The Impact of Structure and Corporate Ideology on Leader – Follower Relations in the Bureaucratic Organization: A Reflection on Moral Mazes.[TE1]

Abstract

In the wake of organizational scandals associated with corporate America servant as well as transformational leadership are seen as approaches capable of engendering a type of morality – on the part of leaders and followers – revolving around the notion of common good. However, recent critiques have highlighted the tendency in the relevant literature to overlook the systemic context within which leadership and followership are situated. Given this oversight this paper re-visits a classic piece of ethnography on corporate America: Robert Jackal's Moral Mazes. Employing concepts from social realism fused with insights from classic studies on management and bureaucracy we analyse the key themes from the book pertaining to the nature of the leader-follower dynamic in shareholder capitalism. The analysis highlights the role of bureaucracy and corporate ideology as key elements shaping leader-follower relationships, encouraging a type of morality associated with guarding self-interest whilst undermining relationality. The influence of the structural and cultural context in which leader-follower relations are situated is further theorized through the idea of affordance, drawing attention to morality as relationally contingent as opposed to an ideal state.

Keywords: Leadership, followership, morality, relationality, bureaucracy, corporate ideology, shareholder capitalism, ethnography.

Introduction

In recent years corporate America has suffered several high-profile scandals that have called into question the leadership quality of their senior management teams. Recent examples include the collapse of Enron, WorldCom and Lehman Brothers[TE2]. Despite such examples, scholars have long-presented "leadership" as the antidote to corporate ills, as a concept to guide individual behaviour (e.g., Gemmil and Oakley, 1992[TE3]). Contemporary accounts confirm certain values (Sendjaya et al. 2008) to emphasize ethical (Avolio and Gardner, 2005) servant (Blanchard and Hodges, 2003) and transformational leadership approaches (Bass, 1985). Common to this type of scholarship is the notion that leaders are persons of integrity, capable of shepherding their followers to ensure organisations benefit both stakeholders and society alike (Block 1993). Scholarly faith in leadership hangs on persons promoting a form of morality on theirs and their followers' part that evokes a *common good* [TE4](Graham 1995[TE5]). However, recent critiques have highlighted the tendency in the relevant literature to offer abstracted moral commentaries whilst overlooking the systemic context within which leadership and followership are situated (Alvesson and Karreman 2016[TE6]). This possibly explains why there remains an awkward mismatch between corporate misbehavior and leadership as an antidote to such misconduct. To examine this mismatch, we scrutinize morality in large bureaucracies by exploring the *situated* condition of leader-follower relationships. [TE7]

While ours is not a unique critique of leadership (see Alvesson and Spicer 2012; Currie and Lockett, 2007) it is novel in how we assess morality drawing on social realism [TE8]which is used to explain the social world we inhabit (Collier, 1998). Corporate America is theorised as a highly institutionalised context made apparent to leaders and followers in how they practice business in a corporate structure and ideology[TE9], which are treated as features of capitalism

that condition (but do not totally determine) leader-follower relations. We reject the substantialist tendencies of leadership scholarship that reduces morality to a set of ideal principles. [TE10]Instead, we theorise these social relations as deeply embedded and structured that is emblematic of the reflexive actions of actors trying to navigate the corporate pressures of maximising shareholder value[TE11].

Drawing on Robert Jackall's classic ethnography and honest portrayal (Alvesson and Karreman 2016) of corporate America: *Moral Mazes* (1988, 2010), we present a counter-position to those contextually lite[TE12] studies of leadership. We borrow from Jackall because he explores managerial elites' rules for success and how bureaucratic organisations shape moral consciousness (p.2). A vital part of this work follows corporate elites who are indoctrinated into a shared set of performative expectations [TE13]that set the tone for the whole organisation and whose dominance is perpetuated through alliance building. Alliance building is a pivotal part of managerial work that serves to cement the authority of CEOs securing theirs and their followers' survival against the quest for profitability[TE14][1].

Our analysis draws attention to the calculations of leaders and followers as they reflexively evaluate and confirm a shared "common good" – which speaks more to their own and deeply entwinned survival in a volatile corporate context as opposed to a broader sense of shared good. In doing so, the paper makes three contributions. First, employing social realism [TE15]gives scope to explain leader-followership – including moral conduct – as shaped but not determined by corporate structures [TE16]and ideology. Rather than assume social relations conform to an idealized – equitable and inclusive – idea of morality we instead situate such relations to

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[1] An updated version of the 1988 edition was released in 2010 offering additional reflections on the key themes of the book in light of the global financial crisis.

capture the conditioning *and* reasoned choices of leader-followers in a corporate setting. We characterize leader-followership as morally suspect because relations are focused on safeguarding one's interests, which stems from short-termism[TE17]. Second, we offer an account of leadership that is sociological and designed to remind us of the historically contingent nature of leadership. We not only anchor our study to the work of Jackall, but we also use classic sociological accounts by Crozier (1964), Merton, (1957), Gouldner (1954) and Selznick (1949) to evidence the heavy hand of capitalism and the quest for shareholder value in shaping "leadership"[TE18]. Finally, we offer a framing of leader-follower relationships based on the idea of affordance (Gibson, 1986; 2015) to explain why concerns to maximize shareholder value lead to a narrow representation of morality as an outcome of the political alliances that are established. [TE19]Here we want to build bridges between disciplines in an effort to offer explanations of leader-follower relations that draw attention to the affordances attributed to maximizing shareholder value that enrich current debate within mainstream management discourse.

The paper proceeds as follows. A brief review which examines how mainstream approaches such as transformational or servant leadership have depicted the leader-follower dynamic sets the stage for a presentation of key themes from Moral Mazes. This serves as a vignette which highlights corporate structure and ideology as important factors informing the leader-follower interaction and the type of moral conduct it entails. These themes are analyzed further by drawing on social realism [TE20]fused with additional insights from classic and contemporary work on the impact of bureaucracy and the legitimization of corporate ideology. More specifically, we seek to elaborate on the nature of the leader-follower relationship, the reflexive [TE21]actions it rests upon and the outcomes it produces by introducing the concept of affordance [TE22]before we conclude.

Prior to the presentation and analysis of key themes from "Moral Mazes" it is worth adding the following caveat. Although we appreciate the argument that leadership is not always embodied in an elite and cannot be necessarily equated with formal authority structures in actuality the two very often can overlap (Alvesson and Blom 2015). Thus, although Jackall's emphasis on organizational elites means that we may lose sight of emergent leadership dynamics unfolding independently of organizational hierarchies (even though this is not the focal point here) what we gain is a fine grained picture of how organizational structures entail asymmetrical relations whereby some individuals are viewed as leaders and others as followers with differing degrees of influence and opportunities for intervention (Alvesson and Spicer 2012).

A Brief [TE23]Review: Leader-follower relationships

Before we explore a social realist [TE24]framing of leadership-follower relations drawing on Jackall's study of corporate America, it is worthwhile offering a brief review of leader-follower studies, to isolate the long-held presumptions found in the literature. Recent trends in transformational and servant leadership capture a sense of optimism casting leadership as a virtue and necessity; something inherently good, often associated with positive organisational outcomes including a morally sound mode of organising. In turn, this work has begun to inform post-heroic studies such as distributed or shared leadership whereby teams and organisations are "stripped" of followers because everyone is seen as a leader (Alvesson and Blom, 2015). When formulated in this way such representations perpetuate leader-followership, as cohesive and empowering; breaking down power relations to create an alternative corporate reality. Put simply, such unity springs from the goal of teamwork and high performance (Hollander, 1995) while fostering the ideal of serving the needs of all parties involved (Greenleaf, 1977) that can stimulate follower growth (Burns, 1978).

In line with this managerialist thinking the leadership literature features accounts of the types of morality different approaches can elicit among followers. Graham (1995) is a case in point, associating transformational and servant leadership with *post-conventional morality*. This is founded on a certain sense of altruism as well as independence from authority figures or social conventions. Here priority lies in carefully balancing out the different needs and interests of all stakeholders without violating moral injunctions. Exchanges between leader–-followers confirm conventional notions of loyalty and where possible of exceeding role-related expectations[TE25]. This contrasts to transactional or autocratic leadership that induce *pre-conventional morality* allied with *guarding one's self-interest* (as subordinate behaviour is linked to rewards and sanctions for task performance). This position is underpinned by an account assuming harmonious co-existence stemming from a consensus based on shared goals. It assesses ethical conduct or the lack of it as innate to individual leadership styles[TE26].

Failures in leadership or the "crisis of leadership" (Hollander 1978) follow deficits in leader behaviour including, an individual's sense of responsibility, authenticity and integrity. On the rare occasion when it is acknowledged that there can be a dark side to charisma, deviation from appropriate action is explained as an example of self-serving behaviour directed to maintaining power over others as opposed to offering stewardship/service (Hollander 1995). These are seen as digressions from the moral ideal and in that sense the ideal is framed by a common good (Graham, 1995) that acts to hold leader and follower together breaking hierarchical power relations. We believe that such formulations are unhelpful in explaining leadership[TE27]. Put simply, leaders are always subject to performative pressures whilst employees' moral agency is limited by features of corporate capitalism such as authority relations (acting in line with a managers' instructions) and fragmented decision-making processes (Blanc, 2014). [TE28]This

means ethical conduct is likely to be situated by the demands of buying and selling (economic transactions), rather than follow the quasi voluntarist model portrayed. To understand what we mean we turn to Jackall (1988, 2010) to uncover the *conditioning* features of the corporate world on leader-followership.

Moral Mazes: An Insight into Leader-Follower Relations

Jackall's work is significant for our current purposes because he was interested in examining the moral rules in-use that permeate managerial work in corporate America[TE29]. As his focus is on the bureaucratic form and its impact on moral consciousness, it is noted with a few exceptions (e.g., the civil service) that American bureaucracy differed from Weber's ideal type. Rather than stress impersonality, bureaucracy in corporate America emerged as a form of *patrimonial bureaucracy*:

> "…in a patrimonial bureaucracy one survives and flourishes by currying favour with powerful officials up the line who stand close to the ruler. It is a system marked by patronage and by intrigues and conspiracies among various factions to gain the favour of the ruler. Of course, in America, kings and princes were unavailable as objects of personal attachment but the hierarchies of bureaucratic milieu allow the hankerings for attachment to be focused on chief executive officer as well as on high elected and appointed officials" (p.11).

Given the status of CEOs, Jackall notes how parts of the corporate structure serve to cement their authority and perpetuate relations based on patronage. Performance management and the widely used management-by-objectives process generates a sense of obligation[TE30]. This cascades down structures to create patrimonial authority, which is instrumental in shaping the

experience of those who "owe fealty" to their superiors (p.21). This relationship is not equitable because senior figures tend to avoid offering subordinates detailed instructions thereby insulating them from potential failure. In turn, as (limited) details are pushed down, credit is expected to be pushed up as subordinates become aware of the need to win and maintain their boss's favour. It is in the leader's discretion to share some credit with their subordinates to strengthen loyalty but only if this strengthens their position.

Implicit in this framing is the contingency and uncertainty of managerial work due to the role of performative pressures[TE31]. Jackall's references to Weber serves as a reminder of the principles, which have become the benchmarks for judging managerial work. In particular, individualism and materialism are the ideological markers shaping the context within which we might come to understand leadership. As Dyck and Shroeder (2005, p. 709) note, the impact of materialism in management theory and practice is evidenced in the accepted view that management's aim is profit maximisation. In turn and following Adam Smith's ideas this has helped to "transform individualism into a virtue of the highest order". The upshot for corporate America is simple: the relentless quest for profits causes organisational upheavals marked by personnel changes, as new CEOs or heads of divisions aim to build new coalitions. In building alliances leaders create a relational world around them to embed their authority and secure their own position[TE32].

It is in this formulation we can understand leader-follower relationships and for a vivid case to highlight this we look to Jackall's example of Alchemy (a pseudonym):

> "The new president of Alchemy – let's call him Smith – had risen from a marketing background in a small but important specialty chemicals division in the former company. Upon promotion to president, Smith reached back into his former division and systematically elevated many of his former colleagues,

friends, clients and allies. Powerful managers in other divisions were forced to take big demotions in the new power structure; put on "special assignment" – the corporate euphemism for Siberia, sent to a distant corner office where one looks for a new job; fired; or given "early retirement" a graceful way of doing the same thing. What happened in Alchemy Inc. was typical of the pattern in the other companies of the conglomerate" (p. 27).

As Jackall notes each round of re-organisation [TE33]confirms the subordinates' belief that "personnel changes are arbitrary and depend more than anything else on one's *social relationships* with key individuals and with groups of managers" (p. 36 *italics added*). Alliance building emerges as the defining element of managerial work for senior figures and their subordinates as it offers them a mechanism to protect their self-interest in a context marked by adversity. Even though affiliation is not subject to formal criteria, cautiousness, or discretion, alignment with what is considered acceptable etiquette and a willingness to please the boss (especially consenting to their ideas being appropriated by others) are highly desirable qualities. The rules of behavioural conduct are learned through ongoing interaction with peers who are also part of the multitude of alliances seen as essential for organisational survival. As Jackall argues, the nature of these informal groupings is captured by the word "gang[TE34]" (as opposed to words such as "managerial circles" which feature more benign connotations) that conveys the ongoing struggles for power and influence. Subsequently, although alliances are based on a sense of fealty and loyalty the latter are rather fragile and transient as they are shaped by organisational upheavals.

As Jackall contends these continuous struggles for ascendance and dominance take place in the conditions established by the CEO. Their aim is to centralise power as subordinates are often reluctant to deviate from their boss' mandate for fear of their own ambitions being derailed. Dependence on senior figures and a desire to become part of the dominant coalition profoundly shapes managers' moral compass whereby "what is right in the corporation is what the guy

above you wants from you" (p.4). And yet, while this narrative highlights the boundless power the CEOs supposedly enjoy, what also becomes apparent is that they too are restricted by a corporate ideology that promotes short-term profitability and success[TE35].

Historical Contingencies: Maximising Shareholder Value as Dominant Corporate Ideology[TE36]

Jackall opens-up a specific window on leader-follower relations, which is to draw attention to the situated and inherently political nature of corporate practice. For our part, drawing attention to the corporate structures and ideology that underpins these social relations is significant as it helps us appreciate the conditioning effect of such contexts on the search for a common good (Graham, 1995)[TE37]. For example, by the time Jackall's first edition was published in 1988, the dominance of neoliberalism in the US and the UK had helped bring about a shift in the rules underpinning corporate governance. The most significant changes involved the transition from the concept of *retain and reinvest* to that of *downsize and distribute,* also known as *maximising shareholder value* (MSV) (Lazonick and O' Sullivan, 2000).

Underpinned by agent theory the idea of shareholder maximization advanced in prominence in the 1970s. This trend in corporate America rendered problematic the idea of retaining earnings and reinvesting them in firm capabilities. For many:

> "… there was a need for a takeover market that, functioning as a market for corporate control, could discipline managers whose companies performed poorly. The rate of return on corporate stock was their measure of superior performance and the maximization of shareholder value became their creed" (Lazonick and O'Sullivan, 2000 p. 16).

This view was enhanced by the increasing influence of institutional investors providing an additional incentive to boost the market value of the corporate stock shareholders owned.

Overtime the MSV ideology led to downsizing corporations in an effort to increase return on equity, which was fuelled by the influential role of stock market analysts and management consultants in setting the standard against which the performance of a firm (and that of its leader) was then judged. As noted by Jackall (p.31), one CEO sent notes to his executives accompanied by articles written by a consultant in the Wall Street Journal paying tribute to the necessity of downsizing to streamline organisations[TE38].

The scope for prudent leadership and a wise mobilisation of resources to create consensus and desirable standards is limited by the constant pressure for "short-term, expedient solutions". As Jackall suggests, managerial squads are indoctrinated into the milking philosophy when they are tempted to squeeze available resources and adopt creative accounting techniques to hit targets quickly. This short term outlook also becomes a necessity due to the short tenure of any one manager in a role and thus another key rule of success is to "milk resources and move on" knowing that any problems will be blamed on others as managers are not "tracked down" from one role to another. Thus leaders and followers have to settle for mediocrity, while notions of "quality" and performance criteria are shaped by the power plays in a continuously turbulent environment.

Extending his analysis to the subprime loan crisis (leading to the global financial meltdown of 2008) and the Enron debacle, Jackall notes how the themes from the first edition of the book resonate with these events. He contends that what lies beneath a pattern of heedless leadership is indoctrination of investment bankers into the principle of short term profitability as the top business schools drill future leaders in "the imperative of increasing the value of the assets in their care in as short a time as possible by any means necessary without any regard for the overall well-being of their own organisations or society at large" (p. 236). These experiences

shape the moral compass of corporate managers, which are entrenched through networking on the basis of shared occupational experiences.[TE39] Corporate America is replete with "yes men" who are willing to subscribe to their bosses' moral rules in use, as their only chance of surviving the organisational turmoil is to be accepted into the dominant cliques established by senior figures. Corporate managers then "pragmatically take their world as they find it and try to make that world work according to its own institutional logic" (p.219).

The upshot of this analysis is that large bureaucracies [TE40]require a degree of self-rationalisation as ambitious persons need to align their mind-sets to the institutional logic of the organisations they serve. It is this act of voluntary self-rationalisation which, according to Jackall, induces the internalisation of organisational goals and leads to a compartmentalisation of moralities informing behaviour in the various aspects of executives' lives thus hindering translatability of values from one domain (e.g. one's home) to another (the workplace) which could possibly allow for a more reflexive stance towards organisational practices.

Taken together, the dominant corporate structure [TE41]helps to align leader-follower in subordinate relations that are mediated by a logic that acts as a significant barrier to the servant and transformational leadership aspirations of leadership scholars.

Leader-Follower Relations: Framed by Social Realism[TE42]

This account of corporate America and our framing of leader-follower relations as a politically motivated process mediated by corporate structures and ideology is premised on an explanatory framing borrowed from social realism [TE43](Archer, 2003; Collier, 1994; Pawson and Tilley, 2014[TE44]). Social realism [TE45]is a strand of relational sociology, underpinned by an ontology that keeps agency and structure separate therefore avoiding the "micro-contextual

reductionism[TE46]" (Reed 1997) of mainstream leadership studies. This is important because the leader-follower relationship must be situated albeit in ways that recognise the conditioning rather than deterministic qualities of the social world (Archer, 2003).

Social realism [TE47]operates with a stratified ontology whereby reflexive consciousness, as a distinct feature of human subjects is constituted through relationships with other subjects as well as the natural and practical orders (Smith, 2010). Here, relationality is based on emergence whereby relationships have properties conceived as outcomes that cannot be reduced to the parts, which constitute the relationship (Pawson and Tilley, 2014[TE48]Fleetwood, 2009). An example is fealty found in relations between CEOs and their subordinates, which is attained through social relations that create obligations leading to emergent outcomes such as allegiance, reliability and subjugation. In this respect, the extension from the individual to relational subject is explained by virtue of a collective orientation to a collective output. This multi-level take on relationality allows us to conceive of leader-follower relations as relational subjects embedded in ideological and structural contexts, which are conducive or obstructive to the delivery of relational goods, a process that is dependent on reflexivity (i.e. the ability to mull over social relationships and their emergent effects) (Archer, 2003; 2007). [TE49]

Having highlighted the influence of cultural (in the form of norms and values) and structural (organisations, networks) factors in enabling/constraining particular types of reflexivity and by extension relationality/sociability, writers who draw on social realism [TE50]such as Donati and Archer (2015) are quick to note that the structural and cultural contexts in which different levels of the social order operate nowadays tend to promote relational evils as opposed to goods. With the above conditions in mind they contend that added social value – stemming from agential and social reflexivity whereby shared social relations are treated as a relational good which is

worth maintaining and enhancing – is more likely to be produced by associative networks or third sector organisations than by markets or bureaucracies as the former tend to rely on a greater quality of social relations than the latter where relations tend to be impersonal and short-lived. Noting the production of relational goods or evils is context and activity dependent they argue that for-profit organisations seem rather unlikely settings for sustained relationality – which is seen as integral to servant or transformational leadership - due to the situated logic of competition which informs their operation, strengthened by bureaucratic measures (e.g. governance through performance indicators) at the service of instrumental rationality, thus undermining solidarity and social integration. [TE51]As they put it: "if any firm wishes to land on the side of the in-profit winners then there is little alternative to engaging in monetary cost benefit analysis and endorsing instrumental rationality in decision making" (p. 321).

Rather than assume leaders transform corporate relations because they have an abstract sense of the value of a more inclusive and fair approach to employee relations, which they may in fact have, we see leadership as *situated* by corporate structures and ideologies that shape the material and philosophical basis of action; that is, the reasoning that follows relational subjects' evaluation, deliberation and enactment of profit maximisation. As we see in Jackall's work, leader-follower relationships are often punctuated (and interpreted) through corporate upheavals. Although this does not preclude a move to more ethical leadership (Avolio and Gardner, 2005) what it does suggest is that such moves will always be circumscribed by a constant monitoring of the balance sheet[TE52]. The flavor of morality is closely tied to the alliances in situ, which is itself framed by a dominant ideology that enables and moderates corporate action.

The evaluative scope of leader-follower relations in large bureaucracies is deeply embedded in existing arrangements and in the efforts of individuals to survive corporate change. This is significant because this dynamic contextualises the reflexive monitoring of such events by both leader and follower. This creates what has elsewhere been termed the *logics of action* (Karpik, 1978), which is when individuals agree localised responses to broader institutional pressures and processes. This confirms a particularistic reflexive mode where individuals look to each other to decide what to do – to secure their shared survival. As outlined, this leads to individuals accepting a number of trade-offs - giving and taking in terms of responsibility for failure and/or sharing reputational success (Jackall, 1988). Therefore the notion of *common good* in the case of the leader-follower dynamic is not premised on universal moral principles (Graham 1995[TE53]). It rather reflects the experiences and expectations of leaders and followers embroiled in creating and maintaining the political alliances necessary to secure their temporary and volatile futures. In the same sense it also differs from being a genuinely relational good as it emerges as the outcome of short –term transactions informed by the instrumental rationality of large for profit bureaucratic organisations.

Sociological Accounts of Bureaucracy – A Sobering View

The preceding overview of *Moral Mazes* shows the inter-dependence of leaders and followers as these relations are subject to structural and ideological conditioning. The former is linked to the impact of bureaucracy on the moral compass of managers and followers while the latter is evident in a type of corporate narrative – MSV - that allies with the instrumental rationality typifying bureaucracy as an organisational structure. Our brief discussion of social realism [TE54]provided an ontological underpinning of the constitution and functioning of corporate entities that draws attention to the social context of leadership [TE55]while recognising leader-

followers exercise agency in ways heavily moderated by the emergent properties of those relations.

In relation to the impact of bureaucracy, it is obvious that Jackall paints a rather bleak picture regarding the scope for relationality and the exercise of reflexivity (and moral judgment[TE56]) as an emergent property of this relationship. Nevertheless, it should be noted insights from other studies of bureaucracy resonate with Jackall's work, areas of difference notwithstanding. Our aim here is to consider the "dampening" effect of bureaucracy on the scope for an enlightened view of leader-follower relations or how individuals might align themselves given the conditioning of this corporate form. [TE57]

On a fairly broad level, Weber's own assessment of bureaucracy pointed towards its oppressive aspects (despite its superiority as an efficient organisational form) whilst later accounts of its self-reinforcing dysfunctions (Crozier 1964) have contributed to common place criticisms of bureaucracy as a rigid form of structure which limits discretion. Following Weber's work a series of now classic studies published in the 1950s and 1960s have highlighted the unintended consequences of a range of bureaucratic features which were reinforced as a result of persons resisting the pressures towards standardised behaviour. These unintended consequences were described as a "vicious circle" with scholars focusing on different elements of the bureaucratic structure. Merton (1957) helped illustrate how the discipline required to impose a rationalist and mechanistic model leads to displacement of goals and ritualist behaviour; Gouldner (1954) showed how the proliferation of impersonal rules perpetuated tension between subordination and control that effectively led to intensified supervision whilst Selznick (1949) examined the "vicious circle" through specialisation. These works conceive bureaucracy as a structure of

domination stemming from the pursuit of instrumental rationality that seems hard to reconcile

with advocates of a *post-conventional morality* (Graham, 1995).

In line with Jackall, a common theme is the move on the part of individuals to retain room for

autonomy that is rooted in self-interest rather than a well thought out and collective endeavour

to amend the dysfunctional aspects of bureaucracy. As Crozier (1964) highlighted - the specific

dimension of self-interest was manifest in a "protective logic" as subordinates capitalise on the

problematic aspects of bureaucracy, not to resolve them, but to address uncertainty in the way

they strengthened their position:

> "the rigidity of task definition, task arrangements and human relations network results in a lack of communication with the environment and a lack of communication among groups. The resulting difficulties instead of imposing a re-adjustment of the model are utilised by individuals and groups for improving their position in the power struggle within the organisation. Such a scheme of interpretation is no longer founded on the passive reaction of the human factor, offering resistance to certain kinds of interference and manipulation. It is based on the recognition of the active tendency of the human agent to take advantage of all available means to further his own privileges" (p.194).

Weber's classic work lends weight to a view of leadership (and followership) as a manifestation

of rational/legal authority, which are associated with monocratic bureaucracy at the service of

formally rational economic behaviour. This means authority "attaches to the office and not the

persona of the office holder" (Vanagunas 2006, pp.396, 398). Subsequently, those who form

an organisational elite and are considered or perceived as leaders attain a lot of their clout from

the formal position they occupy in the higher echelons of the organisation. By extension, access

to particular positions within the hierarchy may dictate who is considered a leader and who is

a follower. However, as already demonstrated, the maintenance of positions of influence is

highly transient in large bureaucratic corporations where one of the pre-requisites for survival

is an "acute sense of contingency" (p. 36). Organisational re-structuring exercises give rise to

different configurations of power as new leaders appoint to positions of influence personal contacts to create a homogeneous coalition which extends from the top to the ground.

Here the leader sets the parameters of governance and the interaction with followers who – in turn - act in accordance with their superiors' wishes. Therefore, followers relinquish their responsibility to monitor a leader's comportment and performance and instead are turned into "custodians" of the leader's – as well as their own – interests. Bureaucracy and its concomitant instrumental logic inform leaders and followers with what Ten Bos and Willmott (2001) refer to as a "calculating instinct" whereby their following rules and demonstrating obedience stems from intuition of protecting one's self from adversity. This instrumental logic informs relations in bureaucracies so that individuals tend to be "an individualist privately and a conformist publicly" (Dalton, 1959, p. 244). And by extension, 'morality becomes indistinguishable from the quest for one's own survival and advantage' (Jackall, 1988, p. 204).

Recognising leader-follower relations as historically contingent

Our elaboration of leader-follower relations in large bureaucracies calls into question the idea of a post-conventional morality. On the part of leader-followers the turn to sociological studies of bureaucracy offers a particular view of relations that reflect protective efforts to survive the corporate upheavals associated with maximising shareholder value. This is characterised by autonomous action targeted at alliance building, which is inherently political and contentious, as it often involves trade-offs and manoeuvrings that are likely to see fellow workers "sent to Siberia" (relegated to an organisational backwater). This further illustrates how leader-follower relationships are also ideologically conditioned but not determined even though these interactions tend to produce cultural morphostasis – to borrow Archer's (1996) terminology –

whereby key values pertaining to the cultural status quo are reproduced through sociocultural interaction. [TE58]

Whilst a detailed assessment of the dominance of MSV is beyond the scope of this study, an obvious fact which should not be underestimated is that its legitimation - as a key part of the neoliberal project - has unfolded as a multifaceted process over the last 40 years. Research by Reed (2012, 2018) has portrayed the diffusion of neoliberal ideas/policy paradigms as an exercise spanning the domains of politics, business, media and communication and intelligentsia involving: "a wide range of actors and institutions, drawing variously on territorial and transnational networks, including the diasporic community of Chicago School economists, management consultants, ideologically attuned technocrats in countries like Chile and New Zealand, members of the Mount Pelerin Society, vanguardist politicians like Reagan and Thatcher, and think tanks in London, Washington, D.C. and elsewhere" (Peck and Theodore 2015: 25–6, cited in Reed, 2019). The main task here involves transforming the key ideological tenets/preferences into practical common-sense presuppositions informing policy and practice.

Thus, rather than displaying a commitment to universal moral standards and a pre-occupation with addressing the needs of all stakeholders (Greenleaf 1977) leader-follower interactions and moral judgments unfold against a backdrop of relatively deep-seated assumptions revolving around the notion that maximising shareholder value is an imperative following from the fact that of all stakeholders shareholders are the only ones who bear the risk of investment into productive activities without a guaranteed return (Lazonick 2015; 96).

On the part of leaders, despite the pressures stemming from such an imperative, they may have a vested interest in the perpetuation of MSV due to developments related to executive reward. For example, stock buybacks as a popular form of remuneration and the tendency of leaders to conform to the 'expectations game' (Fuller and Jensen 2002) set by financial markets serves as evidence that 'maximising value' for the shareholders is unquestionably perceived to be a leader's ultimate priority. Subsequently – and in conjunction with the power asymmetries embedded in a bureaucratic structure - in order to survive such a turbulent environment, followers opt for aligning themselves with central authority in their participation in dominant coalitions.

Archer (1996) points to contradictions in the main propositions holding together a central value system in conjunction with the existence of antagonistic interests as possible determinants of cultural change. In the case of MSV, once its main tenets are institutionalised – as a result of ideational unification and complementarity between the domain of ideas (e.g. agent theory) and the domain of organisational practice – they are taken for granted and are not challenged despite the continuous change of guard in dominant coalitions. Archer (1996) uses the example of the high tide of a research paradigm (Kuhn, 1962) whereby the underlying assumption in the scientific community is that it is the ability of an individual scientist that is tested and never the current theory to illustrate how a cultural system underpinned by a logic of complementarity (in other words logical consistency) operates. In the same fashion MSV – according to Jackall's account – is never questioned and corporations are run on the basis of maximising shareholder value at any cost whereby this dominant notion remains unchallenged despite the struggle for domination among different coalitions. Even when certain contradictions among the various tenets of corporate ideology may become obvious to actors operating outside the corporate domain, those inside it seem to remain locked into a particular type of institutional logic which

stands in contrast with the imagery of servant leaders and ethically responsible followers. It is the interpenetration of the principles of MSV supported by the logic of instrumental rationality which bureaucracies serve – and the vested interest that competing coalitions have in endorsing these ideas that seems to favour a particular type of morality which is not conducive to genuine, collective action.

Moral Mazes and the Affordances of MSV

Our discussion so far has elaborated on the role of corporate structure and ideology in shaping actor reflexivity and moral conduct on the part of leaders and followers in corporate America. The key points of our analysis (based on the main themes taken from Moral Mazes) stand in contrast with the assumptions informing popular mainstream theories such as servant leadership which more recently gained currency in the wake of organisational scandals. Assumptions revolving around the propensity of leaders to serve, to foster leader-follower relations underpinned by mutual trust and shared values shaping moral conduct seem at odds with the realities of shareholder capitalism or at least perpetuate a particular mode of corporate morality.

While scholars writing from the perspective of servant leadership (or similar approaches) view such principles as an antidote to systemic problems troubling large organisations, our analysis supports the account provided by Donati and Archer (2015) who contend that it is precisely the systemic context - structural and cultural - facing corporations that precludes the emergence of genuine relationality and the generation of relational goods and by extension the types of leader-follower relations often envisaged in the leadership literature[TE59]. Put simply, toxic or transactional relations are not the result of individual leadership styles or approaches but stem

from a particular type of instrumental logic inherent in the bureaucratic form and the MSV ideology.

In developing our account based on social [TE60]realism we suggest that the principle of MSV that frames leader-follower relations can be theorised using the idea of affordance (Gibson, 1986; 2015)[TE61], which refers to what is offered, provided or furnished to someone or something by an object, its user, or the relationship between the object and its user. This is significant because affordances are not a fixed quality of people or places, but have a relational character (Elder-Vass, 2005), that is emergent from the relations between the various constituent parts of people and places (Lindsay, 2018). Affordances present a generative conception of social causality – consistent with social realism [TE62]- that can account for the way morality or social good is generated within organisations through social interaction – for whom and in what circumstances. In that respect, the shaping influence of MSV on the morality of leader-follower relations arises from the relationship between those principles that underpin this concept and the actions of goal-directed actors. Here we can indicate a range of different affordances related to the way actors dealt with the unintended consequences of bureaucratic features which were reinforced as a result of persons resisting the pressures towards standardised behaviour. Affordances can offer opportunities and barriers to action.

For our purposes, the emergence of morality within corporate America is explained in how the CEO organises the relations around them and by this we mean the political alliances in the context or under the conditions within which they operate. This does not preclude the chance for leader-follower actions that might follow the ideals of many leadership scholars interested in curbing the misbehaviour of corporations, but it always recognises that such possibilities must be situated, and in that sense cannot be seen to ignore the key drivers of neo-liberalism

(Reed, 2018). Decisions to create corporate political alliances confirms the tight coupling of leader-follower to the successful actualization of MSV, which is to deliver profitability and in ways that conform to the logics of action established as a result of multiple and often ongoing restructuring events (Jackall, 1988).

How an alternative set of affordances could emerge might be found in recent work by Paul Adler (2019) who in his latest book presents "corporate socialism" as a possible alternative to the Anglo-American capitalist model. Here he outlines certain principles – namely participative centralisation, enabling standardisation, interdependent individualism – that underpin the practices of a case organisation in the healthcare sector – Kaiser Permanente - which has managed to strike a fine balance between corporate control and unit autonomy whilst fostering a collaborative spirit based on partnership between management and unions. In presenting this example, Adler suggests that these principles could be scalable for the operation of the entire American economy as a whole. Similar but distinct from MSV his idea of "corporate socialism" offers different affordances with the potential to reframe corporate behaviour. Acknowledging the limits posed by a capitalist context which could undermine the viability of these principles he contends the solution lies in socialising control over production and investment decisions not only within enterprises but across whole industries, ensuring this economy wide control is democratic (wide engagement) and efficient (innovation).

Such a re-formulation of corporate activity has however to be situated and here we bump up against the challenge of re-formulating corporate relations that continue to be premised on the basic logic of MSV. The problem of corporate morality and the potential solution have always to be situated in a meaningful context and while there is much to take from Adler's work the key is to better understand how the affordances that emerged from the case study might to some

extent translate into broader economic activity. Such an explanation will ultimately revert to a discussion of social causality at the juncture of corporate structure and ideology and the actions of CEOs, managers and workers.

Limitations[TE63]

So far, the preceding sections have aimed to draw on a range of sources to explicate how morality, reflexivity and relationality on the part of leaders and followers in large bureaucracies are restricted by particular features of the structure as well as the mandate for maximising shareholder value. Nevertheless, it should be acknowledged that our analysis is not without its limitations as it is based on the empirical data presented from one specific source. There are two points we wish to raise.

Firstly, although – as seen above – a host of scholars have highlighted the dysfunctional aspects of bureaucracy and the ways in which it may subjugate agency and ethical conduct it should be acknowledged that the issues our analysis talks to (the affordance of corporate structure and ideology) may not pertain to all forms of bureaucracy but primarily relate to patrimonial bureaucracy which personalises power relations between leaders and followers leading to the self-interested dynamics and relational evils evident in Jackall's account. A distinction between patrimonial bureaucracy and Weber's ideal type linked to impersonality is clearly made in the book and authors such as Ten Bos and Willmott (2001) acknowledge the demoralising effects of bureaucracy as manifested in "Moral Mazes".

However, Ten Bos and Willmott (2001) additionally suggest – on a more positive note – that bureaucracy may offer some space for protecting morality in so far as it may hinder less than virtuous practices such as nepotism: "In the absence of, for example, rules and procedures for

making appointments or determining dismissals, there is a risk that those occupying more senior positions in organizational hierarchies will act egotistically, nepotistically or more vindictively as staffing decisions are used to dispense or withdraw personal favours" (p.789) Du Gay (2000) – writing primarily with regard to the bureaucratic ethos in government – suggests that bureaucracy is a substantive ethical domain in its own right and thus critiques pointing at the tension between rationality and emotions are misguided. Additionally, he contends that the bureaucratic ethos rests on well tested features in the passage of time – such as possession of skill, status and independence to offer advice on policy – which safeguard representative democracy. In contrast, Hanlon (2015) contends the formal rationality ingrained in bureaucracy is inherently undemocratic and leads to immoral conduct as the rules and procedures generated to combat practices such as nepotism rest in the hands of experts who are inclined to use them to expand their power and attain privileged status.

Secondly, there are fine differences between Jackall's portrayal of the durability of elites and the observations stemming from other works. In particular, Jackall underlines the importance of coalitions and the co-dependence of leaders and followers as he ultimately sees both as rather "dispensable" in light of continuous organisational upheavals. What is less visible is the distinction between dominant coalitions and cabals dating back to the works of Dalton (1955), Burns (1955) and later on encountered in the work of Pettigrew (1973) and others. Dominant coalitions are seen as cliques positioned at the upper echelon of organisations, they are vertical/ hierarchical in nature and viewed as the power centres – integral to strategy formation and legitimation - and are thus considered as more durable as they have been maintained over long periods of time. Cabals, on the other hand, are horizontal, operational in nature or aiming to influence the "exercise of patronage" (Pettigrew 1973, p.18), yet they are short-lived and dissolve once they have outlived their purpose. This distinction is also echoed in Reed's (2012,

p.207) contrast between contingent "horizontal coalitions" and the more enduring "vertical domination structures" within which the former are embedded. Nevertheless, regardless of the degree of durability or vulnerability different accounts may assign to an organisational elite what is key is an acknowledgement the leader follower dynamic is devoid of the relationality espoused in the mainstream literature. This could be either because those viewed as leaders are able to occupy "command posts" to exercise control and they periodically assemble different networks of followers which they view as disposable – once they have served a specific purpose – or from the fact followers are equally endowed with a sense of "contingency" in light of competitive pressures – as Jackall notes – thus acting in line with a leader's command only to safe-guard their position whilst joining other short-lived coalitions following a change in the status quo.

Conclusion

This paper revisits key themes from Robert Jackall's "Moral Mazes" in order to examine the nature of the leader-follower relationship in corporate America alongside the factors which may constrain morality on the part of leaders and followers. Our motivation has been to capture the impact of some of the enduring elements of the institutional context facing leaders and followers which is often overlooked by studies informed by mainstream approaches allied with transformational and/or servant leadership. Drawing on insights from social realism as well as classic studies on bureaucracy and management the paper has sought to make three contributions. Firstly, our analysis views leader-follower relations and associated morality as a process shaped by structural and cultural conditioning in shareholder capitalism. Following up on this insight our account –informed by a sociological perspective treats lack of relationality and a highly transactional leader-follower dynamic not as a result of individual leadership

failure but as the outcome of an instrumental logic inherent in patrimonial bureaucracy and the corporate ideology known as maximising shareholder value. These twin elements limit the scope for post-conventional morality (associated with altruism) and genuine relationality - often viewed as innate to servant or transformational leadership. Under these conditions leader-follower relations take the form of short-lived alliances imbued with a calculating logic aiming to safeguard self-interest in the face of pressures stemming from the imperative of profit maximisation. Finally, our analysis of the inner workings of bureaucracy and corporate culture has been explained with reference to the idea of affordances to ground our understanding of leader-follower relations at the juncture where institutional contexts and actor action collide, drawing attention to morality as relationally contingent as opposed to an ideal state. Our focus on affordance is designed to re-focus leadership scholarship on relational accounts that take history seriously, situating actor goals as a response to the contingencies facing actors at any given point in time recognising actions tend to follow the guiding hand of capitalism.

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