The hierarchy of leadership - chain of leadership

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Abstract

V prispevku pred vami sem se odločil predstaviti krajši odsek poglavja: 'Burden of command', iz mojega strokovnega dela: Um samozadostnosti – Umetnost vodenja za 21. stoletje, ki je trenutno v procesu izdaje. V prispevku pred vami se bom na kratko dotaknil pojmov: hierarhija vodenja (vodstvena veriga), eksplicitni notranji red delovne organizacije / poslovnega procesa ter implicitni notranji red delovne organizacije / poslovnega procesa. Prav tako vam bom tudi na kratko predstavil zgradbo obeh notranjih redov delovne organizacije / poslovnega odnosa, katero tvori 64 določb, ki jih je potrebno razumeti v najširšem možnem smislu, ki skupaj tvorijo hierarhijo vodenja posamezne organizacije / poslovnega procesa. Na drugi strani pa vam bom tudi na kratko predstavil v kakšnem razmerju sta eksplicitni in implicitni notranji red organizacije / poslovnega odnosa, kaj pridobimo z njuno uporabo, kakor tudi največjo nevarnost, ki izvira iz njiju – kult osebnosti v sklopu organizacije / poslovnega procesa in kako se lahko slednji izognemo. Pri čemer bi želel eksplicitno poudariti, da obravnavamo tematiko veliko podrobneje obravnavam v zgoraj omenjenem svojem strokovnem delu ter v sklopu svojega izobraževalnega program: Kreativno vodenje. Kakor tudi, da sem omenjene tri pojme razvil na osnovi svoje strokovne sinteze znanj in učenj filozofije ravnovesij (na zahodu bolje poznana kot filozofija konflikta), Koryu Buda (tradicionalne borilne veščine), tradicionalnih kitajskih in japonskih vojaških ter strateških ved, vojaško-obveščevalnih, vojaških in vojnih ved, analitične in globinske psihologije, osemletnih vodstvenih izkušenj, vključno z dvema letoma poveljevanja in vodenja na vojnih misijah, ter približno štirih letih izkušenj, iz področja strateškega svetovanja v okviru NATO pakta, Interpola, Europola, DGSE, U.S. Marshals, Siemens AG, AstraZeneca in Actelion Pharmaceuticals Ltd.

For the article, in front of you, I decided to present a short section of the chapter: 'Burden of command', from my professional work: Mind of self-reliance - Art of leadership for the 21st century, which is currently in edition. In the article in front of you, I will briefly present concepts of: the hierarchy of leadership (chain of leadership), the explicit internal order of an organization / business process and the implicit internal order of an organization / business process. On the other hand, I will also briefly present the structure of both internal orders of an organization / business process, which are formed by 64 regulations, which must be understood in the broadest possible sense, that together form the hierarchy of leadership of an organization / business process. Further, you will also be briefly presented in what relationship are the explicit and implicit internal order of an organization / business relationship to each other, what can be obtained by their application, as well as the maximum risk resulting from them - the cult of personality in the context of an organization / business process and how the latter can be avoided. Wherein, I would like to explicitly emphasize that I discuss the mention topic in more detail in my above-mentioned professional work and in

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the context of my educational program: Creative leadership. I would also like to mention that I have developed the mentioned three concepts, on the basis of my professional synthesis of learnings and teachings of philosophy of balances (in the West better known as the philosophy of conflict), Koryu Budo (traditional martial arts), traditional Chinese and Japanese military and strategic sciences, military intelligence, military and war sciences, analytical and depth psychology, eight-years of leadership experiences, including two years experiences of the operational command and leadership in the field of war missions, and about four years of experiences in the field of strategic consultancy in the context of NATO, Interpol, Europol, DGSE, US Marshals, Siemens AG, AstraZeneca UK Limited and Actelion Pharmaceuticals Ltd.

Key words: chain of leadership, hierarchy of leadership, business, equality, freedoms, rights

Introduction

The hierarchy of leadership is basically a tool whose primary intention is to provide a smooth and maximally optimized course of the performance of all working processes that form the operating system of a certain organisation, in order to optimize the implementation of business intentions and the achievement of business goals. But at the same time, it is also a tool of protection and assurance of equality, freedoms and rights of individual participants in a particular business system, with a view to their best possible implementation of business intentions and the achievement of the business goals of company. On the other hand, the chain of leadership offers us one of the best insights into the actual functioning of the performance, management and leadership of our own as well as other organisations. Besides that it also offers us the first key information in what ways can we improve the operation of our own and our partner's organisation or how can we impair the operation of a competitive organisations. Wherein, it has to be noted at this point:

- "An organisation as a whole will never surrender or accept defeat and will do everything necessary, to avoid the latter. Its will to survival may be broken only by its own leadership."
- "An organisation as a whole is able of only that what its leadership is able. If we break the will of its leadership, we break the will of organisation as a whole."

The first prerequisite for the implementation of any particular business intention or the achievement of a particular business goal is to establish a system of hierarchy of leadership. Because on the latter is based the internal order, which allows us to implement particular business intentions and to achieve particular business goals. By establishment of the system of hierarchy of leadership we create the internal order, which will condition, identify and define a particular business process. Hence it is extremely important that we devote a considerable amount of our attention, work and time to the establishment of the system of hierarchy of leadership of a particular business system. Since it primary depends on the system of hierarchy of leadership to what extent we will actually be able to implement particular

business intentions and to achieve particular business goals stirring from a particular business process.

When we talk about the internal order of a particular business process, we must bear in mind that it is of a dual nature and it is as such consisted of:

- ∾ Explicit internal order,
- ∾ Implicit internal order.

An explicit internal order must always be fixed in advance and should be based on the so-called: Top-bottom approach. While an implicit internal order always occurs spontaneously in response to an explicit internal order and it should be as such based on the so-called: Bottom-up approach. Explicit and implicit internal order form a complementary whole, which is called: the internal order of a particular business process. From that it follows that they always go hand in hand and therefore we must always consider them as a single and indivisible whole.

The explicit internal order

In recent years, we can see in Western societies an exponential growth in a wide variety of ideas and ways of thinking that are, from one reason or another, trying to devalue a Top-bottom approach in establishment of the system of hierarchy of leadership within a wide variety of business systems and organisations. Wherein, such movements represent a Bottom-up approach as a kind of panacea for the establishment of the system of hierarchy of leadership within a wide variety of business processes and organisations. Considering the fact that such movements are most favourable to their media exposure, it often seems that anyone who is advocating the advantages of a Top-bottom approach is just an isolated representative of conservatism or even reactionism.

Supporters of 'progressive' Bottom-up approach are forgetting that both approaches form a complementary and indivisible dual whole, which mutually complement each other on the basis of their seemingly conflicting intentions of operation. On the other hand, advocates of a strict Bottom-up approach do not differ from advocates of a strict Top-bottom approach, except that they use a different rhetoric and demagogy. Both of them are deceived by their partial assumptions of what they believe is the 'only' correct approach of establishing a system of hierarchy of leadership for business processes and organisations.

With strict advocating of only a certain our partial view, attitude, opinion, concept or idea we always become blind and deaf to their complementary opposites. Based on which, we begin to subconsciously act in accordance with our hubris that directs us in reactionary advocacy of a certain our partial views, attitudes, opinions, concepts, ideas ... convictions and / or beliefs. Wherein, it is completely irrelevant whether we are reactionary advocating "progressive" or "conservative" systems. Any form of operation under the influence of hubris is fundamentally contrary to the concept of the hierarchy of leadership.

Notwithstanding the fact that all organisations fall under the jurisdiction of civil legislation and law, we must not forget that organisations should not be compared and even less be equated with democratic civil societies in which they operate. For each and every organisation is formed as a result of the implementation of the specific original intentions and of the realization of the specific goals of the particular individual or group of individuals who established a specific organisation. At the most general level, we can say that any given organisation is born from the individual's specific idea, which he or she chooses to pursue through one or several of his or her volitions that he or she is realizing through his or her decisions and actions. The founder of an organisation is the one who most often bears the greatest risks stirring from the emergence and formation of a company that he or she is creating, based on some of his or her vision (idea + its conception) in regard of what he or she wants to create. Therefore he or she is obliged to define and establish an explicit internal order of his or her organisation, otherwise he or she will not be implementing his or her vision, but a vision of someone / something else. Through the establishment of an explicit internal order he or she is not only defining the implementation of his or her vision, but at the same time he or she also coveys to a wider society the vision of his or her organisation as well as with whom and under what conditions he or she is willing to cooperate with other representatives of a wider society. The process of implementation of a certain organisation starts with the individual's vision of the latter, while its process of generation starts with the establishment of its system of explicit internal order.

Based on my own experience, I have noticed that nowadays one all too much stresses the importance of the individual's development of his or her vision and business strategy of his or her future organisation or business process. While on the other hand, there is almost no mention at all of the importance of his or her development of a system of hierarchy of leadership, because he or she is somehow a priori expected to manage it by himself or herself and is therefore left more or less to himself or herself in this very important area. The individual begins to learn about the importance of a system of hierarchy of leadership only after he or she has already established his or her organisation; respectively when he or she has already started the realization of a specific business process. Wherein, the individual is being seriously informed on this key area only after he or she has succeeded in one way or another. The described process, which we are witnessing in the Western societies, is merely a consequence of the illusory collective belief that a priori requires every individual founder of organisation or business process to simply know how to lead. But an empirical fact is that only a few people actually know how to lead, resulting in that majority of people are not leaders, which, unfortunately, is also true for the majority of the founders of organisations and business processes. If we consider the exponential growth and extremely aggressive rhetoric / demagogy of representatives of Bottom-up approach at the implementation of a system of hierarchy of leadership, it may be much easier to understand why the majority of founders of organisations or business processes are extremely confused regarding the discussed topic and why they on the one hand tend to almost reactionary insisting on their own experience, while on the other hand, are constantly looking for a system that would at least partially acquaint them with the basics of leadership.

If we have decided to establish an organisation or start a specific new business process, it is up to us to establish a system of hierarchy of leadership that will introduce an explicit internal order. With a system of hierarchy of leadership, which determines an explicit internal order of our organisation or business process, we determine the following regulations, in the following order:

- Who is responsible for leadership;
- What are the obligations and liabilities of the directly responsible person - leader;
- What kind of jurisdictions of leadership, reward and sanction has the directly responsible person;
- Which business intentions and goals is the directly responsible person obliged to achieve;
- With whom is the directly responsible person obliged to participate in the partnership;
- How does the directly responsible person intend to:
  - Lead;
  - Implement and achieve predetermined business intentions and goals;
- What will the directly responsible person obtain by:
  - His or her correctly and diligently performed work;
  - Exceeding the predetermined business intentions and goals;
- A mode by which the directly responsible person will protect the freedoms, rights and interests of his or her subordinates;
- A timeframe for the implementation of predetermined business intentions and goals;
- Under what conditions is the directly responsible person justified to a reasonable extension of a timeframe for the implementation of the predetermined business intentions and goals;
- What follows, if the directly responsible person does not reach predetermined business intentions and goals although he or she has correctly and diligently performed his work;
- How is the directly responsible person sanctioned, if he or she does not reach the predetermined business intentions and goals, because of his or her:
  - Negligence and / or imprudence;
  - Failure to comply with his or her predetermined obligations and liabilities;
  - Improper leadership of his or her subordinates;
  - Negligence and / or imprudence, failure to comply with his or her predetermined obligations and liabilities and improper leadership of his or her subordinates;
- A form of business arrangement with the directly responsible person.

In addition to the above mentioned regulations we have to identify, within a system of hierarchy of leadership, which determines an explicit internal order, the following general regulations in regard to the obligations and liabilities of the directly responsible person:

- The extent of autonomy in his or her choice about:
  - The personnel for the group, which he or she will be leading;
  - Ways of:

- The implementation of predetermined business intentions and the achievement of business goals;
- Cooperation with predetermined business partners;
- Concluding of business agreements with:
  - Predetermined business partners;
  - His or her subordinates;
- Rewarding and sanctioning of his or her subordinates;
- Operational procedures:
  - If there is no-cooperation from his or her predetermined business partners;
  - For a regular notification of his or her superiors about the implementation of predetermined business intentions and the achievement of business goals;
  - By which he or she will be able to successfully secure:
    - Freedoms, rights and interests of his or her subordinates;
    - His or her implementation of predetermined business intentions and goals in relation to the occurrence of unforeseen circumstances.

In relations to the jurisdiction of leadership of the directly responsible person we need to further define the following operational procedures, by which we identify and define:

- Liabilities of the directly responsible person to his or her subordinates;
- What kind of freedoms, rights and interests of his or her subordinates is the directly responsible person obliged to protect;
- A form and way of leadership for the directly responsible person;
- Ways how can:
  - Subordinates, which are assigned to the directly responsible person, notify top management about any irregularities;
  - Directly responsible person rewards and sanctions his or her subordinates;
- A scope of the autonomy of leadership of the directly responsible person in the context of the aforementioned operational procedures.

In regard to the privileges of the directly responsible person we need to further define the following two general regulations:

- What can he or she acquire in exchange for his or her correctly and diligently performed work;
- What can he or she acquire in exchange, if exceeding the scope of predetermined business intentions and goals.

On the other hand, we also have to determine within a system of hierarchy of leadership, which determines and defines an explicit internal order, the operating procedures that identify and define:

- A leadership scheme of the given organization;
- Cooperation and relationships of leadership of individual sectors of the given organisation;

- Under what conditions relationships of leadership of individual sectors of the given organisation may vary in accordance with the intention of fostering the enhanced implementation of business intentions and achievement of business goals;
- Resolution of conflicts of interests of individual sectors of the given organisation, with the aim of fostering the enhanced implementation of business intentions and achievement of business goals;
- Protection of equality, freedoms and rights of all employees;
- Application of the principle of being informed for the needs of implementation of current business intentions and goals as well as for protection of equality, freedoms and rights of all employees;
- Evaluation of personnel of individual sectors of the given organisation in relation to each other;
- Promotion, rewarding and sanctioning of all employees, based on a preliminary evaluation of personnel of individual sectors;
- Extraordinary promotion, rewarding and sanctioning of all employees, based on a preliminary evaluation of personnel of individual sectors;
- General regulations of developing and adopting strategies within individual sectors of the given organisation;
- Regular evaluation of a system of hierarchy of leadership and an explicit internal order;
- Ways:
  - Of improvements in a system of hierarchy of leadership and an explicit internal order;
  - Through which all employees can identify themselves with the idea represented by the given company.

If we address and define all the aforementioned 48 regulations during our establishment of a system of hierarchy of leadership (which defines an explicit internal order of the given company), we will manage to establish a firm and self-regulatory system that will provide to us, our organisation as well as our employees significantly better abilities for a quality and necessary adjustments to the changes, with which we will be faced in the future. On the other hand, it will also allow us to create a working environment and processes, which will be in the best interest of all parties involved in an individual business relationships, in the context of our organisation. Working environment and processes that will encourage creativity, innovation, initiative, belonging, loyalty and productive performance of all employees. Based on that, we will act in accordance with the following intentions of:

- Optimization of:
  - Individual working processes;
  - Leadership of working processes, which are in accordance with the current applicable legislation;
  - Human resources management;
  - Disciplinary, interdisciplinary and multidisciplinary approaches to performance of individual business processes and projects;

- Interdisciplinary and multidisciplinary development of strategies at the level of individual sectors as well as at the level of the whole organisation;
- Penetration into new markets;
- Visibility and competitiveness of the given organisation;
- Productive performance of the given organisation;
- Rationalization of costs for:
  - Individual working processes;
  - Human resources management;
  - Development of strategies;
  - Penetration into new markets;
- Creation of profits from individual business and working processes.

A system of explicit internal order, just like any other system, goes hand in hand with the risks and its greatest risk is the so-called: cult of personality in the context of an organisation. All cults of personalities have in common that the individual identifies oneself with a particular archetype, a certain aspect of a particular archetype or with a particular archetypal idea. Every form of human identification with a particular archetype, a certain aspect of a particular archetype or with a particular archetypal idea, however, belongs to the most dangerous pathological psychological phenomena. Simply because eventually the individual identifies oneself with a particular archetype, a certain aspect of a particular archetype or with a particular archetypal idea to the extent that the latter begins to fully control not only one's conscious part of I - ego, but one's whole I. Which it gradually subdues to the extent that it reduces his or her I only to the tool of its own self-realization that in the long run always leads to the dissolution of the individual's whole I, which is one of the most dangerous pathological psychological phenomena.

With establishing of an explicit internal order we can avoid the inherent risks, if we take a certain degree of remoteness to our creation – an organisation / business process. On this basis we can develop our mental attitude towards our organisation / business process that latter ceases to belong only to ourselves at the moment when we create it and it interacts with something / someone else. If we are to avoid the pitfalls that we are setting by our developing of the cult of personality, it is very important that we never forget that our organisation / business process is only the means for the implementation of a particular our business intentions and the achievement of our business goals, rather than the goal, or even intention itself. Any form of our identification with our organisation / business process will always lead us to the development of our own cult of personality and the inability of our leadership of the given organisation / business process in accordance with changing circumstances. That will further lead us in more or less direct opposition to the changing circumstances, which will ultimately lead us to our inability of implementing set business intentions and goals. Our mentioned inability will further lead us to the form of leadership that is going to destroy an explicit internal order of the given organisation / business process, which will ultimately lead us to creation of chaos within the given organisation / business process that will lead only to the liquidation of the given organisation / business process.

The implicit internal order

If we can say about an explicit internal order of an organization / business process that it is based on the so-called: Top-bottom approach, it can be said about an implicit internal order that it is based on the so-called: Bottom-up approach. Thus, we have to bear in mind the original intentions of both forms of the internal order. With its explicit form we identify and define everything that is in any connection with the creation, operation and further development of an organization / business process. With its implicit form we identify and define a wide variety of operational procedures that will enable our organization's / business system's continuous coordination with the changing external and internal factors in all areas of its performance. Based on this, it is clear that both forms of internal order form a system of complementary -diametrical opposites, as well as that every organization / business process requires both forms of the internal order for its successful implementation of business intentions and achievement of business goals.

Within a system of implicit internal order we have to identify and define operational procedures, in place to identify and define:

- System and ways:
  - How can all employees notify the top management on regular basis about:
    - The current issues faced within individual sectors of the given organization;
    - Their wide range of proposals for improvements of individual business and working processes;
  - By which the top management will be able to process received notifications from all employees about the current issues and proposals for improvements in individual business and working processes;
- In which cases, the top management is obliged to:
  - Directly and in which indirectly intervene in resolving the current issues faced by their employees within individual sector of the given organization;
  - Consider proposals for improvements of individual business and working processes, which it has received from their employees within individual sector of the given organization;
- System and ways:
  - Through which the top management will actively encourage cooperation of:
    - All sectors of the given organization as a unified and indivisible working unit;
    - All employees as a unified and indivisible working unit;
  - Of a regular supervision of a cooperation of all sectors and employees of the given organization;
  - Of notification of the top management from all employees regarding possible infringements of their freedoms and rights in regard of the general civil legislation as well as from an established business agreement between the top management and the individual employee;
  - Through which the top management will:

- Carry out a regular evaluation of the way of leadership of managers of individual sectors of the given organization and their mutual cooperation as well as their cooperation with their subordinates;
- Regularly reward exemplary creativity, innovation, initiative, productive performance, cooperation, active participation in resolving a variety of current issues of the given organisation, belonging, loyalty and selflessness of all employees, based on the system of setting an example to all employees;
- Provide an appropriate support to all employees who are faced with issues within an organization, which could affect either their compliance with the obligations and liabilities stirring from an established business agreement between the top management and the individual employee, or with the issues that could affect their creativity, innovation, initiative, productive performance, cooperation, active participation in resolving a variety of current issues of the given organization, belonging, loyalty or selflessness;
- Provide the opportunity to support their employees in solving the widest possible set of life issues with which they can face;
- Sanction an inadmissible behaviour of individual employees, based on the system of setting an example to all employees;
- Be obliged to inform all employees of certain decisions it has taken;
- Through which all employees will cooperate with the top management in their active participation of their organization in solving a wide variety of current social issues.

If we address and define all the aforementioned 16 regulations during our establishment of a system of hierarchy of leadership (which defines an implicit internal order of an organization) we will manage to establish a firm and self-regulatory system that will provide to us, our organization as well as our employees significantly better abilities for a quality and necessary adjustments to the changes, with which we will be faced in the future. On the other hand, it will also allow us to create a working environment and processes, which will not only be in the best interest of all parties involved in an individual business relationship within the framework of our organization, but will also unify all employees in the implementation of the aforementioned business intentions and the achievement of business goals. In addition to this, we will on the basis of the mentioned 16 regulations gradually develop the given organization in the system with a particularly strong internal cohesion of all sectors and all employees, which will be based upon:

- The identification of all employees with the idea represented by their organization;
- Mutual respect for all employees;
- The collective tendency of all employees to achieve a variety of approaches;
- High level of:
  - Belonging of all employees to their organization;
  - Creativity and innovation of all employees;

- ✍ Self-initiative of all employees;
- ✍ Loyalty of all employees;
- ✍ Selflessness of all employees.

Conclusions

As we can see a high quality and properly set system of hierarchy of leadership, which defines an implicit internal order of an organization / business process, offers us a wide range of advantages in the implementation of our business intentions and the achievement of business goals. Thus, with the concomitant application with a system of a hierarchy of leadership, which defines an explicit internal order of an organization / business process, offers us a system of leadership, on the basis of which our organization / business process will be extremely resistant to a wide variety of changes in economic, political and broader social patterns and will present a major obstacle to our competitors. In addition to the already exposed, a concomitant application of both systems of hierarchy of leadership also allows us that our organization / business process as the system maintains its vitality, on the basis of which it will be able and capable of generating excesses in various areas of its performance.

References

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