

500 WORDS ON LEADERSHIP & DEVELOPMENT



THE ICEBERG OF IGNORANCE AND HOW TO FLIP IT

'In many organizations, the lowest-paid employees are the receptionists, customer service staff, and front-line people—the very people who interact ... with the customer. They are, in short, the most important people in the organization'

Rheen (2018)

This 500 words on Leadership Development is for all leaders and managers are interested in learning about valuing their employees as well sustaining an effective and efficient organisation.



As a young person entering the workforce, I have worked my fair share of front-line customer service. Whilst working these roles, I have experienced both extremes of management, from extremely competent to not-so-competent. One of the biggest factors in the formulation of these opinions was the level of respect and value given to me by the manager in question. In this 500 words publication, I will share some thoughts on respecting your front-line staff, and connecting these staff with top level management. In turn, this will inevitably result in an increase in customer satisfaction levels.

The 'Iceberg of Ignorance'

Icebergs are a useful method of visualising many issues to do with the 'unknown'. You may well be familiar with the famous leadership development iceberg model explaining the concept of competency and behaviours. The iceberg below, however, represents the key findings of a large study undertaken by Sidney Yoshida in 1989.

This 'Iceberg of Ignorance' shows the clear disconnect Yoshida found between managers and front-line employees, with top level management only knowing 4% of their companies' problems.

This disconnect is most present and prevalent in traditional, hierarchy-based companies, leading us a key issue we are facing; how do we flip this iceberg and optimise the effectiveness of hierarchical leadership?

Hierarchical leadership is traditional, top-down management where key decisions are made by an oligarchic-type group of people at the top of the company. Responsibility then filters down through the ranks of the company, often leaving the bottom levels of organisations feeling powerless and with no voice. Walsh (2017) argues that effective teamwork stems from 'egalitarianism', and a culture where 'all voices count'; not hierarchy.¹

As idealistic as egalitarianism sounds, there are of course limitations. In fact, the reason hierarchical organisations have seen so much

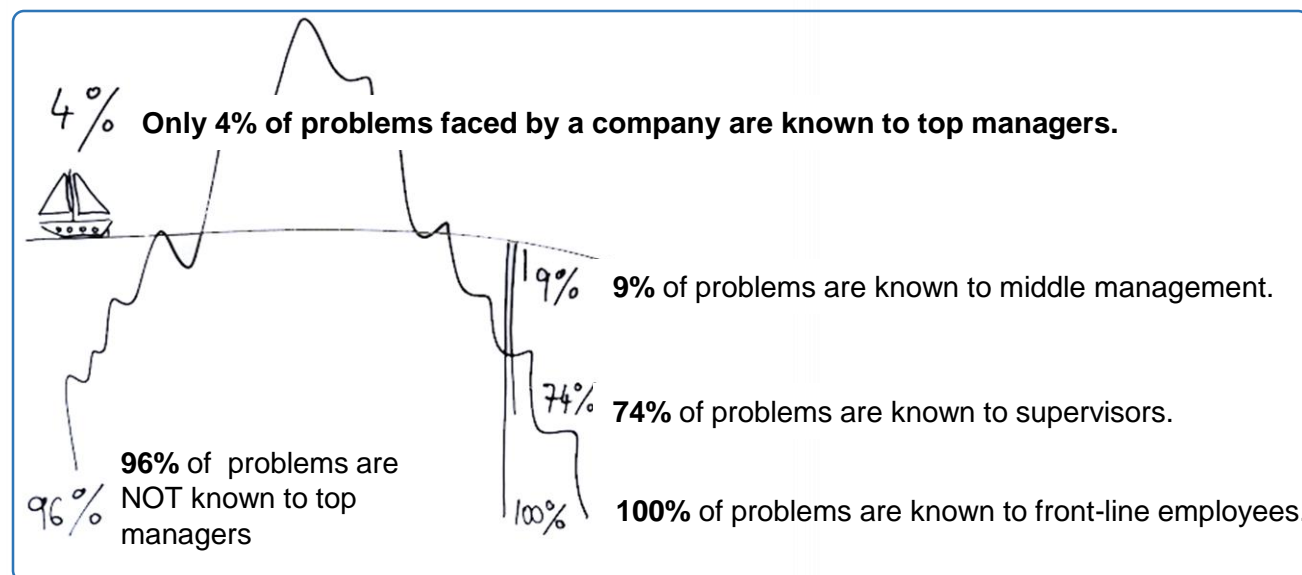


Figure 1: The Iceberg of Ignorance – A visual summary of the findings from Sidney Yoshida's research.

success is due to the simple fact that hierarchy works. Some people are not equipped or suited to take on the 'emotional burden of making big decisions'²; leaders are required. Hierarchies are also vital in sustaining a working business model with set processes and the promotion of efficiency.

That being said, the modern business world is rapidly changing, in tandem with cultural changes and the uprooting of a traditional, patriarchal system – one which has strong links with hierarchy. This means leadership techniques have to adapt too, away from the traditional methods of patriarchal hierarchy, which are often described as being 'elitist, secretive and bureaucratic'.³

How to 'Flip the Iceberg'

The common misconception here would be to assume that flipping the iceberg means that the bottom rung of the organisation assume control of the company as they know about all the problems. This is far from the case.

Instead, flipping the iceberg should be seen as ensuring managers are not ignorant to the problems faced by the company. Rheen summarises the solution in one, potent statement:

*'Keep the hierarchy; stop acting hierarchically'*⁴

In most cases, a hierarchy is an essential aspect of a company. However, acting in a superior manner and not valuing your staff as they deserve is something that has no place in a modern business.

By maintaining a hierarchy, a company retains order and structure. However, by acting in a traditional, 'hierarchical' manner, the top managers are ignorant of the majority of issues in the company. Therefore, companies should allow for and encourage the opening of feedback loops from the front lines all the way to the top management. This is how you flip the iceberg. Give the frontlines a platform and encouragement to feedback on issues without fear of repercussion or being ignored.

There is a mind-set shift required for organisations; the most important people are the people who interact with the customers, not the ones who are highest on the hierarchical ladder. Leaders are therefore the 'servants' of their employees, and if this is effect is achieved, the employees will likely become more productive and valuable members of the company.

Whilst helping companies with leadership development and shifting the mind-set of employees towards a flip of the iceberg, CLP is observing with amazement a contemporary 'iceberg flip' at one of its multinational and multi billion revenue clients. Despite facing extreme resistance, they are also seeing extreme progress as a direct results. This tells us that no one is too 'big', or 'stuck in a system' to begin a necessary iceberg flip.

Yours,
Matthew Peatman
Junior Consultant at CLP



1. **Walsh (2017)** Stamford Business School. *Rethinking Hierarchy in the Workplace* [online] www.gsb.stanford.edu/insights/rethinking-hierarchy-workplace
2. **Rheen (2018)** *Breaking down the Corporate Hierarchy* [online] <http://donrheem.com/breaking-down-the-corporate-hierarchy/>.
3. **Roediger (2013)** *Financial Times: Understanding the new economy leadership*, University of Stellenbosch [online]
4. **Rheen (2018)** *Breaking down the Corporate Hierarchy* [online] <http://donrheem.com/breaking-down-the-corporate-hierarchy/>.