California Management Review

MANAGEMENT

Two in the Lead: The Importance of Relationships When There are Two Bosses

by Ben Sahlmueller, Daan Van Knippenberg, Niels Van Quaquebeke, and Steffen R. Giessner

Image Credit | Christina @ wocintechchat.com

"Dual leadership" can be a solution to structural issues, but often at the cost of leadership tensions & challenges for subordinates.

INSIGHT | FRONTIER 12 Sep 2022

Sharing authority between two leaders (managers, supervisors) is increasingly common as organizations hope to bridge competing business logics, connect silos, spread knowledge, and find creative solutions for talent problems. In a representational survey among 3.956 US employees conducted by Gallup and McKinsey in 2016, 17% answered to report to more than one official supervisor during their workday and this percentage likely has only grown in recent years.

RELATED CMR ARTICLES

"Co-Leadership: Lessons from Republican Rome" by David Sally. (Vol. 44/4) 2002.

There are now many cases of co-leadership at the top of an organization—be it startup founders like Google's Larry Page and Sergey Brin or Stripe's Patrick and John Collison, two lawyers, consultants, or doctors leading their own practice, or the archetypical "mom and pop shop" around the corner. These trends accelerate with job sharing and leadership tandems becoming more prevalent as more and more leaders want to integrate their career and family. And such "dual leadership" (or "dual reporting") is even more common in the belly of organizations, where many employees have two supervisors. Workers in research, advertising, software-development, or other project-based jobs report to multiple leaders as they switch between different projects. Consultants often report to a client manager as well as a disciplinary supervisor at their own company at the same time.

The most advanced examples are so called matrix organizations that use dual reporting structures to address conflicting organizational requirements. Here, key employees report to two leaders, each of whom represents a different organizational logic. For example, department managers in a logistics company with a matrix structure might report to a regional business unit leader who defines universal standards for one business unit at different local branches, as well as a local branch manager who integrates different business units at the same local branch.

Dual leadership can be a solution to structural problems, but often at the cost of increased tensions and complications for leaders and challenges for subordinates. Our research suggests that core to these challenges is what organizational psychologists call “role conflict”, arising especially for those subordinates who experience differences in their relationships with each leader.

Role conflict is a psychological state that captures tensions connected to inconsistent or incompatible demands. Role conflict is already an important challenge in more traditional “single leadership” settings, where it is related to higher anxiety, lower satisfaction, decreasing commitment, and lower performance. In dual leadership settings, the risk of such role conflict is substantially greater because of the possibility that subordinates have different-quality relationships with their dual leaders.

Lower-quality relationships are not necessarily full of personal conflicts, but first and foremost mean that leader and subordinate stick to what is professionally required in a predominantly transactional relationship. Higher-quality relationships, in contrast, are characterized by mutual trust, commitment, loyalty, and respect, and mean for example that leaders and subordinates play ideas back and forth and freely do what they feel the situation requires rather than weighing their contributions against each other. They are not devoid of power differences, but they do empower subordinates more. Hence, the challenge for subordinates who have different relationships with both leaders is that they have a lot of control over their own job and are able to voice concerns with one of their leaders, while having to fulfil narrow specifications and having to be careful to raise problems with the other. The more the one leader-subordinate relationship is better than the other, the more subordinates may thus find themselves simultaneously empowered and not empowered and the more they are likely to experience conflicting role expectations that invite role conflict. Capturing this problem as well as a way to address it was the focus of our study.

In a study surveying 111 managers reporting to two matrix leaders in a leading global logistics company we focused on the question how the different relationships in dual leadership “triads” – combinations of a subordinate with two leaders – impact subordinate role conflict and dual leadership effectiveness. Our research team collaborated with a multinational logistics company based in Germany where, just like in the example above,

managers report to a business unit leader who sets standards between different localities as well as a regional leader who integrates different business units locally. This way, clients get the same quality standards globally and integrated services locally.

We surveyed 111 managers leading local business unit departments, asking them to rate their relationships with both leaders as well as the relationship between these leaders. To assess dual leadership effectiveness, we asked our participants to rate the effectiveness of both leaders as a leadership team, as well as the amount of role conflict they experienced.

Our findings show that role conflict and dual leadership effectiveness are not only influenced by (i) the quality of the leader-subordinate relationships, but also by (ii) the extent to which the dual leader-subordinate relationships are of similar quality and by (iii) the quality of the relationship between the leaders in the dual leadership dyad. As expected from the reasoning above, the more the managers in our study had relationships of different quality with their leaders, the more they tended to experience role conflict and the lower they tended to experience their dual leaders' effectiveness as a team. Such negative effects of differences in leader-manager relationships were preempted, however, by high-quality relationships between both leaders: The more the dual leaders had a good peer-to-peer relationship, the less subordinate managers suffered from a lower-quality relationship with one of the leaders.

Findings from interviews within the company suggest two reasons that explain how both leaders' relationship with each other can substitute for a missing link between the subordinate and one of their leaders. First, the leaders' relationship can act as an additional channel of information through which leaders can spot problems early and solve them together – for example regarding different expectations of both leaders and the subordinate's roles. Second, the leaders' relationship can bridge the missing link of trust between one leader and the subordinate; as the second leader can vouch for both their peer and subordinate, it becomes easier for everyone to alleviate tensions and to introduce innovative but risky ideas.

What makes this insight important is that it gives leaders an additional angle to make dual leadership effective. Following straightforward business advice that good relationships are always important, leaders might feel inclined to invest a lot of energy to manage the

quality of the relationship between two other people – their subordinate and their leadership peer. Our research suggests the value of a more realistic ambition: to manage one's own relationship with one's leadership peer in addition to one's relationship with one's subordinate. Leaders in dual leadership settings may thus invest in their effectiveness as a team by not only working on their relationships with their subordinates, but also on their relationship with their peer. Building a high-quality peer-to-peer relationship preempts role conflict issues for subordinates that may otherwise flow from lower-quality leader-subordinate relationships – either their peer leader's or their own.

Underscoring the importance of such investment for dual leadership effectiveness is another finding from our study. In addition to assessing their leaders' effectiveness as a team, we also asked participating managers to indicate how they experience the leadership from each of the dual leaders separately. Findings contrasting these single leadership effectiveness data with the dual leadership effectiveness data shows that for subordinates, dual leadership effectiveness is not simply a combination of the effectiveness of both leaders individually.

Just as teamwork cannot be reduced to the effectiveness of each individual team member, dual leadership effectiveness cannot be reduced to both leaders' individual effectiveness; for leaders, dual leadership effectiveness requires an investment in the dual leadership team and not just in their own leadership. While we are careful to not reduce effective leadership to relationship quality only (our study focused on people leadership and not for example strategy or innovation), high-quality relationships clearly are a key ingredient in effective leadership and our findings show that effective dual leadership benefits from taking these relational aspects very seriously.

Ben Sahlmueller Follow

Ben Sahlmueller writes his PhD on leadership at the Kuehne Logistics University and Rotterdam School of Management. His research focuses on dual leadership in settings like matrix organizations, top management teams, or co-founder pairs. Next to his research, Sahlmueller works as a change management consultant and leadership coach.

Daan Van Knippenberg Follow

Daan van Knippenberg is Houston Endowment Professor of Management at the Jones Graduate School of Business, Rice University. His areas of expertise include leadership, diversity and inclusion, team performance, and creativity and innovation. Before joining Rice, van Knippenberg was at Drexel University, Erasmus University Rotterdam, University of Amsterdam, and Leiden University.

Niels Van Quaquebeke Follow

Niels Van Quaquebeke is Professor of Leadership and Organizational Behavior at the Kuehne Logistics University and Distinguished Research Professor at the University of Exeter. His research focuses on leadership and the importance of communication, values, and interpersonal respect at work.

Steffen R. Giessner Follow

Steffen R. Giessner is Professor of Organisational Behaviour and Change at the Rotterdam School of Management, Erasmus University (RSM). His research is located at the intersection of organizational psychology and management, focusing on leadership, organizational mergers, and non-verbal communication of power.