A Study of the Functions and Pitfalls of Design Leadership
How Leadership of the Creative Industry Attains Effectiveness

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Abstract—Design leadership with its own characteristics has played a key role in design agencies and a wide range of other organizations in the creative industry. Besides the common features of leadership, the core of design leadership is to innovate and encourage its creative members to develop their creativeness to the greatest possible extent. This outstanding feature of design leadership is closely related to design leadership’s functions and should be emphasized within these. Design leadership’s functions are based upon both the nature of the design process and creative people’s working goals. Not only should the common functions be fulfilled in design leadership, but also the core function must be highlighted to satisfy the nature of design and characteristics of the creative industry. By examining the nature of design leadership and the intrinsic essence of a creative organization, the functions of design leadership are explored. Equally, it is also vital to avoid pitfalls inherent in design leadership, which critically influence its effectiveness. The research purpose of this paper is how to attain effectiveness of design leadership from the perspective of its functions and pitfalls. Also, design leadership within the specified social context of Confucianism has been chosen since this is an example of great significance in China.

Keywords—Design leadership; the creative industry; creativity; creative organizational culture

I. INTRODUCTION

In the process of achieving organizational objectives, leadership plays a crucial role and it faces challenges. In any organization, large or small, leadership is indispensable since it involves providing direction for the future of an organization, making decisions on the methods and processes for organizational achievement, and helping to operate the organization in a certain way or with a specific style. Good leadership can make success of an organization while unqualified leadership very possibly leads to failure [1]. It is significant for leaders to fully understand their responsibilities in an organization with the purpose of attaining good performance. In today’s academic field, there are numerous studies and literatures on the subject of organizational leadership. Leadership has been explored from different perspectives, concerning a range of aspects, e.g. its conception, characteristics, functions, application and development in business environment. Still, the majority of existing studies and theories about leadership are often based upon companies and businesses in general. In reality, different types of organizations for pursuing different objectives tend to have diverse styles and requirements. For example, disparities between firms in the creative industry (e.g. advertising agencies and graphic design agencies) and companies within other fields (e.g. financial companies) must be substantial. While people in advertising agencies emphasize on creative thinking and sparking imagination, finance companies may require a very serious working process with each clear-cut and accurate step. It is certain that a successful leadership needs to consider its organization’s specific functions. That is to say, leadership in organizations is required to develop right strategies to achieve objectives and attain effectiveness.

In the creative industry, particularly in design companies, creativity and innovation of the staff are especially significant. It is design creativity and innovation which make difference in the competitive commercial world of design business. In this sense, the main purpose of design leadership is greatly involved with motivating organizational members to produce outstanding designs. Successful design leadership concerns how to develop the best skills of designers and how to inspire them. Basically, in a design agency, leaders in all levels need to understand the importance of leadership in encouraging and inspiring followers’ design motivation as far as possible. This is considered as one of the most crucial functions of design leadership.

Leadership, a social process that results in the interactions between and within individuals and groups in organizational contexts, plays a role for and with others [2]. When leadership serves in an organization, it provides a foundation upon which organizational members work together and interact in certain ways. Lampropulos points out that leadership is critical within every part of the organization’s life[3]. Design agencies and many other creative companies or organizations have their own distinctive characteristics and they value design creativity and inspiration to a large extent. Leadership in this type of organizations must be specially tailored in order to achieve the greatest possible effectiveness. It is a fact that leaderships in design agencies generally have a powerful influence upon
different organizational cultures to be set up. For example, a design agency might be fairly relaxed about working methods and working procedures providing the objectives can be achieved while in another design agency there is a higher level of hierarchy, authority or supervision. Leadership also embodies the qualities or characters of the organizational members (both leaders and the other staff) in an organization. Importantly, philosophies within a certain social context also have a considerable impact on leadership. For instance, Confucianism influences leadership of many Chinese companies. Confucian thoughts are related to benevolent leadership\(^3\). In the last part of this paper, design leadership will be discussed further in the specified social context of Confucianism.

II. DEFINING LEADERSHIP AND DESIGN LEADERSHIP

Design leadership essentially is leadership in design business involving the creative staff and a range of creative factors. Design leadership shares the essentials of leadership, although it bears its own noticeable characteristics. Firstly, to explore design leadership, it is important to know what leadership is.

There are many different definitions of leadership as people have defined it in their studies. In the past 60 years, as many as 65 different classification systems have been developed to define the dimensions of leadership\(^5\). Despite that, leadership process is a key perspective in a wide variety of theoretical approaches. Leadership is described as ‘the process of motivating other people to act in particular ways in order to achieve specific goals’\(^1\). Meanwhile, many other researchers conceptualize leadership as a trait or capability of some individuals that enables them to direct others to accomplish tasks. For example, Dubrin defines leadership as leaders’ ability to inspire and stimulate group members to achieve the organizational goals\(^10\). Leadership is also mentioned as an act that affects others to perform or respond in a shared direction; the principal dynamic force that motivates and coordinates the organization in the accomplishment of its objectives\(^10\). Despite the diverse definitions of leadership, the essentials of leadership actually contribute to extensive interpersonal influence through a variety of communication toward goal attainment. This is particularly clear when leadership is specified as a process of interaction between leaders and followers. Figure 1 demonstrates the interpersonal influence of leadership in two different views.

Crucially, the definition of leadership from the perspective of ‘process’ suggests that leadership can be observed in leader’s behaviors\(^12\) and enhanced through the interaction between leaders and other members in an organization. Hence, the definition of leadership as a process will be mainly utilized in this paper.

When leadership is discussed, management can be often involved. To understand leadership, it is important to explore the relationship between leadership and management. Leadership and management are two different concepts that overlap in some aspects. The similarities are about decision making for organizational activities, creating networks of people and relationships that can accomplish an agenda, and then ensuring that group members complete tasks\(^13\). Nevertheless, leadership is different from management. Bennis\(^14\) argues that leading does not mean managing and the distinction between the two is crucial. He also refers that many institutions are well managed but poorly led. Being consistent with this view, Bennis and Nanus state in their book\(^15\).

**FIGURE I. THE INTERPERSONAL INFLUENCE OF LEADERSHIP**\(^11\)

The problem in many organizations, and especially the ones that are falling, is that they tend to be overmanaged and underled...they may excel in the ability to handle the daily routine, yet never question whether the routine should be done at all. There is a profound difference between management and leadership, and both are important. ‘To manage’ means ‘to bring about, to accomplish, to have change of, or responsibility for, to conduct.’ ‘Leading’ is ‘influencing, guiding in direction, course, action, opinion (p.21).

Management traditionally focuses on planning, organizing, staffing, and controlling, whereas leadership highlights the general influence process\(^11\). When leadership produces a vision to direct the organization, management plays the role to implement the vision and to select means to complete the end formulated by leadership.

In design agencies and some other creative companies, leadership exerts an influence on people who work with and for creativity. Evidently, the major intention of design leadership is to inspire and motivate staff to produce outstanding designs. In the process that design leadership is performed, this intention actually is the goals that design leadership endeavors to achieve. In consistence with leadership being specified, it is identified that leadership essentially accomplishes its functions through the processes which can be briefly described as i) establishing direction, ii) aligning people, and iii) motivating and inspiring\(^15\).

i) Establishing direction: developing a vision of the future, often the distant future, along with strategies for making changes in order to achieve the vision. In the creative industry, designers’ skills of producing creativeness make the competitive strength. It is fundamental that design leaders need to create a vision that inspires confidence, creativity and
initiative of the staff; Also, the vision inspires the traditional values of pride and loyalty[16].

ii) Aligning people: exchanging ideas about the vision with creative members whose cooperation is needed so that they can understand the vision thoroughly and devote efforts toward its achievement. Transferring vision from leaders to their followers does not hinder creative staff’s independent and innovative thoughts in design. Independent spirits need to be clarified and eventually structured by a clear vision because design is one of the most crucial parts in the whole creative business with the purpose of gaining profits in the marketplace. Moreover, since design is considered as a multidisciplinary team effort[17], the right direction provided by leadership can be helpful to achieve effectiveness of the collaboration of group work.

iii) Motivating and inspiring: keeping people moving in the right direction with motivation and inspiration by providing some proper extrinsic and intrinsic rewards. Although the extrinsic rewards (e.g. trips, promotions, and the like) are often useful for shaping behaviors, the primary source of motivation is the work itself[18]. Consequently, design leaders need to develop strategies to maintain people’s passion in their work. It is believed that passion of creative staff is significantly associated with great performance of creativity and freedom for working creativity. How to inspire the creative staff in their work and how to support their performance and freedom in creativity are the great issues in leadership. This will be discussed in the following chapter.

III. FUNCTIONS AND PITFALLS OF DESIGN LEADERSHIP

Design organizations are very different from many other types of corporations. The environment of many design organizations generally is much more flexible than other companies. For instance, in many design agencies, employees do not have to follow a dress code and they wear casual clothes in most cases; designers can personalize their offices with their creativity; even they might be fairly relaxed about the working methods. This can be seen as a part of their organizational culture, which is intimately related to the nature of design work and the ways that leadership interprets the characteristics of design work in a creative organization.

Creative work thrives best in a less formal environment and it demands a more flexible style of environment[20]. This is the major reason that the environment of design organizations shows more flexibility and less formality in some aspects than that of many other organizations. The environment can be illustrated as an indispensable part of an organizational culture, or representation of the organizational culture under the direction and influence of leadership. Culture can be defined as the set of key values, assumptions, understandings, and norms shared by members of an organization and taught to new members as correct[21]. The organizations’ culture is founded in the core values and beliefs that have developed in a team over time[22]. These core values, assumptions and norms are basically imbedded in the knowledge of the staff about what is good or not good in and about an organization. Moreover, as organizational members deal with internal and external things, they develop shared assumptions and norms of behavior. These are also taught to new members as the correct way to think, feel, and act about those problems[23]. It is clear that organizational culture is fundamental for an organization, as it defines a shared system of meanings that provides direction to the specific routine within an organization. Also, the culture prescribes the general ways people relate to each other[24]. When the organizational culture is developed in a design agency, it surely involves the daily routine performed by designers and other organizational members who could influence the creative work of designers, as well as the interaction among the designers, especially those between the superior designers and their followers. Accordingly, a particular culture of a design organization can significantly cultivate the attitudes of staff toward design work and affect their enthusiasm and motivation in the creative work, either actively or negatively.

As Schein suggests, culture and leadership must be understood together[25]. Organizational cultures are created by leaders, and one of the most decisive functions of leadership is the creation, and sometimes even the destruction, of organizational cultures. For a constructive leadership, the leader’s task is to create a culture that integrates all individuals into a natural unity so individual actions can strengthen the results of the whole[26]. In this sense, strategies are needed for creating a strong organizational culture based on the characteristics of the organization. Leaders should know that culture consists of several elements which are either extrinsic or intrinsic. The extrinsic elements are those which are visible at a surface level while the intrinsic elements are invisible. The intrinsic elements are often the deeper values and shared understandings held by organizational members. As is illustrated in Figure 2, culture consists of three levels.
The culture of design organizations is analyzed in levels. Generally, in the visible level, flexibility can commonly appear in many design agencies and many other creative organizations. Diversities are appreciated in a range of aspects, such as the dressing of employees, the physical surroundings, patterns of behavior and organizational ceremonies. This level of organizational culture is the first step that leadership creates culture, because it is comparatively simple to achieve. In order to motivate the creativity of the design staff in the creative industry, considerable flexibility is a key factor, which is distinguished from several other types of organizations that do not require such great creative power in working process.

This visible level is the basic part of an organizational culture, which relates to the deeper levels of the culture—the set of shared values, beliefs and assumptions existing in the organizational environment. Organizational culture plays a crucial role in cultivating staff’s understandings, values and beliefs. However, creating deeper levels of the culture is a complex task for leadership to achieve, since it requires a great deal of work and time, strategies and skills of the leaders, as well as efforts of the whole group. Leadership should set up a culture in which individuals both in high and low positions have a way to express their ideas and all the ideas and thoughts can be respected. In effect, a culture showing respect with each other in the whole organization is beneficial to build up trust within this environment. Trust is the foundation of cooperative action.[27] Design intrinsically is a kind of collective work; therefore, it is certain that design needs the cooperation of all designers. With the purpose of offering respect to all employees in different positions and building up great trust within an organization, leadership should establish a system of relationships among people. This system can eventually provide a way how different positions relate to each other; especially it tells how subordinates transfer their thoughts to superiors. A cooperative system of relationship creates effectiveness in communication and all sources of creative thoughts tend to be ignored. In contrast, a weak system of relationship damages interaction among people and their motivation.

In the system of staff relationship, it is authority and hierarchy which associated with inflexibility, slow decision making and lack of responsiveness to customers.[28] Hierarchy does not indicate a reasonable organizational structure for design agencies; in fact, it refers to ‘command and control’ leadership.[29] A number of organizations probably always have hierarchies, including many organizations in the creative industry. In the visible level of culture, these creative organizations have a physical environment with flexibility and diversity. However, the authority and hierarchy exist in the invisible levels of the organizational culture and all decisions will be examined through a complicated hierarchy and by authority. Accordingly, decision making will be very highly controlled by the superiors; many real creative thoughts might be killed or treated unfairly by the knowledge of authorities; effectiveness of creativity and designers’ motivation and inspiration will be impacted detrimentally. Hierarchy and authority are invisible, but these are closely connected with the core of a specific organizational culture and manifest the deep values and beliefs. In a right way, design leadership should develop a functional and cooperative organization structure with effective interaction and communication, rather than a system of hierarchies and authorities.

When an organization structure is set up, a specific type of relationships among organizational members is included in it. It constructs the espoused values and beliefs about relationships and communication of members. It is pivotal to point out the difference between espoused values/ beliefs and enacted beliefs/ values. The former are the values and beliefs that the organization claims to follow. The espoused values and beliefs are often in a written form, e.g. annual reports. The latter are the values and beliefs in practice.[30] In some organization, the enacted beliefs are consistent with the espoused beliefs. However, there are some other organizations in which the enacted values and beliefs are different from those they actually practice. Many creative organizations have been conscious of the importance of all staff’s creative thoughts and they have advocated the culture of flexible interaction and communication within the organization. But in practice, a relatively high level of hierarchy and authority still exist; employees are rarely involved in decision making and their creative thoughts tend to be ignored or postponed by the authority. Gap between espoused and enacted values/ beliefs is considered as a likely pitfall of leadership. The real culture in an organization is the enacted culture, not the espoused one. Leadership is required to create and develop a real culture; the expected values and beliefs should transcend the espoused.

Additionally, when we look into the pitfalls of design leadership, it is important to discuss the issue about leadership and management. The distinction between leadership and management was discussed in last chapter. Leadership and management essentially are not the same thing. However, confusion about them might exist in some organizations. Due to this confusion, an organization possibly falls into the situation of good management but poor leadership. The difference is that a person as a leader must exert a powerful influence upon followers in the attainment of organizational goals. However, managerial functions of organizing, planning, scheduling, processing information, communicating, and so on, do not necessarily involve leadership.[30] In several design agencies, particularly small and middle sized ones, the roles of leaders are performed by managers who also take the responsibility of managing people and accomplishing daily routine. The double
roles require that managers should make clear the difference between leadership and management, so that they can accomplish their responsibilities in both sides. It is a phenomenon that those with the double tasks of leadership and management tend to overlook their role as leaders. They might perform the routine of the organization smoothly and efficiently and keep the processes moving along with order and stability, but they have not paid sufficient attention to create a vision for the long-term survival of the organization and strategies for achieving the vision. That is to say, they do excellently in management; however, as leaders, they fail to accomplish their tasks of leadership. Hence, the organization is likely to fail to gain further development and long-term survival. In general, this consequence is chiefly caused by the confusion over the tasks of the different domains of management and leadership. If the difference between leadership and management is not recognized in the mind of managers and leaders, hardly can the success of the organization be achieved, especially in those small sized organizations where the roles of manager and leader are performed by a same person. Crucially, all organizations should be aware of the significant difference between the two domains, which helps to undertake their functions successfully.

IV. DESIGN LEADERSHIP AND CONFUCIANISM

Leadership and the organizational culture cultivated by leadership are often related to a certain philosophy or philosophies of a social context. A social context also has a critical influence upon people’s thinking, knowledge and beliefs. Organizational culture intrinsically is a set of values, beliefs and assumptions based on the knowledge and understandings of the leaders to a large extent. When leadership inspires organizational members, it embodies some core identities and essential characteristics of a particular social philosophy in the leaders’ knowledge. Confucianism is the most significant philosophy in Chinese community and has exerted powerful influences on Chinese people’s thinking; therefore, Confucian ideas are extensively related to benevolent leadership.

The key Confucian virtues include benevolence (ren), righteousness (yi), ritual propriety (li), wisdom (zhi), trustworthiness (xin), and filial piety (xiao). According to Confucius, benevolence means loving others. Benevolence is the central value of Confucian philosophy. Therefore, benevolence is always highlighted and considered to be a basic brief in leadership which is associated with Confucian philosophy. Based upon the assumption of original goodness of human nature, benevolence is related to humane relationship, and humane governance. From the perspective of leadership, this philosophical thought provides the essence of benevolent leadership in terms of cultivating the virtuous characteristics of leadership, leading the followers, and forming a benevolent system of governance. In benevolent leadership, concerns and love for employees are regarded as the significant factors. Humane relationship can be founded on this type of leadership in which both the thoughts and feelings of individuals tend to be concerned. In a context of Confucius’s benevolence, a harmony of leadership and followership is prone to be achieved and employees’ motivation is more likely to be inspired.

In Confucianism, benevolence is the source from which other virtues originate. The virtues of righteousness, ritual propriety, wisdom, trustworthiness, and filial piety are in consistency with benevolence, and have extended the concept of benevolence. For example, wisdom refers to understanding and appreciating the importance of benevolence, righteousness, and ritual propriety, but it is more important to apply that abstract knowledge to practice. However, these virtues still contain some values which are not appropriate for modern creative organizations. In a relationship with trustworthiness, Confucianism values adherence and loyalty to moral principle, but this trustworthiness is based on hierarchy and conformity. If this value is applied in modern creative organizations, it will make a negative impact on employees’ creativity and innovation to attain creativity.

Many Confucian thoughts and practices make sense of cultivation of organizational culture with the fundamental values of benevolence and humaneness. Nevertheless, not all the Confucian thoughts make a positive influence upon the modern corporations and organizations. When a design agency grows in the background of Confucianism, the values of benevolence and humaneness can help leaders to create a harmonious and benevolent organizational culture with Confucian traditions. On the other hand, it is important that leaders should be capable of avoiding or minimizing the negative impact of some Confucian thoughts which are inappropriate for the development of creative organizations in the modern society, such as Confucian hierarchy and obedience.

Comprehensive understandings of a particular philosophy and its values are very helpful for leaders to be aware of the negative aspect of the philosophical thoughts, thus avoiding potential pitfalls in leadership.

V. CONCLUSION

In modern organizations, responsibilities of the leader are differentiated from work of the manager. Learning the distinctions between the two things is basic to exercise them effectively. Since leadership is about establishing a particular vision and main direction for an organization, it lays the groundwork for long-term survival. Leaders decide what is important for achieving organizational effectiveness and further triumphs. Therefore, leaders consider the key criteria for attaining organizational goals, not only for now but also for the distant future. In order to achieve the goals, leadership mainly exerts influences through various ways, including inspiring the staff and building up a constructive organizational culture.

In the creative industry, a major intention of design leadership is to support and encourage the creative staff to produce creative works, which gains competitiveness. How well the members develop their creativity and innovation is closely related to the ways of exercising leadership. It is important that an organizational culture with flexibility and diversity is needed in this type of organizations. According to the intrinsic essence of a creative organization, strict hierarchy and rigid authority are prone to have a damaging impact upon both the interaction among people and innovation of the designers in their creative work.
Last, leadership in a particular social context is often associated with a certain philosophy or philosophies. While some thoughts and values of a philosophy are proper for an organization’s actual needs and development, there are some others which are inappropriate in practice. If leaders cannot comprehensively understand the both aspects and cannot be aware of the specific needs of the organization, negative consequences will possibly arise. As the philosophy of great importance in the Chinese society, Confucianism profoundly affects people’s values, beliefs and norms of conduct. The core virtue of this philosophy is benevolence. Hence, being influenced by Confucianism, benevolence leadership has its advantages to build up a humane organizational culture and humane relationships among people. Despite that, hierarchy and values related to hierarchy in Confucianism are undesirable for the development of modern organizations, particularly the creative industry.

Overall, this paper provides a view on how to create design leadership from the perspective of its functions and pitfalls. This is based upon an analysis of the characteristics of design leadership. In the analysis, both the essence of the creative organizations and the outstanding features of design leadership are also found. These can be helpful for successful design leadership to be established. In the future research, the difference among the creative organizations with their individual styles will be investigated, for example, the creative organizations in different sizes and those in different countries. Case study will be applied as one of the foci in the future study. The research about case study will be of great importance for design leadership to develop the advantages of the individuals and gain strength to a very large extent.

ACKNOWLEDGMENT

This research was carried out in the Centre for Cultural Policy Studies in the University of Warwick, UK. I am sincerely grateful to Dr Jonathan Vickery and Dr David Wright for the improvement in my professional skills, and I also wish to express my deep gratitude to the School of Humanities, Chongqing Jiaotong University, China.

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