

EU3 LEADER

Developing entrepreneurial third
sector leaders across Europe

LEARNING TO LEAD II

Contemporary theories of entrepreneurship and leadership



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Part of Intellectual Output 3 “Learning to Lead”

- Learning to lead I: An overview of European qualification instruments
- Learning to lead II: Contemporary theories of entrepreneurship and leadership
- Learning to lead III: Leadership development opportunities for Europe’s third sector

Prepared within the EU3Leader project

November 2017.

PROJECT NUMBER : 2016-1-UK01-KA202-024528



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Co-funded by the Erasmus+ Programme of the European Union

Table of Contents

Glossary.....	4
Introduction	6
1. The leader-centred approach	6
1.1. Personal attributes of leaders.....	6
1.2. Emotional and cultural intelligence	9
1.3. Authentic leadership.....	10
2. Alternative leadership approaches	11
2.1. Collaborative leadership	12
2.2. Distributed leadership	14
2.3. Hybrid leadership.....	15
2.4. Ethical leadership.....	16
2.5. Entrepreneurial leadership	18
3. Leadership development	24
3.1. Leadership as practice	24
3.2. Bringing the context back into leadership.....	26
3.3. Alternative leadership learning and development	26
Part 4: Recommendations	28
References	29
Appendices.....	35

Glossary

"Qualification": a formal outcome of an assessment and validation process which is obtained when a competent institution determines that an individual has achieved learning outcomes to given standards;

"Learning outcomes": statements of what a learner knows, understands and is able to do on completion of a learning process and which are defined in terms of knowledge, skills and competence;

"Unit of learning outcomes" (unit): a component of a qualification, consisting of a coherent set of knowledge, skills and competence, that can be assessed and validated;

"Credit for learning outcomes" (Credit): individuals' set of learning outcomes which have been assessed and which can be accumulated towards a qualification or transferred to other learning programmes or qualifications;

"Competent institution": the institution which is responsible for designing and awarding qualification or recognising units or other functions linked to ECVET, such as allocation of ECVET points to qualifications and units, assessment, validation and recognition of learning outcomes, under the rules and practices of participating countries;

"Assessment of learning outcomes": methods and processes used to establish the extent to which a learner has in fact attained particular knowledge, skills and competence;

"Validation of learning outcomes": the process of confirming that certain assessed learning outcomes achieved by a learner correspond to specific outcomes which may be required for a unit or a qualification;

"Recognition of learning outcomes": the process of attesting officially achieved learning outcomes through the awarding of units or qualifications;

"ECVET points": a numerical representation of the overall weight of learning outcomes in a qualification and of the relative weight of units in relation to the qualification.

"Competence" In the context of the EntreComp study, competence is understood as a set of knowledge, skills and attitudes.

"Entrepreneurship" is when you act upon opportunities and ideas and transform them into value for others. The value that is created can be financial, cultural, or social (FFE-YE, 2012).

"Knowledge" is the body of facts, principles, theories and practices that is related to a field of work or study. In the context of the European Qualifications Framework, knowledge is described as theoretical and/or factual (European Parliament and the Council, 2008). Learning outcomes Learning outcomes are statements of what a learner knows, understands and is able to do after completion of learning (Cedefop, 2009). Such statements can be designed and used for educational planning and curriculum development or for different types of accountability such as legal accountability or professional accountability (Prøitz, 2010).

"Resources" In the context of this work, resources is a term that encompasses personal resources (namely, self-awareness and self-efficacy, motivation and perseverance), material resources (for instance, production means and financial resources) or non-material resources (for instance, specific knowledge, skills and attitudes).

"Skills" are the ability to apply knowledge and use know-how to complete tasks and solve problems. In the context of the European Qualifications Framework, skills are described as

cognitive (involving the use of logical, intuitive and creative thinking) or practical (involving manual dexterity and the use of methods, materials, tools and instruments) (European Parliament and the Council, 2008).

“Social entrepreneurship” is entrepreneurship that aims to provide innovative solutions to unsolved social problems. Therefore it often goes hand in hand with social innovation processes, aimed at improving people’s lives by promoting social change (see OECD, 2010).

Introduction

The present paper presents a ‘State of the Art’ review on the literature on leadership and leadership development the Third Sector (Part 3). It relates the ‘State of the Art’ on literature and research on challenges facing third sector leaders, providing the context to leadership competences and thereby contributing to the knowledge base from which to co-create the set of desired competences for entrepreneurial third sector leadership in the wider EU3Leader project. The rationale underpinning our approach is that to understand the context to entrepreneurial leadership competences, it is first necessary to clearly set out the current ‘state of the art’ understanding of leadership. What follows is a distillation of a semi-systematic literature review carried out by the team at CVSL focused on the literature of widest relevance to the project’s emphasis on leadership competences that relate to the development of the entrepreneurial leader.

Leadership is notoriously difficult to define, but is usually distinguished from management – with the latter involving the execution of regularised and relatively ‘tame’ functions within an organisation. Management can be seen as implementing an appropriate process to solve a tame (but still potentially complex) problem. In contrast, Keith Grint identifies leadership as relating to the response to novel (and therefore relying on innovative, untested responses), complex and non-hierarchical, and without clear definitions of success (‘wicked problems’). One simple definition of leadership is of having followers – immediately invoking the idea it involves others. Thus leadership involves collaborating with others and ‘getting things done’, but it has also been described as an ‘essentially contested concept’ (Grint, 2010; Alvesson and Spicer, 2014). This hints at the idea that leadership is multifaceted and has been approached from a range of different perspectives and traditions. Grint (2010) attempts to make sense of the contradictions by grouping definitions of leadership as concentrating on *position*, or *person*, or *result* or *process*.

1. The leader-centred approach

Given the traditional focus on the leader-as-person, and the requirement of EU3Leader to consider competences (ie ‘attributes of leaders’) we focus in this section on the personal aspect of leadership – particularly related to the traits approach – but highlight some key aspects of personal focus which appear particularly relevant and suited to leadership in the third sector.

1.1. Personal attributes of leaders

Although there is only a small amount of third sector literature on leadership in the UK, the review of the literature demonstrates a substantial focus on exploring and outlining the competencies and traits associated with being a ‘good’ leader. Typically, this has been associated with personal attributes, recognising leaders as having ‘charismatic’ and ‘visionary’ qualities, and strong personal skills to actively engage with and motivate groups of individuals.

Particular attention has been given to defining the key characteristics and skills required for effective third sector leadership. For example, from interviewing twelve Chief Executives from varying organisational sizes, Cormack and Stanton (2003) identified a long list of characteristics, including: emotional attachment; passion; enthusiasm and affinity with the cause; a strategic perspective and a customer service orientation; networking and influencing; personal humility; motivating a team; resilience; self-confidence and being a visionary and inspirational communicator. They go on to describe leaders who have:

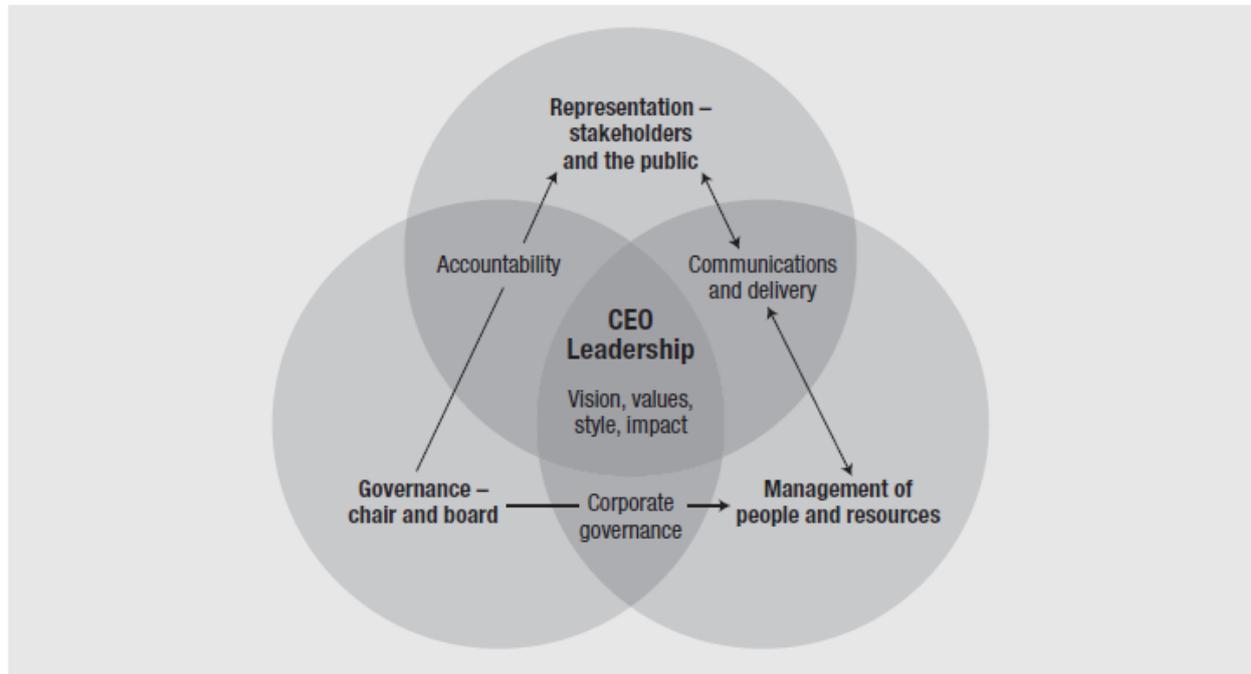
‘The ability to paint a picture of the future that appeals strongly to others. Shows passion and emotion in visioning and representing the work of the organisation to others. A powerful communicator in all forums from one-to-one to public speaking. Visible and seen to speak out and represent the organisation’ (2003: 8).

Chambers and Edwards-Stuart (2007), whilst focusing on the subsector of social enterprises, also produced a list of characteristics that encouraged strong leadership, which included: integrative and speculative thinking; drive and persistence; a strong value-base; focus; and networking. Buckingham et al. (2012) acknowledged that producing such lists could be potentially problematic, as ‘‘good’ leadership cannot be captured within a definitive set of functions or skills that can easily be taught or learnt by aspiring leaders’ (p.10). Nonetheless, their article goes on to identify features that represent ‘good’ leadership of the third sector, which they claim includes: values; independence; connections; representation; accountability; insight and balance. In particular, they stressed the idea of a leader being perceived as ‘authentic’, ‘transparent’, and ‘genuine’ as an essential component to demonstrate the responsibility and legitimacy of the leader, and ultimately, strengthen the profile of the organisation. Looking at international third sector literature there is a wealth of leadership philosophies that acknowledge this notion of an ‘authentic’ leader which is based on having self-awareness, self-regulation, relational transparency, and a clear moral compass (Avolio et al., 2009).

As part of ACEVO’s stream of work on leadership, Kirchner (2007a) provides a different perspective to understanding leadership, from concentrating on individual characteristics to taking a wider view of how leadership is played out, by developing a leadership model. This involved demonstrating the different approaches to leadership, but also illustrating the processes that can be used, and how these are relational (see diagram below). From this model, Kirchner (2007b) claims the key leadership skills of any Chief Executive can be summarised as:

- **Leading upwards** – managing the governance of the organisation
- **Leading downwards** – harnessing the organisation’s resources
- **Leading outwards** – representing the organisation.

Figure 3: The three leadership spheres of a third sector CEO



The diagram to the right (taken from Kirchner, 2007a) demonstrates that the individual is still represented as the central focal point in the model. However, the model begins to explore how leadership consists of a number of processes that are interconnected. This illustrates that leadership is not static in nature, or fixed by an individual's characteristics and traits, but instead is dynamic and dependent on the processes involved.

Alternative ways of representing and understanding leadership in the third sector literature, includes, leadership styles (Buckingham et al., 2012), leadership approaches (Howieson and Hodges, 2014), and leadership practice (Paton and Brewster, 2009). In Paton and Brewster's (2009) discussion they also put the Chief Executive as the centre of analysis, but argue there is limited empirical studies on the inner experience of those playing a leadership role. Literature mainly focuses on the responses and narrative of Chief Executives, with an evident gap in knowledge on the detail of this practice, how they go about it and why, and what the everyday experience is like for them as a leader. By looking at the day to day experiences these actions demonstrate the interpretations from the leaders on the unfolding challenges, highlighting the associated contextual factors, but also how that particular individual has experienced the situation. Although Paton and Brewster carried out some of the research on Chief Executives in medium to large sized organisation, they have not fully published these research findings. Nevertheless, their conference paper has initiated an insightful and alternative way of looking at third sector leadership, bringing back the role of actors and agency, emphasis on the contextual environment, and how leadership practice can be played out in various ways. They also brought new ways of thinking about leadership analysis by developing a conceptual framework for 'What it is like being a Chief Executive' which included: system and field awareness by using a 'helicopter view' to see the bigger picture; emotional awareness; moral reasoning and intuition.

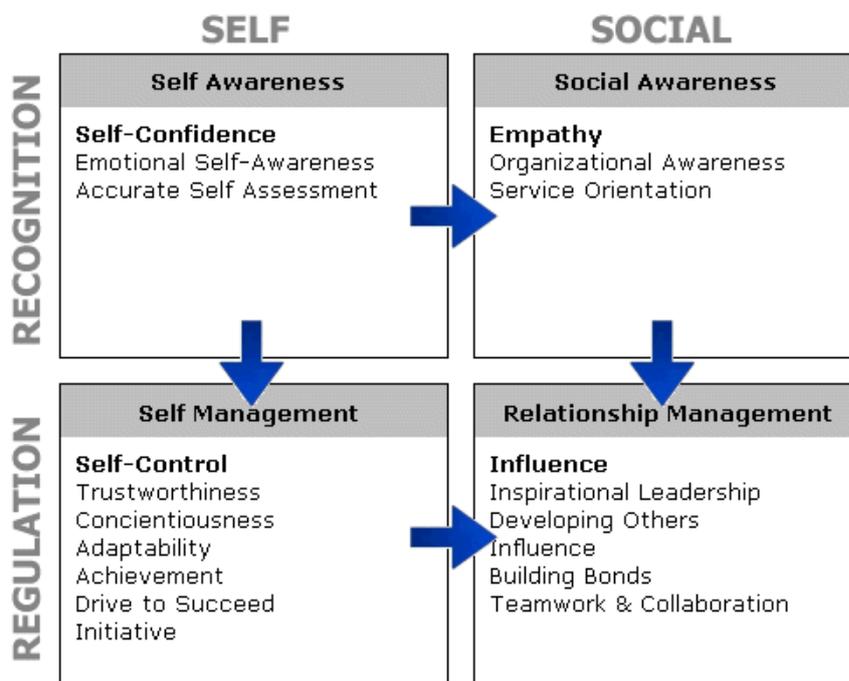
1.2. Emotional and cultural intelligence

In addition to third sector leaders being described as having wide-ranging and multifaceted core skills and traits to scan and navigate the turbulent operating environment, they are also recognised for their ability to successfully manage the passion and values of their workforce (Kirchner, 2006). This is referred to in the literature as leaders having emotional intelligence. Emotional intelligence was first coined by two psychologists who defined it as:

‘the ability to monitor one’s own and other’s emotions, to discriminate among them and to use this information to guide one’s thinking and action’ (Salovey and Mayer, 1990).

Over the years it has grown in popularity that a leader can, and should, improve their emotional intelligence, even more so than their intelligence quotient (Goleman’s, 1995). Subsequently, this has encouraged a wealth of frameworks and assessments to support the leader’s development of their emotional intelligence. The framework (below) produced by Goleman (1995) is often viewed as the *de facto* standard for applying emotional intelligence (Mersino, 2007), therefore, other frameworks are often an extension or interpretation of this. This framework is based on set of traits and competencies that drives leadership performance, such as, self-awareness, social awareness, self-management and relationship management.

Figure 1 Goleman's emotional intelligence competencies framework



These thoughts have been brought into organisational studies due to the benefits of leaders being aware of their own and others’ emotions and the skills to enable a productive team, as ‘such people get the best out of others, who in turn love working with and for them’ (Edwards, 2011).

In recent years, this has evolved to not only include good emotional intelligence and intelligence quotient, but leaders are also required to develop strong cultural intelligence to be able to lead effectively (Common Purpose, 2017). In particular, this idea has been pushed by the Common Purpose Founder and Chief Executive, Julia Middleton, who recently published a book on cultural intelligence, arguing that globalisation has shifted the need for leaders to look across cultural boundaries; faiths and beliefs; public, private and voluntary sectors; and between the generations. She argues as society becomes increasingly diverse, so has the need for leaders to be better equipped to work and relate across cultures.

1.3. Authentic leadership

A fairly recent addition to leadership theory is the growing strand on 'authentic' leadership. This is not due to it being a new form of leadership but rather there has been mounting emphasis on authenticity, in particular with the rise in global challenges. Subsequently, authentic leadership has been identified as a solution to tackle such issues. Luthan's and Avolio's chapter (2003) is a pinnacle point in formally introducing the concept of authentic leadership (Caza and Jackson, 2013), arguing that previous literature concentrates on the negative aspects associated with the lack of authenticity. Their chapter, instead, acknowledges and describes the positive aspects of authentic leadership, which has also created a new positive perspective on the topic of leadership more generally.

Other key developments for authentic leadership came from critiques of transformational leadership. Initially, transformational leadership emerged in the 1970's and was used to explain political leadership. In the 1980's, this was then applied to business and organisational studies. Briefly, transformation leadership is described as 'the leader's ability to craft and convey a compelling vision that leads followers to adopt the leader's mission as their own (Caza and Jackson, 2013: p. 353). However, this has raised concerns by critiques that the founding principles of transformational leadership is for the leader to convert the follower's values, indicating the potential for manipulation. Therefore, critiques argue that a distinction should be made between the leader's action, unpacking this into two concepts, firstly, the 'authentic' transformational leadership, and secondly, the 'pseudo' transformational leadership. This has been described as:

'.., leaders who are not morally and ethically sound may exhibit influence and charisma, but are only pseudo-transformational. Authentically transformational leaders are distinguished by their personal moral character, the admirable values that comprise their agenda, and the ethical means they use when they interacting with others.' (Caza and Jackson, 2013: p.353)

This was a useful development in the leadership literature by the term 'authentic' transformational leadership being further unpacked into three levels of authenticity: an individual's personal authenticity; a leader's authenticity as a leader; and authenticity as a phenomenon in itself. This has set the stage for researchers and practitioners to not only

understand authentic leadership more, but to also explore how this may be practiced at different levels.

With the emergence of research focusing on different aspects of authentic leadership, it has also meant various definitions have developed and vary by researcher. Some key developments have been from Kernis (2003) who identifies these four components:

‘Leaders who exhibit four behavioural tendencies: self-awareness, which is accurate knowledge of one’s strengths, weaknesses, and idiosyncratic qualities; relational transparency,, which involves genuine representation of the self to others; balanced processed, which is the collection and use of relevant, objective information, particularly that which challenges one’s prior beliefs; and an internalized moral perspective, which refers to self-regulation and self-determination, rather than acting in accordance with situational demands’ (p.20).

Following on from these four identified components, the definition below is based on understanding the consequences of these behaviours:

‘A patter of leader behaviour that draws upon and promotes both positive and psychological capacities and a positive ethical climate, to foster greater self-awareness, an internalized moral perspective, balanced processing of information, and relational transparency on the part of leaders working with followers, fostering posited self-development (Walumbwa et al., 2008: p. 94).

Howieson and Hodges provide a useful overall summary of the developments in defining authentic leadership, broadly covering: positive values, leader self-awareness and trusting relationship with followers.

2. Alternative leadership approaches

The third sector literature on leadership has particularly lagged behind in using ideas from collaborative and distributed leadership, to move away from the simplistic notions of it being an individual’s responsibility. A recent article by Hodges and Howieson (2017) that explores the narrative of leaders across both the public and third sector, argues ‘the third sectors challenges will not be met by identifying a few innate leadership attributes nor by recruiting and developing more people into leadership roles’ (p.75). This highlights how leaders can be found (and should be enabled) across the different levels, within an organisation, and across the sector. This is not to say that some individuals do not play an essential leadership role, but the focus should not solely be on one individual having ‘god’ like qualities (Grint, 2005a), or particularly on those positioned in hierarchical roles. This paper argues there is a gap in third sector literature that encapsulates others, to understand the role other individuals play, whether this is through interaction, sense-making, relationships, or interpretation. The following sections aim to draw on the wider leadership literature to illustrate alternative leadership approaches that can be used to explore leadership and what this entails.

2.1. Collaborative leadership

Collaboration is often viewed as a mechanism to tackle global issues and current challenges. By organisations collaborating or forming partnerships it can address wider economic and political issues, environmental concerns, and act as a means to fight against terrorism (Stone et al., 2014). Collaborative activity can be viewed as advantageous in the wider literature 'when something is achieved that could not have been achieved by any organization acting alone' (Huxham and Vaughan, 2003: p.562). Focusing specifically on the third sector context there has been a significant push by the government to promote collaborations within and across the sectors, exacerbated by the economic climate and austerity measures, with the intention to maintain a level of welfare service delivery. Third sector leaders also view this as a strategic response to external pressures to 'make efficiency savings in order to protect services, jobs and in some cases their very existence' (Stafford, 2012: p.262).

Whilst collaborations and partnerships may appear to be a viable and favourable solution to the external environment, they often involve considerable time, resources and capacity to ensure they are undertaken effectively (Stone et al., 2014). Another perception highlighted in the wider literature is acknowledgement of the associated challenges, dilemmas and internal tensions that can also arise during collaborations (Vaughan and Huxham, 2003). In comparison to the public administration literature, portraying a wealth of research on collaboration, there has been little third sector literature on collaborative relationships, how they have emerged and played out, within and across this context. More specifically, collaborative leadership, has mainly been explored through the concepts of leadership that is shared, collective and distributed, which again is portrayed very rarely within the third sector literature. See below for more detail on distributed leadership.

With the push from exogenous forces for more collaboration and growing evidence of boundary crossing, it is important to unpack this notion of collaboration by shifting the focus from the 'doing' of collaboration to concentrating on the process component, or what has been coined the 'black box' (Thompson and Perry, 2006). This illustrates collaborative leadership is not static, or takes on one direction, but rather takes on different approaches dependent on the processes involved. One definition of collaboration put forth is:

'Collaboration is a process in which autonomous actors interact through formal and informal negotiation, jointly creating rules and structures governing their relationships and ways to act or decide on the issues that brought them together; it is a process involving shared norms and mutually beneficial interactions'. (Thompson, 2001)

Thomson and Perry (2006) break this down into five key dimensions that can be used by leaders during their daily practices to promote successful collaborations:

- **The administrative dimension:** for actions to be undertaken collaboratively there needs to be an element of administration to ensure there are clear roles and responsibility, and to set boundaries between the organisations.

- **The governance dimension:** to successfully collaborate there needs to be an element of negotiation, to make decisions on how to behave and work collaboratively, to meet shared goals.
- **The autonomy dimension:** to acknowledge that partners have dual identities, firstly, their own distinct identity, and secondly, the collaborative identity. Trying to achieve both *self-interests* and *collective interests* can create tensions that need to be managed.
- **The mutuality dimension:** there needs to be mutual benefits for those involved to promote information sharing, therefore, this relationship is arguably based on interdependence.
- **The trust and reciprocity dimension:** trust is a fundamental component of collaboration, however, to develop such trust requires a considerable amount of time and maintaining.

Thomson and Perry also warn leaders to not collaborate with others if they are not interested in learning and understanding the different dimensions or the complexity of the process involved, arguing:

'Don't collaborate unless you are willing to thoughtfully consider and educate yourself about the nature of the process involved' (ibid, author's emphasis, p.28)

This is rationalised by the time, cost and capacity that is required to build successful collaborations. They suggest that leaders should appropriately budget, and in some cases balance, the amount of time that is needed to undertake the process across the five dimensions- administrative, governing, balancing tensions between self-interests and collective interests, mutuality, and building trusting relationships.

Whilst there is a wealth of wider literature on collaborations, leadership in collaborations is fairly underrepresented, mainly concentrated by work from Vangan and Huxham (2003, 2006) and Bryson and Crosby (date). Vangan and Huxham discuss the idea of 'leadership media' which refers to 'the structure and processes of a collaboration are as central to leading its activities as the participants involved in it' (xx). Their article goes on to describe the two ends of the spectrum that enforce and encourage collaboration within and across sectors using the concepts of 'collaborative thuggery' and 'the spirit of collaboration' (Vangen and Huxham, 2003). This demonstrates the tensions that can be created by contradictory styles of collaborative leadership- one focused on supporting leadership in 'the spirit of collaboration', and the other more focused on a directive approach towards 'collaborative thuggery' (Vangen and Huxham, 2003). These two spectrums are both argued to be fundamental to foundations of collaborative leadership.

2.2. Distributed leadership

As previously noted, to unpack the idea of collaborative leadership and how leadership is undertaken, there have been several concepts developed, such as, collective, distributed and shared. Within the wider literature there are disputes over the differences, if there is any at all, between the concepts of leadership. This paper will draw upon the definition of distributed leadership, although contested (Grint, 2005a; 2005b), due to opening the boundaries to explore who is involved in leadership, within organisations and across the sector. This includes viewing leadership happening at different levels within an organisation. Petrov (2006) describes distributed leadership as:

‘a model that is based on the idea that leadership of an organisation should not rest with a single individual, but should be shared or ‘distributed’ among those with the relevant skills’ (Petrov cited in Gill, 2008).

Therefore, rather than perceiving one individual consisting of a whole range of traits and characteristics, these can be attributes across a collective few, that when drawn upon together this brings the “ship” back into ‘the leadership’ (Grint, 2005a: 39). As Grint explains leadership does not boil down to one dramatic action by a key player, but involves an accumulation of small actions. However, this paper argues distributed leadership should not only be recognised as drawing on expertise from different individuals, or sharing out leadership, for it to become collective in nature. Instead, this paper argues leadership should be viewed as a social process that consists of multiple actors, therefore leadership only really exists or can be understood by how it is experienced, interpreted and by the interactions of those involved (Badaracco, 2001). Therefore, the focus should not be on the decision making actions of individuals, but rather the interpretation and sense-making of the collective action, often demonstrated as an informal negotiation between a collective few. Grint (2005a) recognises that ‘this ‘negotiated’ or ‘distributed’ or ‘deep’ leadership is often overlooked precisely because it remains informal and distributed amongst the collective rather than emanating from a formal and individual leader’ (p.20). What this means is that power can be moved around individuals at different organisational levels.

By drawing on theoretical principles from the wider literature this can provide an alternative lens to illustrate how leadership can be collective rather than an individual’s responsibility, as Gronn (2009a) argues it shifts the focus away from the traditional concepts of hierarchal leadership. Howieson and Hodges (2014) support this view by suggesting there is not a lack of leaders, but there is a need for more leadership at different levels. As Grint points out, these critiques are not to say that key leaders do not play an essential role, but that there are other factors that come into play, one example being the role of the followers, ‘without whom a leader cannot exist’ (2005a, p.46). This is not in a traditional leader-follower sense that encourages the incentive of a ‘heroic’ and ‘charismatic’ leader, but instead by using varying notions of distributed leadership, such as, institutional leadership (Washington et al. 2008), co-leadership (Heenan and Bennis 2000), shared leadership (Pearce and Conger 2003), multidirectional leadership (Edwards et al. 2002) and rotated leadership (Erez et al. 2002). Although multiple definitions can create confusion, it was ‘sought to relax assumptions that

leaders and followers are always distinctively different actors with fundamentally distinct characteristics and behaviours, and focused increased attention on the interactive relationship at the core of the leadership process' (Bligh, 2011 p.427). This moves from a passive and compliant follower to a more inclusive view point of followership, to explore this ideology of fellowship further it is essential to take into account the context and interactions that are taking place (Howieson and Hodges, 2014).

2.3. Hybrid leadership

Whilst the person-centred approach is an important part of understanding leadership, a contextually based perspective to explore how leadership is situated and shaped by the wider environment is also crucial. Grint (2005) suggests that 'if we can establish that viewing the identity of leadership as essentially hybrid rather than person-based is a legitimate approach then the conceptual space that 'leadership' inhabits becomes significantly more open to debate' (p.47). The changing nature of funding arrangements affecting the sector have been well documented (see Carmel and Harlock, 2003; Macmillan, 2010), mainly related to the opening up of public services and an increasingly pushing competitive contracting environment. Coupled with a squeeze on resources resulting from austerity measures, this has pushed TSOs to form collaborations and partnerships, sometimes mergers, and has meant a range of complex funding relationships have been formed. The wider third sector literature has an established theoretical framework on the blurring of sectoral boundaries (Evers and Lavile, 2005; Billis, 2010), highlighting salient points on the impact this may have on third sector leadership. A common report is of leaders moving between different sectors and taking with them their prior experiences and skills, sometimes referred to as boundary-crossing (see Lewis, 2012; Little and Rochester, 2003). This may change the nature and approach of leadership by leaders drawing on different experiences, and heightening the potential for leading within and across sectors. Additionally, Macmillan and McLaren (2012) point out that there has been little research on leadership across the third sector, which could also include the lack of third sector research that has explored leadership across sectors.

Howieson and Hodges (2014) demonstrate the increasing need to build relationships, work collaboratively across sectors, requiring the need for what they call 'tri-sector leadership'. Drawing on the work of Lovegrove and Thomas (2013) it refers to leaders that are successful in navigating relationships across sectors, and 'are people who can bridge the chasms of culture, incentives and purpose that separate the three sectors' (Howieson and Hodges, 2014: 197). Howieson and Hodges (2014) argue that this model, which consists of particular skills, experience and mind set, will increasingly need to be drawn upon by the third sector to operate in this current turbulent environment. A stream of wider third sector literature explores how the blurring of boundaries has influenced the development of hybrid organisations (Mullins, 2006; Buckingham, 2011), however, there has been a lack of attention to understand what this would mean for the leaders of such organisations. As a consequence of hybrid organisations being reshaped, often into complex structures, drawing on and

negotiating between various characteristics and logics, it would be beneficial for further exploration of whether this has created a new form of hybrid leadership operating in a specific context. Paton and Brewster (2008) touch on this by acknowledging the increasing push for collaborations across organisations and sectors, and the impact of blurring of boundaries on third sector leadership, suggesting this has produced a spectrum of leadership types. This blurring of sector boundaries has encouraged third sector leaders to operate in different environments, and adopt varying approaches, however due to the agency of individuals and particulars of each context this can create numerous types of leadership practice, but this remains an underdeveloped topic in the third sector leadership literature.

Looking to the wider leadership literature there has been some attention to hybrid leadership (Grint, 2005; Gronn, 2011), although similarly it still relatively underdeveloped. A key aspect of exploring leadership through this framework, is not only the emphasis on the context and the agency of individuals responding to this, but also moving away from the static conception of leadership to a more dynamic, flexible and fluid approach. Principles from the wider third sector literature on hybrid organisations can be applied to explore how leaders can draw upon multiple institutional logics, and through interpretation and negotiation, create varying forms on leadership practice (Pache and Santos, 2013). It also allows room to unpack what it is that creates hybrid leadership and how this can change form over time. This is explained by the context changing and the leaders exposed to, and subsequently draw upon, different logics at different points which influences the shift in leadership approach.

2.4. Ethical leadership

The notion of ethical leadership is firmly established within the public and corporate literature (Trevino and Brown, 2004; Heres and Lasthuizen, 2012), due to the increasing emphasis for leaders to behave ethically since the global financial crisis, corporate frauds and scandals, and various environmental disasters (Howieson and Hodges, 2014). Ethical leadership is defined as:

‘the demonstration of normatively appropriate conduct through personal actions and interpersonal relationships, and the promotion of such conduct to followers through two-way communication reinforcement, and decision-making’ (Brown et al., 2005: 120).

This notion differs to authentic leadership and transformational leadership (previously discussed), as it concentrates on promoting ethical decision-making and managing behaviour with followers (see Brown et al., 2005).

Brown and Trevino (2006) article on ‘Ethical leadership: A review and future directions’ provides an in-depth discussion on what ethical leadership consists of and the development in theoretical thinking. In brief, some key aspects of ethical leadership are, firstly, ethical leaders are characterised as being open, honest, caring and principled individuals who make

fair and balanced decisions. Secondly, ethical leaders are people orientated and regularly discuss with their followers about ethics, 'set clear ethical standards and use rewards and punishments to see that those standards are followed'. Thirdly, and most importantly, the ethical leader adheres to the principles and practice of being an ethical leader. This combination of factors adds to the credibility of the leader and enhances the motivation and commitment of the follower. These definitions echo similar premises of a person-centred approach, of an 'ethical leader', but this discussion follows on from the last section stating that the exacerbated environmental conditions, such as increasing collaborations and 'blurring of boundaries', there is more emphasis on ensuring ethical practice and processes. One reason being is to prevent the organisation straying from its mission and to continue operating in an ethical manner.

However, it has been disputed whether the same style or approach to ethical leadership can be applied to organisations in different circumstances or, in this case, sectors. Heres and Lasthuizen (2012) debate whether a 'one style fits all' approach to ethical leadership is feasible by asking questions, such as:

'is there one best way to be an ethical leader, a 'best practice' that is transferable across organizations? Or are there different approaches to ethical leadership that might be used in different types of organizations?' (p.442).

Ethical leadership could be viewed as being more relevant to the third sector, due to the sector's associated commitment to its social purpose and following the organisation's underlying values and mission. Howieson and Hodges (2014) explore the everyday experiences of public and third sector leaders from varying sized organisations, and argue that ethical leadership can mean many different things to different people, organisations and sectors. It can also be understood as an approach, which consists of supporting people, ensuring the reputation of the organisation, and ensuring that ethical obligations are adhered to (p.191-192). They state:

'Leaders need to find ways to leverage their ideas and their intellectual property into financial returns, while staying true to ethical values, in order to retain the foundations on which the sector is built.' (p.192)

These thoughts are echoed by Murdock (2010), who coins the term valued-leadership, highlighting examples of leaders assessing the organisation's values. By undertaking this process, leaders recognise which are the core values of an organisation and fundamentally shape its direction, and which values can essentially be challenged and even negotiated. Hodges and Howieson (2017) developed this idea further, claiming that due to shifting funding relationships and blurring of sectoral boundaries (or otherwise referred to as 'hybridisation') it is more important than ever for leaders to operate in an ethical manner. This account of ethical leadership is founded on the assumption that the operating environment is undergoing significant shifts and changes, therefore leaders are increasingly

having to develop partnerships, form complex funding arrangements and collaboration with external stakeholders across the public and private sector that may not share the same values and ethical considerations, which brings with them different dilemmas, tensions and challenges:

‘They [leaders] should ensure that they use their positional power in an ethical manner, act in a timely manner to new situations and challenges, engage in active stakeholder dialogue, implement solutions, and take responsibility to improve their reputational conduct’ (Hodges and Howieson, 2017: 75).

2.5. Entrepreneurial leadership

In contrast to the extensive literature on entrepreneurialism there has been a lack of attention on entrepreneurship in the third sector context. Commentators agree the need for further insight on third sector entrepreneurship, to understand the significant growth of the sector in the last few decades (Young, 1997; Badelt, 1997), and more specifically the recent rise in social enterprises (Andersson, 2011). However, social enterprises have been recognised as problematic to define (see for example Teasdale, 2012) and definitions of social enterprise vary within and between countries (Kerlin, 2010). Furthermore, it is a mistake to think that entrepreneurship only takes place in social enterprises, but rather such behaviour is adopted across the third sector. The extract below from Coombes et al. (2011) illustrates a number of examples of entrepreneurship taking place in the third sector, stating:

‘...such behaviour is often critical for organizational survival in the contemporary environment (Coombes and Morris, 2009). Examples include implementation of fees for services (Chetkovich and Frumkin, 2003), creation of new revenue-generating programmes and related commercialization activities (Eikenberry and Kluver, 2004; Foster and Bradach, 2005), launch of new enterprises (Bryson et al., 2001; Emerson and Twersky, 1996), expansion of services and networks (Alexander, 2000), and diversification of funding sources to include unique types of sponsorships, advertising revenues, rental of assets, resource sharing, and blended funding streams (Lasprogata and Cotton, 2003; Prince and Austin, 2001). Moreover, NPOs have pursued consortiums, mergers and novel partnerships to generate resources (Jenkins, 2001; Schwartz, 2001). They have implemented creative approaches to achieving efficiencies (McMurtry et al., 1991), making operational improvements (Durst and Newell, 2001), redesigning service delivery systems (Cohn, 1999), incorporating new technologies (Burt and Taylor, 2000), and developing performance metrics to capture social return on investment (Frumkin, 2002).’ (p.834)

The limited attention to entrepreneurship in the third sector context tends to focus on individuals, the ‘entrepreneurs’, which set up social enterprise ventures. This has led to some criticism that:

"entrepreneurs" are not necessarily owners of enterprises nor are they necessarily independent businessmen whom - in everyday life - may be called by the same term. Describing entrepreneurship is a question of a type of conduct and of a type of Person' (Schumpeter, 1934: p.81-88).

To only look at the individual and the process of setting up social enterprise ventures provides an underdeveloped picture (Light, 2008), ignoring the diversity of entrepreneurship, what it can look like and how it is practiced, within the third sector.

When discussed in the third sector literature, the term 'social entrepreneurship' is often used, referring 'to the pursuit of opportunities for enhancing the social good, where unique resource combinations are used to produce significant social returns' (Coombes et al., 2011). However, there is no clear or single definition of what this looks like or how it is practiced. Coombes et al. (2011) argues that one reason entrepreneurialism is not very well understood within the third sector context is due to the tension 'between engaging in innovative, risk-taking, proactive behaviours while also attempting to serve a social mission (e.g. save souls, encourage blood donations, house the homeless) and satisfy multiple stakeholders, typically with severely limited resources' (p.829). This will be discussed in more depth further on.

Nonetheless, the issue of entrepreneurship is growing in popularity as a new means to address social problems. Some commentators argue the third sector has been encouraged to take on a more entrepreneurial approach due to external financial pressures, such as, the recent financial crisis and implemented austerity measures. Others argue the sector has been pushed into adopting a more entrepreneurial role due to the overall changing climate, 'success, and even survival, demands that nonprofits operate more like for-profit organisations, seeking competitive advantage through innovation' (McDonald, 2007: 256).

EntreComp definitions on entrepreneurship

The EntreComp framework applied to this project has outlined a number of useful definitions for entrepreneurialism (see appendix two), illustrating the differing meanings the term can have when applied to varying contexts. The most relevant definitions for this project are, entrepreneurship:

'Entrepreneurship is when you act upon opportunities and ideas and transform them into value for others. The value that is created can be financial, cultural, or social (FFE-YE, 2012).'

Which emphasises the role of agency in finding opportunities and ideas, and the definition on social entrepreneurship:

'Social entrepreneurship is entrepreneurship that aims to provide innovative solutions to unsolved social problems. Therefore it often goes hand in hand with social

innovation processes, aimed at improving people's lives by promoting social change (see OECD, 2010)'.

Entrepreneurship development and practice

Drawing on the wider social enterprise literature it has been recognised drawing on entrepreneurial behaviour can create distinctive leadership and management tasks in social enterprises, stressing the importance for more understanding on third sector entrepreneurship. Griffith (2010) describes:

- They ought to achieve a social goal through trading in a marketplace;
- They ought not to be dependent on grants or subsidises;
- They ought to be autonomous;
- They ought to behave in a particularly responsible way towards their employees and other stakeholders;
- They ought to involve employees and other stakeholders in the governance of the organisation;
- The governance of the organisation ought to be democratic
- They ought to be owned by the community. (2010: 113)

The limited literature on third sector entrepreneurship demonstrates similar approaches to the previous section on leadership, have been used to expand knowledge on the subject areas. Primarily, the focus is on providing a person-centred account on the individual's characteristics and attributes required to promote entrepreneurial behaviour, followed by some recognition of the processes involved and the benefits of adopting a collective approach (which is shared by EntreComp). These will be explained in turn.

Person-centred

Literature on social entrepreneurs often takes a person-centred approach by looking to distinguish the key characteristics and attributes required. These often include: innovation, proactive thinking and resistance, risk taking, and seeking new opportunities and ideas to become more sustainable. Addicott's (2017) found adopting entrepreneurial behaviour is now a 'natural inherent' for third sector organisations, to continue to operate in the current environment, and to become less reliant on public funds. She describes:

'Participants identified characteristics of 'entrepreneurial behaviour', including being an innovator, a risk-taker, and entailing the capacity to create and communicate a vision, to demonstrate drive, commitment, tenacity and a passion for an idea, service, or product.' (p.83)

This echoes similar principles to entrepreneurialism in the corporate sector. However, Addicott highlights how entrepreneurial features can differ by sector and, in some ways, third sector organisations can be better positioned to adopt an entrepreneurial approach. For example, third sector organisations are well-known for being innovative, reactive to respond

to changing service users need, and experienced in developing ideas through piloting services. Huysentruyt's (2014) findings also support this argument by stating a more radical type of innovation can be found in social enterprises compared to corporate organisations. This is explained by third sector organisations having more flexibility and autonomy than corporate organisation, but also the additional motivation and driving force from the workforce to improve services for the good of the service users.

Similar to the EntreComp framework the literature demonstrates competences of being creative, and spotting ideas and opportunities. In the third sector context this is often framed as flexibility, adaptability and diversification of the organization and its services. Addicott found participants were keen to use and diversifying skills to take up opportunities to continue current activity and reflected entrepreneurial behaviour within the sector, here is one participant's claimed:

'It's not always about innovation, but it's about a gap, a gap in services, I think we're really, really good at that and we don't think of them as being business skills but they are, they are entrepreneurial' (Addicott, 2017: 83).

Collective entrepreneurialism

As previously noted the literature is often criticised for focusing on the individual, the 'leader' or the 'entrepreneur', rather than recognising the collective nature that takes place by acknowledging the 'ship' part of 'leadership' and 'entrepreneurship'. Recently, a few commentators have emphasised that when trying to understand entrepreneurialism it is relevant to take into account collectivism (Light, 2008). Some have done this by acknowledging the collective entrepreneurial behaviour within an organisation, such as, including the role of the board members (Andersson, 2011; Coombes et al., 2011). For example, Andersson (2011) states:

'...even if boards have little direct impact on NPE, the relational dynamics between the board of directors, top management and other stakeholders appear to be of significance for NPE research (Helm and Renz, 2008). Furthermore, linking NPE to governance implicitly must take into consideration the role of the board in the value-protecting and value-creating processes of nonprofit agencies' (p.53).

Collective entrepreneurialism does not only mean involving a number of different individuals, but it is the process of being collaborative that can emphasis the entrepreneurial element. Addicott found when participants were explaining what their entrepreneurial behaviour consisted of, it was reflected:

'in terms of identifying opportunities to build relationships with other organizations within the third sector and outside with private and public sector organisations' (2017: 83).

To continue to survive in this harsh climate the third sector currently have to operate within it was acknowledged that a key approach was to undertake '*partnership working, collaboration, even merging of organisations within the sector*'. Although concern was raised on the tension between associative or collaborative entrepreneurship (Yetim, 2008), whether

this was being performed for ‘the common good’ or the ‘cult of the personality’—the individual as entrepreneur. Ultimately, entrepreneurial leadership is about mobilising resources but what is demonstrated here, reflecting similar to the EntreComp framework, is that it also includes taking the initiative, working together and mobilising others.

Challenges of entrepreneurial leadership

Entrepreneurship within the third sector context has not always been received with optimism, but often criticised for detracting third sector organisations from their drive for the common good. A recent report by the National Coalition for Independent Action (NCIA, 2015) has created lively debate that the government acts as a driving force behind third sector organisations engaging with social enterprise activities and encouraging them to seek alternative financial sources, often to the detriment of such organisations. NCIA argue these external forces can result in organisations losing their autonomy and result in mission drift. Other academics have also noted the challenges this can create for leaders:

‘For social entrepreneurs building and growing their companies, the understanding and practice of leadership are critical for their organization’s long-term success. They also must overcome myriad challenges, including the constant balancing act to protect the social mission while striving for growth and commercial success, the combination of volunteers and paid staff within the same organization, and the high expectations from a wide variety of stakeholders regarding their integrity, accountability and openness for stakeholder participation’ (Heinecke et al., 2014: 3).

Young (1996) highlights the concept of entrepreneurship is sometimes wrongly associated with the idea of profit-maximising behaviour. Subsequently, adopting an entrepreneurial approach could be viewed as a threat to the underlying mission to promote common good. However, the literature has shown little evidence that mission drift exists (Macmillan, 2010). Nonetheless, research shows organisations are required to undergo a balancing act and continuous process of negotiation for entrepreneurial behaviour to be in congruence with the organisations goals (Addicott, 2017), ultimately refraining organisations from not straying too far from their mission. This echoes similarities to the previous section on ethical leadership, but also demonstrates a number of EntreComp competences of being visionary, and ethical and sustainable.

Finally, the literature highlighted another defining element of entrepreneurship located in the third sector- the diversity of the sector itself (Andersson, 2011). The third sector as a whole consists of organisations from different shapes, forms and sizes, and can have varying roles, functions and activities. This means how entrepreneurship is understood, experienced and practiced will differ across the sector. Entrepreneurial experiences are not only heterogeneous by the shape and form of the organisation, but there are also evident gender-based barriers. Teasdale et al. (2011) provide one of the few insights into the underrepresentation of female leaders in the third sector, specifically focusing on social enterprises. They demonstrate that the sector’s workforce is largely formed of women,

nevertheless, there is a lack of female leaders in large organisations. In contrast, women are strongly represented in leadership roles within small organisations or establishing initiatives. This demonstrates another example of how entrepreneurship is not experienced homogenously across the sector. Therefore, when using the EntreComp framework it is more appropriate to view it as an accessible dictionary for third sector leaders to refer and adopt competences to become more entrepreneurial, rather than it being seen as a fixed manual or a tick box exercise.

3. Leadership development

There has been a much stronger sense of importance and urgency in policy and practice debates about the issue of leadership within the third sector. Over the years there have been calls from within the sector to pay heed to a supposed leadership deficit (Kirchner, 2006), due to limited investment in the development of leaders within the sector, or emphasis on recruitment and retention of managers. Other discourse echoed across the sector are of a 'lack of leadership' and 'gaps in skills' that are impacting on good leadership. It is not the purpose of this report to debate whether this debate is true, but it does emphasise the relevance of leadership development programmes being delivered to the sector.

However, there are often constraints that might prevent individuals from attending leadership development initiatives and training, particularly around lack of time, resources and capacity. Small organisations that face an increase in demand and fewer resources, with senior roles often playing out several positions within an organisation, this could act as a barrier to accessing training and investing in leadership development. Other potential constraints is the wider negative attitudes and connotations attached to leadership development. These are based on assumptions that limited resources should not fund internal 'core' development but should fundamentally support the delivery of frontline services. For example, this was brought to attention by the national infrastructure agency ACEVO, aimed at investing in professional development in third sector leadership, who argue professionalism should no longer be viewed as a 'guilty secret' (Kirchner, 2006).

To add to these negative feelings is the misconception that leadership is only for the elite few in power positions across the sector, which may prevent some individuals from wanting to participate in such initiatives and programmes. As this report has demonstrated, leadership should not only be viewed to be based on the actions of an individual or developing their competencies, but should be reflective of the collective and collaborative nature of leadership. To do this a number of factors need to be addressed: leadership programmes needs to become more accessible by providing free services; leadership programmes need to be more inclusive by tackling this traditional stereotype of the heroic leader; there needs to be a new approach to how leadership programmes should be delivered. This is discussed in the next section.

3.1. Leadership as practice

A more recent stream of leadership literature has been the shift towards the notion of leadership as practice. This notion comes from a different trail of thought from the conventional perception of the heroic leader, and is much less interested in the competencies, traits and behaviour associated with individual leaders. Instead, the focus has moved towards the everyday practices of leadership, whether this is mundane activities or discourse, including the emotions, morals and relational aspects that occur (Raelin, 2003). Leadership as practice takes on a difference approach by not looking at what individuals need

to become a 'good leader' or their actions, rather it is interested in how leadership is practiced within an organisation and what this portrays about the organisation. As Raelin (2003) describes 'leadership-as-practice is concerned far more about where, how, and why leadership work is being organized and accomplished than about who is offering visions for others to do the work' (p.195-196).

Principles outlined throughout the report of leadership being collective, concurrent, collaborative, and compassionate, have been used by Raelin to illustrate the four values needed to develop leaderful practice:

- **Collectiveness**- different individuals can work together to inform leadership in a community (see previous section 2.9).
- **Concurrency**- there can be more than one leader within a community at the same time (see previous section 2.9).
- **Collaboration**- the extent to which individuals are co-creating leadership, how they determine together what needs to be done and how to do it (see previous section 2.6).
- **Compassion**- which could also be referred to as emotional intelligence (see previous section 1.2) to think about the emotions, morals and values of those involved in the community.

Leaderful practice is not typically the default option when individuals collectively work together, therefore, this development requires agency. To understand leadership as practice the aim is to look explicitly at how leadership is 'done', through observing the mundane activities and discourse, and what has been accomplished. Leadership is not only demonstrated by a single event but is something that emerges, unfolds, and is dynamic throughout the process. Crevani et al. (2010) further explains the focus should be on leadership, including the processes, practices and interactions undertaken by a collective of individuals 'who choose through their own rules to achieve a distinctive outcome'. Leadership is not simply a process involving leaders and followers, but 'it is a process of engaging and learning from those around each other'. It is the collective process of individuals, responding and reflecting, to accomplish the shared interests of everyone.

A key component to understanding leadership is illuminating the process of self-reflection, as 'it is just as critical that there be both private and collective reflection on the experience'. By undertaking a reflective stance means to have a personal awareness of your capabilities and your own actions, to explore your inner self and undertake a process of self-discovery. However, it should also involve broadening your gaze to look reflectively at those around you, how you impact on others, but also how collectively individuals can work together.

To understand leadership practices and processes it is essential to not only look at agency, but also how these are socially constructed by the particular situations and context they are embedded within. This extract from Raelin provides an excellent overview of what constitutes leadership as practices:

‘So, we conclude that leadership is directly tied to the practices to which people are dedicated. Through their practices, they decide on what they hope to accomplish and organize the tasks that need to be performed to achieve their mission. They commit to one another as a working body dedicated to a useful outcome. And they learn to adapt to exogenous changes that may lead to healthy re-appraisals of their mission. It is through this leadership that we may find people talking together, acting together, and thinking together, all toward making the reality of their condition what it is.’ (Raelin, 2003)

3.2. Bringing the context back into leadership

In more recent years there has been heightened attention on the need to understand leadership, whether this is distributed to followership, in a contextually driven way by bringing society and community to the fore (Edwards, 2011). By starting from the premise of developing contextually informed understandings of leadership, this creates a substantive shift away from the post-heroic perspective to viewing leadership as dispersed across groups, organisations and society. Edwards (2011) highlights several factors to unpack the concept of community and how this can be used to investigate a contextually driven perspective of distributed leadership, this includes: common symbolism, a sense of belonging, a sense of community, group and leader identity, common values and ethics, language, dialect and discourse, social networking and friendship.

A salient feature of this approach is that it provides the opportunity to see the ‘connective and fluid nature of distributed leadership’ (ibid, p.307), how it is formed of social processes that shift over time due to changes in cultural understanding. Also, it illustrates that distributed leadership does not operate in a vacuum within an organisation, but rather leadership is connected and embedded within the complex wider society. His article concludes by calling for leadership development programmes to also include this framework of analysis, to promote leaders to reflect and ‘explore the connections and interconnections they have with society by broadening the view of leadership where responsibility is moved from the few to the many’ (ibid, p.309).

3.3. Alternative leadership learning and development

This stream of thought is particularly useful when thinking about the approach to use to design and deliver leadership development. It suggests leadership development should not be focused on conventional methods, such as, teaching about leadership, or developing the traits and competencies to become a ‘good leader’, or only develop those already identified as a leader or ‘aspiring leaders’. Instead there is a move towards the ‘need to bring leadership development back into the group where the lessons of experience can be truly accessed’ (Raelin, 2003). This means not taking individuals out of the context leadership practice is undertaken, but the social setting within which it occurs should also be taken into account.

Increasingly it has been argued that leadership development should not be viewed in the traditional stereotypical means, but new approaches and methods should be taught and reached out to a wider audience (Edwards et al., 2013). Traditionally, leadership development has been based on the premise of self-development, including the idea of self-awareness, self-control and self-realization (Schedlitzki and Edwards, 2014). Edwards et al. (2013) describes that conventional leadership learning and development, including coaching, mentoring, networking, job assignments and action learning, has tended to focus primarily on the individual. They argue that context should be taken into account more, where leadership is practiced and understood, but also viewing it as a collective and continuous process. One method put forth is to use an auto-ethnographic approach (Chang, 2008) for the leader to reflect on their leadership development 'through situated learning of leadership practice in organisations' (Schedlitzki and Edwards, 2014: 196). This means the leader should take into account the social context and relations with others when reflecting on their leadership practice. By doing this leadership development moves away from being focused on their individual and reconnects with the context and others involved.

These thoughts have promoted the development of alternative approaches to leadership development, stating 'one area that is being developed as an alternative view and that better appreciates context as well as emotions of becoming and being a leader is the move towards aesthetic and artistic methods of management and leadership learning and development'. This development in artistic methods argues traditional approaches are based on the logic 'the world is a stable, knowable and predictable' (Schedlitzki and Edwards, 2014: 199). Rather, by leaders conducting non-logical activities it will enable individuals to think more creatively about problem solving (ibid) and encourage 'accessing intuitions, feelings, stories, improvisation, experience, imagination, active listening, awareness in the moment, novel words and empathy' (ibid: 199). Taylor and Ladkin (2009) have outlined the contribution of arts-based methods to leadership development:

- *Skills transfer*- learning artistic skills that can be applied to organisation setting;
- *Projective technique*- accessing inner thoughts and feelings;
- *Illustration of essence*- apprehend the essence of a concept, situation, tacit knowledge;
- *Making*- deeper experience of personal presence and connection to counteract feelings of disconnection and fragmentation among leaders. (Summary taken from Schedlitzki and Edwards, 2014: 199)

The Open University have also applied this alternative approach to developing its online Voluntary Sector Leadership courses stating the benefits of leaders taking a reflective stance and conducting a journey of self-discovery. Specifically, the course on leadership as practice highlights several methods and tools to aid this process, such as, critical reflection, constructive debate, awkward questions, and telling powerful leadership stories. This enables leaders to be aware of their emotions, anxieties and worries, but to also reflect on different perspectives of oneself and assess critical viewpoints of their leadership practice.

Part 4: Recommendations

From the preceding report – and the other parts of ‘Intellectual Output 3’, we have drawn out four broad recommendations to inform the next stages of development in the project. These recommendations are designed to inform the approach adopted by the project to develop the skills and competences of third sector leaders, and also to provide inspiration for alternative methods and tools that can be used to develop the online courses. These recommendations represent key themes that should be taken into consideration, as follows:

- **Leadership as practice**

To not only look at what individuals need to become a ‘good leader’ or their actions, but rather focus on how leadership is practiced within an organisation and what this portrays about the organisation. This can include looking at the everyday practices of leadership, such as, mundane activities.

- **Leaderships as distributed and inclusive**

To not solely focus on the notion of an individual ‘leader’, but to adopt a more inclusive view of how leadership can be informed by different individuals, with more emphasis on the collective nature of leadership. To move away from the traditional hierarchical perspective that leaders are only those positioned as CEOs or trustees, but to acknowledge that leadership can be enacted from the top, bottom, and middle of an organisation

- **Self-awareness, critical perspectives and reflexive stance**

Leaders should be encouraged to undergo a process of self-discovery. However, this should not only focus on self-awareness, to understand their strengths and weaknesses, but also see this as an opportunity to broaden their gaze and look reflexively at the context and those around them. This can involving seeking critical perspectives and asking awkward questions.

- **Alternative leadership development**

Less focus on conventional methods and more emphasis on using alternative tools and methods to encourage different forms of learning. For example, working from real-life experiences, auto-ethnographic, arts-based methods, story-telling, and importantly, to not take leaders out of their context but to understand the influences of the everyday environment, ‘to bring leadership development back into the group where the lessons of experience can be truly accessed’ (Raelin, 2003).

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Appendix one: Questionnaire text

1. Which country are you coming from?

2. Please think about the current situation influencing the third sector in your country. What are the five most important challenges the sector faces? (Please rank in order of priority, one being the most important, and a brief explanation as to why).

[Rank on a scale of 1 to 5]

3. What five opportunities are there for the third sector in your country? (Please rank in order of priority, one being the most important, and a brief explanation as to why).

[Rank on a scale of 1 to 5]

4. Could you provide information, ideally the latest up to date publications (articles, books, surveys, online sources...) on the following aspects of the third sector?

The level of civic engagement

The public image or level of trust in the sector

Sources of funding (predominant funding sources, changes over past years)

Size and scope of the third sector (number of organizations, fields of activity)

5. What five main challenges do third sector leaders face? (Please rank in order of priority, one being the most important, and a brief explanation as to why).

[Rank on a scale of 1 to 5]

6. What five main opportunities are there for third sector leaders? (Please rank in order of priority, one being the most important, and a brief explanation as to why).

[Open answer, ranked on a scale of 1 to 5]

7. Bearing in mind these challenges facing the third sector, please give five competences that you think are required by third sector leaders. (Please rank in order of priority, one being the most important, and a brief explanation as to why).

[Open answer, ranked on a scale of 1 to 5]

8. What kind of leadership development is available to third sector leaders in your country?

Please supply any reports or links to information you think are useful

Are there gaps in who can access leadership development in your country?

9. Are you familiar with any leadership framework in your country or other relevant framework at the national level?

[Yes/No]

[If yes, please provide further details:]

10. Are there recognised leadership qualifications in your country?

[Yes/No]

[If yes, please provide further details:]

11. Please tell us about any further information regarding leadership or entrepreneurial skills that are specific to your country or covers the whole of the EU.

Appendix two: Table on different entrepreneurship definitions produced by the EntreComp framework

Different definitions of entrepreneurship from the EntreComp framework	
Digital entrepreneurship	Digital entrepreneurship is entrepreneurship that involves the use of new digital technologies (particularly social media, big data, mobile and cloud solutions). The purpose of this use may be to improve business operations, invent new business models, improve business intelligence or to engage with customers and stakeholders. ⁹
Entrepreneurship	Entrepreneurship is when you act upon opportunities and ideas and transform them into value for others. The value that is created can be financial, cultural, or social (FFE-YE, 2012).
Green entrepreneurship	Green entrepreneurship is entrepreneurship that has a positive effect on environment and can be seen as a move to a more sustainable future (Schaper, 2012).
Intrapreneurship	Intrapreneurship is entrepreneurship inside an organisation (see Pinchot, 1985).
Practical entrepreneurial experiences	Practical entrepreneurial experiences are educational experiences where the learner has the opportunity to come up with ideas, identify a good idea and turn that idea into action. They require the involvement of external partners in the design and/or delivery of this learning, to ensure relevance to the real world. Practical entrepreneurial experiences provide students with a supportive environment, where mistakes are embraced and failure is a learning tool, so that they gain the confidence and experience to turn their ideas into action in the real world. Practical entrepreneurial experiences should be a student led initiative either individually or as part of a small team, involve learning-by-doing and producing a tangible outcome (Thematic Working Group on Entrepreneurship Education, 2014).
Social entrepreneurship	Social entrepreneurship is entrepreneurship that aims to provide innovative solutions to unsolved social problems. Therefore it often goes hand in hand with social innovation processes, aimed at improving people’s lives by promoting social change (see OECD, 2010).