Leadership privilege: Generating rigorous and relevant research into the process of Collusive Closure

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A decade ago, Khurana and Pisorski (2004) tendered the concept of ‘collusive closure’ to explain structural inequality in managerial labour markets whereby senior positions are restricted to certain groups. Drawing from the work of Khurana (1998) they explain collusive closure as follows: ‘under certain cultural conditions, closure may arise through a series of self-reproducing social constructions that restrict access to a position to those who conform to certain socially defined criteria (Khurana and Pisorski, 2004: 169).

Fitzsimmons et al. (2014) have found support for this notion by researching the slow progress of women to the Chief Executive positions of management in large organizations. Using a Bourdiesian (2001) approach to the social phenomenon under investigation, they found that ‘habitus’ ‘cultural field’ and ‘symbolic capital’ were the social processes that explained the collusive closure that appears still to be in practice. Under certain cultural conditions, women appear to be excluded from CEO positions by certain self-reproducing social constructions; and not by formal managerial constructions.

In this paper, we extend this concept to leadership as a process and not just as the position of leader. Khurana and Pisorski’s (2004) explanation is by no means a new argument with the notion of the ‘old boy’s network’ predicated on the reproduction of social inequality to achieve labour market advantage (McDonald, 2011). What is a departure is the second proposition, that is, collusive closure will not always be initiated by those who seek to benefit from it. We suggest that collusion might actually be perpetrated by the ‘losers’ from the closure as much as by the ‘winners’. For example the victim/martyr complex (Abrahamson et al., 1978; Kets de Vries, 2012), most usually attributed to women, is possibly a derivative of the habitus from which women have developed. It might well mean that women unwittingly collude in the closure that excludes them from CEO positions. Perhaps the ‘controlees’ are just as much ‘control freaks’ as are the ‘controllers’. The notion of the ‘control freak’ is a populist term that incorporates notions of Type A personality, dependency disorder and borderline sociopathy. This issue is significantly different to more traditional discussions of collusive behavior that reflect an intentional re-structuring of power relations. Indeed, collusive closure is commonly used to explain market sharing agreements that benefit all parties in order to avoid competition (Belleflame and Bloch, 2004).

As Khurana and Pisorski (2004) contend, collusive closure occurs for reasons of social legitimacy rather than deliberate discrimination or for group solidarity. Closure is a process where people are socially matched to jobs via position matching, performance attribution and status matching. Key to this understanding is that
such job advantages are uneared rather than deserved. The result is a self-reinforcing socialisation process that limits job opportunities to people who meet the limited and pre-defined criteria with limited opportunity to deviate from this norm, despite such jobs being unmerited. To remediate this there are two courses of action: the market efficiently counteracts management agency or when the market is not efficient, intervention is required by boards and stakeholders to correct management behaviour.

Collusion may appear to be at odds with the socially constructed nature of leadership inherent in the definition. For agreed-upon socially defined criteria to emerge there must be consistency across actors whereas the social constructionist approaches emphasis idiosyncratic views of leadership and complex, contested negotiations between leadership actors (see Fairhurst and Grant, 2010 for a review). However, an examination of how actors co-construct reality to reproduce collusive behaviour and subsequent closure is compatible with this viewpoint. For this, we draw from Gallon’s (1999) analysis of actor-network theory (ANT) and who states ‘if agents can calculate their decisions, it is because they are entangled in a web of relations and connections; they do not have to open up to the world because they contain their world’ (Gallon, 1999: 185). While ANT has parallels with social constructionist views and collusive closure such as actors participating in a network of ontologies (Gallon, 1999), we are concerned with individual relationships between human actors and not generalised societies and natures which are a central feature of ANT (Latour, 1996).

The concept of collusive closure has been referred to by a number of scholars to explain inequality in leadership positions. For example, it has been used to explain why women are often excluded in the executive search process (Tiernari, Merilainen, Holgersson and Bendl, 2013) and why they occupy a minority of board positions (Gamba and Goldstein, 2009). It has also been used to examine the relationship between post-secondary education and career achievement (Ott, 2013) as well as racial inequality in the service industry (Rubin and Moller, 2013). While it is a promising concept it is under-developed, which may explain why it has not received more attention.

To address this concern, we focus on two aspects of collusive closure that Khurana and Pisorski (2004) neglect. First, we reconsider their second proposition about who initiates closure and the subsequent benefit. While the authors contend that it is not always initiated by those who seek to benefit, for their argument to hold true we submit that closure must also be initiated by those who do not seek to benefit directly. How and why such persons engage in closure was not given attention by Khurana and Pisorski (2004) and an analysis of this theme is one of the contributions of this paper.

As a corollary, the second issue is the ‘certain cultural conditions’ under which collusive closure occurs, a key component of the definition but largely unexplored. Outside of noting the additional influence of social
and psychological forces on perceptions of leader performance there is no discussion of the aforementioned cultural conditions. We suggest that it is these ‘certain cultural conditions’ which is the issue that is badly in need of research.

Given the lack of information thus far we can attempt to deduce some implications. As Khurana and Pisorski argue, when the market fails to efficiently allocate people and usurp managerial agency, boards of directors and shareholders must intervene. This implies that social control mechanisms are key to subverting collusive closure. This thought is supported by Sørensen (2006) who argues that equal opportunity in labour markets hinges on social and economic equality, particularly family welfare policies.

To wit, leadership is closed when there exist few mechanisms for social control such as board oversight, shareholder activism and social policy supporting equal opportunity. A deeper examination of the various tools of social control will also be a feature of this paper presentation.

Deviating from Khurana and Pisorski (2004), in this paper we argue that social reproduction that gives rise to collusive closure in leadership does not have to benefit anyone directly. However, in all cases it indirectly reinforces one’s desired social position; if not for the purposes for position matching or performance attribution, then certainly to reproduce status. This last point is crucial and gives an explanation as to why individuals participate in the reproduction process even if they did not initiate it. This also allows for a more thorough examination of the original concept of collusive behaviour in markets whereby agents collude to avoid competition. Here, we argue that when an agent fits the socially defined criteria they will participate in reproducing the socially defined criteria of leadership even if they do not initiate the process.

We conclude with some suggestions about how the phenomenon of collusive closure might be researched, and in particular the ‘certain cultural conditions’ under which it might occur. Rowland and Parry (2009) used quantitative data and qualitative analysis to uncover the social process of consensual commitment. They found the importance of the distinction between transactional and relational leadership behaviour in organizational decision-making teams in order to achieve either closure or inclusion. However, we suggest that the intensely social and constructionist, vis-à-vis rational and structural nature of collusive closure, might favour a more dramaturgical (Gardner & Avolio, 1998; Burke, 1975) methodology. To be specific, movies might be the research method, vis-à-vis research data or research outcome, with which collusive closure is investigated. As one example, we believe that ‘Erin Brokovich’ is one production that brings to life plausibly the collusive closure by which women and other disempowered groups, are disenfranchised unintentionally from decision-making processes. In this drama, the central character is also able to overcome the apparent collusive closure. This drama is also looked upon by many critics as a type of quasi-documentary of events that actually occurred. Therefore, researchers might gather data about an
organisational example of apparent collusive closure and test those emerging social processes against the processes that appear to occur in Erin Brokovich. Other dramas that might be used to analyse data might include mafia movies like The Godfather, or the case of Wall Street. This critical realist approach to what might or might be grounded theory will help to validate Kempster and Parry’s (2011) calls for greater rigour and relevance in the examination of this important leadership matter.

References


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