The governance of horizontal leadership in projects

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Abstract

Using the framework of balanced leadership in projects, we explore how horizontal leadership is governed. Previous research in project governance has focused on control and trust as the main mechanisms of governance. We apply this approach to the leadership field and investigate the nature of governance of temporary horizontal leaders in projects through contextual enablers, mechanisms, structures, practices and process. We argue that control and trust unfolds in particular combinations of the above items. Based on a study of different projects in Lithuania, we provide insights and discuss characteristics of trust and control, as exercised in the governance of horizontal leadership.
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1. Introduction

There is no doubt about the significance of leadership in projects (Clarke, 2012a). The concept of leadership has developed intensively over the years, whereby traditional leadership perspectives of assigned leaders (a.k.a. vertical leader) exercising power over team members, were complemented by notions of shared and distributed leadership, where leadership emerges from team members. Most recently the concept of balanced leadership bridged these two streams by identifying dynamic, temporary and alternating transitions between vertical and horizontal leadership (i.e. their balance) for the accomplishment of project results (Müller et al., 2017). Balanced leadership is conceptualized as a cycle of five events, namely nomination, identification of possible horizontal leaders, selection of horizontal leaders, horizontal leadership and its governance, and transition (Müller et al., 2018b).

The present study contributes to the stream of studies that empirically validate the recently published Theory Framework for Balanced Leadership (Müller et al., 2018b) by focusing on event four listed above. This is, when a formally appointed vertical leader (i.e. typically the project manager) temporarily delegates leadership authority to one or more team member(s) and governs this leader during the execution of the leadership task. We refer to this temporary and governed leadership by the team member as horizontal leadership and its governance by the project manager as horizontal leadership governance (HLG). Governance is hereby defined as a system to direct and control managers and hold them accountable for their performance (OECD Publishing, 2001). This is applied to the governance role of a vertical leader during the leadership by a horizontal leader. Much has been written about governance, but the governance of horizontal leaders has yet to be researched. Hence our research question is:

How is horizontal leadership governed in balanced leadership?

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The present paper explores this particular form of governance by revealing governance context, governance mechanisms (trust and control), governance practices and governance processes.

The Unit of Analysis is the governance exercised by the vertical leader. The study takes the ontological stance of Critical Realism, aiming for explaining the phenomenon, but not claiming that this explanation is the only possible one (Bhaskar, 2016). An abductive qualitative study (following Alvesson and Sköldberg, 2009), based on thirty interviews with project leaders and team members, was conducted in project-based companies in Lithuania. Project-based companies are hereby understood in the sense of Turner (2018) as those where a majority of products or services are delivered against bespoke designs for customers.

The study provides academics and practitioners with an enhanced understanding of HLG and the dimensions that influence the choice of control or trust as governance mechanisms in balanced leadership. The results described herein allow practitioners to identify the specific conditions when control or trust or both might be chosen as governance mechanisms in order to achieve better project results. In that sense the study will increase project managers' leadership competences, which are key for project success (Turner and Müller, 2005).

The rest of the paper is structured in the following way: the literature review addresses governance through governance context, mechanisms, practices and processes. Then the methodology is described, followed by an analysis section. The last parts of the paper are dedicated to the discussion and conclusions of the study.

2. Literature review

This chapter starts with defining leadership in projects. It reveals how balanced leadership differs from other leadership approaches. It also identifies the HLG event in balanced leadership as empirically under-researched. It describes agency and stewardship theory as the theoretical lens of the study.

2.1. Leadership in projects

The significance and complexity of leadership in projects is emphasized by Turner et al. (2009) and others. As Clarke (2012a) noticed, the analysis of leadership in projects falls in one of the following categories: research on leadership style, leadership behaviors and roles, and leadership traits (competences, characteristics and personality).

One stream of leadership research focuses on the project manager as a vertical leader, which is the leadership by the formally appointed leader. We find this, for example, in managerial and psychological literature where individuals are subject of investigation. Another stream emphasizes the leadership exercised by project team members. Related concepts are known as shared and distributed leadership. Shared leadership means leadership exercised by one team member, agreed upon in the team, rather than a vertical leader.

For example, Clarke (2012b) proposed that shared leadership is more effective than vertical leadership in terms of project outcomes in projects with greater complexity, greater ambiguity in project goals, when time pressure is high, during the execution phase of the project, and in projects with a propensity for high levels of political behavior. Distributed leadership, on the other hand, refers to leadership that emerges through the interaction of the team members, and is distributed among them (Lindgren and Packendorff, 2009; Feng et al., 2017). It is often proposed as being superior to individual or vertical leadership in cases of emergency situations or task ambiguity (Feng et al., 2017). However, neither shared nor distributed leadership explains the relationship between team members in leadership roles and vertical leaders. Most recently balanced leadership emerged to overcome this weakness by explaining phenomena not addressed by vertical and shared/distributed leadership. Examples include the how and why of the cyclic shift of leadership between vertical and horizontal leaders. Balanced leadership addresses the dynamics of temporary shifts in leadership between project manager and team member, and describes leadership in a cyclical way (i.e. as a series of events), understood as a "sociological phenomenon" in the sense of Archer's (1995) Realist Social Theory. The cyclical events unfold the following way (Müller et al., 2018b):

(1) Nomination of members to the project team. If allowed to do, the vertical leader oversees the need for particular expertise in the project and plans for potential project team members, especially if they have had previous experience with them (Sankaran et al., 2018).

(2) Identification of potential horizontal leaders. Here the appropriate fit between the project task requirements and a potential horizontal leader is defined. A vertical leader demonstrates intent to become a horizontal leader – to accept the role upon empowerment (Müller et al., 2018c)

(3) Selection of horizontal leaders. A vertical leader selects one or several temporary horizontal leaders by empowering them (Yu et al., 2018)

(4) Horizontal leadership and its governance. Horizontal leadership by a team member is executed at this stage. A vertical leader uses trust or control or both to govern the horizontal leader, that is, for HLG. This is the subject of the present study.

(5) Transition of leadership authority back to the vertical leader. Here the horizontal leadership comes to an end. Depending on the circumstances it can be repeated (starting the cycle over again) or not.

The conceptual study by Müller et al. (2018b) provided the theoretical framework for balanced leadership, while subsequent studies, like those in the list above, aim for empirical validation of the individual events of the framework. This paper investigates the fourth event, that is, HLG.

A new form of leadership emerges in balanced leadership, namely horizontal leadership. It emerges when a vertical leader, typically a project manager, enables one or a few project team members to become a temporary leader within the boundaries