

Trust, Understanding and the use of Power – three forces that make up Lateral Leadership

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Abstract—Organisational science identifies how the behavioural expectations of others can be enforced as mechanisms of influence. The concept of lateral leadership involves three influencing factors of leadership. This article deals with the empirical proof of the leadership influence factors Trust, Understanding and Power and their demarcation.

This article intended to answer the following research question: ‘Which forces build the base of Lateral Leadership?’

Using a comprehensive set of 30 expert interviews, we empirically showed the existence of the three named influence factors and we showed that no other leadership influence factors exist.

The influencing factor Understanding was confirmed with 80%.

The influence factor Trust was confirmed with 83.67%.

The influence factor Power was confirmed with 83%.

All other possible influencing factors mentioned by the participants interviewed could be assigned to the previously known three areas of influence.

The participants of the expert interviews were selected by the study leader according to their professional background, so that the sample of participants reflects the population of all employees of the Federal Republic of Germany as of March 29, 2019. The sample is representative, and the results found can be generalized in relation to the population of the Federal Republic of Germany.

Keywords— Leadership, Leadership Influence factors, Management, Trust, Understanding, Power

I. INTRODUCTION

Organisational science identifies how the behavioural expectations of others can be enforced as mechanisms of influence. The term goes back to the works of Niklas Luhmann [16].

Luhmann subsumes that the mechanisms of influence are always and continuously used to achieve and maintain the positive attitudes of others. Luhmann finds that the processes of power, trust and understanding often latently take place. The processes run in secret, as their visibility would limit or even destroy their effectiveness [17].

The concept of lateral leadership involves three influencing factors of leadership. Kühl cites the three central mechanisms of influence as understanding, power and trust [15].

Further primary considerations on influencing factors in organizations were made by Klimecki [14].

Although the concept of lateral leadership can be considered established [10], the named influencing factors Trust, Understanding and the use of power have never been empirically proven, nor has it been investigated whether the named influencing factors are the only existing influencing factors [9], [7]. This article deals with the empirical proof of the leadership influence factors and their demarcation.

The organisation cannot compel, prohibit or require the use of mechanisms of influence [18]. These mechanisms arise in the shadow of the organisation, but the organisation with its formal structure ensures that they do not surpass the abilities of the organisation[4].

Communication processes are made more efficient by the organisation, as it determines by its formal structure to whom a person is accountable and to whom he or she is not [2].

Kühl subsumed that any leadership is always also lateral, even if there is a hierarchy[15]. Kühl shows that in the actions of many decision-makers, situations arise again and again in which a decision has to be made without being able to fall back on a formal hierarchy[12].

Lateral leadership is a leadership technique and is part of the trend towards post-heroic management, as a systematically linked approach to the organisation, which only partially draws on personal leadership skills [15].

Useem and Harder summarise that beyond the formal authority of a manager, where negotiations, persuasion or a binding commitment must be obtained without access to direct authority, lateral leadership begins [20].

Geramanis and Hermann subsumes that lateral leadership is concerned with looking at the tactics, practices and manoeuvres of influence against the background of processes in the organisation [12].

II. METHODS

In order to answer the following research question, the existing data of the expert Interviews were evaluated quantitatively:

‘Which forces build the base of Lateral Leadership?’

To answer this research question, we will examine the following hypotheses:

H1: 'The influencing factors trust, understanding and power form the basis of leadership'

H2: 'In addition to the influencing factors Trust, Understanding and Power, there is no other influencing factor'

In order to assume an influencing factor as confirmed, an approval of $\geq 80\%$ from the coded interviews must be countable.

In order to answer the available hypotheses, 30 structured interviews were conducted and analysed according to the established scientific method of quantitative expert interviews analysis [5], [3].

There were half-open 10 questions about Trust [1], 10 questions about Understanding [11] and 10 questions about Power Use [2], as well as an open question on the topic of other possible influencing factors. The structured questionnaire is available at public data storage [13].

Definition of Expert:

The interviewee must be in a management situation; the interviewee must be led by a manager and may also be a manager himself.

Interviewee Selection:

The interviewees were selected by the study leader in such a way that the group of interview participants showed the broadest possible range of age and also reflected in the employment structure in relation to the industrial category the composition of the total employees of the Federal Republic of Germany as of March 29, 2019 [6]. This is to ensure that the results found are as close as possible to the expected results of the population of all employees of the Federal Republic of Germany. The group of interviewees thus represents a representative sample of the total employees of the Federal Republic of Germany.

The Interviews will be done on Manager and on Employee Level of several professional branches to ensure a variety of perspectives concerning the implementation of Lateral Leadership and the development of the leadership influencing factors. The cases are selected managerial constellations, at different stages of cooperation.

Data Collection:

In total, 30 interviews were conducted between April and October 2019. The interviews are, on average 30min long per unit. The Interviews were conducted in German and afterwards translated into English. Of the 30 interviewees, seven were females (23.3%) and 23 males (76.7%). (see Figure 1)

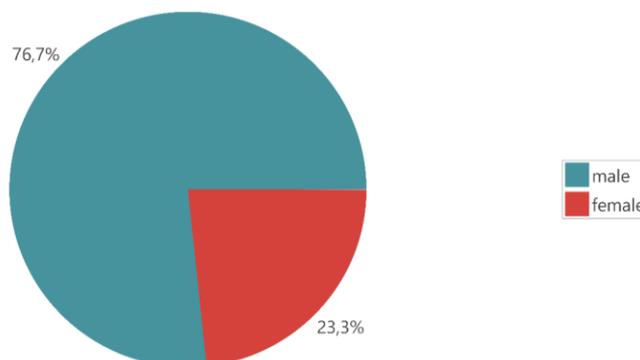


Figure 1: INTERVIEW DATA – Graphical Overview Gender of Interview Participants

The interviewees were between 27 and 71 years old. (see Figure 5)

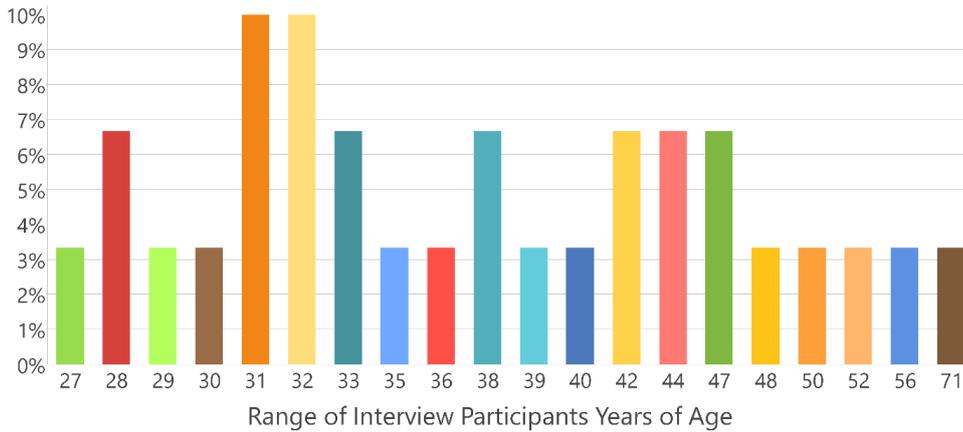


Figure 2: INTERVIEW DATA – Graphical Overview Age of Participants

All interviewees were interviewed at the time of the interview in a professional situation in which they were led by an executive. 14 interview participants (46.7%) are also Managers themselves. The interviewees carry out different activities, for a more detailed overview of the activities, see Figure 6.

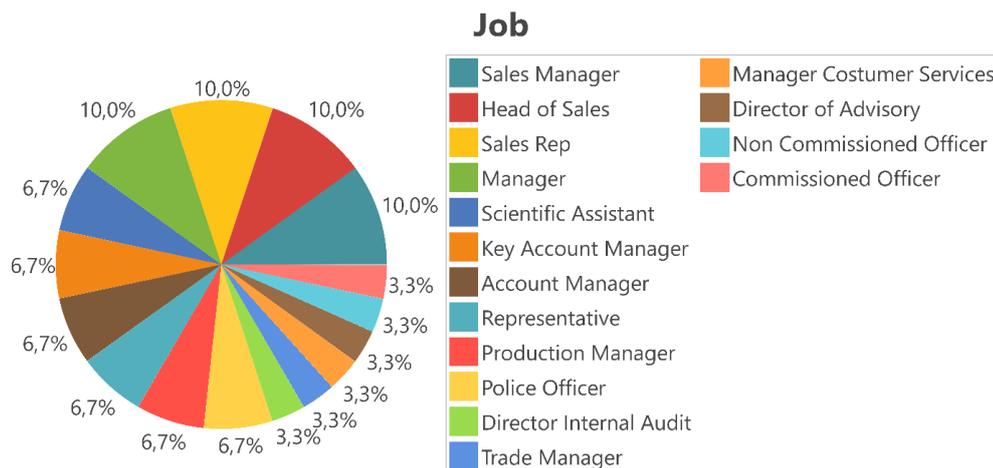


Figure 3: INTERVIEW DATA – Graphical Overview Job title participants

15 Interview participants, i.e. 50% of the participants, provided a service, 9 participants, i.e. 30% of the participants, were in the manufacturing industry and 6 participants, i.e. 20% of the participants were active in trade. (See Figure 4 and Figure 5)

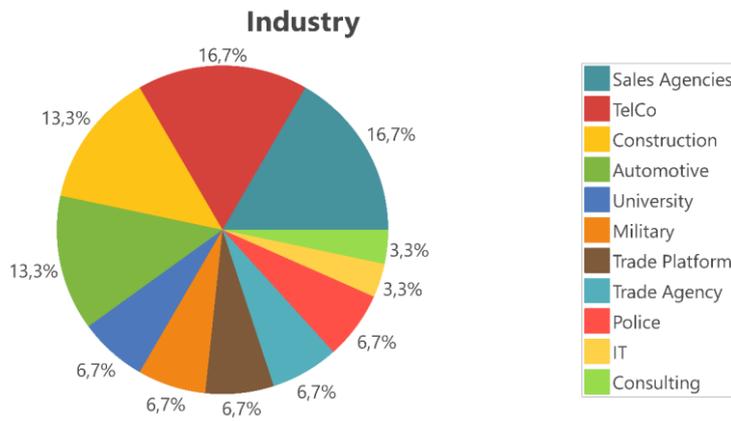


Figure 4: INTERVIEW DATA: Graphical Overview Industry of participants

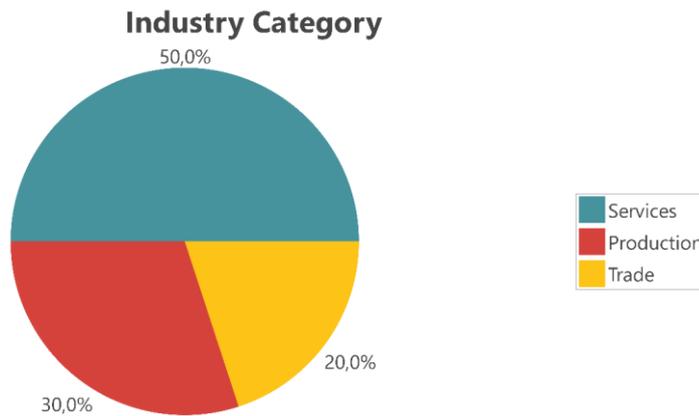


Figure 5: INTERVIEW DATA – Graphical Overview Industry category of Participants

Due to the distribution among the different industries, the distribution of the employees of the Federal Republic of Germany as of 29.03.2019 is mapped according to the evaluation of **DeStatis**, the official Statistical Institute of the Federal Republic of Germany. This makes it possible to draw conclusions about the population of the employees of the Federal Republic of Germany and thus the generalization of the findings in relation to the employees of the Federal Republic of Germany [6], [3].

III. RESULTS

The quantitative evaluation of the interviews yielded the following results:

The evaluation of the interview participants' responses in relation to the given possible responses

(A: confirmed/B: not confirmed/C: partly confirmed) to the present hypotheses showed the following result for the influence factor **Trust**:

	in %
Partly Confirmed	12,67
Not confirmed	3,33
Confirmed	83,67

Table 1: Evaluation Influence Factor Trust

It can, therefore, be stated that the result of the quantitative investigation confirmed the influence factor Trust.

The evaluation of the interview participants' responses in relation to the given possible responses (A: confirmed/B: not confirmed/C: partly confirmed) to the present hypotheses showed the following result for the influence factor **Understanding**:

	in %
Partly Confirmed	14,33
Not confirmed	5,67
Confirmed	80

Table 2: Evaluation Influence factor Understanding

It can, therefore, be stated that the result of the quantitative investigation confirmed the influence factor Understanding.

The evaluation of the interview participants' responses in relation to the given possible responses (A: confirmed/B: not confirmed/C: partly confirmed) to the present hypotheses showed the following result for the influence factor **Power Use**:

	in %
Overall	
Partly Confirmed	14,33
Not confirmed	2,67
Confirmed	83

Table 3: Evaluation Influence factor Use of Power

It can, therefore, be stated that the result of the quantitative investigation confirmed the existence of the leadership influence factor Power.

For detailed Information to the Evaluation of the hypotheses, see the attached evaluation sheets of the Influence factors in the appendix.

The hypothesis H1 has been confirmed, the null hypothesis must be rejected.

In the aftermath of the confirmation of the three influencing factors Trust, Understanding and Power, the question of whether there are other influencing factors besides the three just named can be illustrated by the answers of the interview participants to the last interview question.

Of the 28 people asked, 17 directly stated that they were not aware of any other areas of influence. 11 people stated that they have the following terms for other possible areas of influence:

1. Environmental factors around the company
2. Empathy
3. Leading by example
4. Compassion, show interest, appreciation towards employees
5. Influences from the organizational unit
6. Human skills of the leader
7. Showing perspectives
8. Communication of the manager with the employees (double designation)
9. Personality of the leader
10. Professional competence of the manager

All named terms could subsequently be assigned to the three already known influence factors.
For further information, see the following research table:

Named Term	Research Comment	Influence factor
Environmental factors around the company	Leader evaluates outside company and inside company situation of employee environment to get an idea how much trust an employee needs to feel comfortable and motivated	Trust
Empathy of leader	Relationship build-up	Trust
Leading by example	Good example increases trust	Trust
Compassion, show interest, appreciation towards employees	Relationship build-up	Trust
Influences from the organizational unit	See first term	Trust and Understanding
Human skills of the leader	Relationship build-up	Trust
Showing perspectives	Is a form of understanding to advance employees' careers and builds trust	Understanding and Trust
Communication of the manager with the employees (double designation)	Base of any understanding and relationship build-up	Understanding and Trust
Personality of the leader	Base of relationship build-up	Trust
Professional competence of the manager	See Leading by example	Trust

Table 4: Evaluation of named terms from the final Question of Interview

It can be stated that no further influence factor could be found in addition to the confirmed areas of influence Trust, Understanding and Power.

Hypothesis H2 has been confirmed, the null hypothesis must be rejected.

IV. DISCUSSION

The results of the literature analysis, as well as the subsequent analysis of the expert Interviews, have shown that the concept of lateral leadership is based on the three pillars of Understanding [11], Trust [19] and Power [2]. These named three pillars are influencing factors of leadership. The concept of lateral leadership can certainly be presented as established. It goes back to the work of Niklas Luhmann, who described the interactions of leadership factors in organizations as early as 1964 [16].

Further primary considerations on influencing factors in organizations were made by Klimecki [14].

Current work on the concept of lateral leadership and the influencing factors of leadership were presented by Prof. Dr. Stefan Kühl, a sociologist at Bielefeld University [15].

When analysing the literature, it quickly becomes clear that the concept of lateral leadership is more than a leadership style or a leadership concept. The named influencing factors of lateral guidance can claim to be fundamentally applicable in any management situation [20]. They represent fundamental influencing factors, which are present at any time in more or less stable form in every management situation [7].

It can be stated, however, that until now no research was available on the origin, demarcation and interaction of the influencing factors. Stefan Kühl identifies the influencing factors in his work but deliberately leaves open whether the named three influencing factors form a self-contained unit or whether there may be other influencing factors, which have not yet been named [15].

Our intention is to use this work to close this research gap. To this end, we have carried out an exploratory study. We conducted 30 structured expert interviews and evaluated them quantitatively [3], [5].

The investigation clearly showed that the known influencing factors exist in management practice and that no other influencing factors can be discerned.

The influencing factor Understanding was confirmed with 80%.

The influence factor Trust was confirmed with 83.67%.

The influence factor Power was confirmed with 83%.

All other possible influencing factors mentioned by the participants interviewed could be assigned to the previously known three areas of influence. We have thus shown that there are no other influencing factors.

The participants of the expert interviews were selected by the study leader according to their professional background, so that the sample of participants reflects the population of all employees of the Federal Republic of Germany as of March 29, 2019. The sample is representative, and the results found can be generalized in relation to the population of the Federal Republic of Germany [6].

This study is a partial study of the author's dissertation on lateral leadership. Due to predetermined time constraints and limitations in relation to the scope of the study carried out, it is not possible to use a broad data base for analysis in this study. For subsequent studies, it is desirable to broaden the analysis and to conduct interviews in the same form in many different countries with differentiated cultural backgrounds in order to be able to show differences of perspectives and empirically improve the study.

V. CONCLUSION

Organisational science identifies how the behavioural expectations of others can be enforced as mechanisms of influence. The concept of lateral leadership involves three influencing factors of leadership. This article deals with the empirical proof of the leadership influence factors Trust, Understanding and Power and their demarcation.

This article intended to answer the following research question: **'Which forces build the base of Lateral Leadership?'**

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