

# System leadership & governance:

## Leadership beyond institutional boundaries

a paper by The Innovation Unit, NCSL and Demos

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## Introduction

The aim of this think piece (and the Leadership and Governance tool that it supports) is to prompt constructive dialogue about leadership and governance that operates across local systems rather than within institutions.

This implies the need for some fresh thinking. Contexts are changing. The old models of leadership aren't able to meet next practice challenges. They have not and cannot deliver what we know to be achievable for all young people.

A good example of the inadequacy of the current models is seen as we move towards collective, locality-wide provision of 14-19 education. The implementation of local 14-19 entitlement provision for young people has commitment from both government and the profession. However, despite the best efforts and aspirations of localities across the country (and in some cases, 'pathfinder' funding to incentivise change), the necessary moves towards collective planning and provision remain in tension with institutional autonomies.

This at least in part explains why recent statistics show post-sixteen school provision currently to be more socially exclusive than universities.

Similar locality planning challenges apply where a group of schools, a network or 0-19 cluster, seeks to work together in the interests of all children. Or when a range of public services, including schools, try to work collaboratively to implement the Every Child Matters agenda, so crossing traditional service lines and leadership boundaries.

All these examples run against the grain of institutional self-interest – often incentivised by other aspects of policy, such as inspection practices or accountability for results. For each case to be successful, institutional governance may need to take a back seat to locality or collective governance, but there have been few models of practice upon which to build.

Equally, the aspirations described above are unachievable without leadership that acts out its roles and authority

beyond the boundaries of the individual institutions.

Leadership in such contexts will inevitably be stretched across localities and services and will therefore also have to inter-relate with the existing leadership and governance arrangements of schools and other services. It will probably have new sets of roles and relationships and be more about connections between organisations and services. It may be collective rather than individual. It is likely to have lateral and enabling characteristics as well as (or instead of) hierarchical ones. It may need to achieve its strength not from position but through collective agreement, influence and the brokerage of relationships and alliances. There may need to be shared rather than individual accountability. In truth, whilst we have some models of successful practice, it will almost certainly need to be customised defined for context and purpose.

Governance, however configured, will probably need to set policy, define strategy and decide resource allocation

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and accountability strategies across several institutions. It may impact on service providers other than education. It might be much less committee-bound, more active than ceremonial. And it might involve new and different actors in new and different relationships. Again, we can't say with certainty what the best fit model will be.

In the case of both leadership and governance, thought, we know from the Next Practice work that new models of system leadership and governance are critical to success. This think piece sketches out some of the territory and is designed to stimulate debate about possible next practices in leadership and governance across local systems. Because the two are interdependent, you can read the next two sections in either order. We have chosen to start with leadership.

### **System Leadership** **What is 'system leadership'?**

As has already been said, much attention is currently being paid to the concept of 'system leadership'. At

the same time, interpretations vary and definition is elusive, but this is hardly surprising. System leadership is an emergent concept – it will, in the end, be defined by practice, as the education system evolves and reshapes itself to meet broader twenty-first century challenges and aspirations. This section does not seek to achieve definition. Instead, it is intended to provoke thought and to stimulate dialogue about new and, perhaps, better designs to meet the aspirations of particular local contexts.

In a recent Demos paper, written for NCSL, Tom Bentley and John Craig set out a powerful underpinning values dimension of system leadership:

"System leadership involves a shift in mindset for school leaders, emphasising what they share with others over how they differ. Where they can, system leaders eschew 'us and them' relationships – with their community, with other schools and professionals and with the DCSF – and model a commitment to the learning of every child."

This moral dimension is an important component of professional leadership in the public sector. It could be argued that since the days of the Education Reform Act, schools have become increasingly autonomous, not only from DfES or Local Authority control, but also in many cases from one another and from their communities. What is implied in the concept of system leadership is a move towards a more deliberately collaborative and interdependent system and probably one more orientated towards the locality. This is also a move away from headship or institutional leadership and towards educational leadership – responsibility for leadership of a public service that benefits all young people. As such:

"System leadership maximises the influence and effect of leadership across a system. It represents both a shift in the practice of leaders to ensure wider influence and in the system itself to make this possible. The result is to break down some of the false distinctions between policy and practice, creating a system better able to learn, improve and secure leverage for its outstanding leaders." (Demos)

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This analysis fits well with Michael Fullan's description of system leadership activity as a 'very different model of leadership from the traditional single school model – one that is extended beyond the school, highly interactive both horizontally and vertically, and engaged in communication and critique of policies and strategies'.

A capacity for 'system thinking' self-evidently becomes a key skill and competence required of system leaders. This means both knowing how to exercise leadership within a connected system and also knowing how the system can be damaged (in its aspiration to succeed with and for all pupils) if you don't. For tomorrow's leaders this means the ability to understand one's own responsibilities and the range of relationships, resources and activities which one's leadership is able to influence. Crucially, it also means that not applying systemic thinking – not seeing one's role within that wider moral and practical canvas – can have restricting and even harmful effects on the whole of the local system.

In other words, the stakes are high. How an 'institutional leader' behaves has consequences for other schools and the life chances of the young people within them. It is just no longer sufficient to see the work of public service leadership as limited to one's position in a single organisation.

## **What does system leadership do?**

In a sentence, system leadership sees, and acts on, the system as a whole. It recognizes the interdependence between schools, and between schools, other public institutions and communities. It recognizes too, that the relationships between them can have profound effects on the outcomes for young people.

If we accept that this is the basic territory for what system leadership will do, then it is clearly a different set of skills and behaviours that are required by those exercising locality leadership. There is no blueprint, but both writing and emergent Next Practice in this field suggest some common features.

The first feature is in the area of vision and purpose. All effective leadership requires the generation of collective vision and shared purpose. Across localities system leaders have the double challenge of making this both a more broadly-based and a more compelling one. Radical change across organisations has to take everyone with it, often without the authority of institutional expectations and authority.

The second is both simple to say and hard to do. System leaders have to orchestrate a dissatisfaction with the status quo, which includes confronting some inpalatable realities about the way the system works or doesn't work for all young people.

The third relates to leadership capacity-building. System leadership is both an individual and a collective role. It expands its scope and influence through the collective. System leaders create opportunities for joint work and analysis of past practices – activities that can liberate creative energies by challenging historical assumptions. In

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so doing they also distribute leadership opportunities – creating space for new system leaders to grow. Put simply, this capacity-building part is about system leadership more than system leaders.

The fourth feature involves creating a climate of professional generosity and exchange. System leaders open up professional practices to external scrutiny and for wider adoption. They make professional learning public and shared (as has long been the case in law and medicine). A system will only thrive through the collective and cumulative contributions of multiple participants and stakeholders.

System leaders also, like all good leaders, support each of these four features with universal access to necessary development opportunities (across and between schools and services) together with both challenge and affirmation.

In addition to ‘what’ leaders do in leading across systems, ‘how’ that leadership enacts itself is also important. Recognising the importance of and potential in these interconnections,

system leaders seek not only to do different things but also to do things differently in the interest of the local system. According to Demos, system leaders build structures, processes and cultures which:

*1. Recognise that in systems made up of people there will be multiple perspectives on a problem or situation.* This means that change is most likely to be achieved through drawing on those perspectives, focussing relentlessly on outcomes, to create a shared living vision.

*2. Build the autonomy of those in the system by setting a few simple rules, but maintaining high minimum standards.* This means understanding that the complexity of problems and the relationships that surround them, require people to adapt and find particular solutions to particular problems. Flexibility with creativity are set within a clear overall framework that ensures quality.

*3. Support autonomy with connecting individuals to one another.* Allowing people autonomy within systems does not mean leaving them in isolation

– systems can help them to solve problems together and to share learning.

*4. Support learning and continuous improvement through creating feedback loops.* This means giving people access to information that can help them understand the factors affecting the performance of the system – and make changes as a result.

*5. Maintaining an open and vibrant learning culture.* Cultures are as important as structures and processes in pushing the boundaries of practice and learning from experience. Learning cultures need leaders to recognise and model the importance of learning. The National College for School Leadership (NCSL) has also recognised practical aspects of what system leaders need to do if they are to prepare for the challenges of locality and systemic leadership. Having worked, for example, with Consultant Leaders, National Leaders in Education and School Improvement Partners, NCSL suggests three practical dimensions. They are: to build sustainable capacity in their own school; develop sustainable capacity

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beyond their institution; contribute to the wider system. In a little more detail this involves:

1. Building sustainable capacity in their own institutions is the first responsibility. In particular, it implies the sort of capacity that builds strength and confidence, thereby allowing system interest to supersede self-interest.

2. The second responsibility, developing sustainable capacity beyond their institution, means reaching out beyond the school to forge new alliances and find new resources around shared purposes. In doing so, it further builds the capacity for system leadership, establishing the local confidence, shared norms, common objectives and trust that are vital to help schools form system interest rather than self-interest.

3. System leaders' third responsibility is to open up their local work in order to contribute to national strategic development or the learning of other localities.

However, as we suggested earlier, you don't have to travel far down this road

of leadership beyond institutional boundaries to see that system leadership and new governance arrangements are inextricably interconnected constructs.

## **Governance** **What is system governance?**

When we first consider what we are here calling 'locality change', we are likely to be drawn initially towards the evident need for some form of system leadership. However, leaders only have to take the first steps outside their institutional roles (across localities, across services, across schools) and issues of accountability, authority and legitimacy make us quickly aware that new forms of governance are the inevitable other side of the system leadership coin. It is obvious that we need next practice models of governance as much as we need next practice models of leadership.

The term 'governance' is not just about governors or governing bodies. For schools, the experience of governance may often be lived out as a 'governing

body' and its 'committees', but in this paper we are talking about a much wider concept. Governance provides the ground rules for activity; it sets the direction; it defines the boundaries; it provides resources; it allocates permissions; and it holds to account. In doing these things, it has the responsibility to be a guardian of what is termed 'public value'.

Historical models of governance in education have always had an institutional flavour. School governors may well be drawn from wider stakeholder groups and be perceived in part as custodians of community and system expectations, but their primary orientation is the school and its performance. They set school policy, manage its resources, appoint and performance manage the head, and hold the individual school to account.

Within the context of this think piece about system leadership, governance describes the agreed processes and principles that shape how decisions are made and how authority and leadership are created, legitimised

and distributed across a locality or a distributed organisational form of some kind. The net effect should be to help the people of the organisations and services in the 'collaboration' to create new ways of working together in order to achieve their common purpose better.

### What does governance do?

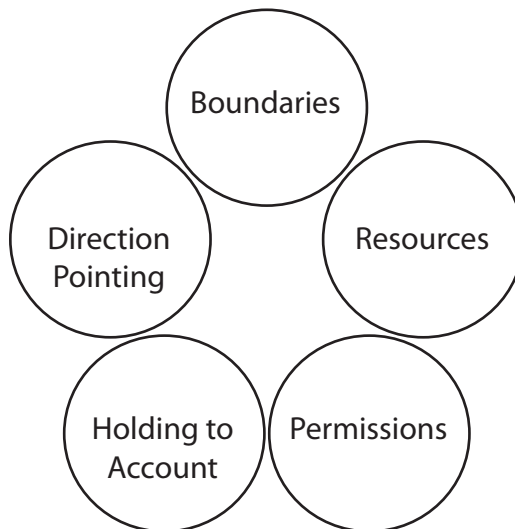
Governance is a universal phenomenon and governance arrangements cross time and span geography and culture. The most primitive tribes had governance strategies ('elders') and so do the most formal of contemporary organisations ('boards'). This is because governance is all about getting things done together without re-inventing the wheel every time. It's about tried, tested and trusted patterns of interaction that help us to decide on the most efficient and legitimate way of achieving a common purpose.

Three features of governance are particularly important:

- i. how it is constituted (who governs and how are they chosen)

- ii. how it operates (how governors fulfil their functions)
- iii. its defining features or spheres of operation (what governance does and in what domains).

The first and second of these will inevitably be key areas of debate for localities exploring new sets of arrangements. In this section, though, we are considering in particular the third, what governance does. As suggested above, governance is exercised in five domains. There are five things that we expect governance to do:



### Direction pointing

Governance defines purpose. It determines the reasons for the existence of the organisation and lays out what is being attempted. So, for example, governance decides that schools are places for learning, hospitals are places for healing. Or it might go further and decide which form of learning or which healing specialisation. In consortia or collaboratives, or local systems, it is the governance that overarches and underpins the collective; that defines and continues to define the terms and extent and core purpose of the union. The italics are important, for it is also governance that offers the potential for, or which protects, continuity and sustainability beyond leadership tenure.

### Boundaries

Governance sets direction, but it also defines what can't be done. It defines what is not acceptable, and so puts boundaries around the scope and sphere of influence of leadership. In this way, governance establishes the frame for leadership and its legitimate sphere

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of application. The authority and freedom to act lie within these boundaries, as do the accountabilities. Once leadership steps outside the relatively contained boundaries of individual institutions, once it becomes leadership across a local system, the significance of the boundary-setting role of governance becomes obvious.

Recent reforms and innovations have already created opportunities for leadership expertise and authority to be channelled in more flexible ways towards other schools. The NCSL 'consultant heads' programme was an early prototype. National Leaders in Education is another. Mentoring and coaching programmes and experiments with federated arrangements are well understood examples. Education Improvement Partnerships, networks and collaboratives provide others.

## Resources

For those wishing to work across organisational boundaries, access to shared or collective resourcing strategies is important – the opposite can be debilitating. Although financial resources

will be one part of the resource capacity in mind here, it is far from being the only one. The lateral deployment of people, professional development, time and influence are equally important – as are the collaborative and collective utilisation of existing resources and expertise. This last point is important.

Public sector collaborative efforts are always likely to take place within a climate of financial constraint. And anyway, history tells us that extra funding tends to lead to bolt-on and ultimately unsustainable approaches. Disaggregating institutional 'pots' to create collective capacities and capabilities offers more possibility of collective ownership and sustainability – but the governance challenges to such a strategy are obvious. Resources, of course, also link to permission and authority.

## Permissions

Permission, the authority to act, especially action that is different from historical ways of working, lies within the realm of governance. This might mean a heavy emphasis on central

control, or it might mean very few restrictions upon actions in order to encourage creativity and innovative solutions as progress is made. Context and purpose will dictate which.

As the public sector reinvents itself to become more client focused, more personalised, more flexible, connected and collaborative, so new models of governance – new permissions – become evident, increasingly designed to stimulate creativity and innovation. The health service example below is illuminating:

*The science of complex adaptive systems brings new concepts that can provide fresh understandings of troubling issues in the organisation and management of delivery of health-care. We have argued that effective organisation and delivery of health care does not need detailed targets and specifications, nor should it focus primarily on "controlling the process" or "overcoming resistance". Rather, those who seek to change an organisation should harness the natural creativity and organising ability of its staff and stakeholders through such principles as generative relationships, minimum*

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*specification, the positive use of attractors for change and a constructive approach to variation in areas of practice where there is only moderate certainty and agreement.*

*(Complexity, leadership and management in healthcare, Plsek & Wilson)*

Determining the level of control required and the degree of permission given to those who lead across and within local systems, impacts on culture and creativity, and is a function of governance.

## **Holding to Account**

In all institutional forms this function is the flipside of the freedoms and scope that leadership enjoys. The more space for leaders to lead, the more important it is that everyone knows that there is a framework of accountability. In system leadership the scope and flexibility are by definition expanded across localities or services. The spheres of responsibility are increased.

Governance defines and exercises the nature and form of the accountabilities that are a part of the necessary checks

and balances. They can also provide evidence for the supportive work of governance in marking or recognising leadership achievements. These five things are what public sector governance does. In doing them well it also protects public value.

## **Why leadership and governance?**

These new ways of working require an expansion of the boundaries for leadership and, as John Craig and Tom Bentley argue, system leaders are able to understand this 'hidden wiring of governance relationships'. Yet often, new purposes and activities are occurring in contexts where the governance framework was designed for separate and individual institutions. Next Practice in System Leadership will require new frameworks of governance (new governance models) if leadership and governance are to be aligned and if purposes are to be maintained as key people come and go.

Once leadership begins to function beyond the boundaries of a single school, new variables emerge which

raise questions about legitimacy and accountability. Even more vexing is the question of how the authority of system leaders butts up against the institutional autonomy of other schools and the role of each school's governing body.

The sections above on governance and leadership across local systems – system leadership – demonstrate both the potential and the complexity of emerging or next practice arrangements. In particular, they seek to show both the necessity of considered and conscious design approaches to new forms and arrangements, and also to show the dynamic interdependence of the two.

Some moves to more systemic approaches are initiated by an energy from 'governance', by policy levers, resource allocations, new accountabilities, sometimes initiated by local authorities in response to national policies or to local circumstances. Well intentioned as these are, such approaches seldom win the hearts and minds of all key local actors – the people and the institutions that they serve. Others arise through the energy of local leaders and the will to work to achieve

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together for children what they know cannot be achieved alone. Frequently these are rooted in deep collective commitment, but experience shows that they are vulnerable to changes in personnel or that the collective commitment is more rhetorical than practical, or even that the wider system – local authority, national policy, accountability levers – continues to work against the grain of the local aspirations and hence confounds local efforts.

## Putting the pieces together

The issues and questions raised by this think piece provide a starting point for dialogue. It raises themes that will need to be debated for any complex cross-institutional project.

The Innovation Unit and NCSL have also developed an activity designed to facilitate constructive local dialogue. It is called The System Leadership and Governance Landing Pad – hence the sub-title “grounding system leadership”.

The tool invites you to consider governance issues for your project, and to apply them to your context. The nature of the governing group, the number of governors, the criteria for election, or appointment, or selection, the representative basis of the membership, the style of operation, the degree of control, the level of direct accountability – these and other key decisions will be prompted by the discussion.

These governance considerations will also influence the shape and scope of leadership.

The tool also asks you to consider the nature and shape and sphere of responsibility of your leadership – its scope and style, its make-up, the knowledge and skills required, the particularities of your context and the shared purpose that informs your local vision or aspirations.

Conversely these leadership decisions will influence the shape and style of governance.

Finally, the tool calls you to collective action – invites you to consider the steps that you will take to establish new governance and leadership arrangements in pursuit of your collective purpose.

The System Leadership and Governance Landing Pad can be accessed by contacting The Innovation Unit directly, or via The Innovation Unit and NCSL websites.

## REFERENCES & RESOURCES

1. The Leadership and Governance Landing Pad: Grounding System Leadership, The Innovation Unit and NCSL, a collaborative tool available soon from The Innovation Unit and NCSL websites.
2. Craig, J and Bentley, T (2005) System Leadership, Demos/NCSL.
3. Fullan, F (2004) Systems Thinkers in Action, Michael Fullan, The Innovation Unit and NCSL, London.
4. Complexity, leadership, and management in healthcare, Paul E Plsek, Tim Wilson, BMJ, 17 April 2006.
5. Hannon, V (2007) ‘Next Practice’ in education: a disciplined approach, The Innovation Unit, London.

For other resources and publications on system leadership, visit The Innovation Unit’s website at:

**[www.innovation-unit.co.uk](http://www.innovation-unit.co.uk)**

