended network of professional peers, who collectively own the firm and may number several hundred individuals (Empson and Alvehus, 2019). These professionals expect considerable autonomy over how they carry out their work and considerable consultation about how their business is managed (Empson, 2017). Collective leadership, therefore, becomes the prevailing model of leadership within the professional context (Empson and Langley, 2015).

While professional service firms provide a fertile ground in which to study collective leadership, to date the professional service firm context has been largely neglected by leadership scholars ‘perhaps because of the difficulty of isolating notions of leadership and followership in settings where they tend to converge’ (*ibid*, 2015: 164). At the same time, the concept of collective leadership is still undertheorised in many key respects. Specifically, as Denis et al (2012) argue in their substantive review of the literature, ‘we still know little about how power affects leadership practices, interactions and outcomes’ (267). In particular, there is a need for greater understanding of how collective leadership groups ‘form, evolve, and disband as they interact together and with other organizational members around specific issues’ (*ibid* 241). The current study, therefore, focuses on three specific aspects of the collective leadership group within a professional service firm: its composition, interaction, and situation.

In terms of *composition*, in previous studies the membership and authority of the collective leadership group is pre-established, so we have little insight into how its composition is determined (Chreim, 2015; Denis et al, 2012). For example, who is included and excluded and why, and how is their relative power determined within their shared role space. In terms of *interaction*, studies typically adopt two distinct approaches. Some (e.g. Hodgson, Levinson, and Zaleznik, 1965; Denis et al, 1996) emphasise the importance of creating clearly differentiated, specialised, and complementary roles and responsibilities within the shared role space. Others (e.g. Gronn, 2002; 2011; Gronn and Hamilton, 2004) identify a much looser pattern of interaction within the collective leadership group, termed ‘intuitive mutual adjustment’. So far we have little insight into why either of these approaches is adopted or how mutual adjustment actually works. In terms of *situation*, previous studies have tended to focus either on leadership groups in ‘normal’ circumstances or on those



engaged in significant change (Chreim, 2015; Denis et al, 1996; Denis et al, 2001). As yet we know little about how members of the collective leadership group make the transition between these two situations.

Based on a study of a collective leadership group in an elite professional service firm, this paper asks: *1) How is the composition and authority of a collective leadership group determined? 2) How do members of a collective leadership group interact within their shared role space? and, 3) To what extent does their prevailing pattern of interaction change in response to a crisis?*

In addressing these three research questions (RQs) this study identifies how professional peers deliberately construct and amplify ambiguity in both the composition and authority of their collective leadership group. Intuitive mutual adjustment is the prevailing pattern of interaction but, when members of the group respond to the crisis, this changes to a more managed form of mutual adjustment. A previously hidden hierarchy emerges. The study identifies the micro interactions which constitute both intuitive and managed mutual adjustment and shows how members of the collective leadership group maintain cohesion to act decisively, in spite of lacking the formal authority to do so. The findings therefore challenge some foundational assumptions of collective leadership theory and extend our understanding of leadership power dynamics more generally.

The paper proceeds as follows. The next two sections review the relevant literature, focusing first on the relationship between collective leadership and power, and then on ambiguous authority in the context of professional service firms. The research design is presented before

moving on to the substantive empirical sections. The paper concludes by examining the implications for research on collective leadership, and leadership and power more generally.

## **POWER AND COLLECTIVE LEADERSHIP**

The literature on organizational power has little to say on the subject of leadership; for example Fleming and Spicer's (2014) extensive review of the literature on organizational power makes no explicit reference to the term 'leadership'. At the same time most leadership scholars are silent on the topic of power (Pfeffer, 2013) and there is a tendency to 'purify' leadership studies of questions relating to power (Collinson, 2018).

The implication of studies of heroic 'transformational' leaders is that these individuals are able to lead through their capacity to inspire followership without recourse to power (Uhl-Bien, Riggio, Lowe, and Carsten, 2014). Post-heroic studies of leadership similarly sidestep the significance of power, sometimes presenting an amorphous conceptualisation of leadership as decentred. Relations between leaders and followers may be explicitly democratised (Raelin, 2016), or individuals may be subsumed within a collective (Uhl-Bien, Marion, and McKelvey, 2007). Bolden (2011: 260) along with others (e.g. Chreim, 2015; Gronn, 2011; 2015; Lumby, 2013; White, Currie, & Lockett, 2014), therefore, argues that much current research on collective forms of leadership 'takes insufficient consideration of the dynamics of power ... within which it is situated.'

Critical leadership studies *do* address issues of power more explicitly, emphasising asymmetries in power relations between leaders and followers but recognising that followers may have a range of possible means of resisting their leaders' attempts to exert power. Yet,

in bringing power to the fore, critical leadership studies also perpetuate the dichotomisation of leadership and followership (Collinson, 2005, 2018) and, in so doing, neglect the potential complexities of power relations among peers seeking to exercise leadership.

Neglecting power in this context is particularly problematic as it is precisely the contestation, negotiation, and resolution of power among individuals which renders leadership collective. By definition, under conditions of collective leadership, all power is relative. Therefore, as Denis et al (2012) state, we need to ‘increase our grasp of the context and process of leadership and the dilemmas of achieving influence beyond the myth of absolute power’ (281). As outlined below, in this context the themes of composition, interaction, and situation merit particular attention.

## **Composition**

Most studies of collective leadership groups assume their composition is small (no more than two or three members), predetermined, and relatively stable. In other words, power relations are preestablished. In some cases, this is because their composition is formally mandated through regulation (Denis et al, 1996, 2001; Reid and Karambayya, 2009). In other studies, data collection only begins once a group has already been established and therefore the issue of how the configuration was initially formed is not addressed (Denis et al, 2012). Chreim’s study (2015) is a notable exception but remains focused on small groups of leaders. But what if the collective leadership group is larger than the two or three members? If membership is negotiated among an extended group of peers, by what process is it established and how is their relative authority determined?

## Interaction

Various studies have examined the interaction of collective leadership groups. Some point to the inherent fragility of collective leadership, citing confusion, conflict, and ambiguity as reasons why such arrangements are likely to fail (Gibeau et al, 2016). They highlight the sustained emotional labour likely to arise (Denis et al, 2001; Reid and Karambayya 2009) and argue that such problems are overcome by creating clearly *differentiated, specialised, and complementary* roles and responsibilities, which serve to stabilise power relations (Hodgson et al, 1965; Denis et al, 1996, 2001).

By contrast, some studies imply that ambiguity may serve a functional purpose, suggesting that ambiguity of authority within a shared role space may enable members of a collective leadership group to avoid conflict (Denis et al, 1996) by engaging in intuitive mutual adjustment within their shared role space (Gronn, 2002). Gronn highlights a more explicitly interpersonal dimension, reflecting ‘unspoken and implicit understandings’ (Gronn and Hamilton, 2004: 6) that emerge over time as two more organizational members negotiate their power relationships and begin to act as a ‘joint working unit within an implicit framework of understanding’ (Gronn, 2002: 430). Gronn and Hamilton (2004) suggest that, in this environment, leadership roles must be negotiated among an informal and changing group of colleagues on a day-to-day basis. The unstated implication of Gronn’s perspective is that power relations are potentially in a continuous state of flux. Yet these studies say little about how individuals who share formal leadership positions actually navigate and negotiate their shared role space (Denis et al, 2012).

The implicit assumption emerging from these studies, therefore, is that collective leadership is *either* enacted through clearly differentiated, separated, and complementary roles and relationships *or* through intuitive mutual adjustment where roles and relationships remain ambiguous. As yet scholars have not examined how, or indeed if, members of the collective leadership group shift between these two prevailing patterns of interaction. However, as Magee and Galinsky (2008: 379) acknowledge, ‘when groups or organizations experience a dynamic environment or external shock, hierarchies can change substantially’.

### **Situation**

Denis et al (2010) and Chreim (2015) have emphasised the need for more leadership research which focuses on the impact of the context and situation in which leadership occurs. Studies of collective leadership have typically focussed on the functioning of collective leadership groups under normal circumstances (Denis et al, 2012) but some significant studies have focused on organizations in times of flux and examined the role of collective leadership groups, in either bringing about or responding to change (Chreim, 2015; Denis et al, 1996; 2001). These studies find that, to maintain cohesion within the collective leadership group and between the collective leadership group and organizational members more generally, there is a tendency to avoid taking decisive action and to risk failing to respond adequately to the changing external context. There is, therefore, a need for research which examines ‘the process by which the (leadership) constellation ... responds to new challenges whilst maintaining its functionality’ (Denis et al, 2010: 83).

## **PROFESSIONAL SERVICE FIRMS AND AMBIGUOUS AUTHORITY**

The primary activity of a professional service firm is the ‘application of specialist knowledge to the creation of customised solutions to clients’ problems’ (Empson, Muzio, Broschak and Hinings, 2015: 6). The core assets of the firm (i.e. knowledge and clients) are intangible, not directly owned or controlled by the firm but embodied in senior professionals. Partly in response to this, professional service firms typically adopt a partnership form of governance, with ownership and profits shared among professional peers (Greenwood and Empson, 2003). Even those professional service firms who are legally corporate may seek to espouse the organizational characteristics of partnership (Empson, 2017; Pickering, 2015). Chief among these characteristics are extensive autonomy and contingent authority (Empson and Langley, 2015).

### **Extensive Autonomy and Contingent Authority**

Senior professionals expect considerable autonomy over their choice of work and how they perform it (Empson et al, 2015; Mazmanian, Orlikowski and Yates, 2013). In this environment clan control, i.e. behavior controlled through common values, traditions, and commitment to the organization (Adler et al, 2008; Ouchi, 1979), is the norm, facilitated by intensive socialization and lengthy tenure (Empson, 2017). Partners typically remain in the firm for many years and become enmeshed in a network of social relationships and trust, supported by a cohesive set of behavioral norms. While professionals may believe themselves to be free to act autonomously, they do so within significant normative constraints (Mazmanian et al, 2013; Michel, 2007).

Extensive autonomy co-exists in constant dynamic tension with contingent authority (Empson and Langley, 2015). Partners, who may number several hundred in the largest

professional service firms, select and often elect their colleagues to fixed term senior leadership positions (Empson, 2017). Leaders therefore serve at the behest of the partnership and their authority is derived from their ability to accurately interpret and execute the wishes of their peers. A senior executive in a professional service firm ‘maintains power only as long as the professionals perceive him or her to be serving their interests effectively’ (Mintzberg, 1998: 181). Authority is both ‘collegial and fragile’ (Hinings, Brown, and Greenwood, 1991: 379). Collective leadership, therefore, represents a response to this combination of extensive autonomy and contingent authority (Empson and Langley, 2015).

Empson and Alvehus (2019) have examined the contested and contingent nature of power relations through which professional peers co-construct collective leadership. They argue that, in this environment, traditional binary conceptualisations of leadership and followership (Collinson, 2005; DeRue and Ashford, 2010; Uhl-Bien et al, 2014) do not apply. Instead, professionals grant temporary leadership identities to members of their peer group, without necessarily granting them leadership authority, and without claiming follower identity for themselves. As a result, Empson and Alvehus argue, collective leadership dynamics are inherently unstable. In order to retain their leadership positions, professionals are required to engage in covert political manoeuvring and continual negotiation of their authority to retain the support of their professional peers.

### **‘Ugly’ Ambiguity?**

Denis et al (1996) have argued that ‘under ambiguous authority leadership is necessarily collective’ (683). More recently Chreim (2015) has also identified a link between collective leadership and ambiguity, arguing ‘ambiguous leadership spaces are undetermined spaces

that offer opportunities for multiple framings, relational practices, and role definitions' (21). Within the management literature it is assumed that ambiguity 'presents an ongoing complex problem for organizations that are attempting to pursue collective action' (Jarzabkowski, Sillince, and Shaw, 2010: 221). In the context of professional service firms in particular, Alvesson and Svenningsson (2003) refer to 'ugly ambiguity', arguing that in such a context 'leadership does not deal with ambiguity as much as it is an example of it or even produces it' (955).

This problematisation of ambiguity is supported by many other scholars of professional service firms. Morris, Greenwood and Fairclough (2010) find that 'the ambiguous nature of the leadership role allows licence to collectively veto management proposals that partners deem unacceptable, even if the Managing Partner has formally been given authority to make such proposals' (300). Hinings et al's (1991) and Lawrence et al's (2012) studies of organizational change in accounting and law firms also find that the lack of organizationally prescribed hierarchies makes it difficult to bring about effective change. Empson's study of post-merger integration in consulting and accounting firms identifies similar issues (2000).

Two studies, however, have suggested that ambiguous authority *can* be effective in a professional context. Robertson and Swan (2003) examine a consulting firm where demarcations of power are 'extremely fuzzy'. High levels of ambiguity in the form of roles, power relations, organizational routines and practices sustain fluid and flexible forms of working and mediate the tensions between autonomy and control. Similarly, Cohen and March (1974) talk about the dysfunctionality of decision making in a university under conditions of 'Leadership and Ambiguity' but emphasise the potential for leaders to use this



ambiguity to their advantage. Yet this raises the question: in the context of collective leadership, how is it decided who has the power to construct and reproduce this ambiguity?

## **RESEARCH DESIGN**

### **Data Collection**

The focus of this study is an elite professional service firm, ranked in its sector's top five globally in terms of revenue, profitability, and number of staff. Established 90 years ago, it has offices in 25 countries. In 2009/10, at the time of the study, it generated revenue of US\$1,500 million, had 500 partners, and employed 5,000 staff<sup>3</sup>.

Data were derived from three sources: semi-structured interviews, internal archives, and direct observation (see Table 1). Interviews were the primary focus of data collection and analysis. Archival and observational data were used to challenge and verify interview data.

INSERT TABLE 1 HERE

For initial data collection I conducted interviews with both the Senior and Managing Partner<sup>4</sup>, alongside a detailed review of internal documentation to identify the formal structures of governance. Thereafter I used a 'snowball' method of sampling, a technique advocated when attempting to identify and explore social networks<sup>5</sup> where sensitive issues are involved

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<sup>3</sup> Figures approximated to preserve anonymity.

<sup>4</sup> Broadly equivalent to Chairman and Chief Executive in a corporate context, though both are elected by the partners.

<sup>5</sup> Reflecting the gendered nature of both formal authority and informal power relations within the firm, thirty interviewees identified within these social networks were male. Of the four female interviewees identified only

(Bloch, 2004). In interviews I explained the concept of the collective leadership group (i.e. the people seen as having informal power and, in effect, leading the firm regardless of whether or not they are in formal leadership positions) and asked interviewees to identify individuals they recognised to be part of it. I conducted follow-up interviews with the individuals named. Interviews concluded when saturation point was achieved, i.e. when the same names were consistently mentioned and no new names emerged. Ultimately I conducted 34 formal interviews, lasting 90 minutes on average, i.e. just over 50 hours of interviews.

In terms of *composition* of the collective leadership group (RQ1), I asked interviewees to write down who they recognized as being part of it. As interviewees wrote their lists, I asked questions such as: ‘Why have you put him at the bottom? Why have you created two columns of names? Why have you bracketed those names together? Why have you put two ticks against these names and nothing against these other names? Why have you written her name and then crossed it out? Why have you not included person X?’. In terms of *interaction* (RQ2), I asked interviewees to talk about their role, identify other members of the collective leadership group with whom they worked closely and how they worked with them, before going on to discuss power relationships among specific colleagues such as the Senior and Managing Partner and other senior leaders of the firm. In terms of *situation* (RQ3), to achieve a greater degree of specificity around the notoriously ambiguous concept of leadership, I used critical incident analysis<sup>6</sup> (Druskat and Wheeler, 2003; Flanagan, 1954). I asked interviewees

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two were fee-earners in leadership positions (the other two were the head of Human Resources and the Company Secretary).

<sup>6</sup> This approach makes it possible to obtain detailed descriptions of behaviours and events and reveal the personal narratives interviewees construct to justify and explain a phenomenon (Chell, 2004). Despite the retrospective nature of these accounts, the underlying validity and reliability of data obtained through this approach is strong because the incident being recalled is ‘critical’ to the experience of the individuals recalling it (Chell, 2004; Motowidlo, et al, 1992).

to identify any situations within the previous two years where they perceived leadership to have operated most and least effectively. Various examples were given but all interviewees chose to talk at length about one critical incident which had occurred during the previous year: the substantial reduction in the size of the partnership when the global banking crisis precipitated a decline in revenue.

## **Analysis**

Consistent with an inductive study, the coding scheme developed through many iterations as the research questions and phenomena under investigation came into increasingly sharp focus. Initially interviewees struggled to articulate (and I struggled to understand) the nature of their leadership roles, what authority they had to carry out these roles, and how they interacted with their colleagues in similar and overlapping roles. Gradually I came to recognise that this lack of clarity was in itself a finding and reflected the highly ambiguous composition and authority of the collective leadership group.

*Composition and authority of collective leadership group (RQ1)* – While analysis was inevitably highly iterative, the iterations proceeded in five distinct stages. First, I analysed interviewees' statements to identify where individuals placed themselves within the firm's formal authority structure and informal power relationships relative to other named individuals. Second, I cross-referenced these statements against other interviewees' comments about their relative significance within the collective leadership group. Third, I repeatedly filtered these coded comments until an informal 'inner circle' of individuals emerged of interviewees who recognised each other as being of equivalent significance within the firm. Fourth, I cross-referenced all interviewees' comments with archival records

about who had been invited by the Senior and Managing Partner to key meetings (and who had been excluded) and whose opinion the Senior and Managing Partner sought at the earliest stage about the most sensitive issues (and who had been consulted later). Finally, taking as its starting point one interviewee's description of the firm's collective leadership groups as 'sort of like concentric circles', I created Figure 2 (presented later in this paper) to demonstrate each interviewee's relative position within the collective leadership group.

*Interaction of collective leadership group (RQ2 and RQ3)* - Returning to the literature, it became clear that intuitive mutual adjustment (rather than specialisation, differentiation, and complementarity) was the prevailing pattern of interaction, facilitated by social embeddedness. Coding therefore focused on identifying the various micro interactions through which intuitive mutual adjustment was expressed and social embeddedness was manifested. Turning then to the critical incident analysis, I initially coded interviews and archival data to identify key events and meetings and then adopted a temporal bracketing strategy to help construct the narrative (Langley, 2010). I meticulously compared interviewees' recollections of meetings, and of what happened in between, to identify how recollections varied according to interviewees' role and the stage at which they became involved in the critical incident. To challenge and verify conflicting interviewees' accounts I consulted archival records (such as Board minutes and detailed records of partnership conference calls). In the process I identified changes in the prevailing pattern of interaction within the collective leadership group, and the micro interactions which constitute this change (as analysed below under the themes of 'constructing ambiguity, mobilising hierarchy, acting decisively, and reaffirming collectivity', and summarised in Figure 1).

## **CONSTRUCTING AMBIGUITY**

This section begins by examining the composition and authority of the collective leadership group (i.e. RQ1) before going on to identify how members of the collective leadership group interact within their shared role space (i.e. RQ2) under ‘normal’ conditions.

### **Composition and Formal Authority of Collective Leadership Group**

The composition and authority of the collective leadership group is highly ambiguous. The group extends beyond the senior executive dyad of Senior and Managing Partner to encompass: joint heads of major practices (i.e. core business units), Board members, and an unofficial ‘management team’. Members of the collective leadership group deliberately create overlapping roles and responsibilities. They recognise this ambiguity and are comfortable with it:

‘We have a written constitution but the way we operate is not what is reflected in the constitution ... I don’t know why but I do think *it’s one of our strengths.*’ (i17)<sup>7</sup>

**Senior executive dyad** - The Senior Partner and Managing Partner are elected by partners for a five-year term. As a draft governance document (which has not been formally adopted as part of the Partnership Agreement) makes clear, their roles are not defined or distinguished.

‘In practice there is *no strict demarcation between the roles* as currently carried out – in fact there is *considerable overlap*. This reflects the *consensual nature* of our partnership decision-making processes ...and the *close personal working relationships.*’ (‘Draft: Note on Senior and Managing Partner Roles’).

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<sup>7</sup> Key phrases in interview quotes have been highlighted throughout.

As one interviewee explains: ‘the current model *works particularly well* with these two because *they’re great friends*’ (i14). Power relations between the two are ambiguous but not contested, according to interviewees. Members of the collective leadership group see the Senior Partner as ‘clearly the leader’ (i3) but also recognise that the Senior and Managing Partner ‘merge very happily across the boundaries’ (i5).

‘I sort of suspect [the Senior Partner] is the overall boss but it’s difficult to say what issues you’d go to [the Managing Partner] with and what issues you’d go to [the Senior Partner] with... I think they cross over all the time.’ (i20)

***Joint Heads of (major) Practices*** - The patterns of interaction within the senior executive dyad is replicated in the dyadic relationships among joint Head of Practices. Formal roles, and the authority associated with them, are deliberately ambiguous and unstated. There are 22 practices, of which four are considered ‘major’, though this is never explicitly defined. In interviews, the Heads of Practices often struggle to remember their official titles. Across the practices there are multiple permutations of Chairs, Managing and Senior Partners, with no consistent definition of the responsibilities and authority associated with these titles. As the firm’s Senior Partner states: ‘*We always end up fudging these things* because nobody wants any grand titles’ (i7). As a colleague explains, ‘I think that does, to be frank, *somewhat muddy the waters*, to be honest, it does create *a slight lack of clarity about exactly who’s in charge*’ (i16).

Each of the major practices has either two or three joint Heads of Practice. These dyads or triads arise on an ad hoc basis and are configured in various ways. According to a joint Head of Practice:

‘We shape the roles around the individuals available. It’s our tradition...each practice has a different tradition... It’s a fascinating process because there is no process.’ (i12)

When asked how these dyads and triad have arisen, interviewees explain: ‘well *it emerges*, frankly’ (i8). Sometimes two rival candidates decide to share the role, rather than go head to head with each other in an election,:

‘Richard and I *have worked together for 23 years*, I’m not going to stab him in the back... *I’m not going to do anything he’s not happy with.*’ (i12)

The triad has arisen because, on election of a new Chairman within the practice, the ‘outgoing’ Chairman seemed reluctant to give up his role and the newly elected Chairman did not want to risk offending him by asking him to do so.

**Board** - The Board consists of ten people, most of whom are elected by the partnership and a few of whom are co-opted by the Senior and Managing Partner to ensure the representation of a cross-section of partners in terms of practices, market sectors, regions, age, and gender. The Senior and Managing Partner also serve on the Board, together with the Finance Director and Human Resources Director. According to the ‘Annual Report of the Board to Partners’, the Board has defined its formal role as: ‘sounding board and think tank’, ‘check and balance on the executive team’, and ‘guardian of the firm’. Since the executive team is not defined (see below) and many elected Board members also perform executive roles, the Board’s oversight function is ambiguous. As one Head of Practice explains:

‘We have people who are on the Board who are also *sort of* Heads of Practices or otherwise heavily involved in managing their practices. Now, *I don’t think that matters*, *I don’t think that matters at all*, because it’s all a question of influencers and informal structures.’ (i17)

Very little of these arrangements are formally recorded and, anyway, *'none of it operates the way it's written down'* (i17). Again interviewees see this blurring of roles and responsibilities as unproblematic, or a *'delightful arrangement'* (i17).

***'management team'*** - The final part of the collective leadership group is the 'management team' (the lower case 'm' and 't' are used deliberately within the firm to reflect the unofficial nature of this body). As the Senior Partner explains:

'There was a concern among Board members that setting up an Executive Committee formally would usurp the perceived power of the Board .... So we had to call it a "management team", which is basically the same thing but without the Executive Committee tag, *so that everyone could get comfortable with the idea.*' (i7)

The 'management team' is selected by the Managing Partner and convened on an ad hoc basis at his discretion. Its composition and authority are fluid and ambiguous. Up to 50 people, including partners in leadership roles and business services staff, are invited to attend meetings if the agenda is deemed appropriate. One interviewee recalls an occasion when the full management team was accidentally invited to a private meeting of a subset of the management team:

'We have this confusion around the management team because *we can't quite bring ourselves to say*, "actually you're small fry in the general scheme of things", because "he's my partner, he is my equal". So that's where *we fudge things* and we have lots of distribution lists and then things go wrong and there's an embarrassment and *everybody gets a bit cross.*' (i3)



The ‘fudge’ surrounding the composition of the management team is another way in which power relations remain ambiguous, reflecting the desire to maintain the appearance of equality. Members of the collective leadership group have deliberately constructed ambiguity and amplified their shared role space. Rather than portray this as problematic, as previous studies suggest, members of the collective leadership group actively celebrate this ambiguity, as reflected in the positive comments presented in italics throughout the preceding discussion: ‘It feels quite easy’ (i16), ‘everyone (is) comfortable with the idea’ (i7), ‘the current model works particularly well’ (i14), ‘I do actually think it’s one of our strengths’ (i17). The lengthy quotation from a joint Head of Practice at the start of this paper therefore encapsulates a generally held view amongst interviewees.

### **Intuitive Mutual Adjustment**

The prevailing pattern of interaction within the collective leadership group (RQ2) is intuitive mutual adjustment. As the Managing Partner says of his relationship with the Senior Partner: ‘it’s instinctive’ (i1). A joint Head of Practice echoes this when talking about his own interactions with his co-leader:

‘It’s a very easy relationship. We’re on a very similar wavelength. *We seem to be able to anticipate what each other will think on things... it feels quite easy.*’ (i16)

Interviewees comments indicate that this intuitive mutual adjustment is manifested through four related micro interactions: building consensus, creating collective responsibility, avoiding conflict, and maintaining harmony.

***Building consensus and creating collective responsibility*** - As the authority of the collective leadership group is ambiguous, senior executives must build consensus around key decisions.

‘You don't actually have executive power per se... The head of the group *tries to form a consensus* because actually that is the best way to get what you want.’ (i11)

Once decisions have been made, members of the collective leadership group support each other in public. The understanding is, ‘*back me up in public* even when I’m wrong and then we can chat about it privately afterwards’ (i2).

***Avoiding conflict and maintaining harmony*** – In order to achieve this, members of the collective leadership group sometimes avoid difficult discussions altogether. One of the few female interviewees explains this in gendered terms:

‘There is a sort of gentlemanly approach to resolving conflict, there’s a bit of “*let’s not go there*, we’ll gradually sort it out and it will gradually get better”.’ (i19)

The desire to avoid conflict reflects the fact that most partners remain at the firm for their entire careers so have a vested interest in maintaining harmony within the group.

‘People are conscious, “well you know *I’m going to be your partner for thirty years* and if I have a row with you now *it’s going to damage our relationship* for the next five years when we should be working together”.’ (i2)

### **Social Embeddedness**

Intuitive mutual adjustment is facilitated by high levels of social embeddedness within the collective leadership group. Interviewees suggest that this social embeddedness is associated with four interrelated characteristics: career-long tenure, close personal relationships, shared values, and mutual trust.

***Career-long tenure and close personal relationships*** - When discussing the collective leadership group, interviewees explain: ‘there is definitely a hard core of people *who’ve known each other all their lives*’ (i16). Some of the partners were at university together and have worked their way up together through the ranks of the firm over 20-25 years. ‘People have *very close friendships* within this firm’ (i2). The Senior Partner and Managing Partner are ‘good mates’ (i2), and ‘great friends’ (i5), choosing to go on a sporting holiday together every year with a small group of fellow partners. Similarly, two joint Head of Practices describe colleagues with whom they share responsibility for running their practices as:

‘He and I are *very good friends, we both see the world in many of the same ways.*’ (i17)

‘*We’ve worked with each other for years and years and years. We like each other. We share the same values and we find the same things amusing.*’ (i18)

***Shared values and mutual trust*** - The close personal relationships and the years of working together have given rise to shared values among the collective leadership group.

‘You can say, ‘that’s a [Firm] thing to do and that’s not a [Firm] thing to do’ and *everybody that’s been elected to the Board is very much in the [Firm] mould.*’ (i3)

In the current study, interviewees most frequently refer to trust in the context of the Senior Partner, who is seen as role modelling leadership behaviours. As one partner states: ‘[The Senior Partner] and I have an *incredibly trusting* relationship’(i10). Social embeddedness, characterised by mutual trust, shared values, career-long tenure and close personal relationships therefore facilitates the intuitive mutual adjustment of the collective leadership group.

## MOBILISING HIERARCHY

While the firm's collective leadership group appears to function effectively under 'normal' circumstances, Figure 1 outlines how the collective leadership group's prevailing pattern of interaction changes in response to a crisis (i.e. RQ3).

INSERT FIGURE 1 HERE

In the autumn of 2008 the collapse of Lehman Brothers and the ensuing global banking crisis brought about a significant and potentially sustained threat to the firm's core business. The firm faced a sharp decline in income and there was limited scope to reduce costs as partner remuneration represented a substantial component of the cost base. However, there was no facility within the Partnership Agreement to reduce a partner's profit share. As a co-owner of the firm, a partner could only be compelled to leave following a vote of the full partnership. A large-scale reduction in the number of partners would threaten the social embeddedness of the partnership as a whole.

### **Managed Mutual Adjustment**

As explained below, when faced with a crisis the prevailing pattern of interaction adapts from intuitive to a more managed form of mutual adjustment, revealing an informal hierarchy of power relations hitherto hidden within the ambiguous authority structure.

*Activating the inner circle* - At the start of November, two weeks after the global banking crisis began, the Senior Partner called a highly confidential meeting in the Managing

Partner's office to discuss the firm's response. The eight invited partners included some but not all, of the joint Heads of major Practices and some, but not all, of the Board. The Senior and Managing Partner knew that they would have to ask some partners to leave or accept a reduction in equity, but they were uncertain about how many to ask or how to manage the process. As the Senior Partner explains:

'Neither [the Managing Partner] nor I believed we had all the answers...we wanted to get the *best minds* round the table ...it was a collective process of sharing thoughts and ideas.'

(i7)

Already, by seeking the views of those they perceived to be the 'best minds' and by not informing others of this meeting, the Managing and Senior Partner were mobilising a hidden hierarchy within the collective leadership group. They recognised that the ambiguous authority of the collective leadership group, which had worked 'fine' up till this point, represented a major difficulty in dealing with the crisis. According to one Head of Practice:

'The big concern was how you actually get this done, because there's no constitutional power to do this unless you go out for a partnership vote. There was a strong view that we needed to avoid a vote because that would be divisive.'

(i16)

***Experiencing conflict*** - At the beginning of December, the Board agreed that the Managing Partner, working with the Finance Director should commence formal contingency planning. Already a shift in the pattern of interaction was beginning to emerge, as intuitive mutual adjustment within the extended collective leadership group gave way to a more deliberate and managed form of mutual adjustment amongst a subset of the collective leadership group. The Managing Partner and Finance Director worked throughout the Christmas and New Year holidays, developing a list of partners for 'restructuring'.

The January Board rejected their proposal. Board members objected strongly to the process by which partners from their own practices had been selected, and argued forcefully for a comprehensive review of all partners by all the Head of major Practices, using a formally defined set of criteria to ensure fairness, consistent with the shared values of the partnership. The Board's forthright rejection of the Managing Partner and Finance Director's plans denoted an increased willingness to experience conflict and enact resistance.

Throughout January selected major Head of Practices worked together to develop and revise the list of partners for restructuring, a further iteration of managed mutual adjustment amongst a subset of the collective leadership group. At regular meetings they repeatedly challenged and rejected each other's lists of partners and came into direct conflict with each other. As one Head of Practice explains:

‘We had some open fights about people. We disagreed with each other but there was very little game playing’ (i17).

This lengthy process during a time of rapidly deteriorating financial performance was deemed necessary to establish collective responsibility for a decision that would present a fundamental threat to the social embeddedness of the partnership.

***Intervening forcefully*** - The Senior and Managing Partner chose not to attend these early meetings, arguing that they should allow Head of Practices to resolve conflicts among themselves. However, they spoke to each Head of Practice privately, ‘putting pressure on us individually as to whether we had gone far enough’ (i20). Unwilling to remove partners they

had known for many years, the Head of major Practices proposed that only 5% of the partners be asked to leave. However, as the Senior Partner says:

‘My gut feel was around about 10% was kind of the minimum you had to deliver for people to say “that’s probably enough”.... If we’d done 5% I think a lot of people would have said “bloody hell, I’m probably next”.’ (i7)

The Managing Partner describes one of the later meetings that he and the Senior Partner attended:

‘Within the meeting room we really had to push – “well this is not enough, this is not enough.” But as soon as we had an agreement, the list got shorter ...we had to go back to them several times and say “this is not enough”.’ (i1)

As a Board member recalls: ‘[The Managing Partner] got extremely forceful about this. At one famous meeting he threatened to leave – he had a kind of tantrum’ (i9).

### **ACTING DECISIVELY**

Having revealed hierarchy by activating the inner circle within the collective leadership group, the Senior and Managing Partner then sought to build support for decisive action, both within the collective leadership group and more widely among other influential colleagues within the partnership. The prevailing pattern of interaction therefore remained managed mutual adjustment.

***Establishing consensus*** - At the February Board the Senior and Managing Partner presented a proposed list of 85 partners (17% of the partnership). Approximately 10% would be asked to leave and 7% would be asked to accept a reduction in equity. Those Board members who

had not been involved in drawing up this list challenged each of the 85 names in turn. As one Board member explains: ‘The core group didn’t make any formal decisions, the Board made the decisions. Our group was merely making the proposal’(i18).

***Extending collective responsibility*** - The Board recognised that they needed to extend collective responsibility more widely among influential members of the partnership to ensure that the partnership as a whole would ultimately accept the decision. The Senior and Managing Partner therefore met confidentially with selected partners whom they saw as having sufficient informal power to be potentially capable of mobilising opposition. By the end of this process a total of 50 partners (i.e. 10% of the partnership) had been co-opted into the restructuring decision. The rest of the partnership remained unaware as complete confidentiality had been maintained during the four months of deliberations.

A partner conference call was scheduled for 1:00pm on 15 February, 2009. In the hours leading up to the call, the joint Heads of major Practices (working in pairs) spoke to each of the 50 partners (10% of the total) who were to be asked to leave, offering a substantial compensation package. Almost 500 partners around the world dialled into a conference call to hear the Senior and Managing Partner announce the restructuring and explain the process by which individual partners had been selected and informed. The partners emailed questions to the Senior and Managing Partner throughout the hour-long call. Between 2:00pm and 4:00pm, Head of Practices contacted 35 further partners (7% of the total) and asked them to accept a reduction in their partnership equity. At 4:00pm the Senior and Managing Partner sent an individualised email to the rest of the partners to notify them that they were not directly affected by the restructuring. Ultimately all ‘restructured’ partners accepted the package offered.



As the Senior Partner sees it:

‘After everything we had done to sort of pull this leadership group together...it was kind of the moment of truth that we arrived at... Can it work effectively in a crisis, in a very dangerous crisis? And I think the answer to that was yes.’ (i7)

Interviewees give ultimate credit to the Senior Partner and his deliberate yet unobtrusive leadership. Using ‘heroic’ language which echoes a famous speech by Winston Churchill during Britain’s bleakest phase of World War Two, a Board member explains:

‘[The Senior Partner] managed to bring a tricky group of people to unity.... The way he executed the delivery was exemplary. *It was his finest hour.*’ (i9)

### **REAFFIRMING COLLECTIVITY**

Once the immediate crisis was past, the collective leadership group were keen to return to ‘normality’: to reaffirm social embeddedness within the partnership, to deemphasise the emergent hierarchy, and to perpetuate the ambiguous authority which they believed to have served them so well. The Senior and Managing Partner made particular efforts to reassure partners by engaging in very visible consensus-building within the partnership as a whole and by pulling back from more active intervention within the collective leadership group.

Gradually the prevailing pattern of interaction returned to intuitive mutual adjustment.

Interviewees report that the shared experience of planning and implementing the restructuring served to strengthen relationships and understanding within the collective leadership group.

Yet, in spite of the desire to ‘return to normal’, the experience has changed how power relations are perceived within the firm. For the partners as a whole the restructuring has

highlighted the informal power of those in leadership positions, even though they lack formal authority. Within the collective leadership group the process has revealed the existence of an ‘inner circle’ (i21) among a group of supposed peers. This inner circle is also referred to as the ‘inner core’ (i7), ‘inner group’ (i10), ‘core group’ (i15), ‘group of barons’ (i20), ‘group of cardinals’ (i5) and the ‘shadow leadership’ (i6) who ‘wield an enormous amount of power’ (i6). Reflecting the ambiguity that still prevails within the collective leadership group, the inner circle’s existence is unofficial and its composition contested. Recognising the functional value of ambiguity, the Senior Partner explains:

‘Even spelling out who these people are would play to the worst fears of the partners who are not part of it ... so *there are some things it’s just best left not publicising.*’ (i7)

Again the theme of ambiguity predominates as members of the collective leadership group have differing views on the composition of the inner circle. According to the Senior Partner:

‘There’s probably an inner core of leaders which is about fifteen, and then there’s an outer core which is probably around another ten or twelve people, something like that.’ (i7)

Yet other interviewees see the inner circle as no more than eight people, based on their observations of who gets invited by the Senior and Managing Partner to key meetings (and who is excluded) and whose opinion the Senior and Managing Partner both seek at the earliest stage about the most sensitive issues (and who they consult at a later stage). As one Head of Practice sees it:

‘I would say there’s sort of the inner group. There’s one or two from [A] practice, me from [B] practice, one from [C] practice. This is quite sensitive; I wouldn’t pass this on to anybody. I don’t know whether this is accidental or on purpose but I think it’s on purpose. There’s [the Senior Partner], there’s [the Managing Partner], then probably two from [D]

practice. The other head of [B] practice is not included.... The group doesn't include the other head of [A] practice, and didn't include my predecessor in [B] practice.' (i12)

Certain individuals therefore see themselves as part of the inner circle but are not recognised as such by others in this group (i.e. they are part of the group of 'about fifteen' that the Senior Partner refers who are not aware of the smaller group of eight). This hidden hierarchy within the collective leadership group is presented in Figure 2 as 'sort of like concentric circles' (i18) referred to by one interviewee. Individuals included in the dark grey circle of eight all recognise each other as members of the inner circle. Some of those in the lighter grey circle, which encompasses fourteen people, believe themselves to be in the inner circle but are unaware that there is a smaller group from which they are excluded.

INSERT FIGURE 2

## CONCLUSIONS

As already discussed, previous studies of collective leadership groups have focused on leadership dyads and triads. The current study is unusual in analysing a considerably larger group, incorporating multiple dyadic relationships among individuals with overlapping roles, with potentially more complex power relations. It is perhaps not surprising, therefore, that its findings differ substantially from previous studies. This paper concludes by identifying the primary ways in which the current study challenges established theory and delves more deeply into the implications for leadership research.

### **Challenging Established Assumptions**

The current study challenges some key assumptions in the literature, namely that 1) ambiguous authority is problematic for leaders, 2) patterns of interaction within collective leadership groups are consistent and stable, and 3) collective leadership groups are fragile and emotionally fraught.

*Celebrating ambiguity* – As previously highlighted, Hodgson et al (1965) and Denis et al (1996) emphasise that to minimise conflict and maximise effectiveness within a collective leadership group, it is important to create clearly differentiated, specialised, and complementary roles and responsibilities (in other words to clearly establish and stabilise power relations). Studies of dual leadership highlight the intense emotional labour involved and argue that, when there is no clear demarcation of leadership responsibilities, there is likely to be intense rivalry, competition, and conflict (Reid and Karambayya, 2009; Gibeau et al, 2016).

By contrast, the current study finds that members of a collective leadership group may deliberately amplify and celebrate ambiguity in their relative roles, responsibilities, and authority, and allow power relationships to remain unspoken and untested. Far from engaging in emotional labour, members of the collective leadership group may derive considerable comfort from this ambiguity as it enables them to share responsibility for difficult decisions and preserves the presumption of equality among peers. Social embeddedness is a key enabling factor. It serves in effect as a lubricant for power relations, enabling peers to allow potential power discrepancies to remain unstated as they collectively broker a compromise solution. This ensures that, even within a pluralistic environment, members of a collective

leadership group can work together to establish a consensus about difficult decisions, enabling them to take decisive action.

***Embracing dichotomy*** – The implicit assumption within the literature is that collective leadership groups are characterised by *either* a formal separation of roles and responsibilities *or* by intuitive mutual adjustment (Denis et al 2012). There is little explanation of why collective leadership groups interact in either way, or whether the prevailing pattern of interaction can change. The current study challenges this example of dichotomisation, to which leadership research seems particularly prone (Collinson, 2019). It emphasises that a collective leadership group can move from intuitive mutual adjustment to a more managed form of mutual adjustment, and back again, in response to changing external circumstances.

To date intuitive mutual adjustment has remained a somewhat abstract concept. The current study identifies four micro interactions which collectively constitute intuitive mutual adjustment: building consensus, creating collective responsibility, avoiding conflict, and maintaining harmony. In all of these, power relations remain ambiguous and opaque. The study goes on to identify the concept of ‘managed mutual adjustment’, whereby power relations become more explicit, though still relatively benign. Senior leaders, who may previously have deemphasised their formal authority relative to their ‘peers’, choose instead to direct colleagues within the collective leadership group towards a desired outcome.

***Sustaining cohesion*** - Previous studies have emphasised the fragility of collective leadership groups, with Empson and Alvehus (2019) going so far as to argue that collective leadership in professional service firms is inherently unstable. They emphasise the highly contingent nature of power and the risk of senior leaders being removed from their roles by their colleagues if

they fail in their attempts to negotiate an appropriate degree of authority, or are seen to engage in overt political manoeuvring in order to achieve their goals. By contrast, in the current study members of the collective leadership group avoid overt power struggles and instead demonstrate a remarkable degree of cohesion, which enables them to act decisively to take decisions that threaten the social embeddedness on which their collective leadership is built.

The explanation for this apparent cohesiveness and decisiveness may lie with the nature of the problem to be resolved. The current study suggests that, when the collective leadership group is dealing with an externally generated crisis, its members are less likely to become caught up in mutual recriminations and disputations. The problem requires an immediate response and cannot be blamed upon a single individual or factions within the collective leadership group. As a result it is easier for them to unite around a common purpose and agree quickly on the appropriate course of action. In this context, power relations remain uncontested. The crisis does not cause individuals to defer to a 'heroic' leader in a crisis, contrary to the conventional assumption within the leadership literature. Instead, it can be argued that members of the collective leadership group collectively engage in 'heroic' action, overcoming their lack of formal authority to negotiate and implement a 'once in a lifetime' decision on behalf of their fellow partners.

### **Emphasising the Power in Collective Leadership**

The current study, therefore, begins to address the collective leadership literature's neglect of power (Denis et al, 2012). In identifying the power in ambiguity and the hierarchy hidden in collectivity, the current study has implications for leadership research more generally.

***Power in ambiguity*** – Implicit in many conventional interpretations of power dynamics in organizations is the assumption that ambiguity is problematic and that privileged actors use their power to eliminate ambiguity, in the process extending their own power. However, Fleming and Spicer (2014) suggest that, contrary to this conventional assumption, there may also be power in ambiguity. They encourage organizational scholars to examine this ambiguity directly, suggesting that it ‘may yield some surprising results’ (31). The current study bears out this assertion.

Within the professional service firm literature, ambiguous authority is portrayed as particularly problematic, inhibiting leaders’ ability to bring about change (e.g. Hinings et al, 1991; Lawrence et al, 2012; Morris et al, 2010). Yet the current study shows how members of a collective leadership group can deliberately construct and amplify ambiguity, both in terms of the composition of their group and the authority of individuals within the group.

Empson and Alvehus (2019) have highlighted the difficulty of distinguishing between ‘leaders’ and ‘followers’ where collective leadership is co-constructed among colleagues. The current study emphasises how, in this context, ambiguity can be deployed to disguise power relationships among those in formal leadership positions and to maintain the illusion of equality among supposed peers. It suggests that individual leaders can exercise considerable informal authority under the cloak of ambiguity when the absence of clear hierarchy precludes conventional directive leadership. Where power dynamics are contested among peers, far from seeking to eliminate ambiguity, individuals may seek to manage and manipulate it in order to strengthen their informal power. When formal authority is highly constrained and organizational politics are rife (Empson and Alvehus, 2019) this

amplification and manipulation of ambiguity by a powerful actor may represent a political expediency. However, rather than represent a self-serving attempt by a leader to extend their own power and advance their own interests, this manipulation of ambiguity may represent the only practical means of sustaining consensus and taking decisive action in the absence of formal authority.

### **Hierarchy Hidden in Collectivity**

The current study has revealed the hidden hierarchies that can exist within an avowedly collective leadership group, by studying an extended collective leadership group of professional peers and co-owners who are notionally equivalent in terms of power. Some leadership research portrays a decentred and highly amorphous conceptualisation of leadership, where individuals are subsumed within the collective (Uhl-Bien, Marion, and McKelvey, 2007). By contrast, the current study emphasises that collective leadership does not obviate the need for effective leadership at the individual level. Indeed it demonstrates that an individual leader may remain highly significant within collective leadership, but he or she may be required to have different sensitivities and preoccupations from those common in more conventional leadership contexts. In particular he or she requires a finely tuned ability to know when to shift the prevailing pattern of interaction from intuitive to managed mutual adjustment, and to build consensus and extend collective responsibility among an extended group of individuals who all see themselves as leaders. In other words, the individual leader needs to be able to judge when to mobilise hierarchy and when to reaffirm collectivity. This ability can form the foundation of their individual power.



Leaders of professional service firms may have little formal authority, yet this study emphasises that they still have the potential to enact considerable informal power through their political manoeuvring. This gives them the ability to create and manipulate a hidden hierarchy. The patronage of individual leaders has the potential to create both in-groups and out-groups among their peers who are notionally in leadership positions, by conferring and withholding information, attention, and opportunities. However, given the inherent instability of leadership dynamics in professional service firms (Empson and Alvehus, 2019) individual leaders must be careful not to become too disassociated from their peers, or to allow their attempts to exercise power to become too overt, or they may find that their in-group becomes relegated to an out-group.

The increasing focus on collective forms of leadership has been presented as a reaction against individualized and heroic conceptualizations of leadership (Bligh and Schyns, 2007; Meindl, Ehrlich and Dukerich, 1985). The current study suggests that collective leadership nevertheless requires effective individual leaders who can nurture the context within which collective leadership can flourish. Whilst they may avoid the rhetoric and personality cult of the conventional 'heroic' leader, their ability to mobilise and direct powerful individuals within a pluralistic environment can nevertheless be seen as 'heroic', albeit a somewhat subtle and nuanced form of heroism. It is perhaps ironic that, a study of collective leadership has highlighted the extent to which collective leadership ultimately begins and ends with the individual.

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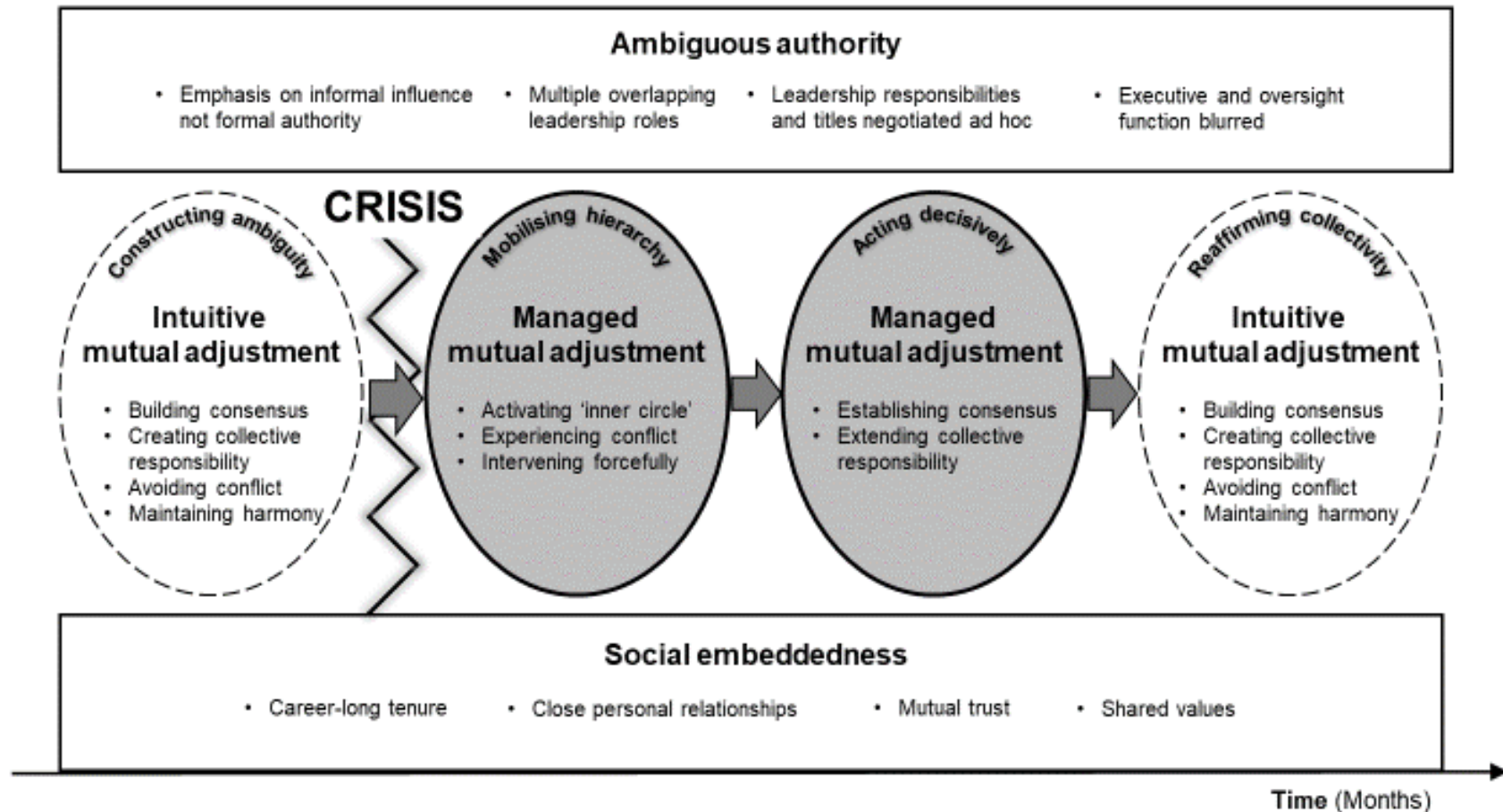
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**TABLE 1  
DATA SOURCES**

<i>Semi-structured interviews</i>	
<b>Number</b>	34
<b>Duration</b>	90 minutes average
<b>Interviewees identified as part of collective leadership group</b>	Senior and Managing Partner All Board members Heads of major practices (but not minor practices) Directors of Finance and HR (but not Directors of Marketing IT etc) Partners identified as 'key influencers' Heads of 'significant' markets and geographic regions
<i>Internal archives</i>	
<b>Number</b>	25
<b>Examples</b>	Minutes of monthly Board meetings (over 6-month period) Transcripts of conference call between Senior and Managing Partner and full partnership (including Q and A) Partnership agreement Election manifestos of Senior and Managing Partner Report to partners defining roles of Senior and Managing Partner Report to partners proposing changes to Partnership Agreement Partner performance criteria
<i>Observation</i>	
<b>Number</b>	3
<b>Meetings</b>	Annual partner meeting Board meeting Sector heads meeting



**FIGURE 1 Changing patterns of interaction within collective leadership group:  
From intuitive to managed mutual adjustment, and back again**

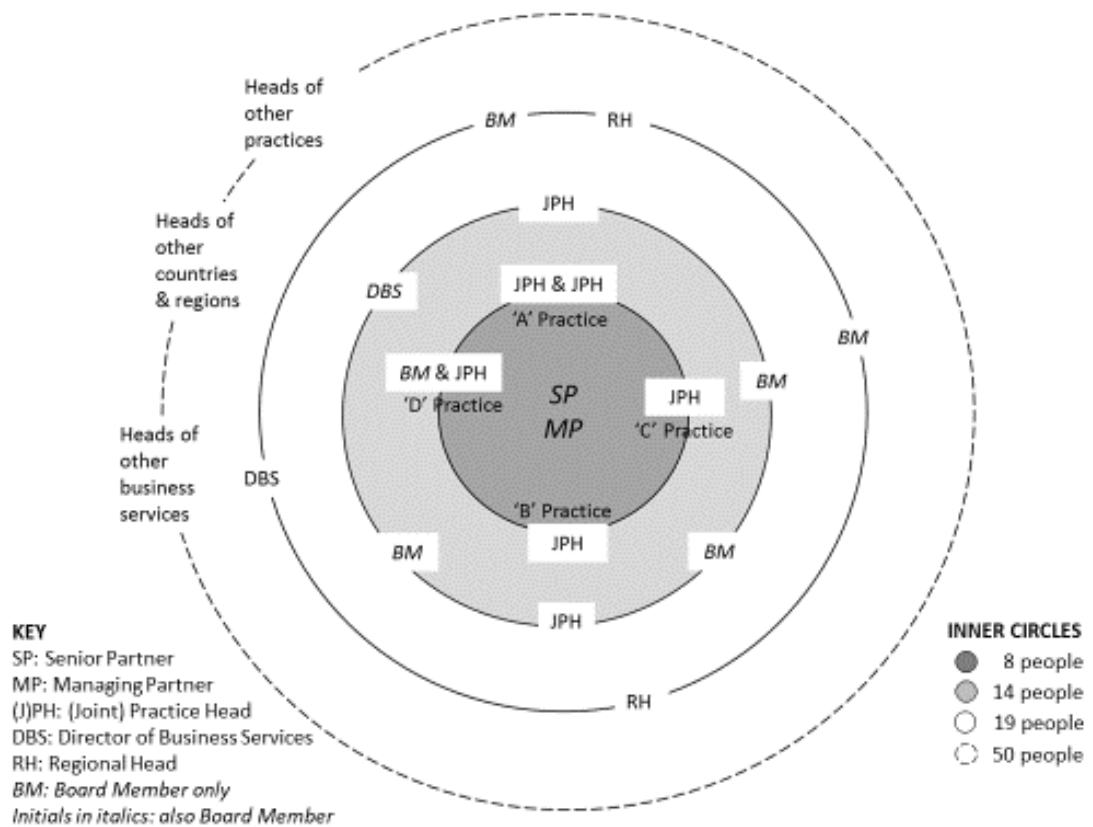


(see separate PowerPoint document 'Figure 1' for higher resolution graphic)

**FIGURE 2**

**Composition of collective leadership group:**

**Interviewees' relative position within hidden hierarchy**



(see separate PowerPoint document 'Figure 2' for higher resolution graphic)